

**NORTHERN MICHIGAN REGIONAL ENTITY
BOARD OF DIRECTORS MEETING
10:00AM, FEBRUARY 26, 2020
NMRE GAYLORD CONFERENCE ROOM**

BOARD MEMBERS IN ATTENDANCE:	Roger Frye, Ed Ginop, Annie Hooghart, Randy Kamps, Gary Klacking, Terry Larson, Christian Marcus, Gary Nowak, Jay O'Farrell, Richard Schmidt, Karla Sherman, Joe Stone, Don Tanner, Nina Zamora
BOARD MEMBERS ABSENT:	Mary Marois
CEOs IN ATTENDANCE:	Brian Babbitt (for Christine Gebhard), Chip Johnston, Karl Kovacs, Diane Pelts, Nena Sork
STAFF IN ATTENDANCE:	Mary Dumas, Eric Kurtz, Brandon Rhue, Sara Sircely, Deanna Yockey, Carol Balousek
PUBLIC IN ATTENDANCE:	Chip Cieslinski, Marissa Gunther, Sue Winter, Jackie Wurst,

CALL TO ORDER

Let the record show that Chairman Randy Kamps called the meeting to order at 10:00AM.

ROLL CALL

Let the record show that Mary Marois was excused from the meeting on this date; all other NMRE Board Members were in attendance.

PLEDGE OF ALLEGIANCE

Let the record show that the Pledge of Allegiance was recited as a group.

ACKNOWLEDGEMENT OF CONFLICT OF INTEREST

Let the record show that no conflicts of interest were expressed with any of the agenda items.

APPROVAL OF PAST MINUTES

The minutes of the January meeting of the NMRE Governing Board were included in the materials for the meeting on this date.

MOTION MADE BY JOE STONE TO APPROVE THE MINUTES OF THE JANUARY 22, 2020 MEETING OF THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS CORRECTED AS INDICATED; SECOND BY GARY NOWAK. MOTION CARRIED.

APPROVAL OF AGENDA

Mr. Kamps called for approval of the meeting agenda.

MOTION MADE BY ROGER FRYE TO APPROVE THE AGENDA FOR THE FEBRUARY 26, 2020 MEETING OF THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS; SECOND BY GARY NOWAK. MOTION CARRIED.

CORRESPONDENCE

- 1) The minutes of the January 9th PIHP CEO meeting.
- 2) The minutes of the February 6th PIHP CEO meeting.
- 3) CMHAM Mental Health Technology Transfer Care Network (MHTTC) January 2020 Newsletter.
- 4) CMHAM Mental Health Technology Transfer Care Network (MHTTC) January 2020 School-Based Mental Health Newsletter.
- 5) Email correspondence from Robert Sheehan and Alan Bolter of CMHAM about changing leadership at MDHHS.
- 6) Behavioral Health and Developmental Disabilities Administration (BHDDA) Bureau of Community Based Services Prepaid Inpatient Health Plans Follow-Up after After Emergence Department for Alcohol and Other Drug Dependence (FUA) January 2020 Report.
- 7) CMHAM Center for Healthcare Integration & Innovation (CHI²) Healthcare Integration and Coordination – 2019/2020 Update: Survey Initiatives of Michigan’s Public Mental Health System January 2020 Report.
- 8) Michigan Opioid Strategic Plan 2020 PowerPoint slides.
- 9) NMRE Opioid Health Home presentation to Southwest Michigan Behavioral Health, NorthCare Network, and Macomb County CMH PowerPoint slides.
- 10) CMHAM Analysis of FY2020 Medicaid Payments to Michigan’s Public Mental Health System’s PIHPs February 2020 Report.
- 11) Letter from NMRE on behalf of the 21 County Coalition Alliance to middle and high schools in the 21-county region offering participation in an anti-vaping campaign funded using liquor tax dollars (as presented during the January 22, 2020 NMRE Board meeting).
- 12) Views of CMH and PIHP CEOs Regarding System Advocacy SurveyMonkey Report.
- 13) CMHAM Advocacy Plan in Response to MDHHS System Design Proposal dated January 2020.
- 14) CMHAM Recommendations Related to MDHHS Proposal for the Structure and Operation of Michigan’s Public Mental Health System dated February 3, 2020.
- 15) NMRE Draft February 12th Finance Committee minutes.
- 16) NMRE Draft February 18th Operations Committee minutes.

Distributed on this date:

- 17) Letter from the 10 PIHP CEOs to Robert Gordon in response to MDHHS’s vision for reform of the public specialty behavioral health system.

ANNOUNCEMENTS

Let the record show that Mr. Kamps announced the Gary Nowak was reappointed to the NMRE Board by the Northeast Michigan CMH Board of Directors for an additional three-year term.

PUBLIC COMMENT

Let the record show that no comments were offered from the public during the meeting on this date.

REPORTS

Executive Committee Report

Let the record show that no meetings of the NMRE Executive Committee have occurred since the January Board Meeting.

CEO's Report

The NMRE CEO Monthly Report for February 2020 was included in the materials for the meeting on this date. Mr. Kurtz highlighted the January 23rd Community Forum held by AuSable Valley regarding System Redesign. Mr. Kurtz noted that the NMRE hosted an Opioid Health Home training for NorthCare Network, Southwest Michigan Behavioral Health, Macomb County CMH, and MDHHS on January 30th. The regions named have expressed interest in implementing an OHH and the NMRE was able to provide guidance and leadership.

Mr. Kamps turned attention to "FY2020 Capitation Payments" section of the January 9th PIHP CEO meeting minutes (correspondence item no.1); he asked whether MDHHS has caught up with the payments. Deanna Yockey replied that issues continues for Habilitation Supports Waiver (HSW) payments. Mr. Kamps pointed out that as the State attempts a fundamental change to the system, there appears to be no acknowledgement that the current system has not been given the tools required to sustain. Mr. Kurtz explained that a deep dive analysis of eligibility versus payment, drilled down to Medicaid ID is currently in process.

Regarding the payment issues, Mr. Kamps asked how dramatically it is affecting the region. Mr. Kurtz responded that it is having an effect but not as bad as other areas. Ms. Yockey added that revenue is flowing close to projections.

SUD Board Report

Let the record show that the next meeting of the NMRE Substance Use Disorder Oversight Board is scheduled for March 2nd at 10:00AM.

Financial Report

The NMRE Monthly Financial Report for December 2019 (Q1 FY20) was included in the meeting materials.

- Traditional Medicaid showed \$39,983,203 in revenue, and \$40,279,178 in expenses, resulting in a net deficit of \$295,975. Medicaid ISF was reported as \$2,964,048 based in the Interim FSR. Medicaid Savings was reported as \$0.
- Healthy Michigan Plan showed \$5,205,413 in revenue, and \$4,764,604 in expenses, resulting in a net surplus of \$440,809. HMP ISF was reported as \$2,973,781 based on the Interim FSR. HMP savings was reported as \$0.
- Net Position* showed Medicaid and HMP ISF combined net surplus of \$144,835. Medicaid and HMP combined ISF was reported as \$5,937,829. The Total Medicaid and HMP Net surplus, including carry forward and ISF was reported as \$7,769,396.
- Behavioral Health Home showed \$36,493 in revenue, and \$29,497 in expenses, resulting in a net surplus of \$6,996.
- SUD showed all funding source revenue of \$4,120,002, and \$3,534,486 in expenses, resulting in a net surplus of \$585,516. Total PA2 funds were reported as \$6,039,180.
- *The total Q1 HSW Receivable was reported at \$1,686,732.
- *NMRE Medicaid and HMP combined Net Surplus after the adjustment was reported as \$1,831,567.

Clarification was made that Medicaid and Healthy Michigan ISF can be combined. Improved rates have put SUD services in a surplus position. Mr. Kurtz noted that cost settlement for OHH and BHH revealed that the PIHP is at 100% full risk; any deficit must come from the performance incentive bonus or local funds. Mr. Kurtz will continue discussions with Jon Villasurda. Ms. Yockey expressed that the first PA2 payments for FY20 due in April. Mr. Kurtz

explained that much of the reason for the large liquor tax balances are due to HMP; before HMP providers relied on PA2 funds to pay for services for a much larger group of uninsured individuals.

MOTION MADE BY GARY NOWAK TO RECEIVE AND FILE THE NORTHERN MICHIGAN REGIONAL ENTITY MONTHLY FINANCIAL REPORT FOR DECEMBER 2019; SECOND BY DON TANNER. MOTION CARRIED.

NEW BUSINESS

Preliminary FY19 Year End

The regional Preliminary FY19 Year End Financial Report was distributed on this date.

- Traditional Medicaid showed \$159,199,804 in revenue, and \$165,770,701 in expenses for a net deficit of \$6,570,897.
- Healthy Michigan showed \$19,024,391 in revenue, and \$20,868,951 in expenses for a net deficit of \$1,844,560.
- NMRE Medicaid and HMP combined Net Deficit was reported as \$8,415,457.
- NMRE FY19 year-end ISF was reported as \$5,034,468.

Mr. Kurtz stressed that the hit to the ISF was much greater than anticipated; currently 2.8% funded. Mr. Kurtz will work with Finance and Operations Committees to develop a plan to budget funds back into the ISF in FY20. It was noted that residential services likely account for much of the overages.

OLD BUSINESS

System Redesign Update

The region was well represented at the Community Forum on February 21st. Mr. Stone acknowledged Mr. Kamps and Mr. Marcus for their excellent comments. The State's response to the NMRE's Health Home expansion was viewed as "disappointing." The suggestion was made to bypass MDHHS and communicate directly with the legislator. It is likely they are unaware of the potential \$1.4M savings to the state. Chip Johnston is putting together hard numbers. He emphasized that the Behavioral Health Home will fund itself exponentially. Mr. Kamps expressed that we need to use every means at our disposal to deliver the message.

PRESENTATION

Quality Assurance and Performance Improvement Program

Mary Dumas, NMRE Managing Director of Quality and Customer Services presented the NMRE's current Quality Assurance and Performance Improvement Program (QAPIP). Pursuant to Attachment P.7.9.1 of the MDHHS/PIHP Master Contract, the NMRE's Governing Body must:

- a) Approve the overall QAPIP;
- b) Receive written reports from the QAPIP describing performance improvement projects undertaken, the actions taken and the results of those actions;
- c) Review on a periodic basis (but no less frequently than annually) a written report on the operation of the QAPIP;
- d) Submit a written annual report to MDHHS following its annual review of the QAPIP.

The FY19 QAPIP work plan summary and the FY20 draft work plan were included in the materials for the meeting, as was the NMRE QAPIP reviewed for FY20 with no changes.

MOTION MADE BY DON TANNER TO APPROVE THE NORTHERN MICHIGAN REGIONAL ENTITY QUALITY ASSESSMENT AND PERFORMANCE IMPROVEMENT PROGRAM; SECOND BY ED GINOP. MOTION CARRIED.

Ms. Pelts asked about the anticipated impact of removing exceptions for Performance Indicators beginning April 1st. Ms. Dumas responded that the 95% threshold for Indicators #2 and #3 have been removed for year 1 to establish a baseline. NMRE Chief Information Officer, Brandon Rhue, added that the State is relying more on BH-TEDS data; these must be collected and submitted accurately. The state has also removed the “not collected” field for BH-TEDS.

COMMENTS

Let the record show that no comments were offered at the close of the meeting on this date.

MEETING DATES

The next meeting of the NMRE Board of Directors will take place on March 25, 2020 at 10:00AM at the NMRE office in Gaylord.

ADJOURN

Let the record show that Mr. Kamps adjourned the meeting at 11:51AM.