

**NORTHERN MICHIGAN REGIONAL ENTITY
BOARD OF DIRECTORS MEETING
10:00AM – SEPTEMBER 23, 2020
TREETOPS RESORT, GAYLORD**

ATTENDEES:	Roger Frye, Ed Ginop, Gary Klacking, Christian Marcus, Mary Marois, Gary Nowak, Jay O’Farrell, Richard Schmidt, Karla Sherman, Joe Stone
VIRTUAL ATTENDEES:	Randy Kamps, Don Tanner, Nina Zamora
ABSENT:	Terry Larson, Don Smeltzer
STAFF:	Eugene Branigan, Eric Kurtz, Brandon Rhue, Sara Sircely, Deanna Yockey, Carol Balousek
PUBLIC:	Chip Cieslinski, Sue Winter

CALL TO ORDER

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

ROLL CALL

Let the record show that Terry Larson and Don Smeltzer were excused from the meeting on this date. All other Board Members were in attendance either virtually or in person.

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

Let the record show that the August minutes of the NMRE Governing Board were included in the materials for the meeting on this date.

MOTION MADE BY ROGER FRYE TO APPROVE THE MINUTES OF THE AUGUST 26, 2020 MEETING OF THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS; SECOND BY JOE STONE. MOTION APPROVED BY CONSENSUS

CORRESPONDENCE

- 1) PIHP CEO Meeting notes dated September 3, 2020.
- 2) Data comparison for COVID-19 February 2020 – July 2020 in draft form.
- 3) An invitation to PIHPs from the Michigan Department of Health and Human Services and the Institute of Healthcare Policy & Innovation at the University of Michigan to participate in discussions to improve the Substance Use Disorder services system.
- 4) Email correspondence from Robert Sheehan and Alan Bolter of the Community Mental Health Association of Michigan updating PIHPs and CMHSPs on advocacy efforts in response to Michigan Department of Health and Human Services’ Plan to Redesign Michigan’s Public Behavioral Health System.

- 5) Milliman Presentation on State Fiscal Year 2021 Behavioral Health Capitation Rates – Update from Draft to Final dated September 2, 2020.
- 6) Regional Finance Committee meeting minutes for September 9, 2020 in draft form.

Mr. Kurtz spoke about the University of Michigan project to increase substance use disorder provider capacity as part of Section 103 of the “Substance Use Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities” (SUPPORT) Act.

ANNOUNCEMENTS

Let the record show no announcements were brought forward during the meeting on this date.

PUBLIC COMMENTS

Let the record show that Chip Cieslinski and Sue Winter were virtual attendees of 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 August Board Meeting.

CEOs Report

The NMRE CEO Monthly Report for September 2020 was included in the materials for the meeting on this date. Mr. Kurtz commented on the Regional Behavioral Health Home Kickoff on September 11th; a full report will be provided under the “Presentation” portion of the Agenda.

SUD Oversight Board Report

The minutes of the NMRE Substance Use Disorder Oversight Board meeting from September 14, 2020 were included in the materials for the meeting on this date.

July 2020 Financial Report

- Traditional Medicaid showed \$148,119,726 in revenue, and \$137,314,700 in expenses, resulting in a net surplus of \$10,805,026. Medicaid ISF was reported as \$1,460,876 based on Final FSR. Medicaid Savings was reported as \$0.
- Healthy Michigan Plan showed \$20,809,456 in revenue, and \$17,939,658 in expenses, resulting in a net surplus of \$2,869,798. HMP ISF was reported as \$3,573,592 based on the Final FSR. HMP savings was reported as \$0.
- Net Position* showed Medicaid and HMP ISF combined net surplus of \$5,034,468. The Total Medicaid and HMP Net surplus, including carry forward and ISF was reported as \$18,709,292.
- Behavioral Health Home showed \$93,838 in revenue, and \$89,932 in expenses, resulting in a net surplus of \$3,906.
- SUD showed all funding source revenue of \$15,251,981, and \$12,574,394 in expenses, resulting in a net surplus of \$2,677,587. Total PA2 funds were reported as \$5,861,658.

Considerable focus was placed on the Net Surplus total.

Mr. Kamps responded to the change in rates from draft to final for DAB (6.6% to 5.9%) and TANF (7.6% to 6.6%) as referenced the Milliman rate presentation; it was noted that overall the composite rate increase shifted from 3.8% to 3.5%.

Mr. Kurtz reported that he learned recently that the State is over-obligated to the sum of \$15M on SUD Block Grant funds. The NMRE was tasked with reviewing Block Grant use and, where possible, move the funding source to State Targeted Response (STR) and State Opioid Response (SOR) grant funds. A similar pullback in fiscal years 2021 and 2022 would be cause for concern and could necessitate the use of liquor tax dollars.

Mr. Kamps inquired about the uptick in eligibles reflected on the Regional Eligible Trending Graphs included in the monthly financial report; he stressed the need for the region to “hang on to every dime.” Mr. Kurtz noted that a decline in eligibility is likely next year.

MOTION MADE BY JOE STONE TO RECEIVE AND FILE THE NORTHERN MICHIGAN REGIONAL ENTITY MONTHLY FINANCIAL REPORT FOR JULY 2020; SECOND BY KARLA SHERMAN. ROLL CALL VOTE.

“Yea” Votes: Roger Frye, Ed Ginop, Randy Kamps, Gary Klacking, Christian Marcus, Mary Marois, Gary Nowak, Jay O’Farrell, Richard Schmidt, Karla Sherman, Joe Stone, Don Tanner, Nina Zamora

“Nay” Votes: Null

MOTION CARRIED.

Operations Committee

The minutes from September 15, 2020 were included in the meeting materials in draft form. Ms. Pelts requested clarification regarding how PA2 would be pulled to supplement the \$15M block grant shortage. Mr. Kurtz responded that we would try to pull directly by county where block grant funds are used for indigent services but given the amount of homeless or the use of the provider location as the persons address this cannot always be accomplished. Mr. Kamps expressed that he would not be opposed to a disproportionate share pulled from Grand Traverse county given the fund balance. Mr. Stone expressed concern with rate increase respects of 8% - 10% (inpatient). Mr. Kurtz stressed that NMRE aims to negotiate per diem rates that are consistent with other inpatient hospitals.

NEW BUSINESS

NMRE CEO Contract

Ms. Yockey explained that a 5% increase for the NMRE CEO was included in the FY21 budget passed in August 2020. A 5% increase to the NMRE CEO’s salary was request as both cost of living and merit increases. It was noted that the CEO receives the same fringe benefits as all other NMRE staff. Mr. Kamps asked whether the NMRE has any provisions in place in the event of a leave of absence by the CEO. A document from 2014 was referenced but there is nothing in writing currently. Succession Planning will be added to the Agenda for October. Ms. Gebhard commented that Operations Committee would be able to fulfill interim needs should the NMRE Board make the request.

MOTION MADE BY ROGER FRYE TO APPROVE A FIVE PERCENT INCREASE TO THE NORTHERN MICHIGAN REGIONAL ENTITY’S CHIEF EXECUTIVE OFFICER’S SALARY EFFECTIVE OCTOBER 1, 2020; SUPPORT BY MARY MAROIS. ROLL CALL VOTE.

“Yea” Votes: Roger Frye, Ed Ginop, Randy Kamps, Gary Klacking, Christian Marcus, Mary Marois, Gary Nowak, Jay O’Farrell, Richard Schmidt, Karla Sherman, Joe Stone, Don Tanner, Nina Zamora

“Nay” Votes: Null

MOTION CARRIED.

Proposed FY21 NMRE Board Meeting Schedule

The proposed NMRE Governing Board Meeting Schedule for FY21 was included in the materials for the meeting on this date.

MOTION MADE BY DON TANNER TO APPROVE THE NORTHERN MICHIGAN REGIONAL ENTITY GOVERNING BOARD MEETING SCHEDULE FOR FISCAL YEAR 2021 AS PRESENTED; SUPPORT BY CHRISTIAN MARCUS. MOTION APPROVED BY CONSENSUS.

MDHHS-PIHP FY21 Contract

Mr. Kurtz explained that the State completely revamped the MDHHS-PIHP Master Contract for FY21; it now emanates from the State's Procurement Office and follows standard boilerplate language. As such, the Contract fails to recognize the PIHP as a governmental entity. Mr. Kurtz, in consultation with legal counsel, notified the State regarding his concerns with a couple items contained in the Contract.

Mr. Kamps asked whether it is possible to sign the Contract with qualifiers. Mr. Kurtz offered to reference his concerns and those of the NMRE Board when submitting the signed Contract. It was noted that CMHSP General Fund Contracts will be following the same format. Clarification was made that if the Contract was left unsigned, the NMRE would not receive funding.

MOTION MADE BY MARY MAROIS TO AUTHORIZE THE NORTHERN MICHIGAN REGIONAL ENTITY CHIEF EXECUTIVE OFFICER TO SIGN THE CONTRACT WITH THE STATE OF MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICE FOR FISCAL YEAR 2021 WITH THE ADDITION OF A POSTSCRIPT ENUMERATING THE CONCERNS OF THE NORTHERN MICHIGAN REGIONAL ENTITY CHIEF EXECUTIVE OFFICER, GOVERNING BOARD, AND LEGAL COUNSEL; SUPPORT BY JAY O'FARRELL.

Mr. Marcus suggested that the Board's action should give Mr. Kurtz the ability to sign but also the option to not sign if backed by consensus of the ten PIHPs.

Mr. Kurtz indicated that he felt that Ms. Marois's motion was appropriate, adding that it is likely that most of the PIHPs may have already signed. Mr. Tanner thanked the Board for its thoughtful consideration.

ROLL CALL VOTE.

"Yea" Votes: Roger Frye, Ed Ginop, Randy Kamps, Gary Klacking, Christian Marcus, Mary Marois, Gary Nowak, Jay O'Farrell, Richard Schmidt, Karla Sherman, Joe Stone, Don Tanner, Nina Zamora

"Nay" Votes: Null

MOTION CARRIED.

Liquor Tax Requests

The liquor tax requests recommended by the NMRE Substance Use Disorder Oversight Board on September 14, 2020 were reviewed.

- 1) AuSable Valley CMHA – Ogemaw County: \$53,076 and Iosco County: \$46,742
- 2) Catholic Human Services – Kalkaska County: \$52,404

The total amount of liquor tax dollars brought forward for approval was stated as \$155,222. Mr. Stone asked why Oscoda included in the request from AuSable Valley for jail services. Ms. Sircely responded that although the services would be provided in the Ogemaw and Iosco county jails, funding may be pulled from Oscoda if it is determined to be the inmate's county of residence.

Mr. Marcus referred to the request to carry forward FY20 liquor tax dollars to continue the anti-vaping campaign in Region 2 schools; he asked who is implementing the program. Ms. Sircely responded that it is monitored by the Health Department of Northwest Michigan.

Mr. Tanner asked for a status update on the request for the NMRE to determine minimum liquor tax fund balances for the 21 counties. Mr. Frye noted that it was discussed during the September 14th meeting, but no recommendation has been made to date.

MOTION MADE BY JOE STONE TO APPROVE THE LIQUOR TAX FUND REQUESTS RECOMMEND BY THE NORTHERN MICHIGAN REGIONAL ENTITY SUBSTANCE USE DISORDER OVERSIGHT BOARD ON SEPTEMBER 14, 2020; SUPPORT BY JAY O'FARRELL. ROLL CALL VOTE.

“Yea” Votes: Roger Frye, Ed Ginop, Randy Kamps, Gary Klacking, Christian Marcus, Mary Marois, Gary Nowak, Jay O'Farrell, Richard Schmidt, Karla Sherman, Joe Stone, Don Tanner, Nina Zamora

“Nay” Votes: Null

MOTION CARRIED.

Direct Care Wage Increase

Mr. Kurtz expressed his wish to continue the \$2/hour premium pay increase to direct care workers through December 31st. It was noted that the increase received the support of the Operations Committee. Mr. Stone commented that he'd received an email indicating that the increase through the calendar year is covered in State budget. The recommendation was made that premium pay should remain a focus of targeted spending in FY21.

MOTION MADE BY RANDY KAMPS TO APPROVE THE CONTINUATION OF THE TWO DOLLAR PER HOUR (\$2.00/HOUR) PREMIUM PAY INCREASE TO DIRECT CARE WORKERS THROUGH DECEMBER 31, 2020 REGARDLESS OF WHETHER THE INCREASE IS DIRECTED BY THE STATE; SUPPORT BY MARY MAROIS. ROLL CALL VOTE.

“Yea” Votes: Roger Frye, Ed Ginop, Randy Kamps, Gary Klacking, Christian Marcus, Mary Marois, Gary Nowak, Jay O'Farrell, Richard Schmidt, Karla Sherman, Joe Stone, Don Tanner, Nina Zamora

“Nay” Votes: Null

MOTION CARRIED.

OLD BUSINESS

Let the record show that there was no "Old Business" included on the Agenda for the meeting on this date.

PRESENTATION

Behavioral Health Home Summit Recap

Mr. Kurtz provided a brief overview of the Regional Behavioral Health Home summit held on September 11th. He acknowledged Centra Wellness and Northern Lakes for doing an excellent job reviewing their experiences and lessons learned since they each began the program in 2014. Trainings by the State on the Waiver Support Application (WSA) are scheduled later this month. The "Go-live" date for the expansion (first initiated in 2017) is October 1, 2020. Mr. Kurtz noted that it will begin slowly and ramp up over time. The Summit presentations will be forward to the Board for interest.

Ms. Marois asked about BHH eligibility. Mr. Kurtz responded that the State identifies individuals based on diagnostic criteria (and other) criteria. Currently 27,000 individuals have been identified as being eligible in the NMRE's twenty-one counties.

COMMENTS

Board

Mr. Kamps mentioned recent communication to the CMHSPs from Disability Rights of Michigan concerning Medicaid Bulletin 20-58, "COVID-19 Response: Specialty Behavioral Supports and Services." Mr. Kamps inquired about how the Region intends to respond. Mr. Kurtz indicated that he was aware of the letter but had not received or reviewed it. The CMHSPs acknowledged that the specific timeframes stated in the letter will be tight, but they intend to fulfill the request.

MEETING DATES

The next meeting of the NMRE Board of Directors was scheduled for 10:00AM on October 28, 2020.

ADJOURN

Let the record show that Chairman Nowak adjourned the September 23, 2020 meeting of the NMRE Board at 11:22AM.