

NORTHERN MICHIGAN REGIONAL ENTITY  
BOARD OF DIRECTORS MEETING  
10:00AM – FEBRUARY 24, 2021  
GAYLORD BOARDROOM

<b>ATTENDEES:</b>	Roger Frye, Ed Ginop, Randy Kamps, Gary Klacking, Terry Larson, Christian Marcus, Gary Nowak, Jay O’Farrell, Richard Schmidt, Joe Stone
<b>VIRTUAL ATTENDEES:</b>	Mary Marois (Traverse City), Karla Sherman (Petoskey), Don Smeltzer (Frankfort), Don Tanner (Benzonia), Nina Zamora (Traverse City)
<b>STAFF:</b>	Branislava Arsenov, Christine Gebhard, Chip Johnston, Karl Kovacs, Eric Kurtz, Diane Pelts, Brandon Rhue, Sara Sircely, Heidi Serven, Nena Sork, Deanna Yockey, Carol Balousek
<b>PUBLIC:</b>	Sue Winter

CALL TO ORDER

Let the record show that Chairman Nowak called the meeting to order at 10:02AM.

ROLL CALL

Let the record show that all NMRE 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 to any of the meeting agenda items were expressed.

APPROVAL OF PAST MINUTES

Let the record show that the January 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 JANUARY 27, 2021 MEETING OF THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS; SECOND BY JOE STONE. ROLL CALL VOTE.**

**“Yea” Votes:** R. Frye, E. Ginop, R. Kamps, G. Klacking, T. Larson, C. Marcus, M. Marois, G. Nowak, J. O’Farrell, R. Schmidt, K. Sherman, D. Smeltzer, J. Stone, D. Tanner, N. Zamora

**“Nay” Votes:** Nill

**MOTION CARRIED.**

CORRESPONDENCE

- 1) The minutes from the Community Mental Health Association of Michigan (CMHAM) Directors Forum dated January 27, 2021.
- 2) The minutes from the PIHP CEO meeting dated February 4, 2021.

- 3) A memorandum from Adam Falcone, attorney at Feldesman, Tucker, Leifer, and Fidell to Robert Sheehan, CEO of CMHAM dated December 17, 2020 regarding Service/Encounter Costs for Community Mental Health Service Programs.
- 4) A memorandum from Jeffery Wieferich to PIHP and CMHSP CEOs dated February 10, 2021 regarding HCPCS code H2015.
- 5) Letter template supplied by Chip Johnston to send to Legislators and Stakeholders regarding 928 Local Match requirements.
- 6) The FY22 Executive Budget proposal supplied by CMHAM.
- 7) NMRE Regional Performance Indicator Reports for Quarters 3 and 4 of FY20 and Annual Summary.
- 8) The draft minutes of the NMRE Regional Finance Committee meeting dated February 10, 2021.

Sent via email on February 23, 2021

- 9) Article from Crain's Detroit Business dated February 21, 2021 by Chad Livengood titled, "State of confusion: Michigan's mental health system has many layers for those in need to navigate."

Mr. Kurtz drew attention to the opinion by Mr. Falcone and its impact on the PIHP's calculation of the Medical Loss Ratio; historically some CMHSP admin costs were attributed to the PIHP. Mr. Kurtz explained that the Application for Participation (AFP) required PIHPs to contract with CMHSPs as "Network Providers" vs. subcontractors. MDHHS has not supported the Falcone opinion. If the Department holds firm, the PIHP's MLR may not be favorable.

Mr. Kurtz spoke about the Crain's article sent to the Board on February 21<sup>st</sup>, presumably in response to the recent issues Detroit Wayne Mental Health; the article revived 298 type discussions. Mr. Stone voiced concern that current system design proposal (led by Macomb) does not factor in the need for both PIHPs and CMHSPs to be united in their efforts. It was noted that the behavioral health side of Medicaid is underrepresented within MDHHS. Mr. Tanner expressed the need to move toward a rural exemption. Mr. Kamps spoke about the directive to create efficiency(ies); he suggested that the narrative be changed to emphasize how efficiency creates or does not create value. Mr. Kamps asserted that cost savings should be used to expand services, not reduce funding. Ms. Gebhard asked Mr. Kurtz where the region stands in terms of putting together a marketing plan to promote regional efforts for integration, etc. Mr. Kurtz recognized that now is a perfect time to implement a media campaign, a goal of which would be to stress the message that the system isn't broken everywhere in the State.

**MOTION BY RANDY KAMPS TO CONTACT THE FIRM USED BY THE COMMUNITY MENTAL HEALTH ASSOCIATION OF MICHIGAN ABOUT PURSUING A MEDIA/PUBLIC RELATIONS INITIATIVE ON BEHALF OF THE NORTHERN MICHIGAN REGIONAL ENTITY AND ALL ASSOCIATED MONETARY IMPLICATIONS; SECOND BY DON TANNER.**

Discussion: Mr. Kovacs voiced that if the Board would like to expedite putting press release or news forward, Northern Lakes and North Country share a highly qualified communications specialist whom they would recommend for use by the region. Ms. Sherman expressed the need to look at any individual or firm in terms of promoting a rural view; the firm used by CMHAM might be urban-based.

**ROLL-CALL VOTE.**

**“Yea” Votes:** R. Frye, E. Ginop, R. Kamps, G. Klacking, T. Larson, C. Marcus, M. Marois, G. Nowak, J. O’Farrell, R. Schmidt, K. Sherman, J. Stone, D. Tanner, N. Zamora

**“Nay” Votes:** D. Smeltzer

Mr. Kurtz will explore this option as directed and bring some information back to the March meeting.

ANNOUNCEMENTS

Let the record show that there were no announcements made during the meeting on this date.

PUBLIC COMMENTS

Let the record show that the members of the public attending the meeting virtually were recognized.

REPORTS

**Executive Committee Report**

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

**CEOs Report**

The NMRE CEO Monthly Report for February 2021 was included in the materials for the meeting on this date.

**December 2020 Financial Report**

- Traditional Medicaid showed \$49,489,671 in revenue, and \$40,987,247 in expenses, resulting in a net surplus of \$8,502,423. Medicaid ISF was reported as \$6,157,679 based on the Preliminary FSR. Medicaid Savings was reported as \$6,182,146.
- Healthy Michigan Plan showed \$7,173,355 in revenue, and \$5,195,074 in expenses, resulting in a net surplus of \$1,978,280. HMP ISF was reported as \$8,659,840 based on the Preliminary FSR. HMP savings was reported as \$0.
- Net Position\* showed net surplus Medicaid and HMP of \$10,480,704; Medicaid and HMP combined ISF based on Preliminary FSR was reported as a \$14,817,519; the total Medicaid and HMP net surplus, including carry forward and ISF was reported as \$31,480,369.
- Health Home showed \$95,543 in revenue, and \$72,850 in expenses, resulting in a net surplus of \$22,693.
- SUD showed all funding source revenue of \$4,829,548, and \$4,007,277 in expenses, resulting in a net surplus of \$822,271. Total PA2 funds were reported as \$5,963,744.

Mr. Kamps asked the NMRE’s surplus and the potential for lapsing funds back to the State; Ms. Yockey replied that the only funds at risk of being returned are those unspent for the direct care wage increase.

**MOTION MADE BY JOE STONE TO RECEIVE AND FILE THE NORTHERN MICHIGAN REGIONAL ENTITY MONTHLY FINANCIAL REPORT FOR DECEMBER 2020; SECOND BY RANDY KAMPS` . ROLL CALL VOTE.**

**“Yea” Votes:** R. Frye, E. Ginop, R. Kamps, G. Klacking, T. Larson, C. Marcus, M. Marois, G. Nowak, J. O’Farrell, R. Schmidt, K. Sherman, D. Smeltzer, J. Stone, D. Tanner, N. Zamora

**“Nay” Votes:** Nill

**MOTION CARRIED.**

## **NMRE SUD Oversight Board Report**

Let the record show that the meeting planned for March 1, 2021 was cancelled due to a lack of agenda items; the next meeting is scheduled to occur at 10:00AM on May 3, 2021. Mr. Marcus inquired about the impact of reduced block grant funding for FY21. Mr. Kurtz responded that block grant funds had been overallocated block for the past 3-4 years (to include unspent funds from previous years); the adjustment for the current year was intended to bring this back in line. Ongoing issues with the EGrAMS software system used by the State may also be a factor. Ms. Sircely spoke briefly about the Access and Service Analysis being done by the University of Michigan.

## **Operations Committee**

The minutes from February 16, 2021 were included in the meeting materials in draft form. Mr. Kurtz noted that a large portion of the meeting was used to discuss the multitude of reporting requirements for direct care workers.

## NEW BUSINESS

### **Direct Care Wage Extension**

The current direct care wage increase is set to expire on February 28, 2021. The latest measure to extend a \$2.25 increase through September 30, 2021 has passed the Michigan Senate but not yet the House (though it is expected).

**MOTION MADE BY RANDY KAMPS TO EXTEND A PER HOUR INCREASE OF UP TO TWO DOLLARS AND TWENTY-FIVE CENTS (\$2.25) FOR DIRECT CARE WORKERS THROUGH SEPTEMBER 30, 2021 WHETHER OR NOT SUPPORTED BY THE MICHIGAN LEGILATURE; SECOND BY CHRISTIAN MARCUS. ROLL CALL VOTE.**

**“Yea” Votes:** R. Frye, E. Ginop, R. Kamps, G. Klacking, T. Larson, C. Marcus, M. Marois, G. Nowak, J. O’Farrell, R. Schmidt, K. Sherman, D. Smeltzer, J. Stone, D. Tanner, N. Zamora

**“Nay” Votes:** Nill

**MOTION CARRIED.**

## OLD BUSINESS

### **NMRE ByLaws and Open Meetings Act Compliance**

Mr. Kurtz reported that he has not received the “Rules of Engagement” from Steve Burnham to date; this will be shared with the Board when available.

### **928 Local Match – the Latest**

Mr. Johnston shared that he heard from Rep. Jack O’Malley who approached the House Fiscal Agency for comment. Rep. O’Malley was told that the House Fiscal Agency intends to “double-down” next fiscal year and lower the local match contribution to 40%. Rep. O’Malley agreed to keep apprised on the issue. A meeting is being scheduled to include Sen. Sen. Curt Vanderwall and Community Health and Human Services appropriations subcommittee Chair Sen. Rick Outman. Legislative advocacy having an effect. Mr. Nowak thanked Mr. Johnston on behalf of the Board for his leadership on this topic.

## PRESENTATION

### **Opioid Health Home**

Branislava Arsenov, NMRE Manager of Access and Health Home Services and Heide Serven, Health Home Coordinator were in attendance to provide an update on the Opioid Health Home (OHH) program.

Health Home Services include:

- Comprehensive Care Management
- Care Coordination and Health Promotion
- Comprehensive Transitional Care
- Patient and Family Support
- Referral to Community and Social Support
- Use of Health Information Technology

The Opioid Health Home is available to Medicaid beneficiaries who live in the NMRE's 21-county region and have been diagnosed with an Opioid Use Disorder. It was noted that individuals with OUD are inherently at risk of developing a chronic health condition, therefore, that requirement was removed from the criteria.

The NMRE currently has 8 Health Home Partners (OHH services providers) with 7 additional Providers interested. Membership is expanding to better serve pregnant women. Current enrollment was provided as 548 individuals; the hope is to reach 1500 by the end of FY21. The impact of COVID on enrollment was recognized.

#### COMMENTS

##### **Board**

- Mr. Stone requested that, in lieu of reviewing the full monthly Financial Report, a cover page be added to summarize the report highlights by CMHSP.
- Mr. Marcus shared that he was not aware the CMHSP CEO's are not voting members of this body. The NMRE's onboarding of a new Board Member (New Board Member Orientation) was discussed.
- Ms. Sherman requested that the Board consider an Annual "State of the State/Annual Report" of the region and the Board. Mr. Nowak suggested using the Presentation portion of the Agenda to provide updates. It was noted that the Board generally holds an annual Strategic Planning Session but none was held in 2020 due to the pandemic.
- Mr. Tanner voiced that he supports input from the CEOs and others during discussions of important topics and views them as valuable resources. Mr. Tanner also commented that the State would be better served to take the \$25M allocated to the CCBHS and add it to the general funds to allow the current system to serve the mild/moderate population.

##### **Staff/CMHSP CEOs**

- Mr. Johnston offered himself as a resource regarding the development/structure of the NMRE.

#### MEETING DATES

The next meeting of the NMRE Board of Directors was scheduled for 10:00AM on March 24, 2021.

#### ADJOURN

**MOTION BY ED GINOP TO ADJOURN THE FEBRUARY 24, 2021 MEETING OF THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS; SECOND BY KARLA SHERMAN. MOTION CARRIED.**

Let the record show that Mr. Nowak adjourned the meeting at 11:38AM.