

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

ATTENDEES:	Roger Frye, Ed Ginop, Randy Kamps, Christian Marcus, Mary Marois, Gary Nowak, Jay O'Farrell, Justin Reed, Richard Schmidt, Karla Sherman Don Smeltzer, Joe Stone
VIRTUAL ATTENDEES:	Gary Klacking (West Branch)
ABSENT:	Terry Larson, Don Tanner
NMRE/CMHSP STAFF:	Joanie Blamer, Amy Christie, Erin King, Eric Kurtz, Diane Pelts, Pamela Polom, Brandon Rhue, Sara Sircely, Nena Sork, Deanna Yockey, Carol Balousek, Lisa Hartley
GUESTS:	Angela Klinske, Elise Pelletier

CALL TO ORDER

Let the record show that in the absence of Chairman Tanner, Vice-Chair Ed Ginop called the meeting to order at 10:00AM.

ROLL CALL

Let the record show that Terry Larson and Don Tanner were excused for the meeting on this date; all other 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 to any of the meeting agenda items were declared.

APPROVAL OF AGENDA

Let the record show that Mr. Ginop called for any additions or corrections to the meeting Agenda; none were proposed.

MOTION BY GARY NOWAK TO APPROVE THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS MEETING AGENDA FOR NOVEMBER 24, 2021; SUPPORT BY ROGER FRYE. MOTION CARRIED.

APPROVAL OF PAST MINUTES

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

MOTION BY MARY MAROIS TO APPROVE THE MINUTES OF THE OCTOBER 27, 2021 MEETING OF THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS; SUPPORT BY KARLA SHERMAN. MOTION CARRIED.

CORRESPONDENCE

- 1) The minutes of the November 4, 2021 PIHP CEO meeting.
- 2) The CMHAM 2022 meeting calendar.
- 3) MDHHS Michigan Psychiatric Care Improvement Project (MPCIP) November 2021 Update.
- 4) MDHHS Michigan Integration Efforts November 2021 Update.
- 5) MDHHS October 28, 2021 Children's Services Discussion.
- 6) Crisis Stabilization Units in Michigan Concept Paper.
- 7) MiCAL – PIHP/CMHSP/CCBHC Care Coordination Requirements.
- 8) Email correspondence from CMHAM dated November 9, 2021 about the "Recommendation of CMHA and Provider Alliance: Response to MDHHS re: Medicaid Bulletin MSA 21-39."
- 9) Medicaid Provider L Letter 21-76 dated November 16, 2021 regarding FY22 Direct Care Worker Wage Increases.
- 10) Article from UpNorthLive by Marc Shollett dated November 10, 2021 titled, "Addicted Michigan: Narcan Vending Machine Is Just One Step in Emergent Need."
- 11) The draft minutes of the November 10, 2021 NMRE Regional Finance Committee meeting.

Mr. Kurtz drew attention to the CMHAM Board Association/Provider Alliance email regarding MSA Bulletin 21-39. CMHA, the CFI CMH Contract Negotiation team, the PIHP Contract Negotiation Team, and the Provider Alliance leadership see this bulletin as "not binding on the providers in the CMH and PIHP provider network, nor on the state's CMHs and PIHPs, until contract negotiations, between MDHHS and the state's CMHs and PIHPs are completed with agreement reached as to these financial reporting requirements." The Contract Negotiation teams have requested the legal opinion from MDHHS and Milliman that backs their position.

Mr. Kurtz also highlighted L 21-76 which increases wages for direct care workers by \$2.35 per hour (plus and additional \$0.29 administrative fee) through September 30, 2022.

The UpNorthLive article by Marc Shollett regarding Narcan quotes NMRE Managing Director of Substance Use Disorder Services, Sara Sircely.

ANNOUNCEMENTS

Let the record show that Justin Russell, newly appointed NMRE Board Member from Northern Lakes CMHA was introduced and welcomed to the Board.

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 October Board Meeting.

CEOs Report

The NMRE CEO Monthly Report for November 2021 was included in the materials for the meeting on this date. Mr. Kurtz noted his attendance at the North Country CMHA Board Retreat on November 18th.

September 2021 Preliminary Financial Report

- Traditional Medicaid showed \$204,540,431 in revenue, and \$179,768,235 in expenses, resulting in a net surplus of \$24,772,196. Medicaid ISF was reported as \$7,738,320 based on the final FSR. Medicaid Savings was reported as \$4,515,675.
- Healthy Michigan Plan showed \$31,573,008 in revenue, and \$25,685,577 in expenses, resulting in a net surplus of \$5,887,431. HMP ISF was reported as \$7,058,552 based on the Final FSR. HMP savings was reported as \$0.
- Net Position* showed net surplus Medicaid and HMP of \$30,659,626. Medicaid carry forward was reported as \$4,515,675. The total Medicaid and HMP Current Year Surplus was reported as \$28,251,301. Medicaid and HMP combined ISF was reported as \$14,796,872; the total Medicaid and HMP net surplus, including carry forward and ISF was reported as \$43,048,173.
- Health Home showed \$508,884 in revenue, and \$482,681 in expenses, resulting in a net surplus of \$26,203.
- SUD showed all funding source revenue of \$21,305,769, and \$18,878,106 in expenses, resulting in a net surplus of \$2,427,663. Total PA2 funds were reported as \$6,146,019.

FY21 Financial Closeout based on the Interim FSR showed:

Summary of Total Savings/Lapse	Total Lapse	Total Earned Savings	Total Savings Corridor	% of Savings by Funding
1. Total Disposition of Medicaid Savings/Lapse	\$6,396,060	\$11,296,664	\$17,296,724	69%
2. Total Disposition of Healthy Michigan Savings/Lapse		\$5,061,832	\$5,061,832	31%
3. Total Savings/Lapse	\$6,396,060	\$16,358,496	\$22,754,556	100%

The estimated direct care wage surplus was reported as \$8.6M.

Ms. Yockey explained that the NMRE will be fully funded at \$16,358,496 and can carry forward an additional \$16,358,496 of surplus funding into FY22 (first dollars spent); a lapse of \$6,396,060 is expected.

FY22 Budget Outlook showed a revenue drop for the first payment of FY22:

	Sept Average per Member	Oct Average per Member	Average Decrease per Member	% Decrease
HMP Unenrolled	72.27	63.19	(9.08)	-14.4%
HMP Enrolled	52.94	48.99	(3.95)	-8.1%
Medicaid Unenrolled	237.05	225.30	(11.75)	-5.2%
Medicaid Enrolled	103.62	96.36	(7.27)	-7.5%

September to October HSW revenue decreased by \$199K (\$2.4M annualized).
September to October Medicaid & HMP showed a \$1.2M decrease (\$14.4M annualized).

Mr. Kurtz recognized that eligibility continues to rise. It was noted that when redeterminations and spenddowns resume, rates will need to be adjusted accordingly. Even with the decreased revenue, a lapse is likely for FY22.

MOTION BY RANDY KAMPS TO RECEIVE AND FILE THE NORTHERN MICHIGAN REGIONAL ENTITY MONTHLY FINANCIAL REPORT FOR SEPTEMBER 2021; SUPPORT BY JOE STONE. MOTION CARRIED.

Operations Committee

The minutes from November 23, 2021 were distributed during the meeting on this date. Mr. Kurtz highlighted the discussion about increasing crisis care in the region. He and Christine Gebhard met with Dr. Ibrahim and Jill LeBourdais, PA about developing an adult Crisis Residential Unit, potentially in Gaylord. Mr. Kurtz stressed that the facility would be designed for use by Region 2. Conversations also continue with Munson to partner on the creation of a crisis center open to individuals served by the NMRE; Mr. Russell agreed that there is a need in Traverse City. Dr. Ibrahim is also looking to convert a designated (AuSable Valley) COVID home into a children’s respite center.

NMRE SUD Oversight Board Report

The minutes of the November 8, 2021 NMRE Substance Use Disorder Oversight Board meeting were included in the materials for the meeting on this date. Liquor tax requests will be discussed under “New Business.”

NEW BUSINESS

PA2 Requests

- 1) 53rd Circuit Recovery Court & The Salvation Army - \$6,000 – Cheboygan County – Transitional Housing
- 2) 13th Circuit Court Community Corrections & Grand Traverse County Finance – \$34,100 – Grand Traverse County – Recovery Coaching
- 3) 13th Circuit Court Community Corrections & Grand Traverse County Finance – \$31,500 – Grand Traverse County – Supportive Recovery Housing

MOTION BY JOE STONE TO APPROVE THE REQUESTS FOR LIQUOR TAX FUNDS RECOMMENDED BY THE NORTHERN MICHIGAN REGIONAL ENTITY SUBSTANCE USE DISORDER OVERSIGHT BOARD ON NOVEMBER 8, 2021 IN THE TOTAL AMOUNT OF SEVENTY-ONE THOUSAND SIX HUNDRED DOLLARS (\$71,600.00); SUPPORT BY MARY MAROIS. MOTION CARRIED.

CHS Coalition Updated Budget Amounts

Update budgets were included in the materials for the meeting on this date. The net difference was provided as (\$4,639).

County	Project	Amount Requested	Amount Approved	Updated Request	Net Difference
Crawford	Coalition	\$20,725	\$20,725	\$34,676	\$13,951
Iosco	Coalition	\$33,871	\$33,871	\$33,865	(\$6)
Oscoda	Coalition	\$17,499	\$17,499	\$18,996	\$1,497
Roscommon	Coalition	\$42,447	\$42,447	\$22,366	(\$20,081)

MOTION BY MARY MAROIS TO APPROVE THE REVISED REQUESTED AMOUNTS BY CATHOLIC HUMAN SERVICES FOR FISCAL YEAR 2022 PREVENTION COALITION FUNDING FOR CRAWFORD, IOSCO, OSCODA, AND ROSCOMMON COUNTIES; SUPPORT BY RANDY KAMPS. MOTION CARRIED.

Rural Exemption

An update was requested from the Board. Mr. Kurtz clarified that the terminology is actually a "Rural Exception." Mr. Kurtz stated there is a rural exception for managed care which is a state prerogative. Whenever a subgroup or group of Medicaid individuals is mandatorily enrolled in managed care, there is a requirement that there is a choice of at least two health plans (for comprehensive medical services) per geographic area. The rural exception comes into play when the area doesn't support two health plans because competition doesn't really exist. In Michigan, the Upper Peninsula Health Plan received the only Rural Exception granted.

A second category of exceptions exists under managed care. Because behavioral health is a managed care carve-out, the state had requested (1998 and 2002) that, due to the nature of behavioral health, there wasn't a competitive need for two PIHPs to be within state defined regions, therefore waiving freedom of choice for those individuals under the 1915(b) and subsequently the 1115 waivers.

Mr. Kurtz suggested that focusing on rural exceptions for waiving criteria associated with evidence-based best practices (staffing ratios, etc.) would be an effective strategy. Mr. Kurtz proposed that The State Office of Rural Health weigh in during the 30-day notice for Medicaid policy promulgation. A legislative champion would be needed to move these recommendations into state policy.

CMHAM Special Assessment

The Community Mental Health Association's Voluntary Special Assessment to support expanded advocacy work dated November 2021 was included in the materials for the meeting on this date. The funds received by CMHA, through this special assessment will be used "to strengthen what is already a sophisticated and multi-component advocacy capacity. This strengthened advocacy capacity is needed now to match the level of threats and opportunities faced by the state's CMHs and PIHPs and those served."

The NMRE Operations Committee passed a motion to have the NMRE contribute on behalf of the Region. Finance Officers have discussed whether participation in the voluntary special assessment can be charged to Medicaid (CMHAM has indicated that it can). Mr. Kurtz indicated that he would need a dues invoice based on projected increased expenses.

Mr. Stone stated that entities can contact CMHAM and request an invoice. Mr. Kamps suggested circling back to Bob Sheehan for a legal opinion. Mr. Kurtz noted that Performance Bonus Incentive Payment (PBIP) dollars could be used to make the contribution. Mr. Kurtz stressed the need to highlight the PIHPs in advocacy efforts.

MOTION BY MARY MAROIS TO AUTHORIZE THE NORTHERN MICHIGAN REGIONAL ENTITY TO MAKE A ONE-TIME PAYMENT OF FORTY THOUSAND DOLLARS (\$40,000.00) TO THE COMMUNITY MENTAL HEALTH ASSOCIATION OF MICHIGAN ON BEHALF OF ITSELF AND THE FIVE MEMBER COMMUNITY MENTAL HEALTH SERVICES PROGRAMS; SUPPORT BY KARLA SHERMAN. ROLL CALL VOTE.

"Yea" Votes: R. Frye, E. Ginop, R. Kamps, G. Klacking, C. Marcus, M. Marois, G. Nowak, J. O'Farrell, J. Reed, R. Schmidt, K. Sherman, D. Smeltzer, J. Stone

"Nay" Votes: Nil

MOTION CARRIED.

OLD BUSINESS

Senate Bills 597 & 598/House Bills 4925-4929 – The Latest

This topic was covered previously under the CMHAM Special Assessment.

PRESENTATION

Lambert Public Relations Update

The Board requested a status update from the Lambert Public Relations firm. NMRE Compliance Officer, Tema Pefok, was in attendance to provide an update on NMRE staff's efforts and Angela Klinske (Senior Director), and Elise Pelletier (Manager) joined the meeting to provide an update from Lambert PR.

- Biweekly meetings are occurring between NMRE and Lambert staff.
- The NMRE's response to SB 597 & 598 was sent to 155 individuals including sheriffs, prosecutors, county administrators, boards of commissioners, judges, and legislators.
- The NMRE is working with Lambert to restructure its website to raise awareness of NMRE and target its primary audiences of media, legislators, and the community.
- The NMRE is working with its Member CMHSPs and Lambert to secure testimonials for the media and eventually the website.
- The NMRE provided Lambert with data such as number of members served, number employed, performance indicator data, etc. to share with interested parties.
- The NMRE collaborated with the Lambert representatives to set up a television interview for Sara Sircely with UpNorthLive, which was syndicated to its sister stations across the state.

COMMENTS

Board

Mr. Stone commented that CMHAM invoked a special assessment when 298 was a threat to the system.

Mr. Kamps requested an update on progress being made on recovery in addiction, specifically focusing on suboxone, which will be put on the December meeting Agenda.

Mr. Marcus announced a forum on November 30th for commissioners to get feedback for the next December 17th task force for juvenile justice meeting and the mental health aspect of cost allocations.

Mr. Smeltzer shared that he heard an interesting story on Interlochen Public Radio about the mental health system in Italy; the government is attempting to shut down the community-based system (similar to our CMH system) and move to privatization.

Staff/CMHSP CEOs

Ms. Pelts expressed thanks for the Leadership at NMRE and the collegiality with which the NMRE, the Member CMHSPs, and the Boards work.

Ms. Pefok requested that she be contacted if anyone sees the NMRE or the public behavioral health system being misrepresented in the media or other outlets.

MEETING DATES

The next meeting of the NMRE Board of Directors was scheduled for 10:00AM on December 22, 2021.

ADJOURN

Let the record show that Mr. Ginop adjourned the meeting at 11:55AM.