

**NORTHERN MICHIGAN REGIONAL ENTITY  
BOARD OF DIRECTORS MEETING  
10:00AM – JULY 27, 2022  
GAYLORD BOARDROOM**

<b>ATTENDEES:</b>	<b>Kate Dahlstrom, Ed Ginop, Gary Klacking, Gary Nowak, Jay O’Farrell, Karla Sherman, Don Smeltzer, Joe Stone, Don Tanner</b>
<b>VIRTUAL ATTENDEES:</b>	<b>Angie Griffis (Roscommon), Terry Larson (Rogers City)</b>
<b>ABSENT:</b>	<b>Roger Frye, Christian Marcus, Mary Marois, Richard Schmidt</b>
<b>NMRE/CMHSP STAFF:</b>	<b>Amy Christie, Lauri Fischer, Eric Kurtz, Tema Pefok, Pamela Polom, Sara Sircely, Teresa Tokarczyk, Deanna Yockey, Carol Balousek, Lisa Hartley</b>
<b>PUBLIC:</b>	<b>Chip Cieslinski, Susan Pulaski, Sharon Vreeland, Sue Winter, Susan Wojtkowiak</b>

**CALL TO ORDER**

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

**ROLL CALL**

Let the record show that Roger Frye, Christian Marcus, Mary Marois, and Richard Schmidt were excused from the meeting on this date; all other NMRE Board Members were in attendance either virtually or in Gaylord.

**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 no changes to the meeting Agenda were requested.

**MOTION BY GARY NOWAK TO APPROVE THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS MEETING AGENDA FOR JULY 27, 2022; SUPPORT BY KARLA SHERMAN. MOTION CARRIED.**

**APPROVAL OF PAST MINUTES**

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

**MOTION BY JAY O’FARRELL TO APPROVE THE MINUTES OF THE JUNE 22, 2022 MEETING OF THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS; SUPPORT BY KARLA SHERMAN. MOTION CARRIED.**

## CORRESPONDENCE

- 1) The minutes from the July 7, 2022 PIHP CEO meeting.
- 2) Correspondence received through the NMRE ticketing system from Kate Dahlstrom regarding Grand Traverse County and Northern Lakes CMHA.
- 3) A letter from Farah Hanley, Chief Deputy for Health at MDHHS dated June 30, 2022 announcing the public comment period for the Home and Community Based Services (HCBS) Program transition.
- 4) A memorandum from Jeff Wieferich, Director of Community Based Services at MDHHS, dated June 30, 2022 regarding request for supplemental reporting information.
- 5) Email correspondence from CMHAM dated July 8, 2022 urging comment on proposed Medicaid Policy (Project #2153-BH) to move all HCBS services to a 1915(i) benefit.
- 6) A memorandum from Jeff Wieferich at MDHHS dated July 15, 2022 regarding CMS Financial Management Review of PIHPs' use of Internal Service Funds (ISFs).
- 7) CMHAM review of the State's FY23 Final Budget Report.
- 8) NMRE Quarter 2 FY22 Performance Indicators Report.
- 9) Memorandum from Eric Kurtz and Don Tanner to Robert Sheehan, CEO of CMHAM, dated July 19, 2022 expressing concerns with making Certified Community Behavioral Health Clinic (CCBHC) a permanent structure through a State Plan Amendment (SPA) (or other waiver mechanism).
- 10) The draft minutes from the July 13<sup>th</sup> NMRE Regional Finance Committee meeting.

Mr. Kurtz drew attention to the FY22 Quarter 2 Performance Indicators Report and the memorandum to CMHAM regarding the CCBHC.

## ANNOUNCEMENTS

Let the record show that Mr. Nowak called for a moment of silence for Roger Frye. Mr. Stone announced that August will be his last meeting as he is relocating. New Board Member appointed by Northern Lakes, Kate Dahlstrom, was introduced.

## 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 June Board Meeting.

### **CEOs Report**

The NMRE CEO Monthly Report for July 2022 was included in the materials for the meeting on this date. Mr. Kurtz drew attention to the June 27<sup>th</sup> meeting with the six county Administrators and six County Commission Chairpersons that comprise Northern Lakes CMHA (Crawford, Grand Traverse, Leelanau, Missaukee, Roscommon, and Wexford). Another meeting is scheduled for August 1<sup>st</sup> which Mr. Kurtz will attend.

### **May 2022 Financial Report**

- Net Position showed net surplus Medicaid and HMP of \$11,641,930. Medicaid carry forward was reported as \$16,358,117. The total Medicaid and HMP Current Year Surplus was reported as \$28,000,047. Medicaid and HMP combined ISF was reported as \$16,358,117; the total Medicaid and HMP net surplus, including carry forward and ISF was reported as \$44,358,164.

- Traditional Medicaid showed \$133,699,812 in revenue, and \$121,972,015 in expenses, resulting in a net surplus of \$11,727,797. Medicaid ISF was reported as \$9,298,368 based on the unaudited FSR. Medicaid Savings was reported as \$11,296,867.
- Healthy Michigan Plan showed \$21,158,296 in revenue, and \$17,083,552 in expenses, resulting in a net surplus of \$4,074,744. HMP ISF was reported as \$7,059,749 based on the unaudited FSR. HMP savings was reported as \$5,061,250.
- Health Home showed \$990,032 in revenue, and \$783,025 in expenses, resulting in a net surplus of \$207,007.
- SUD showed all funding source revenue of \$16,726,785, and \$13,980,108 in expenses, resulting in a net surplus of \$2,746,677. Total PA2 funds were reported as \$5,433,618.

The direct care wage surplus was estimated at \$4,160,611.

Ms. Yockey is working with Mr. Kurtz on PMPM estimates by Board for FY23. The \$17M carryforward will be spread by FY21 PMPM, which is likely not sustainable into FY24. It was noted that eligibles are trending up. Regionally, NMRE estimated a 4.3% reduction in revenue. Mr. Kurtz reported that he has heard rumblings that DCW surplus may be retained. Revenue projections and the FY23 budget will be presented to the Board in August.

**MOTION BY JOE STONE TO APPROVE THE NORTHERN MICHIGAN REGIONAL ENTITY MONTHLY FINANCIAL REPORT FOR MAY 2022; SUPPORT BY GARY NOWAK. MOTION CARRIED.**

#### **Operations Committee Report**

The draft minutes from July 19, 2022 were included in the materials for the meeting on this date. The committee discussed developing Benefit Stabilization plans early in the next fiscal year. For FY23, the NMRE will create a separate line item to distribute Medicaid savings to the CMHSPs as benefit stabilization funds.

#### **NMRE SUD Oversight Board Report**

The draft minutes from July 11, 2022 were included in the materials for the meeting on this date. Liquor tax applications (continuations/renewals) for FY23 were due to the NMRE by June 1<sup>st</sup>; it was noted that new requests may also be submitted at any time throughout the year.

#### NEW BUSINESS

##### **Liquor Tax Requests**

Twenty-two liquor tax renewals for FY23 were presented to the NMRE Substance Use Disorder Oversight Board on July 11, 2022; a summary of the requests and the SUD Board's recommendations were included in the materials for the meeting on this date. Approval of one request was postponed until September pending additional information. It was noted that project budgets were uploaded to the nmre.org website on July 22<sup>nd</sup> for review.

**MOTION BY GARY NOWAK TO APPROVE THE JULY 11, 2022 LIQUOR TAX USE RECOMMENDATIONS BY THE NORTHERN MICHIGAN REGIONAL ENTITY SUBSTANCE USE DISORDER OVERSIGHT BOARD TOTALING TWO MILLION THREE HUNDRED SEVENTY-SEVEN THOUSAND SIX HUNDRED EIGHTY-SIX DOLLARS (\$2,377,686.00); SUPPORT BY JAY O'FARRELL. ROLL CALL VOTE.**

**“Yea” Votes:** E. Ginop, G. Klacking, G. Nowak, J. O’Farrell, K. Sherman, D. Smeltzer, J. Stone, D. Tanner

**“Nay” Votes:** Nil

**Abstentions:** K. Dahlstrom

**MOTION CARRIED.**

**FY23 Prevention Contract Awards**

The NMRE conducted a Request for Proposals for FY23 Prevention Services for seven of the NMRE’s 21 counties. The NMRE recommended the following:

County	Provider	Amount Requested
<b>Benzie</b>	<i>*No bids were received for Benzie County</i>	
<b>Grand Traverse</b>	Catholic Human Services	\$119,832
<b>Kalkaska</b>	Catholic Human Services	\$21,103
<b>Leelanau</b>	Catholic Human Services	\$26,430
<b>Manistee</b>	<i>*No bids were received for Manistee County</i>	
<b>Missaukee</b>	District Health Department 10	\$17,612
<b>Wexford</b>	District Health Department 10	\$41,828

Ms. Sircely explained that for Benzie and Manistee counties, the NMRE intends to keep the RFP open in the hopes of working with providers in neighboring counties.

**MOTION BY GARY NOWAK TO APPROVE PREVENTION CONTRACT AWARDS TO CATHOLIC HUMAN SERVICES IN THE AMOUNT OF ONE HUNDRED SIXTY-SEVEN THOUSAND THREE HUNDRED SIXTY-FIVE DOLLARS (\$167,365.00) FOR THE COUNTIES OF GRAND TRAVERSE, KALKASKA, AND LEELANAU AND DISTRICT HEALTH DEPARTMENT TEN (10) IN THE AMOUNT OF FIFTY-NINE THOUSAND FOUR HUNDRED FORTY DOLLARS (\$59,440.00) FOR THE COUNTIES OF MISSAUKEE AND WEXFORD; SUPPORT BY JAY O’FARRELL. ROLL CALL VOTE.**

**“Yea” Votes:** E. Ginop, G. Klacking, G. Nowak, J. O’Farrell, K. Sherman, D. Smeltzer, J. Stone, D. Tanner

**“Nay” Votes:** Nil

**Abstentions:** K. Dahlstrom

**MOTION CARRIED.**

**MDHHS-PIHP Contract Change Order No.5**

Change Order No. 5 to the MDHHS-PIHP Contract was included in the materials for the meeting on this date. Change Order No.6 is anticipated which will correct Change Order No.5 relative to the Performance Bonus Incentive Section. Change Order No. 6 is also expected to include SCA, MLR, Definitions, and Delegation matters despite PIHP objections.

**MOTION BY ED GINOP TO APPROVE CHANGE ORDER NUMBER FIVE (NO.5) TO THE CONTRACT BETWEEN THE MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES AND THE NORTHERN MICHIGAN REGIONAL ENTITY; SUPPORT BY KARLA SHERMAN. MOTION CARRIED.**

## **Schedule August Executive Committee Meeting**

A meeting of the NMRE Board Executive Committee is needed in August to review the CEO's performance and compensation. The decision was made to schedule a meeting of the NMRE Board Executive Committee for August 24, 2022 at 9:15AM (prior to the August Board meeting).

## OLD BUSINESS

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

Nothing is expected for SB 597 & SB 598 until possibly later in the fall with the lame duck session.

### **Grand Traverse County and Northern Lakes CMHA**

Mr. Kurtz will be attending the meeting of county Administrators and County Commission Chairpersons on August 1<sup>st</sup> to discuss opening the Enabling Agreement that created NLCMHA. During its meeting on July 21<sup>st</sup>, the NLCMHA voted (10-6) to launch a new search for a CEO. Nicole Miller and Justin Reed were removed from the NLCMHA Board on July 12<sup>th</sup>; they were replaced with Tom Bratton and Kate Dahlstrom. Mr. Kurtz stressed that decisions made regarding dismantling Northern Lakes affect all 21 counties in the region, not just Northern Lakes' six.

## PRESENTATION

### **Quality Assessment and Performance Improvement Program (QAPIP) Update**

NMRE Compliance and Quality Officer, Tema Pefok, was in attendance to give the Board an update on the NMRE's FY22 Compliance and Quality Workplans.

- The NMRE is engaging in a Performance Improvement Project (PIP) focusing on enrollment and retention in the Opioid Health Home. A second PIP topic will focus on either: 1) decreasing hospitalizations for medical conditions by increasing enrollment in the Behavioral health Home, or 2) decreasing no-show/missed appointments for psychiatric services through the provision of telehealth services.
- The NMRE (through its Quality Oversight and Compliance Committee) developed a standardized collection process for risk event and sentinel event data.
- The NMRE completed mental health and substance use disorder satisfaction surveys in FY22.
- The NMRE's regional Quality Oversight and Compliance Committee reviewed quarterly performance indicator data.
- The NMRE conducted an annual site review of its CMHSP providers, and a review of its substance use disorder providers' Corrective Action Plans.
- The NMRE and its CMHSP providers completed revisions to their Provider Directories to include a list of physical accommodations (ramps, restrooms, electric doors, etc.)
- The NMRE is in the process of creating a report using Microsoft Power Bi with a dashboard that will allow users to search mileage and travel time from client address to provider locations in response to Network Adequacy standards.
- The NMRE registered with the National Practitioner Data Bank (NPDB) to run monthly checks on healthcare professionals.
- The NMRE implemented DocuSign to facilitate the process of signing contracts and other documentation.

## COMMENTS

### **Board**

Ms. Sherman thanked Mr. Kurtz and Mr. Tanner for composing the CCBHC letter to CMHAM.

Ms. Dahlstrom noted that the amount of money received related to the opioid lawsuit settlement was lower than anticipated; she requested that an avenue to file a dispute or advocate for additional funds be identified. Ms. Dahlstrom suggested that a (regional) marijuana tax be established.

### **Staff/CMHSP CEOs**

Mr. Johnston shared that rural directors around the state are annoyed about the Association's recommendation to make the CCBHC a permanent, state planned service. Mr. Johnston drafted a "white paper" detailing these concerns which will be sent to Board Members.

Mr. Johnston expressed appreciation for the support and collaboration that exists within the NMRE region.

## MEETING DATES

The next meeting of the NMRE Board of Directors was scheduled for 10:00AM on August 24, 2022.

## ADJOURN

Let the record show that Mr. Tanner adjourned the meeting at 11:31AM.