

**NORTHERN MICHIGAN REGIONAL ENTITY
BOARD OF DIRECTORS MEETING
10:00AM – JANUARY 25, 2023
GAYLORD BOARDROOM**

ATTENDEES:	Ed Ginop, Angie Griffis, Gary Klacking, Eric Lawson, Christian Marcus, Mary Marois, Gary Nowak, Jay O’Farrell, Richard Schmidt, Karla Sherman, Don Smeltzer, Don Tanner, Chuck Varner
VIRTUAL ATTENDEES:	Kate Dahlstrom
ABSENT:	Terry Larson
NMRE/CMHSP STAFF:	Chip Johnston, Eric Kurtz, Brian Martinus, Tema Pefok, Diane Pelts, Kim Rappleyea, Brandon Rhue, Nena Sork, Deanna Yockey, Carol Balousek, Lisa Hartley
PUBLIC:	Chip Cieslinski, Susan Pulaski, Sue Winter

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 Terry Larson was 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 proposed.

MOTION BY DON SMELTZER TO APPROVE THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS MEETING AGENDA FOR JANUARY 25, 2023; SUPPORT BY GARY KLACKING. MOTION CARRIED.

APPROVAL OF PAST MINUTES

Let the record show that the December 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 DECEMBER 7, 2022 MEETING OF THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS; SUPPORT BY GARY NOWAK. MOTION CARRIED.

CORRESPONDENCE

- 1) The minutes from the December 1st MPHI PIHP CEO meeting.
- 2) The minutes from the December 6th MDHHS PIHP CEO meeting.
- 3) The MDHHS Michigan Psychiatric Care Improvement Project (MPCIP) December 2022 update.
- 4) The MDHHS Service Delivery Transformation Section January 2023 update.
- 5) Email correspondence from CMHAM advocating for defending and advancing the public mental health system.
- 6) Substance Abuse and Mental Health Association (SAMHSA) Presentation from David deVoursney on the Certified Community Behavioral Health Clinic (CCBHC) criteria dated January 5, 2023.
- 7) Information from the Health Department of Northwest Michigan on Syringe Service Programs (SSP).
- 8) The fourth quarter FY2022 statewide Performance Indicator report.
- 9) The draft minutes of the January 11, 2023 regional Finance Committee meeting.

Mr. Kurtz explained that the information on the Syringe Service Program was provided at the request of the Board during the December meeting, in response to a request for liquor tax funds to fund an SSP in Antrim County. The Health Department of Northwest Michigan's Medical Director, Josh Myerson, MD, presented the material to the NMRE Substance Use Disorder Oversight Board on January 9, 2023. Since that time, however, the Chair of the Health Department of Northwest Michigan's Board of Health indicated that he is opposed to funding the program and approval will not be sought.

ANNOUNCEMENTS

It was announced that the IRS reimbursable mileage rate was increased to \$0.655/mile effective January 1, 2023. North Country CMHA Chief Operating officer, Kimberly Rappleyea, sitting in for Brian Babbitt, was introduced to the Board.

PUBLIC COMMENT

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

Executive Committee Report

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

CEO Report

The NMRE CEO Monthly Report for December 2022 and January 2023 was included in the materials for the meeting on this date. Mr. Kurtz drew attention to a series of dialogues occurring with CMHAM to determine an approach to take with MDHHS on the Standard Cost Allocation (SCA) process and Self-Determination arrangements; a draft will be included in future correspondence.

Mr. Tanner asked whether there has been any movement on a rural exemption. Mr. Kurtz noted that there has been a change at the CEO level at NorthCare Network; Megan Rooney, CFO has taken on the additional position of Interim CEO. There has been some interest in policy discussions regarding tailoring Medicaid services to be less prescriptive in rural areas. Another meeting with regional legislators may be warranted at this time.

Mr. O'Farrell asked how medical services are paid for immigrants placed in sanctuary cities. Mr. Kurtz responded that there is targeted funding; MDHHS works directly with immigration. Ms. Marois referenced a state-level refugee program.

Ms. Dahlstrom asked whether anything is being done at the state to address the worker shortage. Ms. Pelts responded that the TPM Behavioral Healthcare Talent Development Project, an employer-led collaborative, is utilizing sector strategies, industry-focused approaches, to building skilled workforces.

November 2022 Financial Report

- Net Position showed net surplus Medicaid and HMP of \$2,728,460. Medicaid carry forward was reported as \$16,357,583. The total Medicaid and HMP Current Year Surplus was reported as \$19,096,043. Medicaid and HMP combined ISF was reported as \$16,357,583; the total Medicaid and HMP net surplus, including carry forward and ISF was reported as \$35,463,626.
- Traditional Medicaid showed \$32,887,425 in revenue, and \$31,034,045 in expenses, resulting in a net surplus of \$1,853,380. Medicaid ISF was reported as \$9,302,629 based on the interim FSR. Medicaid Savings was reported as \$10,911,722.
- Healthy Michigan Plan showed \$5,545,287 in revenue, and \$4,670,207 in expenses, resulting in a net surplus of \$875,080. HMP ISF was reported as \$7,064,954 based on the interim FSR. HMP savings was reported as \$5,455,861.
- Health Home showed \$327,575 in revenue, and \$240,911 in expenses, resulting in a net surplus of \$86,664.
- SUD showed all funding source revenue of \$4,767,058, and \$4,087,902 in expenses, resulting in a net surplus of \$679,156. Total PA2 funds were reported as \$5,175,945.

Ms. Yockey clarified that the DCW will not be cost settled in FY23.

Emphasis was placed on the need for County Commissioners to receive education regarding the use of liquor tax/PA2 funds. Clarification was made that PA2 funds may only be used for Substance Use Disorder prevention and treatment. Making sure actual county balances are precise is somewhat difficult or adds to confusion at the end of the year; block grant funds are reconciled and if there are excess funds those are exhausted before tapping into liquor tax funds.

MOTION BY GARY NOWAK TO APPROVE THE NORTHERN MICHIGAN REGIONAL ENTITY MONTHLY FINANCIAL REPORT FOR NOVEMBER 2022; SUPPORT BY KARLA SHERMAN. MOTION CARRIED.

Operations Committee Report

The minutes from December 20, 2022 and January 17, 2023 were included in the materials for the meeting on this date. Mr. Kurtz announced that Medicaid redeterminations are being uncoupled from COVID Public Health Emergency and are scheduled to resume June 1, 2023. It is hoped that some beneficiaries may opt to migrate back to Medicaid from the Healthy Michigan Plan.

NMRE SUD Oversight Board Report

The minutes from the January 9, 2023 Substance Use Disorder Oversight Board meeting were included in the materials for the meeting on this date. Liquor tax requests will be reviewed under "New Business."

NEW BUSINESS

PA2 Requests

The NMRE Substance Use Disorder Oversight Board reviewed liquor tax request applications during its meeting on January 9, 2023. Fund balances for Cheboygan, Grand Traverse, and Otsego counties were in jeopardy of falling below the recommended balance equivalent of one year's receipts; as such, requests that included these counties were reduced by the amounts allocated to them. Mr. Kurtz questioned the appropriateness of multi-county requests.

Ms. Sircely reported that she intends to review all FY23 requests to address the disparity between approved and requested funding.

Ms. Marois voiced that it is unrealistic to pass the adjusted liquor tax requests without first addressing the issue with the providers making the requests. Ms. Marois also stressed the need for feedback to the SUD Board (and ultimately the Governing Board) on the efficacy of PA2 funded projects.

MOTION BY MARY MAROIS TO REQUIRE RECIPIENTS OF LIQUOR TAX FUNDS TO PROVIDE A PROGRAM EVALUATION TO THE NORTHERN MICHIGAN REGIONAL ENTITY SUBSTANCE USE DISORDER OVERSIGHT BOARD AT THE END OF THE FISCAL YEAR; SUPPORT BY GARY NOWAK. MOTION CARRIED.

MOTION BY RICHARD SCHMIDT TO INSTRUCT THE NORTHERN MICHIGAN REGIONAL ENTITY TO COMPOSE LETTERS BACK TO THE PROVIDERS WHO REQUESTED LIQUOR TAX FUND APPROVALS ON THIS DATE INFORMING THEM OF THE FUND BALANCE ISSUES AND REQUESTING DIRECTION ON HOW TO PROCEED; SUPPORT BY KARLA SHERMAN. MOTION CARRIED.

Mr. Kurtz recommended that future PA2 requests obtain a buy-in from the counties prior to being submitted to the NMRE for approval, though he acknowledged that this would cause a delay in the process.

Milliman Internal Service Fund (ISF) Analysis Proposal

A proposal from Milliman (Wisconsin) to perform an analysis of the NMRE's Internal Service Fund (ISF) was included in the materials for the meeting on this date. The NMRE has never had a study of its ISF performed. Mr. Kurtz noted that the 7½% cap to the ISF has been contractually required since around 2002 but during a change in the contract template beginning in 2021 ISF language was inadvertently removed. Due to bringing this issue to the department's attention, Mr. Kurtz believes it is a prudent time to have the ISF study completed.

MOTION BY MARY MAROIS TO APPROVE OF THE PROPOSAL FROM MILLIMAN TO CONDUCT AN ANALYSIS OF THE NORTHERN MICHIGAN REGIONAL ENTITY'S INTERNAL SERVICE FUND AT A COST NOT TO EXCEED TWENTY THOUSAND DOLLARS (\$20,000.00); SUPPORT BY ERIC LAWSON. ROLL CALL VOTE.

"Yea" Votes: E. Ginop, G. Klacking, E. Lawson, M. Marois, G. Nowak, J. O'Farrell, R. Schmidt, K. Sherman, D. Smeltzer, D. Tanner, C. Varner

"Nay" Votes: Nil

MOTION CARRIED.

MDHHS-PIHP Contract Change Order No. 8

A summary of MDHHS-PIHP Contract Change Order No. 8 was sent to Board Members on January 24, 2023.

- 1) Language was added that the State may request from the PIHP, on an ad hoc basis, reporting to ascertain compliance with the provisions of the Contract with 30 days' notice.
- 2) Letters d – g were added under Section 8, Payment Terms, Subsection B, State Funding, Number 1, Medicaid Payments.
 - a. Savings and Reinvestment

Provisions regarding the Medicaid, Healthy Michigan Plan, and the Flint 1115 Waiver savings and the PIHP reinvestment strategy were included in sections e – f below. It was noted that only A PIHP may earn and retain Medicaid/Healthy Michigan Plan savings.
 - b. Medicaid Savings

The PIHP may retain unexpended Medicaid Capitation funds up to 7.5% of the Medicaid/Healthy Michigan Plan pre-payment authorization. These funds must be included in the PIHP's reinvestment strategy. All Medicaid and Healthy Michigan Plan savings reported at fiscal year-end must be expended within one fiscal following the fiscal year earned for Medicaid or Healthy Michigan Program services to Medicaid or Healthy Michigan Plan covered consumers.
 - c. Reinvestment Strategy

The PIHP must develop and implement a reinvestment strategy for all Medicaid savings according to item g below. Any funds that remain unexpended at the end of the fiscal year must be returned to MDHHS as part of the year-end settlement process.
 - d. Community Reinvestment Strategy

Funds must be expended in the fiscal year following the year they are earned and directed toward services and supports to the Medicaid population. Community reinvestment funds must be invested in accordance with the following criteria:
 - i. Development of new treatment, supports, and/or service models as allowed under the 1915(c) waiver.
 - ii. Expansion or continuation of existing state plan or 1915(c) approved treatment, supports, and/or service models to address projected demand increases.
 - iii. Community education, prevention, and/or early intervention initiatives.
 - iv. Treatment supports and/or services model research and evaluation.
 - v. The PIHP may use up to 15% of Medicaid savings for administrative capacity and infrastructure extensions, augmentations, conversions, and or developments to:
 1. Assist the PIHP to meet new federal and/or state requirements related to Medicaid or Medicaid-related managed care activities and responsibilities.
 2. Implement consolidation or reorganization of specific administrative functions related to the Application for Participation and pursuant to a merger or legally constituted affiliation.
 3. Initiate or enhance recipient involvement, participation, and/or oversight of service delivery activities, quality monitoring programs, or customer service functions.
 4. Identify benefit stabilization purposes.

The PIHP's reinvestment strategy will become a contractual performance objective. Any funds that remain unexpended at the end of the fiscal year must be returned to MDHHS as part of the year-end settlement process.

MOTION BY MARY MAROIS TO APPROVE AND AUTHORIZE THE NORTHERN MICHIGAN REGIONAL ENTITY CHIEF EXECUTIVE OFFICER TO SIGN CHANGE ORDER NUMBER EIGHT (NO.8) TO THE CONTRACT BETWEEN THE MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES AND THE NORTHERN MICHIGAN REGIONAL ENTITY; SUPPORT BY KARLA SHERMAN. MOTION CARRIED.

OLD BUSINESS

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

Mr. Kurtz announced that this topic will be removed as a standing agenda item as the bills failed to move through the legislature.

It was noted that in September of 2022, MDHHS indicated to CMS that it intends to pursue the creation of a Dual Enrollees Special Needs Plan (D-SNP), operated by private health plans - that would manage the Medicaid and Medicare benefit for persons who are dually enrolled in both Medicaid and Medicare.

Grand Traverse County and Northern Lakes CMHA

The six County Administrators (Crawford, Grand Traverse, Leelanau, Missaukee, Roscommon, and Wexford) continue to meet monthly and are working on revising the Enabling Agreement that formed Northern Lakes CMHA. An additional meeting is scheduled for January 30th.

The dismissal of two Northern Lakes CMHA Board Members by the Grand Traverse Board of Commissioners has been taken up by the ACLU and has been referred to the Attorney General's office. No official response has been released to date.

Ms. Marois thanked Mr. Kurtz and Mr. Martinus for their involvement with and on behalf of Northern Lakes CMHA.

PRESENTATION

Compliance Program Plan and Quality Assurance and Performance Improvement Program (QAPI) Plan

NMRE Compliance Director, Tema Pefok, was in attendance to present the Compliance Program and QAPI FY22 evaluations and FY23 workplans.

FY22 Compliance Program Evaluation

- The NMRE updated several policies/procedures and consumer materials.
- The NMRE successfully transitioned the Excluded Provider check function to its member CMHSPs; the NMRE continues to run EPS checks for SUD services providers.
- A total of 275 grievances were closed in FY22.
- A total of 51 appeals were reviewed in the region; 66.67% were upheld.
- A total of 1,502 denials were reported in FY22, 86% of which were made timely.
- The NMRE provided several trainings both to internal and provider staff.
- The NMRE conducted Medicaid Encounter Verification audits of its CMHSP (99.5% validated) and SUD providers (85% validated).
- The NMRE conducted audits of its four prevention program providers.
- The NMRE held a regional Day of Mental Health Education on May 20, 2022.

- The NMRE worked with its member CMHSPs to try to bring facilities into compliance with the HCBS Final Rule.
- The NMRE implemented DocuSign to improve its contracting process.

FY23 Workplan (each Goal includes Objectives that are not listed)

- Goal 1: Transition Substance Use Disorder (SUD) exclusion check activities from the NMRE to the SUD Providers. (The NMRE will continue to run exclusion checks for the SUD providers until the transition is complete.)
- Goal 2: Improve Medicaid Encounter Verification (MEV) reporting capability by transitioning into Power BI.
- Goal 3: Strengthen the Medicaid Encounter Verification (MEV) review process.
- Goal 4: Update training material.
- Goal 5: Update some existing policies and create new policies and procedures. These policies are required to ensure the effectiveness of the Compliance Program.

FY22 QAPIP Evaluation

- The NMRE increased enrollment in the Opioid Health Home (OHH) 2.8 percentage points from the previous year.
- The NMRE implemented a Performance Improvement Project to increase the percentage of individuals who are enrolled in the Behavioral Health Home (BHH) by the end of FY23.
- The NMRE implemented a Performance Improvement Project to decrease the no-show/missed appointment rate for psychiatric appointments by the end of FY23.
- The NMRE completed the Health Services Advisory Group (HSAG) audit of 7 program standards.
- The NMRE conducted site reviews of its CMHSP and SUD providers.
- The NMRE team worked with the CMHSPs and MDHHS to complete the initial 2022 (c) Waiver (HSW, CWP, SEDW) review.
- The NMRE conducted satisfaction surveys for CMHSP and SUD programs.
- The NMRE reviewed critical incident, risk events, sentinel events data quarterly.
- The NMRE reviewed performance indicator data quarterly.
- The NMRE implemented a regional Utilization Review Committee.
- THE NMRE implemented a regional Behavior Treatment Review Committee.
- The NMRE used Power BI to build reporting structures to measure network adequacy.

FY23 QAPIP Workplan (each Goal includes Objectives that are not listed)

- Goal 1: The NMRE will conduct Performance Improvement Projects (PIPs) that achieve ongoing measurement and intervention, demonstrable and sustained improvement in significant aspects of clinical and non-clinical services that can be expected to have a beneficial effect on health outcomes and member satisfaction.
- Goal 2: The NMRE QOC, as part of the QAPIP, will continue to review and follow-up on sentinel events and other critical incidents and events that put people at risk of harm.
- Goal 3: The NMRE will conduct quantitative and qualitative assessments (such as surveys, focus groups, phone interviews) of members' experiences with services. These assessments will be representative of persons served, including long-term supports and services (i.e.,

individuals receiving case management, respite services, or supports coordination) and the services covered by the NMRE's Specialty Supports and Services Contract with the State. Assessment results will be used to improve services, processes, and communication.

Goal 4: The NMRE will monitor its network providers at least annually.

Goal 5: The regional Behavioral Treatment Plan Committee (BTRC) will conduct quarterly reviews and review data analyses from the CMH providers where intrusive, or restrictive techniques have been approved for use with members and where physical management or 911 calls to law enforcement have been used in an emergency behavioral crisis.

Goal 6: The NMRE will establish regional HEDIS measures to demonstrate the effectiveness of improvements in the quality of health care and services for members as a result of the NMRE quality assessment and improvement activities and interventions carried out by the NMRE provider network.

Goal 7: The NMRE will implement the Supports Intensity Scale (SIS) Assessment in the region. SIS is a strengths-based, comprehensive assessment tool that measures an individual's support needs in personal, work-related, and social activities to identify and describe the types and the intensity of the supports an individual requires.

Goal 8: The Compliance Director will continue to provide quarterly updates to QOC, network providers, the Governing Board, and other stakeholders regarding routine QAPIP activities.

Goal 9: The NMRE and its network providers will implement a process to adopt and adhere to practice guidelines established by MDHHS, which can be found on the MDHHS Policies and Practice Guidelines page. The NMRE will also develop and adopt additional regional practice guidelines.

Goal 10: The NMRE will update Sub-contractual Relationships and Delegation Agreements to include the recommendation from HSAG during the compliance review.

Goal 11: The NMRE will update its credentialing standards to align with its Specialty Supports and Services Contract with the State and federal regulations.

MOTION BY RICHARD SCHMIDT TO APPROVE THE NORTHERN MICHIGAN REGIONAL ENTITY COMPLIANCE PROGRAM DESCRIPTION, FISCAL YEAR 2022 EVALUATION, AND FISCAL YEAR 2023 WORKPLAN AND THE QUALITY ASSURANCE AND PERFORMANCE IMPROVEMENT PROGRAM DESCRIPTION, FISCAL YEAR 2022 EVALUATION AND FISCAL YEAR 2023 WORKPLAN; SUPPORT BY JAY O'FARRELL. MOTION CARRIED.

COMMENTS

Board Members

Mr. Lawson commented that he is an Alpena County School Board Member. He asked what might account for the increasing number of students with behavioral health issues and a large increase in the number of students with Individualized Education Plans. Others responded that the impact of COVID and the shutdown, the increase in school shootings, social media, and cell phone usage all likely play a role. Mr. Kurtz noted there may have also been changes to IEP criteria.

Ms. Dahlstrom requested an update on the Alpine CRU adult crisis residential unit scheduled to open in Gaylord. Mr. Kurtz said the facility's license is currently pending.

NEXT MEETING DATE

The next meeting of the NMRE Board of Directors was scheduled for 10:00AM on February 22, 2023.

ADJOURN

Let the record show that Mr. Tanner adjourned the meeting at 12:15PM

DRAFT