



PREPAID INPATIENT HEALTH PLAN

Our Mission: Promoting opportunities for Recovery, Discovery, Health and Independence for individuals receiving services through ease of access, high quality of care and best value.

Region 10 PIHP Board Meeting Minutes Revised

March 21, 2025, 9:00 a.m.

St. Clair CMH, 3111 Electric Ave., Port Huron, MI

Board Members Present: Lori Curtiss, Bobbie Cutcher, Dr. Niketa Dani, Ellen Ellenburg, John Groustra, Ted Hammon, Joyce Johnson, Chad Polmanteer, Ed Priemer, Nancy Thomson, Reverend Rabon Turner, Jerry Webb, Rex Ziebarth

Board Members Absent: Bob Kozfkay

Staff Present: Region 10 PIHP Staff: Kelly VanWormer, Interim Chief Executive Officer; Richard Carpenter, Chief Financial Officer; Lauren Campbell, Administrative Director-Quality; Robin Kalbfleisch, Recording Secretary

CMH Staff: Wil Morris, Sanilac CMH; Dan Russell, GHS; Telly Delor, St. Clair CMH; Kathleen Gallagher, St. Clair CMH

Guests: None

1. Call to Order

Called to order at 9:02 a.m. by Chairperson Curtiss and roll call was conducted.

2. Citizens Wishing to Address the Board

None

3. Agenda Changes (Action Item)

It was moved by Ms. Joyce Johnson, seconded by Ms. Thomson, to approve the agenda as presented. **MOTION CARRIED**

4. Approval of Previous Meeting Minutes (Action Item)

It was moved by Ms. Thomson, seconded by Mr. Hammon, to approve the February 21, 2025 meeting minutes as presented. **MOTION CARRIED**

5. CEO Report

Ms. VanWormer presented the CEO report and provided a brief update on the status of the FY25 contract, the Earned Sick Time Act, Region 10 information technology initiatives, the Michigan Consortium for Healthcare Excellence (MCHE), and the Compliance Department. She also reported on a staff meeting that took place this week with the theme of "gratitude." It was designed to improve internal communication and show gratitude to staff from the Board and Management. A meeting for all staff will be held quarterly.

6. Finance

A. Monthly Finance Report - January (Action Item)

Presented by Mr. Carpenter. He stated eligibles continue to trend down and all regions are experiencing a similar trend. Revenue for DAB is below last year, which is concerning. The rate adjustment by the state was at least enough that the TANF and Healthy Michigan revenue is as much or more than last year. Traditional Medicaid has an approximate \$5.2 million surplus. He noted the ISF will be updated on next month's report to match the Milliman report recommendations from the analysis in 6.C. Healthy Michigan has a deficit of about \$710,000, and the surplus from Traditional Medicaid can be used to cover this deficit.

Mr. Carpenter provided details on CCBHC funding. There was a question on the impact of the new sick time act for Region 10 employees and Mr. Carpenter noted it will be a small impact and will be spread among all funding sources. He anticipates the budgeted amounts for internal vacant positions will offset any impact. The CMHs have likely already anticipated the impact and included in their budget, or they may ask for a budget amendment to include those expenses if needed.

It was moved by Ms. Thomson, seconded by Mr. Hammon, to approve the monthly Finance Report for January 2025 as presented. **MOTION CARRIED**

B. Region 10 Monthly Payment Report – January (Action Item)

Presented by Mr. Carpenter, who noted the attorney's fees pertaining to the lawsuit on the first page.

It was moved by Ms. Joyce Johnson, seconded by Ms. Thomson, to approve the monthly Payment Report for January 2025 as presented. **MOTION CARRIED**

C. ISF Analysis Report (Action Item)

Mr. Carpenter presented an ISF Analysis Report from Milliman. This analysis is done every two years, and we have had this completed for the past 10 years. This report is an exhibit in the lawsuit as a basis for funds needed in the ISF. Mr. Carpenter highlighted the results on page one of the report showing the recommended ISF balances for FY2024 and FY2025. He stated Region 10's goal is to fund up to the top of the range provided on this report for each fiscal year. There was discussion about MDHHS setting an ISF maximum of 7.5% for all PIHPs within the state even though each region has a different risk profile. He noted that the department had sent an email stating that all ISF funds in excess of the 7.5% maximum must be returned to the state; however, Region 10 reported based on the Milliman analysis. MDHHS stated the report would be rejected. There was additional discussion about the different requirements for Medicaid Health Plans (MHPs) versus PIHPs.

D. PIHP vs. MDHHS Lawsuit Fees

Mr. Carpenter presented a report showing the breakdown of lawsuit fees between the PIHPs. There is a verbal agreement to split the fees evenly between the five PIHPs involved in the lawsuit. The Board prefers to have this agreement in writing.

Mr. Carpenter will follow up with the other PIHPs to put the agreement for repayment of the attorney fees to Region 10 in writing.

E. Arbor Recovery Payments

As requested at the previous Board meeting, Mr. Carpenter provided an amount for payments Arbor Recovery. He reported that Arbor Recovery was paid \$3,977,000 (with payments ranging from \$110,000 to \$500,000 each month) since August 2023. Ms. VanWormer noted there have been ongoing contractual issues with Arbor Recovery that are still not all resolved. Arbor Recovery was given verbal notice that this could potentially result in early termination of their contract or a nonrenewal of their contract.

7. Executive Committee Report

A. Interim CEO Salary

Chairperson Curtiss reported that the Executive Committee met in March to discuss the CEO transition and interim CEO salary. The Executive Committee is recommending adding an additional \$40/hour to Ms. VanWormer's salary as interim CEO/COO.

It was moved by Mr. Ziebarth, seconded by Ms. Thomson, to approve an additional \$40 per hour be added to Ms. VanWormer's salary. There was additional discussion about the timing of this salary change. It was moved by Mr. Ziebarth, seconded by Ms. Thomson, to amend the motion to read "to approve an additional \$40 per hour to Ms. VanWormer's salary retroactive to February 17, 2025." **MOTION CARRIED.** Additional discussion took place regarding the length of time for the interim CEO position to be in place, with Chairperson Curtiss stating that the Executive Committee recommends that it be re-evaluated at the beginning of June. Ms. VanWormer noted that our attorney is working on an agreement for the interim CEO position.

Chairperson Curtiss reported that our attorney is reviewing the Region 10 PIHP by-laws.

8. MDHHS Initiative

Ms. VanWormer presented documents regarding the MDHHS press release and survey, the CMHA Advocacy Strategy, and CMHA Talking Points. CMHA has hired legal counsel to review the initiative to determine if this is something the Department would be able to do. Discussion took place regarding the survey, and Chairperson Curtiss asked Board members to take the survey. The talking points were referenced for use in advocating against the PIHP competitive procurement process.

9. Substance Use Disorder

A. Meeting Minutes (3.4.25)

Ms. VanWormer presented the minutes from the meeting. She stated she is looking into the formats for these meetings as she believes it falls under the Open Meetings Act. She has asked legal counsel to review. The SUD Oversight Policy Board by-laws and policy will be brought back to this Board at a future meeting.

B. PA2 Request (Action Item)

Ms. VanWormer presented a summary of a Genesee County PA2 Request for GHS Pillars of Hope Speaker Series: EmpowerMENT Panel Event in the amount of \$65,829. This

request was recommended for PIHP Board approval by the Genesee County representatives on the SUD Oversight Policy Board.

It was moved by Mr. Ziebarth, seconded by Mr. Webb, to approve the request for use of PA2 funding for the GHS Pillars of Hope Speaker Series: EmpowerMENT Panel Event in the amount of \$65,829 as presented. **MOTION CARRIED**

10. Any Other Business to Properly Come Before the Board

A. Beneficiary Advisory Council Press Release

Ms. VanWormer presented the MDHHS Press Release and flyer regarding a new statewide advisory council called the Beneficiary Advisory Council (BAC). You may fill out an application and send to MDHHS if interested in being a member of this council. Mr. Morris was asked by MDHHS to advertise this new council and was asked by Chairperson Curtiss to send information to the other CEOs in the region.

B. Meeting Packets

Discussion took place about revising the board packet process by having materials available electronically instead of mailing hard copies. Ms. VanWormer advised the group that board materials are currently added to the Region 10 website prior to each meeting. Many felt that it would be easier to access the materials if they were in a single PDF document. Some Board members have issues with accessing electronically and prefer having hard copies available at the meeting. A vote took place to determine board members requiring hard copies of the meeting materials:

Mail hard copies: Mr. Hammon, Mr. Ziebarth
Hard copies available at Board meeting: Ms. Cutcher, Dr. Dani, Ms. Ellenburg, Ms. Johnson, Mr. Kozfkay (per Mr. Morris), Mr. Priemer.
The rest of the Board members will access electronically.

Board materials will be saved into one document and emailed for the April meeting, as well as saved on the Board Member area of the Region 10 website. Hard copies will be available at the meeting for those listed above.

11. Citizens Wishing to Address the Board

None

12. Adjournment (Action Item)

It was moved by Mr. Hammon, seconded by Ms. Ellenburg, to adjourn the meeting. With no further business to discuss, Chairperson Curtiss adjourned the meeting at 10:37 a.m.

Respectfully submitted,

Reviewed and approved,

Robin Kalbfleisch,
Recording Secretary

Region 10 PIHP Board
Secretary / Designee