

Region 10
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GROUP MEETING: Region 10 PIHP Board
PLACE: Sanilac CMH
227 Sanilac Rd., Sandusky, MI
DATE: May 17, 2019
TIME: 9:00 a.m.
PRESIDING: Lori Curtiss, Chairperson

PRESENT: Lori Curtiss, Dr. Niketa Dani (arrived at 9:25), DeElla Johnson, Joyce Johnson, Gary Jones (arrived at 9:26), Robert Kozfkay, Elva Mills, Ed Priemer, Wayne Strandberg
ABSENT: Steve Armstrong, Terry Bankert, Ronald Barnard, Wanda Cole, Linda Keller
ALSO PRESENT: *Region 10 PIHP Staff:* Jim Johnson, CEO; Richard Carpenter, CFO-Rehmann; Kelly VanWormer, COO; Kristen Potthoff, Administrative Director; Bob Esselink, Due Process Manager; Robin Kalbfleisch, Recording Secretary

CMH Staff: Dan Russell, GHS; Lauren Emmons, Lapeer CMH; Wil Morris, Sanilac CMH; Nanette Susalla, Sanilac CMH Board member; Aaron Wells, Rehmann

I. CALL TO ORDER

The meeting was called to order at 9:00 a.m. by Chairperson Curtiss.

II. CITIZENS WISHING TO ADDRESS THE BOARD

None

III. AGENDA CHANGES

It was moved by Ms. Keller, seconded by Dr. Dani, to approve the revised meeting agenda as presented. **MOTION CARRIED**

IV. APPROVAL OF PREVIOUS MEETING MINUTES

It was moved by Ms. Mills, seconded by Ms. Keller, to approve the April 19, 2019 meeting minutes as presented. **MOTION CARRIED**

V. FINANCE

A. FY2019 Budget

1. Monthly Finance Report – March 2019 (*Action*)

Presented by Mr. Carpenter. Eligibility trend is higher this month for TANF and Healthy Michigan. The HAB slots paid and revenue are both low; there is a five month look-back and he anticipates this will go back up. There is a surplus for Traditional Medicaid of just under six million; some of this surplus will be used for the deficit in Healthy Michigan, which is currently at \$419,711. Mr. Carpenter stated there have been discussions at the CFO level to do a projection for the remainder of the year to determine what the surplus will be and to identify gaps in which that money may be used. The first revenue payment that includes the direct care wage increase will be in next week so he will have better idea of the revenue and expenditures to use in this projection. Mr. Johnson reported that, according to a recent report from the State, the region is falling further behind in providing services to people with autism. This is due to not having enough qualified providers in our region. When we have more providers, our spending will increase dramatically.

It was moved by Mr. Kozfkay, seconded by Ms. Joyce Johnson, to receive the March 2019 Monthly Finance Report as presented. **MOTION CARRIED**

2. Monthly Payment Report – March 2019 (*Action*)

Presented by Mr. Carpenter. He noted that the line item for Rehmann includes multiple months.

It was moved by Ms. Mills, seconded by Mr. Strandberg, to receive the March 2019 Monthly Payment Report as presented. **MOTION CARRIED**

B. Financial Staffing Update

Mr. Johnson provided a brief update of the status of financial staffing. He reported that there have been some additional applications and he and Kelly had an interview yesterday for Finance staff.

VI. **RESOLUTION NAMING TRUSTEE & ALTERNATE FOR WEST MICHIGAN HEALTH INSURANCE POOL**

The West Michigan Health Insurance Pool (WMHIP) requires that each member entity name a Trustee and Alternate Trustee to serve on the Board of Trustees for the WMHIP. Mr. Johnson explained that he has been a Trustee and Robin Kalbfleisch an Alternate Trustee for Region 10. It is no longer a requirement that an employee be a Trustee, so he believes it is more appropriate for Kelly VanWormer to be the Trustee, with Robin Kalbfleisch as the Alternate, as they are more closely involved with the benefits administration for Region 10.

It was moved by Ms. Mills, seconded by Mr. Kozfkay, to approve Resolution # 2019-03 Naming Trustee & Alternate for West Michigan Health Insurance Pool as presented. Roll call: Ms. Curtiss-Aye, Ms. D. Johnson-Aye, Ms. J. Johnson-Aye, Mr. Kozfkay-Aye, Ms. Mills-Aye, Mr. Priemer-Aye, Mr. Strandberg-Aye. Ayes-7, Nays-0. **MOTION CARRIED by roll call vote**

VII. **CONTRACT AMENDMENTS**

A. FY2019 PIHP-CMH Amendment No. 4

Ms. VanWormer reviewed the amendment, which included the addition of the Direct Care Wage Attestation Form and reporting requirements, changes to the PIHP-CMH Staffing Lease Agreements for St. Clair CMH and GHS, and changes to the PIHP-CMH Performance Objective

related to Habilitation Supports Waiver. Mr. Priemer asked if the vacancy in the Access Dept. will be filled and Ms. VanWormer stated that it will be filled by a Region 10 direct hire. There are current job postings for two Clinicians positions. For the GHS staff person, GHS will post and hire, and Region 10 will lease from GHS.

It was moved by Mr. Priemer, seconded by Ms. Mills, to approve the FY2019 PIHP-CMH Amendment No. 4 as presented. **MOTION CARRIED**

VIII. SUBSTANCE USE DISORDERS

A. Residential and Detox Max Rate Increase

Mr. Johnson presented the proposed SUD Treatment Service Rates. The rates are for Sub-Acute Detox, Short-Term Residential, and Methadone Administration. There have been changes by the State to the rules for each which has caused increased staff and/or process changes. We have also had requests from providers to increase our max rates.

B. PIHP-SUD Treatment Services Contract Amendments

Mr. Johnson presented the Contract Amendment summary for the changes listed above and the providers affected. Mr. Kozfkay asked what the additional costs will be to Region 10. Mr. Johnson stated the projected cost is \$900,000 annually across all funding sources. We are not getting additional dollars for this, but it will provide better care for the individuals we serve. Mr. Carpenter stated that this is not a concern short-term as we have a \$5 million surplus; long-term, since the new rules are state-wide, we anticipate this will eventually be included in the rate-setting process by the State.

Chairperson Curtiss asked if we would receive the days of care that this would cover compared to FY18 costs/utilization. Mr. Johnson stated that we have presented this information in the past to the Board. The SUD Advisory Board approved these rate increases at their last meeting.

It was moved by Ms. Mills, seconded by Mr. Kozfkay, to approve the Residential and Detox Max Rate Increases and the PIHP-SUD Treatment Services Contract Amendments as presented.
MOTION CARRIED

C. SUD Oversight Committee Meeting (5.14.19)

Mr. Johnson presented the minutes. He highlighted that St. Clair County had requested PA2 dollars for implementing a Recovery Court Program. St. Clair CMH will coordinate and help individuals navigate the system. It was approved by the SUD Advisory Board at the May 14th meeting.

IX. FY2019 SEMI-ANNUAL GRIEVANCE & APPEAL REPORT

Mr. Esselink presented the first Semi-Annual Grievance & Appeal report. This will now be presented semi-annually instead of quarterly as first presented. Mr. Esselink reviewed the steps of each process. There were 49 total Grievances in the first half of FY19. There were 89 total appeals and 0 Hearings. There have been 4 hearings so far in the 2nd half of FY19. The PIHP Grievance and Appeal Office received a total of 216 calls for assistance during this time period. The exhibits provide a summary of the numbers by CMH and the reasons for each.

X. NOMINATING COMMITTEE

Chairperson Curtiss recommends delaying the board re-appointments and officer elections until July when there is more information regarding GHS' part in 298 and more guidance from the Department.

After further discussion, it was moved by Mr. Priemer, seconded by Mr. Kozfkay, to delay the officer elections and Board appointments/reappointments until a future meeting to take place between June and October. **MOTION CARRIED**

XI. DIRECTOR'S REPORT

FY19 State Budget – The Governor, House and Senate have all released their budget recommendations. The recommendations for 298 differ with each. The Senate recommends the 298 pilots take place for a period of 3 years; the Governor and House recommend 2 years. The Senate budget includes language that has been interpreted by the Board Association to mean that: 1.) The MHPs do not need to work exclusively through the CMHs in that county; and 2.) The end of the pilot period will automatically move to privatization. The House 298 language mostly concurs with the Governor. However, the House did recommend elimination of the state disability assistance benefit, which the PIHPs use to help pay for room and board for individuals in residential care. A Committee will be put into place to review all three recommendations and finalize a budget. He stated it is a good time to communicate with your legislators about the budget for FY20 if you are interested in doing so.

298 – There have been two meetings regarding 298 with the Department, PIHPs, and pilot CMHs. There is still guidance needed from the State. There will be separate rates for the enrolled and unenrolled populations, and we are still waiting for the rates for FY20. There is a meeting scheduled for May 28th and we believe the rates will be rolled out then.

Mr. Johnson stated GHS and the PIHP have started to discuss transition of the management of SUD. In the pilot regions, the CMH will be the designated entity to manage the SUD benefit for Medicaid and the block grant. We are still waiting for guidance on this from the Department. There have been discussions about a pass through from the MHPs to the CMHs. The STR and SOR block grants will stay with the PIHPs. Synar and Non-Synar youth access to tobacco initiatives will also remain with the PIHPs.

Mr. Kozfkay inquired what savings the State is expecting by implementing 298. Mr. Johnson stated that the MHPs believe integrating care will reduce administrative costs and they will be able to spend more money on services. However, the MHPs are full risk, so savings will not go to the State, they could be kept by the MHPs as unrestricted funds.

Mr. Russell stated that the Saginaw Board voted to withdraw from the 298 Pilot for several reasons, the major being lack of a payor for their operating bank loan that is due. Mr. Carpenter confirmed that the Saginaw Board voted to withdraw from the pilot and that an analysis had shown that their revenue could be significantly less going through the MHPs rather than the PIHP; however, the actual rates have not been determined. Mr. Johnson noted that the State only requires 1 pilot to take place.

1115 Waiver – This has been approved for the SUD benefit. They still had language regarding managed care authority in the waiver, so technically that was approved, too. There will have to be amendments to incorporate 298. A 1915(i) waiver will need to be implemented for most of the (b)3 services that are not in the State plan (Community Living Supports, Skill Building Assistance

Services). The State is working with CMS to move to 2 years to prepare for eligibility determination instead of 1 year.

The Department is renewing their focus on conflict of interest, and the subset conflict free case management. There is a requirement in the (i) waiver to address conflict of interest so that the same entity is not determining eligibility, providing the services, and funding the services. The State will require providers to explain how they will remain compliant with the rules of conflict free case management.

XI. ANY OTHER BUSINESS TO PROPERLY COME BEFORE THE BOARD

None

XII. CITIZENS WISHING TO ADDRESS THE BOARD

None

XIII. ADJOURNMENT

Motion by Mr. Jones to adjourn the meeting. With no further business to discuss, Chairperson Curtiss adjourned the meeting at 10:13 a.m.

Respectfully submitted,

Reviewed and approved,

Robin Kalbfleisch
Recording Secretary

Wanda Cole
Region 10 Board Secretary/Designee