

Region 10  
Genesee • Lapeer • Sanilac • St. Clair Counties

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GROUP MEETING: Region 10 PIHP Board  
PLACE: Lapeer Community Mental Health  
1570 Suncrest Dr., Lapeer, MI 48446  
DATE: October 20, 2017  
TIME: 9:00 a.m.  
PRESIDING: Lori Curtiss, Chairperson

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PRESENT: Steve Armstrong, Ronald Barnard, Wanda Cole, Lori Curtiss, Dr. Niketa Dani (arrival 9:24 a.m.), Ted Hammon, DeElla Johnson, Joyce Johnson, Gary Jones, Robert Kozfkay, Ed Priemer, Ed Rieves, Wayne Strandberg

ABSENT: Linda Keller, Elva Mills

ALSO PRESENT: *Region 10 PIHP Staff:* Jim Johnson, CEO; Richard Carpenter, CFO (arrival 9:10 a.m.); Tom Seilheimer, CC); Pattie Hayes, Administrative Director; Kristen Potthoff, Contract Manager; Robin Kalbfleisch, Recording Secretary

*CMH Staff:* Lauren Emmons, Lapeer CMH; Wil Morris, Sanilac CMH; Dan Russell, GHS; Nicole Beagle, Sanilac CMH

GUESTS: None

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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

Chairperson Curtiss would like to add an agenda item for “NCQA” after item IX. It was moved by Ms. Joyce Johnson, seconded by Mr. Rieves, to approve the revised agenda as presented. **MOTION CARRIED**

IV. PRESENTATION OF PREVIOUS MEETING MINUTES (*Action*)

It was moved by Mr. Priemer, seconded by Mr. Jones, to approve the Region 10 PIHP Board Meeting minutes of September 15, 2017. **MOTION CARRIED**

V. FINANCE

A. FY2017 Budget

1. Monthly Finance Report – August 2017 (*Action*)

Mr. Carpenter presented the August Finance report. He noted the DAB eligibles are still lower than the previous year. TANF and Healthy Michigan eligibles are above the previous year. There is currently a surplus of \$18.6 million, which includes \$12.4 from the previous year. He anticipates some of this surplus will be use for the overspend in Autism and Healthy Michigan. It is anticipated that there will be approximately \$11 million surplus at the end of this fiscal year that will be carried over into next fiscal year.

Mr. Barnard asked what first/third party receipts are (listed under revenue). Mr. Carpenter responded that they are receipts from a consumer's primary insurance. (for example, Medicare may be primary and Medicaid secondary.) Medicaid is to be used as the payor of last resort; any other insurance coverage must be billed first.

Mr. Kozfkay asked if there were any upcoming financial concerns. Mr. Carpenter responded that the first FY18 payment is due next week, so that will be the first indicator if the anticipated rate increases will actually take place. The CFOs in the region are currently working on cost projections for the \$.50/hr. direct care wage increase that was effective Oct. 1<sup>st</sup> and should have more information by the end of November.

It was moved by Mr. Kozfkay, seconded by Mr. Rieves, to approve the Finance Report for August 2017 as presented. **MOTION CARRIED**

2. Payment Report – August 2017 (*Action*)

Report presented by Mr. Carpenter. He provided separate figures for the Rehmann total, as requested at last month's Board meeting. For August, the total was \$23,600 for five invoices: CFO, Accounting, HR Consulting, and two invoices for the payroll system. He noted that the totals for the CMHs may include two months.

There was discussion regarding potential changes to Medicaid at the federal level, i.e. Medicaid block grants.

It was moved by Mr. Rieves, seconded by Ms. Cole, to approve the Payment Report for August 2017 as presented. **MOTION CARRIED**

B. BDO Agreement (*Action*)

Mr. Johnson stated that he had sent to the Board an e-mail with a link to a BDO commercial that was referenced earlier by Ms. Mills. There are differing opinions of whether the dialogue in the commercial was at a provider level or at the payor level.

Discussion: Mr. Armstrong believes the commercial is implicit support for integration of behavioral healthcare into the health plans. He believes we need to make a statement of our position by finding another company to do the Region 10 audits. Mr. Carpenter said a factor to consider is the timing of audit firms bidding for an audit that will start in three months; we may not get the best price because of the short timeframe. If an RFP was initiated, it would need to be complete by the December Board meeting. Mr. Jones stated that if we do decide to do a RFP, we should ensure that the new audit firm is held up to the same criteria. Dr. Dani believes that most of the public does not understand how

funding happens, and that it is possible that this is just an ad that is not advocating for integration of behavioral health care. Mr. Kozfkay suggested the Board could approve the contract for one year, and in the meantime, send a letter to BDO expressing our concerns and requesting a response from them.

It was moved by Mr. Kozfkay, seconded by Mr. Hammon, to approve the extension of the one-year BDO contract with the stipulation that a letter expressing our concerns is sent to them with a request for a response. Mr. Jones recommends adding on to future RFPs that companies must provide their position on funding of the public mental health system vs. private health plans. Chairperson Curtiss asked for a roll call vote on this motion. **MOTION FAILED** by roll call vote. 6 Ayes: Ms. Cole, Dr. Dani, Mr. Hammon, Ms. J. Johnson, Mr. Jones, Mr. Kozfkay. 7 Nays: Mr. Armstrong, Mr. Barnard, Ms. Curtiss, Ms. D. Johnson, Mr. Priemer, Mr. Rieves, Mr. Strandberg.

It was moved by Mr. Armstrong, seconded by Mr. Rieves, to submit an RFP for auditing services. **MOTION CARRIED**

## VI. CONTRACT AMENDMENT

### A. MDHHS – PIHP Contract Amendment No. 1 (*Action*)

Ms. Potthoff presented the changes to the FY18 contract that are listed on the attached summary page. The amendments go through the state-level workgroup first, which Mr. Johnson and Ms. Potthoff are both participants of.

It was moved by Mr. Barnard, seconded by Mr. Kozfkay, to approve the FY18 MDHHS-PIHP Contract Amendment No. 1 as presented. **MOTION CARRIED**

## VII. POLICY

### A. Quality Assessment & Performance Improvement Program 01.04.01 (revised) (*Action*)

Ms. Hayes reviewed the changes made due to NCQA. Added QI in place of QAPIP throughout document; QI is a NCQA term and QAPIP is a Department term and Region 10 uses both interchangeably. The membership of the QI Committee was updated as well.

It was moved by Mr. Priemer, seconded by Mr. Rieves, to approve the Quality Assessment & Performance Improvement Program Policy # 01.04.01, as presented. Mr. Kozfkay felt this should be tabled until the other NCQA discussion takes place. It was determined that the discussion on NCQA would take place next.

### NCQA

Mr. Johnson stated that in the past year Region 10 has been pursuing NCQA accreditation with about \$50,000 spent on consultants and \$15,000 to NCQA. There is an additional \$55,000 projected to be spent in addition to the \$.05 per eligible cost. Mr. Johnson asked Lynda Zeller directly what the Department's stand was on the PIHPs becoming accredited. She stated that the Department is not planning to require NCQA accreditation at this time. The federal regulations state that this is required for health plans in the marketplace, but it does not apply to PIHPs. There was discussion regarding the pros and cons of continuing with NCQA accreditation. Pros included improving the system, helping with 298 challenges, and the fact the Region 10 is close to accreditation. Cons included the costs, the extra work for Region 10 and CMH staff, and no guarantee that this will be required in the future.

It was moved by Dr. Dani, seconded by Mr. Jones, to stop the process of NCQA accreditation. **MOTION CARRIED** by roll call vote. 8 Ayes: Mr. Barnard, Ms. Cole, Dr. Dani, Mr. Hammon, Ms. J. Johnson, Mr. Jones, Mr. Kozfkay, Mr. Strandberg. 5 Nays: Mr. Armstrong, Ms. Curtiss, Ms. D. Johnson, Mr. Priemer, Mr. Rieves.

It was moved by Ms. Cole, seconded by Dr. Dani, to approve the Quality Assessment & Performance Improvement Program Policy # 01.04.01, as presented. **MOTION CARRIED**

### VIII. QUALITY IMPROVEMENT

#### A. FY17 QI Annual Report (*Action*)

Ms. Hayes presented the report that shows the efforts and accomplishments of each committee for 2017. Recommendations included that the FY18 annual work plan will address planned QI activities and objectives for improving quality of clinical care, safety of clinical care, quality of service and members' experience.

It was moved by Mr. Strandberg, seconded by Mr. Rieves, to approve the FY17 QI Annual Report, as presented. **MOTION CARRIED**

#### B. FY18 QI Program Plan (*Action*)

Ms. Hayes presented the FY18 plan. Updates including adding more detail regarding the work the region is doing. In addition, the roles of Medical Director and Chief Clinical Officer have been included. The organizational chart was updated. A workplan was added, which includes a merger of the committee goals and NCQA suggested goals / activities. Emphasis was placed on having measurable goals, specific timeframes, and planned activities. References to NCQA will be removed and page numbers will be added to the workplan section.

It was moved by Mr. Kozfkay, seconded by Ms. Cole, to approve the FY18 QI Program Plan, as presented. It was noted that future updates will remove NCQA references. **MOTION CARRIED**

#### C. FY17 3<sup>rd</sup> Quarter Performance Indicator Report (*Action*)

Ms. Hayes reviewed the 3<sup>rd</sup> Qtr. Performance Indicator Report. SUD did not meet Performance Indicator #2. St. Clair Co. CMH did not meet Performance Indicator #3, as well as indicator #3b, and #3c. Root cause analyses and plans of improvement have been submitted, reviewed and accepted. At the PIHP level, all performance standards were met.

It was moved by Ms. Cole, seconded by Mr. Rieves, to approve the FY17 3<sup>rd</sup> Quarter Performance Indicator Report, as presented. **MOTION CARRIED**

#### D. FY17 Validation of Performance Measures

Ms. Hayes reviewed the results beginning on page 7 of the report. All items were acceptable, and no major concerns were noted. Strengths and areas for improvement were reviewed. Specific findings for each area were referenced in Appendices A, B & C.

*Mr. Armstrong left the meeting at 10:57 a.m.*

E. 2016-2017 PIP Validation Report

Dr. Seilheimer reviewed the study rationale on page 1-2 and the findings beginning on page 2-1. Region 10 received 100% compliance in all activities. Recommendations on page 3-1 were reviewed. The Quality Management Committee monitors the PIPs.

F. FY17 Consumer Satisfaction Report

The Quality Management Committee came up with this survey and each CMH administers this survey annually. Ms. Hayes stated there were 808 adult surveys and 374 child and family surveys received. All questions received favorable levels of consumer satisfaction. The three recommendations were reviewed.

IX. DIRECTOR'S REPORT

Direct care wage increase – Mr. Johnson stated we are waiting for additional guidance from the State regarding the increase.

1115 Waiver – One of the issues between CMS and the Department is the Medicaid Housing Assistance Benefit. CMS needs assurance that it is not being used for room and board. The Department is currently waiting for feedback from CMS.

DAB eligibles – There is continuing concern over the migration of individuals from the DABs population to Healthy Michigan. Individuals with a qualifying disability generate a higher revenue stream for us, but it is easier for those individuals to qualify for Healthy Michigan and they receive the same benefit. Milliman does not see an issue with the rates statewide, but some of the PIHPs are greatly affected. The PIHPs will be providing data to the Department to encourage them to do a rate adjustment and make sure individuals are classified appropriately.

298 Pilots – The Kent County pilot is moving forward quickly. The State is scheduling meetings to talk about the other pilots, and the PIHP CEOs will be attending a meeting in November. They anticipate a 3 – 5-year process to get the pilots up and running.

Network Adequacy Standards (Managed care rules) – The State is looking at developing time and distance standards.

HCBS Process – Heightened Scrutiny notifications started going out this week. There are many providers under Heightened Scrutiny, so we will be keeping an eye on this.

NCQA – Mr. Johnson would like to publicly recognize the Region 10 staff who have put much time and effort into working on this project, including Ms. VanWormer, Dr. Seilheimer, Ms. Potthoff, Ms. Prowse, Ms. Hayes and Ms. DeKorse.

SUD – Lisa Coleman is leaving Region 10 as of today.

A. MACMHB

1. Friday Facts

This report is included for review.

X. ANY OTHER BUSINESS TO PROPERLY COME BEFORE THE BOARD

A. GHS Funds Update

Mr. Russell provided an update on the GHS funds issue that is still ongoing. The Genesee County Board Chair has been working on this as he wants to resolve the issue without a lawsuit. GHS would like a resolution before any other actions are taken as well. The Genesee County Board has an issue with excess Medicaid funds that were put into a post-retirement account. GHS is working with an auditor to provide the County with something in writing stating this did not affect County funds. Once this is provided, they should be able to move forward with a resolution.

XI. CITIZENS WISHING TO ADDRESS THE BOARD

None

XII. ADJOURNMENT

There was a motion to adjourn given by Mr. Rieves, seconded by Ms. Cole. With no further business to discuss, Chairperson Curtiss adjourned the meeting at 10:26 a.m.

Respectfully submitted,

Reviewed and approved,

Robin Kalbfleisch  
Recording Secretary

Gary Jones  
Region 10 Board Secretary