

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

GROUP MEETING: Region 10 PIHP Board
PLACE: Region 10 PIHP
3111 Electric Ave., Port Huron, MI
DATE: February 15, 2019
TIME: 9:00 a.m.
PRESIDING: Robert Kozfkay, Vice-Chairperson

PRESENT: Steve Armstrong, Terry Bankert, Ronald Barnard, Wanda Cole (by phone), Dr. Niketa Dani, DeElla Johnson, Joyce Johnson, Robert Kozfkay, Elva Mills, Ed Priemer,

ABSENT: Lori Curtiss, Linda Keller, Gary Jones, Wayne Strandberg

ALSO PRESENT: *Region 10 PIHP Staff:* Jim Johnson, CEO; Richard Carpenter, CFO-Rehmann; Pattie Hayes, CIO; Bob Esselink, Grievance & Appeal Manager; Tom Seilheimer, CCO; Robin Kalbfleisch, Recording Secretary

CMH Staff: Wil Morris, Sanilac CMH; Lauren Emmons, Lapeer CMH

I. CALL TO ORDER

The meeting was called to order at 9:00 a.m. by Vice-Chairperson Kozfkay.

II. CITIZENS WISHING TO ADDRESS THE BOARD

None

III. AGENDA CHANGES

It was moved by Mr. Armstrong, seconded by Ms. Mills, to approve the revised meeting agenda as presented. **MOTION CARRIED**

IV. APPROVAL OF PREVIOUS MEETING MINUTES

It was moved by Ms. Mills, seconded by Mr. Barnard, to approve the January 18, 2019 meeting minutes as presented. **MOTION CARRIED**

V. FINANCE

A. FY2019 Budget

1. Monthly Finance Report – December 2018 (*Action*)

Presented by Mr. Carpenter. Eligibility has dropped as it often does this time of year; this is likely due to Medicaid member eligibility processes. Revenue is currently on par with our expectations. Traditional Medicaid surplus is approximately \$4.6; Healthy Michigan deficit is about \$500,000 and will be covered by the Traditional Medicaid surplus. The Healthy Michigan overspend is a state-wide issue, not just Region 10.

Ms. Mills noted that she heard at the conference many Board Chairs commenting on financial problems in their regions. Mr. Carpenter stated that it is likely due to funding problems with the state. In addition, the need for Autism services is growing faster than anticipated. Mr. Johnson commented that Autism is still underserved in our region. If we were up to capacity, our spending would be much higher for Autism. In addition, differences in how CMH funding is handled by the PIHPs within the affiliate regions is also a contributor to the financial issues.

It was moved by Ms. Mills, seconded by Ms. Johnson, to receive the December 2018 Monthly Finance Report as presented. **MOTION CARRIED**

2. Monthly Payment Report – December 2018 (*Action*)

Presented by Mr. Carpenter.

It was moved by Mr. Armstrong, seconded by Mr. Bankert, to receive the December 2018 Monthly Payment Report as presented. **MOTION CARRIED**

B. Financial Staffing Update

Mr. Johnson reported the CFO posting is still active, but there have been no qualified candidates. The Financial Accountant position is still open, and we have received some candidates. The St. Clair CMH CFO will help screen the candidates for technical qualifications and assist in developing an interview protocol. The RFP responses were due last Friday and there was one response received that is currently being vetted. There will be more information on this response at the March Board meeting.

C. Resolutions for Retirement Plan

1. 2019-01 Retirement Plan Amendment and Restatement (*Action*)

2. 2019-02 Retirement Plan Corrective Amendment (*Action*)

Mr. Johnson presented the resolution for an amendment to the current Region 10 Retirement Plan and a resolution for a restatement of the Region 10 Retirement Plan going forward. Region 10 administrative staff felt that the plan was not working as it was initially intended so they have been working with Valic to address issues and get the plan set up correctly. The main concern had to do with the employer discretionary contributions. These contributions are forfeited if an employee leaves employment before having 3 years of service. The funds are directed into a forfeiture account; however, it was found that this account was not working as it was intended and that changes needed to be made. There was also an issue with the Social Security Alternative contributions being forfeited into the account if a terminated employee did not work on the last

day of the plan year, which is not what the original intent of the plan was. Mr. Johnson noted that there is no negative monetary impact to the employees.

There is a \$3,000 fee for Valic to submit these changes to the IRS, which will be paid by Region 10 and then reimbursed by Valic. It will take two – six months for approval by the IRS. Valic believes it will be a relatively short turnaround with no issues as no employees were harmed in the process.

It was moved by Mr. Barnard, seconded by Dr. Dani, to approve Resolution # 2019-01 Retirement Plan Amendment and Restatement and Resolution # 2019-02 Retirement Plan Corrective Amendment as presented. **MOTION CARRIED**

Mr. Carpenter left the meeting at 9:20 a.m.

VI. GRIEVANCE AND APPEAL PRESENTATION

Mr. Esselink presented an overview of the Region 10 Grievance and Appeal system with a handout and a 1st Quarter Report of the Grievance and Appeal system. There were 18 total grievances and 44 total appeals in the region in the first quarter of FY19. The most common grievance was quality of care. The main reason for appeals was due to service terminations and service denials. Mr. Bankert asked about the overlap and potential redundancy of the Grievance and Appeals system with the Recipient Rights system. Mr. Johnson stated that Grievances are separate from Recipient Rights, which is a CMH/Mental Health Code mandated process, and that the PIHP had no authority in the Recipient Rights process. CMHSPs review their Recipient Rights issues and may forward any grievances to the PIHP when appropriate. Although the grievance function is delegated by the PIHP to the CMHSPs, there may be some grievances that come directly to the PIHP and there also may be some overlap between the two systems.

VII. UTILIZATION MANAGEMENT REDESIGN

Dr. Seilheimer reviewed the Executive Summary that was provided to the Board. This explains the Utilization Management Redesign that will begin in FY2020. A 3 month pilot will take place at Lapeer CMH, Sanilac CMH, and St. Clair CMH. Trainings will be conducted at each CMH by Dr. Seilheimer and consultants. A flow chart of the Utilization Management process was also presented.

VIII. QUALITY IMPROVEMENT

A. HSAG Corrective Action Plan

Ms. Hayes presented and reviewed the HSAG 2017-2018 Corrective Action Plan, which was requested by the Board in January during the presentation of HSAG Compliance Monitoring Report. This report was submitted to HSAG last week and we are awaiting approval from the State.

IX. TRANSITION SUBCOMMITTEE

A. Meeting Minutes 2.11.19

Mr. Johnson reviewed the discussions held at this subcommittee meeting which include changes to the By-Laws and Operating Agreement. The subcommittee discussed reducing the number of Board members to 12 (or 9 if allowable) and combining the Secretary and Treasurer into one officer position. This group will review drafts of the revised documents at a meeting in March.

Recommended changes will be provided to the Board members from Sanilac, St. Clair and Lapeer counties for approval. He noted that the State will be determining the changes required in the funding.

X. DIRECTOR'S REPORT

Mr. Johnson stated that the Region 10 Staff was very appreciative of the pizza luncheon that the Board recommended for the employees.

Mr. Johnson stated that the new Department leadership is launching a departmental financial oversight and reporting initiative. They are wanting to take a more active role in the management of their responsibilities in the public specialty behavioral healthcare system. This will include providing scrutiny and oversight to service access and eligibility, the adequate use of funding, and the consistency in administrative functions across the state. There will be enhanced operational monitoring of the system in the areas of: access, delegation, utilization management reporting, the local appeal process, and network management. Representatives from the Department also plan on attending some CMH and PIHP Board meetings in the future.

Parity – The State has agreed to remove the I/DD population from the Mental Health population and include it on the medical/surgical side of the ledger when addressing parity.

298 – Discussions regarding the unenrolled population are ongoing. The RFP was held up to ensure alignment/endorsement by the incoming administration and is going to be issued now that the new administration is in place.

Waiver – The waiver is still on track to meet the October 1st implementation date.

Substance Use Disorder Grants – The SOR/STR federal grants that will continue to be managed by the PIHPs, regardless of pilot status.

A. 2019 Senate and House Committee Assignments

Mr. Johnson provided the Board with a copy of the Senate and House Committee Assignments for reference.

XI. ANY OTHER BUSINESS TO PROPERLY COME BEFORE THE BOARD

None

XII. CITIZENS WISHING TO ADDRESS THE BOARD

None

XIII. ADJOURNMENT

With no further business to discuss, Vice-Chairperson Kozfkay adjourned the meeting at 10:55 a.m.

Respectfully submitted,

Robin Kalbfleisch
Recording Secretary

Reviewed and approved,

Wanda Cole
Region 10 Board Secretary/Designee