

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

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GROUP MEETING: Region 10 PIHP Board  
PLACE: St. Clair CMH  
3111 Electric Ave., Port Huron, MI  
DATE: February 17, 2017  
TIME: 9:00 a.m.  
PRESIDING: Lori Curtiss, Chairperson

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PRESENT: Steve Armstrong, Ronald Barnard, Wanda Cole (by phone – 9:35 a.m.), Lori Curtiss, Dr. Niketa Dani, Ted Hammon, DeElla Johnson (by phone – 9:50 a.m.), Joyce Johnson, Linda Keller, Robert Kozfkay, Elva Mills, Ed Priemer (arrival 9:25 a.m.), Ed Rieves, Wayne Strandberg

ABSENT: Gary Jones

ALSO PRESENT: *Region 10 PIHP Staff:* Jim Johnson, CEO; Kelly VanWormer, CIO; Dr. Tom Seilheimer, CCO; Richard Carpenter, CFO (arrival 9:37 a.m.); Kristen Potthoff, Compliance Officer; Robin Kalbfleisch, Recording Secretary

*CMH Staff:* Danis Russell, GHS; Lauren Emmons, Lapeer CMH; Deb Johnson, St. Clair CMH; Wil Morris, Sanilac CMH

*Other:* Alan Bolter, MACMHB; Paul Rebandt, Rehmann

I. CALL TO ORDER

The meeting was called to order at 9:08 a.m. by Chairperson Curtiss.

II. CITIZENS WISHING TO ADDRESS THE BOARD

None

III. AGENDA CHANGES

None

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

It was moved by Mr. Rieves, seconded by Ms. Mills, to approve the Region 10 PIHP Board Meeting minutes of January 20, 2017. **MOTION CARRIED**

V. LEGISLATIVE UPDATE

Chairperson Curtiss introduced Mr. Alan Bolter from MACMHB who was invited to give a legislative update to the Board. He reported there were 43 new House members elected out of 110, and the Republicans have the majority with 63 to 47. He provided handouts showing the House of Representatives committee assignments. Mr. Bolter mentioned committee members Ned Canfield, Sue Allor, Mary Whiteford, and Pam Faris who are proponents of community mental health.

The State budget meetings started this week and will be done by the middle of March. Linda Zeller will be doing a Behavioral Health presentation in the House on February 22<sup>nd</sup>. There will be a public testimony meeting in the House on February 27<sup>th</sup>. Ms. Zeller will be doing the presentation for the Senate on March 2<sup>nd</sup> with the public testimony meeting following the presentation.

Mr. Bolter discussed two policy items. The first was Telehealth Senate Bill 753, which states that controlled substances cannot be prescribed through Telehealth. The bill goes into effect March 29<sup>th</sup>, so there is very little time to get this modified. One fix being discussed is to carve out the CMHs/PIHPs so that the prescribing prohibition does not apply to the public behavioral health system.

The second policy issue is the House bill which would phase out Michigan state income tax. The state income tax represents about 70% of the state general fund dollars, which is about \$7 Billion. MDHHS represents over half of the state budget and over half of the state's general fund resources. Governor Snyder and many in the Senate do not support this bill. The initial plan was to phase out state income tax by 0.1% per year. There are still discussions taking place and MACMHB will continue to keep an eye on this.

Mr. Bolter reviewed the handout showing the FY18 Executive Budget Proposal. Highlights within the budget proposal include a \$0.50/hr. increase to direct care staff wages, psychiatric hospital service improvements, a new 200 bed replacement facility for Caro Center, and updates to boilerplate sections that apply to behavioral health, including Section 298.

The 298 Workgroup is currently reviewing 41 models that were submitted. There were 9 models submitted that were related to Medicaid dollars going to the Health Plans, which violates the policy recommendations. Mr. Johnson commented that there have been discussions on whether or not to send to the legislature the submissions that violate the policy recommendations. Mr. Bolter stated that it looks like all models submitted will be sent, however, they will be put into different categories. The workgroup will be sending their next report to the State by March 15<sup>th</sup>.

Mr. Bolter stated they are watching the upcoming changes to the Affordable Care Act (ACA) and the Medicaid block grant program.

Mr. Bolter stated that the Board Association will be changing its name to "Community Mental Health Association of Michigan" effective immediately.

Mr. Bolter stated that the member assembly portion of the Spring and Fall conferences will be moved to take place immediately after the Executive Board meeting, which is on Monday of the Spring conference and Sunday of the Fall conference.

*Mr. Bolter left at 9:47 a.m.*

VI. FINANCE

A. FY2017 Budget

1. Monthly Finance Report – December 2016 (*Action*)

Mr. Carpenter stated the DAB Eligibles continue to stay slightly below where we ended last fiscal year, but remain relatively stable month to month. The TANF and Healthy Michigan eligibles are trending up.

On page two, the DAB and TANF Revenue is staying below last year on a monthly basis, which is due to the 3<sup>rd</sup> of 4 rate adjustments that occurred on October 1, 2016. The 4<sup>th</sup> and last adjustment will be April 1, 2017. HAB Support revenue is beginning to come back up to get us closer in line to the revenue we were getting at the end of last fiscal year.

On page 5, there is “0” under Carryover because Mr. Carpenter is waiting for the 2016 final numbers from the CMHs, which he expects to receive today and he will be able to update next month’s report with the amount carried over from 2016.

There will be an audit in two weeks.

Mr. Kozfkay inquired if the other counties have experienced a reduction in services like Sanilac has due to the reduction in dollars coming in. Mr. Russell stated GHS made other adjustments and there was no reduction in services. Mr. Emmons stated there was no reduction in services for Lapeer. Ms. Deb Johnson was not available to answer for St. Clair CMH.

It was moved by Ms. Keller, seconded by Ms. Joyce Johnson, to approve the Monthly Finance Report for December 2016. **MOTION CARRIED**

2. Payment Report – December 2016 (*Action*)

It was moved by Ms. Mills, seconded by Ms. Keller, to approve the December 2016 Payment Report. **MOTION CARRIED**

VII. BUILDING LEASE AGREEMENT (*Action*)

Ms. VanWormer presented the St. Clair CMH – Region 10 Building Lease Agreement and provided an overview of the details of the lease. Included in the lease is information for the actual space occupied by Region 10 in addition to wi/fi, maintenance, utilities, janitorial services, telephones and telephone usage, and meeting rooms usage. St. Clair will handle the bid process and monitor the construction of the new Region 10 spaces and Region 10 will reimburse these costs. When construction is done, there will be an amendment to the lease due to the additional space added. After the end of the fiscal year, there will be a cost analysis by St. Clair CMH to determine actual costs and there will be an adjustment if necessary. This is because St. Clair CMH and Region 10 PIHP are related parties so there can be no profit received from this arrangement. Region 10 can renew this lease at the end of the term for a period of up to five years in one year increments.

Mr. Armstrong commented that the cost per square foot of \$7.79 is below the standard local office market of \$8.00 – \$14.00 per square foot. The current space would probably be around \$12.00 per square foot.

It was moved by Ms. Mills, supported by Mr. Rieves, to approve the St. Clair CMH - Region 10 Building Lease Agreement. Mr. Strandberg stated the budget did not show a cost for facilities and he wanted to know if it is included. Mr. Carpenter explained that the payments were split between St. Clair CMH and GHS under "other". Now that there is a specific lease for facilities, it will be included under "facilities". **MOTION CARRIED**

### VIII. DISCUSSION ON PROPOSED CHANGES TO BY-LAWS

Mr. Johnson reviewed the By-Laws draft with recommended changes identified. Those changes include:

- Change the wording in paragraph one from 1915(b)(c) Concurrent to the Michigan Medicaid Managed Behavioral Health Care Specialty Supports Waiver Program.
- Remove the word "marketing" under 1.1.8
- Change CMH to CMHSPs throughout document
- Change MDCH to MDHHS throughout document
- Remove language regarding staggered terms under 3.4
- Change "7" required for a quorum to "50% or more ..."; that way if the number of Board members changes, this does not have to be updated.

Ms. Keller inquired if the By-Laws included language regarding voting over the phone. Mr. Johnson answered that there is language regarding participating by phone or other electronic means in Section 3.10.

- Board member appointments under section 4.9 was changed to say that "CMHSP appointed Board members shall have term limits as determined by the designation by their local CMHSP Board". At-large Board member terms shall expire on "May 31<sup>st</sup>."
- At-large member terms shall run for three years beginning on "June 1<sup>st</sup>." (section 4.10)
- Added "Regulatory Compliance Committee" as a standing committee of the Board under 5.1.
- Removed the last sentence in Section 10.1 regarding the contract limit. This is in an existing policy so he recommends removing it from the By-Laws.

Chairperson Curtiss stated the By-Laws will be voted on at the March 17<sup>th</sup> meeting.

### IX. REGULATORY COMPLIANCE COMMITTEE UPDATE

The Regulatory Compliance Committee met yesterday for the first time. Group members are Ms. Mills, Ms. Keller, Mr. Rieves, Mr. Barnard, and Dr. Dani. Ms. Keller was elected Chairperson and Ms. Mills was elected Vice Chairperson. The committee determined that they will meet semi-annually or at other times as needed. The next meeting will take place immediately following the March 17<sup>th</sup> Board meeting.

### X. SUBSTANCE USE DISORDERS

#### A. SUD Oversight Board Meeting Minutes (2.14.17)

Mr. Johnson referenced the minutes from the SUD Oversight Board Meeting that took place on February 14<sup>th</sup>. There was discussion regarding pharmacies carrying Naloxone and the State getting involved in the pricing. There was also a couple of new requests for licensing. The PIHP is required to make comments but does not provide specific input to approval.

### XI. FACILITY UPDATE

Ms. VanWormer presented a review on the building facility updates. They have finalized the construction plans and Region 10 and St. Clair CMH now need to sign off on them. St. Clair CMH is working on the bid process. Ms. VanWormer is working on a list of tasks with responsibilities and timeframes that will need to be followed during the construction. There have been discussions of moving some of the administrative staff temporarily during the construction.

Region 10 is a member of the National Joint Powers Alliance, which is a governmental agency that provides nationally competitive purchasing contracts. Steelcase is one of the bid winners under this alliance, so Region 10 will be using Steelcase for the new furniture. NBS is working on a list of the furniture requirements and will provide the list and pricing to Region 10 in the near future.

Chairperson Curtiss inquired how the HRIS software was working. Ms. VanWormer stated the timesheets and payroll are working very well and there are still a couple of items to be implemented, including training. She and Ms. Kalbfleisch still require administrator training.

## XII. DIRECTOR'S REPORT

### A. Section 298 Workgroup Update

This was discussed during Mr. Bolter's presentation.

### B. GHS Funds Update

Mr. Johnson reported that there has been no news from the Department regarding if they will assist with this issue or not. Region 10 and GHS have reviewed the funds and are in agreement that the amount of money owed back to Region 10 from GHS is \$5.2 million, which is the total amount that Genesee County is holding back. Mr. Russell stated that he talked to Ms. Linda Zeller last week and she stated they are still discussing the issue. She stated that a referral to the Attorney General is a definite "no". Region 10 will wait to hear the Department's decision before proceeding. There was further discussion regarding potential options to try to resolve this issue.

Mr. Johnson stated that there was an amendment to Kevin's law. There will be state-wide training for CMHs and judges on how the law will affect them locally. There is also specific funding allocated for this expansion in the Governor's budget proposal.

The House Republicans released an action plan yesterday and it included "lifting up the mentally ill and their families", which shows they have an interest in making sure there are recovery options for people recovering from mental illness, living with developmental disabilities and recovering from substance use disorders.

SAMHSA is reviewing Michigan in regards to the Substance Abuse and Prevention Block Grant as well as doing a financial review of the Mental Health Block Grant. Region 10 was selected as a review site, and this will take place at the end of March.

Mr. Johnson referenced an article included in the packet regarding Medicaid expansion.

Mr. Johnson reported that Mr. Russell is being recognized by the National Council as one of the Visionary Leadership award winners at the National Conference in Seattle in April.

### C. MACMHB

#### 1. FridayFacts

The FridayFacts document has been included in the Board packet for review.

XIII. ANY OTHER BUSINESS TO PROPERLY COME BEFORE THE BOARD

None

XIV. CITIZENS WISHING TO ADDRESS THE BOARD

None

XV. ADJOURNMENT

It was moved by Ms. Keller, seconded by Ms. Mills, to adjourn the meeting. With no further business to discuss, Chairperson Curtiss adjourned the meeting at 10:52 a.m.

Respectfully submitted,

Reviewed and approved,

Robin Kalbfleisch  
Recording Secretary

Gary Jones  
Region 10 Board Secretary