

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

GROUP MEETING: Region 10 PIHP Board
PLACE: Sanilac CMH
227 E. Sanilac, Sandusky, MI 48471
DATE: May 19, 2017
TIME: 9:00 a.m.
PRESIDING: Lori Curtiss, Chairperson

PRESENT: Steve Armstrong, Lori Curtiss, Dr. Niketa Dani, Ted Hammon (arrival 9:17 a.m.), DeElla Johnson, Joyce Johnson, Gary Jones, Linda Keller, Elva Mills, Ed Priemer, Wayne Strandberg

ABSENT: Ronald Barnard, Wanda Cole, Robert Kozfkay, Ed Rieves

ALSO PRESENT: *Region 10 PIHP Staff:* Jim Johnson, CEO; Kelly VanWormer, CIO; Richard Carpenter, CFO; Robin Kalbfleisch, Recording Secretary

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

Other: Paul Rebandt, Rehmann; Linda Willis, John Groustra, Nanette Susalla, Sanilac CMH Board members; Chandra Susalla, Sanilac CMH Intern

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. DeElla Johnson, seconded by Ms. Mills, to approve the revised agenda for the May 19, 2017, Region 10 Board Meeting. **MOTION CARRIED**

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

It was moved by Mr. Priemer, seconded by Ms. Keller, to approve the Region 10 PIHP Board Meeting minutes of April 21, 2017. **MOTION CARRIED**

V. FINANCE

A. FY2017 Budget

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

Mr. Carpenter stated that the DAB eligibles continue to be below the previous year. He has discussed with Lakeshore and other PIHPs who are experiencing a similar decrease in their DAB eligibles. There is a rate setting meeting later today and he hopes this will be an agenda item.

On page 3, Mr. Carpenter noted that Traditional Medicaid shows a surplus of \$17 million, which includes the Medicaid Savings of \$12.4 million. He anticipates that some of this surplus will be required to cover the Autism Waiver deficit of \$1.7 million (page 4), as well as the Healthy Michigan deficit that is currently at about \$2 million (page 5). The Department has not officially responded to our risk management plan regarding Healthy Michigan. The hope is that they will allow us to use Medicaid funds to cover the Healthy Michigan deficit in the current fiscal year. A contract amendment regarding this will be discussed next Friday with the Department. Ms. Keller questioned what our plan was if the Department does not reconsider Healthy Michigan. Mr. Carpenter answered that this has been discussed with the CEOs and CFOs within the region and it was determined that our current reserves should last between 4 and 5 years at our current trajectory. However, it is expected that our current spending pattern will result in additional revenue starting next year. We will know within the next couple of months if our rates will be adjusted to provide this additional revenue.

Mr. Carpenter stated there will be discussions with the PIHP and State this afternoon to address the issue of paying the cost settlement funds within the month the services are provided rather than waiting five months for payment.

It was moved by Ms. Keller, seconded by Mr. Jones, to approve the Monthly Finance Report for March 2017. **MOTION CARRIED**

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

Mr. Carpenter presented the March payment report.

It was moved by Ms. Keller, seconded by Ms. DeElla Johnson, to approve the March 2017 Payment Report. **MOTION CARRIED**

3. BDO Audit Wrap Up

Mr. Carpenter presented the Audit Wrap Up Report that is from our September 30, 2016, audit. This is being provided in advance of the auditor's presentation to the Board. There were no findings or recommendations in this financial portion of the audit, which will be presented in more detail later by the auditors. The compliance exam is still in process for each of the four CMHs, and will be done prior to June 30th. The auditors will present their report in July or August.

4. St. Clair CMH Advance Request (Action)

Mr. Carpenter referenced the letter from St. Clair CMH requesting an advance of up to \$275,000 for the buildout project to house Region 10 staff in the St. Clair CMH building. According to our contract with the State, PIHPs cannot pay for capital expenses out of pocket, because they do not have local funds and this would show a deficit on our financial statements. We are asking St. Clair CMH to process the capital expense, and Region 10 will pay for it over the course of our lease with St. Clair. This will show up as a lease payable rather than a capital asset. St. Clair CMH is agreeable to this, but they would like an advance in order to avoid any issues with cash flow. When the contractors invoice St. Clair CMH for the buildout expenses, the invoices will be reviewed and the advance processed.

Ms. Mills inquired if the amount approved by the Board for new furniture last month was directly paid out of Region 10 funds as she was uncomfortable with paying out additional money. Mr. Carpenter and Ms. VanWormer explained that the furniture is Region 10 property and was paid directly out of Region 10 funds. The \$275,000 addresses the redesign for the first and second floor office spaces. This is part of the construction costs that were already approved by the Board; it is not an additional amount.

It was moved by Ms. Keller, seconded by Mr. Armstrong, to approve the St. Clair CMH advance request in the amount of up to \$275,000 as presented. **MOTION CARRIED**

VI. CONTRACT AMENDMENTS

A. PIHP – CMH Contract Amendment (Action)

Ms. VanWormer presented the amendment which includes changes to the staff lease agreements and invoice forms for St. Clair CMH (amendment no. 4) and GHS (amendment no. 4).

It was moved by Ms. Keller, seconded by Dr. Dani, to approve the PIHP-CMH Contract Amendments for St. Clair CMH and GHS as presented. **MOTION CARRIED**

VII. POLICY

A. Autism Waiver Benefit Policy #05-03-10 (Revision) (Action)

Ms. VanWormer stated there were major revisions to this policy. The Department has provided guidance and information about model policies. She reviewed the revisions within the policy. There was a new Case Action Request Form created and that is attached in Exhibit B. This has been compared with the Department's software to ensure all of the correct information is collected. There was further discussion about procedures and the upcoming audit. Ms. VanWormer noted that there is difficulty in obtaining providers for autism services, which is an issue throughout our region.

It was moved by Ms. Keller, supported by Mr. Priemer, to approve the Autism Waiver Benefit Policy #05-03-10 as presented. **MOTION CARRIED**

B. Ability to Pay Guidelines for SUD Services Policy #4-02-04 (Revised) (Action)

Mr. Johnson reviewed the changes to the Ability to Pay Guidelines Policy. The main change was to remove the Sliding Fee Scale, as this will be available on the Region 10 website.

It was moved by Ms. Mills, supported by Mr. Jones, to approve the Ability to Pay Guidelines for SUD Services Policy #4-02-04 as presented. **MOTION CARRIED**

VIII. HCBS DEADLINE EXTENSION BULLETIN

Mr. Johnson referenced the letter detailing the CMS extension of the deadline from March 2019 to March 2022 to achieve compliance to the new HCBS rules. Providers not in compliance after that date can no longer receive Medicaid funds. In addition, new providers will not be added unless they are in compliance. MDHHS may still require compliance by March 2019.

IX. FUNDING FOR REGIONAL VETERAN COORDINATORS

Mr. Johnson referenced the memo from the Department regarding Regional Veteran Coordinators. All CMHs in our region currently have staff in place that work with veterans, but many other regions in Michigan do not have this in place. The Department is requiring the PIHPs to have a coordinator, and the fiduciary for this position will be the Board Association. This will be discussed further at future Region 10 CEO meetings.

X. FACILITIES UPDATE

Ms. VanWormer updated the Board on the building renovation status. There are ongoing weekly project meetings with St. Clair CMH staff. Construction starts on the first floor on May 22nd. A new parking plan has been developed for Region 10 staff in an adjoining lot and parking permits are currently being issued. Visitors to Region 10 will still park in the front of the building and go to the front reception area for assistance.

Installation of first floor furniture is scheduled to begin June 28th, and the Access staff will begin in their new location on July 10th with no disruption to service. Second floor construction starts on July 10th with completion scheduled for mid-August. Ms. VanWormer stated that we would like to move the September Board meeting to Region 10 to show the Board members the new office spaces.

XI. DATA INITIATIVE UPDATE

Mr. Johnson provided an update to the work being done with TBD Solutions. There are two projects that have been started on the topics of Healthy Michigan and Autism. TBD Solutions and Region 10 staff will be meeting to learn how to access the data on these topics and then review the data.

XII. NOMINATING COMMITTEE

Chairperson Curtiss stated that Board elections will take place in June. A Nominating Committee will need to meet before the June meeting to make officer elections and review re-appointments of at-large Board members. Chairperson Curtiss stated that she has received agreement from the following members to serve on this committee: Joyce Johnson, DeElla Johnson, Wayne Strandberg, and Ed Premier. In addition, she would like to ask Bob Kozfkay, who was not present at the meeting today.

XIII. DIRECTORS REPORT

A. Section 298/234

Mr. Johnson reported the State is still working on the budget for 2018. The Governor, Senate, and House have released their budget recommendations, and the budget committee is meeting to review each and determine the budget for 2018.

B. Regional Board Retreat

Mr. Johnson stated the regional state legislators were invited but there was only one tentative "yes". We will move forward with the retreat but change the structure to include a regional funding overview, a report from MACMHB on the state budget, and a healthcare integration overview.

C. MACMHB

1. FridayFacts

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

Other:

Mr. Johnson stated that the HAB Support Waiver audit, which was a review of our corrective actions from the September audit, was just finalized. There was one citation to be addressed, which was a repeat citation. There are 7 days to submit a plan of correction and evidence that the issue has been addressed.

Ms. Keller noted the MACMHB is changing their name to Community Mental Health Association of Michigan. Mr. Johnson stated this will occur after the State budget is released so there is no confusion during the 298/234 process.

Chairperson Curtiss welcomed the Sanilac County CMH Board members in attendance at the meeting.

XVI. ANY OTHER BUSINESS TO PROPERLY COME BEFORE THE BOARD

None

XVII. CITIZENS WISHING TO ADDRESS THE BOARD

None

XVIII. ADJOURNMENT

It was moved by Ms. Joyce Johnson, supported by Mr. Priemer, to adjourn the meeting. With no further business to discuss, Chairperson Curtiss adjourned the meeting at 10:25 a.m.

Region 10 Board Meeting
May 19, 2017
Page 6

Respectfully submitted,

Robin Kalbfleisch
Recording Secretary

Reviewed and approved,

Gary Jones
Region 10 Board Secretary

S:\Region 10 Board\Board\Minutes\2017\5.19.17.Docx