

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

GROUP MEETING: Region 10 PIHP Board
PLACE: Lapeer County Education & Technology Center
 690 N. Lake Pleasant Rd., Attica, MI
DATE: June 16, 2017
TIME: 1:00 p.m.
PRESIDING: Lori Curtiss, Chairperson

PRESENT: Ronald Barnard, Lori Curtiss, Wanda Cole, Ted Hammon, Robert Kozfkay, DeElla Johnson, Joyce Johnson, Gary Jones, Linda Keller, Elva Mills, Ed Priemer, Wayne Strandberg

ABSENT: Steve Armstrong, Dr. Niketa Dani, 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

I. CALL TO ORDER

The meeting was called to order at 12:50 p.m. by Chairperson Curtiss.

II. CITIZENS WISHING TO ADDRESS THE BOARD

None

III. NOMINATING COMMITTEE REPORT

A. Meeting Minutes

Mr. Priemer reported on the Nominating Committee meeting that took place on June 8, 2017. All of the Board members up for reappointment were contacted and wished to continue their Board appointments. The current officers were contacted and all agreed to be on the proposed slate of officers for the upcoming year.

B. Proposed Slate of Officers

Mr. Priemer presented the Proposed Slate of Officers developed by the Nominating Committee:

Chairperson: Ms. Lori Curtiss
Secretary: Mr. Gary Jones

Vice-Chairman: Mr. Robert Kozfkay
Treasurer: Mr. Stephen Armstrong

It was moved by Mr. Barnard, seconded by Ms. Keller, to approve the Region 10 PIHP Board Proposed Slate of Officers. **MOTION CARRIED**

IV. **ELECTION OF OFFICERS** (Action)

Chairperson Curtiss asked if there were any nominations from the floor three times. With no other nominations, Chairperson Curtiss asked for a motion to close the nominations.

It was moved by Ms. Keller, seconded by Ms. Mills, to close the nominations for the Region 10 PIHP officers and accept the appointments of Ms. Lori Curtiss for Board Chairperson, Mr. Robert Kozfkay for Vice-Chairman, Mr. Gary Jones for Secretary, and Mr. Stephen Armstrong for Treasurer.
MOTION CARRIED

V. **APPOINTMENT / REAPPOINTMENT OF BOARD MEMBERS** (Action)

The Nominating Committee has recommended the reappointment of Dr. Niketa Dani, Mr. Ed Rieves, and Mr. Wayne Strandberg, whose appointments expired on May 31, 2017.

It was moved by Mr. Kozfkay, seconded by Mr. Barnard, to accept the reappointment of Dr. Niketa Dani, Mr. Ed Rieves, and Mr. Wayne Strandberg to the Region 10 Board for a three-year term.
MOTION CARRIED

VI. **AGENDA CHANGES**

None

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

It was moved by Ms. Mills, seconded by Ms. Johnson, to approve the Region 10 PIHP Board Meeting minutes of May 19, 2017. Mr. Priemer requested the spelling of his name be corrected under item XII. **MOTION CARRIED**

VIII. FINANCE

A. FY2017 Budget

1. Monthly Finance Report – April 2017 (Action)

Mr. Carpenter stated that the DAB eligibles are still below last year by about 12,000. This is an issue in other regions as well, and there is continued dialogue with the State regarding the cause for this. On page two, the TANF and HAB Support revenue has declined due to the six month migration to the morbidity model. The DAB revenue has increased slightly for this same reason.

On page three, there is a surplus of \$800,654 at this time under Traditional Medicaid, which Mr. Carpenter believes will be about \$1 million by the end of the year. On page four, there is currently a deficit for Autism of about \$2.4 million and we will end the year with a deficit between \$3 and \$4 million. The hope is that there will be additional revenue in October so there will not be as much of a gap next year. On page five, the Healthy Michigan deficit is about \$4.4 million and we will end the year with a deficit of between \$5 and \$6 million.

Mr. Carpenter stated he is meeting with the CMH CFOs next Friday and will discuss the FY18 budget.

Mr. Strandberg inquired about the Region 10 administrative expenses as a percent of the overall budget. Mr. Carpenter can bring an exact figure in the future. He stated that he has discussed with the other PIHP CFOs in the state how much is spent on administrative costs vs. how much is spent on services, and Region 10 is in the 3% range. The other seven regional entities that are not standalones are in a range of 2% - 4%. The three standalones are in the 4% - 7% range. Ms. Keller requested that Mr. Carpenter also include the administrative costs for the CMHs and he has agreed to provide those figures.

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

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

Mr. Carpenter presented the April payment report.

It was moved by Ms. Mills, seconded by Mr. Jones, to approve the April 2017 Payment Report. **MOTION CARRIED**

IX. **CONTRACT AMENDMENT**

A. MDHHS - PIHP Contract Amendment No. 2 (*Action*)

Ms. VanWormer presented the amendment from the Department that is due by July 7th. It will be reviewed to determine if changes will be needed to the CMH contracts, and if so, those will be brought to the July Board meeting. Ms. VanWormer reviewed the changes as follows:

- Sections 8.4.2 Contract Withholds and 8.4.2.1 2017 Performance Bonus Integration of Behavioral Health and Physical Health Services
- Contract attachments P39.0.1.1 Appeal Process for Compliance Examinations and P39.3.1 Appeal Process for Compliance Examinations
- Contract sections 8.4.1.5 Expenditures for Medicaid 1915 State Plan & 8.6.1 Risk Corridor

It was moved by Ms. Mills, seconded by Mr. Jones, to approve the MDHHS-PIHP Contract Amendment No. 2 as presented. There was a question and discussion about the requirements for the veteran's coordinators and other staffing. **MOTION CARRIED**

X. **QUALITY MANAGEMENT**

A. Autism Site Waiver Visit

MDHHS visited Region 10 earlier this month. Twenty-four cases were reviewed during the site visit. Positive feedback received was that the care is being delivered well and is well documented. In addition, transition planning is very well documented. One area of improvement noted was that the scope and duration needs to be spelled out within plans and included in waiver support application. Another issue was that our region's penetration rate is lower than other PIHPs – we should be able to serve more people plus there are currently over 100 people on a waiting list. This is due to a lack of providers in our region. They are suggesting that the PIHP and the CMHs should be working together in attracting and obtaining additional providers. The formal report of the site visit should be received within the next month, along with a request for a Corrective Action Plan.

XI. FACILITY UPDATE

Ms. VanWormer reviewed the status of the building renovations. There was an employee purge day at the end of May to help prepare for the new spaces. Pizza was provided to all employees. On the first floor, the walls and HVAC are completed, and the ceiling structure and window have been started. The construction will be completed by June 30th and the furniture installation will begin. First floor employees will be in their new spaces on July 10th with no down time.

Construction will begin on the 2nd floor on July 10th and staff will be moved into one of the meeting rooms for about a month. Second floor employees will be in their new spaces on August 14th. There will be murals and signs installed after that. The September Board meeting and a Region 10 open house will take place on September 15th at the Port Huron location.

XII. SUBSTANCE USE DISORDERS

A. SUD Oversight Board Meeting Minutes (June 13, 2017)

Ms. Cole reviewed the meeting minutes from the June 13th SUD Oversight Board Meeting. She stated it was brought to her attention at the GHS Board meeting yesterday that there is an issue with CPI providing transportation. Mr. Johnson will follow-up regarding this issue with Ms. Prowse.

XIII. DIRECTORS REPORT

A. MACMHB

1. FridayFacts

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

Other:

Mr. Johnson believes the FY18 contract language will be approved internally by July 1st and then the Department will meet with CMS in the hopes of including waiver approval with the FY18 contract. The PIHPs will be required to review, sign, and return FY18 contracts by mid-August.

The HRA “pass-thru” payments will be changed. These payments amount to about \$45 million state wide. The payments will not go away, but the new rules state they must be done in a more compliant manner. The State is considering a model that uses current year data. They are currently using 2015 data for year 2017 payments. This will be implemented by October 2018, and the current system will be phased out over a period of years.

Mr. Johnson stated that the Federal government has extended the deadline for HCBS compliance to March 2022; however, Michigan has not changed their timeline and is keeping October 1, 2017 as the date to no longer allow new providers who are not compliant. There will be an assessment process for new providers who will be given provisional compliance, and then re-evaluated after a period of time. In addition, the State is keeping the March 2019 deadline for providers already in the system to become compliant.

There is still disagreement with the Department on the Performance Incentive as they are taking money out of the existing capitation rates, which can be earned back based on performance in three areas. The argument has been that if this is an incentive, it should be an amount provided in addition

to the existing rates. The Department is stating they cannot provide an amount above the actuarial rates, so this and next year's contracts will read that it is a "withhold".

There was discussion regarding Supports Intensity Scale (SIS) Assessments, which is required for adults with disabilities who are receiving Medicaid. This assessment is required every three years.

XIV. ANY OTHER BUSINESS TO PROPERLY COME BEFORE THE BOARD

A. Revised 2017 Region 10 PIHP Board Meeting Calendar (*Action*)

The calendar has been revised in order to have the September Board meeting at Region 10 in Port Huron.

It was moved by Mr. Priemer, seconded by Ms. Mills, to approve the revised Region 10 PIHP Board Meeting Calendar as presented. **MOTION CARRIED**

B. Board Member Profile

Board members are required to complete the profile form and return to Ms. Kalbfleisch. This is required to be completed annually.

XV. CITIZENS WISHING TO ADDRESS THE BOARD

None

XVI. ADJOURNMENT

There was a motion to adjourn given by Ms. Cole, seconded by Ms. Mills. With no further business to discuss, Chairperson Curtiss adjourned the meeting at 1:56 p.m.

Respectfully submitted,

Reviewed and approved,

Robin Kalbfleisch
Recording Secretary

Gary Jones
Region 10 Board Secretary