

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

GROUP MEETING: Region 10 PIHP Board
PLACE: Region 10
3111 Electric Ave., Suite A, Port Huron, MI
DATE: September 15, 2017
TIME: 9:00 a.m.
PRESIDING: Lori Curtiss, Chairperson

PRESENT: Steve Armstrong, Ronald Barnard, Lori Curtiss, Dr. Niketa Dani, Ted Hammon, DeElla Johnson, Joyce Johnson, Gary Jones (arrival 9:10 a.m.), Linda Keller, Robert Kozfkay, Elva Mills, Ed Priemer, Ed Rieves, Wayne Strandberg

ABSENT: Wanda Cole

ALSO PRESENT: *Region 10 PIHP Staff:* Jim Johnson, CEO; Kelly VanWormer, CIO; Kim Prowse SUD Director; Richard Carpenter, CFO (arrival 9:10 a.m.); Kristen Potthoff, Contract Manager; Robin Kalbfleisch, Recording Secretary

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

GUESTS: None

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

A revised agenda was presented. It was moved by Mr. Priemer, seconded by Mr. Rieves, to approve the revised agenda as presented. **MOTION CARRIED**

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

It was moved by Ms. Joyce Johnson, seconded by Ms. Keller, to approve the Region 10 PIHP Board Meeting minutes of August 18, 2017. **MOTION CARRIED**

V. FINANCE

A. FY2017 Budget

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

Mr. Carpenter presented the July Finance report. He noted the DAB eligibles are still lower than the previous year. He stated there are continued discussions with the State regarding this issue. Mr. Johnson stated that the State is expecting a report from Milliman with rate adjustments for FY17 and FY18.

It is anticipated that there will be approximately \$12.5 million surplus at the end of this fiscal year that will be carried over into next fiscal year.

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

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

Report presented by Mr. Carpenter.

It was moved by Mr. Hammon, seconded by Mr. Priemer, to approve the Payment Report for July 2017 as presented. **MOTION CARRIED**

Ms. Keller inquired on the status of the cash flow issues the CMHs were having. Mr. Carpenter responded that the region has put in place a policy for provider advances and each of the CMHs has taken advantage of this process.

There was discussion regarding autism payments, which will be paid in a manner similar to traditional Medicaid and Healthy Michigan beginning in FY18. This will help alleviate some of the cash flow problems.

B. FY2018 Proposed Budget (*Action*)

Mr. Carpenter presented the proposed FY18 budget and provided a review by funding source. This report shows increases in Medicaid and Healthy Michigan. In addition, there is almost twice as much Autism funding for FY2018. Mr. Johnson noted that the rate changes are driven by our prior experience over the past couple of years.

Mr. Carpenter stated that it is anticipated that there will be a surplus of \$4.5 million at the end of FY18.

Mr. Kozfkay inquired into the \$45,000 Rehmann payment from the July Payment Report, and asked if this monthly payment was part of the CFO contract. Mr. Carpenter stated that this payment was for more than one month. In addition, Region 10 has more than one contract with Rehmann, including CFO, accounting services, and the payroll system. Mr. Johnson reminded the Board that there is a current posting for a CFO. There have been some interviews and another is scheduled. However, the political climate over the past couple of years has made it difficult to attract higher level staff. Mr. Johnson stated that there are many candidates who have the technical skills, however, it is important that the chosen candidate also have the experience and knowledge base to manage the complicated system of Medicaid and Healthcare. Mr. Carpenter stated that other PIHPs and CMHSPs are having issues finding talent also, and agreed with Mr. Johnson that it is important to find the right person.

Follow-up: Ms. Keller suggested that Mr. Carpenter provide a breakdown on the payment summary report showing the amount for each Rehmann contract by month.

It was moved by Ms. Keller, seconded by Mr. Barnard, to approve the FY2018 Proposed Budget as presented. **MOTION CARRIED**

C. Audit Firm Continuation Agreement (*Action*)

Mr. Carpenter presented the *BDO Agreement to Provide Services*. BDO has provided services for Region 10 for the past three years, as the original RFP was for a 3-year period. The renewal will be for one year at the same annual cost as the past three years.

It was moved by Ms. Keller, seconded by Mr. Jones, to approve the one-year extension of the *BDO Agreement to Provide Services* as presented. Ms. Mills commented that BDO was lobbying for the position to work with the Medicaid Health Plans to take over the public behavioral health system. Mr. Armstrong stated that, if that is the case, this motion should be tabled while research is done to determine their relationship with the MHPs. Ms. Keller withdrew her motion to approve the one-year extension of the *BDO Agreement to Provide Services*, and it was supported by Mr. Jones. Ms. Keller moved to table the decision to approve the BDO Agreement until research has been done to determine BDO's standing with the MHPs, seconded by Mr. Jones. **MOTION CARRIED**

Follow up: Mr. Carpenter to conduct research on BDO.

VI. **FY17 CMH CONTRACT MONITORING REPORTS**

Ms. Potthoff presented the CMH & SUD Provider network contract monitoring report for 2017. She listed the components of annual monitoring and reviewed the scoring summary. There were two CMH providers who had an overall score of less than 95%. There were several SUD providers who had an overall score of less than 95%. There were formal plans of correction sent out to all providers who were not in compliance, and we are currently waiting to receive that information back.

VII. **FY18 PIHP-CMH CONTRACTS** (*Action*)

Ms. Potthoff reviewed the Executive Summary for the FY18 PIHP-CMH Contract which listed changes in the contracts for each CMH within the region. Sections updated included 6.3 Liability Coverage, 6.5 Quality Improvement, 7.7/7.7.1 Report Requirements, Delegation Agreement attachment, CMH Performance Objectives attachment, and Compliance Examination Guidelines attachment.

It was moved by Ms. Keller, seconded by Mr. Priemer, to approve the FY18 PIHP-CMH Contract as presented. Ms. Keller amended the motion to state she moves to approve the FY18 PIHP-CMH Contracts for all four CMHs within the region, seconded by Mr. Priemer. **MOTION CARRIED**

VIII. FY17 BUILDING LEASE AGREEMENT (*Action*)

Mr. Johnson presented the revised lease for FY17 that was updated to reflect the amount of space occupied due to the building renovations. He reminded the Board that Region 10 is paying the true cost of leasing the space, and there will be a cost settlement at the end of the year. There was further discussion regarding costs.

It was moved by Ms. Keller, seconded by Ms. Mills, to approve the FY17 Building Lease Agreement as presented. **MOTION CARRIED**

IX. FY18 BUILDING LEASE AGREEMENT (*Action*)

Mr. Johnson presented the FY18 Building Lease Agreement. Again, he reminded the Board that Region 10 is paying the true cost of leasing the space, and there will be a cost settlement at the end of the year.

It was moved by Ms. Keller, seconded by Dr. Dani, to approve the FY18 Building Lease Agreement as presented. **MOTION CARRIED**

X. REGULATORY COMPLIANCE COMMITTEE

A. Meeting minutes (8.18.17)

Ms. Keller reviewed the minutes of the August 18th Regulatory Compliance Committee meeting.

It was moved by Ms. Keller, supported by Mr. Barnard, to approve the Regulatory Compliance Committee minutes and the FY2018 Corporate Compliance Plan.

B. FY2018 Corporate Compliance Plan (*Action*)

Ms. Potthoff reviewed the FY18 Corporate Compliance Plan and stated there were no changes from FY17. Ms. Potthoff stated that the FY17 Annual Report will be brought to the December 2017 Region 10 Board Meeting.

Ms. DeElla Johnson stated that she had a corporate compliance issue to discuss with the Board. She feels that her facility did not get the right amount of funding for the HAB Waiver and wants to know how to get this rectified. Mr. Johnson stated that this is not a corporate compliance issue, but a provider network issue that Region 10 will look into and address.

The **MOTION** to approve the Regulatory Compliance Committee minutes and the FY2018 Corporate Compliance Plan was **CARRIED**.

XI. SUBSTANCE USE DISORDERS

A. FY18 SUD Treatment Boilerplate & Executive Summary (*Action*)

Ms. Prowse reviewed the Executive Summary of changes made for the FY18 Contract for SUD Treatment Services. Updated sections include: Section IV. Data Management, V. Administrative Capacity, VI. Contract Monitoring/Performance Evaluation/Plan of Correction, Required Reports attachment, Quality Improvement Program Requirements attachment, SUD Delegation Agreement attachment, and Access System Standards attachment.

It was moved by Ms. Keller, seconded by Dr. Dani, to approve the FY18 SUD Treatment Boilerplate & Executive Summary as presented. **MOTION CARRIED**

B. FY18 SUD Prevention Boilerplate & Executive Summary (*Action*)

Ms. Prowse reviewed the Executive Summary of changes made for the FY18 Contract for SUD Prevention Services. Updated sections include: Section II. General Provisions, Statement of Work attachment, Budget & Reports Forms attachment, and Required Reports attachment. Ms. Curtiss inquired if the reports listed would be brought to the Board and Ms. Prowse responded that they would be brought to the Board.

It was moved by Ms. Keller, seconded by Mr. Jones, to approve the FY18 SUD Prevention Boilerplate & Executive Summary as presented. **MOTION CARRIED**

C. FY18 SUD Proposed Treatment Contracts (*Action*)

Ms. Prowse is seeking approval for the providers listed on the document. Ms. D. Johnson inquired how the program is monitored to make sure providers are receiving the amounts they should be receiving. Ms. Prowse responded that the providers submit a cost summary rate every year, which outlines the exact cost for each provider to provide that service. Region 10 has a list of maximum rates by service, so the providers are reimbursed their cost of providing the service up to the maximum rate.

It was moved by Ms. Keller, seconded by Mr. Jones, to approve the FY18 SUD Proposed Treatment Contracts as presented. **MOTION CARRIED**

D. FY18 SUD Proposed Prevention & LOA Contracts (*Action*)

Ms. Prowse presented the list of providers and costs associated with the prevention contracts and letters of agreement for Naloxone and other programs. She is requesting approval for this list of providers and the costs outlined for each.

It was moved by Ms. Keller, seconded by Mr. Jones, to approve the FY18 SUD Proposed Prevention & LOA Contracts as presented. **MOTION CARRIED**

E. FY18 SUD Maximum Treatment Rates (*Action*)

Ms. Prowse presented the FY18 Maximum Treatment Rates and stated there are no changes from last year. These rates are set by Region 10 and will be used for the SUD treatment provider contracts.

It was moved by Ms. Mills, seconded by Ms. Keller, to approve the FY18 SUD Maximum Treatment Rates as presented. **MOTION CARRIED**

F. 2017 SUD Customer Satisfaction Survey

Ms. Prowse presented the FY17 SUD Customer Satisfaction Survey and reviewed who the target population was, the methodology for the survey, and the survey questions. This survey was for services provided between the dates of March 13, 2017 and March 31, 2017. There were four providers who fell below the 4.0 threshold.

G. SUD Oversight Board Meeting Minutes (9.12.17)

Ms. Prowse presented the minutes from the September 12th meeting. There was a question regarding a request by GHS for PA2 funds, and Ms. Prowse stated that this request will be supported by Block Grant dollars instead of PA2 funds.

XII. BOARD ORIENTATION MANUAL

Ms. Curtiss stated that new Board members will go through this manual with the CEO when they begin. Ms. Keller believes there should be a reference in this manual to “confidentiality and HIPAA”. There were no other changes requested by the Region 10 Board members.

XIII. DIRECTOR’S REPORT

HCBS - Mr. Johnson stated the final plan will be out for public review in November/December with final review in January. There will be a new chapter in the Medicaid Manual due to the HCBS rules and that will be out for review soon.

1115 Waiver – The State is waiting for the Federal Government’s response to their questions. The current extension is through the end of December.

There was discussion about a possible rate adjustment to the Medicaid program due to misplacement of DAB eligibles into TANF and HMP.

Direct care wage increase – There has been \$45 million provided for a direct care worker wage increases across the State in FY18 and the Regions are still waiting for guidance on rolling this out. It will likely not occur on October 1st.

Medicaid Conference – Mr. Johnson attended a national conference this week with topics on possible changes in Medicaid.

A. MACMHB

1. Friday Facts

This report is included for review.

2. Fall Conference October 23 & 24, 2017

Please let Ms. Kalbfleisch know by Sept. 29th if you would like to attend.

XIV. PERFORMANCE INDICATOR CORRECTIVE ACTION PLANS FOLLOW-UP

This memo is being provided in response to a request at the August Board meeting to receive a summary of the 2nd Quarter Performance Indicator Corrective Action Plans.

XV. ANY OTHER BUSINESS TO PROPERLY COME BEFORE THE BOARD

A. Region 10 Open House will be held today after the Board Meeting

B. Question on NCQA Accreditation status – Region 10 has sent in an application and has a workplan to follow. The goal is to have policies in place by the end of December, and there will be a site visit in May 2018.

C. GHS Funds question – Mr. Russell stated he should be able to provide information at the October meeting.

XVI. CITIZENS WISHING TO ADDRESS THE BOARD

None

XVII. ADJOURNMENT

There was a motion to adjourn given by Ms. Keller, seconded by Ms. Mills. With no further business to discuss, Chairperson Curtiss adjourned the meeting at 10:50 a.m.

Respectfully submitted,

Reviewed and approved,

Robin Kalbfleisch
Recording Secretary

Gary Jones
Region 10 Board Secretary