



# PREPAID INPATIENT HEALTH PLAN

Our Mission: Promoting opportunities for Recovery, Discovery, Health and Independence for individuals receiving services through ease of access, high quality of care and best value.

## Region 10 PIHP Special Board Meeting Minutes

September 6, 2024, 9:00 a.m.

Region 10, 2186 Water St., Port Huron, MI

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**Board Members Present:** Lori Curtiss, John Groustra, Joyce Johnson, Bob Kozfkay, Ed Priemer, Nancy Thomson, Jerry Webb

**Board Members Absent:** Bobbie Cutcher, Dr. Niketa Dani, Ted Hammon, Ken Lemons, Chad Polmanteer, Rex Ziebarth

**Staff Present:** *Region 10 PIHP Staff:* Jim Johnson, Chief Executive Officer; Richard Carpenter, Chief Financial Officer; Carrie Benacquisto, Finance Director; Robin Kalbfleisch, Recording Secretary

**CMH Staff:** Brooke Sankiewicz, Lapeer CMH

**Guests:** None

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### 1. Call to Order:

Called to order at 9:00 p.m. by Chairperson Curtiss. Roll call was conducted.

### 2. Citizens Wishing to Address the Board

None

### 3. MDHHS-PIHP FY2025 Contract (Action Item)

Mr. Johnson presented a copy of the contract with proposed strikeouts. The three areas of concern are related to the Waskul settlement language, CCBHC language, and ISF language.

Mr. Carpenter stated he and fiscal/legal staff from some of the other PIHPs drafted the proposed strikeouts and language additions. Mr. Johnson pointed out there are seven PIHPs that he believes are prepared to do something similar to Region 10. Three regions will likely be signing the contract as is, for various reasons. There was discussion about the importance of coordinating the language changes with other regions to show support on issues that are impacting some PIHPs today but may also impact others in the future.

All ten PIHPs have sent a communication to the state expressing their belief that the state has not bargained in good faith and the PIHPs are dissatisfied with these sections in the contract as we believe they have the potential to harm the system. The potential actions the PIHPs are taking were not reported to the state. In addition, Macomb, Wayne, and Oakland have voiced their concerns about these three items directly to Kristen Jordan.



Mr. Carpenter reviewed the proposed changes in detail, beginning with the Waskul settlement language, striking out the section in its entirety.

This was followed by the CCBHC language, in which several updates were made. He noted that the strikeout in 14.c.i. will be left in after receiving a late comment from another PIHP. In addition, 30 days will be changed to 60 days in 14.c.ii. Other language modifications include language that would affect regions with multiple CCBHCs; language that would require the region to make sure CCBHCs have capacity; and language regarding access to services and prior authorizations.

The final contract language updates reviewed were related to the Internal Service Fund (ISF). Language changes made by the state for the FY2025 contract would mean that the ISF would be capped at 7.5% of the current year's revenues and require that Region 10 give back millions of dollars to the state. The PIHP's strikeouts and additions to the contract are to correct the language to reflect building and managing an ISF in accordance with sound actuarial and accounting standards where limitations are determined through actuarial analysis, which is how Region 10 has been operating. The current actuarial analysis indicates that Region 10 should maintain an ISF, if funding is available, that would amount to 20-23% of the current annual revenues, as opposed to the arbitrary cap of 7.5% that the state has put in the contract.

The strikeout version of the contract will be printed, signed, and sent to the Department. Region 10 will continue to operate under the FY2024 contract until the state signs the FY2025 contract. The state has advised the PIHPs that once the FY2025 contract is signed, they will consider potential ISF contract language changes for future contracts. However, the concern with that is, with Medicaid continuing to trend down, the ISF will need to be used and there may be no funds available to build it back up.

It was moved by Ms. Thomson, seconded by Mr. Webb, to approve the modifications to the FY2025 MDHHS-PIHP contract as presented. **MOTION CARRIED by roll call vote.** Ayes: Lori Curtiss, John Groustra, Joyce Johnson, Bob Kozfkay, Ed Priemer, Nancy Thomson, Jerry Webb. Nays: None

**4. Citizens Wishing to Address the Board**

None

**5. Adjournment (Action Item)**

With no further business to discuss, Chairperson Curtiss adjourned the meeting at 10:11 a.m.

Respectfully submitted,

Reviewed and approved,

Robin Kalbfleisch,  
Recording Secretary

Secretary / Designee