Northern Michigan Regional Entity

Board Meeting

February 28, 2024

1999 Walden Drive, Gaylord

10:00AM

Agenda

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1.	Call to Order	
2.	Roll Call	
3.	Pledge of Allegiance	
4.	Acknowledgement of Conflict of Interest	
5.	Approval of Agenda	
6.	Approval of Past Minutes – January 24, 2024	Pages 2 – 8
7.	Correspondence	Pages 9 – 33
8.	Announcements	
9.	Public Comments	
10.	Reports	
	a. Executive Committee Report – Has not met	
	b. CEO's Report – February 2024	Page 34
	c. Financial Report – December 2023	Pages 35 – 56
	d. Operations Committee Report –February 20, 2024	Pages 57 – 59
	e. NMRE SUD Oversight Board Report – Next meeting March 4th at 10:00am	
11.	New Business	
	a. New Horizons Learning Credits	Page 60
12.	Old Business	
	a. Northern Lakes Update	
13.	Presentations	
	a. Quality Assessment and Performance Improvement Program	
	i. NMRE FY23 QAPIP Evaluation	Pages 61 – 72
	ii. NMRE FY24 QAPIP	Pages 73 – 78
	iii. QAPIP Presentation Slides	Pages 79 – 95
	b. CCBHC Overview	Pages 96 - 106
14.	Comments	
	a. Board	
	b. Staff/CMHSP CEOs	
	c. Public	
15.	Next Meeting Date –March 27, 2024 at 10:00AM	
16.	Adjourn	

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NORTHERN MICHIGAN REGIONAL ENTITY
BOARD OF DIRECTORS MEETING
10:00AM – JANUARY 24, 2024
GAYLORD BOARDROOM

ATTENDEES:	**Bob Adrian, Tom Bratton, Ed Ginop, Gary Klacking, Eric Lawson, Greg McMorrow, Michael Newman, Gary Nowak, Ruth Pilon, Richard Schmidt, Karla Sherman, Don Smeltzer, Don Tanner, Chuck Varner**
ABSENT:	**Jay O'Farrell**
NMRE/CMHSP STAFF:	**Bea Arsenov, Joe Balberde, Eugene Branigan, Carol Balousek, Lisa Hartley, Chip Johnston, Eric Kurtz, Brian Martinus, Diane Pelts, Brandon Rhue, Nena Sork, Tricia Wurn, Deanna Yockey**
GUESTS:	**Steve Burnham, Richard Carpenter, Kerreen Conley**
PUBLIC:	**Chip Cieslinski, Dave Freedman, Kassondra Glenister, Laruen Reed**

CALL TO ORDER
Let the record show that Chairman Don Tanner called the meeting to order at 10:00AM.

ROLL CALL
Let the record show that Jay O'Farrell was excused from the meeting on this date; all other NMRE Board Members were in attendance.

PLEDGE OF ALLEGIANCE
Let the record show that the Pledge of Allegiance was recited as a group.

ACKNOWLEDGEMENT OF CONFLICT OF INTEREST
Let the record show that no conflicts of interest to any of the meeting Agenda items were declared.

APPROVAL OF AGENDA
Let the record show that no changes to the meeting agenda were proposed.

MOTION BY GARY NOWAK TO APPROVE THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS MEETING AGENDA FOR JANUARY 24, 2024; SUPPORT BY KARLA SHERMAN. MOTION CARRIED.

APPROVAL OF PAST MINUTES
Let the record show that the December minutes of the NMRE Governing Board were included in the materials for the meeting on this date.

MOTION BY ED GINOP TO APPROVE THE MINUTES OF THE DECEMBER 13, 2023 MEETING OF THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS; SUPPORT BY ERIC LAWSON. MOTION CARRIED.

CORRESPONDENCE

1) The minutes from the January 2, 2024 PIHP CEO meeting.
2) Email correspondence from the Community Mental Health Association of Michigan (CMHAM) dated December 21, 2023 regarding concern over significant revenue reduction to state's public mental health system due to Medicaid re-enrollment.
3) CMHM Comparison of Actuarial Projected Population Counts and Trended Paid Population Counts for FY24.
4) MDHHS Press Release dated December 21, 2023 announcing that it has renewed Medicaid or Healthy Michigan plan coverage for nearly 1 million people in 2023.
5) CMHAM Legislative and Policy Committee Policy Update dated January 2024.
6) CMHAM summary of 2024 key bills.
7) Regional Performance Indicator Report for Quarter 4 of FY23.
8) The draft minutes of the January 10, 2024 regional Finance Committee meeting.

Mr. Kurtz drew attention to the statewide Medicaid enrollment estimates for FY24 supplied by CMHAM. The Medicaid disenrollment trend has declined deeper than originally projected by MDHHS and Milliman.

Mr. Kurtz next highlighted the CMHAM summary of 2024 key bills and the NMRE fiscal year 2023, quarter 4 Performance Indicators.

ANNOUNCEMENTS

Let the record show that new Board Member, Bob Adrian, representing Northeast Michigan Community Mental Health Authority was introduced.

It was also noted that the IRS reimbursable mileage rate was raised to $0.67 effective January 1, 2024.

PUBLIC COMMENT

Let the record show that the members of the public attending the meeting virtually were recognized.

Executive Committee Report

Let the record show that the minutes of the January 10, 2024 NMRE Executive Committee meeting were included in the materials for the meeting on this date. The subject of the meeting will be reviewed under "Old Business."

CEO Report

The NMRE CEO Monthly Report for January 2024 was included in the materials for the meeting on this date. Mr. Kurtz has been in contact with staff at MDHHS regarding the provision of personal care and community living supports (CLS) in specialized residential settings. Reporting CLS and personal care per diem in licensed and certified residential settings is permitted based on the MDHHS Behavioral Health Code Chart. This has been questioned, however, as individuals' enhanced SSI payments are intended to cover enhanced personal care. CMHSPs were advised to begin to transition individuals from personal care to CLS; a CLS per diem code is being considered.

Mr. Kurtz acknowledged his presentation on Certified Community Behavioral Health Clinics (CCBHC) to the North Country CMHA Board on January 18th.

November 2023 Financial Report

- Net Position showed net surplus Medicaid and HMP of $1,113,556. Carry forward was reported as $13,325,617. The total Medicaid and HMP Current Year Surplus was reported as $14,439,173. The total Medicaid and HMP Internal Service Fund was reported as $17,437,845. The total Medicaid and HMP net surplus was reported as $31,877,018.
- Traditional Medicaid showed $34,754,797 in revenue, and $32,744,791 in expenses, resulting in a net surplus of $2,010,006. Medicaid ISF was reported as $10,371,825 based on the current FSR. Medicaid Savings was reported as $2,324,071.
- Healthy Michigan Plan showed $4,656,419 in revenue, and $5,552,869 in expenses, resulting in a net deficit of $896,450. HMP ISF was reported as $7,066,020 based on the current FSR. HMP savings was reported as $11,001,546.
- Health Home showed $450,025 in revenue, and $395,159 in expenses, resulting in a net surplus of $54,866.
- SUD showed all funding source revenue of $4,946,672 and $4,351,071 in expenses, resulting in a net surplus of $595,601. Total PA2 funds were reported as $5,026,878.

Since September revenue has increased for DAB by $137,786 (1.5%), decreased for HMP by $562,028 (-20.6%), and decreased for TANF by $68,461 (-2.5%, resulting in a net decrease of $492,703 (-3.3%).

The December change in DAB, HMP, and TANF Annualized would equate to ($5,912,434). This decrease is offset by the increase in HSW, which annualized would equate to $7,393,668.

The region currently has 16 open HSW slots; the CMHSPs are working to get them filled.

It was noted that the FY24 rate adjustment was favorable to the NMRE.

MOTION BY GARY NOWAK TO APPROVE THE NORTHERN MICHIGAN REGIONAL ENTITY MONTHLY FINANCIAL REPORT FOR NOVEMBER 2023; SUPPORT BY RICHARD SCHMIDT. MOTION CARRIED.

Operations Committee Report

The minutes from January 16, 2024 were included in the materials for the meeting on this date.

It was noted that during the Medicaid reenrollment process, a number of individuals fell into inappropriate categories of Medicaid (Plan First), some with very complex behavioral healthcare needs. Plan first is a Medicaid family planning-only program and has no behavioral health benefit. Mr. Kurtz has requested that an Action Alert on the issue be circulated by CMHAM in the near future if the trends do not change.

NMRE SUD Oversight Committee Report

The minutes from January 8, 2024 were included in the materials for the meeting on this date. Liquor tax requests will be reviewed under the next agenda topic.

NEW BUSINESS

Liquor Tax Requests

Eight liquor tax requests were presented to the NMRE Substance Use Disorder Oversight Committee and moved for approval of NMRE Board of Directors on January 8, 2024.

1.	AuSable Valley CMHA	Jail Services	Iosco, Ogemaw, Oscoda	Renewal	$67,789.00

MOTION BY KARLA SHERMAN TO APPROVE THE REQUEST FROM AUSABLE VALLEY COMMUNITY MENTAL HEALTH AUTHORITY FOR LIQUOR TAX DOLLARS IN THE AMOUNT OF SIXTY-SEVEN THOUSAND SEVEN HUNDRED EIGHTY-NINE DOLLARS ($67,789.00) FOR JAIL SERVICES IN IOSCO, OGEMAW, AND OSCODA COUNTIES; SUPPORT BY CHUCK VARNER. ROLL CALL VOTE.

"Yea" Votes: R. Adrian, T. Bratton, E. Ginop, G. Klacking, E. Lawson, G. McMorrow, G. Nowak, R. Pilon, R. Schmidt, K. Sherman, D. Tanner, C. Varner

"Nay" Votes: Nil

MOTION CARRIED.

2.	AuSable Valley CMHA	Peer Recovery Coaching	Iosco, Ogemaw, Oscoda	Renewal	$54,772.50

MOTION BY CHUCK VARNER TO APPROVE THE REQUEST FROM AUSABLE VALLEY COMMUNITY MENTAL HEALTH AUTHORITY FOR LIQUOR TAX DOLLARS IN THE AMOUNT OF FIFTY-FOUR THOUSAND SEVEN HUNDRED SEVENTY-TWO DOLLARS AND FIFTY CENTS ($54,772.50) FOR PEER RECOVERY COACHING SERVICES IN IOSCO, OGEMAW, AND OSCODA COUNTIES; SUPPORT BY GARY KLACKING. ROLL CALL VOTE.

"Yea" Votes: R. Adrian, T. Bratton, E. Ginop, G. Klacking, E. Lawson, G. McMorrow, G. Nowak, R. Pilon, R. Schmidt, K. Sherman, D. Tanner, C. Varner

"Nay" Votes: Nil

MOTION CARRIED.

3.	33rd Circuit Court	Charlevoix Drug and Alcohol Court	Charlevoix	New	$151,983.00

MOTION BY GARY NOWAK TO APPROVE THE REQUEST FROM THE THIRTY-THIRD (33RD) CIRCUIT COURT FOR LIQUOR TAX DOLLARS IN THE AMOUNT OF ONE HUNDRED FIFTY-ONE THOUSAND NINE HUNDRED EIGHTY-THREE DOLLARS ($151,983.00) TO IMPLEMENT AN ADULT TREATMENT COURT IN CHARLEVOIX COUNTY; SUPPORT BY ED GINOP. ROLL CALL VOTE.

"Yea" Votes: R. Adrian, T. Bratton, E. Ginop, G. Klacking, E. Lawson, G. McMorrow, G. Nowak, R. Pilon, R. Schmidt, K. Sherman, D. Tanner, C. Varner

"Nay" Votes: Nil

MOTION CARRIED.

4.	Charlevoix County Jail	Individual Counseling	Charlevoix	New	$21,000.00

MOTION BY GARY NOWAK TO APPROVE THE REQUEST FROM THE CHARLEVOIX COUNTY JAIL FOR LIQUOR TAX DOLLARS IN THE AMOUNT OF TWENTY-ONE THOUSAND DOLLARS ($21,000.00) TO PROVIDE INDIVIDUAL COUNSELING SERVICES TO INDIVIDUALS IN THE CHARLEVOIX COUNTY JAIL; SUPPORT BY KARLA SHERMAN. ROLL CALL VOTE.

"Yea" Votes: R. Adrian, T. Bratton, E. Ginop, G. Klacking, E. Lawson, G. McMorrow, G. Nowak, R. Pilon, R. Schmidt, K. Sherman, D. Tanner, C. Varner

"Nay" Votes: Nil

MOTION CARRIED.

5.	89th District Court	Intelligent Fingerprint Testing Equipment	Cheboygan	New	$6,500.00

MOTION BY ED GINOP TO APPROVE THE REQUEST FROM THE EIGHTY-NINETH (89TH) DISTRICT COURT FOR LIQUOR TAX DOLLARS IN THE AMOUNT OF SIX THOUSAND FIVE HUNDRED DOLLARS ($6,500.00) TO PURCHASE INTELLIGENT FINGERPRINT TESTING EQUIPMENT FOR CHEBOYGAN COUNTY; SUPPORT BY KARLA SHERMAN. ROLL CALL VOTE.

"Yea" Votes: R. Adrian, T. Bratton, E. Ginop, G. Klacking, E. Lawson, G. McMorrow, G. Nowak, R. Pilon, R. Schmidt, K. Sherman, D. Tanner, C. Varner

"Nay" Votes: Nil

MOTION CARRIED.

6.	Bear River Health	Jail Case Management	Cheboygan	Renewal/New	$40,744.00

Mr. Kurtz noted that the request requires a revision so that staff salary amounts are based on the actual staff costs not the NMRE billing rate.

MOTION BY ED GINOP TO APPROVE THE REQUEST FROM BEAR RIVER HEALTH FOR LIQUOR TAX DOLLARS IN THE AMOUNT OF FORTY THOUSAND SEVEN HUNDRED FORTY-FOUR DOLLARS ($40,744.00) TO PROVIDE CASE MANAGEMENT SERVICES IN THE CHEBOYGAN COUNTY JAIL WITH THE STIPULATION THAT THE STAFF SALARY AMOUNT(S) BE AMENDED BASED ON ACTUAL COSTS; SUPPORT BY KARLA SHERMAN. ROLL CALL VOTE.

"Yea" Votes: R. Adrian, T. Bratton, E. Ginop, G. Klacking, E. Lawson, G. McMorrow, G. Nowak, R. Pilon, R. Schmidt, K. Sherman, D. Tanner, C. Varner

"Nay" Votes: Nil

MOTION CARRIED.

7.	Catholic Human Services	Prevention Coalition	Kalkaska	Renewal	$20,000.00

MOTION BY GARY NOWAK TO APPROVE THE REQUEST FROM CATHOLIC HUMAN SERVICES FOR LIQUOR TAX DOLLARS IN THE AMOUNT OF TWENTY THOUSAND DOLLARS ($20,000.00) TO SUPPORT THE LIVE WELL KALKASKA PREVENTION COALITION; SUPPORT BY GREG MCMORROW. ROLL CALL VOTE.

"Yea" Votes: R. Adrian, T. Bratton, E. Ginop, G. Klacking, E. Lawson, G. McMorrow, G. Nowak, R. Pilon, R. Schmidt, K. Sherman, D. Tanner, C. Varner

"Nay" Votes: Nil

MOTION CARRIED.

8.	Health Dept. of NW MI	Prevention Coalition	Otsego	Addendum	$12,000.00

MOTION BY KARLA SHERMAN TO APPROVE THE REQUEST FROM THE HEALTH DEPARTMENT OF NORTHWEST MICHIGAN FOR LIQUOR TAX DOLLARS IN THE AMOUNT OF TWELVE THOUSAND DOLLARS ($12,000.00) TO SUPPORT THE RISE OTSEGO PREVENTION COALITION; SUPPORT BY CHUCK VARNER. ROLL CALL VOTE.

"Yea" Votes: R. Adrian, T. Bratton, E. Ginop, G. Klacking, E. Lawson, G. McMorrow, G. Nowak, R. Pilon, R. Schmidt, K. Sherman, D. Tanner, C. Varner

"Nay" Votes: Nil

MOTION CARRIED.

Let the record show that the total liquor tax funding approved during the meeting on this date was $374,788.50.

OLD BUSINESS

Northern Lakes CMHA Update

Mr. Tanner explained that the NMRE Board Executive Committee felt it was important for the full board to hear an update from Richard Carpenter and Kerreen Conley from Rehmann regarding the Management Review of Northern Lakes CMHA.

MOTION BY TOM BRATTON TO MOVE THE NMRE BOARD INTO CLOSED SESSION FOR THE PURPOSE OF RECEIVING INFORMATION THAT IS CONFIDENTIAL OR PRIVILEGED BY STATUTE AS PERMITTED BY SECTION 8(H) OF THE MICHIGAN OPEN MEETINGS ACT; SUPPORT BY RICHARD SCHMIDT. ROLL CALL VOTE.

"Yea" Votes: R. Adrian, T. Bratton, E. Ginop, G. Klacking, E. Lawson, G. McMorrow, G. Nowak, R. Pilon, R. Schmidt, K. Sherman, D. Tanner, C. Varner

"Nay" Votes: Nil

MOTION CARRIED.

In addition to NMRE Board Members, the following individuals were asked to be included in the closed session:

- Eric Kurtz – NMRE Chief Executive Officer
- Deanna Yockey – Chief Financial Officer
- Brandon Rhue – NMRE Chief Information Officer/Operations Director
- Carol Balousek – NMRE Executive Administrator/Board Recording Secretary
- Brian Martinus – Northern Lakes CMHA Interim Chief Executive Officer
- Steve Burnham – NMRE Legal Counsel

MOTION BY CHUCK VARNER TO MOVE THE NMRE BOARD OUT OF CLOSED SESSION; SUPPORT BY TOM BRATTON. MOTION CARRIED.

It was noted that three firms in the state do most of the CMHSP and PIHP auditing, and one other besides Rehman was contacted but could not start the process till May or June. Mr. Kurtz recommended proceeding with Rehmann since they are already involved and would like the ability to negotiate and sign the agreement with the involvement of legal counsel.

MOTION BY GREG MCMORROW TO AUTHORIZE THE NORTHERN MICHIGAN REGIONAL ENTITY CHIEF EXECUTIVE OFFICER TO NEGOTIATE WITH REHMANN TO BEGIN A FORENSIC INVESTIGATION OF NORTHERN LAKES COMMUNITY MENTAL HEALTH AUTHORITY'S FINANCES FOR FISCAL YEAR 2023 IN AN AMOUNT NOT TO EXCEED FIFTY-SIX THOUSAND DOLLARS ($56,000.00); SUPPORT BY KARLA SHERMAN. ROLL CALL VOTE.

"Yea" Votes:	R. Adrian, T. Bratton, E. Ginop, G. Klacking, E. Lawson, G. McMorrow, G. Nowak, R. Pilon, R. Schmidt, K. Sherman, D. Tanner, C. Varner
"Nay" Votes:	Nil

MOTION CARRIED.

Mr. Kurtz was granted the authority to negotiate for additional fiscal years as needed.

An expanded Medicaid Verification Audit by NMRE staff will also be conducted.

COMMENTS

Board

Mr. Adrian asked how the Board can prevent the issues currently being observed at Northern Lakes CMHA from happening. Mr. Tanner responded that these issues occurred over time. It was noted that the Michigan Mental Health Code outlines the responsibilities of a CMHSP/PIHP Board.

Mr. McMorrow thanked Mr. Johnston for providing his Red Book training to the Northern Lakes CMHA Board of Directors on January 18th.

NEXT MEETING DATE

The next meeting of the NMRE Board of Directors was scheduled for 10:00AM on February 28, 2024.

ADJOURN

Let the record show that Mr. Tanner adjourned the meeting at 12:13PM.

Community Mental Health Association of Michigan
DIRECTORS FORUM
January 24, 2024

Legislative update: Alan Bolter provided updates on a range of legislative activities expected in 2024 - a session which will see very little activity until June and then again in the lame duck session (what looks to be a very active lame duck session), when the new House members, replacing two who ran for and were elected to local offices, are seated; the Governor's State of the State; the February 7 announcement of Governor's budget proposal; and CMHA legislative and appropriations goals. Summaries of this legislative action and these CMHA goals are included in the Directors Forum packet.

Discussion of advocacy strategies, including timing of advocacy, around the revenue reductions being seen by the state's public mental health system - the result of the large number of post-PHE Medicaid disenrollments and related causes: Alan, Bob, and those CEOs involved in the recent meeting with MDHHS, described the advocacy done by CMHA and its members around the need for rate adjustments, in this fiscal year, to close the significant gap being projected by the state's PIHPs and CMHSPs. CMHA will be sending, to CMHA members, the advocacy materials around this issue.

Discussion of status of efforts to restructure MDHHS section of Directors Forum: The draft approach to this redesign was reviewed with a few revisions recommended. CMHA will revise the document, to reflect these changes, and send the revised document to the Directors Forum members, asking for further comments and revisions. Once these recommendations are received, the document will be revised to reflect these revisions and sent to the workgroup who led this redesign effort. This workgroup will then meet with the MDHHS staff who lead the MDHHS segment of the Directors Forum to jointly develop changes to this segment of the Directors Forum for implementation of the new approach in the fall of 2024.

Discussion of preliminary plans for Directors Forum Retreat in the summer of 2024: The draft retreat description and design were reviewed with a few revisions recommended. Additionally, the group decided to hold the retreat on May 19 through May 21 at Crystal Mountain Resort.

The work group who are planning this retreat and CMHA staff will soon be surveying CMH and PIHP CEOs relative to: the topics to be covered during the retreat, interest in facilitating small group discussions, and interest in extra-curricular/social activities to parallel the discussion segments of the retreat.

Strategy to build CMHA PAC Fund – payroll deduction: Alan Bolter outlined the statutory change that allows public employers to allow payroll deductions, by their employees, as contributions to Political Action Committees (PACs). Directors Forum members supported thee concept as well at the plan, outlined by CMHA staff, to develop and disseminate information around the value of the PAC and the mechanics of making this work.

Discussion, with MDHHS leadership, of a range of policy, practice, and statutory issues

MI Kids Now initiative. Patricia Neitman, Phil Kurdunowicz, and Kim Batsche- McKenzie provided updates on:

MichiCANS: All five soft launch sites have begun to use MichiCANs, with over 100 MichiCANs administered over the past several weeks; certification of MichiCANS staff at all five sites; MDHHS has asked the state's CMHSPs to estimate their training volume demand for the hard launch (slated for October 2024) so that MDHHS can scale their training planning work; a number of Directors Forum members indicated that their training volume estimates were based on the assumption that MichiCANS will, initially, be focused on children with SED; MDHHS indicated that access staff should be part of the training cohort projected by CMHSPs and that the Department will send out additional clarification on this issue; CAFAS/PECFAS data will not be required in FY 2025, as noted in a recent MDHHS memo to the field. A related memo, related to DECA, was also recently issued. Both of these memos will be redistributed by MDHHS through CMHA. The CMH/MDHHS contract will be revised to reflect the requirement of the use of the MichiCANS by the system.

Waiver Renewal: MDHHS is developing the waiver renewal for the CWP and SED waivers to be submitted in the summer of 2024. Themes in the waiver renewal application: Use of MichiCANS for SED and not CWP; overnight supports; paid care givers to provide CLS (being explored); pre-screening and waiting list for CWP.

Wrap around memos: MDHHS recently issued two memos re: provisional approval of Waiver coordinators to allow for the provision of wraparound services while awaiting final certification; fidelity tool to support sound application of Wraparound services.

Stacy Farrell has recently been hired to be the new Director of the Office of Children's Advocate.

Status and direction of Conflict Free Access and Planning initiative. Belinda Hawks summarized: the recommendations of the CFAP Advisory Group are being used with a project manager, recently brought on board, leading this effort. The process changes will center around independent facilitation, with the work of the Michigan DD Institute, to be discussed in greater depth later on during the Directors Forum, at the center of this effort. Structural changes, which will be implemented state-wide with each PIHP providing information as to how their region will ensure structural separation of assessment, treatment planning, and service delivery. Additional clarity will be provided in February.

MI-DDI Presentation. Angela Martin walked through slides that outlined the work that Michigan DD Institute has done around their work to foster the use of independent facilitation. These slides were provided to Directors Forum members immediately prior the start of the Directors Forum.

State hospital developments - capacity reduction Dr. Mellos indicated that the former Northville facility has been razed. The new facility will have both adult and children/youth beds, to be opened in July 2026.

The Center for Forensic Psychiatry will add 34 additional forensic beds today. KPH will be adding another 23 beds in the coming months. Walter Reuther will be opening its children unit, with 12 to 14 beds, will be opened in the next few months. The CFP waiting list, up to 300 in mid-2023 is now down to 230.

The total census is 561 and will be going up to 660 in the coming year. The capacity, by site:

Caro: 92

CFP 234
Hawthorn 24
KPH 112
Reuther 99

Intensive Community Transition Services (ICTS) and Psychiatric Residential Treatment Facility (PRTF) programs. Alex Kruger indicated that these services have gone well with positive partnerships with CMHSPs in serving these clients. The three providers of these services will be expanded to thirteen in the coming months, with some providers needing to renovate or build facilities. The current providers will also be expanding their capacity in the coming months. Currently there are ten youth in these settings. Since March, 2023, there have been twenty-eight youth receiving this service and fifteen transitioning back to their homes. Three youth were re-admitted to the state hospital.

Twenty-one adults in ICTS, with twenty transitioned back to their homes, and three admitted to the state hospital.

While DCW staff positions have been able to be filled, a number of clinical staff positions have been harder to fill.
It was noted that HCBS requirements do not apply at these sites. However, if the CMHSP takes over the responsibility for these services, HCBS requirements apply.

CMHSP, PIHP, and providers who want to contact Alexandra Kruger can reach her at:KrugerA@michigan.gov . Referrals to the ICTS/PRTF program should be sent to: MDHHS-ICTS-PRTF@michigan.gov

MDHHS efforts to improve administrative efficiencies. Jackie Sproat indicated that BHDDA is: working with the CIO forum members to implement the EVV in an efficient manner; reviewing contractual requirements to eliminate duplicative requirements (one example is the elimination of the annual report on fraud and abuse, currently required of the CMHs to be submitted to MDHHS, given that this report is already submitted to their PIHPs); and overhauling the MMBPIS standards to use existing data, already submitted by the CMHSPs to the Department and their PIHPs, thus eliminating the need for the CMHSPs to report them, separately, to the Department.

Status and aim of Medicaid health plan rebid. Penny Rutledge indicated that bids are due on Friday, January 26 (an extension of the original January 16 due date). She indicated that the rumors that the rebid allows for a partial carve in of the state's Medicaid behavioral healthcare benefit under the administration of the private health plans are not accurate.

Status of Duals Special Needs Plan (DSNP) bid out. Nicole Hudson indicated that the bid is still in development with the RFP going out within the next few months. The contracts need to be in place by early 2025 with fully in place by 2026. The MDHHS HIDE DSNP website will soon be posting new information on the HIDE – DSNP; and holding listening sessions around the transition of MIHealthLink to the HIDE DSNP.

Status of CSU certification standards and other crisis system efforts (MPCIP). Krista Hausermann provided an update on these efforts: the comprehensive crisis system newsletter will become a quarterly newsletter with the next edition due out in February ; the rules around peers dong crisis work; a conference on the role of peers in crisis services will be announced by MDHHS, through CMHA, later today; the crisis clinician training/certification system development effort is moving along well, led by the

Center for Behavioral Health and Justice at Wayne State University, with stakeholders from the community based system involved in these discussions; efforts to focus on skill and competence for the credentialing of crisis workers rather than a heavy reliance on education/degrees; BPHASA and the CCBHC team are working to ensure that CCBHC crisis services and those provided by sites that are not CCBHCs are in alignment; CSU rules are nearly finished with the public comment period to be opened soon; mobile crisis team standards are being refined (including work to capture the enhanced federal match); a memo will be issued soon announcing that EM Resources will be the contractor for Michigan's psychiatric bed registry (this platform is already being used by the state's psychiatric facilities, making the transition to the new registry easier); the work by BPHASA and the CCBHC team to redesign the standards for mobile crisis response related to rural communities.

Schedule of 2024 Directors Forums: Previously sent to Directors Forum members.

STATE OF MICHIGAN
DEPARTMENT OF HEALTH AND HUMAN SERVICES
LANSING

GRETCHEN WHITMER
GOVERNOR

ELIZABETH HERTEL
DIRECTOR

February 12, 2024

TO: Executive Directors of Prepaid Inpatient Health Plan (PIHP)
Executive Directors of Community Mental Health Service Programs (CMHSP)

SUBJECT: EVV Update

The Behavioral Health team at MDHHS would like to share a couple of updates with you regarding Electronic Visit Verification (EVV) implementation in Michigan. MDHHS has updated the implementation plan for EVV across the 7 impacted program areas, reflecting a phased in approach to implementation. This updated phased in implementation is scheduled as follows:

Phase 1 – Medicaid FFS Home Health is slated to go live April 1, 2024.
Phase 2 – Home Help is slated to go live July 1, 2024.
Phase 3 – **Behavioral Health**, MI Health Link, MI Choice, Medicaid Managed Care Home Health and Community Transition Services are slated to go live **September 1, 2024.**

Additional implementation details, including upcoming training information, will be forthcoming.

MDHHS has decided to support live-in caregiver exemptions to EVV, as allowable by CMS and pre-approved by MDHHS, with the exception of Home Help services. There will be an identified process for live-in caregiver exemption requests and approvals within Behavioral Health, details for which will be provided once those are finalized.

For those providers still needing to enroll in CHAMPS and/or obtain an NPI for EVV purposes, as outlined in MMP 23-76, it is imperative to do so as soon as possible to avoid any negative impacts and/or delays related to EVV system use and reporting requirements.

Executive Directors of Prepaid Inpatient Health Plan
Executive Directors of Community Mental Health Service Programs

If you have questions about EVV, please submit those to MDHHS-EVV@Michigan.gov. The MDHHS-Communications and Outreach team is actively working to update the MDHHS-EVV website Electronic Visit Verification (michigan.gov) and we would encourage you to visit that page as well for additional updates and information.

Thank you.

Kristen Jordan

Kristen Jordan, Director
Bureau of Specialty Behavioral Health Services
Michigan Department of Health and Human Services

cc: Belinda Hawks
Lyndia Deromedi
Michelle Hill
Jackie Sproat

email correspondence

From: Monique Francis <MFrancis@cmham.org>
Sent: Thursday, February 8, 2024 9:17 AM
To: Monique Francis
Cc: Robert Sheehan; Alan Bolter
Subject: Fulfilling the request, by CMHA Executive Committee, for document underscoring roles of Michigan's CMHSPs and PIHPs

To: CMHA Officers; Members of the CMHA Board of Directors and Steering Committee; CEOs of CMHs, PIHPs, and Provider Alliance members; CMH & PIHP Board Chairpersons
From: Robert Sheehan, CEO, CMH Association of Michigan
Re: Fulfilling the request, by CMHA Executive Committee, for document underscoring roles of Michigan's CMHSPs and PIHPs

As many of you know, over the past several years, a lack of understanding, by some MDHHS staff and other policy makers, of the nature and roles of Michigan's CMHSPs and PIHPs has led to conflicts between MDHHS and Michigan's public mental health system around policy, contract, and practice-related proposals made by MDHHS.

In the eyes of many CMHA members, much of this conflict centers around the lack of understanding, by MDHHS staff, of the public nature/identity and roles of Michigan's public mental health system, as defined in statute and in the federal Medicaid waivers that undergird Michigan's behavioral health system.

In recognition of this conflict and its cause, the CMHA Executive Committee (as discussed during the recent CMHA Board meeting), has asked CMHA staff to develop a document that clarifies the public nature/identity and roles of Michigan's public mental health system, including the distinct roles of the CMHSPs, PIHPs, and provider organizations that make up that system. This document, once reviewed and revised by the CMHA Legislative and Policy Committee, will be reviewed, revised, and accepted by the CMHA Board of Directors for use, by CMHA, as part of its advocacy agenda.

This document will draw on many of the analyses, which CMHA has developed, with your guidance, over the past several years – analyses that centered around the unique nature and roles of Michigan's public mental health system.

Look for this document in the coming weeks, when it is distributed to you, in draft form, and as part of the Legislative and Policy Committee packet.

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FY25 Executive Budget Proposal

Specific Mental Health/Substance Abuse Services Line items

	FY'23 (Final)	FY'24 (Final)	FY'25(Exec Rec)
-CMH Non-Medicaid services	$125,578,200	$125,578,200	$125,578,100
-Medicaid Mental Health Services	$3,044,743,000	$3,160,958,400	$3,304,440,700
-Medicaid Substance Abuse services	$94,321,800	$95,264,000	$97,941,400
-State disability assistance program	$2,018,800	$2,018,800	$2,018,800
-Community substance abuse (Prevention, education, and treatment programs)	$79,705,200	$79,599,700	$79,626,200
-Health Homes Program	$61,337,400	$53,400,100	$53,418,500
-Autism services	$292,562,600	$279,257,100	$330,231,300
-Healthy MI Plan (Behavioral health)	$570,067,600	$590,860,800	$535,228,600
-CCBHC	$101,252,100	$386,381,700	$557,719,100
-Total Local Dollars	$10,190,500	$10,190,500	$10,190,400

Other Highlights of the FY25 Executive Budget:

Behavioral Health Capacity Improvements

The Executive Budget continues to invest in supports and services to residents with behavioral health needs. It includes additional funding to increase access to behavioral health services through direct program capacity enhancements, a managed care rate increase for behavioral health services, incentives to build a pipeline of qualified providers, and ongoing resource support for current tools used to support people experiencing behavioral health crises. Major investments include:

- $193.3 million to expand Michigan's Certified Community Behavioral Health Clinics (CCBHC) demonstration program ($35.6 million general fund). Funds will be used to support new CCBHC sites and establish more sophisticated oversight and monitoring for the Medicaid CCBHC system.

- $36.1 million to increase rates for behavioral health services provided through Medicaid health plans ($10.2 million general fund). This proposal brings parity in reimbursement rates for behavioral health services paid through Medicaid health plan contracts to improve access to needed supports for Medicaid enrollees.

- $8.3 million to establish Medicaid reimbursement for peer provided substance use disorder services ($2.5 million general fund). Peer recovery specialists will be reimbursed for services provided in a hospital setting.

- $7.3 million for the Michigan Crisis and Access Line (MiCAL) ($8.3 million general fund) to ensure structural ongoing support for services currently provided to individuals experiencing behavioral health crises. Funding will ensure access to text and chat functionality, from a Michigan-based provider, 24 hours a day, seven days a week.

- $4 million to enhance gambling prevention and treatment services (state restricted revenue). Funding will support residential gambling treatment, recovery support services, youth education and prevention services, research and evaluation, provider training, a media campaign, and the problem gambling hotline.

Workforce Investments

The Executive Budget directs additional funding toward efforts to grow Michigan's health care workforce and enhance the state's ability to recruit new talent to health care professions. New investments include:

- $14 million in wage support for non-direct care nursing home staff (general fund). This investment supports a $0.85/hour wage increase.

- $3 million for behavioral health workforce supports (one-time, federal fund) to be allocated to Michigan's public universities to fund scholarships and internship programs to attract and support people interested in training to become behavioral health providers.

- $10 million to launch a new nurse incentive program to recruit and retain staff (one-time, general fund). This investment provides $5 million to support nurses who work in state operated facilities and $5 million to support nurses who work in non-state operated facilities.

- $1 million to establish the Home Health Care Public Authority (one-time, general fund) that will be responsible for facilitating orientation and training for home care workers and connecting them with clients.

Supporting Student Needs

- 300 million for student mental health and school safety needs. The budget supports districts in managing individualized mental health needs and enhancing the safety of school buildings. Of this amount, $150 million is recommended as ongoing funding to provide districts with a stable financial source to support this important work

Medicaid Items

Restructure Michigan Medicaid The department is currently engaged in the MiHealthy Life procurement process to identify the health plans that will partner in delivering Medicaid and Healthy Michigan Plan support to Michigan's Medicaid enrollees.

These contract changes will:

- Double the size of the quality withhold and restructure related success criteria to more effectively reward health plans that exhibit the best outcomes as defined by the state.

- Require financial reinvestment of health plan profits into partnerships with community organizations on efforts to address social determinants of health.

Alongside these innovations in health plan contracts, the Executive Budget funds initiatives that remove barriers and create innovative pathways for families and individuals to access services that will positively impact their daily lives. These include:

- $30.5 million for new pre-release Medicaid services to incarcerated individuals ($5.6 million general fund). These services will reduce reliance on emergency medical services and support proper transition of care for people previously in state prison, jail, and secure juvenile justice settings.
    - **Enrolls prisoners in limited Medicaid 90 days before release, ensuring they are set up for medical coverage upon reentry into communities**

- $10 million for an "in-lieu-of-services" incentive pool ($3.5 million general fund) made available to Medicaid health plans that improve food security for their enrollees with dietary needs.

- $7 million to increase provider participation in the Vaccines for Children (VFC) program ($2.5 million general fund). Funds would support a 42% increase in the administrative rate paid to providers for childhood vaccination; the maximum allowable under federal law.

- $5 million to provide additional trainings and supports ($1.7 million general fund) to family and informal caregivers assisting individuals enrolled in Michigan's Home and Community-Based Services– MiChoice– waiver program.

- $1.8 million general fund to recognize elimination of monthly MiChild premiums for low-income families with uninsured children under the age of 19

Public Health and Safety

The fiscal year 2025 Executive Recommendation continues to identify opportunities for new, and augmented, investments to address public health and safety. Investments in this year's recommendation include:

- $2.5 million for access to mental health services (general fund). Funding supports behavioral health resources for first responders and public safety staff.

- $5 million increase for smoking cessation and tobacco prevention programs (general fund). This investment will allow the state to maintain and expand current efforts to reduce tobacco use among Michigan's adult and youth population.

Behavioral Health Boilerplate Changes from FY 24 → FY 25

Sec. 8-904. (1) By September 30 of the current fiscal year, the department shall provide a report on the CMHSPs, PIHPs, and designated regional entities for substance use disorder prevention and treatment to the report recipients required in section 246 of this part that includes the information required by this section.

REMOVED: Sec. 8-907. (2) The department shall approve managing entity fee schedules for providing substance use disorder services and charge participants in accordance with their ability to pay.

REMOVED: Sec. 912. The department shall contract directly with the Salvation Army Harbor Light program, at an amount not less than the amount provided during the fiscal year ending September 30, 2020, to provide non-Medicaid substance use disorder services if the local coordinating agency or the department confirms the Salvation Army Harbor Light program meets the standard of care. The standard of care shall include, but is not limited to, utilization of the medication assisted treatment option

EDITED: Sec. 8-913. (1) From the funds appropriated in part 1 for behavioral health program 8 administration, the department shall allocate $1,025,000.00, for the autism navigator program. The department shall require any contractor receiving funds under this section to comply with performance-related metrics to maintain eligibility for funding. (EXCERPT)

Sec. 8-917. (1) From the funds appropriated in part 1 for opioid response activities, the department shall allocate $23,199,000.00 from the Michigan opioid healing and recovery 9 fund created under section 3 of the Michigan trust fund act, 2000 PA 489, MCL 12.253, to create or supplement opioid-related programs and services in a manner consistent with the 11 opioid judgment, settlement, or compromise of claims pertaining to violations, or alleged violations, of law related to the manufacture, marketing, distribution, dispensing, or sale of opioids.

Sec. 8-917. (2) The department will provide a portion of the funds described in (1) of this part to create incentives for local recipients of opioid settlement revenue to best align to the 16 goals and recommendations articulated by the Opioid advisory Commission established in 2022, PA 84, MCL 4.1851

REMOVED: Sec. 8-920. (2) It is the intent of the legislature that any increased Medicaid rate related to state minimum wage increases shall also be distributed to direct care employees.

REMOVED: Sec. 924. From the funds appropriated in part 1, for the purposes of actuarially sound rate certification and approval for Medicaid behavioral health managed care programs, the department shall maintain a fee schedule for autism services reimbursement rates for direct services. Expenditures used for rate setting shall not exceed those identified in the fee schedule. The rates for behavioral technicians shall not be less than $53.20 per hour and not more than $58.20 per hour

EDITED: Sec. 926. (1) From the funds appropriated in part 1 for community substance use disorder prevention, education, and treatment, $1,000,000.00 is allocated for a specialized substance use disorder detoxification project administered by a 9-1-1 service district in conjunction with a substance use and case management provider and at a hospital within a 9-1-1 services district with at least 600,000 residents and 15 member

communities within a county with a population of at least 1,500,000 according to the most recent federal decennial census. ~~(2) The substance use and case management provider receiving funds under this section shall collect and submit to the department data on the outcomes of the project throughout the duration of the project and the department shall submit a report on the project's outcomes to the report recipients required in section 246 of this part.~~

REMOVED: Sec. 8-940. (4) The department shall notify the chairs of the appropriation subcommittees on the department budget when a request is made and when the department grants approval for a reallocation described in subsection (1). By September 30 of the current fiscal year, the department shall submit a report on the amount of funding reallocated to the report recipients required in section 246 of this part.

REMOVED: Sec. 960. (1) From the funds appropriated in part 1 for autism services, the department shall continue to cover all Medicaid autism services to Medicaid enrollees eligible for the services that were covered on January 1, 2019. (2) To restrain cost increases in the autism services line item, the department shall do all of the following: (a) By March 1 of the current fiscal year, develop and implement specific written guidance for standardization of Medicaid PIHPs and CMHSPs autism spectrum disorder administrative services, including, but not limited to, reporting requirements, coding, and reciprocity of credentialing and training between PIHPs and CMHSPs to reduce administrative duplication at the PIHP, CMHSP, and service provider levels. (b) Require consultation with the client's evaluation diagnostician and PIHP to approve the client's ongoing therapy for 3 years, unless the client's evaluation diagnostician recommended an evaluation before the 3 years or if a clinician on the treatment team recommended an evaluation for the client before the third year. (c) Limit the authority to perform a diagnostic evaluation for Medicaid autism services to qualified licensed practitioners. (EXCERPT)

REMOVED: Sec. 964. By October 1 of the current fiscal year, the department shall provide the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office with the standardized fee schedule for Medicaid behavioral health services and supports. The report shall also include the adequacy standards to be used in all contracts with PIHPs and CMHSPs. In the development of the standardized fee schedule for Medicaid behavioral health services and supports during the current fiscal year, the department must prioritize and support essential service providers and must develop a standardized fee schedule for revenue code 0204.

REMOVED: Sec. 965. From the funds appropriated in part 1, the department and the PIHPs shall increase the comparison rates and any associated reimbursement rates of the bundled rate H0020 for the administration and services of methadone to $19.00.

Sec. 8-972. From the funds appropriated in part 1 for behavioral health program administration, the department shall allocate not less than $11,286,400.00 general fund/general purpose revenue and any associated federal match or federal grant funding, including, but not limited to, associated federal 988 grant funding for the mental health telephone access line known as the Michigan crisis and access line (MiCAL), to provide primary coverage in regions where a regional national suicide prevention lifeline center does not provide coverage and for statewide secondary coverage, to establish and make available to the public MiCAL in accordance with section 165 of the mental health code, 1974 PA 258, MCL 330.1165.

Sec. 8-978. From the funds appropriated in part 1 for community substance use disorder prevention, education, and treatment, the department shall allocate $1,200,000.00 as grants for recovery community organizations to offer or expand recovery support center services or recovery community center services to individuals seeking long-term recovery from substance use disorders in accordance with section 273b of the mental health code, 1974 PA 258, MCL 330.1273b.

REMOVED: Sec. 8-995 (2) By March 1 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part on the planned allocation of the funds appropriated for mental health diversion council.

REMOVED: Sec. 1001. By December 31 of the current fiscal year, each CMHSP shall submit a report to the department that identifies populations being served by the CMHSP broken down by program eligibility category. (EXCERPT)

NEW: Sec. 8-1002. The department shall expand the certified community behavioral health clinic demonstration to include organizations that meet the following criteria: (a) The organization must be a current CMHSP or an eligible organization as defined in section 223 (a)(2)(F) of the protecting access to Medicare act, Public Law 113-93, with a CCBHC grant from the federal substance abuse and mental health services administration for at least one year; (b) The organization must achieve CCBHC certification by meeting all state and federal requirements by September 1, 2024, unless otherwise specified in the CCBHC 29 Demonstration Handbook; and (c) The organization must have implemented the following evidence-based practices by July 1, 2024: (i) Air Traffic Control Crisis Model with the Michigan Crisis and Access Line; (ii) Assertive Community Treatment; (iii) Cognitive Behavioral Therapy; (iv) Trauma-Focused Cognitive Behavioral Therapy; (v) Medication Assisted Treatment; and (vi) Motivational Interviewing.

REMOVED: Sec. 1004. The department shall submit a report to the report recipients required in section 246 of this part on any rebased formula changes to either Medicaid behavioral health services or non-Medicaid mental health services 90 days before implementation. The notification shall include a table showing the changes in funding allocation by PIHP for Medicaid behavioral health services or by CMHSP for non-Medicaid mental health services.

EDITED: Sec. 8-1005. (1) From the funds appropriated in part 1 for health homes, the department shall maintain the number of behavioral health homes and maintain the number of substance use disorder health homes in place by PIHP region as of September 30 of the previous fiscal year. The department may expand the number of behavioral health homes and the number of substance use disorder health homes in at least 1 additional PIHP region. ~~(2) On a semiannual basis, the department shall submit a report to the report recipients required in section 246 of this part on the number of individuals being served and expenditures incurred by each PIHP region by site.~~

Sec. 8-1006. (1) The department shall report on a semiannual basis the following to the recipients required in section 246 of this part: (a) the total number of clients served by CCBHC; and (b) the total number of daily visits per CCBHC. (2) The department shall report to recipients required in Section 246 of this part by March 1 of the current fiscal year the total expenditures per CCBHC in the base and supplemental appropriations in the previous fiscal year.

EDITED: Sec. 8-1014. (1) From the funds appropriated in part 1 to agencies providing physical and behavioral health services to multicultural populations, the department shall award grants in accordance with the requirements of subsection (2). This state is not liable for any spending above the contract amount. The department shall not release funds until reporting requirements under section 1014 of article 6 of 2022 PA 166 are satisfied. (2) The department shall require each contractor described in subsection (1) that receives greater than $1,000,000.00 in state grant funding to comply with performance-related metrics to maintain their eligibility for funding. ~~(3) The department shall require an annual report from the contractors described in subsection (2). The annual report, due 60 days following the end of the contract period, must include specific information on services and programs provided, the client base to which the services and programs were provided, information on any wraparound services provided, and the expenditures for those services. By~~

~~February 1 of the current fiscal year, the department must submit the annual reports to the report recipients required in section 246 of this part.~~

EDITED: Sec. 8-1159. (1) From the funds appropriated in part 1 for community health programs, the department shall support preventative health supports and services to regions with high health care access and outcome disparities. Eligible expenditures from this line shall include: (a) Financial support for the operation of community-based health clinics. These clinics shall provide preventative health services and be established in communities with high social vulnerability and health disparities and be operated in cooperation with trusted community partners with demonstrated experience in serving as an access point for preventative health services. (b) Financial support for the operation of healthy community zones. The zones shall utilize long-term strategies to address access to healthy food, affordable housing, and safety networks. (c) Operation of mobile health units to provide preventive health services for persons residing in areas with high disparities in healthcare outcome and access.

REMOVED: Sec. 1162. (1) From the funds appropriated in part 1 for crime victim rights sustaining grants, the department shall allocate $4,000,000.00 for a 3-year trauma recovery center pilot program project at 2 sites. The location of the pilot programs must be at an adult level I Michigan designated trauma facility. One pilot program shall be located in a city with a population of greater than 500,000 according to the most recent federal decennial census and the other pilot program must be located in a county with a population between 600,000 and 700,000 according to the most recent federal decennial census. (EXCERPT)

REMOVED: Sec. 1501. (1) By October 1 of the current fiscal year, the department shall report on the findings of section 1501(1) of article 6 of 2022 PA 166, and submit the provider reimbursement rate comparison tables to the report recipients required in section 246 of this part, unless the report was submitted before September 30, 2023. The provider reimbursement rate comparison tables shall include, but not be limited to, all of the following: (a) Medicaid reimbursement rates, as of October 1, 2022, itemized by current procedural terminology (CPT) code, by provider type. 178 (b) Medicare reimbursement rates for Michigan Locality 01, as of October 1 2022, itemized by CPT code, by provider type. (c) Comparison between Medicaid and Medicare reimbursement rates by CPT code detailing the current Medicaid reimbursement rates as a percentage of the current Medicare reimbursement rates for Michigan Locality 01, by provider type (EXCERPT)

REMOVED: Sec. 1507. From the funds appropriated in part 1 for office of inspector general, the inspector general shall audit and recoup inappropriate or fraudulent payments from Medicaid managed care organizations to health care providers. Unless authorized by federal or state law, the department shall not fine, temporarily halt operations of, disenroll as a Medicaid provider, or terminate a managed care organization or health care provider from providing services due to the discovery of an inappropriate payment found during the course of an audit.

REMOVED: Sec. 1601. The cost of remedial services incurred by residents of licensed adult foster care homes and licensed homes for the aged shall be used in determining financial eligibility for the medically needy. Remedial services include basic self-care and rehabilitation training for a resident.

REMOVED: Sec. 1616. (1) By October 1 of the current fiscal year, the department shall seek federal authority to formally enroll and recognize community health workers as providers and to utilize Medicaid matching funds for community health worker services, including the potential of leveraging of a Medicaid state plan amendment, waiver authorities, or other means to secure financing for community health worker services. The appropriate federal approval must allow for community health worker services on a statewide basis and must not be a limited geography waiver. The authority should allow the application of community health worker services statewide and maximize their utility by providing financing that includes fee-for-service reimbursement, value-based payment, or a combination of both fee-for-service reimbursement and value-based payment for all

services commensurate to their scope of training and abilities as provided by evidence-based research and programs.

Sec. 8-1644. From the funds appropriated in part 1, the department shall maintain wage subsidy payments to direct care workers at the amount in effect on October 1, 2023. This funding must include all costs incurred by the employer, including payroll taxes, due to the wage increase. As used in this subsection, "direct care workers" means a registered professional nurse, licensed practical nurse, competency-evaluated nursing assistant, and respiratory therapist.

REMOVED: Sec. 1673. The department may establish premiums for MIChild eligible individuals in families with income at or below 212% of the federal poverty level. The monthly premiums shall be $10.00 per month.

REMOVED: Sec. 8-1775. (1) By March 1 of the current fiscal year, the department shall report on progress in implementing changes to the waiver to implement managed care for individuals who are eligible for both Medicare and Medicaid, known as MI Health Link. This report shall include progress updates on the transition to Dual Eligible Special Needs Plans in compliance with CMS regulations.
(2) The department shall ensure the existence of an ombudsman program that is not associated with any project service manager or provider to assist MI Health Link beneficiaries with navigating complaint and dispute resolution mechanisms and to identify problems in the demonstrations and in the complaint and dispute resolution mechanisms.

REMOVED: Sec. 1815. From the funds appropriated in part 1 for health plan services, Healthy Michigan plan, and hospital services and therapy, the department shall allocate $20,000,000.00 in general fund/general purpose revenue and any associated federal match to increase Medicaid reimbursement rates. The rates shall be increased in both of the following areas: (a) $8,000,000.00 in general fund/general purpose revenue and any associated federal match to increase inpatient psychiatric base rates. (b) $12,000,000.00 in general fund/general purpose revenue and any associated federal match to increase Medicaid reimbursement rates paid to level I and level II designated trauma facilities to recognize increased cost in maintaining level I or level II trauma status.

EDITED: Sec. 1850. The department may allow Medicaid health plans to assist with maintaining eligibility through outreach activities to ensure continuation of Medicaid eligibility and enrollment in managed care. This may include mailings, telephone contact, or face-to-face contact with beneficiaries enrolled in the individual Medicaid health plan. Health plans may offer assistance in completing paperwork for beneficiaries enrolled in their plan. ~~On a 1-time basis, the department shall allocate $450,000.00 in general fund/general purpose revenue and any associated federal match to enhance Medicaid health plan outreach in partnership with the National Kidney Foundation of Michigan~~

REMOVED: Sec. 1888. The department shall establish contract performance standards associated with the capitation withhold provisions for Medicaid health plans at least 3 months before the implementation of those standards. The determination of whether performance standards have been met shall be based primarily on recognized concepts such as 1-year continuous enrollment and the health care effectiveness data and information set, HEDIS, audited data

NEW: Sec. 8-1918. (1) From the funds appropriated in part 1 for ARP - Behavioral Health Workforce Support Fund, the department shall allocate $3,000,000.00 to support recruitment and retention of behavioral health professionals. (EXCERPT)

NEW: Sec. 8-1937. (1) From the funds appropriated in part 1 for first responder and public safety staff mental health, the department shall allocate $2,500,000.00 toward a program to support firefighters, police officers, emergency medical services personnel, public safety tele-communicators, local correctional officers, juvenile detention employees, prosecutors, and individuals working on special teams such as internet sex crimes, sexual crimes against children, or traffic fatalities suffering from post-traumatic stress syndrome and other mental health conditions. The grant program must primarily provide grants to behavioral health providers and may also include funding to the Michigan crisis and action line established under section 165 of the mental health code, 1974 PA 258, MCL 330.1165, to improve information and referrals for these services. The program must coordinate and integrate with the Michigan crisis and access line established under section 165 of the mental health code, 1974 PA 258, MCL 330.1165. (EXCERPT)

NEW: Sec. 8-1985. (1) From the funds appropriated in part 1 for ARP - community health programs, the department shall allocate funds to address disparities in health care access and outcomes. Eligible expenditures from this line shall include, but not be limited to, the following: (a) Funding to support the operation of mobile health units to provide preventative health services for persons residing in areas with disparities in health care outcome and access. (b) Grants to support eligible applicants for funds to support the operation of community-based health clinics. (c) Grants to support the development and operation of healthy community zones. (d) A grant to the Sickle Cell Disease Association of America for the operation of a Sickle Cell Center of Excellence. Expected cost is $25,000,000. (EXCERPT)

Northern Michigan Regional Entity – Region 2

CONSULTATION DRAFT

FY23 Performance Bonus Incentive Pool (PBIP)
Contractor-only and MHP/Contractor Joint Metrics
Deliverables/Narratives Scoring

This communication serves as the consultation draft review response to your PIHP regarding the FY2023 performance bonus, contract section A.8.D.
Scoring is based on Contractor-only and MHP/Contractor Joint Metrics deliverables.

TOTAL WITHHOLD	TOTAL WITHHOLD UNEARNED
$1,720,949.50	$0

CONTRACTOR-only Pay for Performance Measures (45% of total Withhold)

	TOTAL WITHHOLD AMOUNT	TOTAL WITHHOLD UNEARNED AMOUNT	AVAILABLE POINTS	POINTS EARNED
P.1 Identification of beneficiaries who may be eligible for services through the Veteran's Administration.	$193,606.82	$0	25	25
NARRATIVE REVIEW:				
Report does not give specific/detailed information/results of comparisons done between BHTEDS & Veteran Navigator Report. BHTEDS completion rates remained extremely strong with an average 'not collected' rate of 1.14%.				

	TOTAL WITHHOLD AMOUNT	TOTAL WITHHOLD UNEARNED AMOUNT	AVAILABLE POINTS	POINTS EARNED
P.2 Increased data sharing with other providers.	$193,606.82	$0	25	25
NARRATIVE REVIEW:				
At the time of the submission four of five CMHSPs had implemented outbound ADTs and the remaining CMHSP was expected to start sending ADTs by 9/30/23.				

	TOTAL WITHHOLD AMOUNT	TOTAL WITHHOLD UNEARNED AMOUNT	AVAILABLE POINTS	POINTS EARNED
P.3 Initiation, Engagement and Treatment (IET) of Alcohol and Other Drug Dependence.	$387,213.64	$0	50	50

CONTRACTOR-only Pay for Performance Measures (25% of total Withhold)

	TOTAL WITHHOLD AMOUNT	TOTAL WITHHOLD UNEARNED AMOUNT	AVAILABLE POINTS	POINTS EARNED
P.4 Increased participation in patient-centered medical homes.	**$430,237.37**	**$0**	**100**	**100**
NARRATIVE REVIEW:				
The comprehensive care initiative highlighted shows promise with the PPW grant and additional support for parenting individuals. What additional support is given by NMRE to parenting individuals? This grant is topical, many CHIP and Medicaid programs are expanding care for pregnant individuals and infants for longer periods of time than prior care. The closet program seems to be doing a wonderful job identifying needs. Expungement education is an innovation and should be widely available.				

	TOTAL WITHHOLD AMOUNT	TOTAL WITHHOLD UNEARNED AMOUNT	AVAILABLE POINTS	POINTS EARNED
CONTRACTOR -only TOTAL	**$1,204,664.65**	**$0**	**200**	**200**

MHP/Contractor Joint Metrics (30% of total withhold)

	TOTAL WITHHOLD AMOUNT	TOTAL WITHHOLD UNEARNED AMOUNT	AVAILABLE POINTS	POINTS EARNED
J.1 Implementation of Joint Care Management Processes.	**$180,699.70**	**$0**	**35**	**35**

	TOTAL WITHHOLD AMOUNT	TOTAL WITHHOLD UNEARNED AMOUNT	AVAILABLE POINTS	POINTS EARNED
J.2.1 Follow-up after Hospitalization (FUH) within 30 days.	**$103,256.97**	**$0**	**20**	**20**

AGES	STANDARD	AET	BCC	HAP	MCL	MER	MOL	PRI	UNI	UPP
6-20	70%	N/S	N/S	N/S	88	87	N/S	N/S	N/S	N/S
20-64	58%	N/S	N/S	N/S	75	76	71	N/S	71	N/S

	TOTAL WITHHOLD AMOUNT	TOTAL WITHHOLD UNEARNED AMOUNT	AVAILABLE POINTS	POINTS EARNED
J.2. 2 Follow-up after Hospitalization (FUH) within 30 days stratified by race/ethnicity.	**$103,256.97**	**$0**	**20**	**20**

	CY2021		CY2022		Disparity year 1	Disparity year 2	Disparity change
RACE	**M rate**	**W rate**	**M rate**	**W rate**	**Test 1**	**Test 2**	**Test 3.3**
American Indian/ Alaska Native	69%	78%	83%	76%	No disparity in year 1	No disparity in year 2	No change in disparity from year 1 to year 2

Please note: confidence intervals are used to score year to year comparisons to address disparities.

	TOTAL WITHHOLD AMOUNT	TOTAL WITHHOLD UNEARNED AMOUNT	AVAILABLE POINTS	POINTS EARNED
J.3 Follow-up after (FUA) Emergency Department visit for Alcohol and Other Drug Dependency within 30 days stratified by race/ethnicity.	**$129,071.21**	**$0**	**25**	**25**

	CY2021		CY2022		Disparity year 1	Disparity year 2	Disparity change
RACE	**M rate**	**W rate**	**M rate**	**W rate**	**Test 1**	**Test 2**	**Test 3.3**
American Indian/ Alaska Native	20%	27%	38%	45%	No disparity in year 1	No disparity in year 2	No change in disparity from year 1 to year 2

Please note: confidence intervals are used to score year to year comparisons to address disparities.

	TOTAL WITHHOLD AMOUNT	TOTAL WITHHOLD UNEARNED AMOUNT	AVAILABLE POINTS	POINTS EARNED
MHP/CONTRACTOR JOINT METRICS TOTAL	**$516,284.85**	**$0**	**100**	**100**

Communication with Those Charged with Governance during Planning

February 13, 2024

To the Members of the Board
Northern Michigan Regional Entity
Gaylord, Michigan

We are engaged to audit the financial statements of the business-type activities, each major fund, and the aggregate remaining fund information of Northern Michigan Regional Entity (the PIHP) for the year ended September 30, 2023. Professional standards require that we provide you with the following information related to our audit.

We would also like to extend the opportunity for you to share with our firm any concerns you may have regarding the PIHP, whether they be in relation to controls over financial reporting, controls over assets, or issues regarding personnel, as well as an opportunity for you to ask any questions you may have regarding the audit.

Our Responsibilities under U.S. Generally Accepted Auditing Standards, *Government Auditing Standards*, and the Uniform Guidance

As stated in our engagement letter, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we will consider the PIHP's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. We will also consider internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance.

As part of obtaining reasonable assurance about whether the PIHP's financial statements are free of material misstatement, we will perform tests of its compliance with certain provisions of laws, regulations, contracts, and grants. However, providing an opinion on compliance with those provisions is not an objective of our audit. Also in accordance with the Uniform Guidance, we will examine, on a test basis, evidence about the PIHP's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement applicable to each of its major federal programs for the purpose of expressing an opinion on the PIHP's compliance with those requirements. While our audit will provide a reasonable basis for our opinion, it will not provide a legal determination on the PIHP's compliance with those requirements.

Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement. We are responsible for communicating significant matters related to the audit that are, in our professional judgement, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

Planned Scope, Timing of the Audit, Significant Risks, and Other

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial

reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity.

We will generally communicate our significant findings at the conclusion of the audit. However, some matters could be communicated sooner, particularly if significant difficulties are encountered during the audit where assistance is needed to overcome the difficulties or if the difficulties may lead to a modified opinion. We will also communicate any internal control related matters that are required to be communicated under professional standards.

During planning for this engagement, we considered the following significant risks of material misstatement. Our auditing procedures have been tailored to help detect these risks should they occur. Should any actual instances of material misstatement be detected during the performance of our engagement, these would be communicated to the Board in the *Communication with Those Charged with Governance at the Conclusion of the Audit*. Those risks considered during planning are:

- Management override of controls
- Improper revenue recognition due to fraud

Again, these are risks that are considered in determining the audit procedures to be applied. While these are risks that are considered during planning, it is not an indication that any such activity has taken place. To address these risks, we incorporate unpredictability into our audit procedures, emphasize the use of professional skepticism, and assign staff to the engagement with industry expertise.

Derek Miller is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

This information is intended solely for the use of those charged with governance and management of the PIHP and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

Roslund, Prestage & Company, P.C.
Certified Public Accountants

NORTHERN MICHIGAN REGIONAL ENTITY
FINANCE COMMITTEE MEETING
10:00AM – FEBRUARY 14, 2024
VIA TEAMS

ATTENDEES:	**Laura Argyle, Brian Babbitt, Connie Cadarette, Ann Friend, Chip Johnston, Nancy Kearly, Eric Kurtz, Brian Martinus, Allison Nicholson, Donna Nieman, Brandon Rhue, Nena Sork, Erinn Trask, Jennifer Warner, Tricia Wurn, Deanna Yockey, Carol Balousek**

REVIEW AGENDA & ADDITIONS
No additions to the meeting agenda were requested.

REVIEW PREVIOUS MEETING MINUTES
The January minutes were included in the materials packet for the meeting.

MOTION BY CONNIE CADARETTE TO APPROVE THE MINUTES OF THE JANUARY 10, 2024 NORTHERN MICHIGAN REGIONAL ENTITY REGIONAL FINANCE COMMITTEE MEETING; SUPPORT BY DONNA NIEMAN. MOTION APPROVED.

MONTHLY FINANCIALS
December 2023

- Net Position showed net surplus Medicaid and HMP of $3,515,630. Carry forward was reported as $13,325,617. The total Medicaid and HMP Current Year Surplus was reported as $16,841,247. The total Medicaid and HMP Internal Service Fund was reported as $17,437,845. The total Medicaid and HMP net surplus was reported as $34,279,092.
- Traditional Medicaid showed $52,433,750 in revenue, and $48,266,170 in expenses, resulting in a net surplus of $4,167,580. Medicaid ISF was reported as $10,371,825 based on the current FSR. Medicaid Savings was reported as $2,324,071.
- Healthy Michigan Plan showed $7,367,072 in revenue, and $8,019,022 in expenses, resulting in a net deficit of $651,950. HMP ISF was reported as $7,066,020 based on the current FSR. HMP savings was reported as $11,001,546.
- Health Home showed $694,927 in revenue, and $564,276 in expenses, resulting in a net surplus of $130,651.
- SUD showed all funding source revenue of $7,525,716 and $6,481,958 in expenses, resulting in a net surplus of $1,043,758. Total PA2 funds were reported as $4,898,195.

Approved PA2 projects include those approved by the NMRE Board in January.

Projected FY24 Activity			
Beginning Balance	Projected Revenue	Approved Projects	Projected Ending Balance
$5,220,980	$1,794,492	$2,595,550	$4,419,922

Actual FY24 Activity			
Beginning Balance	Current Receipts	Current Expenditures	Current Ending Balance
$5,220,980	—	$322,786	$4,898,195

Regional revenue for DAB, TANF and HMP is trending downward. Whether HAB Waiver can continue to make up the difference is currently unknown. The Department and Milliman have acknowledged that the decline has been more rapid than anticipated; they are open to a rate adjustment.

MOTION BY ERINN TRASK TO RECOMMEND APPROVAL OF THE NORTHERN MICHIGAN REGIONAL ENTITY MONTHLY FINANCIAL REPORT FOR DECEMBER 2023 IN DRAFT FORM; SUPPORT BY DONNA NIEMAN. MOTION APPROVED.

EDIT UPDATE

The minutes from January 18th were included in the meeting materials.

1) The updated EQI template which combines MH and SUD is in effect for FY24.
2) COB Subgroup has not met.
3) Code Chart and Provider Qualifications Chart updates for January 2024 were discussed. More updates are expected in April 2024.
4) New Codes:
    - G0017 – Psychotherapy for crisis furnished in and applicable site of service; first 60 minutes.
    - G0018 – Psychotherapy for crisis furnished in an applicable site of services; each additional 30 minutes.
    - G0140 – Principal illness navigation – peer support by certified or trained auxiliary personnel, including a certified peer specialist, under the direction of a physician or other practitioner; first 60 minutes.
    - G0146 – Principal illness navigation – peer support by certified or trained auxiliary personnel, including a certified peer specialist, under the direction of a physician or other practitioner; each additional 30 minutes.
    - G0137 – Intensive outpatient services; weekly bundle, minimum of 9 services over a contiguous day period.
5) New Place of Service Code Designation "27" is to be used for unhoused individuals effective April 1st.
6) Community Health Worker Policy does not currently include behavioral health but may down the road.
7) Concerns were expressed regarding the "U" modifier group code when there is only one Medicaid consumer in the group. Belinda agreed to pose the question to Milliman.
8) A question was raised regarding whether individuals receiving medication drops utilizing H2015 would need to be enrolled in 1915 iSPA even though many providers are not able to bill this code because of the 15-minute requirement. The Department requested feedback regarding whether another code may be more appropriate.
9) During the Medicaid redetermination process, SPMI and I/DD individuals are being moved to Plan First coverage if they no longer qualify for Medicaid.
10) Hospital Medicaid ID numbers are being rejected or not found. MDHHS staff is investigating the issue.

Donna noted that feedback regarding the G0017 & G0018 codes can be sent to Kasi Hunziger. Donna agreed to seek clarification regarding the period for which the codes are intended. Kasi responded that they may be used for 8 weeks following the time of crisis.

EQI
Templates and instructions were sent by Crystal Williams on January 2nd. Data was pulled on February 5th. Reports from the CMHSPs are due to the NMRE on February 16th.

LOCAL MATCH
The due date for Quarter 2 was given as February 15, 2024. Deanna made the payment on February 14th.

FSR
The FSRs are due to the NMRE today – February 14th.The FSR report is due to the State on February 29th. An extension may be requested for Northern Lakes CMHA.

ALPINE CRISIS RESIDENTIAL UNIT
The "1C" modifier is being used to bill claims at zero dollars. The process for general funds is still being worked out; a quarterly reconciliation is likely. Laura noted that the North Hope CRU in Traverse City is not sustainable post grant funding; Hope Network will not be renewing the contract.

HSW UPDATE
There are currently 17 open slots in the region; 2 are pending approval.

PLAN FIRST UPDATE
Brandon forwarded an email from Kevin Kelp (PCE) dated January 30, 2024, to the committee.

Beneficiaries can be approved for Plan First and Spenddown at the same time if they're over income for Medicaid but are within the income range to qualify for Plan First. This started once Plan First went live last year on July 1st.

Recipients are being enrolled in Plan First when they meet the criteria for that program and have not met the criteria for full Medicaid, including periods where they have a spenddown but have not yet satisfied the deductible amount.

During reenrollment, pervious DAB and HSW individuals are more likely to be put on Plan First because these individuals have directed income which can only be used for specific purposes. The funding they received for spenddown could not be used for other purposes during the spenddown freeze during the pandemic. These funds were accumulating in bank accounts for three years causing their assets to go over the Medicaid limit.

FY24 REVENUE
Deanna has been trending enrollment and revenue for FY24. Currently, the increased revenue from HSW is offsetting the decline in DAB, TANF, and HMP. The Department has indicated it is open to a rate adjustment. A rate adjustment is also expected to address DCW overtime costs.

PIHP CFOs were asked to provide February 2020, and July 2023 – January 2024 eligibles data. This information will be compiled and furnished to the Department, Milliman, CEOs, etc.

Donna noted that the CMHAM Contract and Financial Issues (CFI) group reported that $43M hasn't been pushed out to the CMHSPs. Eric responded that a buffer is generally maintained.

Eric stated that a glitch between Bridges and CHAMPS regarding spenddown amounts has been reported.

AFC → BH CODE CHART → GENERAL RULES →SLEEPING PROVIDERS

Erinn asked the group whether they have any AFC staff who sleep. Brian responded that yes, in a "Mom & Pop' AFC there would be times when the providers sleep, otherwise no. It was noted that the H2016 CLS per diem code cannot be billed if providers are sleeping.

NEW HORIZONS LEARNING

Brandon informed the group that the NMRE's training credits are down to $1,400 with registrations pending. Dollars purchased will be matched 1:1 by United Training. Brandon recommended purchasing $50,000 in training credits. The trainings are available to NMRE staff and staff from the five member CMHSPs.

MOTION BY CONNIE CADARETTE TO RECOMMEND THAT THE NORTHERN MICHIGAN REGIONAL ENTITY PURCHASE TRAINING CREDITS IN THE AMOUNT OF FIFTY THOUSAND DOLLARS ($50,000.00) FROM UNITED TRAINING; SUPPORT BY ANN FRIEND. MOTION CARRIED.

NEXT MEETING

The next meeting was scheduled for March 13th at 10:00AM.

Chief Executive Officer Report

February 2024

This report is intended to brief the NMRE Board of the CEO's activities since the last Board meeting. The activities outlined are not all inclusive of the CEO's functions and are intended to outline key events attended or accomplished by the CEO.

Jan 24: Attended and participated in NMRE Internal Operations Committee meeting.

Jan 26: Attended and participated in PIHP Contract Negotiations meeting.

Feb 1: Attended and participated in PIHP/MDHHS CEO meeting.

Feb 1: Attended and participated in Regional BIT meeting.

Feb 6 & 7: Attended CMHAM Winter Conference.

Feb 8: Attended DHHS Budget Overview.

Feb 13: Attended and participated in PIHP CEO meeting.

Feb 14: Attended and participated in NMRE Regional Finance Committee meeting.

Feb 20: Chaired NMRE Operations Committee meeting.

Feb 21: Attended and participated in NMRE Internal Operations Committee meeting.

Feb 21: Attended and participated in OIG consultation call.

December 2023 Finance Report

December 2023 Financial Summary

Funding Source	YTD Net Surplus (Deficit)	Carry Forward	ISF
Medicaid	4,167,580	2,324,071	10,371,825
Healthy Michigan	(651,950)	11,001,546	7,066,020
	$ 3,515,630	$ 13,325,617	$ 17,437,845

	NMRE MH	NMRE SUD	Northern Lakes	North Country	Northeast	AuSable Valley	Centra Wellness	PIHP Total
Net Surplus (Deficit) MA/HMP	1,138,314	828,501	(9,590)	454,131	309,765	949,863	(155,354)	$ 3,515,630
Carry Forward		-	-	-	-	-	-	13,325,617
Total Med/HMP Current Year Surplus	1,138,314	828,501	(9,590)	454,131	309,765	949,863	(155,354)	$ 16,841,247
Medicaid & HMP Internal Service Fund								17,437,845
Total Medicaid & HMP Net Surplus								$ 34,279,092

Northern Michigan Regional Entity

Funding Source Report - PIHP

Mental Health

October 1, 2023 through December 31, 2023

	NMRE MH	NMRE SUD	Northern Lakes	North Country	Northeast	AuSable Valley	Centra Wellness	PIHP Total
Traditional Medicaid (inc Autism)								
Revenue								
Revenue Capitation (PEPM)	$ 50,613,838	$ 1,819,912						$ 52,433,750
CMHSP Distributions	(48,877,898)		16,079,132	13,169,828	8,189,628	7,094,462	4,344,848	(0)
1st/3rd Party receipts			-	-	-	-	-	-
Net revenue	1,735,940	1,819,912	16,079,132	13,169,828	8,189,628	7,094,462	4,344,848	52,433,750
Expense								
PIHP Admin	653,142	15,605						668,747
PIHP SUD Admin		16,365						16,365
SUD Access Center		7,434						7,434
Insurance Provider Assessment	434,339	9,005						443,344
Hospital Rate Adjuster	-							-
Services		1,099,757	15,396,002	12,329,036	7,910,159	6,013,863	4,381,463	47,130,280
Total expense	1,087,481	1,148,166	15,396,002	12,329,036	7,910,159	6,013,863	4,381,463	48,266,170
Net Actual Surplus (Deficit)	$ 648,459	$ 671,746	$ 683,130	$ 840,792	$ 279,469	$ 1,080,599	$ (36,615)	$ 4,167,580

Notes

Medicaid ISF - $10,371,825 - based on current FSR

Medicaid Savings - $2,324,071

Northern Michigan Regional Entity

Funding Source Report - PIHP

Mental Health
October 1, 2023 through December 31, 2023

	NMRE MH	NMRE SUD	Northern Lakes	North Country	Northeast	AuSable Valley	Centra Wellness	PIHP Total
Healthy Michigan								
Revenue								
Revenue Capitation (PEPM)	$ 4,355,628	$ 3,011,444						$ 7,367,072
CMHSP Distributions	(3,754,541)		1,373,779	1,120,956	471,896	481,225	306,685	-
1st/3rd Party receipts			-	-	-	-	-	-
Net revenue	601,087	3,011,444	1,373,779	1,120,956	471,896	481,225	306,685	7,367,072
Expense								
PIHP Admin	71,700	38,832						110,532
PIHP SUD Admin		40,724						40,724
SUD Access Center		18,500						18,500
Insurance Provider Assessment	39,531	19,909						59,440
Hospital Rate Adjuster	-							-
Services		2,736,724	2,066,499	1,507,618	441,600	611,961	425,424	7,789,826
Total expense	111,231	2,854,689	2,066,499	1,507,618	441,600	611,961	425,424	8,019,022
Net Surplus (Deficit)	$ 489,855	$ 156,755	$ (692,720)	$ (386,662)	$ 30,296	$ (130,736)	$ (118,739)	$ (651,950)

Notes
HMP ISF - $7,066,020 - based on current FSR
HMP Savings - $11,001,546

Net Surplus (Deficit) MA/HMP	**$ 1,138,314**	**$ 828,501**	**$ (9,590)**	**$ 454,131**	**$ 309,765**	**$ 949,863**	**$ (155,354)**	**$ 3,515,630**
Medicaid/HMP Carry Forward								**13,325,617**
Total Med/HMP Current Year Surplus								$ 16,841,247
Medicaid & HMP ISF - based on current FSR								**17,437,845**
Total Medicaid & HMP Net Surplus (Deficit) including Carry Forward and ISF								**$ 34,279,092**

Northern Michigan Regional Entity

Funding Source Report - PIHP

Mental Health
October 1, 2023 through December 31, 2023

	NMRE MH	NMRE SUD	Northern Lakes	North Country	Northeast	AuSable Valley	Centra Wellness	PIHP Total
Health Home								
Revenue								
Revenue Capitation (PEPM)	$ 208,481		157,235	61,771	62,824	68,088	136,528	$ 694,927
CMHSP Distributions	-							-
1st/3rd Party receipts								-
Net revenue	208,481	-	157,235	61,771	62,824	68,088	136,528	694,927
Expense								
PIHP Admin	7,779							7,779
BHH Admin	8,283							8,283
Insurance Provider Assessment	-							-
Hospital Rate Adjuster								
Services	61,768		157,235	61,771	62,824	68,088	136,528	548,214
Total expense	77,830	-	157,235	61,771	62,824	68,088	136,528	564,276
Net Surplus (Deficit)	$ 130,651	$ -	$ -	$ -	$ -	$ -	$ -	$ 130,651

Northern Michigan Regional Entity

Funding Source Report - SUD

Mental Health

October 1, 2023 through December 31, 2023

	Medicaid	Healthy Michigan	Opioid Health Home	SAPT Block Grant	PA2 Liquor Tax	Total SUD
Substance Abuse Prevention & Treatment						
Revenue	$ 1,819,912	$ 3,011,444	$ 985,189	$ 1,386,384	$ 322,787	$ 7,525,716
Expense						
Administration	31,970	79,556	21,188	66,745		199,459
OHH Admin			19,861	-		19,861
Access Center	7,434	18,500	-	6,293		32,228
Insurance Provider Assessment	9,005	19,909	-			28,914
Services:						
Treatment	1,099,757	2,736,724	728,883	930,965	322,786	5,819,115
Prevention	-	-	-	326,333	-	326,333
ARPA Grant	-	-	-	56,048	-	56,048
Total expense	1,148,166	2,854,689	769,932	1,386,384	322,786	6,481,958
PA2 Redirect			-	0	(0)	-
Net Surplus (Deficit)	$ 671,746	$ 156,755	$ 215,257	$ -	$ (0)	$ 1,043,758

Northern Michigan Regional Entity

Statement of Activities and Proprietary Funds Statement of

Revenues, Expenses, and Unspent Funds
October 1, 2023 through December 31, 2023

	PIHP MH	PIHP SUD	PIHP ISF	Total PIHP
Operating revenue				
Medicaid	$ 50,613,838	$ 1,819,912	$ -	$ 52,433,750
Medicaid Savings	-	-	-	-
Healthy Michigan	4,355,628	3,011,444	-	7,367,072
Healthy Michigan Savings	-	-	-	-
Health Home	694,927	-	-	694,927
Opioid Health Home	-	985,189	-	985,189
Substance Use Disorder Block Grant	-	1,386,384	-	1,386,384
Public Act 2 (Liquor tax)	-	322,789	-	322,789
Affiliate local drawdown	148,704	-	-	148,704
Performance Incentive Bonus	-	-	-	-
Miscellanous Grant Revenue	-	667	-	667
Veteran Navigator Grant	20,688	-	-	20,688
SOR Grant Revenue	-	439,562	-	439,562
Gambling Grant Revenue	-	-	-	-
Other Revenue	-	-	2,027	2,027
Total operating revenue	55,833,785	7,965,947	2,027	63,801,759
Operating expenses				
General Administration	819,910	144,398	-	964,308
Prevention Administration	-	28,859	-	28,859
OHH Administration	-	19,861	-	19,861
BHH Administration	8,283	-	-	8,283
Insurance Provider Assessment	473,870	28,914	-	502,784
Hospital Rate Adjuster	-	-	-	-
Payments to Affiliates:				
Medicaid Services	46,128,981	1,099,757	-	47,228,738
Healthy Michigan Services	5,053,102	2,736,724	-	7,789,826
Health Home Services	548,214	-	-	548,214
Opioid Health Home Services	-	728,883	-	728,883
Community Grant	-	930,965	-	930,965
Prevention	-	297,474	-	297,474
State Disability Assistance	-	-	-	-
ARPA Grant	-	56,048	-	56,048
Public Act 2 (Liquor tax)	-	322,786	-	322,786
Local PBIP	-	-	-	-
Local Match Drawdown	148,704	-	-	148,704
Miscellanous Grant	-	667	-	667
Veteran Navigator Grant	20,687	-	-	20,687
SOR Grant Expenses	-	439,563	-	439,563
Gambling Grant Expenses	-	-	-	-
Total operating expenses	53,201,751	6,834,899	-	60,036,650
CY Unspent funds	2,632,034	1,131,048	2,027	3,765,109
Transfers In	-	-	-	-
Transfers out	-	-	-	-
Unspent funds - beginning	18,928,175	7,862,979	16,376,625	43,167,779
Unspent funds - ending	$ 21,560,209	$ 8,994,027	$ 16,378,652	$ 46,932,888

Northern Michigan Regional Entity

Statement of Net Position

December 31, 2023

	PIHP MH	PIHP SUD	PIHP ISF	Total PIHP
Assets				
Current Assets				
Cash Position	$ 52,435,176	$ 7,857,204	$ 16,378,652	$ 76,671,032
Accounts Receivable	1,072,884	2,550,824	-	3,623,708
Prepaids	57,703	-	-	57,703
Total current assets	53,565,763	10,408,028	16,378,652	80,352,443
Noncurrent Assets				
Capital assets	9,615	-	-	9,615
Total Assets	53,575,378	10,408,028	16,378,652	80,362,058
Liabilities				
Current liabilities				
Accounts payable	31,764,491	1,414,001	-	33,178,492
Accrued liabilities	250,644	-	-	250,644
Unearned revenue	34	-	-	34
Total current liabilities	32,015,169	1,414,001	-	33,429,170
Unspent funds	$ 21,560,209	$ 8,994,027	$ 16,378,652	$ 46,932,888

Northern Michigan Regional Entity

Proprietary Funds Statement of Revenues, Expenses, and Unspent Funds

Budget to Actual - Mental Health
October 1, 2023 through December 31, 2023

	Total Budget	YTD Budget	YTD Actual	Variance Favorable (Unfavorable)	Percent Favorable (Unfavorable)
Operating revenue					
Medicaid					
* Capitation	$ 187,752,708	$ 46,938,177	$ 50,613,838	$ 3,675,661	7.83%
Carryover	11,400,000	-	-	-	-
Healthy Michigan					
Capitation	19,683,372	4,920,843	4,355,628	(565,215)	(11.49%)
Carryover	5,100,000	-	-	-	0.00%
Health Home	1,451,268	362,817	694,927	332,110	91.54%
Affiliate local drawdown	594,816	148,704	148,704	-	0.00%
Performance Bonus Incentive	1,334,531	-	-	-	0.00%
Miscellanous Grants	-	-	-	-	0.00%
Veteran Navigator Grant	110,000	27,501	20,688	(6,813)	(24.77%)
Other Revenue	-	-	-	-	0.00%
Total operating revenue	227,426,695	52,398,042	55,833,785	3,435,743	6.56%
Operating expenses					
General Administration	3,591,836	895,314	819,910	75,404	8.42%
BHH Administration	-	-	8,283	(8,283)	0.00%
Insurance Provider Assessment	1,897,524	474,381	473,870	511	0.11%
Hospital Rate Adjuster	4,571,328	1,142,832	-	1,142,832	100.00%
Local PBIP	1,737,753	-	-	-	0.00%
Local Match Drawdown	594,816	148,704	148,704	-	0.00%
Miscellanous Grants	-	-	-	-	0.00%
Veteran Navigator Grant	110,004	22,929	20,687	2,242	9.78%
Payments to Affiliates:					
Medicaid Services	176,618,616	44,154,654	46,128,981	(1,974,327)	(4.47%)
Healthy Michigan Services	17,639,940	4,409,985	5,053,102	(643,117)	(14.58%)
Health Home Services	1,415,196	353,799	548,214	(194,415)	(54.95%)
Total operating expenses	208,177,013	51,602,598	53,201,751	(1,599,153)	(3.10%)
CY Unspent funds	$ 19,249,682	$ 795,444	2,632,034	$ 1,836,590	
Transfers in			-		
Transfers out			-	53,201,751	
Unspent funds - beginning			18,928,175		
Unspent funds - ending			$ 21,560,209	2,632,034	

Northern Michigan Regional Entity

Proprietary Funds Statement of Revenues, Expenses, and Unspent Funds

Budget to Actual - Substance Abuse
October 1, 2023 through December 31, 2023

	Total Budget	YTD Budget	YTD Actual	Variance Favorable (Unfavorable)	Percent Favorable (Unfavorable)
Operating revenue					
Medicaid	$ 4,678,632	$ 1,169,658	$ 1,819,912	$ 650,254	55.59%
Healthy Michigan	11,196,408	2,799,102	3,011,444	212,342	7.59%
Substance Use Disorder Block Grant	6,467,905	1,616,975	1,386,384	(230,591)	(14.26%)
Opioid Health Home	3,419,928	854,982	985,189	130,207	15.23%
Public Act 2 (Liquor tax)	1,533,979	-	322,789	322,789	0.00%
Miscellanous Grants	4,000	1,000	667	(333)	(33.30%)
SOR Grant	2,043,984	510,996	439,562	(71,434)	(13.98%)
Gambling Prevention Grant	200,000	50,000	-	(50,000)	(100.00%)
Other Revenue	-	-	-	-	0.00%
Total operating revenue	29,544,836	7,002,713	7,965,947	963,235	13.76%
Operating expenses					
Substance Use Disorder:					
SUD Administration	1,082,576	255,645	144,398	111,247	43.52%
Prevention Administration	118,428	29,607	28,859	748	2.53%
Insurance Provider Assessment	113,604	28,401	28,914	(513)	(1.81%)
Medicaid Services	3,931,560	982,890	1,099,757	(116,867)	(11.89%)
Healthy Michigan Services	10,226,004	2,556,501	2,736,724	(180,223)	(7.05%)
Community Grant	2,074,248	518,562	930,965	(412,403)	(79.53%)
Prevention	634,056	158,514	297,474	(138,960)	(87.66%)
State Disability Assistance	95,215	23,809	-	23,809	100.00%
ARPA Grant	-	-	56,048	(56,048)	0.00%
Opioid Health Home Admin	-	-	19,861	(19,861)	0.00%
Opioid Health Home Services	3,165,000	791,250	728,883	62,367	7.88%
Miscellanous Grants	4,000	1,000	667	333	33.30%
SOR Grant	2,043,984	510,996	439,563	71,433	13.98%
Gambling Prevention	200,000	50,000	-	50,000	100.00%
PA2	1,533,978	-	322,786	(322,786)	0.00%
Total operating expenses	25,222,653	5,907,175	6,834,899	(927,724)	(15.71%)
CY Unspent funds	$ 4,322,183	$ 1,095,538	1,131,048	$ 35,511	
Transfers in			-		
Transfers out			-		
Unspent funds - beginning			7,862,979		
Unspent funds - ending			$ 8,994,027		

Northern Michigan Regional Entity

Proprietary Funds Statement of Revenues, Expenses, and Unspent Funds

Budget to Actual - Mental Health Administration
October 1, 2023 through December 31, 2023

	Total Budget	YTD Budget	YTD Actual	Variance Favorable (Unfavorable)	Percent Favorable (Unfavorable)
General Admin					
Salaries	$ 1,921,812	$ 480,453	$ 454,810	$ 25,643	5.34%
Fringes	666,212	158,406	142,666	15,740	9.94%
Contractual	683,308	170,829	149,681	21,148	12.38%
Board expenses	18,000	4,500	3,292	1,208	26.84%
Day of recovery	14,000	9,000	-	9,000	100.00%
Facilities	152,700	38,175	34,964	3,211	8.41%
Other	135,804	33,951	34,497	(546)	(1.61%)
Total General Admin	$ 3,591,836	$ 895,314	$ 819,910	$ 75,404	8.42%

Northern Michigan Regional Entity

Proprietary Funds Statement of Revenues, Expenses, and Unspent Funds

Budget to Actual - Substance Abuse Administration
October 1, 2023 through December 31, 2023

	Total Budget	YTD Budget	YTD Actual	Variance Favorable (Unfavorable)	Percent Favorable (Unfavorable)
SUD Administration					
Salaries	$ 502,752	$ 125,688	$ 65,001	$ 60,687	48.28%
Fringes	145,464	36,366	13,051	23,315	64.11%
Access Salaries	220,620	55,155	23,784	31,371	56.88%
Access Fringes	67,140	16,785	8,444	8,341	49.69%
Access Contractual	-	-	-	-	0.00%
Contractual	129,000	18,750	26,315	(7,565)	(40.35%)
Board expenses	5,000	1,251	910	341	27.26%
Day of Recover	-	-	-	-	0.00%
Facilities	-	-	-	-	0.00%
Other	12,600	1,650	6,893	(5,243)	(317.76%)
Total operating expenses	$ 1,082,576	$ 255,645	$ 144,398	$ 111,247	43.52%

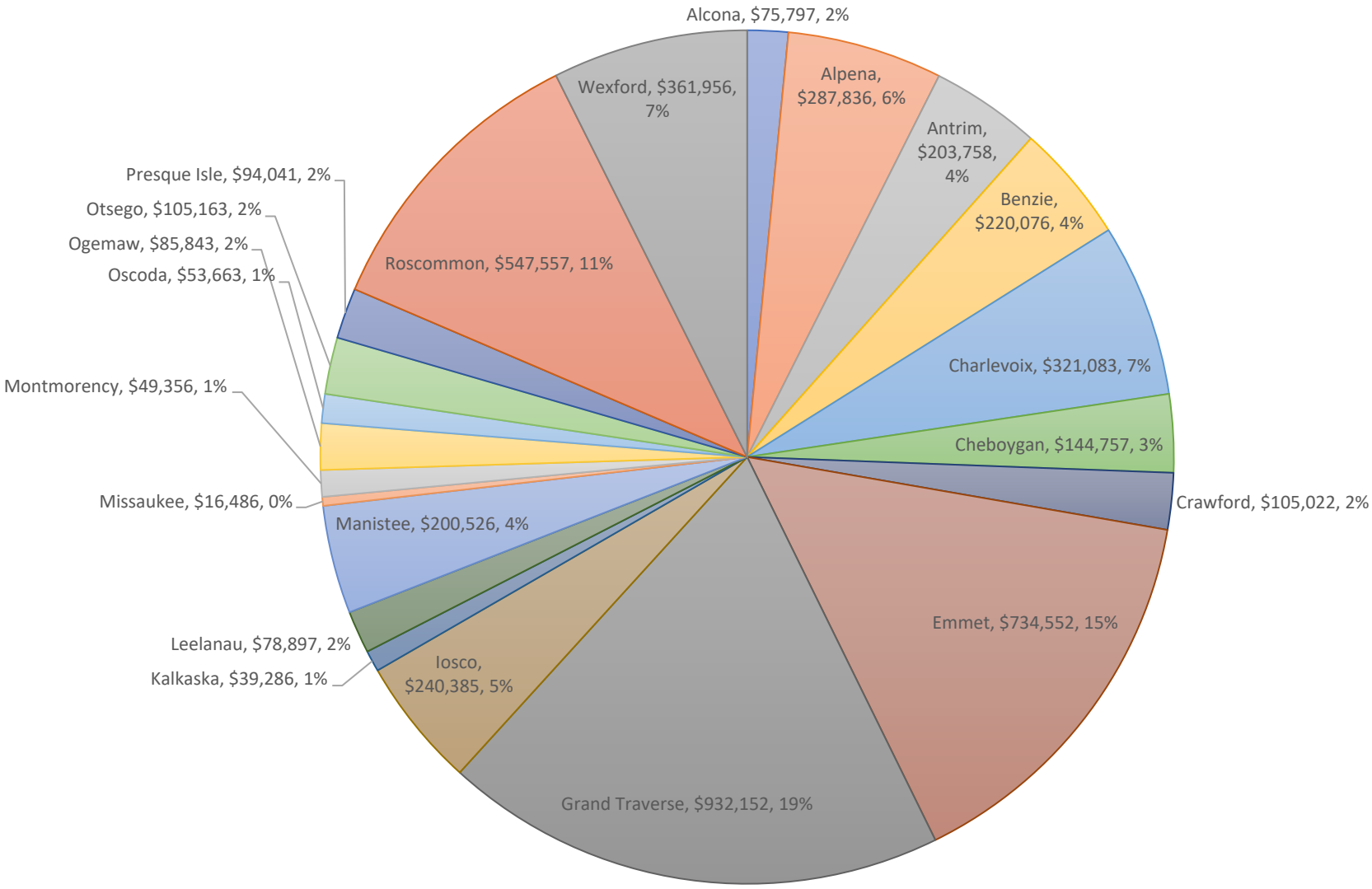
Northern Michigan Regional Entity

Schedule of PA2 by County

October 1, 2023 through December 31, 2023

	Projected FY24 Activity				Actual FY24 Activity			
	Beginning Balance	FY24 Projected Revenue	FY24 Approved Projects	Projected Ending Balance	Current Receipts	County Specific Projects	Region Wide Projects by Population	Ending Balance
County						Actual Expenditures by County		
Alcona	$ 79,250	$ 23,184	$ 47,690	$ 54,744	$ -	2,738	$ 715	$ 75,797
Alpena	302,452	80,118	115,089	267,482	-	12,650	1,965	287,836
Antrim	212,068	66,004	72,490	205,582	-	6,702	1,608	203,758
Benzie	224,046	59,078	21,930	261,194	-	2,757	1,213	220,076
Charlevoix	336,031	101,224	272,367	164,889	-	13,144	1,805	321,083
Cheboygan	163,153	84,123	141,260	106,016	-	16,646	1,751	144,757
Crawford	107,533	36,525	20,706	123,352	-	1,552	960	105,022
Emmet	771,608	181,672	478,053	475,227	-	34,765	2,291	734,552
Grand Traverse	1,035,890	440,668	524,017	952,541	-	97,400	6,338	932,152
Iosco	253,083	83,616	190,357	146,341	-	10,960	1,737	240,385
Kalkaska	42,471	41,470	34,179	49,762	-	1,967	1,217	39,286
Leelanau	86,055	62,190	51,029	97,215	-	5,663	1,495	78,897
Manistee	204,938	83,138	24,985	263,090	-	2,725	1,686	200,526
Missaukee	17,521	21,128	5,832	32,818	-	-	1,035	16,486
Montmorency	51,302	31,822	21,810	61,313	-	1,307	639	49,356
Ogemaw	96,797	74,251	96,041	75,006	-	9,505	1,448	85,843
Oscoda	55,406	20,578	38,064	37,920	-	1,171	572	53,663
Otsego	125,550	96,172	101,106	120,616	-	18,693	1,694	105,163
Presque Isle	96,731	25,177	85,120	36,788	-	1,807	883	94,041
Roscommon	560,277	82,157	87,287	555,147	-	11,069	1,650	547,557
Wexford	398,819	100,198	166,138	332,880	-	34,566	2,297	361,956
	5,220,980	1,794,492	2,595,550	4,419,922	-	287,786	35,000	4,898,195
PA2 Redirect								-
								4,898,195

PA2 FUND BALANCES BY COUNTY



Northern Michigan Regional Entity

Proprietary Funds Statement of Revenues, Expenses, and Unspent Funds

Budget to Actual - ISF

October 1, 2023 through December 31, 2023

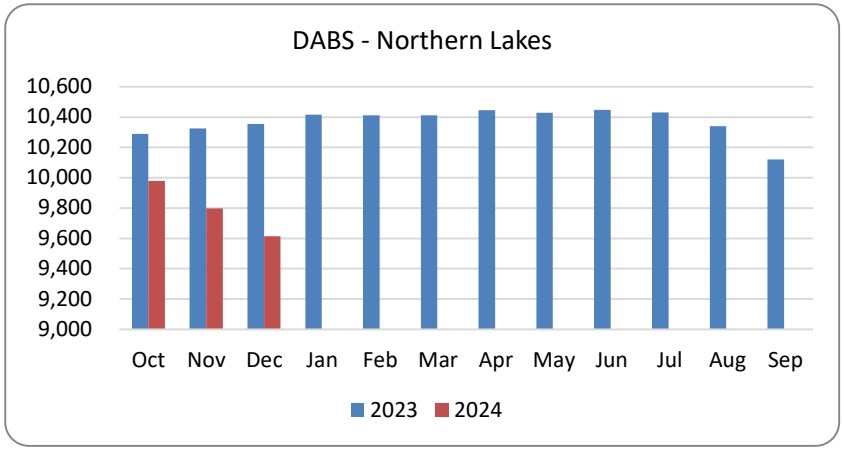
	Total Budget	YTD Budget	YTD Actual	Variance Favorable (Unfavorable)	Percent Favorable (Unfavorable)
Operating revenue					
Charges for services	$ -	$ -	$ -	$ -	0.00%
Interest and Dividends	7,500	1,875	2,027	152	8.11%
Total operating revenue	7,500	1,875	2,027	152	8.11%
Operating expenses					
Medicaid Services	-	-	-	-	0.00%
Healthy Michigan Services	-	-	-	-	0.00%
Total operating expenses	-	-	-	-	0.00%
CY Unspent funds	$ 7,500	$ 1,875	2,027	$ 152	
Transfers in			-		
Transfers out			-	-	
Unspent funds - beginning			16,376,625		
Unspent funds - ending			$ 16,378,652		

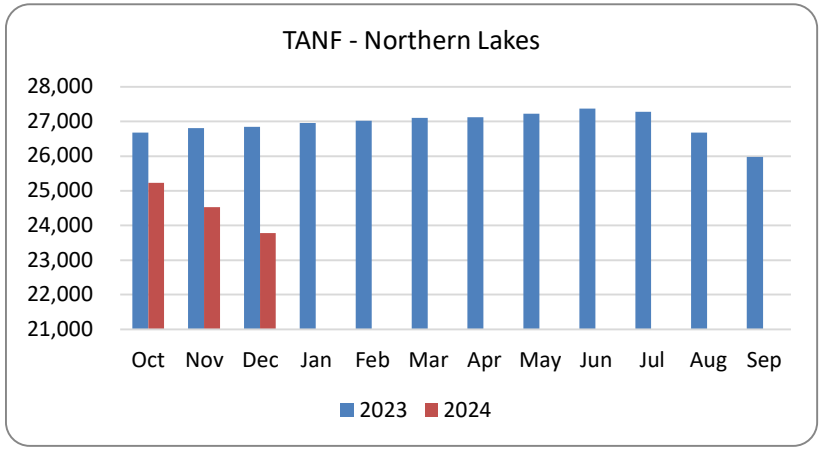
Northern Michigan Regional Entity

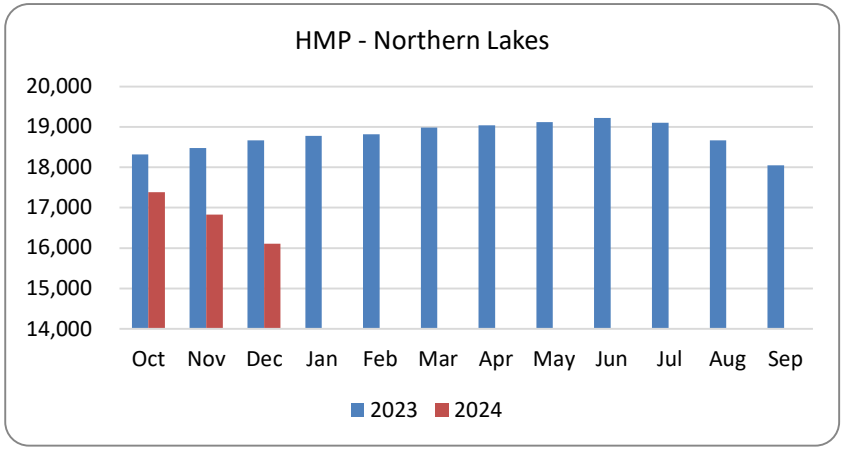
Narrative

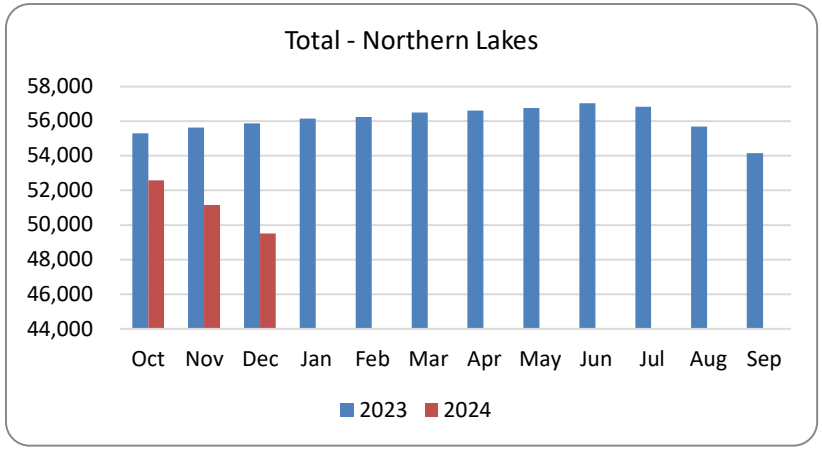
October 1, 2023 through December 31, 2023

Northern Lakes Eligible Members Trending - based on payment files







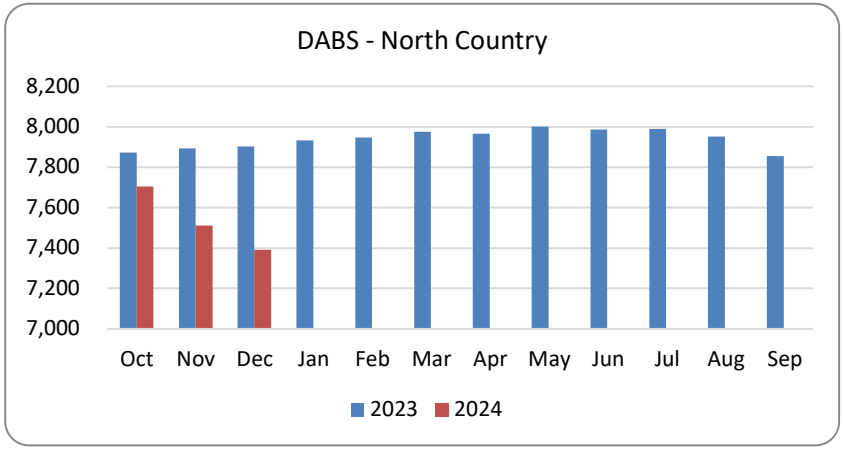


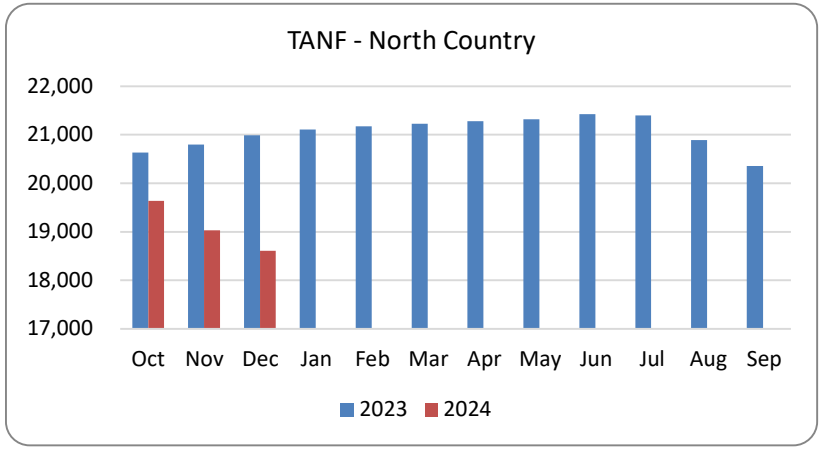
Northern Michigan Regional Entity

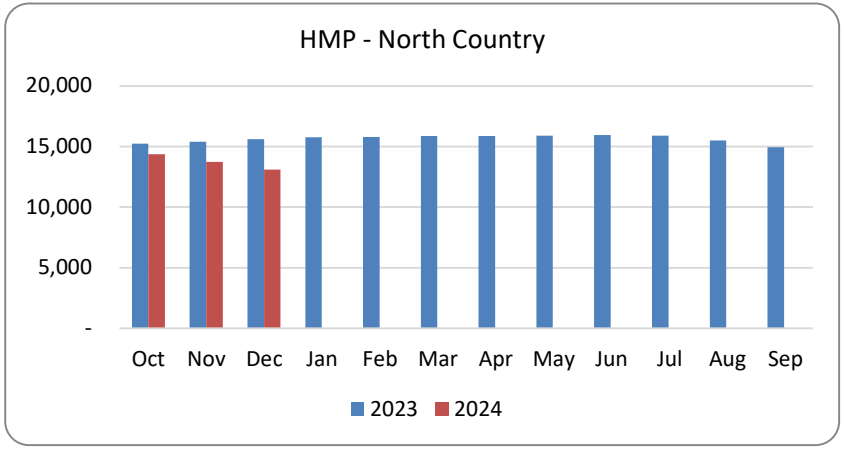
Narrative

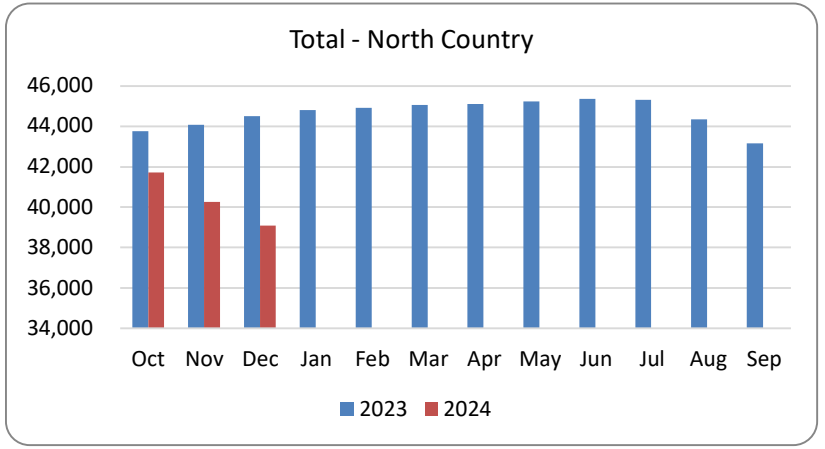
October 1, 2023 through December 31, 2023

North Country Eligible Members Trending - based on payment files







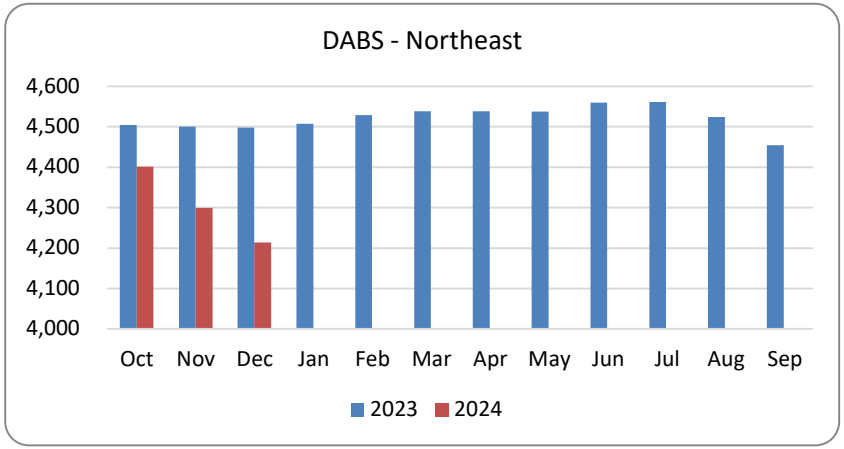


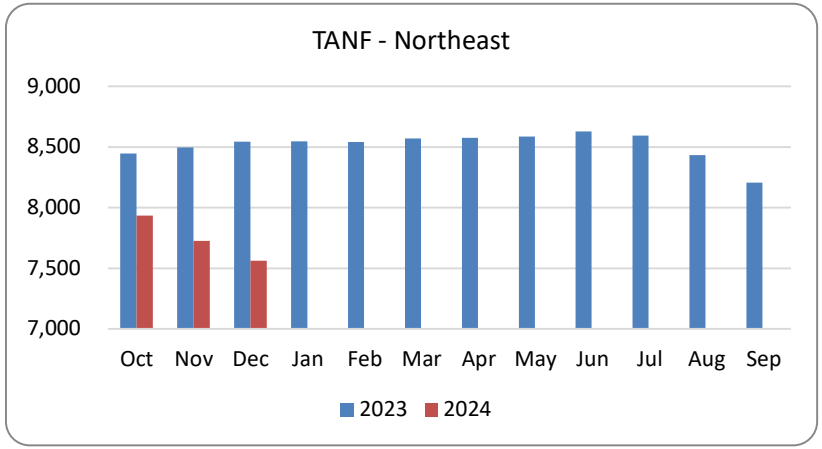
Northern Michigan Regional Entity

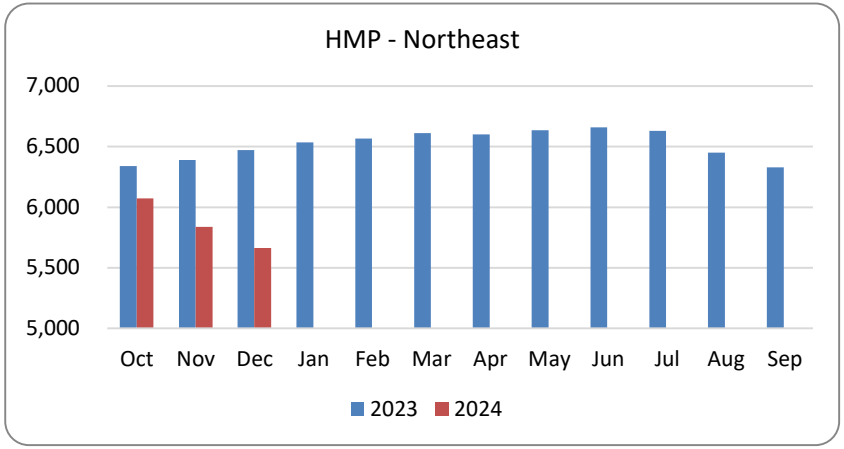
Narrative

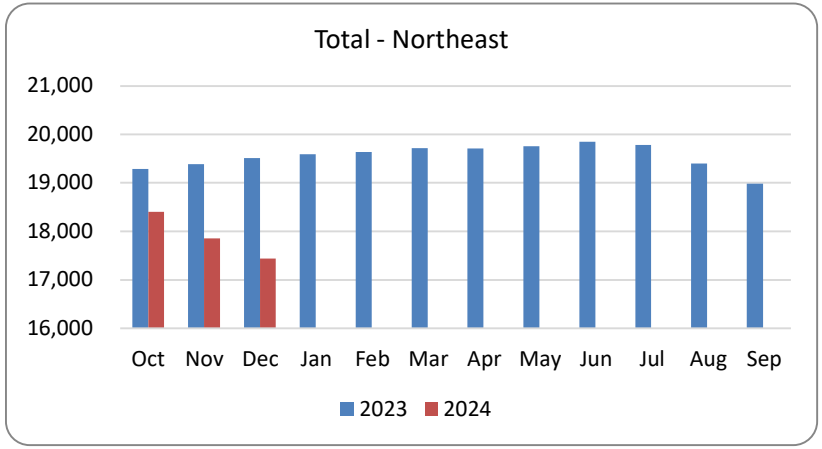
October 1, 2023 through December 31, 2023

Northeast Eligible Members Trending - based on payment files







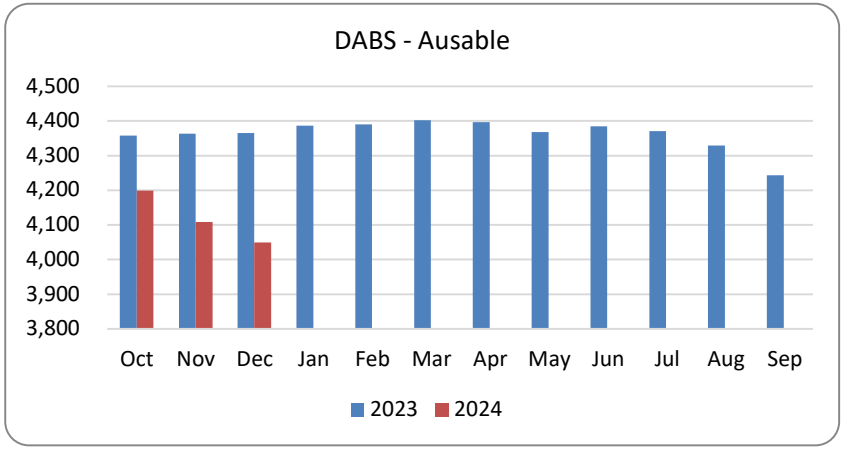


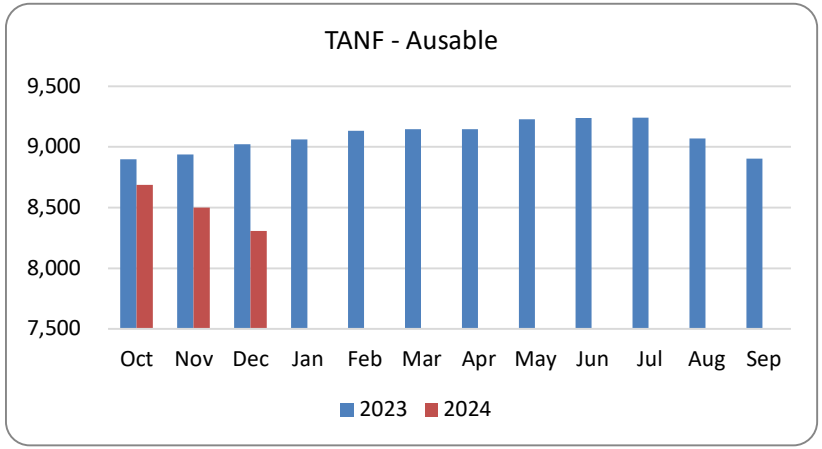
Northern Michigan Regional Entity

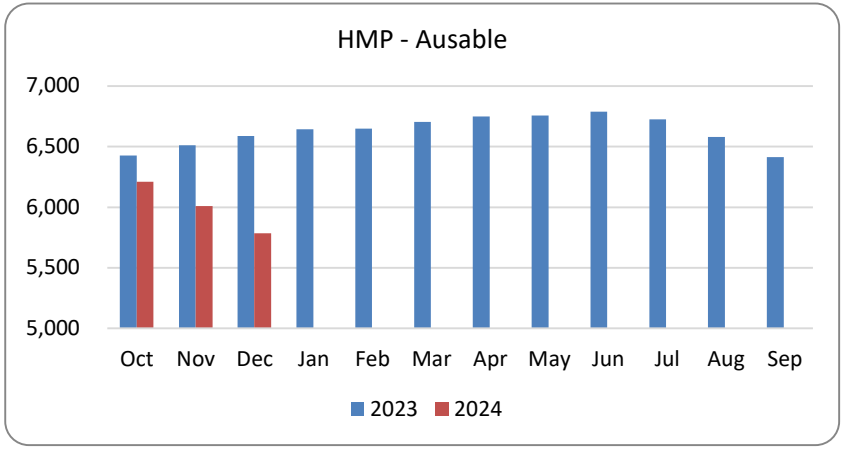
Narrative

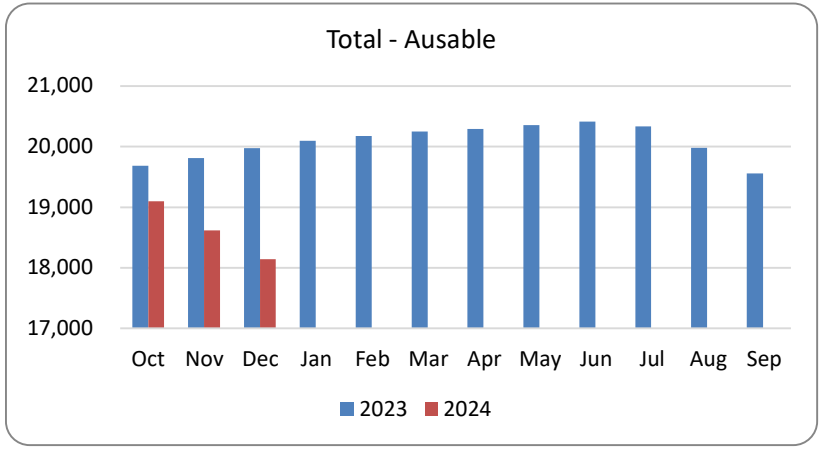
October 1, 2023 through December 31, 2023

Ausable Valley Eligible Members Trending - based on payment files







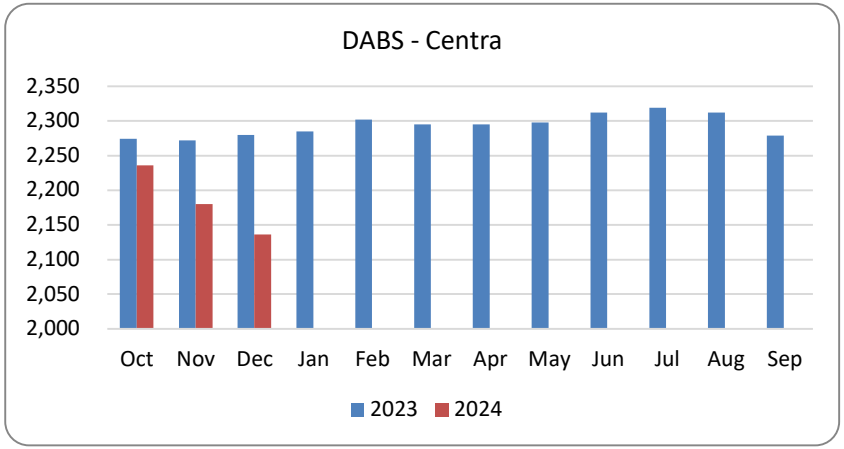


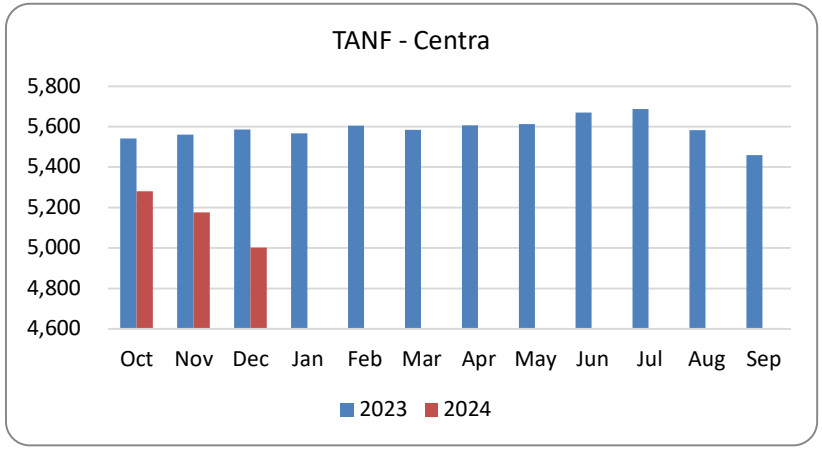
Northern Michigan Regional Entity

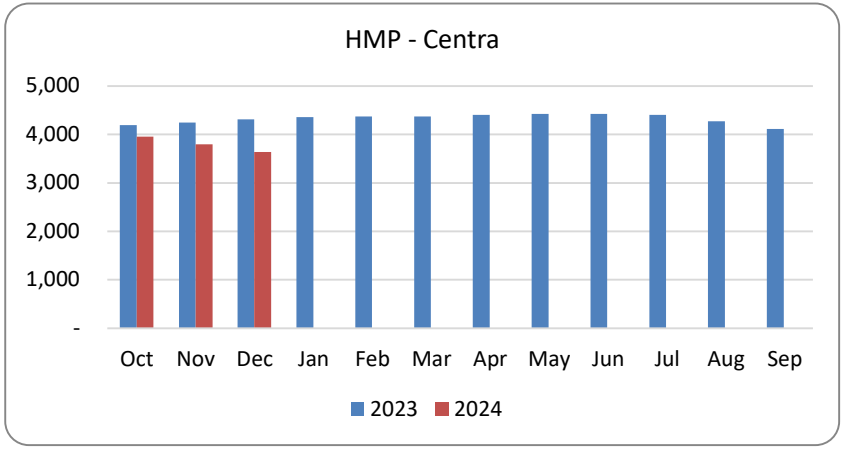
Narrative

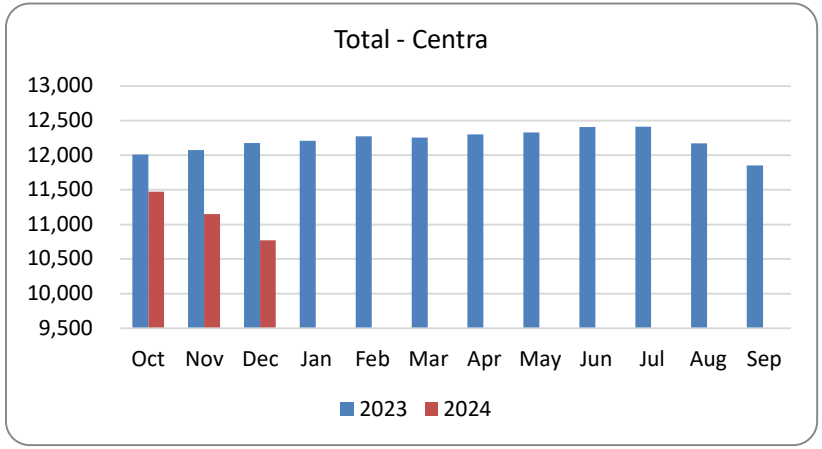
October 1, 2023 through December 31, 2023

Centra Wellness Eligible Members Trending - based on payment files







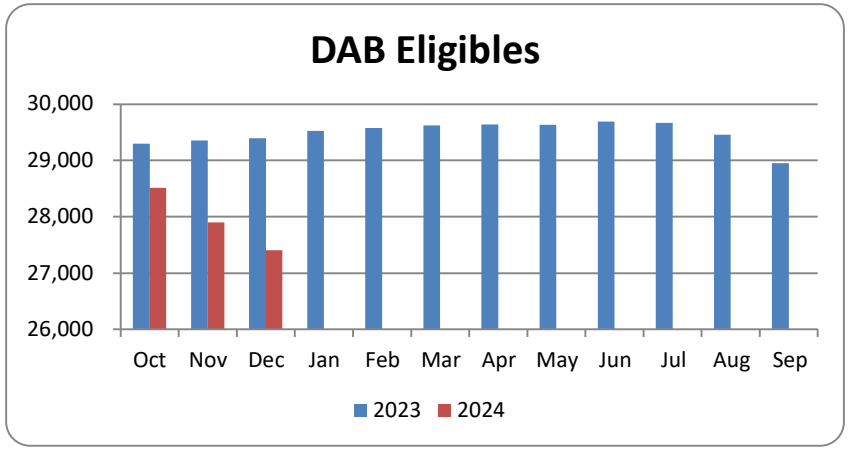


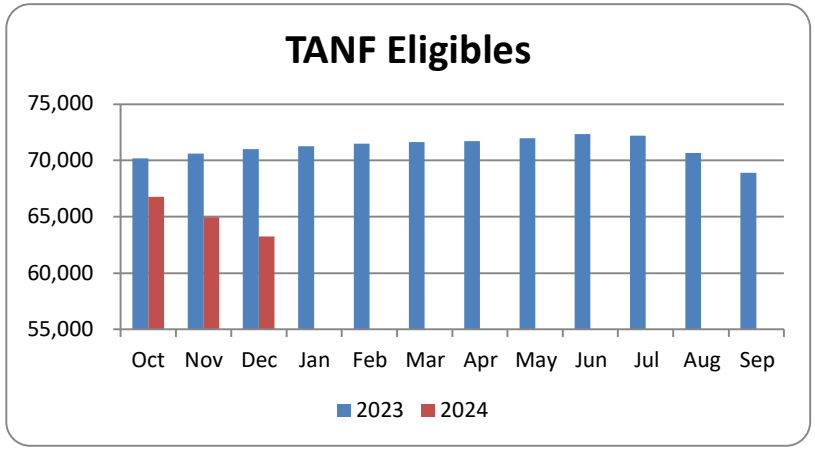
Northern Michigan Regional Entity

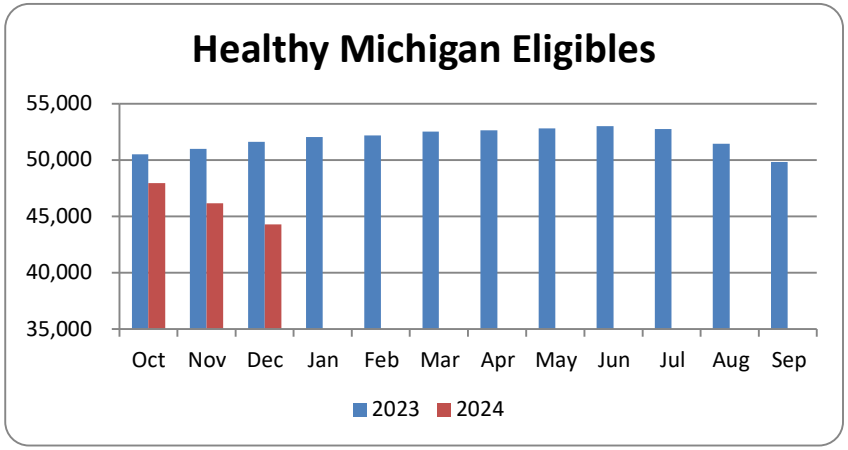
Narrative

October 1, 2023 through December 31, 2023

Regional Eligible Trending





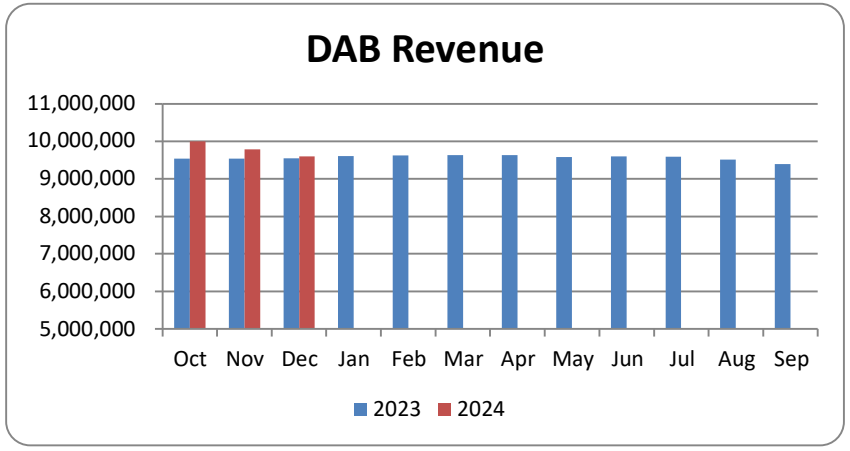


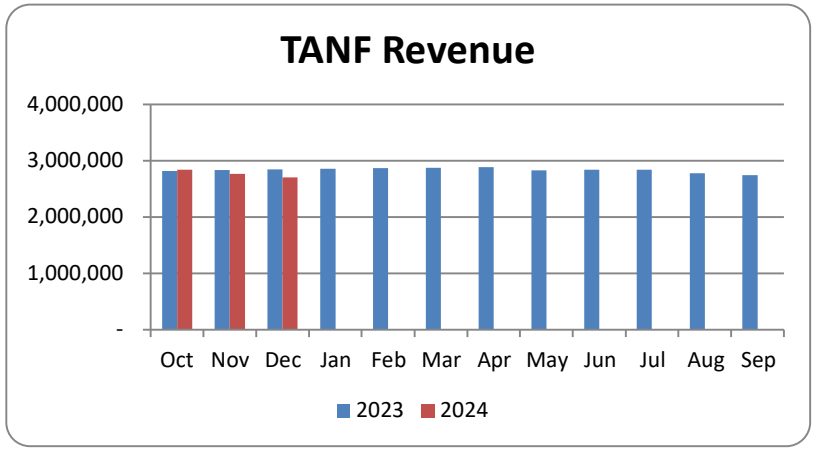
Northern Michigan Regional Entity

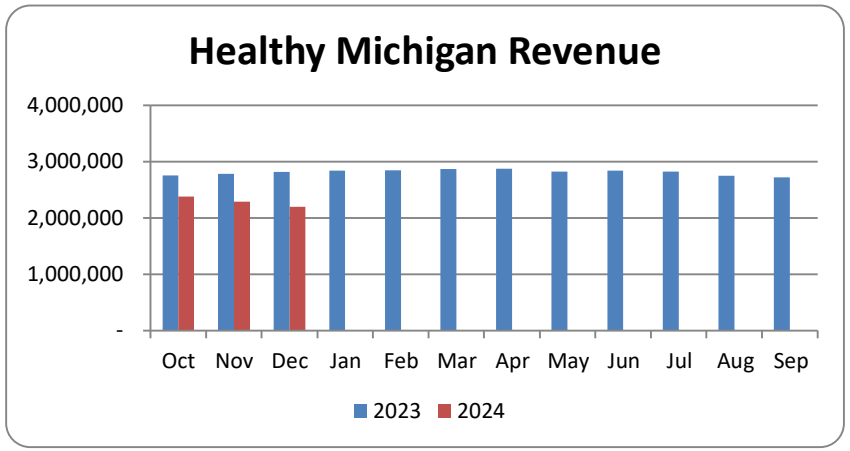
Narrative

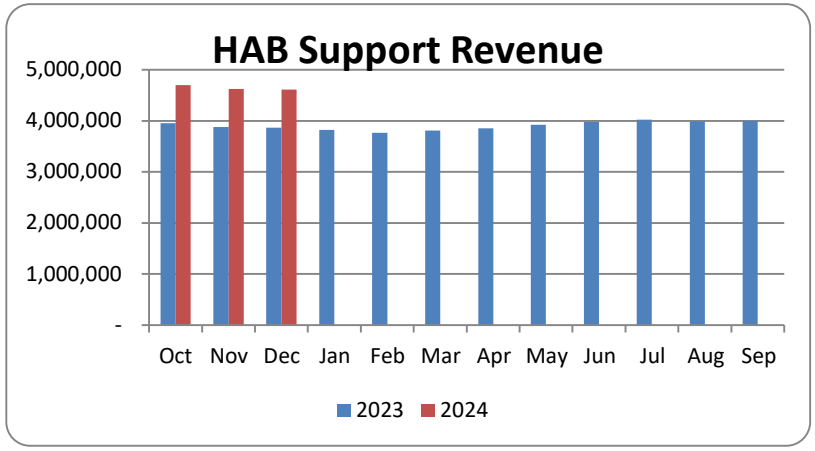
October 1, 2023 through December 31, 2023

Regional Revenue Trending









NORTHERN MICHIGAN REGIONAL ENTITY
OPERATIONS COMMITTEE MEETING
9:30AM – FEBRUARY 20, 2024
GAYLORD CONFERENCE ROOM

ATTENDEES:	**Brian Babbitt, Chip Johnston, Eric Kurtz, Diane Pelts, Nena Sork, Deanna Yockey, Carol Balousek**

REVIEW OF AGENDA AND ADDITIONS

Ms. Pelts requested a discussion about the MDHHS Waiver audit. Ms. Sork asked to add discussions about federal guidelines for Ability to Pay and Annual Submission requirements.

APPROVAL OF PREVIOUS MINUTES

The minutes from January 16th were included in the meeting materials.

MOTION BY DIANE PELTS TO APPROVE THE JANUARY 16, 2024 MINUTES OF THE NORTHERN MICHIGAN REGIONAL ENTITY OPERATIONS COMMITTEE; SUPPORT BY NENA SORK. MOTION CARRIED.

FINANCE COMMITTEE AND RELATED

December 2023

- Net Position showed net surplus Medicaid and HMP of $3,515,630. Carry forward was reported as $13,325,617. The total Medicaid and HMP Current Year Surplus was reported as $16,841,247. The total Medicaid and HMP Internal Service Fund was reported as $17,437,845. The total Medicaid and HMP net surplus was reported as $34,279,092.
- Traditional Medicaid showed $52,433,750 in revenue, and $48,266,170 in expenses, resulting in a net surplus of $4,167,580. Medicaid ISF was reported as $10,371,825 based on the current FSR. Medicaid Savings was reported as $2,324,071.
- Healthy Michigan Plan showed $7,367,072 in revenue, and $8,019,022 in expenses, resulting in a net deficit of $651,950. HMP ISF was reported as $7,066,020 based on the current FSR. HMP savings was reported as $11,001,546.
- Health Home showed $694,927 in revenue, and $564,276 in expenses, resulting in a net surplus of $130,651.
- SUD showed all funding source revenue of $7,525,716 and $6,481,958 in expenses, resulting in a net surplus of $1,043,758. Total PA2 funds were reported as $4,898,195.

MOTION BY BRIAN BABBITT TO RECOMMEND APPROVAL OF THE NORTHERN MICHIGAN REGIONAL ENTITY MONTHLY FINANCIAL REPORT FOR DECEMBER 2023; SUPPORT BY CHIP JOHNSTON. MOTION APPROVED.

FY24 Revenue

Regional revenue for DAB, TANF and HMP is trending downward. Whether HAB Waiver can continue to make up the difference is currently unknown. The Department and Milliman have

acknowledged that the decline has been more rapid than anticipated; they are open to a rate adjustment.

PIHP CFOs were asked to provide February 2020, and July 2023 – January 2024 eligibles data. This information will be compiled and furnished to the Department, Milliman, CEOs, etc.

Mr. Johnston noted that the January report will show Centra Wellness overbudget due to autism services and costly hospital stays.

Much of Northern Lakes' financial picture remains unknown pending the results of Rehmann's forensic investigation.

FSR Extension NLCMHA
An extension of the FSR has been requested on behalf of Northern Lakes since Rehmann is unable to certify until the forensic audit is finished; this won't affect NMRE's Performance Bonus Incentive Payment (PBIP). The NMRE scored 100% on the FY23 PBIP, earning $1,720,949.50 which can be used by the CMHSPs as local funds. Depending on other PIHPs' performances, the NMRE's award could increase. The final award notice will be sent by March 15, 2024.

NORTH HOPE CRU
Mr. Kurtz announced that Hope Network is not renewing its contract for North Hope Crisis Residential Unit in Traverse City (April 1st). The facility is not sustainable pose grant funding.

EVV UPDATE
A EVV Update memorandum from Kristen Jordan to PIHP and CMHSP Executive Directors dated February 12, 2024 was included in the meeting materials. Per the memorandum, a phased-in implementation is planned as follows:

- Phase 1 – Medicaid FFS Home Health is slated to go live April 1, 2024.
- Phase 2 – Home Help is slated to go live July 1, 2024.
- Phase 3 – **Behavioral Health**, MI Health Link, MI Choice, Medicaid Managed Care Home Health and Community Transition Services are slated to go live **September 1, 2024**.

Michigan Medicaid Policy 23-76 clarifies that EVV is only required for the Personal Care Services of Community Living Supports (H2015) and Respite Care (T1005) under Behavioral Health.

MCG
Several years ago, as part of the region's parity plan, the NMRE purchased MCG's managed care guidelines for behavioral health. A version that integrates with PCE is also available. Mr. Kurtz agreed to reshare the access information.

SUPPORTED EMPLOYMENT
Joe Longcore, Supported Employment Specialist at MDHHS contacted Mr. Kurtz about the availability of APRA funds for training and technical assistance on Supported Employment. Interested CMHSPs may contact Mr. Longcore by email for additional information at: longcorj@michigan.gov.

The MDHHS "Contract Rate Restructuring to Advance Employment Outcomes" presentation by Lisa Mills & Kris Kubnick dated January 12, 2024 was included in the meeting materials for informational purposes.

HCBS

An email dated February 2, 2024 to NMRE Clinical Services Director, Bea Arsenov, from Millie Sheperd at MDHHS regarding HCBS Secured Setting placements was included in the meeting materials. MDHHS has requested information on secured and restrictive settings by March 1, 2024. The email was intended to provide clarification on what is considered "secured" and "restrictive" in a residential setting.

FOIA REQUEST/RESPONSE

The CEOs discussed their agencies' responses to the FOIA request from Aaron Kravitz dated February 1, 2024. Several Boards have contacted Mr. Kravitz to provide an estimated cost for printing and mailing the requested materials and have not heard back. Northeast Michigan has furnished the requested documentation along with a bill for the cost.

NLCMHA MONITORING UPDATE

This topic was covered previously under the financial discussion.

OTHER

The CCBHC presentation given during the Winter Conference was discussed.

MDHHS Waiver Audit

Ms. Pelts expressed that the recent waiver audit by MDHHS was poorly conducted. Responses to requests for documentation/evidence were followed up with further requests for information not stated initially. The CMHSPs agreed that the review was overly onerous and clumsy. Mr. Kurtz responded that the NMRE is revising its site review process to better prepare the CMHSPs for the MDHHS audit.

Federal Guidelines for Ability to Pay

Ms. Sork shared a situation involving a consumer at Northeast Michigan CMHA who is court-ordered for treatment. The individual has been determined to have an ability to pay but the individual's spouse refuses to pay it. Michigan currently follows federal guidelines regarding ability to pay. Mr. Johnston referred Ms. Sork to Chapter 8 of the Michigan Mental Health Code. He noted that a court could potentially order the spouse to pay. Services to the individual must be continued, however, whether payment is made or not.

Annual Submission

CMHSPs are required to complete the Stakeholder Survey and Priority Needs & Planned Actions two years on odd numbered years. More information and reporting templates may be found by visiting: Reporting Requirements (michigan.gov)

NEXT MEETING

The next meeting was scheduled for March 19th at 9:30AM in Gaylord.

Invoice

Date: Feb 15, 2024
Invoice ID: #298427
Order status: PAYMENT DUE

New Horizons
707 Landa Street, Suite 100
New Braunfels, TX 78130
United States
CALL US: 800-500-3135
email: info@newhorizons.com

Billing Information

AP Billing (billing@nmre.org)
Northern Michigan Regional Entity
1999 Walden Dr.
Gaylord, MI 49735

Product Information

Course ID	Student	Price
100,000 Learning Credits		$50,000.00 USD
	Total:	$50,000.00 USD

For payment by check - please mail to

New Horizons
PO Box 679244
Dallas, TX 75267-9244

For electronic payments

Acct Name: United Training Commercial LLC, D.B.A New Horizons
Name of Bank: Texas Capital Bank
2350 Lakeside Blvd, Suite 800 Richardson, Texas 75082
Acct #: 5011029955
FED ABA #: 111017979
Remittance: ar@newhorizons.com
Reference: 298427

Payment Link

Northern Michigan Regional Entity
FY23 QUALITY ASSESSMENT AND PERFORMANCE IMPROVEMENT PLAN (QAPIP)

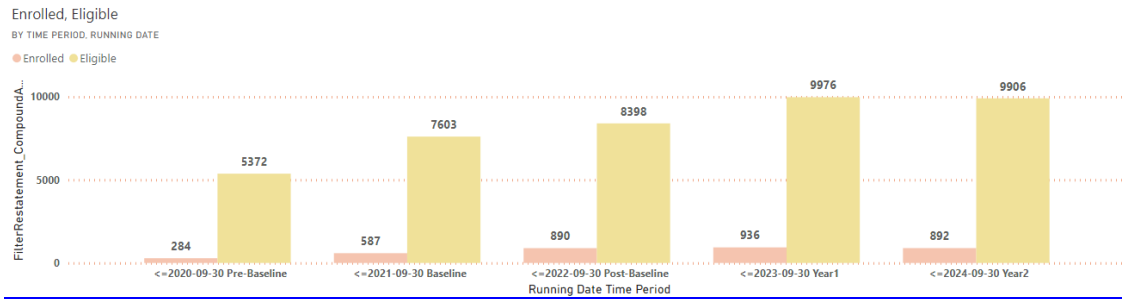
EVALUATION

A. Performance Improvement Projects (PIPs)

1. **Opioid Health Home PIP:** OHH provides comprehensive care management and coordination services to Medicaid beneficiaries with an opioid use disorder. For enrolled beneficiaries, the OHH functions as the central point of contact for directing patient-centered care across the broader health care system. Beneficiaries work with an interdisciplinary team of providers to develop an individualized recovery care plan to best manage their care. The model also elevates the role and importance of peer recovery coaches and community health workers to foster direct empathy and connection to improve overall health and wellness. In doing so, this attends to a beneficiary's complete health and social needs. Participation is voluntary, and enrolled beneficiaries may opt out at any time. The NMRE will collect data and conduct analysis in preparation for Measurement 1 to show evidence of enrollment improvement from the baseline by September 30, 2024.

Goals

a. Increase access to Medication Assisted Treatment (MAT) and integrated behavioral, primary, and recovery-centered services for beneficiaries with Opioid Use Disorder.
b. Decrease opioid overdose deaths.
c. Decrease opioid-related hospitalizations.
d. Increase utilization of peer recovery coaches.
e. Increase the “intangibles” of health status (e.g., the social determinants of health).



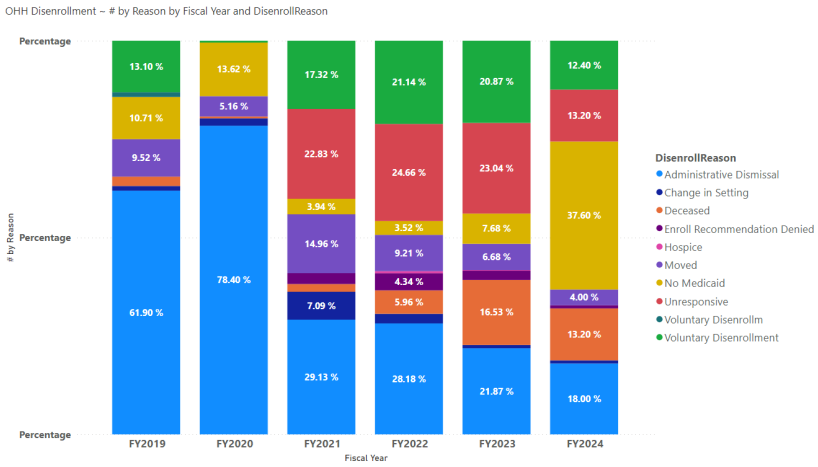
Data as of 1/29/24, 3:52 PM

WSA OHH Breakout: Eligible versus Enrolled

Time Period	Running Date	Enrolled	Eligible	% of PE/Enrolled	% Enrolled Change	% Eligible Change
Pre-Baseline	<=2020-09-30	284	5372	5.29%	0.00%	0.00%
Baseline	<=2021-09-30	587	7603	7.72%	106.69%	41.53%
Post-Baseline	<=2022-09-30	890	8398	10.90%	51.62%	10.46%
Year1	<=2023-09-30	936	9976	9.38%	5.17%	18.79%
Year2	<=2024-09-30	892	9906	9.01%	-4.70%	-0.70%

Data as of 1/29/24, 3:52 PM

Based on the data submitted a decrease in enrollment for FY23 (Year1) is noted (9.38%), and this decrease continues into FY24(Year2) (9.01%). Most of the disenrollments are due to the ending of the Public Health Emergency (PHE) and the effect of the Medicaid Redetermination on Medicaid enrollment. We are seeing higher than usual OHH disenrollment trends (37.60%) due to clients no longer having Medicaid. Many efforts are in place to reinstate Medicaid for those who were disenrolled and disenrollments and recoupments are monitored monthly by the NMRE Health Home Team.



Data as of 1/29/24, 3:52 PM

<u>Positive interventions:</u>

a. Current providers have increased participation in Care Coordination by:

1. Hiring more staff to maintain and expand enrollment, and aid with redeterminations.
2. Becoming more engaged in the process by attending meetings with the NMRE and investing more in the program.
3. Opening community closets to aid clients.
4. Offering transportation when needed.
5. Providing naloxone to clients.
6. Expanding locations where Health Homes are available (OHH is available in 43 locations)

b. The NMRE has aimed to increase enrollment by:
   1. Providing monthly meetings with providers. These monthly meetings have helped to keep providers more engaged and motivated.
   2. Organizing a Health Home Summit (9/26/2023) where all health Home Partners had an opportunity to network and learn more about other Health Homes and approaches to Care Coordination.
   3. Providing resources and reports regarding PHE ending.
   4. Funding Community Health Worker training.

Challenges:

Staffing remains a big challenge in our region, however, the biggest challenge and obstacle for enrollment is the end of PHE, resulting in 7.68% in FY23 (FY24, 37.60%) of OHH clients being disenrolled from the benefit.

Even with these noted challenges, however, HEDIS Measures for Health Home remain very good, allowing for Pay for Performance funds to be allocated to the HHPs. (6/2023 reporting period)

HEDIS Healthcare Effectiveness Data and Information Set	Michigan Total	NMRE Total	All OHH Programs	NMRE OHH Program
FUA 7 rates Follow up after ED visit for Alcohol or other Drug Use, 7 days	27.45	27.13	60.81	73.68
FUA 30 rates Follow up after ED visit for Alcohol or other Drug use, 30 days	42.54	46.12	80.07	97.37
IET14 AD Initiation of treatment in 14 days	36.79	29.38	76.8	89.77
PQI Prevention Quality Indicator (numbers of admits for ambulatory care/ chronic conditions)	74	41.41	162.77	29.06

2. **Behavioral Health Home (BHH) PIP** – Improve the percentage of individuals who are enrolled in the Behavioral Health Home program and receiving CMHSP services from 3.56% to 5% by the end of FY2023.

Goals

a. Improve care management for beneficiaries with Serious Mental Illness (SMI) and Serious Emotional Disturbance (SED).
b. Improve care coordination between physical and behavioral health services.
c. Improve care transitions between primary care, specialty services, and inpatient settings.

HHBH Comparison of Receiving HHBH Waiver Services versus Potential Enrol...

Receiving BHH Waiver Services	Enrolled + Potential Enrollees who are actively enrolled w/CMHSP	Percent Enrolled	CMHSP
75	1823	4.11%	AuSable Valley CMH
145	1072	13.53%	Centra Wellness Network
95	2920	3.25%	North Country CMH
70	1689	4.14%	Northeast Michigan CMH
172	4375	3.93%	Northern Lakes CMH
557	**11879**	**4.69%**	

Data as of 1/29/24, 3:52 PM

Enrollment into BHH has seen an increase since the last QAPIP Evaluation (3.44%) and is at 4.69% with the goal of 5%.

Positive Interventions:

1. CMHSPs changed their referral processes and are seeing an increase in enrollments.
2. CMHSPs utilize BHH to aid transition between levels of care.
3. CMHSPs attended NMRE provided/paid CHW training to aid staffing expansion.
4. CMHSP participated in all HHPs Summit organized by NMRE in September of 2023.

It is important to state that this population is not seeing as much of an impact of PHE ending and redetermination as they typically belong to Medicaid, compared to OHH client that are mostly HMP population.

Challenges:

Provider/ staff capacity availability remains the biggest challenge for BHH enrollment, however, HEDIS outcomes continue to be very good (reporting period 6/2023).

HEDIS Healthcare Effectiveness Data and Information Set	Michigan Total	NMRE Total	All BHH Programs	NMRE BHH Program
AAP AD Adult Access to Preventative/Ambulatory Services	73.84	75.71	98.66	99.63
FUM 7 rates Follow up after ED visit for Mental Health Illness, 7 days	45.44	56.62	71.43	100
CBP Controlling Blood Pressure	31.40	18.79	28.11	25
FUH 30 Follow up after Hospitalization for Mental Illness, 30 days	66.73	72.78	88.99	83.33

3. **No-show/ Missed Appointments Quality Improvement Project:** The NMRE Quality and Compliance Oversight Committee (QOC) will collect data and conduct analysis for no-show/missed psychiatric appointments with a goal of decreasing the regional no-show/missed

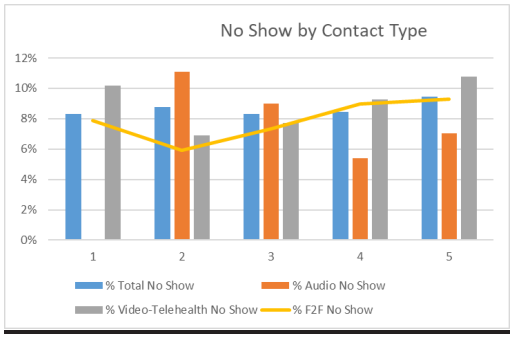
appointment rate for psychiatric services by the end of FY24. This is in an effort to track the effect of PHE on telehealth and changes to service delivery.

Based on the data collected, clients seem to be more interested in going back to being seen in person, with some continued use of telehealth. No show rates varied between CMHSPs, and different areas saw different trends.

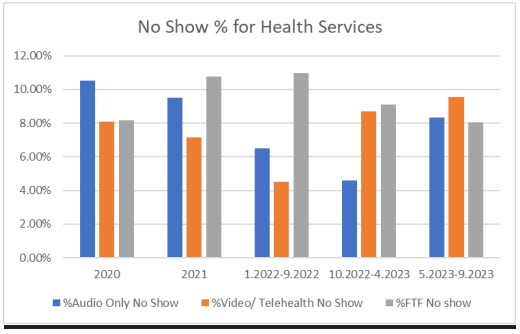
Due to PHE no longer being in place and social distancing restrictions loosening up, changes to codes and service provision (in person, face to face, audio/video, audio only), NMRE will be sunsetting this QIP.

Data was trended by each CMHSP due to different processes and data collection within their EMRs.

Centra Wellness Network, 2019(1)/ 2023(5):

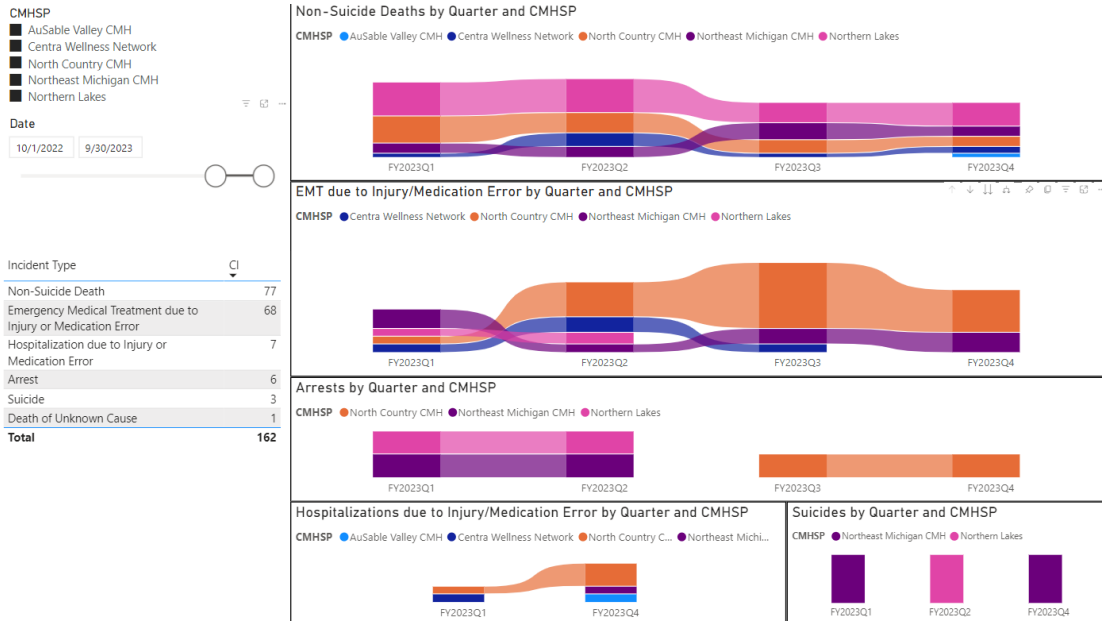


AuSable Valley Community Mental Health, 2019/2023:



B. Events Data

The NMRE QOC, as part of the QAPIP, will continue to review and follow-up on sentinel events and other critical incidents and events that put people at risk of harm. The QOC will also work on improving the data quality and timeliness in reporting events. Due to low numbers in reports NMRE provided education to CMHSPs and providers to prevent underreporting. Noted it the increase in numbers reported in FY23 (162) compared to FY22(110).



Incident Type	CI
Non-Suicide Death	77
Emergency Medical Treatment due to Injury or Medication Error	68
Hospitalization due to Injury or Medication Error	7
Arrest	6
Suicide	3
Death of Unknown Cause	1
Total	**162**

FY 23 data

Incident Type	CI
Non-Suicide Death	57
Emergency Medical Treatment due to Injury or Medication Error	39
Arrest	6
Suicide	6
Hospitalization due to Injury or Medication Error	2
Total	**110**

FY 24 data

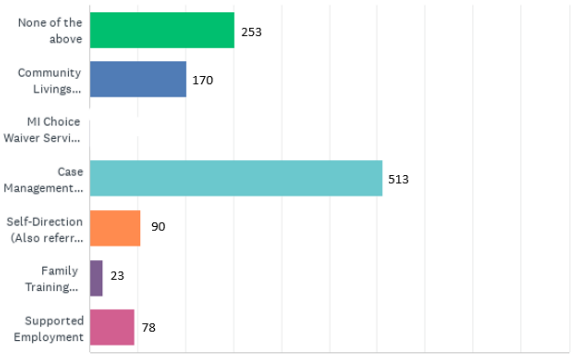
C. Satisfaction Surveys

The NMRE will conduct quantitative and qualitative assessments (such as surveys, focus groups, phone interviews) of members' experiences with services. These assessments will be representative of persons served, including long-term supports and services (i.e., individuals receiving case management, respite services, or supports coordination) and the services covered by the NMRE's Specialty Supports and Services Contract with the State. Assessment results will be used to improve services, processes, and communication. There was a 2 % increase in participation compared to the prior fiscal year.

1. The survey tool was revised to capture more meaningful data.
2. The following satisfaction surveys were completed:
   a. SUD Residential
   b. MH Outpatient
   c. Detox
   d. Methadone

Based on individual CMH responses, extra training has been recommended, Quality and Compliance leaders were informed about training recommendations.

Please check any of the following Long Term Supports and Services you have received.



Performance Comparison FY22 v. FY23

In FY22, NMRE served 15,731 recipients with 4% (620) of recipients participating in the survey, compared to 16,045 people served in FY23, and 6% (920) of recipients participating in the survey. There was a 2% increase in participation.

95% said they felt staff were sensitive to their cultural and ethnic background and gender identity, compared to 97% in FY22. There was a 2% decrease in staff sensitivity over the past year.

99% said staff treat them with dignity and respect, the same number from FY22. There has been no change over the past year.

96% said they are involved in the development of their treatment plan, compared to 98% in FY22. There was a 2% decrease in person centered planning over the past year.

D. The NMRE will monitor its network providers at least annually.

HSAG: FY 23 was a CAP year for PIHP, all CAPs were accepted.

NMRE CMHSP: FY2022 was a comprehensive review year for the NMRE's 5 regional CMHSPs; where the NMRE reviewed the CMHSPs practices, policies, and procedures for our contractually obligated managed care functions: access, provider network management, utilization management, grievance and appeal, and customer services. Following the FY2022 full review, NMRE issued corrective actions for any non-compliant standards. These corrective actions were subject to review during FY2023, where the NMRE reviewed evidence that the corrective actions, as approved by the PIHP the prior year, had been implemented. Compliance status responses to conclude the review period were distributed to each Region 2 CMH in October 2023, indicating overall compliance with the contractually obligated standards of FY2022, and indicating sufficient evidence to approve implementation of corrective action plans was provided. This biennial cycle will renew in FY2024 with updated tools, reflecting updates to the MDHHS Master Services contract and state and federal regulations as applicable.

NMRE SUD Treatment: For SUD Treatment providers, FY2023 started a new biennial review cycle, the NMRE conducted a comprehensive onsite review of staff credentialing and training, NMRE client charts, a thorough review of each SUD organization's policies/procedures as required by the

PIHP/MDHHS contract, and federal/state requirements of SUD Treatment organizations. The NMRE conducted this full review for in-region providers only. Onsite reviews of SUD provider staff training, credentialing and client charts were conducted from April through July of 2023. The NMRE distributed final findings documents to providers in October. For any non-compliant findings on the final review findings, Quality Improvement Plans (QIPs) were required of providers, to be sent to the NMRE for approval (or further improvement planning) within two weeks of the providing the final findings. As of January 2024, the NMRE is completing the final reviews of provider QIPs for approval. Annual monitoring of SUD providers for FY2024 will then be based upon evidence of implementation of approved FY2023 QIPs.

MDHHS: FY2023 was a full review year of CMHSP services for SED, HSW, and CWP waiver provision. The initial MDHHS responses to submitted evidence in June 2023 included comment sheets requesting plans for corrective action from each individual CMHSP. Of the 12 main SUD protocol standards, NMRE needed to update one policy regarding 12-month service provision. CMHSP CAPs were related to issues found in evidence of CMHSP staff credentialing, training, or client chart waiver documentation. NMRE met via teams with CMH's to provide technical assistance. On February 9, 2024 MDHHS completed this audit cycle, however, one HSW standard remained unresolved lacking sufficient remediation.

E. Behavioral Treatment Plan Committee (BTRC)reviews

The regional BTRC committee continues to review and trend data from the CMHSP providers where intrusive, or restrictive techniques have been approved for use with members and where physical management or 911 calls to law enforcement have been used in an emergency behavioral crisis. To further eliminate challenges and ensure accurate reporting and ability to trend data, the committee has revised the reporting tool. The NMRE QOC will review meeting minutes from the BTRC quarterly to ensure that its reviews of data are accurate and complete.

At the time of this evaluation, a full FY23 report is incomplete; however, monitoring is in place as well as active efforts to improve the process and obtain more information and training for the CMHSPs.

F. HEDIS measures

The NMRE established regional HEDIS measures to demonstrate the effectiveness of improvements in the quality of health care and services for members because of the NMRE quality assessment and improvement activities and interventions carried out by the NMRE provider network. The NMRE QOC continues to review HEDIS measured and provide CMHSPs with raw data to continue to improve outcomes. Below are HEDIS measures (6/30/23 reporting period) indicating NMRE rates are higher than Michigan Total rates.

HEDIS Healthcare Effectiveness Data and Information Set	Michigan Total	NMRE Total
FUH 30 Follow up after Hospitalization for Mental Illness, 30 days	66.73	72.78

HEDIS Healthcare Effectiveness Data and Information Set	Michigan Total	NMRE Total
FUA 7 rates Follow up after ED visit for Alcohol or other Drug Use, 7 days	27.45	27.13
FUA 30 rates Follow up after ED visit for Alcohol or other Drug use, 30 days	42.54	46.12

G. MMPBIS Standards

The NMRE will meet and maintain the performance standards as set by the MDHHS and the PIHP contract with the state. Performance Indicator data continues to be reviewed with QOC. Areas of improvement and areas needing improvement were discussed, as well as changes to MMPBIS Standards. CMHSPs continue to work on discharge and transition planning to increase follow up with clients.

Indicator: 1 Access Timeliness Inpatient Screening Population	Net	Met	Met%
Children	816	807	98.90%
Adults	3,220	3,187	98.98%
	4,036	3,994	98.96%

Indicator: 2a Access Timeliness/ First Request Population	Net	Met	Met%
MIC	1,772	971	54.80%
MIA	3,362	1,719	51.13%
DDC	287	186	64.81%
DDA	167	94	56.29%
	5,588	2,970	53.15%

Indicator: Access Timeliness First Service 3 Population	Net	Met	Met%
MIC	1,157	750	64.82%
MIA	1,966	1,274	64.80%
DDC	270	186	68.89%
DDA	139	85	61.15%
	3,532	2,295	64.98%

Indicator: 4a Access Continuity of Care Population	Count	Exception	Net	Met	Met%

Children	200	43	157	147	93.63%
Adults	1,033	361	672	615	91.52%
	1,233	404	829	762	91.92%
Indicator: 4b Access Continuity of Care SUD Population	**Count**	**Exception**	**Net**	**Met**	**Met%**
SA	974	400	574	540	94.08%
	974	400	574	540	94.08%
Indicator: 10 Readmission Population	**Count**	**Exception**	**Net**	**Readmit**	**Readmit%**
Children	200	1	199	13	6.53%
Adults	1,033	7	1,026	105	10.23%
	1,233	8	1,225	118	9.63%

H. Medicaid Encounter Verification (MEV)

The NMRE identified an external vendor to conduct Medicaid Encounter Verifications. Upon completion of two quarters, it was deemed that this task was going to be returned to NMRE staff.

Areas needing improvement were noted as:

Plans of Service:

a. SUD Treatment Plan Reviews
b. Consumer/Parent/Guardian Consent
c. Full Signatures
d. Staff Credentials
e. Service Provider Training

I. Practice Guidelines

The NMRE and its network providers implemented a process to adopt and adhere to practice guidelines established by American Psychiatric Association (APA) and Michigan Department of Health and Human Services (MDHHS). Updated policy and procedure are in place to establish timelines for dissemination as well as adoption.

J. Sub-contractual Relationships and Delegation Agreements

The NMRE updated its Sub-contractual Relationships and Delegation Agreements to include the recommendation from Health Services Advisory Group (HSAG) during its compliance review.

Monitoring is in place to ensure that in future agreements there is specific language around “the right to audit records for the past 10 years from the final date of the contract period or from the date of completion of any audit, whichever is later”.

K. Credentialing and recredentialing

The NMRE has updated the standards on its credentialing and recredentialing monitoring tools to better align with the procedural requirements included in its Specialty Supports and Services Contract with the State, as well as federal regulations. In addition to the current staff credentialing tool, the NMRE has also created a new annual monitoring tool for organizational providers, which will ensure that the regional CMHSPs are properly credentialing organizations within their own provider networks.

Prior to FY2023, NMRE and HSAG reviews identified an overall regional opportunity to increase knowledge regarding the PIHP’s technical requirements regarding credentialing and recredentialing. In response, the NMRE hosted a series of roundtable meetings in January and February of 2023 to engage the region’s staff responsible for credentialing. Two separate learning paths of Roundtable meetings were conducted; one for staff that directly credentialed individuals providing CMHSP services, and another for the staff that credential the organizational providers (provider network) of their respective CMHSP. These open discussions brought all regional staff together and reviewed the PIHP/MDHHS requirements, reciprocity opportunities, the tools the PIHP and its auditors employ, and encouraged discussion of best practices. Approximately 30 were reached with this initiative, and reviews indicate these roundtable meeting series formats were very helpful and will continue on an as-needed basis in the future.

Regarding exclusion verifications, which are included as part of the MDHHS credentialing and re-credentialing processes (and federal regulation), all five CMHSPs have now transitioned to running their own staff exclusion verifications through a monthly third-party exclusion check. The NMRE will annually and periodically ensure that the CMHSPs processes for exclusions checks are maintained each month and verify their processes for validation of the reports. This is also a part of the NMRE annual monitoring process.

The next goal is to fully transition SUD providers to running all staff through a monthly third-party exclusion check. To complete that step, the NMRE will facilitate effective communication with our SUD treatment providers with the intention of educating staff that do the actual exclusion verifications. This will identify any barriers to implementation, best practices to share, and speed the transition timeline. The NMRE continues to run checks for SUD providers and their staff during the transition period.

L. **Utilization and Service Authorization**

The NMRE will continue to develop standardized utilization management protocols & functions across the region to identify areas of underutilization and overutilization of services. This will ensure access to public behavioral health services in the region in accordance with its contract with MDHHS and relevant Michigan Medicaid Provider Manual (MMPM) and Michigan Mental Health Code (MMHC) requirements. The big focus throughout FY23 was process improvement on authorization denials process. NMRE staff runs reports on a regular basis to ensure timelines of denials and extensions. In order to better support our provides NMRE developed UM Care Manager Position to

provide oversight of authorizations and UM activities and trends in our region. NMRE Regional UM committee continues to meet on quarterly basis. PIHP representatives also participate in all PIHP UM Workgroup meetings.

Summary

The NMRE's QAPIP Report is reviewed and updated annually with input from various stakeholders and approved by the Governing Board. The NMRE's Board of Directors, the Operations Committee, the Internal Operations Committee (IOC) and the Quality and Compliance Oversight Committee (QOC) are responsible for the evaluation of the effectiveness of the QAPIP. This Annual Effectiveness Review includes analyses of whether there have been improvements in the quality of healthcare and services for recipients due to quality assessment and improvement activities and interventions carried out by the NMRE. The analysis considers trends in service delivery and health outcomes over time and includes monitoring of progress on performance goals and objectives. Information on the effectiveness of the QAPIP will be provided to network providers and to recipients upon request. This annual analysis will be provided to the MDHHS annually no later than February 28th.

The NMRE publishes its QAPIP Report that provides a summary of accomplishments and highlights from the previous Fiscal Year as well as key information that will identify whether current systems and processes are providing desired outcomes. This report is shared with the NMRE Board of Directors, Provider Network, Regional Consumer Council, and other interested stakeholders.

The NMRE posts this document on the website https://www.nmre.org. Copies of this document can be made available to stakeholders upon request.

Northern Michigan Regional Entity
FY24 QUALITY ASSESSMENT AND PERFORMANCE IMPROVEMENT PLAN (QAPIP)

1. Performance Improvement Projects

The NMRE will engage in Performance Improvement Projects (PIPs), addressing clinical as well as non-clinical aspects of care. PIPs must involve measurable and objective quality indicators, interventions leading to improvement, as well as evaluation of effectiveness. The goal of PIPs is to improve health outcomes and member satisfaction.

PIP #1 (Opioid Health Home PIP)

The NMRE Quality and Compliance Oversight Committee (QOC) will continue to collect data, conduct ongoing analysis, and coordinate with providers to improve the number of individuals enrolled in the Opioid Health Home (OHH) program. The NMRE will collect data and conduct analysis to show evidence of enrollment improvement from the baseline by September 30, 2024. Non-clinical / HSAG Validated

PIP #2 (Behavioral Health Home PIP)

The NMRE QOC will collect data and conduct analysis for Behavioral Health Home (BHH) enrollment. The NMRE will strive to improve the percentage of individuals who are enrolled in the Behavioral Health Home program from 3.56% to 5% by September 30, 2024. Non-Clinical

PIP #3 (Clinical PIP Development)

Within the next 6 months NMRE and QOC will develop a regional clinical PIHP.

2. Event Reporting and Notification

The NMRE Quality and Compliance Oversight Committee (QOC), as part of the QAPIP, will continue to review and follow-up on sentinel events and other critical incidents and events that put people at risk of harm. The QOC will also work on improving the data quality and timeliness in reporting events.

Training and information

The NMRE will continue to provide training to providers on the type of data to collect, the population involved in this data collection, and timeliness in reporting. The expectation is that providers will continue to train and remind their staff about this process.

Changes to Reporting Platforms

The NMRE will update the reporting system within PCE to better meet reporting needs and ensure timely and accurate reporting of these events to PIHP/MDHHS.

Data Collection and Review

The NMRE will continue to collect events data quarterly, analyze trends, and implement necessary interventions.

3. Consumer Experience Assessments

The NMRE will conduct ongoing quantitative and qualitative assessments (such as surveys, focus groups, phone interviews) of members' experiences with services. These assessments will be representative of persons served, including long-term supports and services (i.e., individuals receiving case management, respite services, or supports coordination) and the services covered by the NMRE's Specialty Supports and Services Contract whit the State. Assessment results will be used to improve services, processes, and communication. Outcomes will be shared in the annual newsletter. The NMRE will identify and provide possible recommendations to resolve areas of dissatisfaction on an ongoing basis.

LTSS (Long Term Supports and Services)

The NMRE will incorporate consumers receiving long-term supports or services (LTSS) into the review and analysis of the information obtained from quantitative and qualitative methods.

Outcomes

The NMRE will expand its process of collecting members' experiences with services to identify and investigate sources of dissatisfaction. Processes found to be effective will be continued while those less effective or not satisfactory will be revised and followed up with.

Substance Use Disorder (SUD)

The NMRE will conduct separate SUD surveys, including Withdrawal Management/Detox and Methadone surveys, to identify specific member experiences.

Evaluation Efforts

The NMRE will outline systemic action steps to follow-up on the findings from survey results on an ongoing basis.

The NMRE will share survey results with providers, the regional Quality and Compliance Oversight Committee (QOC), the Internal Operation Committee (IOC), network providers, Board

of Directors, the Regional Consumer Council (Regional Entity Partners), and post copy to the NMRE.org website.

4. Provider Network Monitoring

To ensure compliance, the NMRE conducts annual (at minimum) monitoring for all directly contracted providers in region, and out of region as needed and appropriate, utilizing reciprocity when necessary.

Monitoring

NMRE will conduct site reviews annually for all contracted service providers by 9/30/2024. The NMRE will monitor and follow-up on corrective action plans to ensure Corrective Action Plans (CAPs) are being implemented as stated by network providers. The NMRE QOC will request, on regular basis, updates from providers regarding the progress of their Quality Improvement Workplans and CAPs.

Verification of Medicaid Services

The NMRE will perform quarterly audits to verify Medicaid claims/encounters to ensure Medicaid services were furnished to beneficiaries by CMHSPs, SUD providers, providers, and/or subcontractors. This will include verifying data elements from individual claims/encounters to ensure proper codes are used and proper documentation is in place.

5. Behavior Treatment Review

The Regional Behavioral Treatment Plan Committee (BTRC) will conduct quarterly reviews and data analyses from the CMHSP providers where intrusive, or restrictive techniques have been approved for use with members and where physical management or 911 calls to law enforcement have been used in an emergency behavioral crisis. Trends and patterns will be reviewed to determine if systems and process improvement initiatives are necessary.

Data

Data includes numbers of interventions and length of time the interventions were used with the individual. The NMRE regional BTRC will be tasked with reviewing data to ensure that only techniques permitted by the MDHHS Technical Requirements for Behavior Treatment Plans and that have been approved during person-centered planning by the members or their guardians have been used.

6. Quality Measures (HEDIS measures)

The NMRE will review the following HEDIS measures to demonstrate and ensure quality care. The NMRE will provide HEDIS measure reports to the NMRE QOC on a quarterly basis. Upon review, QOC will identify interventions to improve outcomes where necessary.

Measures

The NMRE will collect and review data for the HEDIS measures tied to the Performance Bonus Incentive Pool.

- Follow-up after hospitalization (FUH) for mental illness within 30 days.
- Follow-up after (FUA) emergency department visit for Alcohol and Other Drug Dependence.
- Initiation and Engagement of Alcohol and Other Drug Abuse or Dependence Treatment (IET) (new)
- Adherence to antipsychotic medications for individuals with schizophrenia (SAA-AD) (new)

7. Performance Indicators

The NMRE will monitor the performance indicators for the NMRE CMHSP network as well as individually. Performance data will be reviewed and discussed by QOC on a quarterly basis. Michigan Mission Based Performance Indicator System (MMBPIS) will be utilized by NMRE to address areas of access, efficiency, and outcomes, and to report to the State as established in the contract. The NMRE will require corrective action from CMHSPs and providers for each indicator not met twice in a row.

Indicators

The NMRE, as well as CMHSPs, will continue to meet all MDHHS MMPBIS and a 95% rate or higher for indicators 1, 4a, and 4b. The PIHP will also find ways to capture percentage for indicator 10 and be sure to maintain less than 15% for that standard.

The NMRE will work with CMHSPs to improve indicators 2, 2e, and 3 and move them into at least 50th percentile, increasing them to 57%, 68.2%, and 72.9% respectively.

8. Monitoring and Evaluation

The NMRE continues to provide updates to QOC, network providers, the Governing Board, and other stakeholders regarding routine QAPIP activities. QAPIP activities will be reviewed and evaluated by QOC. QAPIP is reviewed and updated at least annually with the input from CMHSPs, providers, stakeholders, and approved by the Governing Board. Update reports will be shared with the Governing Board periodically, but at least annually. This workplan is a living document that may be updated throughout the year.

QAPIP activities will be shared with consumers through the regional Consumer Council (Regional Entity partners) and other stakeholders through committees and posting to the NMRE.org website.

9. Practice Guidelines

The NMRE and its network providers will implement a process to adopt and adhere to practice guidelines established by American Psychiatric Association (APA) and Michigan Department of Health and Human Services (MDHHS).

The NMRE, in collaboration with its QOC, Clinical Services Directors, as well as network providers, will review and adopt practice guidelines established by APA and MDHHS. The NMRE will disseminate adopted practice guidelines to all affected providers, members, stakeholders, and potential members as needed via the nmre.org website and annual newsletter.

10. Contracting

The NMRE updated Sub-contractual Relationships and Delegation Agreements to include the language: “the right to audit records for the past 10 years from the final date of the contract period or from the date of completion of any audit, whichever is later”.

New Contracts

The NMRE will ensure that in future agreements there is a specific language referencing Sub-contractual Relationships and Delegation Agreements.

11. Credentialing and Recredentialing

The NMRE will update its credentialing and recredentialing standards to align with its Specialty Supports and Services Contract with the State and federal regulations.

Updates and Monitoring

The NMRE updated its annual monitoring tools, as applicable, to ensure evidence is collected in policy, procedure, and practice regarding its delegation review of member Concerns, grievances, appeal information, or quality issues during periods of individual practitioner recredentialing.

The NMRE will annually and periodically ensure that the CMHSPs processes for exclusions checks are maintained each month and verify their processes for validation of the reports.

The NMRE will utilize a newly created monitoring tool specific to organizational credentialing and recredentialing using the HSAG tool as an example. The NMRE will ensure all standards in the MDHHS Credentialing and Recredentialing Guidelines are reviewed. The NMRE will further ensure that evidence of credentialing decision and accreditation or ongoing quality assessment, and timeframes, are reviewed.

The NMRE will continue to host Credentialing Roundtables for the region with the intention of educating staff that do the actual individual credentialing. This will allow the NMRE to drive a series of interactive meetings that allow the CMHSPs to discuss their processes as a group.

12. Exclusion Checks

The NMRE will continue work on transitioning substance use disorder (SUD) exclusion check activities from the NMRE to the SUD Providers. (The NMRE will continue to run exclusion checks for the SUD providers until the transition is complete.)

Policy

The NMRE will create a new policy regarding Exclusion Checks, will review this policy with the Provider Network and obtain feedback. Timeline is to be designed regarding full transition to SUD providers running exclusion checks. The NMRE will provide necessary information and assistance to ensure a smooth transition.

13. Utilization Management and Authorization of Services

The NMRE will continue to develop standardized utilization management protocols & functions across the region to identify areas of underutilization and overutilization of services. This will ensure access to public behavioral health services in the region in accordance with its contract with MDHHS and relevant Michigan Medicaid Provider Manual (MMPM) and Michigan Mental Health Code (MMHC) requirements.

Trending

Develop dashboards to monitor, trend, and review authorizations in the NMRE region. Conduct additional analysis on areas with significant variation in utilization patterns to identify root causes and opportunities for improvement. Develop internal process for timely processing of authorization denials as well es exceptions and extensions.

NMRE FY23 QAPIP EVALUATION

NMRE Board Meeting

2/28/24

THE STATE OF MICHIGAN REQUIRES THAT EACH PREPAID INPATIENT HEALTH PLAN (PIHP) HAVE A QUALITY ASSESSMENT AND PERFORMANCE IMPROVEMENT PROGRAM (QAPIP).

PURPOSE

THE QAPIP IS INTENDED TO SERVE SEVERAL FUNCTIONS, INCLUDING BUT NOT LIMITED TO:

- SERVE AS THE QUALITY IMPROVEMENT STRUCTURE FOR THE MANAGED CARE ACTIVITIES OF THE NMRE AS THE PIHP FOR THE TWENTY-ONE-COUNTY AREA.

- PROVIDE OVERSIGHT OF THE CMHSPS' QUALITY IMPROVEMENT STRUCTURES AND ENSURE COORDINATION WITH PIHP ACTIVITIES, AS APPROPRIATE.

- PROVIDE LEADERSHIP AND COORDINATION FOR THE PIHP PERFORMANCE IMPROVEMENT PROJECTS (PIPS).

- COORDINATE WITH THE REGIONAL COMPLIANCE COORDINATOR AND REGIONAL COMPLIANCE COMMITTEE FOR VERIFICATION OF MEDICAID CLAIMS SUBMITTED.

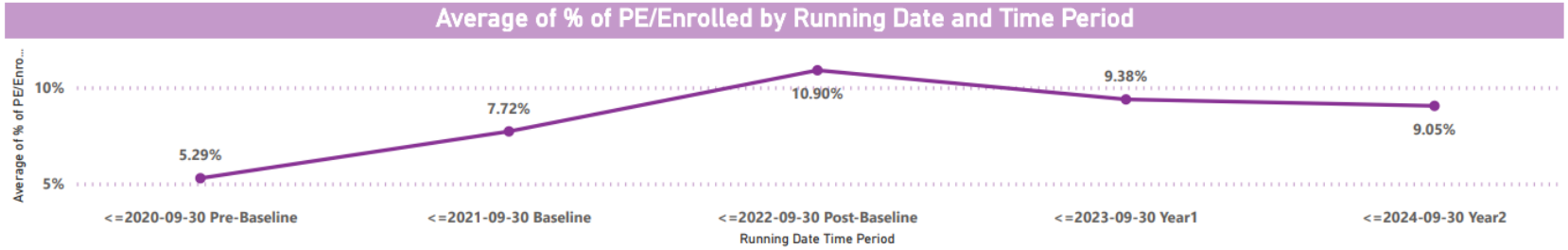
- DESCRIBE HOW THESE FUNCTIONS WILL BE EXECUTED WITHIN THE NMRE'S ORGANIZATIONAL STRUCTURE.

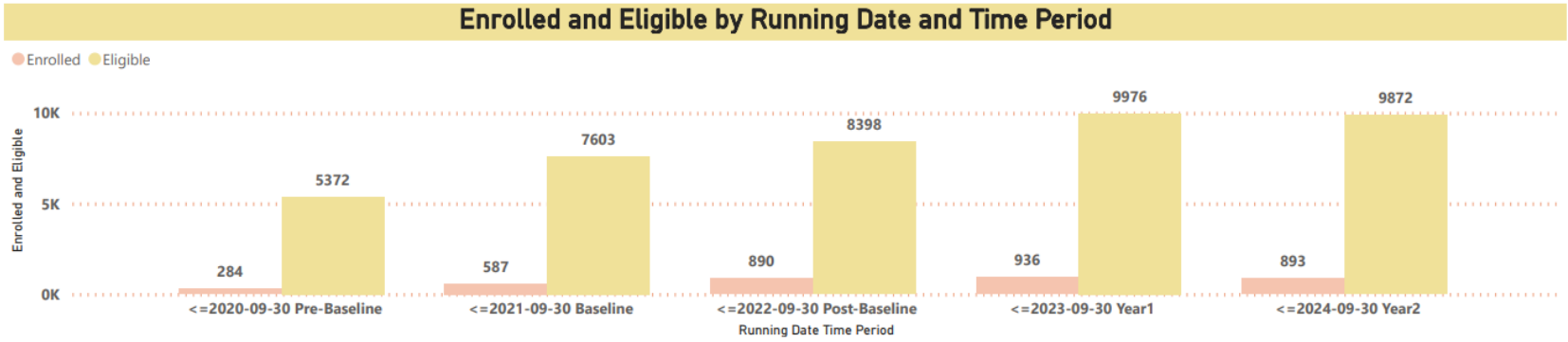
NMRE FY23 QAPIP HAD 14 GOALS

PERFORMANCE IMPROVEMENT PROJECT
GOAL 1 OBJECTIVE 1

WSA OHH Breakout: Eligible versus Enrolled

Time Period	Running Date	Enrolled	Eligible	% of PE/Enrolled	% Enrolled Change	% Eligible Change
Pre-Baseline	<=2020-09-30	284	5372	5.29%	0.00%	0.00%
Baseline	<=2021-09-30	587	7603	7.72%	106.69%	41.53%
Post-Baseline	<=2022-09-30	890	8398	10.90%	51.62%	10.46%
Year1	<=2023-09-30	936	9976	9.38%	5.17%	18.79%
Year2	<=2024-09-30	893	9872	9.05%	-4.59%	-1.04%





GOAL 1 OBJECTIVE 2

HHBH Comparison of Receiving HHBH Waiver Services versus Potential Enrollees			
Receiving BHH Waiver Services	**Enrolled + Potential Enrollees who are actively enrolled w/CMHSP**	**Percent Enrolled**	**CMHSP**
77	1827	4.21%	AuSable Valley CMH
140	1081	12.95%	Centra Wellness Network
94	2935	3.20%	North Country CMH
71	1694	4.19%	Northeast Michigan CMH
169	4269	3.96%	Northern Lakes CMH
551	**11806**	**4.67%**	

TO IMPROVE THE NUMBER OF
INDIVIDUALS ENROLLED IN THE CMHSP BEHAVIORAL HEALTH HOME (BHH) PROGRAM FROM 3.56% TO 5% BY 9/2024 (DATA 1/16/24)

AN ITR HAS BEEN CREATED IN ORDER TO MAKE CHANGES NECESSARY IN PCE SYSTEM TO ALLOW FOR TIMELY AND ACCURATE REPORTING OF THE EVENTS.

- Goal #2:

- The NMRE QOC, as part of the QAPIP, will continue to review and follow-up on sentinel events and other critical incidents and events that put people at risk of harm. The QOC will also work on improving the data quality and timeliness in reporting events.

GOAL 6 OBJECTIVE 2

THE NMRE WILL ESTABLISH REGIONAL HEDIS MEASURES TO DEMONSTRATE THE EFFECTIVENESS OF IMPROVEMENTS IN THE QUALITY OF HEALTH CARE AND SERVICES FOR MEMBERS.

Measure	Medicaid Program	Numerator	Denominator	Rate	Report Ending Date
FUH-30AD	MICHIGAN MEDICAID TOTAL	11,997	18,703	64.14	06/30/2023
FUH-30AD	MEDICAID MANAGED CARE	10,723	16,534	64.85	06/30/2023
FUH-30AD	MEDICAID FEE FOR SERVICE (FFS)	969	1,659	58.41	06/30/2023
FUH-30AD	NORTHERN MICHIGAN REGIONAL ENTITY	578	818	70.66	06/30/2023

Measure	Health Plan	Numerator	Denominator	Rate	Report Ending Date
FUH-30AD	MCLAREN HEALTH PLAN	160	230	69.57	6/30/2023
FUH-30AD	MERIDAN HEALTH PLAN	205	277	74.01	6/30/2023
FUH-30AD	MOLINA HEALTH CARE	79	113	69.91	6/30/2023
FUH-30AD	UNITED HEALTHCARE COMMUNITY PLAN	58	85	68.24	6/30/2023

FOLLOW-UP AFTER HOSPITALIZATION (FUH) FOR MENTAL ILLNESS WITHIN 30 DAYS, BENCHMARK 58%.

GOAL 6 OBJECTIVE 2

THE NMRE WILL ESTABLISH REGIONAL HEDIS MEASURES TO DEMONSTRATE THE EFFECTIVENESS OF IMPROVEMENTS IN THE QUALITY OF HEALTH CARE AND SERVICES FOR MEMBERS.

Measure	Medicaid Program	Numerator	Denominator	Rate	Report Ending Date
FUA-30	MICHIGAN MEDICAID TOTAL	9,458	22,235	42.54	06/30/2023
FUA-30	MEDICAID TOTAL - UNKNOWN	409	1,068	38.3	06/30/2023
FUA-30	MEDICAID TOTAL - AMERICAN INDIAN / ALASKA NATIVE	238	527	45.16	06/30/2023
FUA-30	MEDICAID TOTAL - WHITE	6,589	13,901	47.4	06/30/2023
FUA-30	MEDICAID TOTAL - ASIAN AMERICAN	21	67	31.34	06/30/2023
FUA-30	MEDICAID TOTAL - HISPANIC	353	926	38.12	06/30/2023
FUA-30	MEDICAID TOTAL - AFRICAN AMERICAN / BLACK	1,839	5,730	32.09	06/30/2023
FUA-30	MEDICAID TOTAL - NATIVE HAWAIIAN & OTHER PACIFIC ISLANDER	9	16	56.25	06/30/2023
FUA-30	NORTHERN MICHIGAN REGIONAL ENTITY - TOTAL	481	1,043	46.12	06/30/2023
FUA-30	NORTHERN MICHIGAN REGIONAL ENTITY - NATIVE HAWAIIAN & OTHER PACIFIC ISLANDER		1	0	06/30/2023
FUA-30	NORTHERN MICHIGAN REGIONAL ENTITY - AFRICAN AMERICAN / BLACK	6	23	26.09	06/30/2023
FUA-30	NORTHERN MICHIGAN REGIONAL ENTITY - WHITE	432	902	47.89	06/30/2023
FUA-30	NORTHERN MICHIGAN REGIONAL ENTITY - HISPANIC	7	30	23.33	06/30/2023
FUA-30	NORTHERN MICHIGAN REGIONAL ENTITY - AMERICAN INDIAN / ALASKA NATIVE	25	56	44.64	06/30/2023
FUA-30	NORTHERN MICHIGAN REGIONAL ENTITY - UNKNOWN	11	29	37.93	06/30/2023
FUA-30	NORTHERN MICHIGAN REGIONAL ENTITY - ASIAN AMERICAN		2	0	06/30/2023

FOLLOW-UP AFTER (FUA) EMERGENCY DEPARTMENT VISIT FOR ALCOHOL AND OTHER DRUG DEPENDENCE.

NMRE **FY24** QAPIP PLAN

NMRE Board Meeting

2/28/24

PERFORMANCE IMPROVEMENT PROJECTS (PIPS)

EVENT REPORTING AND NOTIFICATION

- The NMRE Quality and Compliance Oversight Committee (QOC), as part of the QAPIP, will continue to review and follow-up on sentinel events and other critical incidents and events that put people at risk of harm. The QOC will also work on improving the data quality and timeliness in reporting events.

CONSUMER EXPERIENCE ASSESSMENTS

- The NMRE will conduct ongoing quantitative and qualitative assessments (such as surveys, focus groups, phone interviews) of members' experiences with services.

- Processes found to be effective will be continued while those less effective or not satisfactory will be revised and followed up with.

PROVIDER NETWORK MONITORING

- To ensure compliance, the NMRE conducts annual (at minimum) monitoring for all directly contracted providers in region, and out of region as needed and appropriate, utilizing reciprocity when necessary.

QUALITY MEASURES (HEDIS MEASURES)

- The NMRE will collect and review data for the HEDIS measures tied to the Performance Bonus Incentive Pool.

- Follow-up after hospitalization (FUH) for mental illness within 30 days.
- Follow-up after (FUA) emergency department visit for Alcohol and Other Drug Dependence.
- Initiation and Engagement of Alcohol and Other Drug Abuse or Dependence Treatment (IET) (new)
- Adherence to antipsychotic medications for individuals with schizophrenia (SAA-AD) (new)

PERFORMANCE INDICATORS

- The NMRE will monitor the performance indicators for the NMRE CMHSP network as well as individually. Performance data will be reviewed and discussed by QOC on a quarterly basis. Michigan Mission Based Performance Indicator System (MMBPIS) will be utilized by NMRE to address areas of access, efficiency, and outcomes, and to report to the State as established in the contract.

THANK YOU
Questions?

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Branislava Arsenov, Clinical Services Director, NMRE

Northern Michigan Regional Entity

FY 2024

UPDATE FOR NMRE BOARD REGARDING CERTIFIED COMMUNITY BEHAVIORAL HEALTH CLINICS (CCBHC)
FEBRUARY 28, 2024

ERIC KURTZ, NORTHERN MICHIGAN REGIONAL ENTITY CEO

BACKGROUND OF CCBHCS

- In 2016, MDHHS applied to the Centers for Medicare & Medicaid Services (CMS) to become a CCBHC Demonstration state under Section 223 of the federal Protecting Access to Medicare Act of 2014 (PAMA).
- That request was approved on August 5, 2020, when the federal CARES Act of 2020 authorized two additional states—Michigan and Kentucky—to join the two-year demonstration.
- In 2021, Michigan certified 13 sites (10 CMHSPs and 3 non-for profits).
- In 2022, the Bipartisan Safer Communities Act extended eligibility to participate in the demonstration for an additional four years.
- In 2023, prior to the CCBHC state evaluation of the original sites and in part based on the Safer Community's Act extension, Michigan is now in the process of certifying an additional 17 sites for what will eventually be a total of 30 sites statewide.

WHAT IS A CCBHC?

- CCBHCs are designed to provide a comprehensive range of mental health and substance use disorder services and serve as a safety net behavioral health service provider. CCBHCs directly, or through designated collaborating organizations (DCO's), provide a set of **nine** comprehensive services to address the complex needs of persons with mental health or SUD diagnoses services. This full array of services must be made available to **all consumers regardless of ability to pay** and represent a service array necessary to facilitate **access, stabilize crises, address complex mental illness and addiction, and emphasize physical/behavioral health integration.**

NINE CORE CCBHC SERVICES

1. Crisis mental health services, including 24-hour mobile crisis teams, emergency crisis intervention services, and crisis stabilization.
2. Screening, assessment, and diagnosis, including risk assessment.
3. Patient-centered treatment planning or similar processes, including risk assessment and crisis planning.
4. Outpatient mental health and substance use services.
5. Outpatient clinic primary care screening and monitoring of key health indicators and health risk.
6. Targeted case management.
7. Psychiatric rehabilitation services.
8. Peer support and counselor services and family supports.
9. Intensive, community-based mental health care for members of the armed forces and veterans, particularly those members and veterans located in rural areas.

FINANCING

- MDHHS is utilizing the Certified Community Behavioral Health Clinic (CCBHC) Prospective Payment System 1 (PPS-1) methodology in which CCBHC Demonstration Sites receive a daily clinic-specific rate for providing approved CCBHC services to eligible individuals, including Medicaid beneficiaries and non-Medicaid individuals with a mental health and/or substance use disorder diagnosis.
- PIHPs will reimburse CCBHC Demonstration Sites at clinic-specific PPS-I rate or their actuarial equivalent.

FINANCING (CAVEATS)

- MDHHS requires the PIHP to reimburse a CCBHC at its clinic-specific PPS-1 rate for each qualifying CCBHC service (note: the PPS-1 payment may only be paid once per day per beneficiary/recipient regardless of the number of CCBHC services provided on a given day).
- Contingent on **available funding**, MDHHS will provide payment via the PIHPs to offset the eligible portion of the cost of CCBHCs providing CCBHC services to the non-Medicaid CCBHC recipients.
- PPS payments are outside of the normal PIHP capitation payments. CCBHCs are at 100% risk for the operation of CCBHC services.
- Funds cannot be comingled with normal PIHP capitation payments and should be done through an established enterprise fund.
- PPS rates are adjusted each year based on the actual costs of services.

THIRD-PARTY AND COORDINATION OF BENIFITS

- For all CCBHC services (daily visits), whether provided directly or through a DCO, CCBHCs must first bill any applicable third-party payors, including Medicare, prior to submitting the encounter to the PIHP for CCBHC PPS-1 payment.
- CCBHCs will report all applicable third-party payment/COB/other revenue used for CCBHC services (daily visits) to the PIHP.
- For Medicaid beneficiaries, the PIHP will utilize Medicaid capitation to reimburse the balance of CCBHC service costs less the third-party/COB payments.*
- For non-Medicaid recipients, the PIHP will, to the extent available, utilize dedicated state funds to reimburse the balance of CCBHC service costs less the third party/COB/other grant and/or revenue source funds.

*Note: there are cases where certain third-party payors may not allow the CCBHC to bill on behalf of a DCO; in this case, the DCO must provide any payment received from the third-party payor to the CCBHC.

NMRE/PIHP REQUIREMENTS

- PIHPs must be Regional Entities as defined in Michigan's Mental Health Code (330.1204b) or organized as the three standalone CMHSPs (i.e., Macomb, Oakland, and Wayne Counties)
- PIHPs must have the capacity to evaluate, select, and support providers that meet the certification standards for CCBHC including:
  - Identifying Providers and DCOs that meet CCBHC standards.
  - Establishing an infrastructure to support CCBHCs in care coordination and providing required services, including but not limited to crisis services, SUD services, and primary care services.
  - Collecting and sharing member-level information regarding health care utilization and medications with CCBHCs.
  - Providing implementation and outcome protocols to assess CCBHC effectiveness.
  - Developing training and technical assistance activities that will support CCBHCs in the effective delivery of CCBHC services.

NMRE/PIHP REQUIREMENTS (CONTINUED)

- PIHPs provide access and utilization management of Medicaid-covered services, including Medicaid-covered services for individuals enrolled in CCBHC. If a PIHP delegates managed care functions to the CCBHC, the PIHP remains the responsible party for adhering to its contractual obligations.
- PIHPs will use the Waiver Support Application (WSA) for CCBHC assignment activities. This includes maintaining an updated list of eligible individuals and sharing with CCBHCs for outreach, assignment management, and report generation.
- PIHPs will utilize the WSA to upload information on CCBHC recipients for the non-Medicaid population by CCBHC.
- PIHPs will verify diagnostic criteria for CCBHC recipients who are not automatically identified and enrolled (such as walk-ins) and non-Medicaid recipients is entered into WSA. PIHPs should work with the CCBHCs to confirm diagnostic eligibility, particularly for non-Medicaid individuals, and may establish other review processes to verify diagnoses for all populations.
- PIHP will review consent document when uploaded by a CCBHC before assigning an individual to a CCBHC.

RISK AND REWARDS

- A CMH as a CCBHC will be at 100% risk for funding and serving all individuals regardless of third-party billing or ability to pay.
- Financing for non-traditional Medicaid services (e.g., CCBHC services) is based on annual legislative appropriations.
- NMRE/PIHP must assure that if funding is moved from base regional rates for CCBHC services it does not affect other non-CCBHC CMHSPs within the region.
- Must have adequate CCBHC service array that may have higher cost and very low service volume for rural areas.
- Newly proposed language may make FQHCs qualified almost by default?
- Being a state certified CCBHC may prevent other non CMHSP providers form entering the market?

QUESTIONS

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