

**NORTHERN MICHIGAN REGIONAL ENTITY
BOARD OF DIRECTORS MEETING
10:00AM – DECEMBER 13, 2023
GAYLORD BOARDROOM**

ATTENDEES:	Tom Bratton, Ed Ginop, Gary Klacking, Eric Lawson, Greg McMorrow, Michael Newman, Gary Nowak, Jay O’Farrell, Ruth Pilon, Karla Sherman, Don Smeltzer, Don Tanner, Chuck Varner
ABSENT:	Richard Schmidt
NMRE/CMHSP STAFF:	Bea Arsenov, Brian Babbitt, Carol Balousek, Chip Johnston, Eric Kurtz, Diane Pelts, Brandon Rhue, Nena Sork, Deanna Yockey
PUBLIC:	Chip Cieslinski, Donna Hardies, Sue Winter

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 Richard Schmidt was excused from the meeting on this date; all other NMRE Board Members were in attendance either in person or virtually.

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 CHUCK VARNER TO APPROVE THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS MEETING AGENDA FOR DECEMBER 13, 2023; SUPPORT BY MICHAEL NEWMAN. MOTION CARRIED.

APPROVAL OF PAST MINUTES

Let the record show that the October minutes of the NMRE Governing Board were included in the materials for the meeting on this date.

MOTION BY GARY NOWAK TO APPROVE THE MINUTES OF THE OCTOBER 25, 2023 MEETING OF THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS; SUPPORT BY KARLA SHERMAN. MOTION CARRIED.

CORRESPONDENCE

- 1) The minutes from the October 3rd PIHP CEO meeting.
- 2) The minutes from the November 7th PIHP CEO meeting.
- 3) Email correspondence from the Community Mental Health Association of Michigan (CMHAM) advocating for support for HB 4707.
- 4) A copy of HB 5371 which would amend PA 280 of 1939 to direct the Department to develop a prospective payment system under the medical assistance program for funding certified community behavioral health clinics (CCBHC).
- 5) A copy of HB 5372 which would amend PA 280 of 1939 to state that:
 - a) The state will not implement a policy that is contradictory or interferes with the implementation of CCBHCs.
 - b) The state will develop a process of determination for additional CCBHC sites within specific geographic regions that must comply with federal CCBHC requirements.
 - c) The state will continue to participate with the federal government to implement CCBHCs. Opting out will require a vote of the legislature.
- 6) Prevention Policy 01 updating the requirements for Substance Use Prevention, Treatment, and Recovery Services Block Grant Synar check compliance.
- 7) Flyer providing a link to the Opioid Settlement Funds Community Impact Survey: [Michigan Opioid Settlement Funds: Community Impact Survey \(surveymonkey.com\)](https://www.surveymonkey.com).
- 8) Slide deck from a presentation by Meghan Groen, Senior Deputy Director of the Behavioral & Physical Health & Aging Services Administration at MDHHS dated November 1, 2023 on the COVID 19 Public Health Emergency Unwind and Resumption of Standard Medicaid Operations.
- 9) The Quarter 3 FY23 Statewide Performance Indicator Report.
- 10) A letter from Terry Larson dated November 6, 2023 declaring his resignation from the NMRE Governing Board.
- 11) The draft minutes of the November 8, 2023 regional Finance Committee meeting.

Mr. Kurtz drew attention to the two House Bills that would make Certified Community Behavioral Health Clinics (CBHC) State Plan Amendment services. Mr. Kurtz clarified that CCBHCs are currently operating under a pilot project; the legislation would make CCBHC services permanent. Mr. Kurtz emphasized that many of these services are currently offered through the public behavioral health system and already state plan services under Medicaid; the CCBHC is mainly a funding model.

Mr. Lawson referred to House Bill 4707 (Brabec), a comprehensive mental health and substance use disorder parity bill for those with commercial insurance. HB 4707 would amend the Insurance Code to require health insurers in Michigan to provide coverage for medically necessary treatment of a mental health or substance abuse disorder. The bill would set requirements for coverage of out-of-network services and emergency services, as well as requirements related to prior authorization, utilization review, and the determination of level of care for insured individuals.

Mr. Kurtz acknowledged the resignation letter from founding NMRE Board Member, Terry Larson.

ANNOUNCEMENTS

Let the record show that there were no announcements during the meeting on this date.

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 no meetings of the NMRE Executive Committee have occurred since the October Board Meeting.

CEO Report

The NMRE CEO Monthly Report for November/December 2023 was included in the materials for the meeting on this date.

September 2023 Financial Report

- Net Position showed net deficit Medicaid and HMP of \$215,344. Budget stabilization was reported as \$16,369,542. The total Medicaid and HMP Current Year Surplus was reported as \$16,154,198. Medicaid and HMP combined ISF was reported as \$16,369,542; the total Medicaid and HMP net surplus, including carry forward and ISF was reported as \$32,523,740.
- Traditional Medicaid showed \$198,687,690 in revenue, and \$201,137,511 in expenses, resulting in a net deficit of \$2,449,821. Medicaid ISF was reported as \$9,306,578 based on the current FSR. Medicaid Savings was reported as \$7,742,649.
- Healthy Michigan Plan showed \$35,861,654 in revenue, and \$33,627,176 in expenses, resulting in a net surplus of \$2,234,478. HMP ISF was reported as \$7,062,964 based on the current FSR. HMP savings was reported as \$8,626,893.
- Health Home showed \$2,418,616 in revenue, and \$2,166,835 in expenses, resulting in a net surplus of \$251,781.
- SUD showed all funding source revenue of \$30,471,105 and \$27,809,959 in expenses, resulting in a net surplus of \$2,661,146. Total PA2 funds were reported as \$5,097,296.

A summary of payment and enrollment activity from September through November of 2023 was included in the meeting materials.

Since September revenue has increased for DAB by \$299,578 (3.2%), decreased for HMP by \$476,970 (-17.6%), and decreased for TANF by \$18,138 (-0.7%), resulting in a net decrease of \$195,530 (-1.32%). Annualized, this results in a revenue decrease of \$2,346,355.

Ms. Yockey explained that living codes rates were updated for individuals on the Habilitation Supports Waiver (HSW). The effect of those changes, annualized, results in a revenue increase of \$7,393,669, which could offset the projected losses.

Currently there are 13 empty HSW slots in the region. Each slot averages \$7,135 in monthly revenue. MDHHS will be looking at penetration rates in its effort to redistribute slots statewide. It was noted that the ceiling on the number of slots can be raised by making a request to CMS; Mr. Kurtz agreed to raise the issue.

The 1915(c) Habilitation Support Waiver is due for renewal in June. Boards may have historical letters of support that can be reissued. MDHHS has put more restrictions on the enrollment and recertification processes.

MOTION BY KARLA SHERMAN TO APPROVE THE NORTHERN MICHIGAN REGIONAL ENTITY MONTHLY FINANCIAL REPORT FOR SEPTEMBER 2023; SUPPORT BY ED GINOP. MOTION CARRIED.

Operations Committee Report

The minutes from December 4, 2023 were included in the materials for the meeting on this date.

NMRE SUD Oversight Committee Report

The minutes from November 6, 2023 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

Two liquor tax requests were presented to the NMRE Substance Use Disorder Oversight Committee and moved for approval of NMRE Board of Directors on November 6, 2023.

1.	BASES	Charlevoix County Jail Group	Charlevoix County	\$20,000.00
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MOTION BY GARY NOWAK TO APPROVE THE REQUESTS FROM BAY AREA SUBSTANCE EDUCATION SERVICES (BASES) FOR CHARLEVOIX COUNTY LIQUOR TAX DOLLARS IN THE AMOUNT OF TWENTY THOUSAND DOLLARS (\$20,000.00) FOR GROUP SERVICES IN THE COUNTY JAIL; SUPPORT BY RUTH PILON.

Discussion: It was noted that, although the goal has been for projects funded with liquor tax to procure other funding sources by the fourth year, there are currently no other funding sources available.

ROLL CALL VOTE.

“Yea” Votes: T. Bratton, E. Ginop, G. Klacking, E. Lawson, G. McMorrow, M. Newman, G. Nowak, J. O’Farrell, R. Pilon, K. Sherman, D. Smeltzer, D. Tanner, C. Varner

“Nay” Votes: Nil

MOTION CARRIED.

2.	Catholic Human Services	Hands That Heal Trainings	Grand Traverse County	\$13,475.00
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MOTION BY KARLA SHERMAN TO APPROVE THE REQUESTS FROM CATHOLIC HUMAN SERVICES FOR GRAND TRAVERSE COUNTY LIQUOR TAX DOLLARS IN THE AMOUNT OF THIRTEEN THOUSAND FOUR HUNDRED SEVENTY-FIVE DOLLARS (\$13,475.00) FOR TRAINING IN THE HANDS THAT HEAL CURRICULUM; SUPPORT BY ERIC LAWSON. ROLL CALL VOTE.

“Yea” Votes: T. Bratton, E. Ginop, G. Klacking, E. Lawson, G. McMorrow, M. Newman, G. Nowak, J. O’Farrell, R. Pilon, K. Sherman, D. Smeltzer, D. Tanner, C. Varner

“Nay” Votes: Nil

MOTION CARRIED.

PA 152 Opt Out

Public Act 152, the Publicly Funded Health Insurance Contribution Act, created a law that limits the amount that public employers pay toward employee medical benefit plans, effective January 1, 2012. Although the NMRE is not over the cap currently, Mr. Kurtz asked the Board for permission to opt out of the Act. It was noted that a 2/3 vote of the governing body is needed to opt out. A legal opinion from attorney Steven E. Burnham to Chip Johnston dated October 12, 2011 was included in the materials for the meeting on this date.

This topic will be brought to the Board annually in December.

MOTION BY DON SMELTZER TO ALLOW THE NORTHERN MICHIGAN REGIONAL ENTITY TO COMPLY WITH PUBLIC ACT 152, THE PUBLICLY FUNDED HEALTH INSURANCE CONTRIBUTION ACT, BY ADOPTING THE ANNUAL EXEMPTION OPTION FOR THE MEDICAL BENEFIT PLAN COVERAGE FOR JANUARY 1, 2024 THROUGH DECEMBER 31, 2024; SUPPORT BY MICHAEL NEWMAN. ROLL CALL VOTE.

“Yea” Votes: T. Bratton, E. Ginop, G. Klacking, E. Lawson, G. McMorrow, M. Newman, G. Nowak, J. O’Farrell, R. Pilon, K. Sherman, D. Smeltzer, D. Tanner, C. Varner

“Nay” Votes: Nil

MOTION CARRIED.

Waskul Vs. Washtenaw County

The settlement of the 2016 Waskul lawsuit against the State of Michigan (MDHHS), the CMH Partnership of Southeast Michigan, and Washtenaw County was included in the materials for the meeting on this date. The plaintiffs contend that the dollars provided as part of a Self-Determination/Self-Directed Budget arrangement, are insufficient to recruit and retain direct care workers providing community living supports to support them in their homes and community.

The settlement offer proposed by the State of Michigan would increase the hourly rate for CLS from the current rate paid by Washtenaw CMH of \$21/hour to \$32/hour. The State’s proposed increase would be provided only for direct care workers serving person on the habilitation supports waiver (HSW) who are in Self-Determination /Self-Directed Budget arrangements.

CMHAM Concerns:

- 1) The settlement discriminates against all the other Michiganders in need of support to live in the community.
- 2) The settlement does nothing to address the statewide direct care worker shortage.
- 3) The settlement exacerbates the direct care worker shortage by distorting the labor market to favor one segment of the direct care worker workforce.
- 4) The settlement invites lawsuits as the method to solve the direct care worker shortage and other impediments to access to care.

CMHAM Recommendations:

- 1) MDHHS should revise the settlement offer to apply to all the Medicaid beneficiaries served by the State’s direct care workers.

- 2) MDHHS should dedicate the funds that have been identified by MDHHS to cover this settlement proposal, to fund the work of all the State's direct care workers.
- 3) MDHHS should withdraw its settlement proposal.

Amendment No.1 to the PIHP Specialty Supports and Services Contract

The first amendment to the NMRE's FY24 Specialty Supports and Services Contract with the State of Michigan was issued to reflect the rate certification and Schedule E reporting guidelines. Total revenue was provided as \$268,904,580.

MOTION BY GARY NOWAK TO AUTHORIZE THE NORTHERN MICHIGAN REGIONAL ENTITY CHIEF EXECUTIVE OFFICER TO SIGN AND EXECUTE AMENDMENT NUMBER One (NO.1) TO THE STATE OF MICHIGAN'S SPECIALTY SUPPORTS AND SERVICES CONTRACT WITH THE NORTHERN MICHIGAN REGIONAL ENTITY FOR FISCAL YEAR 2024; SUPPORT BY DON SMELTZER. ROLL CALL VOTE.

"Yea" Votes: T. Bratton, E. Ginop, G. Klacking, E. Lawson, G. McMorrow, M. Newman, G. Nowak, J. O'Farrell, R. Pilon, K. Sherman, D. Smeltzer, D. Tanner, C. Varner

"Nay" Votes: Nil

MOTION CARRIED.

OLD BUSINESS

Northern Lakes CMHA Update

A Northern Lakes CEO Search Committee meeting is being held at 1:00PM on this date. The NMRE will be issuing a Request for Quotes (RFQ) to select a search firm. A summary of program audits conducted by Rehmann is expected in January. Mr. McMorrow shared that the Northern Lakes CMHA Board Chair called for an ad hoc Governance Committee to put together actions to confirm a governance model.

PRESENTATION

Naloxone Training

Donna Hardies, Prevention Supervisor with Catholic Human Services was in attendance to provide training on the use of naloxone/Narcan to reverse an opioid drug overdose.

Signs and Symptoms of an Opioid Overdose

- Unresponsive
- Blue lips
- Blue/gray skin
- Foaming at the mouth
- Loud snoring/gurgling sounds
- Slow or no breathing
- Eyes rolled back

The Three Things to Do When Someone is Overdosing from Opioids:

- 1) Access – Call 911.
- 2) Administer – Insert naloxone/Narcan into the nostril and push the plunger.
- 3) Aftercare – Provide rescue breathing.
- 4) Administer a second dose of Narcan if the individual is still unresponsive after 2 -2 3 minutes.

BE AWARE: Administering naloxone to an opioid-dependent individual can cause withdrawal symptoms.

COMMENTS

Board

Mr. McMorrow referenced the September 2023 Financial Report; specifically, he asked about the \$16M surplus. Ms. Yockey clarified that \$13M can be carried forward into FY24; a lapse of approximately \$1.7M lapse to the state is anticipated.

NEXT MEETING DATE

The next meeting of the NMRE Board of Directors was scheduled for 10:00AM on January 24, 2024.

ADJOURN

Let the record show that Mr. Tanner adjourned the meeting at 11:49AM.