

**NORTHERN MICHIGAN REGIONAL ENTITY
BOARD OF DIRECTORS MEETING
10:00AM – APRIL 26, 2023
GAYLORD BOARDROOM**

ATTENDEES:	Kate Dahlstrom, Ed Ginop, Gary Klacking, Eric Lawson, Mary Marois, Michael Newman, Gary Nowak, Jay O’Farrell, Karla Sherman, Don Smeltzer, Don Tanner, Chuck Varner
ABSENT:	Terry Larson, Richard Schmidt
NMRE/CMHSP STAFF:	Brian Babbitt, Jodie Balhorn, Amy Christie, Eric Kurtz, Brian Martinus, Nena Sork, Teresa Tokarczyk, Deanna Yockey, Carol Balousek, Lisa Hartley
PUBLIC:	Dave Freedman, Donna Hardies, Amy Horstman, Susan Pulaski, Ellen Templeton, 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 Terry Larson and Richard Schmidt were excused from the meeting on this date; all 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 KARLA SHERMAN TO APPROVE THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS MEETING AGENDA FOR APRIL 26, 2023; SUPPORT BY GARY KLACKING. MOTION CARRIED.

APPROVAL OF PAST MINUTES

Let the record show that the March 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 MARCH 22, 2023 MEETING OF THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS; SUPPORT BY KATE DAHLSTROM. MOTION CARRIED.

CORRESPONDENCE

1) The minutes from the March 7, 2023PIHP CEO meeting.

- 2) The minutes from the April 6, 2023 MDHHS PIHP CEO meeting.
- 3) Document from the Community Mental Health Association of Michigan (CMHAM) dated March 2023 titled "Concerns Relative to the March 23 MDHHS-Proposed Conflict-Free Access and Planning Options."
- 4) Press release from MDHHS dated March 23, 2023 announcing the launch of the Electronic Visit Verification (EVV) System in Michigan.
- 5) Press release from MDHHS dated April 2, 2023 announcing the expansion of dental benefits for Medicaid beneficiaries.
- 6) MDHHS Service Delivery Transformation Section Update for April 2023.
- 7) Letter from Jackie Sproat (MDHHS) to NMRE CEO, Eric Kurtz, dated April 3, 2023 accepting the NMRE's FY23 Risk Management Strategy.
- 8) Letter from Roslund Prestage and Company dated April 19, 2023 to the NMRE Governing Board members extending the opportunity for them to share with RPC any concerns they have regarding the PIHP, whether they be in relation to FSR reporting, controls over assets, or issues regarding personnel, as well as an opportunity for them to ask any questions they have regarding the FY22 compliance audit.
- 9) Rough projections of Capitation Populations and Funding by Month using pre-PHE Populations supplied by CMHAM.
- 10) Save the Date for the Caro Psychiatric Hospital Open House Celebration on June 5, 2023 at 10:00AM.
- 11) The draft minutes of the April 12, 2023 regional Finance Committee meeting.

Mr. Kurtz drew attention to the press release issued by the Department announcing the launch of the EVV system. The EVV system is intended to ensure beneficiaries are receiving in-home services as planned and authorized and improve the accuracy of payments for services provided. Michigan is required to implement EVV for all Medicaid personal care services and home health services that require an in-home visit by a provider. MDHHS has contracted with HHAeXchange to create the EVV system.

The announcement from MDHHS on April 3rd regarding the expansion of dental benefits for Medicaid beneficiaries was referenced; this will likely help keep beneficiaries enrolled in traditional Medicaid.

The rough projections of capitation populations and funding by month using pre-Public Health Emergency (PHE)/COVID populations were reviewed. The cumulative loss for the months June through September could reach \$42.7M statewide.

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 the NMRE Executive Committee met on April 20, 2023.

A legal opinion obtained from Steve Burnham dated April 6, 2023 was included in the meeting materials.

Mr. Burnham concluded that, because its role is to “advise and recommend,” the NMRE Substance Use Disorder (SUD) Oversight Committee is not subject to the Open Meetings Act (OMA). Based on this opinion, NMRE SUD Oversight Committee Members will be able to fully participate (vote) in meetings if they attend by remote means. Mr. Kurtz stressed that the NMRE still intends for SUD Oversight Committee meetings to be open to the public with meeting times, agenda, and minutes posted to the NMRE.org website.

The Executive Committee reviewed the former SUD Oversight Board “Bylaws” and revised the wording to clarify that the NMRE SUD Oversight Committee acts as a sub-committee of the NMRE Governing Board; the document was retitled “Northern Michigan Regional Entity Substance Use Disorder Oversight Committee Operating Procedures” and was distributed to Board members during the meeting. Clarification was made that the document has been reviewed by Mr. Burnham, who found no issues.

Pursuant to the “Operating Procedures” the NMRE SUD Oversight Committee officers will be members of, and appointed by, the NMRE Governing Board.

If there is cause for an NMRE SUD Oversight Committee member be removed, the SUD Oversight Committee Chair will communicate the need to the NMRE Board Chair; the NMRE Board Chair will communicate with the County.

It was noted that the frequency of meetings could be reduced from every other month (6) to quarterly (4).

MOTION BY KARLA SHERMAN TO APPROVE THE NORTHERN MICHIGAN REGIONAL ENTITY SUBSTANCE USE DISORDER OVERSIGHT COMMITTEE OPERATING PROCEDURES AS PRESENTED AND REVIEWED ON THIS DATE; SUPPORT BY MARY MAROIS. ROLL CALL VOTE.

“Yea” Vote: K. Dahlstrom, E. Ginop, G. Klacking, E. Lawson, M. Marois, M. Newman, G. Nowak, J. O’Farrell, R. Schmidt, K. Sherman, D. Tanner, C. Varner

“Nay” Votes: Nil

MOTION CARRIED.

MOTION BY GARY NOWAK TO APPOINT RICHARD SCHMIDT CHAIR AND JAY O’FARRELL VICE-CHAIR OF THE NORTHERN MICHIGAN REGIONAL ENTITY SUBSTANCE USE DISORDER OVERSIGHT COMMITTEE; SUPPORT BY KARLA SHERMAN. MOTION CARRIED.

MOTION BY GARY NOWAK TO ESTABLISH THAT THE CHAIR AND VICE-CHAIR OF THE NORTHERN MICHIGAN REGIONAL ENTITY SUBSTANCE USE DISORDER OVERSIGHT COMMITTEE WILL SERVE A TERM OF ONE YEAR; SUPPORT BY KATE DAHLSTROM. MOTION CARRIED.

A group of NMRE staff met on April 19th to review and update the liquor tax process. NMRE has learned that, in the UP, the county submits the liquor tax application (rather than the Provider). This is something being considered to ensure that counties support PA2 initiatives and monitor fund balances. A revision to the NMRE Liquor Tax Request Policy and Procedure will be presented to the NMRE Board soon.

Ms. Dahlstrom asked whether there has been any discussion about the PIHPs getting any of the marihuana tax funds. Mr. Kurtz responded that marihuana tax funds are distributed to municipalities and counties. State law outlines how much is distributed from the Marihuana Regulation fund. Aside from the funds distributed to municipalities and counties, additional funding is sent to the School Aid Fund and the Michigan Transportation Fund.

Ms. Dahlstrom referred to the April 2023 update on the MDHHS Service Delivery Transformation Section. She inquired about the efforts to Promote the Integration of Physical and Behavioral Health Care (PIPBHC). Clarification was made that the PIPBHC is a five-year Substance Abuse and Mental Health Services (SAMHSA) grant that seeks to improve the overall wellness and physical health status for adults with SMI or children with an SED. Integrated services must be provided between a community mental health center (CMH) and a federally qualified health center (FQHC). It was noted that some FQHCs are declining to participate. Mr. Kurtz added that he believed Northern Lakes received the SAMHSA grant several years ago but was not certain.

CEO Report

The NMRE CEO Monthly Report for April 2023 was included in the materials for the meeting on this date. Mr. Kurtz drew attention to his presentation to the Leelanau County Board of Commissioners on April 11th regarding PA2 funding. It was noted that counties need to be provided some education about local match.

February 2023 Financial Report

- Net Position showed net surplus Medicaid and HMP of \$4,136,233. Budget stabilization was reported as \$16,369,542. The total Medicaid and HMP Current Year Surplus was reported as \$20,505,775. 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 \$36,875,317.
- Traditional Medicaid showed \$82,518,695 in revenue, and \$80,370,514 in expenses, resulting in a net surplus of \$2,148,181. 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 \$14,542,394 in revenue, and \$12,554,342 in expenses, resulting in a net surplus of \$1,988,052. HMP ISF was reported as \$7,062,964 based on the current FSR. HMP savings was reported as \$8,626,893.
- Health Home showed \$908,630 in revenue, and \$747,784 in expenses, resulting in a net surplus of \$160,846.
- SUD showed all funding source revenue of \$12,179,321, and \$10,591,204 in expenses, resulting in a net surplus of \$1,588,117. Total PA2 funds were reported as \$5,001,798.

Ms. Yockey reported that a decline in revenue is expected June through September due to Medicaid redeterminations. Despite that, a lapse is anticipated for FY23. A rate adjustment is possible in September, which would be retroactive to July 1, 2023.

Liquor tax/PA2 funds have been approved for FY23 in the amount of \$2,720,209. Of that, \$652,083 has been billed through February.

It was noted that the deficits reported for traditional Medicaid for three of the five CMHSPs are a result of benefit stabilization initiatives and will be offset by surplus Healthy Michigan and each Boards' allocation of carry-forward funds.

MOTION BY GARY NOWAK TO APPROVE THE NORTHERN MICHIGAN REGIONAL ENTITY MONTHLY FINANCIAL REPORT FOR FEBRUARY 2023; SUPPORT BY KATE DAHLSTROM. MOTION CARRIED.

Operations Committee Report

The minutes from April 18, 2023 were included in the materials for the meeting on this date.

Ms. Dahlstrom referenced discussion about SED/IDD youth being left in emergency departments for extended periods. She questioned why hospitals don't modify some ED rooms to make them more comfortable for these situations. Mr. Kurtz responded that hospitals need to take the lead in these efforts. It was noted that the state is considering having PIHPs/CMHSPs pay for ED stays when no beds are available to place people in need of hospitalization. Mr. Kurtz added that this solution will not address the issue.

MDHHS has announced the location of a new inpatient psychiatric hospital located at the current site of the Hawthorn Center in Northville. The new hospital will care for patients currently served at both Hawthorn Center and Walter Reuther Psychiatric Hospital in Westland. During construction of the new facility, patients currently being cared for at Hawthorn Center will be moved to a separate unit at Walter Reuther. Construction is expected to begin this fall and anticipated completion is in 2026.

NMRE SUD Oversight Board Report

Let the record show that the next SUD Oversight Board meeting is scheduled for July 10, 2023 at 10:00AM.

NEW BUSINESS

Jefferson Wells

A proposal from an independent, third-party (Jefferson Wells) to conduct Medicaid Encounter Verification audits was included in the meeting materials. The cost for these services was provided based on the number of claims reviewed. The NMRE will likely fall in the middle range. Mr. Kurtz would like to begin with a one-year engagement.

Number of Claims (all lines)	Fee Estimates
500	\$32,000 – \$40,000
1,000	\$40,000 – \$55,000
2,000	\$80,000 – \$95,000

MOTION BY JAY O'FARRELL TO APPROVE A ONE-YEAR CONTRACT WITH JEFFERSON WELLS FOR MEDICAID ENCOUNTER VERIFICATION SERVICES IN AN AMOUNT NOT TO EXCEED FIFTY-FIVE THOUSAND DOLLARS (\$55,000.00); SUPPORT BY MARY MAROIS. ROLL CALL VOTE.

"Yea" Vote: K. Dahlstrom, E. Ginop, G. Klacking, E. Lawson, M. Marois, M. Newman, G. Nowak, J. O'Farrell, R. Schmidt, K. Sherman, D. Tanner, C. Varner

"Nay" Votes: Nil

MOTION CARRIED.

OLD BUSINESS

Grand Traverse County and Northern Lakes CMHA

Mr. Kurtz reported that the revised enabling agreement is making its way through the County Commissions. Voting should conclude on May 9th.

NMRE SUD Oversight Committee Operating Procedures

Let the record show that this topic was discussed under the Executive Committee report.

PRESENTATION

PhotoVoice

Amy Horstman and Ellen Templeton from the Health Department of Northwest Michigan were in attendance to present on the Drug-Free Northern Michigan (DFNM) 21-County Alliance PhotoVoice Project. Each of the prevention coalitions in the 21-country region were asked to recruit at least one youth to participate in the "Youth Speak: A Vaping Prevention PhotoVoice Project." In PhotoVoice, participants take photographs and provide narratives to translate their experiences. For this project, participants were asked to respond to the following framing questions:

- 1) What influences youth to start vaping?
- 2) What keeps youth from vaping?
- 3) How does youth vaping impact your community?

The PhotoVoice project was shared with the Board. The PhotoVoice project was also shared during the DFNM 21-County Alliance meeting on April 21st, which included legislative staffers as attendees. The project will next be presented at various Town Halls throughout the region.

Mr. Smeltzer complimented Ms. Horstman and Ms. Templeton on their efforts.

It was noted that MiPHY data shows youth vaping at approximately 20%.

COMMENTS

Board Members

- Ms. Dahlstrom distributed an article by Sarah Spohn from FlintSide dated January 11, 2023 titled, "Genesee Health System's New Facility Showcases Commitment to Flint Youths' Mental Health." The Center for Children's Integrated Services combined all kids' programs into one building; the Center is also a federally qualified health center which provides primary care.

Ms. Dahlstrom discussed the efforts undertaken by the Northern MI Community Health Innovations Region (CHIR) to develop a mental health facility that would include both crisis stabilization beds, short-term residential beds, and access to follow-up care for both adults and children in the Grand Traverse region.

Mr. Kurtz noted that the NMRE will be issuing a Request for Proposals (RFP) to attempt to develop a children's Crisis Residential Unit (CRU) in the 21-county region. Mr. Kurtz noted that similar facilities for adults are having a very difficult time recruiting and maintaining staff.

- Ms. Marois thanked the Executive Committee for their recommendations related to the NMRE Substance Use Disorder Oversight Committee.

Staff/CMHSP CEOs

It was reported that 130 individuals are registered for the NMRE Substance Use Disorder Day of Recovery Education being held at Treetops Resort on May 8th.

Public

Ms. Dahlstrom read a statement from community member Jessica Perez. In her role as a NAMI Navigator, Ms. Perez provides ongoing support to families and individuals during a mental health crisis. Ms. Perez shared her concerns about a recent Northern Lakes case.

NEXT MEETING DATE

The next meeting of the NMRE Board of Directors was scheduled for 10:00AM on May 24, 2023.

ADJOURN

Let the record show that Mr. Tanner adjourned the meeting at 11:50AM.