

**NORTHERN MICHIGAN REGIONAL ENTITY
BOARD OF DIRECTORS MEETING
10:00AM – MARCH 23, 2022
GAYLORD BOARDROOM**

ATTENDEES:	Roger Frye, Randy Kamps, Ed Ginop, Terry Larson, Christian Marcus, Mary Marois, Justin Reed, Richard Schmidt, Karla Sherman, Don Smeltzer, Don Tanner
VIRTUAL ATTENDEES:	Gary Klacking (West Branch), Jay O’Farrell (Whittemore), Joe Stone (Belleville, KS)
ABSENT	Gary Nowak
NMRE/CMHSP STAFF:	Jodie Balhorn, Joanie Blamer, Eugene Branigan, Christine Gebhard, Eric Kurtz, Brian Martinus, Diane Pelts, Denise Switzer, Deanna Yockey, Carol Balousek, Lisa Hartley
PUBLIC:	Tom Bratton, Marie Fielder, Chris Frasz, Kassondra Glenister, Susan Pulaski, Kara Steinke
GUESTS:	Brandon, Hausbeck, Justin Severs

CALL TO ORDER

Let the record show that Chairman Don Tanner called the meeting to order at 10:05AM.

ROLL CALL

Let the record show that Gary Nowak was excused from the meeting on this date; all other NMRE Board Members were in attendance either virtually or in Gaylord.

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

Mr. Tanner stated that a Nominating Committee is needed for upcoming election of officers; this will be added under “New Business”.

MOTION BY RANDY KAMPS TO APPROVE THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS MEETING AGENDA FOR MARCH 23, 2022 AS AMENDED; SUPPORT BY RICHARD SCHMIDT. MOTION CARRIED.

APPROVAL OF PAST MINUTES

Let the record show that the February minutes of the NMRE Governing Board were included in the materials for the meeting on this date. Mr. Kamps noted one error which will be corrected.

MOTION BY ROGER FRYE TO APPROVE THE MINUTES OF THE FEBRUARY 23, 2022 MEETING OF THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS AS AMENDED; SUPPORT BY RANDY KAMPS. MOTION CARRIED.

CORRESPONDENCE

- 1) Center for Healthcare Integration & Innovation and Community Mental Health Association of Michigan (CMHAM) 2021/2022 Summary Report dated February 2022.
- 2) MDHHS FY23 Budget Executive Recommendation for the State Hospital Administration presentation dated March 9, 2022.
- 3) MDHHS FY23 Budget Executive Recommendation for Behavioral and Physical Health and Aging Services Administration presentation dated March 9, 2022.
- 4) Draft minutes of the March 9, 2022 NMRE Regional Finance Committee meeting.

ANNOUNCEMENTS

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

PUBLIC COMMENTS

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

REPORTS

Executive Committee Report

Let the record show that no meetings of the NMRE Executive Committee have occurred since the February Board Meeting.

CEOs Report

The NMRE CEO Monthly Report for March 2022 was included in the materials for the meeting on this date. Mr. Kurtz thanked AuSable Valley for the invitation to present to its Board of Directors on February 28th.

Financial Report

January 2022

- Traditional Medicaid showed \$66,440,248 in revenue, and \$58,063,977 in expenses, resulting in a net surplus of \$8,376,271. Medicaid ISF was reported as \$9,298,368 based on the unaudited FSR. Medicaid Savings was reported as \$11,296,867.
- Healthy Michigan Plan showed \$10,338,832 in revenue, and \$7,570,183 in expenses, resulting in a net surplus of \$2,768,649. HMP ISF was reported as \$7,059,749 based on the unaudited FSR. HMP savings was reported as \$5,061,250.
- Net Position* showed net surplus Medicaid and HMP of \$11,144,920. Medicaid carry forward was reported as \$16,358,117. The total Medicaid and HMP Current Year Surplus was reported as \$25,125,545. Medicaid and HMP combined ISF was reported as \$16,358,117; the total Medicaid and HMP net surplus, including carry forward and ISF was reported as \$41,483,662.
- Health Home showed \$399,719 in revenue, and \$316,653 in expenses, resulting in a net surplus of \$83,066.
- SUD showed all funding source revenue of \$7,846,427, and \$6,230,947 in expenses, resulting in a net surplus of \$1,615,480. Total PA2 funds were reported as \$5,723,748.

Ms. Yockey reported that additional columns were added to the "Schedule of PA2 by County" page per the Board's request. Clarification was made that PA2 can be spent on prevention and treatment of substance use disorders. Mr. Kamps asked whether it makes sense to encourage counties with excess funds to reduce their balances by putting funds into services. Mr. Kurtz explained that part of the reason for the current high balances is the implementation of Healthy Michigan Plan; prior to HMP, liquor tax funds would have been used to pay for services to uninsured, indigent individuals. Mr. Kamps requested that Mr. Kurtz work with the Substance Use

Disorder Oversight Board to examine the issue. The annual anticipated revenue was reported as \$1,487,584 which will come to the NMRE from the counties in three payments, the first of which is expected in April.

MOTION BY CHRISTIAN MARCUS TO APPROVE THE NORTHERN MICHIGAN REGIONAL ENTITY MONTHLY FINANCIAL REPORT FOR JANUARY 2022; SUPPORT BY MARY MAROIS.

Discussion: Mr. Kamps noted eligibility trends are up in all categories; however, revenue remains flat. Mr. Kamps also recognized that the region currently has 19 open HSW slots and a very large surplus (partly due to the pandemic and the halt in Medicaid redeterminations); he is fearful that the actuary will reduce rates based on unspent funds.

Voting took place on Mr. Marcus's motion. MOTION CARRIED.

Operations Committee Report

The draft minutes from March 15, 2022 were included in the materials for the meeting on this date. A discussion of the Department's salary and wage survey and Milliman's Standard Cost Allocation reporting occurred. Pursuant to MSA policy 21-39, CMHSPs are required to comply with the Standard Cost Allocation methodology, which "will fulfill the detailed reporting requirement for providers."

PRESENTATION

Carter Kits

During its March 15th meeting, the Operations Committee recommended using surplus funds to purchase Carter Kits Sensory Bags for communities in region. Brandon Hausbeck, Carter Kits President and CEO and Justin Severs, Vice President of Operations, joined the meeting virtually. Carter Kits were designed to help first responders when they arrive at a scene with a special needs individual, particularly someone with an autism spectrum disorder. Each Sensory Bag contains a weighted blanket, sunglasses, noise reducing earmuffs, sensory toys, and non-verbal cue cards at a cost of \$80. More information can be found at [Carter Kits - Home](#).

MOTION BY MARY MAROIS TO AUTHORIZE THE NORTHERN MICHIGAN REGIONAL ENTITY TO PURCHASE UP TO TWO THOUSAND (2000) CARTER KITS SENSORY BAGS AT A TOTAL COST NOT TO EXCEED ONE HUNDRED SIXTY THOUSAND DOLLARS (\$160,000.00) INCLUDING TRAINING AND SUPPORT; SUPPORT BY ROGER FRYE. ROLL CALL VOTE.

"Yea" Votes: R. Frye, E. Ginop, R. Kamps, T. Larson, C. Marcus, M. Marois, J. Reed, R. Schmidt, K. Sherman, D. Smeltzer, D. Tanner

"Nay" Votes: Nil

Voting took place on Ms. Marois's motion. MOTION CARRIED.

The suggestion was made that the 500 kits currently in stock be distributed during the April 27th Board meeting to coincide with Autism Acceptance month; media coverage will be arranged.

NMRE SUD Oversight Board Report

The draft minutes from March 7, 2022 were included in the materials for the meeting on this date. Liquor tax requests will be presented for approval under "New Business."

NEW BUSINESS

Liquor Tax Requests

- 1) Drug Free Northern Michigan 21-County Alliance – Marijuana Media Campaign – All 21 Counties - \$64,500.
- 2) Emmet County Sheriff's Office – Polycom System to Support SUD Services for Emmet County Inmates – Emmet County - \$5,974.03
- 3) Bear River Health – Charlevoix Recovery House – Charlevoix County - \$133,199.
- 4) Bear River Health – Peer Recovery Coach Services – Otsego County - \$22,232.
- 5) Bear River Health – Jail Medication Assisted Treatment (MAT) Services – Otsego County - \$20,156.
- 6) Community Recovery Alliance – Recovery Support Services – Otsego County - \$16,642.

The total dollar amount requested was \$262,703.03.

MOTION BY MARY MAROIS TO APPROVE THE REQUESTS FOR LIQUOR TAX FUNDS RECOMMENDED BY THE NORTHERN MICHIGAN REGIONAL ENTITY SUBSTANCE USE DISORDER OVERSIGHT BOARD ON MARCH 7, 2022 IN THE TOTAL AMOUNT OF TWO HUNDRED SIXTY-TWO THOUSAND SEVEN HUNDRED THREE DOLLARS AND THREE CENTS (\$262,703.03); SUPPORT BY KARLA SHERMAN. ROLL CALL VOTE.

“Yea” Votes: R. Frye, E. Ginop, R. Kamps, T. Larson, C. Marcus, M. Marois, J. Reed, R. Schmidt, K. Sherman, D. Smeltzer, D. Tanner

“Nay” Votes: Nil

Voting took place on Ms. Marois's motion. MOTION CARRIED.

MDHHS Behavioral Health Reorganization

The MDHH Behavioral Health Restructuring Presentation dated March 3, 2022 was included in the materials for the meeting on this date.

- The Division of Chronic Disease was created (Linda Scarpetta), which includes SUD Prevention; the Office of Recovery Oriented Systems of Care was dissolved.
- The Bureau of Children's Services was formed (Lindsay McLaughlin) partially in response to the KB lawsuit and to put more focus on children services.
- Farrah Hanley was named Chief Deputy of Health, overseeing Behavioral and Physical Health and Aging Services (Kate Massey) and the State Hospital Administration (Dr. George Mellos).
- The Bureau of Community-Based Services (Jeff Wieferich) is a pared down version of the former Behavioral Health and Developmental Disabilities Administration containing four divisions:
 - 1) Adult Home and Community Based Services (Belinda Hawks)
 - 2) Division of Contracts and Quality Management (Jackie Sproat)
 - 3) Behavioral Health Customer Services Section (Kendra Brinkley)
 - 4) Service Delivery Transformation Section (Vacant) will include Health Home and Certified Community Behavioral Health Clinics (CCBHC).

Mr. Kamps expressed great pride in the fact that PIHP Regions 1 and 2 (NorthCare Network and NMRE) are engaged in both the Behavioral and Opioid Health Homes; since FY21, enrollment has increased by 368%.

NMRE Nominating Committee

The Election of Board Officers will occur during the May 25th meeting. A nominating committee was formed to consist of: Roger Frye, Randy Kamps, Christian Marcus, Jay O'Farrell, and Don Smeltzer. A Nominating Committee meeting will occur via Teams prior to the May Board meeting.

OLD BUSINESS

Senate Bills 597 & 598/House Bills 4925 – 4929 – The Latest

Included in the materials for the meeting on this date were:

- 1) A Press Release from CMHAM titled "New Poll Finds Two out of Three Likely Michigan Voters and More Than 100 Michigan-Based Groups Prefer Public-led Mental Health System" dated February 21, 2022.
- 2) Document from CMHAM titled "A New Day for Behavioral Health in Michigan: Roles of the Key Partners"
- 3) Document from the Michigan Association of Health Plans titled "Locals are Fearful of Competition & Choice".

A discussion about a rural exception occurred. Mr. Kurtz clarified that the rural exemption is a law put in place to allow states to exempt rural areas from multiple Health Plans as competition for services is basically limited to current providers. Mr. Kurtz has learned that in the development of both the Senate and House bills consideration was given to allow for a rural exceptions but have not made it in either bills.

It was noted that Rep. Whiteford will be attending the Northern Counties Association meeting on April 18th.

COMMENTS

Board

- Mr. Tanner encouraged attendees to think about Ukrainians.
- Mr. Reed apologized for being late to the meeting. He reminded the Board that after two years of COVID isolation, re-engaging has been difficult for some individuals.

MEETING DATES

The next meeting of the NMRE Board of Directors was scheduled for 10:00AM on April 27, 2022.

ADJOURN

Let the record show that Mr. Tanner adjourned the meeting at 11:55AM.