Northern Michigan Regional Entity

Board Meeting

October 25, 2023

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 – September 27, 2023	Pages 2 – 58
7.	Correspondence	
8.	Announcements	
9.	Public Comments	
10.	Reports	
	a. Executive Committee Report	
	c. CEO's Report – October 2023	Page 59
	d. Financial Report – August 2023	Page 60 – 81
	c. Operations Committee Report – October 17, 2023	Pages 82 – 86
	e. NMRE SUD Oversight Board Report – Next meeting November 6, 2023	
11.	New Business	
	a. CMHAM Fall Conference Updates	
	b. Mobile Care Unit/Van	
12.	Old Business	
	a. Northern Lakes Update	
13.	Presentation/Discussion	
	OHH and BHH HEDIS Outcomes	Pages 87 – 98
14.	Comments	
	a. Board	
	b. Staff/CMHSP CEOs	
	c. Public	
15.	Next Meeting Date –December 13, 2023 at 10:00AM	
16.	Adjourn	

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NORTHERN MICHIGAN REGIONAL ENTITY
BOARD OF DIRECTORS MEETING
10:00AM – SEPTEMBER 27, 2023
GAYLORD BOARDROOM

ATTENDEES:	**Tom Bratton, Ed Ginop, Eric Lawson, Michael Newman, Gary Nowak, Jay O'Farrell, Ruth Pilon, Karla Sherman, Richard Schmidt, Don Smeltzer, Don Tanner, Chuck Varner**
VIRTUAL ATTENDEES:	**Greg McMorrow**
ABSENT:	**Gary Klacking, Terry Larson**
NMRE/CMHSP STAFF:	**Bea Arsenov, Brian Babbitt, Jodie Balhorn, Carol Balousek, Eugene Branigan, Lisa Hartley, Eric Kurtz, Diane Pelts, Nena Sork, Deanna Yockey**
PUBLIC:	**Chip Cieslinski, Dave Freedman, Genevieve Groover, 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 Gary Klacking and Terry Larson were 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 GARY NOWAK TO APPROVE THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS MEETING AGENDA FOR SEPTEMBER 27, 2023; SUPPORT BY KARLA SHERMAN. MOTION CARRIED.

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

MOTION BY JAY O'FARRELL TO APPROVE THE MINUTES OF THE AUGUST 23, 2023 MEETING OF THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS; SUPPORT BY ERIC LAWSON. MOTION CARRIED.

CORRESPONDENCE

1) The minutes of the August 1, 2023 PIHP CEO Meeting.
2) An overview of the MDHHS Bureau of Specialty Behavioral Health Services.
3) CMHAM document titled, "Michigan's Electronic Visit Verification System Development: CMHA Analysis and Recommendations Related to EVV Process Proposed by MDHHS and HHAX" dated August 2023.
4) A memorandum from Kristen Jorden at MDHHS to PIHPs and CMHSPs regarding Electronic Visit Verification (EVV) Implementation dated September 21, 2023.
5) CMHAM document titled, "Formation of the Rural and Frontier Caucus with CMHA and Its Initial Advocacy Platform" dated August 2023.
6) CMAHM document titled, "Process and Timeline for Development of 2024-2029 CMHA Strategic Plan" dated July 2023.
7) Informational flyer for a Crisis and Emergency Risk Course with Kerry Chamberlain, PhD from 8:00AM – 12:00PM on October 13, 2023.
8) The draft minutes of the September 13, 2023 regional Finance Committee meeting.

Mr. Kurtz drew attention to the correspondence items related to the electronic visit verification (EVV) requirement. Pursuant to the 21st Century Cures Act, CMS is requiring states to implement an Electronic Visit Verification (EVV) system to document the time, location, type of service, and individual(s) providing personal care and home health services. The process for achieving this, as proposed by MDHHS, has been viewed to be overly complex and not in alignment with how Michigan's PIHPs and CMHSPs are funded and operate.

Mr. Kurtz next drew attention to the Crisis and Emergency Risk Communication Course offered by the Health Department of Grand Traverse County on October 13, 2023; individuals need not be residents of Grand Traverse County to attend.

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 prior to the meeting on this date. A full report will be given under "New Business."

CEO Report

The NMRE CEO Monthly Report for September 2023 was included in the materials for the meeting on this date. Mr. Kurtz noted that he attended the Northern Lakes CMHA Board meeting on September 21st to discuss the NMRE's ongoing oversight and the agreement with Rehmann. Mr. Kurtz spoke about a discussion held on September 18th between members of the NMRE and MDHHS regarding Network Adequacy. Mr. Kurtz reported that the meeting went well. There was some indication that rural exceptions will be offered for some time/distance standards and staffing ratios, particularly for PIHP Regions 1 and 2.

July 2023 Financial Report

- Net Position showed net surplus Medicaid and HMP of $3,616,682. Budget stabilization was reported as $16,369,542. The total Medicaid and HMP Current Year Surplus was reported as $19,986,224. 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 $36,355,766.
- Traditional Medicaid showed $165,815,764 in revenue, and $165,0574,292 in expenses, resulting in a net surplus of $761,472. 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 $29,823,192 in revenue, and $26,967,982 in expenses, resulting in a net surplus of $2,855,210. HMP ISF was reported as $7,062,964 based on the current FSR. HMP savings was reported as $8,626,893.
- Health Home showed $2,036,446 in revenue, and $1,782,878 in expenses, resulting in a net surplus of $253,568.
- SUD showed all funding source revenue of $25,221,967, and $22,186,328 in expenses, resulting in a net surplus of $3,035,639. Total PA2 funds were reported as $5,243,450.

A fully funded ISF is anticipated at the close of FY23. A $3M – $4M lapse to the state is also expected.

MOTION BY CHUCK VARNER TO APPROVE THE NORTHERN MICHIGAN REGIONAL ENTITY MONTHLY FINANCIAL REPORT FOR JULY 2023; SUPPORT BY DON SMELTZER. MOTION CARRIED.

Operations Committee Report

The minutes from September 19, 2023 were included in the materials for the meeting on this date for informational purposes. Mr. Kurtz drew attention to the potential loss of HAB waiver slots to other areas in the State. The State hasn't reallocated slots in over 10 years. The NMRE currently has 24 open slots, though 15 packets are pending approval from the State. The NMRE currently has 96.5% of its 689 slots filled. Each slot accounts for roughly $5,000 in monthly revenue on average.

NMRE SUD Oversight Committee Report

The minutes from September 11, 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 September 11, 2023. It was noted that the SUD Oversight Committee requested program updates be presented to the Committee in March of 2024 to address sustainability.

1.	Bear River Health	Recovery Home	Emmet County	$47,418.00
2.	Community Recovery Alliance, Inc.	Recovery Alliance & Recovery Center	Emmet County	$205,000.00

MOTION BY RICHARD SCHMIDT TO APPROVE THE EMMET COUNTY LIQUOR TAX REQUESTS RECOMMENDED BY THE NORTHERN MICHIGAN REGIONAL ENTITY SUBSTANCE USE DISORDER OVERSIGHT COMMITTEE ON SEPTEMBER 11, 2023, FOR A

TOTAL AMOUNT OF TWO HUNDRED FIFTY-TWO THOUSAND FOUR HUNDRED EIGHTEEN DOLLARS ($252,418.00); SUPPORT BY GARY NOWAK. ROLL CALL VOTE.

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

"Nay" Votes: Nil

MOTION CARRIED.

Mr. Schmidt spoke about the drug Kloxxado, which delivers an 8 mg dosage of naloxone; Narcan delivers 4 mg of naloxone.

NMRE Staff Reinvestment
Mr. Kurtz requested approval to provide a one-time FY23 staff reinvestment payment of $3,500 to each NMRE staff at a total cost of $84,000.

MOTION BY GARY NOWAK TO APPROVE A FISCAL YEAR 2023 REINVESTMENT PAYMENT TO EACH NORTHERN MICHIGAN REGIONAL ENTITY STAFF MEMBER IN THE AMOUNT OF THREE THOUSAND FIVE HUNDRED DOLLARS ($3,500.00); SUPPORT BY DON SMELTZER. ROLL CALL VOTE.

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

"Nay" Votes: Nil

MOTION CARRIED.

Secrest Wardle Retainer Agreement
A retainer agreement for the law firm of Secrest, Wardle, Lynch, Hampton, Truex and Morley was included in the materials for the meeting on this date. Mr. Kurtz clarified that the agreement is to retain the services of attorney Chris Cooke. A meeting with Mr. Cooke and the NMRE Board Executive Committee will be scheduled for some time within the next few weeks. Clarification was made that the retainer payment is in the amount of $10,000; the firm will bill against the retainer until it is exhausted, at which time billing we begin monthly for services rendered.

MOTION BY RICHARD SCHMIDT TO APPROVE A RETAINER AGREEMENT WITH THE LAW FIRM OF SECREST, WARDLE, LYNCH, HAMPTON, TRUEX AND MORLEY SUPPORT BY KARLA SHREMAN. ROLL CALL VOTE.

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

"Nay" Votes: Nil

MOTION CARRIED.

PIHP FY24 Contract
The NMRE FY24 Contract with the State was not included in the materials for the meeting on this date but will be posted to the NMRE.org website following the meeting. Mr. Kurtz explained that

the single-year contract, replaces the previous 7-year contract that began in FY21. The total contract amount was provided as $268, 904,580.00.

MOTION RICHARD SCHMIDT TO APPROVE THE SPECIALTY SUPPORTS AND SERVICES CONTRACT BETWEEN THE NORTHERN MICHIGAN REGIONAL ENTITY AND THE STATE OF MICHIGAN FOR FISCAL YEAR 2024; SUPPORT BY DON SMELTZER. ROLL CALL VOTE.

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

"Nay" Votes: Nil

MOTION CARRIED.

NMRE Building Lease
Mr. Kurtz requested approval of an extension of the NMRE's office space lease at an additional $500 per month effective November 1, 2023, for a period of 5 years. This increased amount will be for total control of the site basement. It was noted that the NMRE pays separately for utilities.

MOTION BY GARY NOWAK TO RECOMMEND APPROVAL OF EXTENDING THE NORTHERN MICHIGAN REGIONAL ENTITY'S OFFICE SPACE LEASE AT 1999 WALDEN DRIVE, GAYLORD, MICHIGAN, 49735, AT THE RATE OF TEN THOUSAND FIVE HUNDRED NINETEEN DOLLARS ($10,519.00) PER MONTH FOR SIXTY MONTHS BEGINNING ON NOVEMBER 1, 2023; SUPPORT BY ED GINOP. ROLL CALL VOTE.

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

"Nay" Votes: Nil

MOTION CARRIED.

NMRE CEO Contract
The NMRE Board Executive Committee met at 9:00AM on this date to review the FY23 CEO Evaluation Survey Report and the CEO Contract. The decision was made to offer the same COLA increase approved for NMRE staff to the CEO. The staff COLA request will be presented under the "Presentation" portion of the agenda.

FY24 Board Meeting Schedule
The proposed Northern Michigan Regional Entity Board of Directors meeting schedule for FY24 was included in the materials for the meeting on this date. Often, the NMRE Board opts to forego the November and December meetings in favor of a meeting early in December. Mr. Smeltzer suggested a meeting on December 13th in lieu of the November and December meetings.

MOTION BY TO APPROVE THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS MEETING SCHEDULE FOR FISCAL YEAR 2024 AS AMENDED; SUPPORT BY KARLA SHERMAN. MOTION CARRIED.

The FY24 meeting schedule will be posted to the NMRE.org website.

OLD BUSINESS

Northern Lakes CMHA Update

Mr. Kurtz shared that he met with the Northern Lakes CMHA Board on September 21, 2023 regarding the Rehmann management review. Richard Carpenter, Principal and Director of Governmental Outsourcing, Governmental and Not-for-Profit Services, with Rehmann was also in attendance. The Northern Lakes CMHA Board expressed interest in having contracts looked at, as well as determining whether the information provided to Board Members is sufficient to make decisions. It was noted that the Agreement with Rehmann may be enhanced based on this input.

PRESENTATION

NMRE FY24 Budget

The NMRE's preliminary budget for FY24 was included in the meeting materials. Mr. Kurtz reviewed the Significant Assumptions and Key Points:

- Medicaid and Healthy Michigan Plan (HMP) flat revenue projections with understanding that HMP revenue will be hit the hardest based on redetermination process.
    - The ISF was anticipated to be fully funded at the close of FY23.
- Medicaid and Healthy Michigan – Expenses
    - Substance Abuse costs were based on projected current year utilization.
- Autism program revenue was included in the capitation methodology.
- Substance Abuse Prevention and Treatment Block Grant revenue was based on current year actual MDHHS allocation.
    - Block grant allocation was broken down into separate programs with distinct allowable uses (prevention, treatment, and SDA).
    - All services were expected to be provided through NMRE's provider network.
- PA2 funding revenue was anticipated to stay consistent with the current year.
- Affiliate local match and local match drawdown was based on historical amounts.

Other items of note were stated as:

- The NMRE received a positive geographic factor of 2.1%. How it affects DAB/TANF will not be known until the rate sheet detail is reviewed and payments begin to be received.
- The rationale for the $10 decrease in the HMP rate is unclear, especially with the anticipated decrease in enrollees.
- A 3.5% ($112K) or 4% ($122K) COLA for NMRE staff was built into the budget.
- Although counties' PA2 tax revenue percentage will be increased to 60%, it is expected that the counites and the NMRE will receive nearly the same amounts.

The NMRE's proposed FY24 operating revenue was provided as **$266,464,918**.
The NMRE's proposed FY24 operating expenses were provided as **$247,725,521**.
The NMRE's anticipated FY24 surplus was provided as **$18,739,397**.

The CMHSPs' Projected Budgets for FY24 were provided as:

	AVCMH	CWN	NCCMH	NEMCMH	NLCMH
Medicaid	$26,147,913	$16,028,174	$50,796,056	$31,234,256	$60,480,238
Healthy Michigan	$2,541,419	$1,682,633	$6,120,442	$2,508,216	$7,356,338
TOTAL	$28,689,332	$17,710,807	$56,916,498	$33,742,472	$67,836,576

MOTION BY GARY NOWAK TO APPROVE A COST-OF-LIVING ADJUSTMENT (COLA) OF FOUR PERCENT (4%) TO NORTHERN MICHIGAN REGINAL ENTITY STAFF FOR FISCAL YEAR 2024 FOR A TOTAL AMOUNT OF ONE HUNDRED TWENTY-TWO THOUSAND FOUR HUNDRED FORTY-NINE DOLLARS ($122,449.00); SUPPORT BY DON SMELTZER. ROLL CALL VOTE.

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

"Nay" Votes: Nil

MOTION CARRIED.

MOTION BY KARLA SHERMAN TO APPROVE A COST-OF-LIVING ADJUSTMENT (COLA) OF FOUR PERCENT (4%) TO THE NORTHERN MICHIGAN REGINAL ENTITY CHIEF EXECUTIVE OFFICER FOR FISCAL YEAR 2024 FOR A TOTAL AMOUNT OF NINE THOUSAND DOLLARS ($9,000.00); SUPPORT BY ERIC LAWSON. MOTION CARRIED.

MOTION BY KARLA SHERMAN TO APPROVE THE NORTHERN MICHIGAN REGIONAL ENTITY PRELIMINARY BUDGET FOR FISCAL YEAR 2024; SUPPORT BY GARY NOWAK. ROLL CALL VOTE.

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

"Nay" Votes: Nil

MOTION CARRIED.

COMMENTS

Board

- Ms. Sherman thanked NMRE staff for their good work. Mr. Kurtz referenced the regional Health Home Summit that took place on September 26, 2023. Staff throughout the region are doing an outstanding job championing the program and addressing the healthcare needs of individuals served.
- Mr. McMorrow expressed gratitude to the NMRE for its support of Northern Lakes CMHA; the oversight currently being provided was deeply needed.
- Mr. Tanner shared a personal story about his son, Sheridan.

Staff/CMHSP CEOs

NMRE staff thanked the Board for the FY23 reinvestment payment and the FY24 COLA.

NEXT MEETING DATE

The next meeting of the NMRE Board of Directors was scheduled for 10:00AM on October 25, 2023.

ADJOURN

Let the record show that Mr. Tanner adjourned the meeting at 11:24AM.

Community Mental Health Association of Michigan
DIRECTORS FORUM
September 28-29, 2023

Overview of MDHHS Juvenile Justice Reform Initiative (Erin House, Office of Juvenile Justice Reform at MDHHS) Erin reviewed her slides with the Forum members, providing a thorough picture of the state's juvenile justice reform efforts, the work of the Residential Advisory Committee (RAC), the RAC sub-committee structure, and the legislation that has been introduced to support this reform movement.

Two national/federal organizations, OJJDP and Coalition for Juvenile Justice , are guiding the work of this Committee and the reform efforts.

CMHA will be distributing the announcement of the opportunities available for youth with juvenile justice experiences and family members of youth with juvenile justice experiences to serve as members of the two lived experience advisory councils for this effort.

It was recommended that: this effort work to develop cross-system frameworks (across JJ, child welfare, mental health, education) at the state level and to require or strongly promote cross-system collaboration at the local level (akin to multi-system therapy and wrap-around approaches); and the JJ Reform office work with the Children's office within MDHHS to base some of their EBP work on the EBP platform developed by MDHHS. This JJ Reform Office will be a temporary office, that will be closed down once the reforms are implemented.

Legislative and policy status report: Alan Bolter discussed a number of legislative issues:

Status report on active legislation and legislation in process: The fall agenda for the Michigan Legislature will be short, given what will be a short fall legislative session, projected to end on November 8.

In August, the Governor gave a policy speech, outlining her vision for the coming months.

The proposed expansion of the federal Family Medical Leave Act (FMLA) will, if passed, will require, in Michigan, that employers with 50 or more employees provide paid leave (from 65% to 100% of pay) for up to 15 weeks per year. Concerns around high levels of absenteeism, workforce gaps, and productivity losses were raised. CMHA does not, at this time, have a position on this proposal.

CMHA legislative priorities for the fall agenda involve:

- The comprehensive mental health insurance parity bills introduced by Representative Brabec. Alan and others are seeing strong support, among the House, for this bill package and its ability to close many gaps in commercial insurance benefit packages. CMHA and the Health is Health Coalition are working to support these bills.

- A bill to dramatically increase the nursing and social work staffing at Adult Foster Care homes. CMHA has shared concerns, as part of a coalition, regarding this bill, underscoring the fact that these requirements would make the operation of AFCs very expensive and move them to a medical model. The bill sponsor, Representative Young,
- A bill to increase nursing staffing ratios for hospitals. CMHA has joined the Michigan Hospital Association and other groups in opposition to this requirement based on the fact that this bill will dramatic increase the shortage of nurses, increase the draw, to hospitals, of nurses from CMHs, primary care clinics, and rural hospitals.
- A set of telehealth bills that will ensure that audio-only telehealth is made available and is treated similarly to video/audio telehealth.

Administrative/non-legislative activity:

- The Medicaid Health Plan rebid is expected to be announced in the next few weeks. MDHHS staff will discuss this in greater detail tomorrow.
- A recent L letter has removed the requirement that the DCW wage increase be separated, in the employers' records, and allows the increased DCW wage dollars can be used for overtime pay. Both of these changes are supported by our system.

Additional issues:

- The recently announced proposal, by the federal Department of Labor, that will increase the wage level at which employees are considered exempt employees (exempt from hourly wage and overtime requirements). The cost to CMHA members, as employers, would be considerable given the overtime that could be accrued by an employee who was formerly considered exempt (salary) and would then, if this proposal is implemented, becomes a non-exempt (hourly) employee.

Statutory action:

- Representative Brabec has introduced a very strong set of health insurance parity bills – including the requirement that standard practices be covered, that underlying conditions be treated, and that out-of-network providers must be paid at the same rate as in-network providers. These bills are being opposed by BCBS and the Michigan Association of Health Plans.
- The Stephanie Young bills that added considerable staffing requirements of AFCs has caused concern on the part of CMHA and its members. These requirements are so exhaustive as to make it impossible for most AFCs to meet these requirements. CMHA and a coalition are meeting with the bill sponsor to underscore these concerns and urge changes in the bill.

Mental health-child welfare partnership: Connie Conklin, Livingston CMH CEO, and CMHA staff provided an update on work of CMHA and members to strengthen partnership between the state's public mental health system and child welfare system. The meetings of CMHA representatives with MDHHS leadership, within the new Children's Bureau, Children's Services Administration, Cash Assistance, BPHASA, and the Office of the Children's Ombudsperson began to identify the barriers to cross-system work. Additionally, the Ombudsperson Office has recently formed a Quarterly CSA/CMH/PIHP/Provider partnership development group to work to share information among these systems and to jointly develop solutions to address barriers to or challenges in cross-system work.

MDHHS recently asked for CMHA to identify staff, from within the CMHA membership, to join a workgroup to develop PRTF licensing standards. CMHA has assembled that group and is awaiting the first meeting of this group.

Taking the pulse of our system (a new agenda item) A discussion that will allow Directors Forum members and CMHS staff to have a finger on the pulse of system trends in several areas:

- **Client demand patterns**: Increased children (referred by primary care and schools), increase demand for autism services, increased inpatient psychiatric demand for adults, increased acuity/severity of children and increased demand for supports for families (parenting skills and interventions), persons in need of community inpatient (42% in some communities; in some 33% in one year, followed by 35%); 58% of inpatient admissions are for SUD detox and treatment; given lack of access to state hospitals, increased adult demand – so much so that the 14 day time frame is unable to be met. Increases in adult and kids with severe needs (above mild to moderate), in communities without outpatient resources other than CMH high demand for outpatient care; seeing increased number of admissions and increased LOS (often through single case agreements, without contracts with the CMHs)
- **Workforce patterns**: Staffing capacity limits in children's services leading to children showing up with far greater severity, high use of locum tenens and telehealth providers given lack of staff.
- **Provider rates**: Dramatic increases in community inpatient per diem rates ($2,200 and $2,400 in some communities) – these costs are not reflected in Milliman's FY 24 Medicaid rates. For FY 24, 12% and 15% rate increases in provider rates (some without willingness to negotiate). Psychiatric hospitals tend not to recognize the HRA payments as revenues when rate negotiations are taking place. (CMHA will let MHA know that it will be sharing, with their members, the HRA dollar amounts paid to local hospitals). (CMHA will also obtain the list of the hospitals
- **Workforce related work of members**: A straw poll indicated that the bulk of Directors Forum members are paying signing bonuses and referral bonuses, a practice started with ARPA dollars, now included as a regular part of their budgets.
- **Partnerships**:
  - **Housing and homelessness**: Most Directors Forum members are involved in local homeless and housing coalitions. Some communities, with the support of Directors Forum members, have purchased low income housing and transitional housing units; some are involved in supporting veterans housing; some CMHs run homeless shelters; some are working in local communities relative to implementation of the state's homeless and housing plan; some serve as the HARA for the homeless continuum in their communities; some involved in housing and homeless studies; some in the Shelter Plus Care initiatives; some imbed behavioral health clinics in public housing developments; some operate homeless outreach programs; some imbed clinics in homeless shelters.
  - **Courts/law enforcement**: Some have imbedded crisis staff (some BA and some MA level staff) in 911 dispatch offices; some have imbedded liaisons in local police departments as ride-along mental health professionals and to follow up after a police/citizen interaction; some have designated specific staff with specific law enforcement units.
  - **Schools**: Some have fostered, with millage dollars, the development of healthcare and mental health service coordinator/triage position within local ISDs; some are partnering in the development by local ISDs in the operation of a day treatment/clinically supported classroom; some are starting to develop partnerships with local courts in the operation of court-run schools.
  - **Facility building or renovation**: Some are building a new building given no other options; some moved their clinic to a location that is larger and closer to the local ED to provide greater SUD and recovery services; some are developing CSUs in former hospital buildings, with federal and state dollars, into which an adult CSU, child CSU, detox, and adult crisis residential will be located (using a condominium-like payment structure); some have been working on the development of a residential facility to persons with high acuity/challenging behaviors; some

are breaking ground on a CSU with a 16-bed capacity and with a service agreement with local hospitals.

Discussion of work of CMHA and members around MDHHS-led initiatives: The following initiatives were discussed, with the work of CMHA, CMHA members, and allies described their analysis and recommendations (contained in the documents that are contained in the Directors Forum packet) related to the following:

- Conflict Free Access and Planning
- Electronic Visit Verification initiative of MDHHS
- Standard Cost Allocation: In addition to the issues raised in CMHA's analysis and recommendations around this effort, the fact that the SCA structure, proposed by MDHHS, will allow the removal of core CMH functions by a PIHP in a region, from the responsibility and control of the CMHs in regional PIHP, by the mislabeling of these functions as delegated managed care functions.
- Proposed FY 2024 Medicaid rates to PIHPs

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

Mi Kids Now initiative: Patty Neitman provided several updates on the office of the advocate, including strong partnerships between the state's child welfare, juvenile justice, and mental health systems. The clinical requests that the office of the advocate.

From August 2022 through August 2023: 431 requests for clinical assistance; 78% are related to the child welfare system, primarily foster care; 13% are related to CPS children not in foster care; 9% are coming from guardianship, adoption, CMH, families, and other sources. In July, adopted children were involved in 25% of the calls to this office. 38% of the calls related to the placement of children in stable settings; 18% were children in an ED, waiting to be placed; the remainder were related to the transition children to other settings. Two recent child welfare and juvenile justice partnering events were very successful.

A series of joint learning events is being developed, jointly between MDHHS, CMHs, and PIHPs, for mental health and child welfare staff.

MichiCANS: MDHHS issued a memo, yesterday, of the use of MichiCANs to screen all of the children in the state's foster care system by the state's CMHSPs. MDHHS plans to use this approach in all of the soft launch sites. MDHHS outlined a number of issues with this approach, including financing and access. Observations by Directors Forum members included: concerns relative to the complexity of implementing this proposal; the lack of staffing for this effort; the lack of funding for this effort; the added demands on clinicians who are also carrying out CAFAS, PECFAS, and other clinical demands; the fact that this effort puts foster care children ahead of other children with more serious mental health needs. It was also pointed out that CMHA and its members of the MDHHS child welfare/mental health partnership had developed a set of issues that have to be addressed to make such screening possible.

Mobile crisis pilots: Phil Kurdunowicz indicated that a number of new mobile crisis pilots sites have been added, bringing the number of CMHs to 23 that are involved in these pilots. The certification guidelines are being developed with guidance of these stakeholders. MDHHS is offering, at the CMHA conference, a workshop on the key crisis-related components of MKN.

MDHHS is planning to move wrap-around from the SED waiver to the State Plan to make it accessible to a wider range of children and families. It was pointed out that wrap-around has historically been provided outside of the waiver.

Expansion of CCBHC state demonstration sites: Erin Emerson indicated that 17 new sites will be joining the State CCBHC Demonstration, starting on October 2023. Five of these sites are non-profit organizations and 12 of which are CMHSPs. MDHHS will send a CCBHC demo site map. The MDHHS team is preparing for the FY 2025 state demonstration expansion. MDHHS is working with CHRT on the evaluation of the state's CCBHC demonstration.

Plans around use of Opioid Settlement dollars and Opioid Task Force efforts: Jared Welehodsky indicated that the FY 2024 Opioid Plan will be coming out soon and will be posted on the Department's website. Some of the settlements are still being worked through, with funds from these other defendants to be added to future appropriations. The newly formatted Opioid Task Force, made up of 50% state and 50% local government representatives. The task force meetings will move around the state to allow for access by all Michiganders. MDHHS is encouraging local governments to work collaboratively in the use of these dollars, pooling them as needed. Local governments have full autonomy in the use of these funds, as long as the use of opioid dollars are in compliance with the settlement agreement. MDHHS sees these funds as being appropriately used for a broad range of illicit drug prevention and treatment efforts.

MDHHS efforts to address behavioral health workforce shortage: Kristen Jordan indicated that the HMA-developed workforce shortage report is being used by the MDHHS Workforce Task Force. CMHA will send out the HMA report to Directors Forum members.

MKN Loan Repayment program updates:

FY 2022: Fully processed
FY 2023: Have identified several hundred eligible employers.
FY 2024: Applications will open in spring 2024.

MDHHS will respond to the question as to why non-profit and for-profit provider organizations are required, in FY 2023, to provide a match for these loan repayment programs. This burden of these new requirements and the access barriers that this requires were underscored.

MKN internship stipend: The vendor RFP will be issued soon. MDHHS will be sending information out on the mechanics of the MKN internship program.

State hospital developments - capacity reduction, intensive residential transition program: Jeff Wieferich indicated that Caro is officially open with patients moved in. The census in the state hospitals remain nearly the same, with the temporary moratorium on admissions concluded. Reuther can currently accept 40 children with the expansion of the third floor, at Reuther, moving that capacity to 60. This expansion of children's services at Reuther will reduce the Reuther adult capacity from 150 to 100. The groundbreaking for the new children's hospital, on the former Hawthorn site, will take place in November, with a projected opening in July 2026.

MDHHS will send information on the size of the waiting list for adult and children state hospital units and the percentage of state facility beds filled with forensic patients.

MDHHS work related to improving access to inpatient psychiatric care in community hospitals: Kristen Jordan will send the list of hospitals that have received the state inpatient psychiatric grants. They are geographically disbursed. No updates, at this point, as to efforts to support hospitals in improving their ability to admit children and adults to open beds. The issues raised with MDHHS included:

- Dramatic increases in inpatient psychiatric rates, given the sizeable demand for inpatient beds in the face of limited supply of beds – a limitation determined by the state.
- Resistance of many hospitals to develop year-long contracts and pursue, instead, single-case agreements, which do not include the accountability and performance requirements that are contained in the standard contract.
- Need to tie the HRA payment to the willingness of hospitals to admit persons referred by CMHs, providers, and PIHPs.

MDHHS efforts to reduce administrative burden: Kristen Jordan indicated that her team are developing a number of changes aimed at reducing administrative burdens:

- Annual Medicaid code changes rather than quarterly.
- Discontinue the quarterly MMBPIS reporting requirement.

Some specific recommendations by Directors Forum members:

- Return of CLS 15-minute code to a per diem code (CMHA will send Kristen the analysis of this issue, developed by CMHA and the coalition that formed around this issue).
- That the new CRM credentialing process be revised to be built on an electronic method of data transfer rather than requiring data entry by clinicians across the state. The MDHHS proposed approach to have all CMH staff clinicians enter credentialing information into CRM does not provide value and adds another burden to the workload of the staff. The credentialing of residential staff, by homes that they may work at, is unnecessary. Rather, this should be done per staff member within each residential provider and not by staff member by worksite/home address.
- That the fact that CRM is not being used to receive nor track customer service grievances and complaints.
- That the questions related to sexual relations, sexual orientation, and related issues being recommended, by MDHHS, to be asked early in the clinical process, with SUD clients, be eliminated given the harm that these questions do to the clinical/therapeutic relationship.
- Allow for a range of frequency of the delivery of the services contained in a person centered or family centered plan and not require a new plan to allow the use of ranges of a person centered or family centered plan.
- Over-arching theme: That MDHHS work with CMHs, PIHPs, and providers in determining the value of an administrative or paperwork demand given the amount of work required to meet this demand.

MDHHS plans for Duals Special Needs Plan (DSNP): Kristen Jordan will send an update on the DSNP effort.

Status of Medicaid health plan rebid: Penny Rutledge indicated that the rebid RFP will be released by the end of October. A webinar will also be released at the end of October or early November. Proposals, from interested health plans are due by January 2024, with the new contracts to start on October 1, 2024.

Status of CSU certification standards and other crisis system efforts (MPCIP): Alyssa Newmoyer indicated that the CSU pilot site meetings are going well. A group of persons served are providing guidance around the development of these pilots. Additionally, the views of pilot sites and persons with lived experiences on the CSU-related administrative rules. Recent tours of CSU-like sites provided MDHHS staff with a clear and impressive picture of CSU operations.

MDHHS is working to develop family stabilization services via these CSUs, including the provision of sufficient space to involve families in the work at the site. The CSU model is being developed to address the needs of a range of supportive and less-supportive families. Home-based CSU work was recommended

as a key component in the crisis stabilization continuum, given that many families are large with only a single parent/guardian who cannot join the dialogue at a center-based CSUs.

Number, location, and use patterns of ICTS facilities: Alex Kruger indicated that three adult providers (Hope Network, Beacon, and Turning Leaf) are the ICTS providers, with sites across a number of Michigan communities. MDHHS will be putting the ICTS map and referral process on their website. Additional providers will be added to this effort. A number of contracts with providers are being developed to allow for the transfer back to the home communities of residents. The referrals to ICTS have been, to date, from state hospitals. Referrals from CMHs, PIHPs, and providers will be opened, soon, with Alex's office offering to provide training to staff, at CMHs, PIHPs, and providers around the ICTS referral process. It was recommended that this office offer a webinar for staff within the CMHSP, PIHP, and provider system who will be making these referrals. MDHHS is working to develop ICTS sites in the northern part of the state. A number of current residential providers may be willing to become ICTS providers if approached, jointly by MDHHS and the local CMH, around the requirements and rates paid to ICTS providers.

Status of PRTF approval by CMS: Alex Kruger indicated that four providers (Hope Network, Beacon, Vista Maria, and Turning Leaf) are the PRTF providers. Hope is developing a tailored approach for children with dual diagnosis, with a focus on those with SED and ASD. These sites are in Grand Rapids and in metro-Detroit. MDHHS will be putting the PRTF map and referral process on their website. Additional providers will be added to this effort. CMS has approved PRTF as a Medicaid service in Michigan, effective December 1, 2023.

MDHHS intends to transition the management of this benefit, once more fully developed, to the state's PIHPs and CMHSPs.

Discussion of and updates on a range of initiatives: Workforce gap closing initiatives pursued by Directors Forum members were discussed.

Debriefing from the morning's MDHHS discussions or any other issues: For future Directors Forum meetings it was agreed to have MDHHS staff be asked to write up a summary of the status on the issues around which Directors Forum members are interested. This summary would be provided to Directors Forum members in advance of or soon after the Directors Forum. The MDHHS segment of the Directors Forum would then be structured around a smaller number of issues – those with high priority or complexity. The purpose of this section of the Directors Forum would become one of co-development, providing MDHHS a unique resource useful to their work - the expertise of the Directors Forum participants.

Additionally, CMHA will work with MDHHS to:

- Using a co-development approach to policy and practice development, drawing CMHA members into these efforts through workgroups that are based on the premise of co-development.
- Examining the impact of current policies and practices on system performance.

Other Business

Directors Forum Retreat: In the past, the structure looked like:

Structure of the Retreat:

1. Arrive evening of day one (Sunday)
    a. Ice breaker

2. Day two is a full retreat day (Monday)
    a. Dialogue sessions
3. Social hour on day two
4. Day three is a half day, allowing for travel back home (Tuesday)

Time: Spring 2024

Speakers: The retreat could have a guest speaker or two.

Structure of the dialogues:

- Some of the dialogues would be peer sharing and development
- Some of the dialogues would include a

Potential topics for discussion:

- Coordination of benefits
- Determination of GF versus Medicaid benefit
- Use the opportunities and threats identified at

The location should be in the northern lower peninsula, such as the Traverse City area.

SCA: The desire for CMHA to develop language for its CMHSP members to use when they are communicating with MDHHS around whether they are following the standard cost allocation approach – with the central point being that the categorization of administrative costs, such as network management, claims payment, credentialing, QI, and training, are those of Michigan's CMHSPs and not managed care costs.

- Items for future Directors Forums agenda
- Schedule of 2024 Directors Forums – to be distributed in late 2023 or early 2024

email correspondence

From: Robert Sheehan <rsheehan@cmham.org>
Sent: Wednesday, October 4, 2023 10:31 AM
To: meghan rooney <mrooney@northcarenetwork.org>; Eric Kurtz (NMRE) <ekurtz@nmre.org>; Joseph Sedlock <joseph.sedlock@midstatehealthnetwork.org>; Brad Casemore <Brad.Casemore@swmbh.org>; Mary Marlatt-Dumas <marymd@lsre.org>; James Colaianne <colaiannej@cmhpsm.org>; Jim Johnson <johnson@region10pihp.org>; Eric Doeh <edoeh1@dwihn.org>; lasenbyd@oaklandchn.org; Dave Pankotai <dave.pankotai@mccmh.net>
Cc: Alan Bolter <ABolter@cmham.org>
Subject: Concerns regarding MDHHS' recently issued FY24 Delegation Agreement Reporting Request
Importance: High

PIHP CEOs,

(CMHA will be sending an email, similar to this one, to the state's CMHSPs, CMHA Board of Directors, and MDHHS. We wanted you to know of this communication.)

As you know, MDHHS recently issued the FY 24 delegation agreement for the state's PIHPs to use to report their delegation of managed care functions to the CMHSPs in their region or other organizations. The reporting guidance and template/review tool are attached.

The list of what MDHHS considers managed care functions that can be delegated or held by the state's PIHPs is fundamentally inaccurate. The responsibility for fulfilling the functions contained in the document are those already (for decades) held by the state's CMHSPs. These functions are at the core of what defines a CMHSP in Michigan, as a comprehensive specialty services network – responsibilities held long before the advent of managed care in Michigan's Medicaid program.

As noted over the last several years, and most recently during last week's CMHA Directors Forum, to mislabel these functions as managed care functions that can be delegated or not delegated by a PIHP is in contradiction of the core elements required of Michigan's CMHSPs. This mislabeling is in violation of the state statutes and rules that define the state's CMHSPs and their work. Simply stated, responsibilities cannot be delegated to, or their delegation withheld from, an organization that already holds those responsibilities.

Additionally, this mislabeling fits, far too well, with the private sector model of private health plans/insurance companies, as payers with centralized control of core health care system management functions, paying providers who have lost or never held these advanced system management functions. This mislabeling is one more effort to force Michigan's publicly managed mental health system (the envy of other states who have lost the public management of their mental health systems) into a private sector model - a movement toward privatization that all of us and our allies have worked against since 1997, when Michigan moved is Medicaid program to managed care) and most intensively over the past several years.

These concepts and the arguments against this mischaracterization of CMHSP functions as managed care functions are contained in the document that CMHA and its members developed months ago, as a central resource in the discussion of the state's Standard Cost Allocation proposals. That document is attached.

Robert Sheehan
Chief Executive Officer
Community Mental Health Association of Michigan
2nd Floor
507 South Grand Avenue
Lansing, MI 48933
517.374.6848 main
517.237.3142 direct
www.cmham.org

From: Harrison, Julie (DHHS) <HarrisonJ10@michigan.gov>
Sent: Thursday, September 28, 2023 11:22 AM
To: Subject: FY24 Delegation Agreement Reporting Request
Importance: High

SENDING ON BEHALF OF JACKIE SPROAT

Attached please find the FY24 Delegation Agreement Reporting information. Please note, a response is due by **Monday, October 30, 2023**, via the DCH File Transfer Site (FTS) with attention to the Contract Management Team.

Thank you,
Julie

Julie R. Harrison
Executive Secretary
Division of Contracts and Quality Management
Bureau of Specialty Behavioral Health Services
Behavioral and Physical Health and Aging Services Administration
Michigan Department of Health and Human Services

Lansing, Michigan

STATE OF MICHIGAN
DEPARTMENT OF HEALTH AND HUMAN SERVICES
LANSING

GRETCHEN WHITMER
GOVERNOR

ELIZABETH HERTEL
DIRECTOR

Date: October 2, 2023

To: PIHP and CMHSP CEOs and Assistants

From: Jackie Sproat, MSW, Director JS
Division of Contracts and Quality Management

Subject: DCW Wage Increase L Letter 23-64

The legislature and MDHHS continue to prioritize providing funding for increasing wages for direct care workers. As you are aware, the increase is intended to address the work force shortage for direct care workers (DCW), especially in-home care providers. Providers no longer need to separate this DCW wage increase pay from the base pay rate. The DCW wage increase can be added to the base pay.

PIHPs/CMHSPs are expected to ensure payment per MDHHS/PIHP Specialty Behavioral Health Contract, Schedule-A Statement of Work, 3. Project Management, 8. Payment Terms, B. State Funding, 9. Premium Pay Hourly Wage Increase for Direct Care Workers (DCW), b. As this is a base wage increase, Contractor must ensure that the full amount of funds appropriated for a direct care worker wage increase is provided to direct care workers through sustained increased wages. Agencies will be provided with a per-hour amount to cover additional costs related to implementing the increase.

Only the employee can refuse the increase; a network provider cannot refuse to accept the DCW funds altogether (thus keeping their eligible employees from having a choice of accepting or not).

Similar to FY23, for FY24 the funding for the DCW wage increase is “baked into” the per member per month capitation rates paid to the PIHP. As such, the DCW increase is not separately cost settled.

This L letter can be can be accessed on the web at www.michigan.gov/medicaidproviders click on Policy, Letters & Forms.

For questions, email the contracts shared mailbox at MDHHS-BHDDA-Contracts-MGMT@michigan.gov.

cc Belinda Hawks
Kristen Jordan
Ashley Seeley
June White

Michigan Department of Health and Human Services
Program Policy Division PO Box 30809
Lansing MI 48909

September 27, 2023

<Provider Name>
<Provider Address 1>
<Provider Address 2>
<City> <State> zipcode5-zipcode4

Dear Provider:

RE: Direct Care Worker Wage Increase

Pursuant to Public Act 119 of 2023, the Michigan Department of Health and Human Services (MDHHS) will implement a wage increase for direct care workers, to be included on an ongoing basis. This applies to the MDHHS programs and service codes listed below:

Program Name	Services	Related HCPCS Codes
MI Choice Waiver	Community Living Supports, Respite, Adult Day Health	H2015, H2016, S5150, S5151, S5100, S5101, S5102
MI Health Link	Expanded Community Living Supports, Personal Care, Respite, Adult Day Program	H2015, S5150, T1019, S5100, S5101, S5102
Behavioral Health	Community Living Supports Overnight Health and Safety Supports Personal Care Prevocational Services Respite Skill Building ABA Adaptive Behavior Treatment ABA Group Adaptive Behavior Treatment ABA Exposure Adaptive Treatment Crisis Residential Services Residential Services -SUD Residential Services – Co-occurring SUD/MH Withdrawal Management – SUD Supported Employment	97153, 97154, 0373T, H2025, H0019, H0010, H0012, H0014, H0018, H2014, H2015, H2016, T2027, T1020, T2015, S5151, T1005, H2023

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www.michigan.gov/mdhhs 1-800-979-4662

General Wage Increase Requirements

- The wage increase applies for services provided October 1, 2023, forward and is intended to cover an additional $0.85 per hour increase in direct care worker wages, along with an additional $0.11 per hour for agencies to cover their costs associated with implementing this increase.

- This amount supplements the $2.35 per hour increase (plus an additional $0.29 for agencies) previously appropriated for direct care worker wage increases, bringing the total to $3.20 per hour for direct care workers and an additional $0.40 per hour for agencies.

- The $3.20 per hour should be a base wage increase paid in addition to the worker's regular wage but cannot be less than the wage being received by, or the starting wage offered to, a qualifying direct care worker on March 1, 2020.

- The $3.20 per hour payment must be applied entirely to direct care worker wages.

- The $3.20 and $0.40 per hour amounts may be implemented by an equivalent as divided per billing unit.
    - Factoring in the prior year DCW wage increases, in addition to the FY24 increase, the payment would be $0.80 per 15-minute unit for the direct care worker, and $0.10 per 15-minute unit for the additional agency cost, totaling $0.90 per 15-minute unit attributed to the DCW wage increase and employer costs.

- **Effective October 1, 2023, this wage increase, along with previously appropriated direct care wage increases (totaling $3.20 per hour), should also be applied to direct care worker's indirect/administrative time (necessary time for the worker to complete associated direct care paperwork) and overtime.**
    - Overtime compensation for non-exempt employees is eligible for reimbursement at a rate of $4.80 per hour for FY24.
    - Agencies would receive an additional $0.60 per overtime hour to cover their additional costs associated with implementing this increase, making the total for overtime payments $5.40 per hour including the $4.80 per hour to the direct care worker and $0.60 per hour to the employer.
    - When overtime is billed in 15-minute units, the DCW would receive an additional $1.20 per overtime 15-minute unit and the employer would receive and addition $0.15 per overtime 15-minute unit, for a total of $1.35 per 15-minute overtime unit.

Recordkeeping Requirements

- Providers must retain and be able to submit documentation upon request that supports the distribution to direct care workers and that payments were made in accordance with the requirements in this letter.

- A direct care worker may choose to not receive the wage increase. This choice must be indicated in writing or electronically. This individual's employer must give back to the entity paying for services, as described in the table above, any funds allocated for this individual's wage increase.

Skilled Nursing Facilities (SNFs), Adult Foster Care (AFC) Homes and Homes for the Aged (HFAs)

SNFs, AFC homes and HFAs should follow guidance and reporting instructions provided on the MDHHS Coronavirus webpage at: https://www.michigan.gov/coronavirus/0,9753,7-406-98178_100722---,00.html under the Staffing tab and the "Direct Care Worker Resources" heading.

If you have questions, you can call Provider Support at 1-800-979-4662 or e-mail them at providersupport@michigan.gov.

An electronic version of this document is available at www.michigan.gov/medicaidproviders >> Policy, Letters & Forms.

Sincerely,

Meghan E. Groen, Director
Behavioral and Physical Health and Aging Services Administration

Meeting Details

Meeting Name:	Conflict-Free Access and Planning
Meeting Date & location:	September 18, 2023 from 11:00a-12:00p
Call in number	Teams Meeting
Leader/Facilitator:	Remi Romanowski-Pfeiffer, Belinda Hawks
Next Meeting:	October 16, 2023 from 11:00a-12:00p

Attendees: *Colleen Allen, Karen Amon, Julie Bayardo, Heather Beson, Aaron Biery, Sarah Bowman, Sherri Boyd, Frances Carley, Jarrett Cupp, Lyndia Deromedi, Beth Durkee, John Eagle, Barb Groom, Josh Hagedorn, Adam Hamilton, Kara Hart, Marianne Huff, Tedra Jackson, Jim Johnson, Kristen Jordan, Leah Julian, Amy Kanouse, Jennifer Keilitz, Helen Klingert, Katlin Kring, Jeffrey Labun, Alena Lacey, Christine Lerchen, Todd Lewicki, Amanda Lopez, David Lowe, Angela Martin, Dana Moore, Lisa Nordman, Brittany Pietsch, Carla Pretto, Susan Richards, Sara Sircely, Brenda Stoneburner, Justin Tate, Elizabeth Totten, Joyce Tunnard, Heather Valentiny, Stephanie VanDerKooi, CJ Witherow, Angela Zywicki.*

1. Welcome
2. Review Current Activities
    a. Education and Outreach: Kristen Jordan reported MDHHS plans to develop CFA&P education and outreach opportunities for beneficiaries.
    b. Provider Survey: MDHHS is also developing a provider survey to ensure their feedback is captured and considered as the department considers next steps.
    c. Timeline: Kristen Jordan noted a previous timeline indicated implementation will begin FY24, but that timeline will be extended. MDHHS is still reviewing and defining the timeline and hopes to discuss the timeline in detail at the October CFA&P Workgroup meeting.
3. Review Draft Feedback
    a. Design Challenge: Remi Romanowski-Pfeiffer presented the design challenge which the workgroup discussed originally in April of 2022.
        i. The design challenge is what the Department must consider and balance in its decisions about next steps: How might Michigan STRENGTHEN PROTECTIONS against conflicts of interest in ways which PRIORITIZE THE PERSON'S EXPERIENCE and MAINTAIN VIABILITY of the public behavioral health system?
        ii. The Criteria developed by the workgroup provided additional detail to the design challenge. The workgroup's feedback informs how the Department will address the challenge.

b. Feedback: The workgroup reviewed high-level feedback collected from four primary groups including beneficiaries and their families, CFA&P workgroup, Department staff, and external stakeholders (including CMHAM and advocacy organizations). Provider survey feedback was not included in the summary reviewed by the workgroup.
    i. Over 3,000 feedback entries were provided by stakeholders in testing documents, listening sessions, and materials provided to MDHHS. Entries were coded. When the workgroup provided feedback in the testing documents, their entries were included in the feedback summary.
    ii. Negative Feedback: Most of the feedback entries were negative and concerns about current- and future-states of the public behavioral health system. Although feedback also included positives or opportunities, most feedback was related to a concern. The workgroup reviewed a summary related to concerns.
    iii. Top Concerns: Feedback indicated the top five concerns across all stakeholders were access, continuity, autonomy, viability, and stringency. These concerns were related to both current and anticipated future systems. Each piece of feedback was unique, however these were the top five concerns across all feedback entries.
    iv. Current vs. Future: Both current and future concerns were captured because any decision for the future should consider the concerns people identify today. Of the top five concern areas, all but continuity were mostly related to current state. Continuity had more future concern identified, indicating stakeholders feel any future state could exacerbate continuity concerns or create new continuity concerns.
    v. Quotes: Remi Romanowski-Pfeiffer reviewed several quotes identified by various stakeholder groups for each top concern. Individual entries or quotes could be coded under more than one code.
    vi. Specific Concerns: The workgroup reviewed details of each of the top five concerns.
        1. Access: Timeliness and ease of access (including having a convenient location) in both the current state and potential future scenarios.
        2. Continuity: Redundancy in the beneficiary experience (like having to tell your story more than once) and organizational capacity to share information (like EHR), especially in potential future scenarios.
        3. Autonomy: Beneficiary not being informed of their options, especially in the current state.
        4. Viability: Adequate staffing in the current state and provider network capacity in potential future scenarios.

5. Stringency: Protections against conflict of interest in the current state. *However, both the workgroup and external stakeholders were nearly evenly divided whether current stringency was sufficient.*

c. Discussion: The workgroup was reminded the PowerPoint will be provided online for the workgroup to review after the meeting.
   i. A workgroup member indicated there were no surprises in the feedback. They asked how the feedback will be used to inform the option the Department selects.
      1. Josh Hagedorn discussed the purpose of the options. The options were intended to generate feedback from the workgroup on specific structural elements. The feedback is not currently being connected strictly to the four options as they were intended for testing.
   ii. A workgroup mentioned other states went through transitions to become compliant with CFA&P. What can be learned from the challenges and successes of other states?
      1. Belinda Hawks mentioned the workgroup reviewed other state models and approaches in its launch. There has not been a circle back to state comparisons or implementation plans.
      2. Josh Hagedorn indicated a two year update is started, but not complete. At the beginning of the workgroup, it was discussed that any state develops a model based on its current structures. There are ways to learn from other states while balancing Michigan's historical structures.
   iii. A workgroup member said they remember some state models were too restrictive in their path to compliance. Is there an opportunity to revisit those state models to identify which models Michigan should avoid.
      1. Josh Hagedorn reminded the group that any analysis of a waiver is a lagging indicator because they are approved by CMS on that state's cycle. Any time you look at a waiver, it's still two years behind because of the review and renewal cycle. Revisiting the waivers will be interesting. Members are invited to share any examples of states with overly stringent requirements.
      2. The workgroup member responded that it is important to pick a model to move forward with and not have to back track and re-select a model.
      3. Kristen Jordan voiced that the state's goal is to be very deliberate and thoughtful and noted the concerns of the workgroup member.
   iv. A workgroup member indicated that Michigan has been a leader in promoting person-centered planning opportunities for beneficiaries and it should be a priority to maintain that process.

v. A workgroup member asked for clarification on next steps.
    1. Kristen Jordan indicated MDHHS is launching education and informational sessions for beneficiaries and a provider survey to get providers' perspectives. MDHHS is also working on defining a timeline for the project.
    2. Belinda Hawks said the workgroup would hopefully have more clarity on each of those items in the October workgroup meeting. Listening sessions indicated that outreach and education for beneficiaries is important, as is getting the perspective of providers. It was clear that beneficiaries wanted foundational review of the CFA&P concepts that might impact their perspective. MDHHS wants to revisit the education and outreach side and is discussing how to implement this along with a provider survey.

vi. A workgroup member asked if the modified project timeline will impact current waivers.
    1. Belinda Hawks indicated it should not impact waiver renewals. If the project requires waiver changes that are not aligned with waiver renewals, MDHHS will determine how to best implement changes outside of the renewal timeline.

vii. A workgroup member asked what types of providers will be included in the survey?
    1. Belinda Hawks responded that MDHHS is looking at ways to leverage the EQI reporting and Listserv that provides EQI reports to the department. This may be one avenue to connect with providers.

viii. A workgroup member expressed concerns that listening session participants were told changes were coming rather then helping them understand the issue. How will education sessions be different?
    1. Remi Romanowski-Pfeiffer mentioned that Belinda Hawks indicated MDHHS was pivoting to a more educational and informational approach to provide beneficiaries with additional context. This education and informational approach will include additional context, similar to what this workgroup reviewed in the beginning of its work.
    2. Belinda Hawks added that MDHHS wants to ensure beneficiaries and providers have resources. MDHHS is considering a web page that people can easily navigate those materials.

ix. A workgroup member said the MichiCANS will be rolled out around January and that process might help with preventing beneficiaries from retelling their story, at least on the child and adolescent side. What is

learned from the child/adolescent side might be helpful for any adult assessment counterpart.

1. Belinda Hawks said an assessment review process is underway for the adult side, specifically for the I/DD population to replace the Support Intensity Scale.

x. A workgroup member asked if the goal is still to pick one of the four options or are options being redrafted.

1. Remi Romanowski-Pfeiffer said the intent of the options was to gather feedback, like the feedback the workgroup will review in today's meeting. The goal was to elicit discussion and have this group point at different structures and provide feedback on them. The feedback reviewed in today's meeting will not be broken out by option.

xi. A workgroup member asked if it was ever MDHHS' intent to adopt the options or were they simply for feedback purposes?

1. Kristen Jordan said it was MDHHS' position that it could be some combination of options, like having components of two options. MDHHS is not wedded to those four distinct options. The four options are on the table, but as we collect feedback we may decide to combine or adjust options. It may not strictly be only options one through four.
2. Belinda Hawks added that MDHHS knew the four options reflected and represented structural safeguards that we knew would be compliant with the rule. As Kristen said, MDHHS is not locked into any one option and will use stakeholder feedback to evolve models as we move forward.

d. Next Steps

i. MDHHS is developing education and information sessions for beneficiaries and defining a provider survey.

ii. MDHHS is considering the CFA&P project timeline and will report more back to the workgroup when the timeline is more defined.

iii. The workgroup was invited to continue to email questions or comments to mdhhs-conflictfreeaccess@michigan.gov

iv. All workgroup materials can be found on the CFA&P website, https://www.michigan.gov/mdhhs/keep-mi-healthy/mentalhealth/mentalhealth/conflict-free-access-and-planning-workgroup

MDHHS Conflict-Free Access and Planning

Current Activities

- Provider Survey
- Feedback Package Development
- Education/Information Session
- Update of Project Timeline by MDHHS Leadership

MDHHS Conflict-Free Access and Planning

How might Michigan

STRENGTHEN PROTECTIONS against conflicts of interest

in ways which **PRIORITIZE THE PERSON'S EXPERIENCE** and

MAINTAIN VIABILITY of the public behavioral health system?

Feedback Methods

Who: Four primary groups provided insights on each component of the design challenge including:

- Beneficiaries and their families (via listening sessions)
- CFA&P Workgroup
- MDHHS Staff
- External stakeholders, including CMHAM and Advocate organizations

What: All feedback entries (over 3,000) were coded from listening session notes, testing documents, and other materials provided to MDHHS related to CFA&P.

Upcoming: MDHHS is defining methods for future education and information session with beneficiaries and a provider survey.

Top Concerns*

1. **Access:** People can easily get the services and supports they need.
2. **Continuity:** The connection between services and supports is smooth.
3. **Autonomy:** People can easily make decisions about their planning, services, and supports.
4. **Viability:** Providers can stay in business.
5. **Stringency:** The system complies with the CFA&P rule.

*Feedback package is still in development. Does not include provider survey results.

Top Concerns*

Feedback About…

Current | Future

1. Access
2. Continuity
3. Autonomy
4. Viability
5. Stringency

Decisions Must Address Today's Concerns

For each top concern, most feedback was related to current issues, except for Continuity. Current issues will need to be addressed in any system changes.

In areas like Continuity and Viability, feedback indicated that today's concerns may be worsened by CFA&P implementation.

*Feedback package is still in development. Does not include provider survey results.

Top Concerns*

	Representative Feedback
1 Access	"[I am concerned about] the amount of time it could take… to receive services between providers and… health and safety."
2 Continuity	"Don't want the individual to have to bounce multiple times."
3 Autonomy	"I want to use my choice and I am not allowed to."
4 Viability	"Staffing shortages would most definitely play a role in what the alternatives could be for the person."
5 Stringency	"We currently have a lot of built in conflict of interest."

*Feedback package is still in development. Does not include provider survey results.

Top Concerns*

Specific Concerns

1 Access	Timeliness and ease of access (including having a convenient location) in both the current state and potential future scenarios.
2 Continuity	Redundancy in the beneficiary experience (like having to tell your story more than once) and organizational capacity to share information, especially in potential future scenarios.
3 Autonomy	Beneficiary not being informed of their options, especially in the current state.
4 Viability	Adequate staffing in the current state and provider network capacity in potential future scenarios.
5 Stringency	Protections against conflict of interest in the current state. *However, both the workgroup and external stakeholders were nearly evenly divided whether current stringency was sufficient.*

*Feedback package is still in development. Does not include provider survey results.

Questions and Next Steps

email correspondence

From: Monique Francis <MFrancis@cmham.org>
Sent: Thursday, October 12, 2023 1:00 PM
To: Monique Francis
Cc: Robert Sheehan; Alan Bolter
Subject: Data on Michigan's state psychiatric hospitals – capacity, patient type, and waiting list

To: Members of CMHA's Directors Forum
From: Robert Sheehan, CEO, CMHA
Re: Data on Michigan's state psychiatric hospitals – capacity, patient type, and waiting list

In follow-up to the recent CMHA Directors Forum, Jeff Wieferich, with the State Hospital Administration within MDHHS, sent along information regarding the capacity, type of patient served, and waiting lists for Michigan's state psychiatric hospitals.

That number is below.

Capacity of Michigan's state psychiatric hospitals (as of 10.5.23)

- Caro – 100
- Walter Reuther – Adults 110/Children 30
- Kalamazoo – 120
- CFP – 270

DHHS is trying to get more staff to be able to increase CFP capacity to the level, indicated above. As of this time, the capacity at CFP is 230 – 235.

Number of beds in Michigan's state adult psychiatric hospitals occupied by forensic and non-forensic patients (as of 10.5.23)

	CFP	Caro	KPH	WRPH
Probate/Civil	1	63	76	48
Forensic	227	33	39	46

Waiting lists of Michigan's state psychiatric hospitals (as of 9.29.23)

9/29/23	Probate	IST
Caro	27	61
KPH	16	81
WRPH-Pediatric	18	0
CFP	0	84
WRPH-Adult	12	58
TOTAL	73	284

Robert Sheehan
Chief Executive Officer
Community Mental Health Association of Michigan
2nd Floor
507 South Grand Avenue
Lansing, MI 48933
517.374.6848 main
517.237.3142 direct
www.cmham.org

October 10, 2023

Dear Behavioral Health Provider and Valued Stakeholder:

In 2019, the State of Michigan Departments of Licensing and Regulatory Affairs (LARA) and Health and Human Services (MDHHS) partnered to launch the Michigan Care Access Referral Exchange (MiCARE), hosted by Bamboo Health's OpenBeds® solution. The project initially began in Macomb County, and as of December 2022, had begun implementation in all PIHP regions across Michigan.

The goal of MiCARE was to create a statewide, comprehensive network of all behavioral health treatment providers, referrers, and social support resources with the capability to link those in need of treatment to appropriate, available care. Throughout the past four years, orientations were held across the state and made available to all behavioral health providers, PIHPs and CMHSPs. To date, less than 10% of the 1,000+ licensed behavioral health providers and facilities have completed onboarding into MiCARE. Numerous meetings occurred with facilities, as well as with facilities and their Electronic Health Record (EHR) vendor(s) to discuss integration options, with minimal progress.

Over the past six months, LARA has assessed onboarding progress and utilization, and has made the difficult decision to end the project as of October 31, 2023. Unfortunately, the state's behavioral health structure, lack of engagement, and cost were all factors leading to this decision. Over the next month, LARA will work with the OpenBeds team on the decommissioning process. As MDHHS is legislatively driven to stand up a Psychiatric Bed Registry, inpatient psychiatric facilities and referring entities should expect to hear from MDHHS on next steps within the next few weeks.

We thank you for the opportunity and time provided for our team to present this project to you. If you have questions regarding this communication, please contact Haley Winans (WinansH@michigan.gov) and Amber Daniels (DanielsA3@michigan.gov). Inpatient psychiatric hospitals and units that have questions related to the Psychiatric Bed Registry and its requirements, please direct to Krista Hausermann, MDHHS Crisis and Stabilization Services Section Manager, at HausermannK@michigan.gov. We appreciate your understanding of this decision.

Sincerely,

Amy Gumbrecht, Director
Bureau of Professional Licensing
Department of Licensing and Regulatory Affairs

Community Mental Health Association of Michigan

Analysis:
State of Michigan's participation in Medicaid shared risk arrangement with Michigan's public mental health system[1]

October 2023

Background

In 1997, the State of Michigan and Michigan's public mental health system (Michigan's Community Mental Health System/CMH) entered into a partnership to redesign the Medicaid financing of this public system. The financing moved from the traditional fee-for-service system to a managed care system.

In this managed care system, the state provided Medicaid financing to the community-based public mental health network (Medicaid makes up more than 90% of the funding received by this system) through an advanced payment method, known as capitation. Under a capitated system, rather than the state paying for each mental health service, as in the former fee-for-services financing system, the state paid the public system a set amount per person enrolled in Medicaid (per capita) to serve all of the mental health needs of the state's Medicaid enrollees.

This form of payment was made possible by the creation of public health plans, known, in federal terms, as Prepaid Inpatient Health Plans (PIHP), the name reflecting that inpatient psychiatric care along with a range of outpatient/community-based care is covered by these plans. Initially, all of Michigan's CMHs were PIHPs with the development, over time, of regional public PIHPs working in partnerships with the CMHs in a given region.

Shared risk

Capitation systems involve financial risk, in that the Medicaid funds paid to a PIHP and, through the PIHP, to the CMHs, may not be sufficient to cover the cost of the mental health services needed by the Medicaid enrollees in the communities served by the PIHPs and CMHSPs. To address this risk, the State of Michigan determined that it would share a portion of the financial risk borne by the state's PIHPs and CMHSPs.

Under this risk sharing arrangement, the PIHPs/CMHSPs would hold the financial risk for providing the needed Medicaid services for all costs up to 105% of the funding that the PIHP receives in a given fiscal year. Costs incurred by the PIHP from 105% to 110% of the annual Medicaid revenues are shared equally (50/50) by the PIHP and by the State of Michigan. Costs above 110% of a PIHPs annual Medicaid revenues are borne by the State of Michigan.

[1] For the sake of simplicity in communication, the terms "mental health system" and "mental health services" in this paper, are used as shorthand for the system that serves and the services provided to persons with mental illness, emotional disturbance, intellectual or developmental disabilities, and/or substance use disorders.

Examining the actual participation of the State of Michigan in the shared risk arrangement

While the shared risk arrangement appeared, initially, to provide a financial safety net for the state's public mental health system, it has not provided such a financial risk buffer.

Several observations, regarding this shared risk arrangement are illustrative of this model's flaws:

1. As noted in the table in Attachment A, over the twenty-six (26) year history of this shared risk arrangement, the **State of Michigan has covered only $10 million of the financial risk borne by the state's PIHPs.** This participation, by the State, in the financial risk arrangement amounted to **2/100 of 1% of the Medicaid revenues received by the state's PIHPs**.

2. Because of the shared-risk arrangement under which the PIHPs operate, they receive a non-MLR (overhead) rate far below that received by other health plans who operate under a full-risk arrangement. **That lower non-MLR (overhead) rate paid the PIHPs has saved the state $4.634 billion dollars over this twenty-six (26) year period.**

3. The state's **PIHPs can hold only the equivalent of 7.5% of their annual Medicaid revenues in risk reserves**. Given the shared risk arrangement, a PIHP would have to exhaust or nearly exhaust those reserves to have the State of Michigan pick up its share of the financial risk. As a result of this inappropriately low risk reserve cap, **once a PIHP exhausts or nearly exhausts this risk reserve in a given year, the PIHP would not have, in the following year, the revenues necessary to spend to the level at which the state would share risk – thus shielding the state from any claims on its shared risk obligations.**

Conclusion

While some claim that the State of Michigan has ensured that the public community-based mental health system is provided financial security by the State's shared risk arrangement with the state's PIHP and that the State shields the PIHPs and CMHs from the financial risk inherent in a capitated payment system, this shared risk arrangement has actually **allowed the State to avoid any substantial risk sharing** and **saved the state over $4.6 billion over the twenty-six (26) year life of the state's Medicaid managed care mental health system.**

Attachment A

Analysis: State of Michigan's participation in Medicaid shared risk arrangement with Michigan's public mental health system

Actual cost and savings to State of Michigan resulting from shared risk rather than full risk financing

October 2023

Actual cost to State of Michigan under shared risk arrangement (FY 1998-2023)			Cost and savings to State of Michigan if a full risk arrangement had been in place (FY 1998-2023)	
Participation, by the State of Michigan, in the shared risk arrangement with Michigan's PIHPs (FY 1998-2023)	Medicaid revenues of Michigan's PIHPs (FY 1998-2023)	Percent of the State of Michigan's participation in the shared risk arrangement of Michigan's PIHPs as a percentage of the PIHP's Medicaid revenues (FY 1998-2023)	Cost to State of Michigan if Medicaid rates provided the PIHPs contained the full-risk non-MLR components paid to the private health plans rather than the shared risk non-MLR paid to the PIHPs (FY 1998-2023)	Savings to the State of Michigan under shared risk arrangement (FY 1998-2023)
$10,000,000	$51,600,000,000	0.0194%	$4,644,000,000	$4,634,000,000

email correspondence

From: Monique Francis <MFrancis@cmham.org>
Sent: Thursday, October 19, 2023 12:12 PM
To: Monique Francis
Cc: Robert Sheehan; Alan Bolter
Subject: REVISED AND CLARIFIED notice re: Guardianship reimbursement program halted
Attachments: E Stop Order - Guardianship payments 10.18.23.pdf

To: CEOs of the CMHs, PIHPs, and Provider Alliance members
From: Robert Sheehan, CEO, CMHA of Michigan
Re: Revised and clarified notice re: Guardianship reimbursement program halted

--- Note: This email contains **revised and clarified information** regarding the guardianship reimbursement program along with a version, of the Stop Work Order, that is more accessible to/readable by the full CMHA membership ----

As you know, CMHA has been the fiduciary for the MDHHS guardianship reimbursement program, processing invoices from CMHA members for guardianship payments that they have made to guardians working with persons served by the CMH system.

CMHA recently received word, see the attached, that this program has been halted, effective October 18, 2023, in accordance with the FY 24 MDHHS Budget boilerplate. This boilerplate language called for the creation of a workgroup to determine the best approach to the payment of guardians working with persons served by the CMH system and the halt of the current program, awaiting the outcome of the workgroup's work.

Based on this stop work order, **CMHA can reimburse your organization for guardianship payments made by your organization for the work of guardians in FY 2023 (through September 30, 2023).**

However, CMHA cannot reimburse for guardianship payments made for guardianship work carried out after September 30, 2023.

We are disappointed in this halt to this program, but knew that the halt was coming, given the FY 24 boilerplate language.

If you have questions regarding this issue, do not hesitate to contact me.

Robert Sheehan
Chief Executive Officer
Community Mental Health Association of Michigan
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2nd floor
Lansing, MI 48933
517.374.6848 main
517.237.3142 direct
www.cmham.org

2024-2029

Strategic Plan Development

1

Mission

The Community Mental Health Association of Michigan supports its membership by informing, educating, and advocating for mental health, emotional disturbance, intellectual and developmental disability, and substance use disorder services by strengthening collaboration with persons served, community, partners, and government.

2

Agenda

- Purpose of today's dialogue
- Process and structure used of CMHA's strategic plan
- Review results of current (2018 – 2023) strategic plan (Impact 2022 Report)
- Small group discussion of:
  - Opportunities facing CMHA member organizations
  - Challenges facing CMHA member organizations
  - Opportunities facing CMHA
  - Challenges facing CMHA
- Report out of small group discussion
- Review of next steps

3

Purpose of Today's Session

- **DESCRIBE** CMHA's strategic planning process and plan structure
- **PROVIDE** picture of accomplishments of CMHA in each of the association's five strategic platforms (Using the report, CMHA Impact 2022, as basis for this discussion)
- **OBTAIN** views, via small group discussion, from participants:
  - Opportunities and challenges facing the Association's membership
  - Opportunities and challenges faced by the Association in its work to assist its members in meeting the opportunities and challenges that they face

4

CMHA 5

Planning Process & Structure

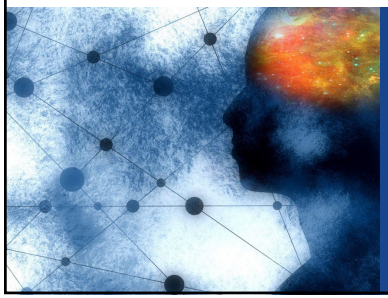
Description of CMHA's non-traditional planning process and structure of the current and upcoming (2024-2029) Strategic Plan.

Given the success of the current strategic plan in guiding CMHA's success in capturing opportunities and thwarting threats, the same plan development process and structure, used in building the current strategic plan will be used to build the 2024-2029 strategic plan.

5

CMHA 6

Environment



The environment in which this Association, its members, and those served by this system live and work has become increasingly fast paced, with opportunities and challenges emerging, dissipating, and/or growing with considerable speed making them unforeseeable in a traditional strategic planning process.

CMHA has used a process, in the development of its current strategic plan, that was better suited to this environment than the traditional strategic planning model.

6

Strategic Planning

Using a planning process and structure that are more nimble and responsive than traditional strategic planning:

CMHA'S NON-TRADITIONAL STRATEGIC PLANNING PROCESS IS BUILT ON TWO COMPONENTS:

Continual and regular observation and analysis of the environment and dialogue with key stakeholders rather than time-intensive and single-point-in-time information gathering and strategy development.

7

Strategic Planning

A broad set of strategic platforms, without quantitative measures, rather than a large number of strategies with quantitative measures which are of little value in guiding strategy in the face of rapidly emerging and changing environmental vectors.

8

Strategic Planning Components

9

Strategic Planning Components

1

DIALOGUE

The use of the regular mechanisms and venues of Association governance, dialogue, and leadership, and external stakeholders, to craft the plan, revise it as needed to meet changing conditions, and monitor the implementation of the plan.

2

SYNTHESIS

The synthesis of the information collected via the methods outlined above to form a cogent list of key opportunities and challenges.

10

Strategic Planning Components

3

MEMBER CENTERED

Because the purpose of CMHA is to serve its members, the Association's identification of opportunities and challenges has two components.

1. The opportunities and challenges facing the Association's membership
2. The opportunities and challenges facing the Association

11

Strategic Planning Components

4

STRATEGIC PLATFORMS

Use of a small number of relatively stable strategic platforms. These strategic platforms represent the core competencies of the Association and form the architecture for the strategic plan. CMHA's strategic platforms – strategic platforms that have served CMHA and its members well.

- Education and Training
- Government Relations/Advocacy
- Policy and Data Analysis
- Linking with Information, Resources, Partnerships; Representation of Members Interests in a Range of Policy Making Settings
- Media and Public Relations

12

Strategic Planning Components

5

KEY OPPORTUNITIES & CHALLENGES

As with the identification of key opportunities and challenges, the issues to be addressed, within each strategic platform, are determined via the synthesis of the information collected via the methods outlined above.

6

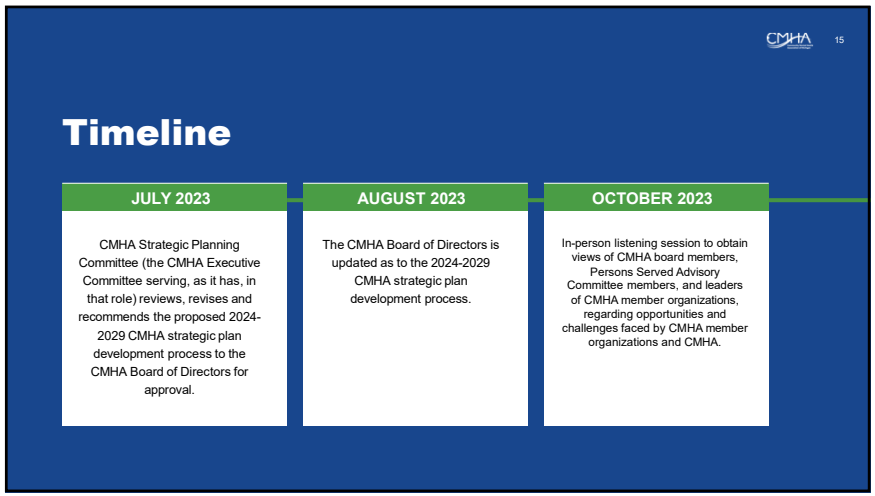
BUILDING ON SUCCESS

The actions and resources to be applied within each strategic platform build upon the currently successful efforts of the Association as well as charting new courses of action or the tapping of new resources.

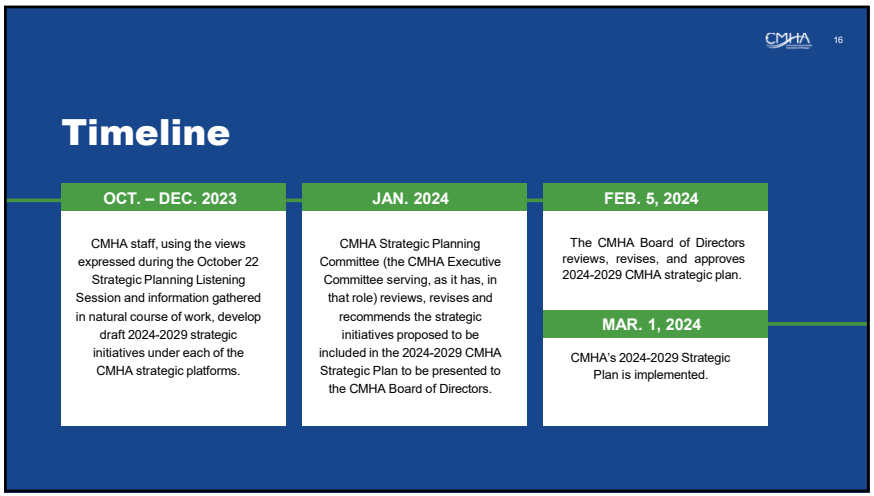
13

Process & Timeline for Plan Development

14


15
Timeline
JULY 2023
CMHA Strategic Planning Committee (the CMHA Executive Committee serving, as it has, in that role) reviews, revises and recommends the proposed 2024-2029 CMHA strategic plan development process to the CMHA Board of Directors for approval.
AUGUST 2023
The CMHA Board of Directors is updated as to the 2024-2029 CMHA strategic plan development process.
OCTOBER 2023
In-person listening session to obtain views of CMHA board members, Persons Served Advisory Committee members, and leaders of CMHA member organizations, regarding opportunities and challenges faced by CMHA member organizations and CMHA.

15


16
Timeline
OCT. – DEC. 2023
CMHA staff, using the views expressed during the October 22 Strategic Planning Listening Session and information gathered in natural course of work, develop draft 2024-2029 strategic initiatives under each of the CMHA strategic platforms.
JAN. 2024
CMHA Strategic Planning Committee (the CMHA Executive Committee serving, as it has, in that role) reviews, revises and recommends the strategic initiatives proposed to be included in the 2024-2029 CMHA Strategic Plan to be presented to the CMHA Board of Directors.
FEB. 5, 2024
The CMHA Board of Directors reviews, revises, and approves 2024-2029 CMHA strategic plan.
MAR. 1, 2024
CMHA's 2024-2029 Strategic Plan is implemented.

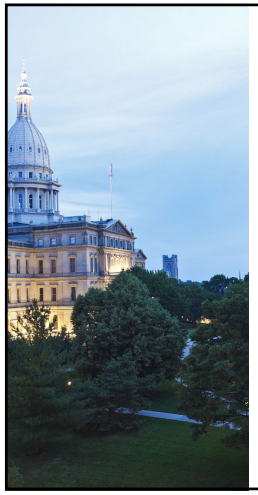
16


2022
Impact Report

17


CMHA
18
Impact Report
Download impact report here
Government Relations and Advocacy
Education and Training
Policy and Fiscal Analysis
Representing and Linking Members with Dialogue and Co-development Venues, Information, Resources and Partnerships
Media and Public Relations

18



CMHA 19

Government Relations and Advocacy

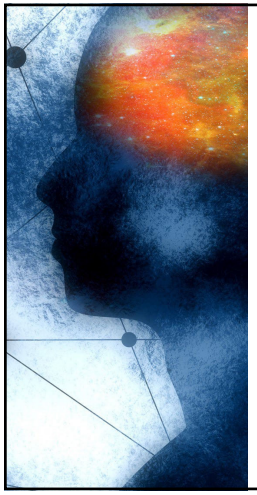
- Developing and maintaining relationships with key legislative & administration leaders, developing trust and credibility, serving as sound content source and advocate
- Regularly communicating with CMHA members on a range of legislation and policy issues:
  - CMHA Capitol briefing video
  - Weekly Update
  - Voter Voice program CMHA's Action Alert system
  - Regular virtual advocacy briefings in response to threats facing our system

Coordinating efforts and message with two well-recognized multi-client lobbying firms on contract with CMHA

Examples of advocacy successes by CMHA over the past year include:

1. Defeated SB 597 and 598 – which would have privatized/profitized the management of the state's public mental health system. This advocacy effort involved a wide range of sophisticated advocacy efforts – social media, first-person videos, press releases, public opinion polling, electronic Action Alerts and a broad and diverse coalition of over 100 organizations.
2. Passage of House Bill 5165, allowing CMHA members access to a key federal loan repayment program – a tool in attracting and retaining clinicians
3. Passage of SBs 637 & 638, strengthening Michigan's mental health crisis response system
4. Passage of SB 412, open access for Medicaid mental health protected drug classes

19



CMHA 20

Education & Training

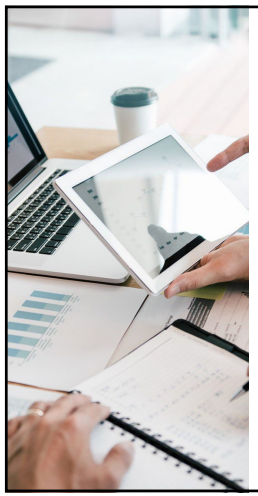
CMHA's education and training efforts, unlike many state associations, are broad in scope and audience reach, deep in the level of knowledge provided to participants, and diverse in their content.

- Offered 200 trainings and conferences reaching over 11,000 individuals on a wide range of evidence based and promising practices.
- Continued long-standing educational partnership with MDHHS is supported by a $10 million federal grant dollars for over 140 trainings and seminars.
- Provided access to high quality educational offerings – via virtual conferences, webinars, and virtual roundtables – at a discount to CMHA members, provided at NatCon and NACBHDD's Legislative and Policy Conference.

Educational partnerships with:

- Georgetown University
- SAMHSA-funded Great Lakes Mental Health Technology Transfer Center (MHTTC)
- Central Michigan University Medical School
- Michigan State Police, Michigan Department of Education, and MDHHS

20



CMHA 21

Policy & Fiscal Analysis

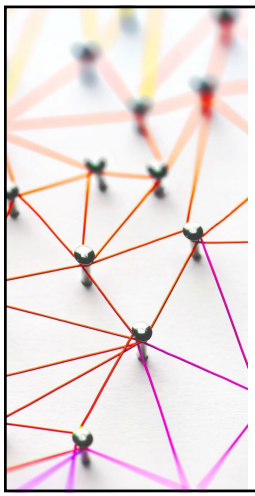
Developed and issued a number of white papers, by the Association's Center for Healthcare Integration and Innovation (CHI2), on topics of vital importance of the Association's members.

- Healthcare Integration and Coordination
- Recommendations on Advancing the Nation's Mental Health Systems
- Impact of the Movement to Private Managed Care System for Publicly Sponsored Mental Health Care: Perspectives from Other States.

Past CHI2 white papers have included and can be found at the CMHA CHI2 webpage.

- Carried out in-depth and accessible fiscal analysis related to a number of financing and policy issues:
  - Monthly analysis of actual Medicaid revenues to the system in comparison to projected revenue
- Developed, in concert with the CMHA Behavioral Telehealth Advisory Group, recommendations and comments related to Michigan's post-pandemic Medicaid telehealth policies.

21



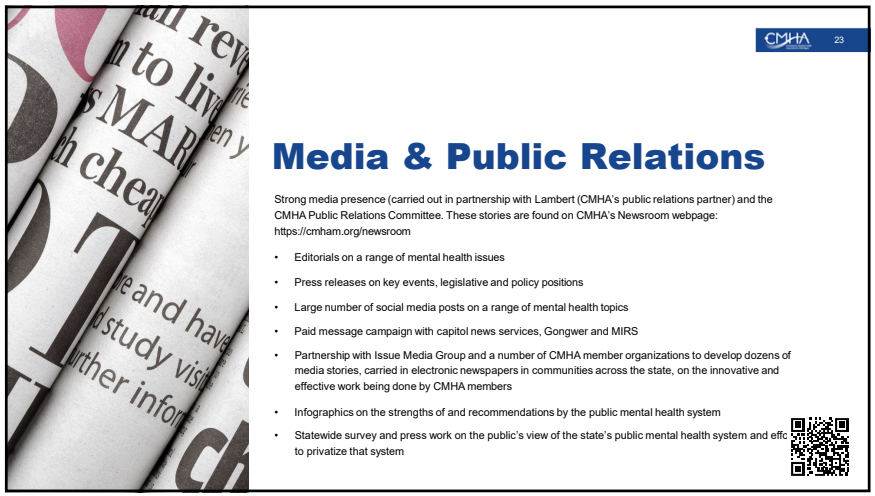
CMHA 22

Representing & linking members with dialogue and co-development venues, information, resources, partnerships

Negotiated, through the Association's CMH Contract Negotiation Team, on behalf of the CMH system, the CMH contract with MDHHS – leveraging the solidarity across the membership that leads to better outcomes to these negotiations

- The Persons Served Advisory Group
- Built and sustained strong partnership role with the major statewide advocacy organizations: NAMI Michigan, Arc Michigan, ACMH, MHAM, DRM, Michigan Disability Rights Coalition, Autism Alliance of Michigan
- Developed and maintained active membership and, often, leadership in coalitions, recruiting Association members to serve as Association representatives to state level coalitions including: Direct Care Wage Coalition, Safety Net Coalition, Michigan Health Endowment Fund's Behavioral Health Stakeholders Group, With One Voice and Kevin's Song (statewide suicide coalition and conference), Behavioral Health Learning Collaborative
- Actively participated and/or recruited Association members to serve as Association representatives to MDHHS, MDE, and LEO workgroups
- Continued strong partnerships with national organizations, including:
  - National Council for Mental Wellbeing
  - National Association of County Behavioral Health and Developmental Disability Directors (NACBHDD)

22


23
Media & Public Relations
Strong media presence (carried out in partnership with Lambert (CMHA's public relations partner) and the CMHA Public Relations Committee. These stories are found on CMHA's Newsroom webpage: https://cmham.org/newsroom
• Editorials on a range of mental health issues
• Press releases on key events, legislative and policy positions
• Large number of social media posts on a range of mental health topics
• Paid message campaign with capitol news services, Gongwer and MIRS
• Partnership with Issue Media Group and a number of CMHA member organizations to develop dozens of media stories, carried in electronic newspapers in communities across the state, on the innovative and effective work being done by CMHA members
• Infographics on the strengths of and recommendations by the public mental health system
• Statewide survey and press work on the public's view of the state's public mental health system and effo to privatize that system
23


Small Group Discussions
24

CMHA 25

Small Group Discussion

1. Opportunities facing CMHA **member organizations**
2. Challenges facing CMHA **member organizations**

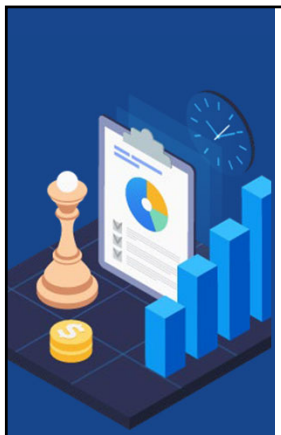
25

CMHA 26

Small Group Discussion

1. Opportunities facing **CMHA**
2. Challenges facing **CMHA**

26



CMHA 27

Report out of Small Group Discussions

1. Opportunities facing CMHA member organizations
2. Opportunities facing CMHA
3. Challenges facing CMHA member organizations
4. Challenges facing CMHA

27

CMHA 28

Timeline

OCT. – DEC. 2023

CMHA staff, using the views expressed during the October 22 Strategic Planning Listening Session and information gathered in natural course of work, develop draft 2024-2029 strategic initiatives under each of the CMHA strategic platforms.

JAN. 2024

CMHA Strategic Planning Committee (the CMHA Executive Committee serving, as it has, in that role) reviews, revises and recommends the strategic initiatives proposed to be included in the 2024-2029 CMHA Strategic Plan to be presented to the CMHA Board of Directors.

FEB. 5, 2024

The CMHA Board of Directors reviews, revises, and approves 2024-2029 CMHA strategic plan.

MAR. 1, 2024

CMHA's 2024-2029 Strategic Plan is implemented.

28

NORTHERN MICHIGAN REGIONAL ENTITY
FINANCE COMMITTEE MEETING
10:00AM – OCTOBER 11, 2023
VIA TEAMS

ATTENDEES:	**Laura Argyle, Connie Cadarette, Ann Friend, Nancy Kearly, Eric Kurtz, Donna Nieman, Larry Patterson, Nena Sork, Erinn Trask, Jennifer Warner, Tricia Wurn, Deanna Yockey, Carol Balousek**

REVIEW AGENDA & ADDITIONS
Deanna noted that she had updated information to share under the Interim FSR and HSW Slots agenda items.

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

MOTION BY CONNIE CARARETTE TO APPROVE THE MINUTES OF THE SEPTEMBER 13, 2023 NORTHERN MICHIGAN REGIONAL ENTITY REGIONAL FINANCE COMMITTEE MEETING; SUPPORT BY ANN FRIEND. MOTION APPROVED.

MONTHLY FINANCIALS
August 2023

- Net Position showed net surplus Medicaid and HMP of $2,576,220. Budget stabilization was reported as $16,369,542. The total Medicaid and HMP Current Year Surplus was reported as $18,945,762. 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 $35,315,304.
- Traditional Medicaid showed $181,960,455 in revenue, and $182,379,829 in expenses, resulting in a net deficit of $419,374. 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 $32,647,645 in revenue, and $29,652,051 in expenses, resulting in a net surplus of $2,995,594. HMP ISF was reported as $7,062,964 based on the current FSR. HMP savings was reported as $8,626,893.
- Health Home showed $2,235,330 in revenue, and $1,970,612 in expenses, resulting in a net surplus of $264,718.
- SUD showed all funding source revenue of $27,767,834 and $24,670,908 in expenses, resulting in a net surplus of $3,096,926. Total PA2 funds were reported as $5,075,597.

A lapse of $1M – $2.5M is anticipated for FY23. PA2 activity is being closely monitored by NMRE staff to ensure that a 1-year fund balance is retained.

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

EDIT UPDATE

The next EDIT meeting is scheduled for October 19th at 10:00AM. Donna shared the FY24 Behavioral Health Code Charts and Provider Qualifications Update that was distributed to EDIT members earlier on this date. The changes include the following:

State of Michigan, Department of Health and Human Services FY24 Behavioral Health Code Sets, Charts, and Provider Qualifications Update Log		
Tab Updated	**Change**	**Date**
Code Charts	Removed "Psychiatric mental health nurse practitioner" language and replaced it with "Nurse Practitioner" for several services throughout the code chart.	10/11/2023
Code Charts	H2019 – language in column B (Service Description) referred to children and this is an adult only code.	10/11/2023
Modifiers	Y2 listed an "n" in FY24 code set and that is incorrect. The Y2 is being used in FY24.	10/11/2023

INTERIM FSR

The due date for the Interim FSR was questioned during the September meeting. Schedule E of the PIHP contract lists the due date as November 1st; the CMHSP General Fund contract lists the due date as November 11th. Deanna has sought clarification from the Department. The Department agreed to allow the PIHP due date to align with the CMHSP due date. An extension to November 10th was approved. Deanna requested FSRs from the Boards by November 2nd. It was noted that the FY24 contract also shows the due date as November 1st.

EQI

The eight-month (October through May) report was submitted to MDHHS on September 30th. Tracia will be attending an EQI Workgroup meeting on October 12th at 1:00PM.

DCW FY24 RATE

L 23-64 dated September 27, 2023 was included in the meeting materials. General wage increase requirements were summarized as:

- The wage increase applies for services provided October 1, 2023, forward and is intended to cover an additional $0.85 per hour increase in direct care worker wages, along with an additional $0.11 per hour for agencies to cover their costs associated with implementing this increase.
- This amount supplements the $2.35 per hour increase (plus an additional $0.29 for agencies) previously appropriated for direct care worker wage increases, bringing the total to $3.20 per hour for direct care workers and an additional $0.40 per hour for agencies.
- The $3.20 per hour should be a base wage increase paid in addition to the worker's regular wage but cannot be less than the wage being received by, or the starting wage offered to, a qualifying direct care worker on March 1, 2020.
- The $3.20 per hour payment must be applied entirely to direct care worker wages.
- The $3.20 and $0.40 per hour amounts may be implemented by an equivalent as divided per billing unit.

- Factoring in the prior year DCW wage increases, in addition to the FY24 increase, the payment would be $0.80 per 15-minute unit for the direct care worker, and $0.10 per 15-minute unit for the additional agency cost, totaling $0.90 per 15-minute unit attributed to the DCW wage increase and employer costs.

- **Effective October 1, 2023, this wage increase, along with previously appropriated direct care wage increases (totaling $3.20 per hour), should also be applied to direct care worker's indirect/administrative time (necessary time for the worker to complete associated direct care paperwork) and overtime.**
  - Overtime compensation for non-exempt employees is eligible for reimbursement at a rate of $4.80 per hour for FY24.
  - Agencies would receive an additional $0.60 per overtime hour to cover their additional costs associated with implementing this increase, making the total for overtime payments $5.40 per hour including the $4.80 per hour to the direct care worker and $0.60 per hour to the employer.
  - When overtime is billed in 15-minute units, the DCW would receive an additional $1.20 per overtime 15-minute unit and the employer would receive an additional $0.15 per overtime 15-minute unit, for a total of $1.35 per 15-minute overtime unit.

Ann asked for clarification regarding whether the CMHSPs will be getting a rate increase to account for the $0.85 increase. Deanna clarified that the FY24 Milliman rates include the $0.85 (from $2.35 to $3.20 = 12% admin = $3.59) per hour increase. Erinn noted that AuSable Valley will not be providing an "across the board" $0.85 increase. Laura agreed, stating that if the increase is included in an enhanced rate, the $0.85/hour increase isn't required. The CMHSPs noted that they are getting some pushback from providers.

A question was raised regarding overtime pay by the Provider Network Managers during the meeting on October 10th. Erinn responded that there is no way to bill the overtime separately. Connie reported that Northeast Michigan will request that attestations to be submitted to account for overtime hours. Overtime hours will be multiplied by the overtime wage; claims will then be reconsidered.

HSW SLOTS

The NMRE currently has 19 of its 689 HSW slots open. Because 97% of the region's slots are currently filled, the risk of losing slots to other PIHP regions has lessened.

FY24 BUDGET

The NMRE Board approved the FY24 Preliminary budget on September 27, 2023. Deanna had nothing further to report on this agenda item during the meeting.

RESCHEDULE DECEMBER 13TH MEETING

The NMRE Board voted to schedule a meeting on December 13th at 10:00 in place of the previously scheduled November and December meetings as they conflict with holidays. Therefore, the December 13th Finance Committee meeting will need to be rescheduled. After discussion, the decision was made to hold the December Finance Committee meeting on Thursday, December 14th at 9:00AM.

NEXT MEETING

The next meeting was scheduled for November 8th at 10:00AM.

Chief Executive Officer Report

October 2023

This report is intended to brief the NMRE Board on 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.

Sept 25: Attended and participated in a meeting with PIHP CEO's & Kristin Jordon at MDHHS.

Sept 26: Attended and participated NMRE regional Health Home Summit.

Sept 29: Attended and participated in a meeting regarding Alpine CRU in Gaylord.

Oct 2: Attended and participated in MIOG PIHP contract language meeting.

Oct 3: Attended and participated in PIHP CEO Meeting.

Oct 4: Attended and participated in a meeting with the UP and Kristin Jorden.

Oct 5: Attended and participated in regional BIT meeting with PCE.

Oct 6: Attended and presented in MDHHS meeting regarding NLCMHA ongoing oversight.

Oct 11: Attended and participated in Regional Finance Committee meeting.

Oct 17: Chaired NMRE Operations Committee meeting.

Oct 18: Attended and participated in NMRE Internal Operations Committee meeting.

Oct 20: Plan to attend NLCMHA and Munson Crisis Team meeting.

Oct 22-23: Plan to attend CMHAM fall conference.

Northern Michigan Regional Entity

August 2023 Finance Report

August 2023 Financial Summary

Funding Source	YTD Net Surplus (Deficit)	Carry Forward	ISF
Medicaid	(419,374)	7,742,649	9,306,578
Healthy Michigan	2,995,594	8,626,893	7,062,964
	$ 2,576,220	$ 16,369,542	$ 16,369,542

	NMRE MH	NMRE SUD	Northern Lakes	North Country	Northeast	AuSable Valley	Centra Wellness	PIHP Total
Net Surplus (Deficit) MA/HMP	1,244,822	2,696,409	(2,630,057)	1,773,766	(1,780,714)	1,987,541	(715,547)	$ 2,576,220
Budget Stabilization Full Year		1,878,908	4,919,342	4,095,691	2,272,462	1,955,236	1,247,903	16,369,542
Total Med/HMP Current Year Surplus	1,244,822	4,575,317	2,289,285	5,869,457	491,748	3,942,777	532,356	$ 18,945,762
Medicaid & HMP Internal Service Fund								16,369,542
Total Medicaid & HMP Net Surplus								$ 35,315,304

Northern Michigan Regional Entity

Funding Source Report - PIHP

Mental Health
October 1, 2022 through August 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)	$ 176,165,728	$ 5,794,727						$ 181,960,455
CMHSP Distributions	(169,417,580)		55,529,876	46,551,066	28,651,648	23,938,908	14,746,081	(0)
1st/3rd Party receipts			-	-	-	-	-	-
Net revenue	6,748,148	5,794,727	55,529,876	46,551,066	28,651,648	23,938,908	14,746,081	181,960,455
Expense								
PIHP Admin	2,208,849	58,548						2,267,398
PIHP SUD Admin		75,360						75,360
SUD Access Center		36,993						36,993
Insurance Provider Assessment	1,738,502	41,795						1,780,297
Hospital Rate Adjuster	1,729,112							1,729,112
Services		4,557,318	57,289,990	45,991,000	31,010,396	22,217,574	15,424,392	176,490,670
Total expense	5,676,463	4,770,014	57,289,990	45,991,000	31,010,396	22,217,574	15,424,392	182,379,829
Net Actual Surplus (Deficit)	$ 1,071,685	$ 1,024,713	$ (1,760,114)	$ 560,066	$ (2,358,748)	$ 1,721,334	$ (678,311)	$ (419,374)

Notes

Medicaid ISF - $9,306,578 - based on current FSR
Medicaid Savings - $7,742,649

Northern Michigan Regional Entity

Funding Source Report - PIHP

Mental Health
October 1, 2022 through August 31, 2023

	NMRE MH	NMRE SUD	Northern Lakes	North Country	Northeast	AuSable Valley	Centra Wellness	PIHP Total
Healthy Michigan								
Revenue								
Revenue Capitation (PEPM)	$ 20,652,350	$ 11,995,295						$ 32,647,645
CMHSP Distributions	(18,581,619)		6,763,489	5,628,282	2,306,076	2,335,385	1,548,386	0
1st/3rd Party receipts			-	-	-	-	-	-
Net revenue	2,070,731	11,995,295	6,763,489	5,628,282	2,306,076	2,335,385	1,548,386	32,647,645
Expense								
PIHP Admin	223,936	126,665						350,602
PIHP SUD Admin		163,035						163,035
SUD Access Center		80,032						80,032
Insurance Provider Assessment	166,614	94,453						261,067
Hospital Rate Adjuster	1,507,044							1,507,044
Services		9,859,414	7,633,432	4,414,582	1,728,042	2,069,179	1,585,622	27,290,271
Total expense	1,897,594	10,323,599	7,633,432	4,414,582	1,728,042	2,069,179	1,585,622	29,652,051
Net Surplus (Deficit)	$ 173,137	$ 1,671,696	$ (869,943)	$ 1,213,700	$ 578,034	$ 266,206	$ (37,236)	$ 2,995,594

Notes
HMP ISF - $7,062,964 - based on current FSR
HMP Savings - $8,626,893

Net Surplus (Deficit) MA/HMP	**$ 1,244,822**	**$ 2,696,409**	**$ (2,630,057)**	**$ 1,773,766**	**$ (1,780,714)**	**$ 1,987,541**	**$ (715,547)**	**$ 2,576,220**
Medicaid Carry Forward								**16,369,542**
Total Med/HMP Current Year Surplus								**$ 18,945,762**
Medicaid & HMP ISF - based on current FSR								**16,369,542**
Total Medicaid & HMP Net Surplus (Deficit) including Carry Forward and ISF								**$ 35,315,304**

Northern Michigan Regional Entity

Funding Source Report - PIHP

Mental Health
October 1, 2022 through August 31, 2023

	NMRE MH	NMRE SUD	Northern Lakes	North Country	Northeast	AuSable Valley	Centra Wellness	PIHP Total
Health Home								
Revenue								
Revenue Capitation (PEPM)	$ 456,551		628,814	311,498	147,009	170,711	520,747	$ 2,235,330
CMHSP Distributions	-							-
1st/3rd Party receipts								-
Net revenue	456,551	-	628,814	311,498	147,009	170,711	520,747	2,235,330
Expense								
PIHP Admin	24,511							24,511
BHH Admin	38,166							38,166
Insurance Provider Assessment	-							-
Hospital Rate Adjuster								
Services	129,156		628,814	311,498	147,009	170,711	520,747	1,907,935
Total expense	191,833	-	628,814	311,498	147,009	170,711	520,747	1,970,612
Net Surplus (Deficit)	$ 264,718	$ -	$ -	$ -	$ -	$ -	$ -	$ 264,718

Northern Michigan Regional Entity

Funding Source Report - SUD

Mental Health

October 1, 2022 through August 31, 2023

	Medicaid	Healthy Michigan	Opioid Health Home	SAPT Block Grant	PA2 Liquor Tax	Total SUD
Substance Abuse Prevention & Treatment						
Revenue	$ 5,794,727	$ 11,995,295	$ 4,069,604	$ 4,080,627	$ 1,827,581	$ 27,767,834
Expense						
Administration	133,908	289,700	101,728	258,970		784,307
OHH Admin			105,231	-		105,231
Access Center	36,993	80,032	-	21,021		138,046
Insurance Provider Assessment	41,795	94,453	-			136,248
Services:						
Treatment	4,557,318	9,859,414	3,462,127	2,589,700	1,827,581	22,296,140
Prevention	-	-	-	1,082,282	-	1,082,282
ARPA Grant	-	-	-	128,654	-	128,654
Total expense	4,770,014	10,323,599	3,669,086	4,080,627	1,827,581	24,670,908
PA2 Redirect			-	-	-	-
Net Surplus (Deficit)	$ 1,024,713	$ 1,671,696	$ 400,518	$ -	$ -	$ 3,096,926

Northern Michigan Regional Entity

Statement of Activities and Proprietary Funds Statement of

Revenues, Expenses, and Unspent Funds
October 1, 2022 through August 31, 2023

	PIHP MH	PIHP SUD	PIHP ISF	Total PIHP
Operating revenue				
Medicaid	$ 176,165,728	$ 5,794,727	$ -	$ 181,960,455
Medicaid Savings	7,742,649	-	-	7,742,649
Healthy Michigan	20,652,350	11,995,295	-	32,647,645
Healthy Michigan Savings	8,626,893	-	-	8,626,893
Health Home	2,235,330	-	-	2,235,330
Opioid Health Home	-	4,069,604	-	4,069,604
Substance Use Disorder Block Grant	-	4,080,627	-	4,080,627
Public Act 2 (Liquor tax)	-	1,827,580	-	1,827,580
Affiliate local drawdown	594,816	-	-	594,816
Performance Incentive Bonus	626,931	-	-	626,931
Miscellanous Grant Revenue	-	4,000	-	4,000
Veteran Navigator Grant	87,059	-	-	87,059
SOR Grant Revenue	-	1,527,503	-	1,527,503
Gambling Grant Revenue	-	129,320	-	129,320
Other Revenue	960	-	6,437	7,397
Total operating revenue	216,732,716	29,428,656	6,437	246,167,809
Operating expenses				
General Administration	2,757,913	621,737	-	3,379,650
Prevention Administration	-	108,701	-	108,701
OHH Administration	-	105,231	-	105,231
BHH Administration	38,166	-	-	38,166
Insurance Provider Assessment	1,905,116	136,248	-	2,041,364
Hospital Rate Adjuster	3,236,156	-	-	3,236,156
Payments to Affiliates:				
Medicaid Services	171,933,352	4,557,318	-	176,490,670
Healthy Michigan Services	17,430,857	9,859,414	-	27,290,271
Health Home Services	1,907,935	-	-	1,907,935
Opioid Health Home Services	-	3,462,127	-	3,462,127
Community Grant	-	2,589,700	-	2,589,700
Prevention	-	973,581	-	973,581
State Disability Assistance	-	-	-	-
ARPA Grant	-	128,654	-	128,654
Public Act 2 (Liquor tax)	-	1,827,581	-	1,827,581
Local PBIP	2,185,113	-	-	2,185,113
Local Match Drawdown	594,816	-	-	594,816
Miscellanous Grant	-	4,000	-	4,000
Veteran Navigator Grant	87,059	-	-	87,059
SOR Grant Expenses	-	1,527,503	-	1,527,503
Gambling Grant Expenses	-	129,320	-	129,320
Total operating expenses	202,076,483	26,031,115	-	228,107,598
CY Unspent funds	14,656,233	3,397,541	6,437	18,060,211
Transfers In	-	-	-	-
Transfers out	-	-	-	-
Unspent funds - beginning	2,636,590	5,408,166	16,369,542	24,414,298
Unspent funds - ending	$ 17,292,823	$ 8,805,707	$ 16,375,979	$ 42,474,509

Northern Michigan Regional Entity

Statement of Net Position

August 31, 2023

	PIHP MH	PIHP SUD	PIHP ISF	Total PIHP
Assets				
Current Assets				
Cash Position	$ 51,276,924	$ 8,437,646	$ 16,375,979	$ 76,090,549
Accounts Receivable	1,466,887	1,914,382	-	3,381,269
Prepaids	115,928	-	-	115,928
Total current assets	52,859,739	10,352,028	16,375,979	79,587,746
Noncurrent Assets				
Capital assets	125,002	-	-	125,002
Total Assets	52,984,741	10,352,028	16,375,979	79,712,748
Liabilities				
Current liabilities				
Accounts payable	35,410,584	1,546,336	-	36,956,920
Accrued liabilities	281,334	-	-	281,334
Unearned revenue	-	-	-	-
Total current liabilities	35,691,918	1,546,336	-	37,238,254
Unspent funds	$ 17,292,823	$ 8,805,692	$ 16,375,979	$ 42,474,494

Northern Michigan Regional Entity

Proprietary Funds Statement of Revenues, Expenses, and Unspent Funds

Budget to Actual - Mental Health
October 1, 2022 through August 31, 2023

	Total Budget	YTD Budget	YTD Actual	Variance Favorable (Unfavorable)	Percent Favorable (Unfavorable)
Operating revenue					
Medicaid					
* Capitation	$ 187,752,708	$ 172,106,649	$ 176,165,728	$ 4,059,079	2.36%
Carryover	11,400,000	11,400,000	7,742,649	(3,657,351)	(0)
Healthy Michigan					
Capitation	19,683,372	18,043,091	20,652,350	2,609,259	14.46%
Carryover	5,100,000	5,100,000	8,626,893	3,526,893	69.15%
Health Home	1,451,268	1,330,329	2,235,330	905,001	68.03%
Affiliate local drawdown	594,816	594,816	594,816	-	0.00%
Performance Bonus Incentive	1,334,531	1,334,531	626,931	(707,600)	(53.02%)
Miscellanous Grants	-	-	-	-	0.00%
Veteran Navigator Grant	110,000	100,837	87,059	(13,778)	(13.66%)
Other Revenue	-	-	960	960	0.00%
Total operating revenue	227,426,695	210,010,253	216,732,716	6,722,463	3.20%
Operating expenses					
General Administration	3,591,836	3,263,818	2,757,913	505,905	15.50%
BHH Administration	-	-	38,166	(38,166)	0.00%
Insurance Provider Assessment	1,897,524	1,739,397	1,905,116	(165,719)	(9.53%)
Hospital Rate Adjuster	4,571,328	4,190,384	3,236,156	954,228	22.77%
Local PBIP	1,737,753	-	2,185,113	(2,185,113)	0.00%
Local Match Drawdown	594,816	594,816	594,816	-	0.00%
Miscellanous Grants	-	-	-	-	0.00%
Veteran Navigator Grant	110,004	84,073	87,059	(2,986)	(3.55%)
Payments to Affiliates:					
Medicaid Services	176,618,616	161,900,398	171,933,352	(10,032,954)	(6.20%)
Healthy Michigan Services	17,639,940	16,169,945	17,430,857	(1,260,912)	(7.80%)
Health Home Services	1,415,196	1,297,263	1,907,935	(610,672)	(47.07%)
Total operating expenses	208,177,013	189,240,094	202,076,483	(12,836,389)	(6.78%)
CY Unspent funds	$ 19,249,682	$ 20,770,159	14,656,233	$ (6,113,926)	
Transfers in			-		
Transfers out			-	202,076,483	
Unspent funds - beginning			2,636,590		
Unspent funds - ending			$ 17,292,823	14,656,233	

Northern Michigan Regional Entity

Proprietary Funds Statement of Revenues, Expenses, and Unspent Funds

Budget to Actual - Substance Abuse
October 1, 2022 through August 31, 2023

	Total Budget	YTD Budget	YTD Actual	Variance Favorable (Unfavorable)	Percent Favorable (Unfavorable)
Operating revenue					
Medicaid	$ 4,678,632	$ 4,288,746	$ 5,794,727	$ 1,505,981	35.11%
Healthy Michigan	11,196,408	10,263,374	11,995,295	1,731,921	16.87%
Substance Use Disorder Block Grant	6,467,905	5,928,913	4,080,627	(1,848,286)	(31.17%)
Opioid Health Home	3,419,928	3,134,934	4,069,604	934,670	29.81%
Public Act 2 (Liquor tax)	1,533,979	1,022,653	1,827,580	804,927	78.71%
Miscellanous Grants	4,000	3,667	4,000	333	9.09%
SOR Grant	2,043,984	1,873,652	1,527,503	(346,149)	(18.47%)
Gambling Prevention Grant	200,000	183,333	129,320	(54,013)	(29.46%)
Other Revenue	-	-	-	-	0.00%
Total operating revenue	29,544,836	26,699,271	29,428,656	2,729,385	10.22%
Operating expenses					
Substance Use Disorder:					
SUD Administration	1,082,576	937,365	621,737	315,628	33.67%
Prevention Administration	118,428	108,559	108,701	(142)	(0.13%)
Insurance Provider Assessment	113,604	104,137	136,248	(32,111)	(30.84%)
Medicaid Services	3,931,560	3,603,930	4,557,318	(953,388)	(26.45%)
Healthy Michigan Services	10,226,004	9,373,837	9,859,414	(485,577)	(5.18%)
Community Grant	2,074,248	1,901,394	2,589,700	(688,306)	(36.20%)
Prevention	634,056	581,218	973,581	(392,363)	(67.51%)
State Disability Assistance	95,215	87,281	-	87,281	100.00%
ARPA Grant	-	-	128,654	(128,654)	0.00%
Opioid Health Home Admin	-	-	105,231	(105,231)	0.00%
Opioid Health Home Services	3,165,000	2,901,250	3,462,127	(560,877)	(19.33%)
Miscellanous Grants	4,000	3,667	4,000	(333)	(9.09%)
SOR Grant	2,043,984	1,873,652	1,527,503	346,149	18.47%
Gambling Prevention	200,000	183,333	129,320	54,013	29.46%
PA2	1,533,978	1,022,652	1,827,581	(804,929)	(78.71%)
Total operating expenses	25,222,653	22,682,275	26,031,115	(3,348,840)	(14.76%)
CY Unspent funds	$ 4,322,183	$ 4,016,996	3,397,541	$ (619,455)	
Transfers in			-		
Transfers out			-		
Unspent funds - beginning			5,408,166		
Unspent funds - ending			$ 8,805,707		

Northern Michigan Regional Entity

Proprietary Funds Statement of Revenues, Expenses, and Unspent Funds

Budget to Actual - Mental Health Administration
October 1, 2022 through August 31, 2023

	Total Budget	YTD Budget	YTD Actual	Variance Favorable (Unfavorable)	Percent Favorable (Unfavorable)
General Admin					
Salaries	$ 1,921,812	$ 1,761,661	$ 1,553,488	$ 208,173	11.82%
Fringes	666,212	580,822	528,042	52,780	9.09%
Contractual	683,308	626,373	401,571	224,802	35.89%
Board expenses	18,000	16,500	15,910	590	3.58%
Day of recovery	14,000	14,000	3,177	10,823	77.31%
Facilities	152,700	139,975	127,371	12,604	9.00%
Other	135,804	124,487	128,354	(3,867)	(3.11%)
Total General Admin	$ 3,591,836	$ 3,263,818	$ 2,757,913	$ 505,905	15.50%

Northern Michigan Regional Entity

Proprietary Funds Statement of Revenues, Expenses, and Unspent Funds

Budget to Actual - Substance Abuse Administration
October 1, 2022 through August 31, 2023

	Total Budget	YTD Budget	YTD Actual	Variance Favorable (Unfavorable)	Percent Favorable (Unfavorable)
SUD Administration					
Salaries	$ 502,752	$ 460,856	$ 248,123	$ 212,733	46.16%
Fringes	145,464	133,342	61,174	72,168	54.12%
Access Salaries	220,620	202,235	99,074	103,161	51.01%
Access Fringes	67,140	61,545	38,972	22,573	36.68%
Access Contractual	-	-	-	-	0.00%
Contractual	129,000	68,750	144,062	(75,312)	(109.54%)
Board expenses	5,000	4,587	4,200	387	8.44%
Day of Recover	-	-	11,040	(11,040)	0.00%
Facilities	-	-	-	-	0.00%
Other	12,600	6,050	15,092	(9,042)	(149.45%)
Total operating expenses	$ 1,082,576	$ 937,365	$ 621,737	$ 315,628	33.67%

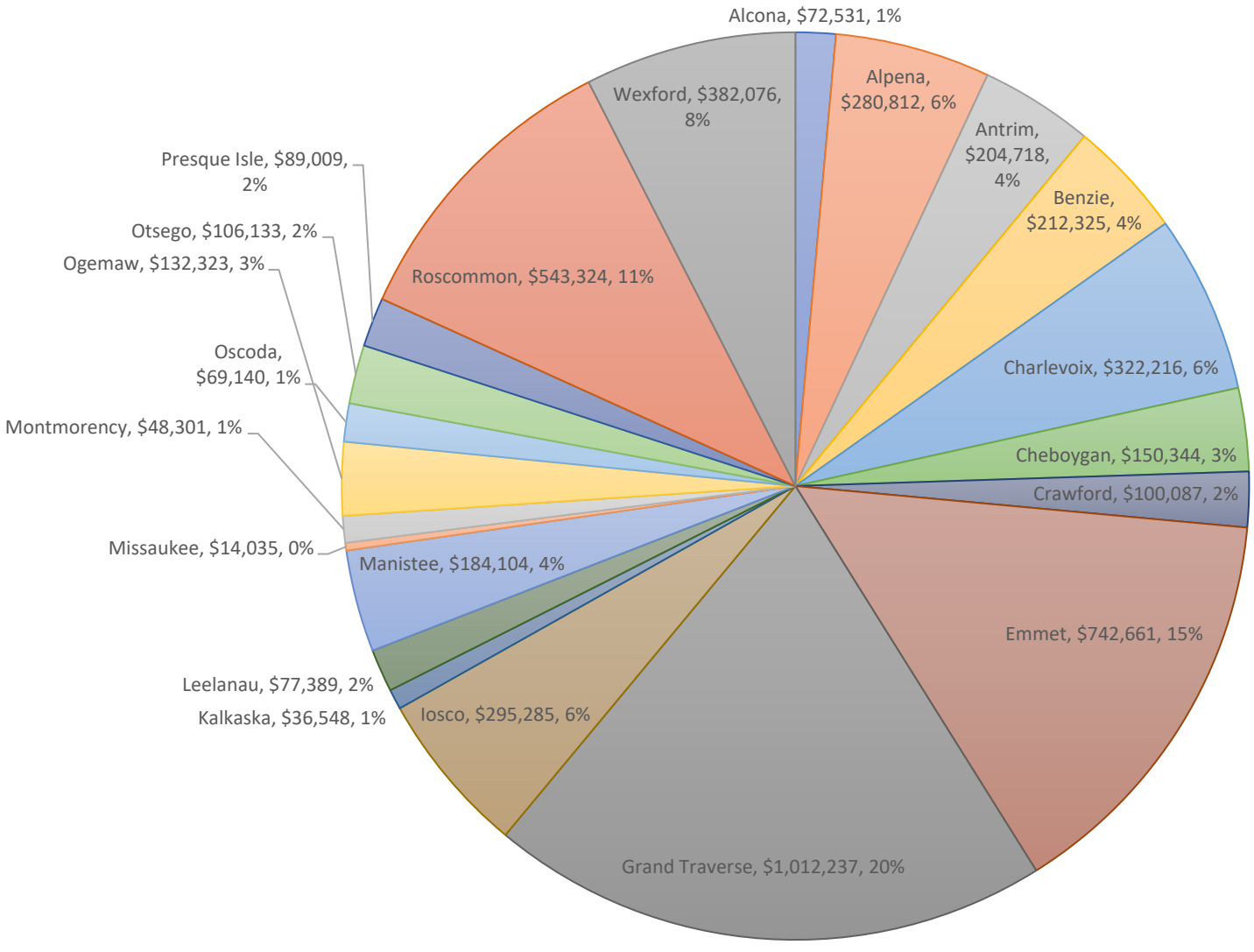
Northern Michigan Regional Entity

Schedule of PA2 by County

October 1, 2022 through August 31, 2023

	Projected FY23 Activity				Actual FY23 Activity			
	Beginning Balance	FY23 Projected Revenue	FY23 Approved Projects	Projected Ending Balance	Current Receipts	County Specific Projects	Region Wide Projects by Population	Ending Balance
County						Actual Expenditures by County		
Alcona	$ 59,376	$ 20,389	$ 4,410	$ 75,355	$ 18,856	5,701	$ -	$ 72,531
Alpena	263,254	69,040	45,317	286,976	66,207	48,649	-	280,812
Antrim	219,249	59,729	80,820	198,158	56,149	70,681	-	204,718
Benzie	173,705	52,923	14,857	211,771	50,841	12,221	-	212,325
Charlevoix	359,548	89,334	110,699	338,183	84,674	122,006	-	322,216
Cheboygan	191,247	74,954	138,728	127,472	70,669	111,571	-	150,344
Crawford	92,406	31,228	17,903	105,731	30,332	22,651	-	100,087
Emmet	716,610	155,245	115,175	756,679	154,676	128,624	-	742,661
Grand Traverse	1,282,987	406,430	1,248,209	441,208	377,466	648,216	-	1,012,237
Iosco	329,202	70,865	180,735	219,332	67,927	101,845	-	295,285
Kalkaska	74,226	31,700	83,823	22,103	32,912	70,590	-	36,548
Leelanau	102,658	56,613	117,817	41,454	52,641	77,910	-	77,389
Manistee	131,924	68,873	10,407	190,390	65,633	13,453	-	184,104
Missaukee	37,771	18,044	48,883	6,931	17,307	41,043	-	14,035
Montmorency	54,974	27,338	42,322	39,990	24,256	30,929	-	48,301
Ogemaw	154,130	50,286	142,919	61,497	52,943	74,750	-	132,323
Oscoda	65,061	20,039	36,568	48,532	16,711	12,632	-	69,140
Otsego	108,477	88,483	94,620	102,340	83,121	85,465	-	106,133
Presque Isle	75,221	22,256	5,450	92,027	20,832	7,045	-	89,009
Roscommon	524,550	74,697	72,090	527,157	69,311	50,536	-	543,324
Wexford	396,468	79,925	108,457	367,936	76,670	91,062	-	382,076
	5,413,044	1,568,386	2,720,209	4,261,221	1,490,135	1,827,582	-	5,075,597
PA2 Redirect								-
								5,075,597

PA2 FUND BALANCES BY COUNTY



Northern Michigan Regional Entity

Proprietary Funds Statement of Revenues, Expenses, and Unspent Funds

Budget to Actual - ISF

October 1, 2022 through August 31, 2023

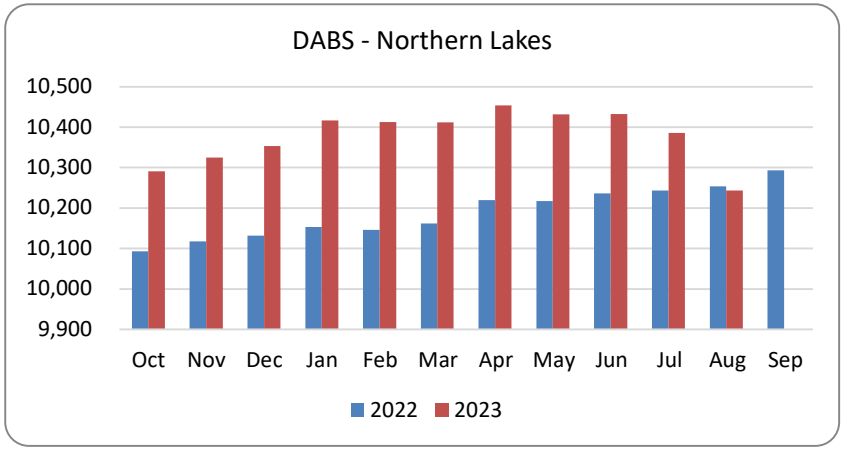
	Total Budget	YTD Budget	YTD Actual	Variance Favorable (Unfavorable)	Percent Favorable (Unfavorable)
Operating revenue					
Charges for services	$ -	$ -	$ -	$ -	0.00%
Interest and Dividends	7,500	6,875	6,437	(438)	(6.37%)
Total operating revenue	7,500	6,875	6,437	(438)	(6.37%)
Operating expenses					
Medicaid Services	-	-	-	-	0.00%
Healthy Michigan Services	-	-	-	-	0.00%
Total operating expenses	-	-	-	-	0.00%
CY Unspent funds	$ 7,500	$ 6,875	6,437	$ (438)	
Transfers in			-		
Transfers out			-	-	
Unspent funds - beginning			16,369,542		
Unspent funds - ending			$ 16,375,979		

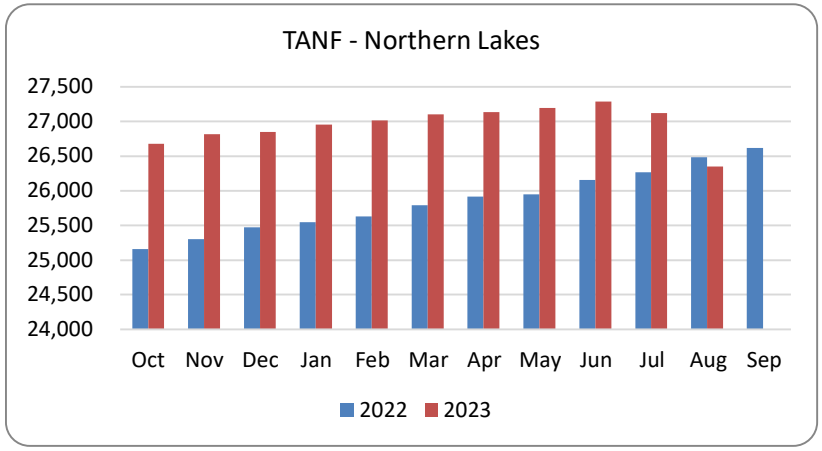
Northern Michigan Regional Entity

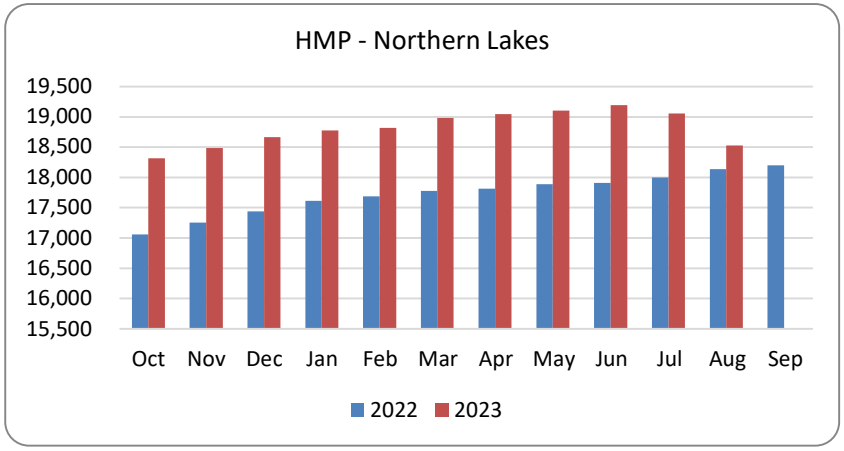
Narrative

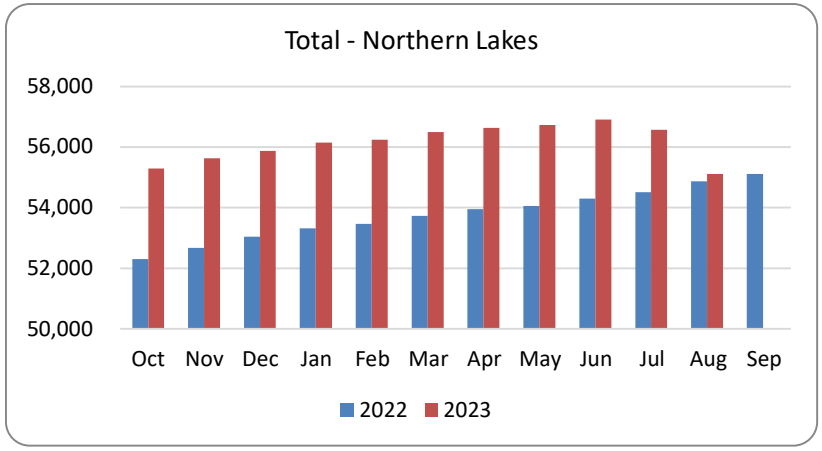
October 1, 2022 through August 31, 2023

Northern Lakes Eligible Members Trending - based on payment files







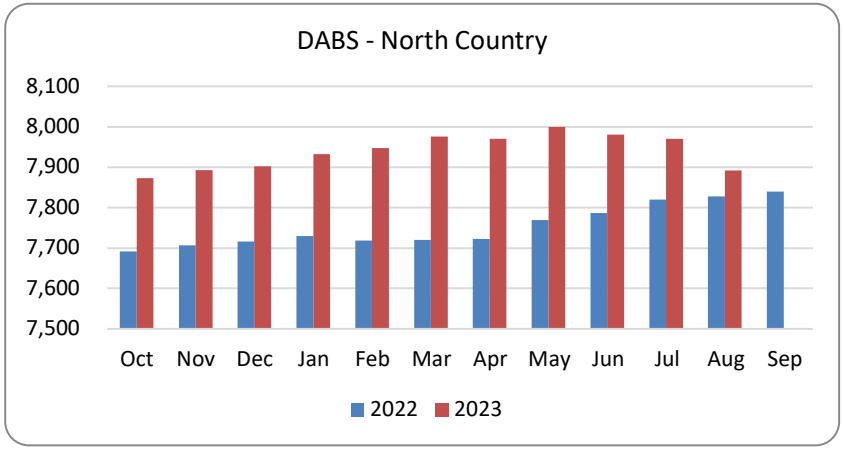


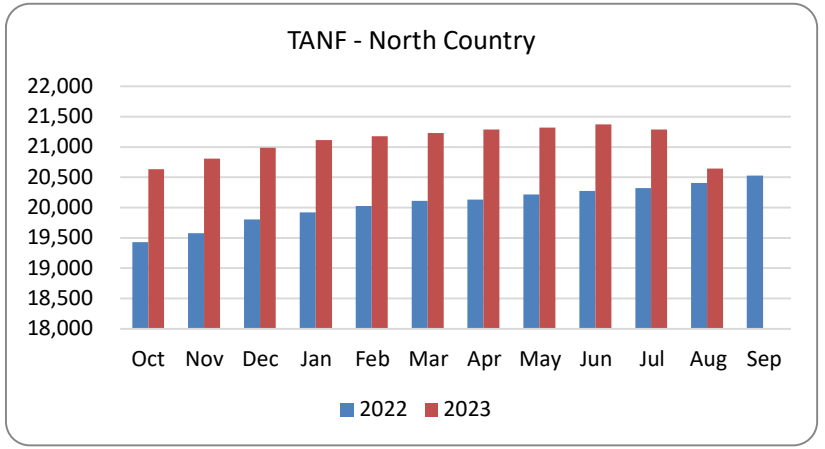
Northern Michigan Regional Entity

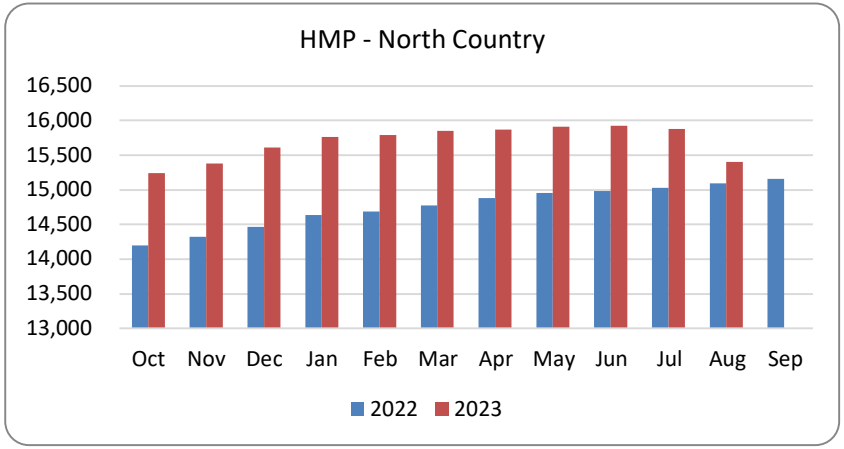
Narrative

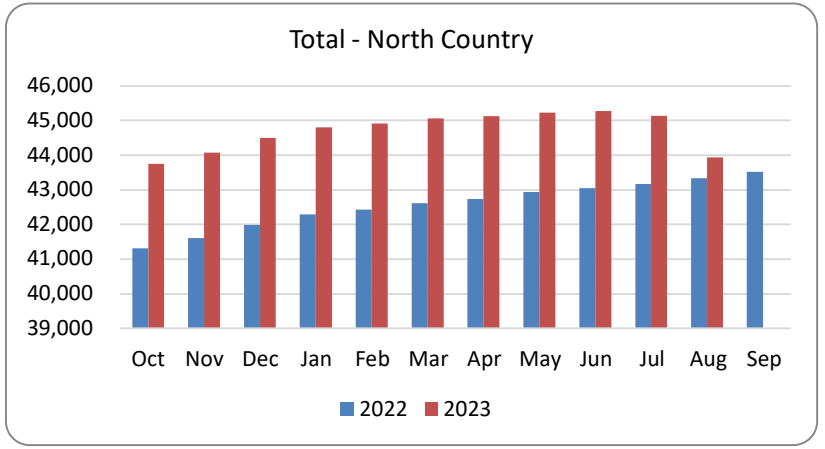
October 1, 2022 through August 31, 2023

North Country Eligible Members Trending - based on payment files







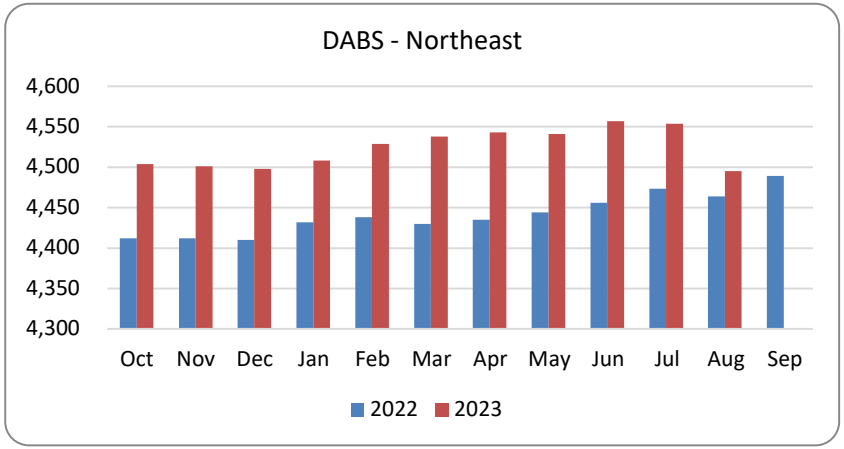


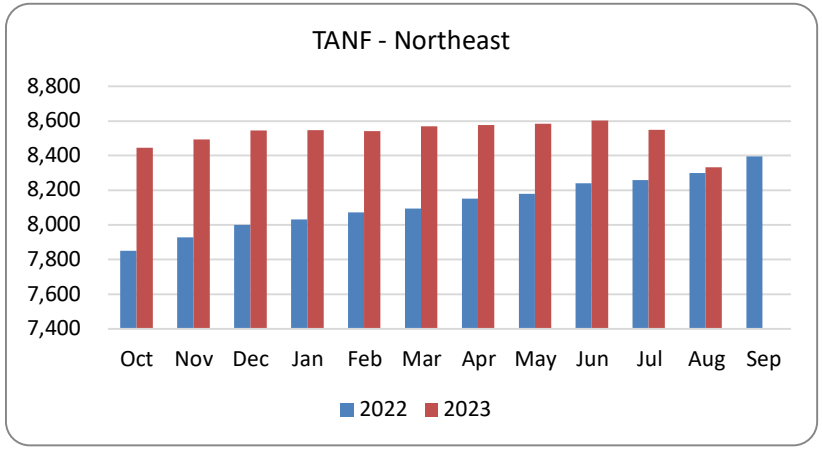
Northern Michigan Regional Entity

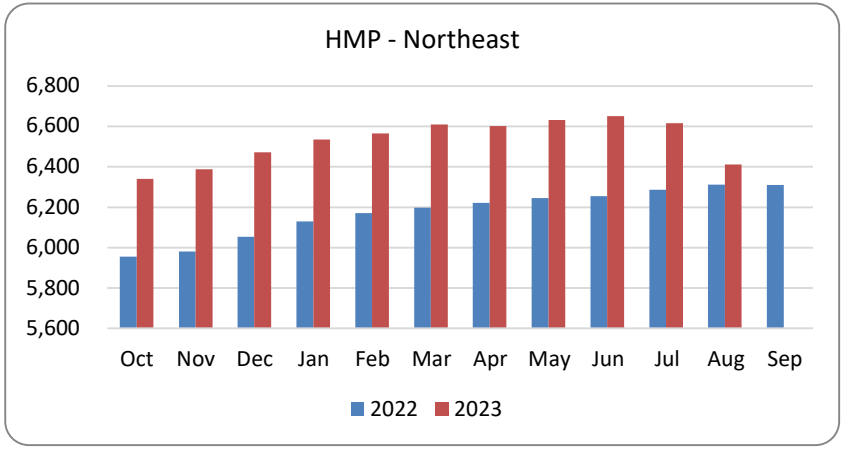
Narrative

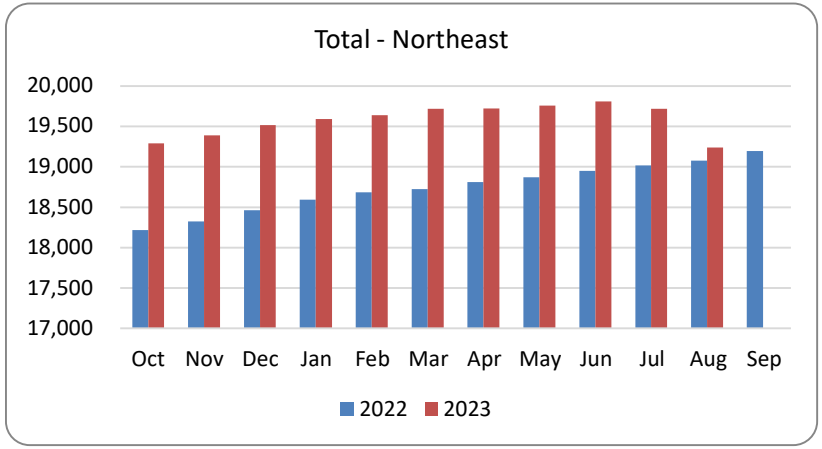
October 1, 2022 through August 31, 2023

Northeast Eligible Members Trending - based on payment files







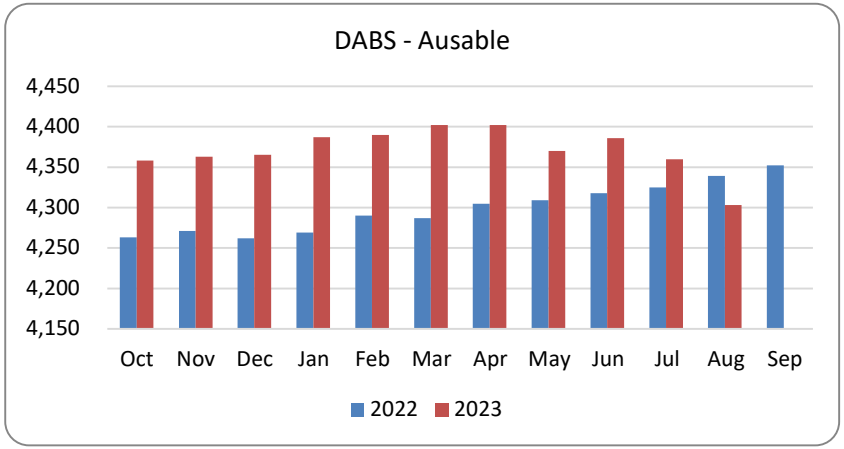


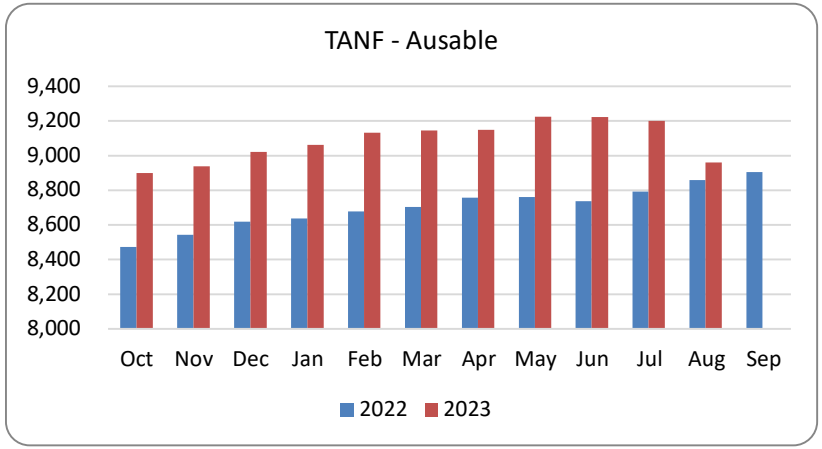
Northern Michigan Regional Entity

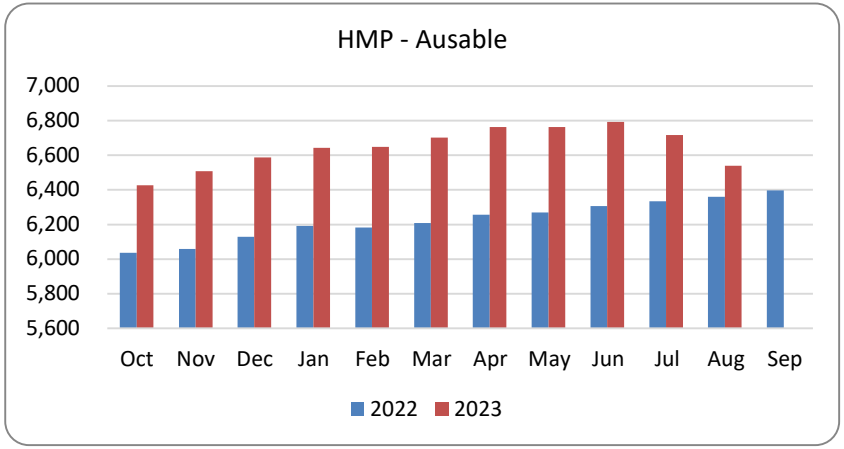
Narrative

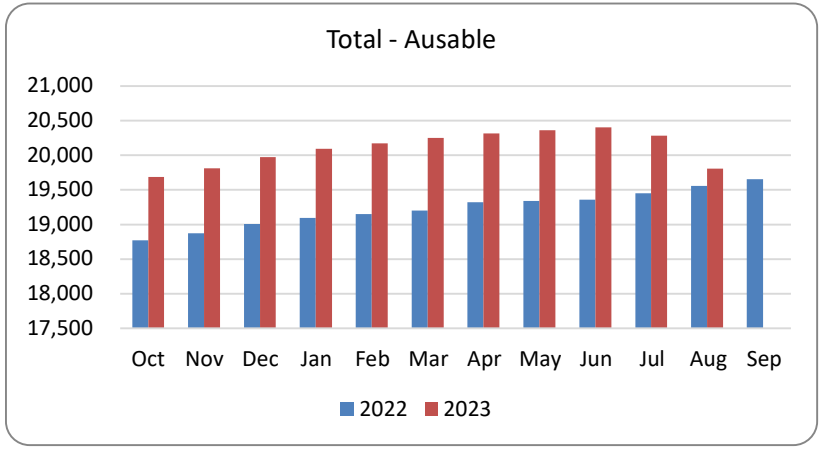
October 1, 2022 through August 31, 2023

Ausable Valley Eligible Members Trending - based on payment files







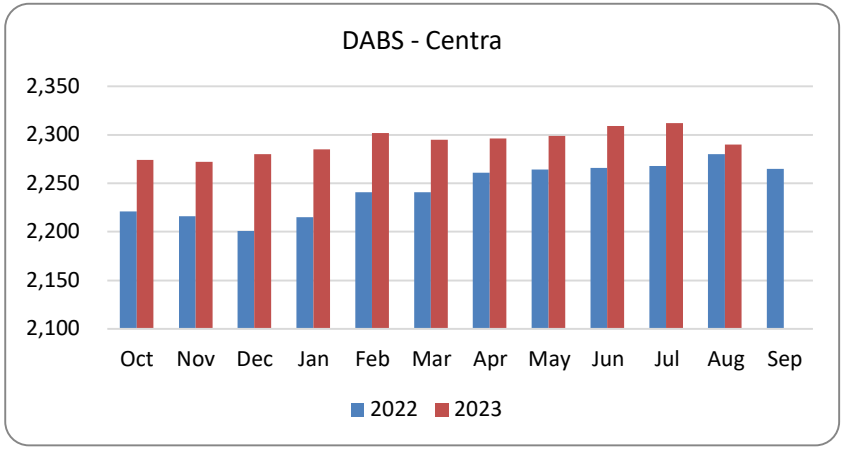


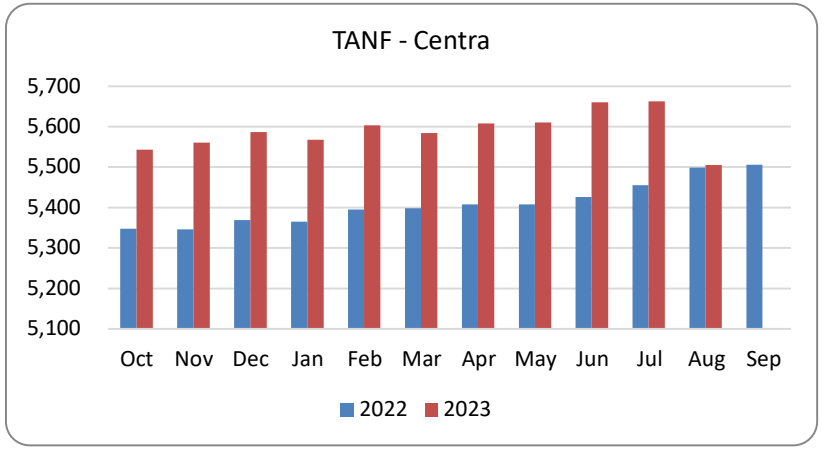
Northern Michigan Regional Entity

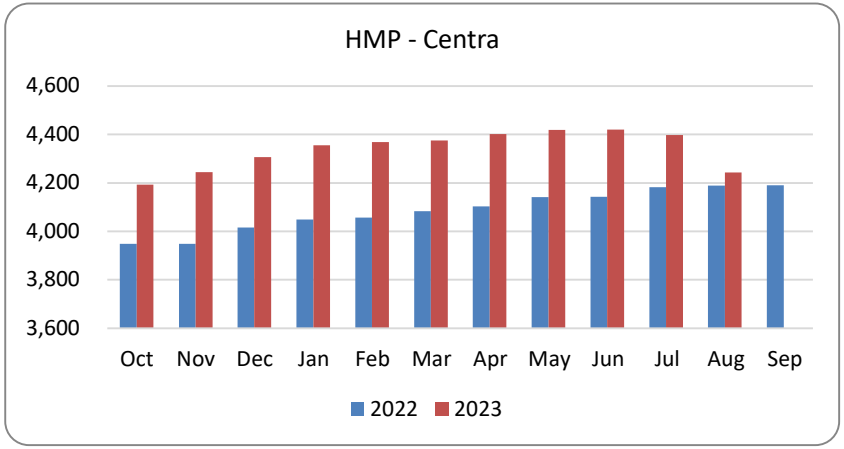
Narrative

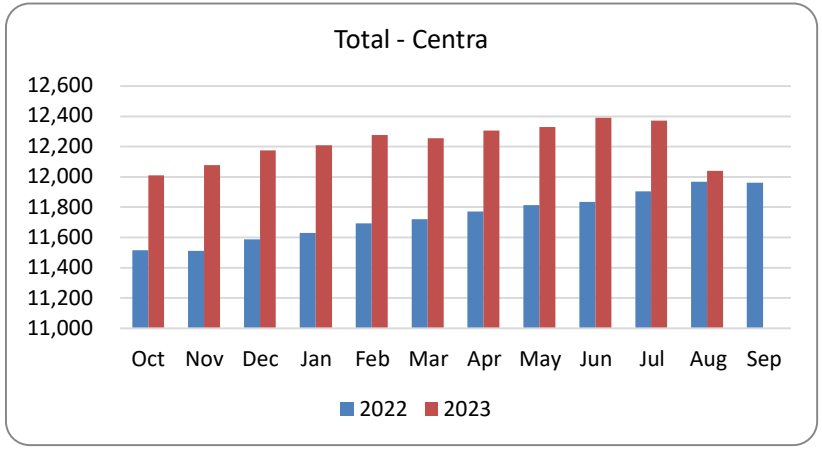
October 1, 2022 through August 31, 2023

Centra Wellness Eligible Members Trending - based on payment files







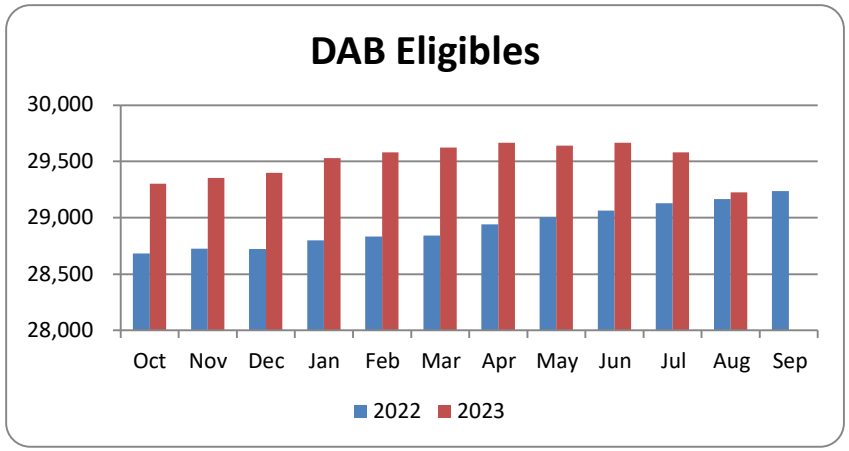


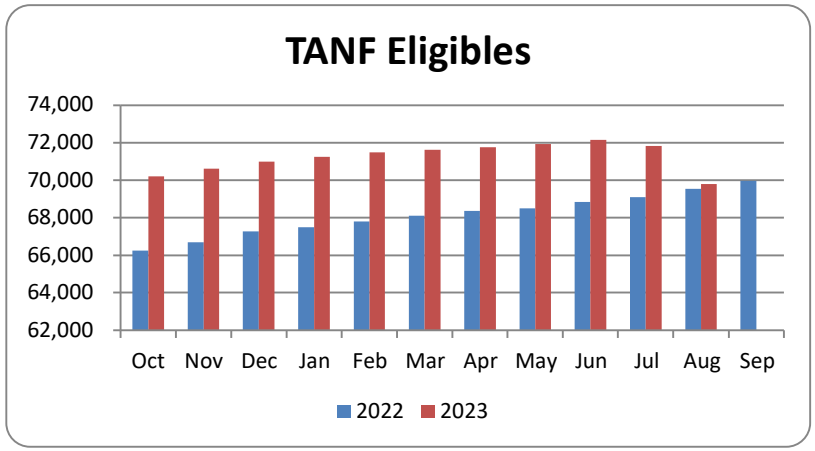
Northern Michigan Regional Entity

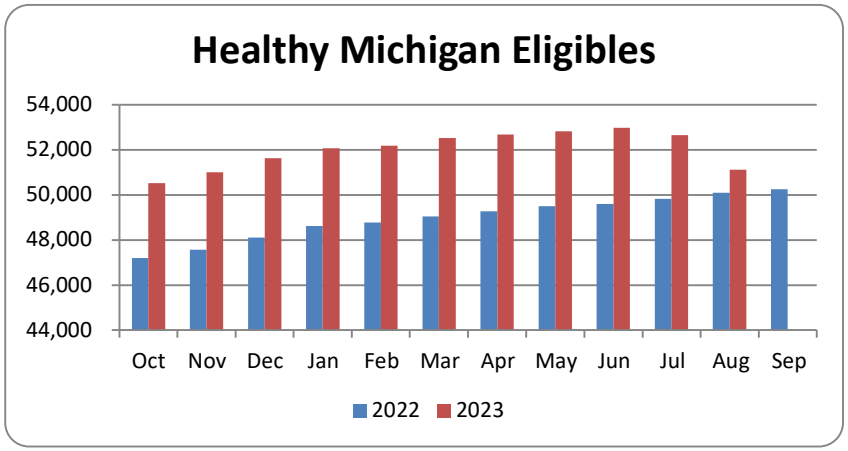
Narrative

October 1, 2022 through August 31, 2023

Regional Eligible Trending





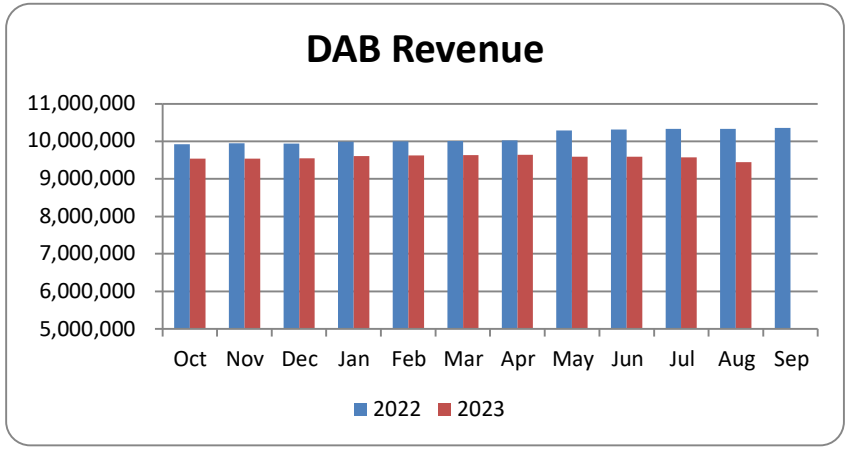


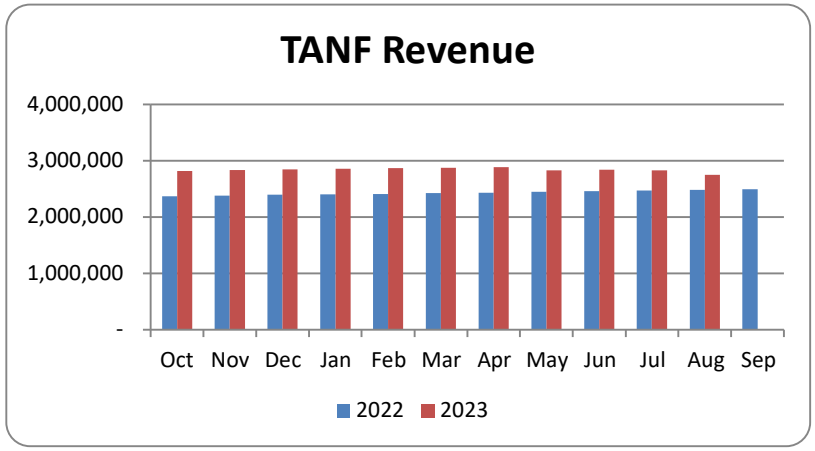
Northern Michigan Regional Entity

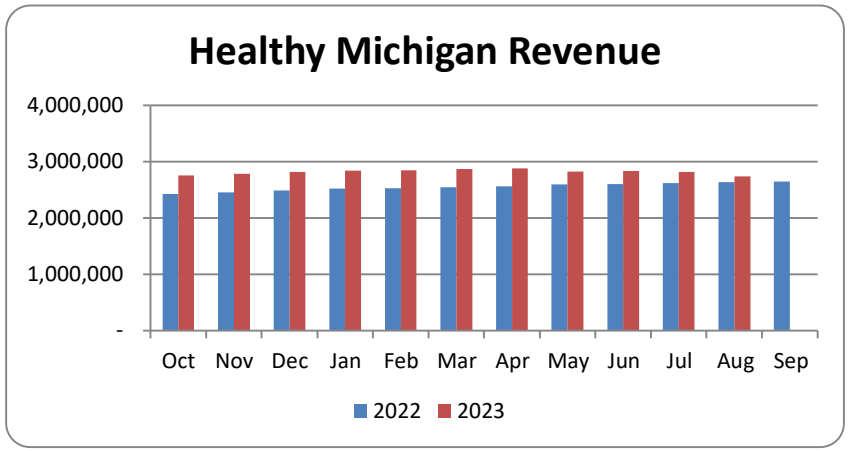
Narrative

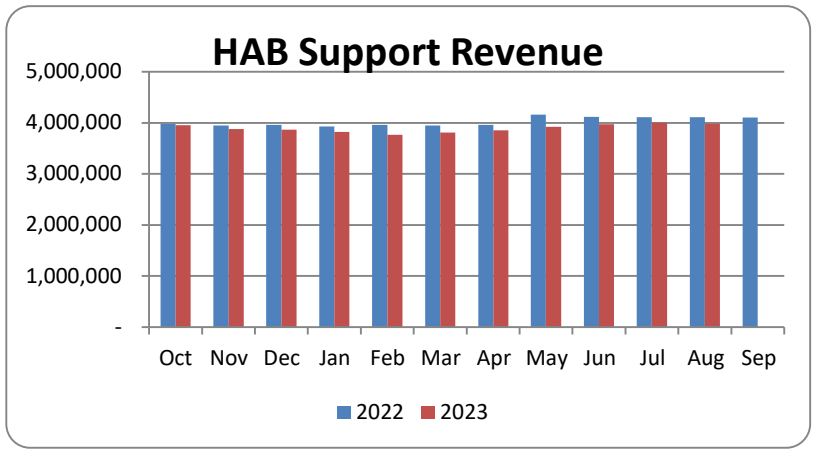
October 1, 2022 through August 31, 2023

Regional Revenue Trending









NORTHERN MICHIGAN REGIONAL ENTITY
OPERATIONS COMMITTEE MEETING
9:30AM – OCTOBER 17, 2023
GAYLORD CONFERENCE ROOM

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

REVIEW OF AGENDA AND ADDITIONS

Ms. Sork requested that a discussion regarding Personal Care & CLS in Specialized Residential Settings be added to the meeting agenda.

APPROVAL OF PREVIOUS MINUTES

The minutes from September 19th were included in the meeting materials.

MOTION BY DIANE PELTS TO APPROVE THE SEPTEMBER 19, 2023 MINUTES OF THE NORTHERN MICHIGAN REGIONAL ENTITY OPERATIONS COMMITTEE; SUPPORT BY BRIAN BABBITT. MOTION CARRIED.

FINANCE COMMITTEE AND RELATED

August 2023

- Net Position showed net surplus Medicaid and HMP of $2,576,220. Budget stabilization was reported as $16,369,542. The total Medicaid and HMP Current Year Surplus was reported as $18,945,762. 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 $35,315,304.
- Traditional Medicaid showed $181,960,455 in revenue, and $182,379,829 in expenses, resulting in a net deficit of $419,374. 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 $32,647,645 in revenue, and $29,652,051 in expenses, resulting in a net surplus of $2,995,594. HMP ISF was reported as $7,062,964 based on the current FSR. HMP savings was reported as $8,626,893.
- Health Home showed $2,235,330 in revenue, and $1,970,612 in expenses, resulting in a net surplus of $264,718.
- SUD showed all funding source revenue of $27,767,834 and $24,670,908 in expenses, resulting in a net surplus of $3,096,926. Total PA2 funds were reported as $5,075,597.

A $1.5M lapse to the state is anticipated for FY23; this has reduced substantially from previous projections.

MOTION BY BRIAN BABBTT TO RECOMMEND APPROVAL OF THE NORTHERN MICHIGAN REGIONAL ENTITY MONTHLY FINANCIAL REPORT FOR AUGUST 2023; SUPPORT BY NENA SORK. MOTION APPROVED.

Purposeful Spending

Ms. Pelts asked whether the CMHSPs will have the opportunity to budget for one-time expenses in FY24. Mr. Kurtz responded that FY24 revenue is expected to be consistent with FY23, except for the lower HMP rate; he noted that the September payment didn't include the new rates for DAB and TANF. Some opportunity for purposeful spending is possible this year, but likely less than in previous years. Mr. Babbitt noted that North Country's benefit stabilization funds were not budgeted. The effect of the contractual oversight of Northern Lakes is currently unknown. Boards were asked to submit purposeful spending plans in January. Mr. Babbitt recognized the benefit of carrying forward as much FY24 funding possible into FY25.

Dedicated DHHS Worker

During the September meeting, Mr. Johnston asked if any of the other CMHSPs would be willing to share a portion of an FTE for a DHHS worker. AuSable Valley, North Country, and Northern Lakes expressed a willingness to share time but noted that DHHS workers may be limited by geography. Ms. Sork asked whether Mr. Johnston had received any clarification. Mr. Johnston noted that he has not received anything concrete but the inability of DHHS workers to cross regions could be problematic. Mr. Babbitt shared that North Country has calculated an approximate 10% drop off in enrollees due to Medicaid redeterminations.

HSW

The NMRE currently has 19 of its 689 HSW slots open. Because 97% of the region's slots are currently filled, the risk of losing slots to other PIHP regions has lessened.

CHARGING FOR MEDICAL RECORDS

A memorandum from Jackie Sproat to PIHP and CMHSP CEOs dated October 10, 2023 regarding medical records for Indigent Recipients of Services was included in the meeting materials. The memorandum states that CMHSPs must comply with the Michigan Medical Records Access Act 47 of 2004 by providing one free copy of medical records to indigent consumers. The CMHSPs responded that they typically do not charge individuals for medical records but may charge for additional copies or repeated requests.

OCTOBER 5TH BIT MEETING DEBRIEF

The CEOs met with Jeff Chang prior to the Business Intelligence & Technology (BIT) meeting on October 5th. Mr. Chang agreed to appoint a regional Leal Programmer who will be able to look at the "big picture." It was noted that state mandated updates should be universal to all PCE systems. The CEOs expressed disappointment at the level of input from staff.

Mr. Kurtz indicated that there are two tasks that need to be undertaken: 1) reviewing module enhancements and ITR/queue requests and projects, and 2) learning what has been developed within the system that we don't know about. A review of regional ITR requests and PCE module use will take place during the November 2nd BIT meeting. Mr. Babbitt commented that CEO involvement in BIT should be at a high level.

A BIT workgroup is forming to look at Incident reporting and the need to gather data for submission to MDHHS for Sentinel Events. A second project for the workgroup will be to

determine regional billing and reporting processes for the Alpine Crisis Residential Unit (CRU) in accordance with the NMRE's contractual arrangement with the facility.

MMBPIS

There are no longer separate codebooks for CMHSPs and PIHIPs. New benchmarks have been introduced for Indicators 2 and 3; benchmarks were removed when exceptions to the standard were eliminated in Quarter 3 of FY20.

Indicator 2a: *The percentage of new persons during the quarter receiving a completed biopsychosocial assessment within 14 calendar days of a non-emergency request for service.*

50th Percentile	75th Percentile	NMRE Annualized FY23 Percentage
57.0%	62.0%	54.10%

Indicator 2e: *The percentage of new persons during the quarter receiving a face-to-face service for treatment or supports within 14 calendar days of a non-emergency request for service for persons with substance use disorders (SUD).*

Clarification was made that this standard is calculated by the department; an annualized FY23 percentage was not available to review.

Indicator 3: *Percentage of new persons during the quarter starting any medically necessary on-going covered service within 14 days of completing a non-emergent biopsychosocial assessment.*

50th Percentile	75th Percentile	NMRE Annualized FY23 Percentage
72.9%	83.80%	67.82%

It was noted the NMRE fell below the 50th percentile or both indicators.

- PIHPs that are below the 50th percentile benchmark will be expected to reach or exceed the 50th percentile of 57.0% for Indicator 2 and 72.9% for Indicator 3.
- PIHPs that are in the 50th – 75th percentile benchmark will be expected to reach or exceed the 75th percentile of 62.0% for Indicator 2 and 83.80 for Indicator 3.
- PIHPs that are above the 75th percentile benchmark will be expected to maintain the level of performance.

MCLAREN PSYCHIATRIC UNIT

The McLaren Northern Michigan Cheboygan Behavioral Health Center is accepting admissions for clients paid with general funds pending certification from CMS. Once certification is granted, it is unknown whether the CMHSPs will be able to retroactively bill Medicaid. Mr. Babbitt offered to reach out to the facility for a status update and report back to the group.

INPATIENT HOSPITAL RATE REQUESTS

NMRE Provider Network Manager, Chris VanWagoner, provided the following FY24 hospital rate requests for consideration.

HealthSource

	FY23 Rate	Proposed FY24 Rate	% Increase
Adult Psychiatric Inpatient	1,000.00	$1,050.00	5.0%

MyMichigan

MyMichigan Health has asked the regional CMHSPs to add enhanced (1:1) staffing to their contracts, The CMHSPs have expressed that they do not want to add 1:1 to their contracts; however, they would like the opportunity to request 1:1 via single case agreements at the negotiated per diem rate of $1,508.

MOTION BY CHIP JOHNSTON TO APPROVE THE RATE INCREASE REQUEST FROM HEALTHSOURCE HOSPITAL AND THE ENHANCED (1:1) STAFFING RATE FOR MYMICHIGAN HEALTH FOR FISCAL YEAR 2024 AS PRESENTED AND REVIEWED ON THIS DATE; SUPPORT BY DIANE PELTS. MOTION CARRIED.

NLCMHA UPDATE

The Financial and Human Resources audits by Rehmann are underway in response to the agreement with the NMRE for contractual oversight of Northern Lakes CMHA.

PERSONAL CARE & CLS IN SPECIALIZED RESIDENTIAL SETTINGS

The question of whether billing personal care in specialized residential settings is allowed by Medicaid was raised. Currently, billing personal care is allowed in specialized residential settings per the MDHHS Behavioral Health Code Chart. Mr. Johnston asserted that personal care in specialized residential settings is not allowed as the individual's social security payment is intended to cover the service; additional services should be billed to Community Living Supports (CLS), as "personal assistance" is a CLS-covered service. Mr. Kurtz agreed but noted that a health assessment (above and beyond a time study) must be conducted to determine whether the individual's personal care needs are greater than what may be furnished by the social security payment amount, at least per the code chart. Mr. Johnston acknowledged that billing personal care is allowable if the CMHSP owns the home. Clarification was made that the use of a tool/assessment to develop an individual's per diem rate for the provider is prohibited.

Confusion about billing personal care (vs. CLS) in specialized residential settings is a statewide issue. CMHSPs/PIHPs are routinely using the personal care code T1019 in residential contracts when they should only use the T1020 code in the contracts in time limited and special circumstances per the Medicaid Provider Manual.

After a lengthy discussion, Mr. Kurtz agreed to solicit an opinion on the matter from the department; Mr. Johnston asked to be included in the conversation.

OTHER

Medical Clearance

NorthCare Network staff asked whether Region 2 CMHSPs require medical clearance prior to screening for inpatient hospitalization. The CMHSPs responded that they do. It was also noted that blood alcohol levels must be below 0.08% prior to screening.

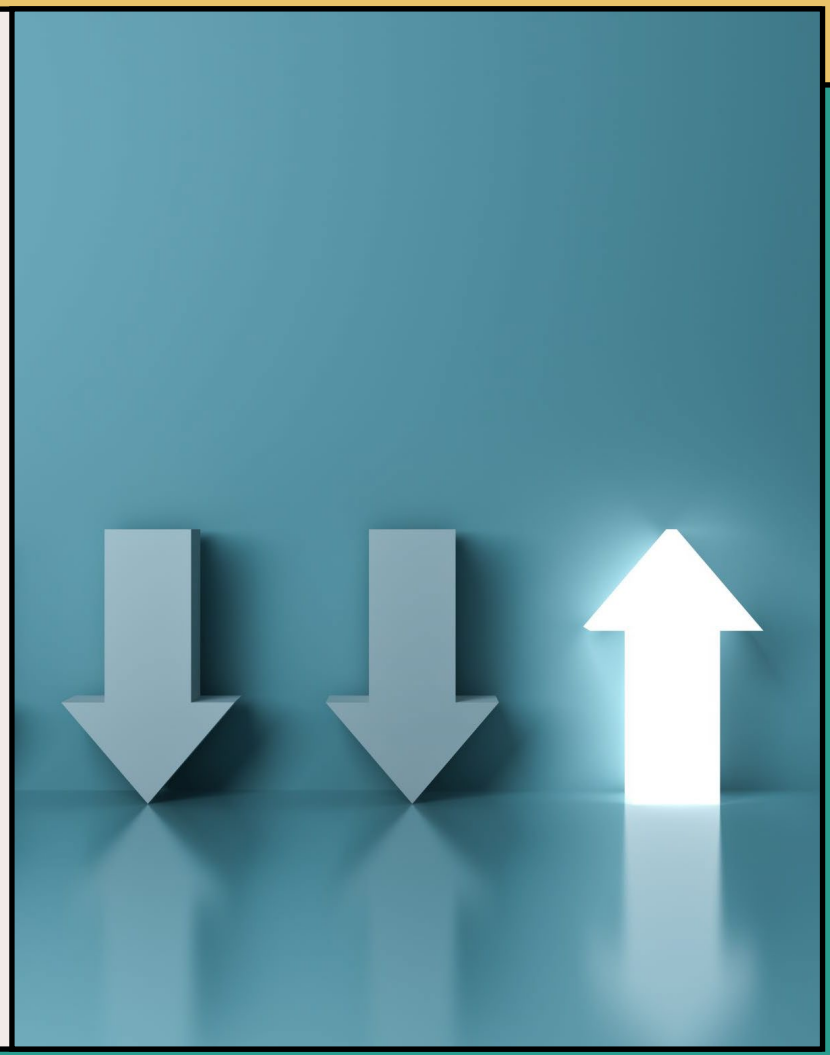
Mr. Johnston referenced Chapter 4 of the Michigan Mental Health Code, Civil Admission and Discharge Procedures: Mental Illness General Provisions, Section 330.1400 Definitions. In the cases of formal and informal voluntary hospitalization, "the hospital director's determination that the individual is clinically suitable for voluntary hospitalization" is required.

NEXT MEETING

The next meeting was scheduled for November 21st at 9:30AM in Gaylord.

NMRE Health Home Outcomes

10/2023



Timeline

2018
OHH pilot
8 HHPs

Nov 2020
BHH
Expansion
5 HHPs

2021 AHH
Expansion
4 HHPs

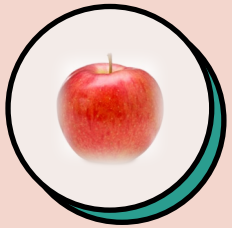
2022 NMRE
added 8
HHPs

2023
1600+
enrollments

What do Health Homes provide?

Care Coordination for Eligible Clients

Sustainable Reimbursement for Care Coordination

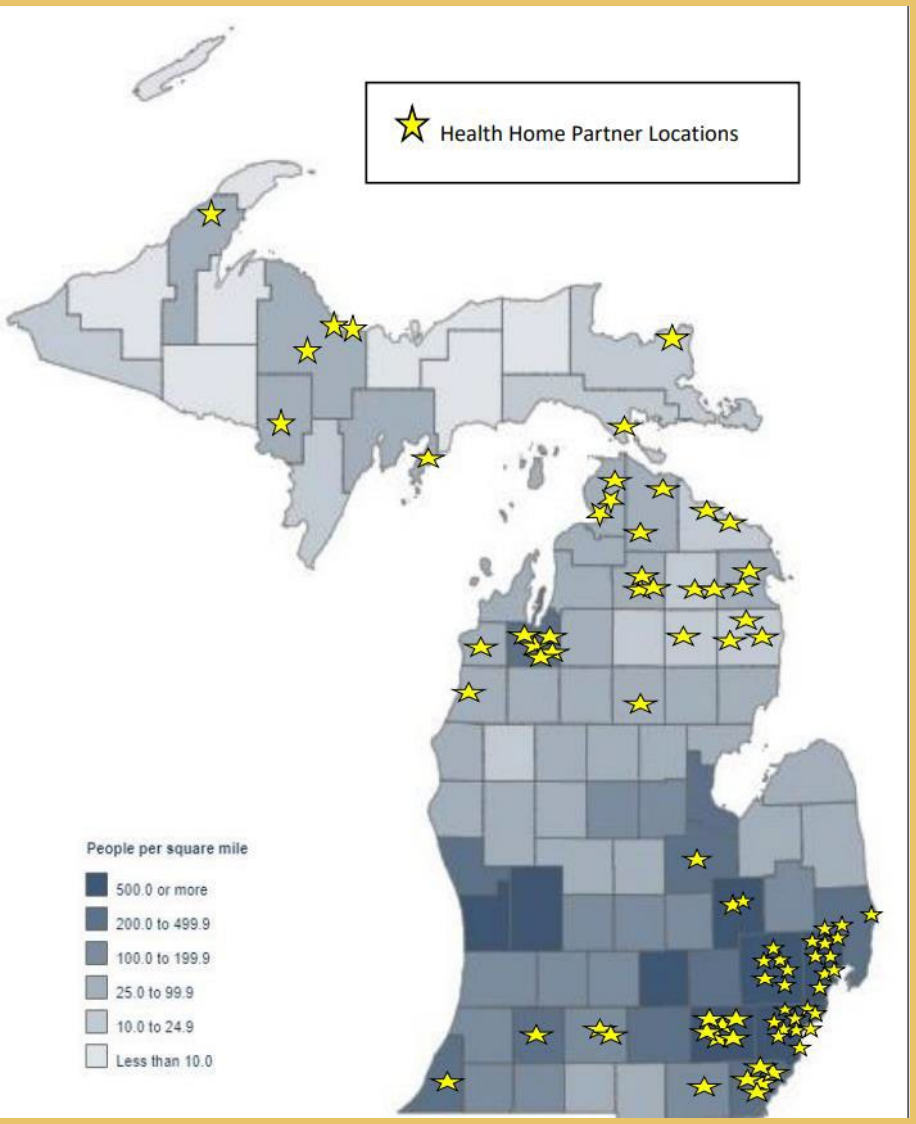


Excellent Health Outcomes for Enrollees, Change in Social Determinants of Health

Access to Care

Overall Cost-efficiency

How do we determine cost efficiency ?!



There are:

45 HHP Contracts in Michigan

9 out of 10 PIHPs are participating.

So, let's compare notes:

OHH Measures

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	27.04	27.25	63.16	78.38
FUA 30 rates Follow up after ED visit for Alcohol or other Drug use, 30 days	42.26	44.49	80.97	91.89
IET14 AD Initiation of treatment in 14 days	37.2	30.64	79.45	91.40
PQI Prevention Quality Indicator (numbers of admits for ambulatory care/ chronic conditions)	74.91	41.29	144.32	25.65 Lower= better

BHH Measures

HEDIS Healthcare Effectiveness Data and Information Set	Michigan Total	NMRE Total	All OHH Programs	NMRE OHH Program
AAP AD Adult Access to Preventative/Ambulatory Services	74.20	75.95	98.26	99.58
FUM 7 rates Follow up after ED visit for Mental Health Illness, 7 days	45.59	55.52	74.29	94.12
CBP Controlling Blood Pressure	29.86	18.74	28.48	33.33
FUH 30 Follow up after Hospitalization for Mental Illness, 30 days	66.17	74.84	90.32	88.89

P4P OHH

NMRE- PY3

P4P Number	Metric	OHH Measure	Regional Measure	Statewide Measure	P4P Met?
1	IET14	81.63	33.64	38.03	Y
2	FUA7	32.00	14.42	14.87	Y
3	SUD-EDYR	146.73	195.56	243.82	Y

Total Funding Withhold: $200,795.42.
Additional Funds provided: $15,526.00 (Rounded to the nearest whole number).
Total Funding sent for FY22: $216,321.42.

P4P BHH

NMRE- PY2

P4P Number	Metric	BHH Measure	Regional Measure	Statewide Measure	P4P Met?
1	AMB-HH	184.70	48.01	49.04	N
2	CBP-HH	90.00	70.22	67.98	Y
3	AAP	100.00	76.22	75.61	Y

Total Funding: $81,136.08

How are these funds utilized?

Staffing, equipment, transportation, new programs, trainings, food banks…

Questions?

Thank you!