Northern Michigan Regional Entity

Board Meeting

April 24, 2024

1999 Walden Drive, Gaylord

10:00AM

Agenda

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1.	Call to Order	
2.	Roll Call	
3.	Pledge of Allegiance	
4.	Acknowledgement of Conflict of Interest	
5.	Approval of Agenda	
6.	Approval of Past Minutes – March 27, 2024	Pages 2 – 11
7.	Correspondence	Pages 12 – 73
8.	Announcements	
9.	Public Comments	
10.	Presentation	
	a. PhotoVoice Presentation	
11.	Reports	
	a. Executive Committee Report – Has Not Met	
	b. CEO's Report – April 2024	Page 74
	c. Financial Report – February 2024	Pages 75 – 96
	d. Operations Committee Report – April 16, 2024	Pages 97 – 100
	e. NMRE SUD Oversight Board Report – The next meeting is May 6th	
12.	New Business	
	a. Election of Board Officers/Board Nominating Committee Report – April 12th	Pages 101 - 103
13.	Old Business	
	a. Northern Lakes Update	Pages 104 - 105
	b. Liquor Tax Parameters	
14.	Comments	
	a. Board	
	b. Staff/CMHSP CEOs	
	c. Public	
15.	Next Meeting Date – May 22, 2024 at 10:00AM	
16.	Adjourn	

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NORTHERN MICHIGAN REGIONAL ENTITY
BOARD OF DIRECTORS MEETING
10:00AM – MARCH 27, 2024
GAYLORD BOARDROOM

ATTENDEES:	**Bob Adrian, Tom Bratton, Ed Ginop, Gary Klacking, Eric Lawson, Greg McMorrow, Michael Newman, Gary Nowak, Jay O'Farrell, Ruth Pilon, Richard Schmidt, Don Smeltzer, Don Tanner,**
ABSENT:	**Karla Sherman, Chuck Varner**
NMRE/CMHSP STAFF:	**Bea Arsenov, Brian Babbitt, Carol Balousek, Lisa Hartley, Chip Johnston, Eric Kurtz, Brian Martinus, Pamela Polom, Brandon Rhue, Nena Sork, Denise Switzer, Teresa Tokarczyk, Deanna Yockey**
PUBLIC:	**Peter Bucci, Chip Cieslinski, Jackie Guzman, Paula Lipinski, 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 Karla Sherman and Chuck Varner were excused from the meeting on this date; all other NMRE Board Members were in attendance.

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

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

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

MOTION BY DON SMELTZER TO APPROVE THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS MEETING AGENDA FOR MARCH 27, 2024; SUPPORT BY ERIC LAWSON. MOTION CARRIED.

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

MOTION BY GARY NOWAK TO APPROVE THE MINUTES OF THE FEBRUARY 28, 2024 MEETING OF THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS; SUPPORT BY DON SMELTZER. MOTION CARRIED.

CORRESPONDENCE

1) A letter from Robert Sheehan, Chief Executive Officer of the Community Mental Health Association of Michigan (CMHAM), dated February 29, 2024 to CMHSP and PIHP Directors requesting support for the Walk a Mile Rally and the Creative Minds Traveling Art Show.
2) A copy of the State of Michigan Certificate of Proclamation from Governor Whitmer declaring April 2024 Alcohol Awareness and Underage Drinking Prevention Month.
3) Document from CMHAM titled, "Concerns and Recommendations: MDHHS-Proposed Conflict-Free Access and Planning Approach," dated March 2024.
4) A letter from Kristen Jordan, Director of the MDHHS Bureau of Specialty Behavioral Health Services, Behavioral and Physical Health and Aging Services Administration, dated March 7, 2024 to behavioral health providers and valued stakeholders announcing the discontinuation of the Open Beds platform and the initiation of the EMResource platform to track psychiatric bed availability in Michigan.
5) A flyer for the NMRE's Day of Education taking place on May 17th at Treetops Resort in Gaylord.
6) The draft minutes of the March 13, 2024 regional Finance Committee meeting.

Mr. Kurtz drew attention to the Conflict-Free Access and Planning document from CMHAM. PIHP CEOs met on March 22nd, as MDHHS rolled out options. Current approaches would require a plan from the NMRE to be approved by the state and CMS to show conflict of interest is avoided both structurally and procedurally. MDHHS will be meeting with the CMHSPs on April 1st. This could result in some minor procedural changes within the region unless the state lessens its current approach.

Mr. Kurtz highlighted the NMRE's Day of Education on May 17th at Treetops resort. The event is intended for individuals served within the NMRE region.

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

The minutes from the March 20th Executive Committee meeting were included in the materials for the meeting on this date. The meeting was called so that Richard Carpenter could review the recommendations from Rehmann pertaining to the financial portion of the management review. Rehmann recommended, and the Executive Committee supported, the following:

- **RECOMMENDATION**: NLCMHA should divest from the MI-Choice Waiver program as soon as possible, while ensuring continuity of service during a planned transition period.
- **RECOMMENDATION**: NLCMHA should divest from the Integrated Health Clinic as soon as possible.

During its meeting on March 21, 2024, the Northern Lakes CMHA Board voted to:

- Notify MDHHS of the intent to divest from the MIChoice Waiver program subject to legal review and due diligence.

- Instruct executive staff to report back to the Board in 30 days with a plan to divest from the Integrated Health Clinic program.

Mr. Adrian asked whether there are other community organizations that would assume the two programs. Mr. Bratton responded that it would be up to MDHHS to decide, however, there is a possibility that the MIChoice Waiver Program could be moved to the Area Agency on Aging or the or the Program of All-Inclusive Care for the Elderly (PACE) Program. More should be known about interest in taking over the Integrated Health Clinic program in April.

MOTION BY GREG MCMORROW TO ACCEPT THE RECOMMENDATIONS FROM REHMANN AS CONTAINED IN THE "FINANCIAL ASSESSMENT PRELIMINARY REPORT OF NORTHERN LAKES CMHA" AND THE ACTIONS TAKEN BY THE NORTHERN LAKES COMMUNITY MENTAL HEALTH AUTHORITY BOARD OF DIRECTORS ON MARCH 21, 2024; SUPPORT BY GARY NOWAK. MOTION CARRIED.

CEO Report
The NMRE CEO Monthly Report for March 2024 was included in the materials for the meeting on this date. Mr. Kurtz drew attention to the meeting with Rep. Betsy Coffia (103rd House District) on March 4th. Many issues were discussed, including House Bills 5371 and 5371, alternatives to the CCBHC, and services to the mild/moderate population.

Mr. Tanner proposed the option of retaining Medicaid savings to serve mild/moderate population. The decision was made to compile regional data about services to mild/moderate individuals being served by the CMHSPs. Clarification was made that CMHSP can serve the mild/moderate population using general funds; for Medicaid beneficiaries, the mild/moderate population is served by the Medicaid Health Plans.

Mr. Kurtz also highlighted the Dispute Resolution Committee meetings that are occurring among the six counties served by Northern Lakes CMHA.

January 2024 Financial Report
- Net Position showed net surplus Medicaid and HMP of $2,090,954. Carry forward was reported as $11,624,171. The total Medicaid and HMP Current Year Surplus was reported as $13,715,125. The total Medicaid and HMP Internal Service Fund was reported as $20,576,156. The total Medicaid and HMP net surplus was reported as $34,291,281.
- Traditional Medicaid showed $69,391,463 in revenue, and $65,959,671 in expenses, resulting in a net surplus of $3,431,792. Medicaid ISF was reported as $13,510,136 based on the current FSR. Medicaid Savings was reported as $845,073.
- Healthy Michigan Plan showed $9,509,821 in revenue, and $10,850,689 in expenses, resulting in a net deficit of $1,340,838. HMP ISF was reported as $7,066,020 based on the current FSR. HMP savings was reported as $10,779,098.
- Health Home showed $927,739 in revenue, and $798,396 in expenses, resulting in a net surplus of $129,343.
- SUD showed all funding source revenue of $10,015,858 and $8,840,780 in expenses, resulting in a net surplus of $1,175,078. Total PA2 funds were reported as $4,956,807.

A rate adjustment is expected in April 2024.

- Original FY24 rates did not include funding for direct-care workers to receive the additional per hour rate paid at time-and-a-half for overtime hours worked.
- Original FY24 enrollment projections materially understated the number of individuals that would be disenrolled from Medicaid.

Increased rates will likely be retroactive to October 1, 2023; revenue that would have been received from October through March will be added to the April through September payments.

MOTION BY GARY NOWAK TO APPROVE THE NORTHERN MICHIGAN REGIONAL ENTITY MONTHLY FINANCIAL REPORT FOR JANUARY 2024; SUPPORT BY DON SMELTZER. MOTION CARRIED.

Performance Bonus Incentive Payment
The NMRE received the final FY23 Performance Bonus Incentive Pool (PBIP) award announcement on March 22nd. Payments will be made to the NMRE by April 30, 2024.

TOTAL WITHHOLD	TOTAL WITHHOLD UNEARNED	TOTAL DISTRIBUTION OF UNEARNED	TOTAL EARNED
$1,720,949.50	$0	$478,659.66	$2,199,609.16

Ms. Yockey will distribute the funds to the CMHSPs based on PMPM; these funds may be used as local dollars.

NMRE Clinical Services Director, Bea Arsenov, noted that a portion of the PBIP is centered around "Implementation of Joint Care Management Process." This involves care coordination with Medicaid Health Plans and involves services to the mild/moderate population.

HSW Open Slots
Currently there are 11 empty HSW slots in the region. Each slot averages $7,135 in monthly revenue. It was noted that the region has seen an increase in Children with Serious Emotional Disturbances (SED) Waiver enrollments; current enrollment is 34 with is up 325% from this time last year.

Operations Committee Report
The draft minutes from March 19, 2024 were included in the materials for the meeting on this date.

Mr. Kurtz asked the CMHSP CEOs about rural caucus (PIHP Regions 1 & 2 plus Sanilac County) meeting on March 15th regarding Rural Flexibilities for CCBHCs. Mr. Babbit noted that there has been a seismic change in messaging from MDHHS and CMHAM. CEOs were given the opportunity to voice why the CCBHC is a poor model in a rural setting. Ms. Sork affirmed that CCBHC and evidence-based practice (EBP) metrics set rural areas up to fail. The CMHSPs were able to highlight crisis intervention and crisis stabilization services. Mr. Johnston emphasized that MDHHS needs to consider the geography/population before rolling out programs intended to fix problems in southeast Michigan.

NMRE SUD Oversight Committee Report
The minutes from the March 4th NMRE Substance Use Disorder Oversight Committee meeting were included in the materials for the meeting on this date. A Liquor tax request will be reviewed under the next agenda topic.

NEW BUSINESS
Liquor Tax Request
One liquor tax request was presented to the NMRE Substance Use Disorder Oversight Committee and moved for approval of NMRE Board of Directors on March 4, 2024.

Catholic Human Services	Cheboygan County Drug-Free Coalition	Cheboygan	Renewal	$9,500.00

MOTION BY RICHARD SCHMIDT TO APPROVE THE REQUEST FROM CATHOLIC HUMAN SERVICES FOR LIQUOR TAX DOLLARS IN THE AMOUNT OF NINE THOUSAND FIVE HUNDRED DOLLARS ($9,500.00) TO SUPPORT THE "PULLING TOGETHER" DRUG-FREE COALITION IN CHEBOYGAN COUNTY; SUPPORT BY JAY O'FARRELL. ROLL CALL VOTE.

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

"Nay" Votes: Nil

MOTION CARRIED.

NMRE Board Nominating Committee
The election of NMRE Board Officers is scheduled to occur during the April meeting. Mr. Tanner appointed the following individuals to the Nominating Committee.

- Gary Klacking representing AuSable Valley Community Mental Health Authority
- Don Smeltzer representing Centra Wellness Network
- Michael Newman representing North Country Community Mental Health Authority
- Eric Lawson representing Northeast Michigan Community Mental Health Authority
- Tom Bratton representing Northern Lakes Community Mental Health Authority

A meeting of the Nominating Committee will take place prior to the April Board meeting date.

OLD BUSINESS
Northern Lakes CMHA Update
An update on the management review of Northern Lakes CMHA was provided under the Executive Committee meeting discussion. Mr. McMorrow noted that some Northern Lakes CMHA Board members expressed frustration that comprehensive management review reports have not been provided to date. Mr. Kurtz acknowledged that the delay is not due to Rehmann; a meeting with NMRE counsel and possibly Northern Lakes CMHA counsel needs to occur. The forensic audit is currently underway.

NMRE Board Resolution
As requested by Mr. Bratton during the February Board meeting, the Operations Committee drafted Board Resolution language to establish the regional entity's position regarding rural community behavioral health service delivery in Michigan's Prepaid Health Plan Region 2, which was included in the materials for the meeting on this date. Highlights of the resolution were summarized as follows:

1) NOW, THEREFORE, BE IT RESOLVED that the Northern Michigan Regional Entity shall support effective and efficacious rural and frontier behavioral health interventions while maximizing scarce resources towards those ends, whenever possible.
2) NOW, THEREFORE, BE IT RESOLVED that we beseech the State of Michigan to increase accessibility to State Facility Treatment Centers up to and including psychiatric hospital beds for children and adults, including those with the dual diagnosis of severe and persistent mental illness and intellectual developmental disabilities.
3) NOW, THEREFORE, BE IT RESOLVED that we beseech the State of Michigan to work with the Michigan Medicaid Health Plans to increase fee-for-service Medicaid rates to rural providers to maintain and enhance community supports and services outside the public system.
4) NOW, THEREFORE, LET IT BE RESOLVED, that amendments to contracts between the Michigan Department of Health and Human Services and Community Mental Health Services Programs within the NMRE region, shall include increases to the Community Mental Health Non- Medicaid Services budgetary line and have annual cost of living increases to improve access to those not currently on Medicaid or found to have mild or moderate forms of mental illness.
5) NOW, THEREFORE, BE IT RESOLVED, that the NMRE encourages the Michigan Department of Health and Humans Services to view Health Homes under Section 2703 of the Accountable Care Act to be the preferred behavioral and substance use approach to integration initiatives in rural and frontier settings.
6) NOW, THEREFORE, BE IT RESOLVED, that the NMRE beseeches the State of Michigan Department of Health and Human Services to work closely with rural communities to ensure that great care is taken with proposed new programs and that those programs have shown effectiveness and fiscal sustainability in rural communities, such as those in Northern Michigan.
7) NOW, THEREFORE, BE IT RESOLVED, that the Northern Michigan Regional Entity Board of Directors shall support the aforementioned items and rural/frontier focused programs within its and its member Community Mental Health Services Programs' service areas.

Mr. Bratton thanked Mr. Johnston for his efforts in drafting the resolution.

Mr. Bratton indicated that the CCBHC demonstration should supply its own independent study; a report was supposed to come out of the University of Michigan, but it has not yet been furnished.

MOTION BY TOM BRATTON TO ADOPT THE RESOLUTION TO ESTABLISH THE REGIONAL ENTITY'S POSITION REGARDING RURAL COMMUNITY BEHAVIORAL HEALTH SERVICE DELIVERY IN MICHIGAN'S PREPAID HEALTH PLAN REGION 2 AS PRESENTED AND REVIEWED ON THIS DATE; SUPPORT BY RUTH PILON. ROLL CALL VOTE.

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

"Nay" Votes: Nil

MOTION CARRIED.
The full resolution is attached to these meeting minutes and incorporated herein.

PRESENTATION
Substance Use Disorder (SUD) Block Grant and Liquor Tax (PA2) Interplay
A chart showing the flow of PA2/liquor tax funds was included in the meeting materials. Mr. Kurtz reviewed the flow chart.

If, at the end of the NMRE's fiscal year, there is excess SUD Block Grant funding available, it will be used to offset liquor tax expenses as opposed to lapsing SUD Block Grant funding. In reverse, if SUD Block Grant funding runs a deficit, PA2 funding is used for treatment deficits, normally for under or uninsured clients. Due to the rapid decline in HMP enrollment (approximately 20%), the NMRE will likely have to rely on liquor tax funds to supplement SUD Block Grant funding in FY24.

The first five months of FY24 saw a 60% increase in spending block grant vs. the same period in FY23. The NMRE has been tracking Block Grant spending by level of care, provider, and specific codes. A Utilization Care Manager has been hired to monitor authorizations.

Mr. Tanner asked whether the drop in HMP enrollment can be attributed to post-Covid normalization. Ms. Arsenov responded that higher acuity is being observed, which leads to longer stays; more individuals are also being served region wide.

By February 2025, the NMRE should have a greater indication of whether the drop in HMP enrollment has stabilized. It is possible that PA2 fund balances equivalent to one year's receivables may not be possible to maintain.

Board members were asked to review the proposed criteria for liquor tax requests as shown in the March 4th SUD Oversight Committee meeting minutes.

Additional block grant funds have been requested from the Department. The NMRE will keep the Board informed as this topic develops.

COMMENTS
Board
Mr. Bratton thanked those who met with Rep. Coffia for taking this important step.

Staff/NMRE CEOs
Mr. Johnston offered his assistance to Mr. Martinus and Northern Lakes CMHA.

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

ADJOURN
Let the record show that Mr. Tanner adjourned the meeting at 12:14PM.

NORTHERN MICHIGAN REGIONAL ENTITY

RESOLUTION TO ESTABLISH THE REGIONAL ENTITY'S POSITION REGARDING RURAL COMMUNITY BEHAVIORAL HEALTH SERVICE DELIVERY IN MICHIGAN'S PREPAID HEALTH PLAN REGION #2

WHEREAS, Northern Michigan Regional Entity (NMRE) is dedicated to ensuring that the residents of its 21 county area have access to essential behavioral health services.

WHEREAS, NMRE covers 11,158 square miles and has a total population of 524,470 or 47 people per square mile and is larger than 8 states and equivalent to the size of Maryland.

WHEREAS, NMRE, because of its rural and frontier nature, has developed clinical approaches that are appropriate in such a setting.

WHEREAS, per Michigan Mental Health Code (Act 258 of 1974) 330.1204b Sec. 204b (2)(b), the NMRE was granted the power to contract with the state to serve as the Medicaid specialty service prepaid inpatient health plan for the designated service areas of the participating community mental health services programs.

WHEREAS, per Michigan Mental Health Code (Act 258 of 1974) 330.1206 Sec. 206 (1), the purpose of a Community Mental Health Services Program shall be to provide a comprehensive array of mental health services appropriate to conditions of individuals who are located within its **geographic service area**, regardless of an individual's ability to pay.

NOW, THEREFORE, BE IT RESOLVED that the Northern Michigan Regional Entity shall support effective and efficacious rural and frontier behavioral health interventions while maximizing scarce resources towards those ends, whenever possible.

WHEREAS, the NMRE and its member Community Mental Health Services Programs are in agreement that access to state facilities, when required for consumer and community safety is difficult to obtain and access.

NOW, THEREFORE, BE IT RESOLVED that we beseech the State of Michigan to increase accessibility to State Facility Treatment Centers up to and including psychiatric hospital beds for children and adults, including those with the dual diagnosis of severe and persistent mental illness and intellectual developmental disabilities.

WHEREAS, the NMRE supports and seeks support from the Michigan Department of Health and Human Services to encourage the Michigan Medicaid Health Plans within its region to increase fee- for-service rates to qualified behavioral health and substance use providers to support and maintain a community benefit in rural Michigan.

NOW, THEREFORE, BE IT RESOLVED that we beseech the State of Michigan to work with the Michigan Medicaid Health Plans to increase fee-for-service Medicaid rates to rural providers to maintain and enhance community supports and services outside

the public system.

WHEREAS, contract language between the Michigan Department Health and Human Services and the Community Mental Health Services Programs within the NMRE region regarding services to the citizen's in the region who are not covered by Medicaid and who are often found to be in crisis or have mild to moderate mental illness could effectively be treated by the public system if the state simply increased the Community Mental Health Non-Medicaid Services budgetary line and tie-barred that line into cost of living increases for future years.

NOW, THEREFORE, LET IT BE RESOLVED, that amendments to contracts between the Michigan Department of Health and Human Services and Community Mental Health Services Programs within the NMRE region, shall include increases to the Community Mental Health Non- Medicaid Services budgetary line and have annual cost of living increases to improve access to those not currently on Medicaid or found to have mild or moderate forms of mental illness.

WHEREAS, NMRE staff and NMRE member Community Mental Health Service Programs have found that Behavioral and Opioid/Substance Use Health Homes under Section 2703 of the Accountable Care Act are not only cost effective but improve physical, behavioral, and substance use in rural settings.

NOW, THEREFORE, BE IT RESOLVED, that the NMRE encourages the Michigan Department of Health and Humans Services to view Health Homes under Section 2703 of the Accountable Care Act to be the preferred behavioral and substance use approach to integration initiatives in rural and frontier settings.

WHEREAS, because the NMRE and its member Community Mental Health Services Programs are susceptible to programmatic changes which are not proven effective in rural communities, care should be taken by the Michigan Department of Health and Humans Services before services and programs are deemed mandatory or required; not doing so could shatter a very fragile network of behavioral health and substance use providers inadvertently creating a treatment "desert". So,

NOW, THEREFORE, BE IT RESOLVED, that the NMRE beseeches the State of Michigan Department of Health and Human Services to work closely with rural communities to ensure that great care is taken with proposed new programs and that those programs have shown effectiveness and fiscal sustainability in rural communities, such as those in Northern Michigan.

WHEREAS, the **Northern Michigan Regional Entity Board of Directors** shall support the region to pursue programs and interventions that are tailored for rural and frontier communities for the purposes of efficacy and efficiency.

NOW, THEREFORE, BE IT RESOLVED, that the Northern Michigan Regional Entity Board of Directors shall support the aforementioned items and rural/frontier focused programs within its and its member Community Mental Health Services Programs' service areas.

Upon a call of the roll the vote was as follows:

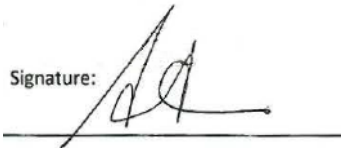
"Yea" Votes:	R. Adrian, T. Bratton, E. Ginop, G. Klacking, E. Lawson, G. McMorrow, M. Newman, G. Nowak, J. O'Farrell, R. Pilon, R. Schmidt, D. Smeltzer, D. Tanner
"Nay" Votes:	Nil
Absent:	K. Sherman, C. Varner

RESOLUTION DECLARED ADOPTED.

Board Chairperson Name: Don Tanner

Signature: 

Board Secretary Name: Gary Nowak

Signature: 

STATE OF MICHIGAN
DEPARTMENT OF HEALTH AND HUMAN SERVICES
LANSING

GRETCHEN WHITMER
GOVERNOR

ELIZABETH HERTEL
DIRECTOR

TO: Executive Directors of Pre-Paid Inpatient Health Plans (PIHP's)
Executive Directors of Community Mental Health Service Programs (CMHSP's)
§1915(i) State Plan Leads

FROM: Belinda Hawks, MPA
Director
Adult Home and Community Based Services Division

DATE: March 21, 2024

SUBJECT: 1915(i) Enrollment for Children's Services

In 2020, the Michigan Department of Health and Human Services (MDHHS) under the direction of Centers for Medicare and Medicaid Services (CMS) implemented §1915(i) State Plan (SPA) Home and Community-Based Services (HCBS) authority, §1915(i) SPA transitioned several of existing behavioral health 1915 (b)(3) supports and services to this new authority, which includes the following services: Community Living Support (CLS), Enhances Pharmacy, Environmental Modifications, Family Support and Training, Fiscal Intermediary Services, Housing Assistance, Respite, Skill Building, Specialized Medical Equipment & Supplies, Supported Employment, and Vehicle Modification. As part of the requirement to receive these services, Medicaid beneficiaries must have an assessment/evaluation completed to determine eligibility for enrollment into the §1915(i) SPA and be enrolled into the Waiver Support Application (WSA).

During the implementation of this change, MDHHS provided direction to Medicaid behavioral health providers regarding which beneficiaries would need to be evaluated and enrolled into the 1915 iSPA. MDHHS provided direction that children and young adults who were under the age of 21 and receiving CLS, Skill Building, Supported Employment and/or Family Support and Training services would not need to be enrolled into the §1915(i) SPA because services for these individuals are covered under the Early and Periodic Screening, Diagnostic and Treatment (EPSDT) benefit. However, after further investigation and review, MDHHS has determined that these services are not included under EPSDT, and these children and young adults will therefore need to be enrolled on the §1915(i) SPA.

In the interim, MDHHS is gathering data to determine how many beneficiaries will need to be enrolled by PIHPs/CMHSPs. MDHHS will work with each PIHP/CMHSP to determine enrollment periods and will share that information as soon as it is available. MDHHS intends to stagger enrollment by PIHP/CMHSP where each PIHP/CMHSP will be provided necessary time to complete the process. Services for these beneficiaries should continue as written in their plan of service without interruption and is not contingent on completion of WSA enrollment.

March 21, 2024

Any questions about this requirement and the enrollment process should be directed to the PIHP or CMHSP §1915(i) SPA Lead in your region or to the following email QMP-Federal-Compliance@michigan.gov.

c: Kristen Jordan
Monica Erickson
Amanda Lopez
Justin Tate
Lyndia Deromedi
Phillip Kurdonwicz
Kim Batsche-McKenzie
Patricia Neitman

email correspondence

To: CEOs of CMHs, PIHPs, and Provider Alliance members
CC: CMHA Officers; Members of the CMHA Board of Directors and Steering Committee; CMH & PIHP Board Chairpersons
From: Robert Sheehan, CEO, CMH Association of Michigan
Re: Clearing up misconceptions regarding CFAP and opposition to MDHHS proposal

Recognizing that the resolution of the issues raised by the Department's Conflict Free Access and Planning (CFAP) proposal has been fatiguing for all of us, CMHA wants to ensure that CMHA members have clarity around some of the misconceptions regarding the current 1915i waiver, to which the Conflict Free Casemanagement requirements are tied and the proposals made by those who oppose the Department's proposed CFAP approach. Our hope is that by having these misconceptions addressed, this issue can be resolved rapidly, with an approach co-developed and supported by the key stakeholders to Michigan's public mental health system.

There is a misconception that CMS is pressuring Michigan to change its approach to Conflict Free Casemanagement. CMS, in fact, approved Michigan's 1915i waiver application (a waiver that is in place until September 30, 2027) that outlines how Michigan is addressing this requirement. The methods described in this waiver application, approved by CMS, outline the approach that Michigan has successfully used for years, prior to and during the waiver, and that effectively mitigates against conflict of interest while also ensuring easy and access to and continuity of care. That section of the application is contained on page 3 of Michigan's 1915i waiver application with that excerpt also contained on page 1 of the attached.

The second misconception is that the persons served and the leaders and staff of organizations that make up Michigan's public mental health system are opposed to conflict free access and planning/casemanagement. These persons strongly support both the concept of and wise approach to ensuring conflict free access and planning/casemanagement. In fact, the recommendations of these groups (described on page 4 the analysis by CMHA and shared with the Department over the past several years) strengthen the sound approach contained in Michigan's current 1915i waiver application.

The third misconception is that the Department's proposed CFAP approach will impact only a small number of persons served by the public mental health system and a narrow set of services. In fact, MDHHS, in the Michigan's 1915i waiver application, estimates that 50,000 clients will be impacted (page 5 of the application). This represents 15% of those served by the public mental health system. Based on the growth in the number of persons using HCBS services – including children receiving state plan HCBS services, since this estimate was provided, in 2019, the actual number of persons receiving HCBS services is projected to be closer to 100,000, representing 30% of the persons served by Michigan's public system. The HCBS service array, to which CFAP applies, is broad (contained on pages 1 and 17 of the waiver application, with the relevant excerpt contained on page 6 of the attached).

CMHA has recently shared this information with MDHHS leadership with the aim to foster the work of the Department as they work with persons served, CMHA, our members, and other stakeholders to strengthen, rather than dismantle, the sound approach to conflict free access and planning that is described in Michigan's current 1915i waiver.

Robert Sheehan
Chief Executive Officer

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www.cmham.org

Conflict-Free Access and Planning Implementation

April 1, 2024

Meeting Objectives

- Ensure aligned understanding of federal rules around conflict-free access and planning and how they apply to Michigan's Medicaid delivery system
- Clarify question on MDHHS' updated conflict-free access and planning requirements
- Discuss timeline for implementation of conflict-free requirements

Agenda

- Overview of Federal Conflict-Free Access & Planning Requirements
- Deep Dive: Michigan's Conflict-Free Access and Planning Approach
  - Permissible Scenarios
- Implications for Providers and Next Steps

MDHHS
Michigan Department of Health & Human Services

Overview of Federal Conflict-Free Access & Planning Requirements

MDHHS
Michigan Department of Health & Human Services

Overview of Federal Conflict-Free Rules

Federal regulations require service planning for Medicaid beneficiaries obtaining HCBS to be "conflict-free":

Federal Conflict-Free Rules

- Generally, service planning[1] activities for HCBS, including the development of the Independent Plan of Service (IPOS), assessment and coordination of services, must be independent from the delivery of HCBS services.[2]
- Conflict-free rules apply to all entities conducting HCBS service planning, regardless if they are public or private.[3]
- States can seek CMS approval to grant an "only willing and qualified provider" exception when the only willing and qualified provider for service planning in a geographic area also provides HCBS.

Rationale

- The Intent of conflict-free rules is to promote consumer choice and independence by limiting any conscious or unconscious bias by a care manager/supports coordinator when assisting a beneficiary in identifying HCBS needs and developing plans to access services (e.g., preventing a care manager/supports coordinator from steering beneficiary to the provider organization where the care manager/supports coordinator is employed).

1. The term service planning refers to conducting the HCBS needs assessment, developing the Individual Plan of Service (IPOS), and providing ongoing case management.
2. Conflict-free regulations can be found at 42 CFR 441.301(c)(1)(vi) and 42 CFR 441.730(b).
3. 42 CFR 441.730(b)

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Implications for Michigan's Behavioral Health System

Following stakeholder feedback provided through the Conflict-Free Access & Planning (CFA&P) Workgroup, MDHHS has worked to strengthen conflict-free requirements to help ensure that beneficiaries are informed about their service and provider options.

- **In Michigan's behavioral health system, conflict-free rules apply to HCBS authorized by the following Waivers and State Plan Amendment (SPA):**
  - 1915(c) Children's Waiver Program
  - 1915(c) Children with Serious Emotional Disturbances Waiver
  - 1915(c) Habilitation Supports Waiver
  - 1915(i) SPA

Implications for Michigan Providers

Conflict-free rules generally mean a Community Mental Health Services Program (CMHSP) or CMHSP-contracted provider cannot conduct both HCBS service planning and service delivery for the same individual, with some exceptions that will be discussed later in this meeting.

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Foundational Assumptions & Values for Conflict-Free Access & Planning

MDHHS' approach to its conflict-free access and planning approach was guided by (1) by the foundational assumptions identified by MDHHS, (2) input and values from the stakeholders convened through the CFA&P Workgroup, (3) PIHP interviews and surveys conducted by Manatt, and (4) MDHHS' analysis of data on HCBS services.

MDHHS Foundational Assumptions	1. **Structural mitigation is required:** Conflicted functions will be separated. 2. **State-wide approaches reduce disparity:** It is ideal to implement a state-wide approach, wherever possible. 3. **Exceptions must be carefully considered:** MDHHS must define and consider exceptions to the state-wide structural mitigation approach for regions with a single willing and qualified provider. 4. **Systems use existing structures:** The existing PIHPs and CMHSPs will be responsible for implementing CFA&P requirements.
CFA&P Workgroup Values	1. **Strengthen Protections:** Ensure Michigan's public behavioral health system adequately protects beneficiary choice by complying with federal conflict-of-interest requirements. 2. **Prioritize the Person's Experience:** Ensure Michigan's public behavioral health system prioritizes the experiences of beneficiaries and their families. 3. **Maintain Viability:** Ensure Michigan's public behavioral health system is viable and robust to adequately serve beneficiaries

Deep Dive: Michigan's Conflict-Free Access and Planning Approach

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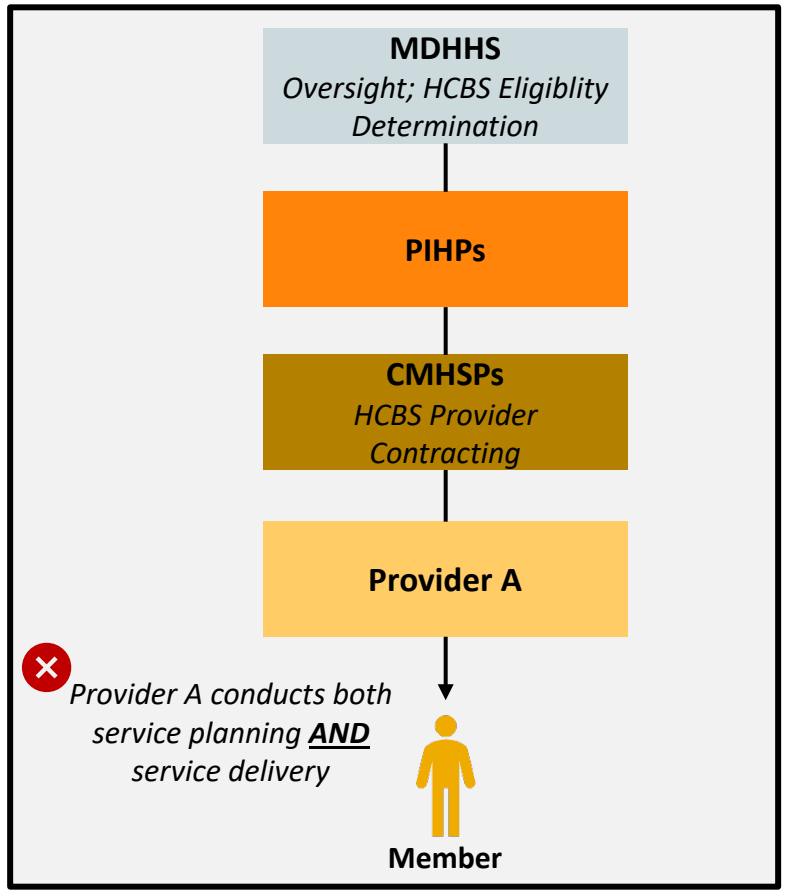
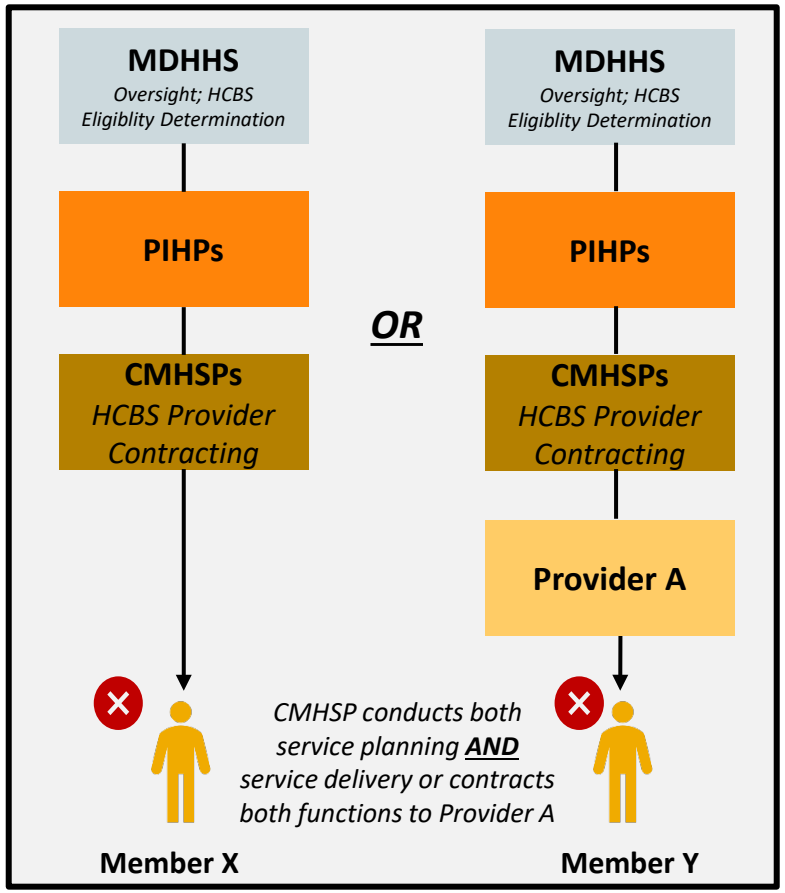
Current Landscape: Potential Scenarios for Conflicted Access & Planning

Regions vary in how they deliver service planning and delivery. Michigan's current landscapes include three potential contracting scenarios for CMHSPs, each of which pose a risk for conflicted access and planning. MDHHS acknowledges that in scenarios 1 and 2, members may or may not be obtaining service planning and service delivery from the same provider.

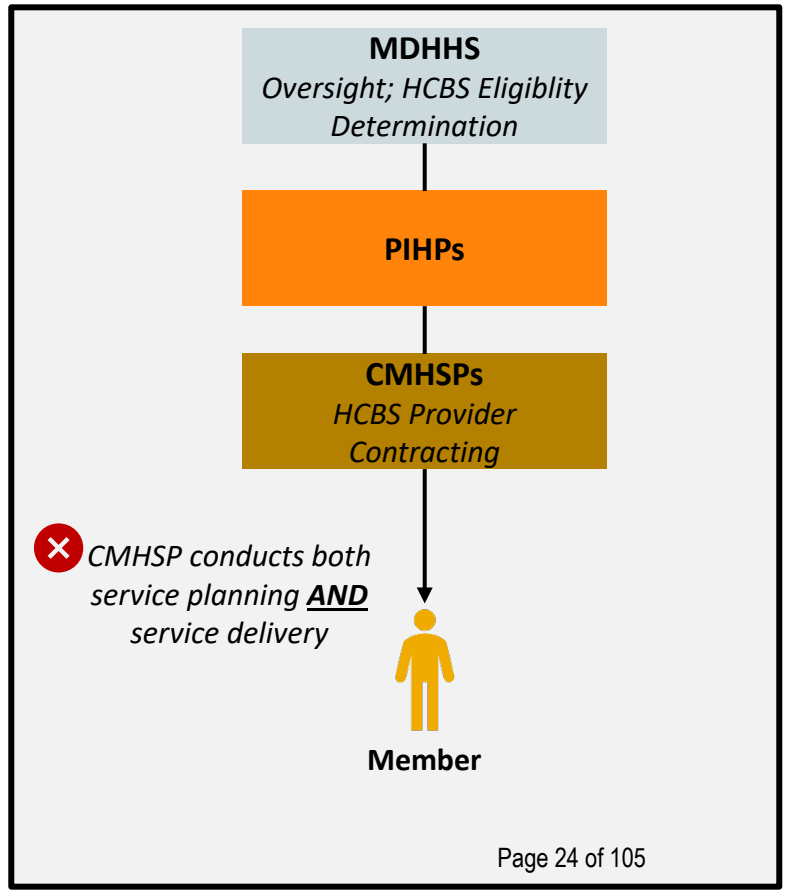
1. CMHSP Contracts Out All HCBS Service Planning & Service Delivery



2. CMHSP Both Directly Delivers and Contracts Out HCBS Service Planning & Service Delivery



3. CMHSP Is Only Entity Conducting HCBS Service Planning & Service Delivery



Michigan's Conflict-Free Access & Planning Requirements

To address the potential scenarios for conflicted access & planning, MDHHS will implement the following new requirements:

Conflict-Free Access & Planning Approach

- **Providers—including CMHSPs—can conduct both HCBS service planning and service delivery functions but must not conduct both functions for the same member.**
- **Michigan will request approval from CMS to grant an "only willing and qualified provider" exception where there is no independent provider available to conduct HCBS service planning.**

! ***The term service planning refers to conducting the HCBS needs assessment, developing the Individual Plan of Service (IPOS), and providing ongoing case management.***

MDHHS Michigan Department of Health & Human Services

Rationale for Conflict-Free Access & Planning Approach

Ensures Conflict-Free Access & Planning for Members. Members will be guaranteed conflict-free access and planning for HCBS, with the intent to promote consumer choice and limit conscious or unconscious bias when a supports coordinator assists a member in identifying HCBS needs and developing a plan to access services.

Leverages Existing Provider Networks. CMHSPs can continue to contract with other providers to conduct HCBS service planning and HCBS service delivery.

Mitigates Financial Impact on Providers. Allows providers, both CMHSPs and contracted providers, to retain their existing service planning and/or service delivery lines.

Aligns with Existing MI Delivery System. Minimizes the amount of structural change needed.

Feasible Timeline for Implementation. Approach requires the least amount of structural change for implementation compared to other options, which can facilitate implementation by 10/1.

Permissible Scenarios

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Permissible Conflict-Free Access & Planning Scenarios

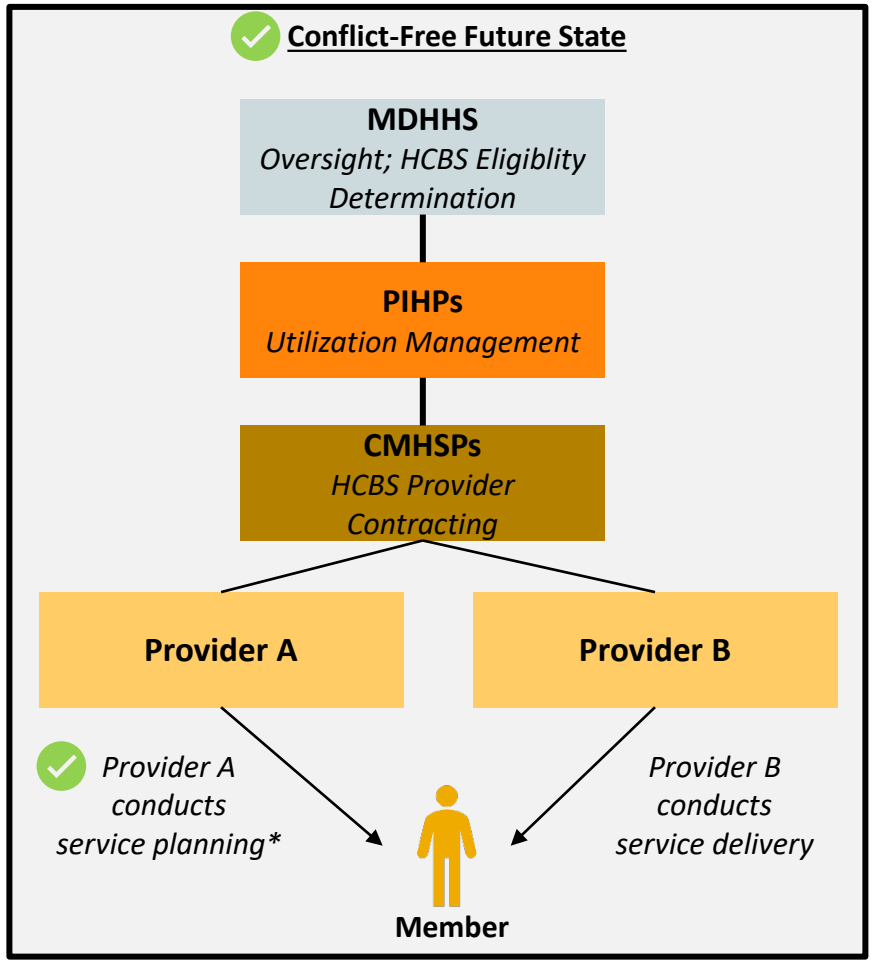
CMHSPs currently vary in whether they directly provide or contract out HCBS service planning and service delivery, resulting in three potential contracting scenarios. Providers in any scenario may be granted the "only willing and qualified provider" exception if they provide HCBS and are also the only provider that can conduct service planning (e.g., lack of provider availability in rural regions).

Existing Scenario	*Scenario Applies to:*
1. CMHSP Contracts Out All HCBS Service Planning & Service Delivery	**13 CMHSPs**
2. CMHSP Both Directly Delivers and Contracts Out HCBS Service Planning & Service Delivery	**32 CMHSPs**
3. CMHSP Is Only Entity Conducting HCBS Service Planning & Service Delivery	**1 CMHSP**

CMHSPs may continue their existing HCBS contracting approach as long as they comply with conflict-free requirements where separate providers conduct service planning and service delivery functions for a member. Slides 14 – 16 depict the permissible scenarios that comply with the conflict-free approach.

Scenario 1: CMHSP Contracts Out All HCBS Service Planning & Service Delivery

Scenario 1: The CMHSP does not conduct service planning nor service delivery, but rather contracts out both functions to providers. The CMHSP must ensure that a member is referred to Provider A for service planning and a separate Provider B for service delivery.



PIHPs will conduct utilization management (additional guidance forthcoming from MDHHS)

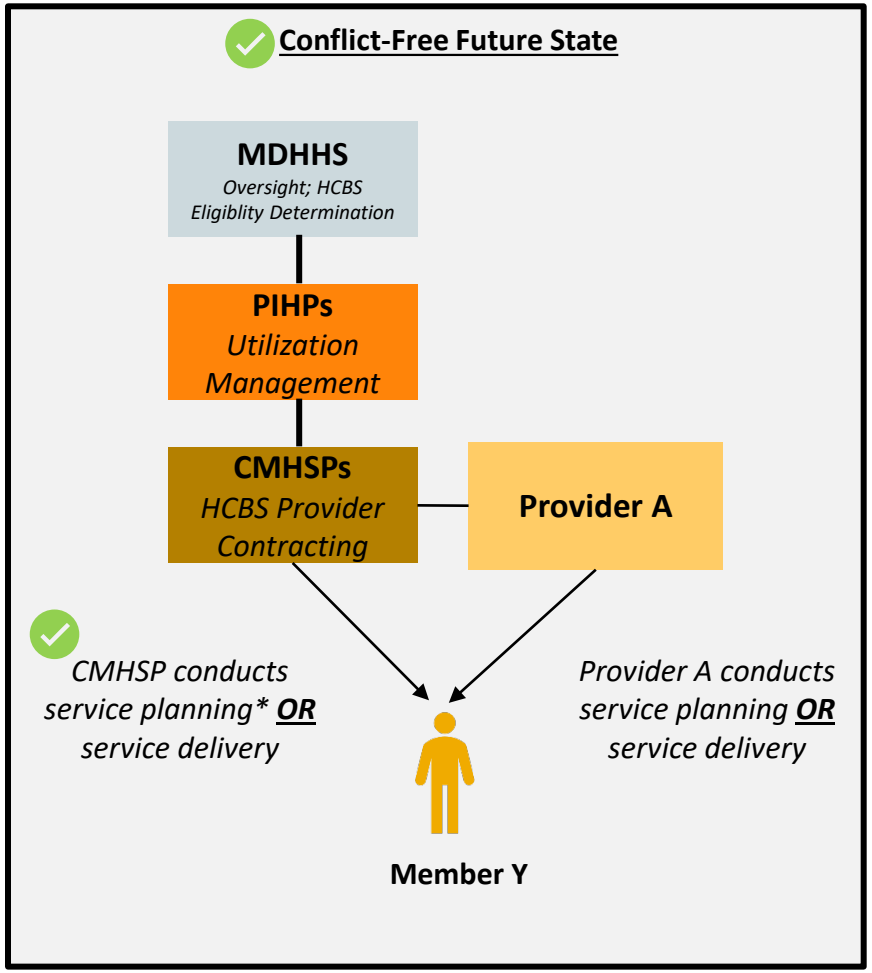
CMHSP continues to contract with independent service providers to conduct service planning and service delivery.

CMHSP refers member to Provider A for service planning and a separate Provider B for service delivery

**Service planning refers to conducting the HCBS needs assessment, developing the Individual Plan of Service (IPOS), and providing ongoing case management*

Scenario 2: CMHSP Both Directly Delivers and Contracts Out HCBS Service Planning & Service Delivery

Scenario 2: The CMHSP directly offers both service planning and service delivery and also contracts with providers for these functions. The CMHSP may continue to provide service planning OR service delivery to a single member but must ensure a member is referred to a separate Provider A to conduct the remaining function.



**Service planning refers to conducting the HCBS needs assessment, developing the Individual Plan of Service (IPOS), and providing ongoing case management*

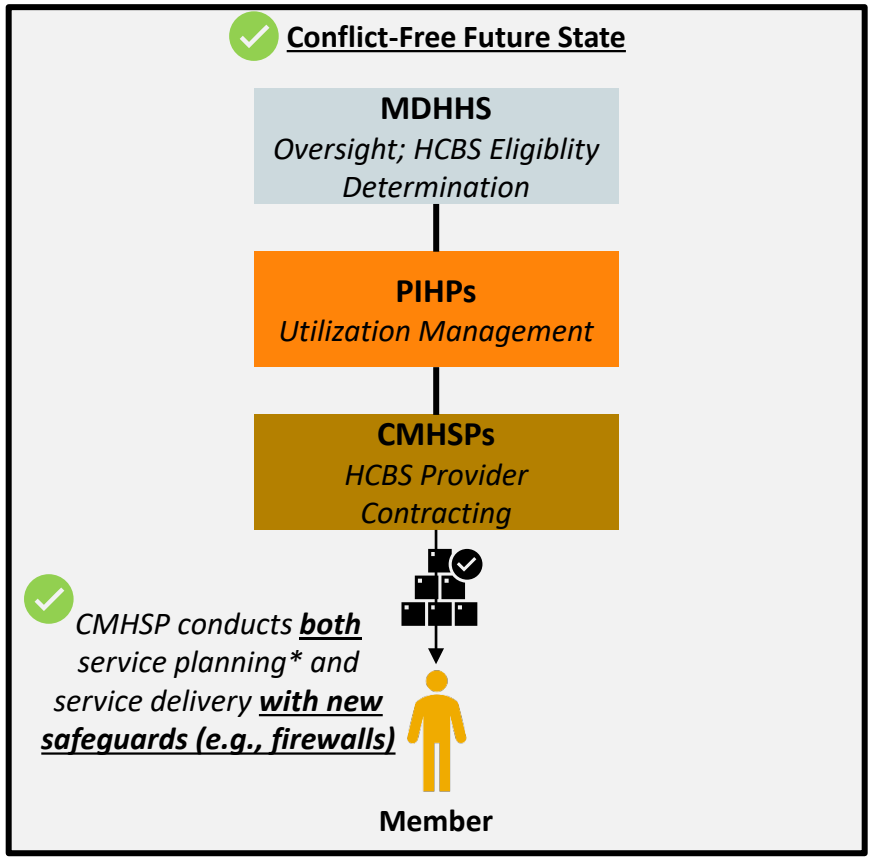
PIHPs will conduct utilization management (additional guidance forthcoming from MDHHS)

CMHSPs continue to contract with independent service providers to conduct service planning and service delivery

A member may obtain service planning OR service delivery through their CMHSP but must be referred to a separate Provider A for the remaining function.

Scenario 3: CMHSP Is Only Entity Conducting HCBS Service Planning & Service Delivery

Scenario 3: The CMHSP conducts service delivery and must demonstrate it is the "only willing and qualified" provider available to conduct service planning for a member (e.g., rural provider). With an "only willing and qualified" provider exception, the CMHSP may continue to conduct both service planning AND service delivery to the same member but must implement new policies/procedures to mitigate conflicts that will be developed by MDHHS and approved by CMS.



PIHPs will conduct utilization management (additional guidance forthcoming from MDHHS)

CMHSP continues to directly conduct service planning and service delivery for the same member, but must implement new policies/procedures to mitigate conflicts (e.g., firewalls)

**Service planning refers to conducting the HCBS needs assessment, developing the Individual Plan of Service (IPOS), and providing ongoing case management*

Note: Providers (CMHSPs and contracted providers) in scenario 1 and 2 may also be determined to be an "only willing and qualified provider".

“Only Willing and Qualified Provider” Exception

CMS has acknowledged that there may be scenarios in which a provider that delivers HCBS service is the “only willing and qualified provider” available in a geographic area to conduct service planning (e.g., due to rural geography). To address these scenarios, states can seek CMS approval to grant an “only willing and qualified provider” exception.

- MDHHS will request approval from CMS to grant “only willing and qualified provider” exceptions where appropriate.
- To obtain the exception from CMS, MDHHS is federally required to:
  1. Develop criteria to demonstrate how and why a provider/entity is an “only willing and qualified provider” and
  2. Establish safeguards to ensure providers granted an exception conduct service planning in the member’s best interest.
- Providers that are granted an exception by MDHHS may continue to conduct both service planning *and* service delivery to the same member but must implement new policies/procedures to mitigate conflicts. Based on CMS guidance, MDHHS will develop statewide policies that providers granted the exception must follow.

- MDHHS is currently developing criteria providers must meet to be granted an exception for approval by CMS.
- MDHHS will require providers to apply for an exception and will develop a template application.

Source: CMS 1915(c) Waiver HCBS Instructions, Technical Guide and Review Criteria

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MDHHS and PIHP Role

Across all scenarios reflecting the conflict-free access & planning approach, MDHHS and PIHPs will have the following roles:

MDHHS

- **MDHHS** will establish new monitoring/oversight processes to ensure conflict-free requirements are met on an ongoing basis.
- **MDHHS** will continue to conduct oversight and determine eligibility for HCBS.
- **MDHHS** will review applications from providers requesting an "only willing and qualified provider" exception and grant exceptions, as appropriate.*

PIHPs

- **PIHPs** will conduct utilization management for services and cannot delegate this function to a CMHSP, as will be required in the FY 25 PIHP contract. MDHHS will provide future guidance on specific utilization management functions that PIHPs will be required to conduct.
- **PIHPs** will submit an implementation plan describing how they will meet conflict-free requirements

**Subject to CMS approval*

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Next Steps for Implementation

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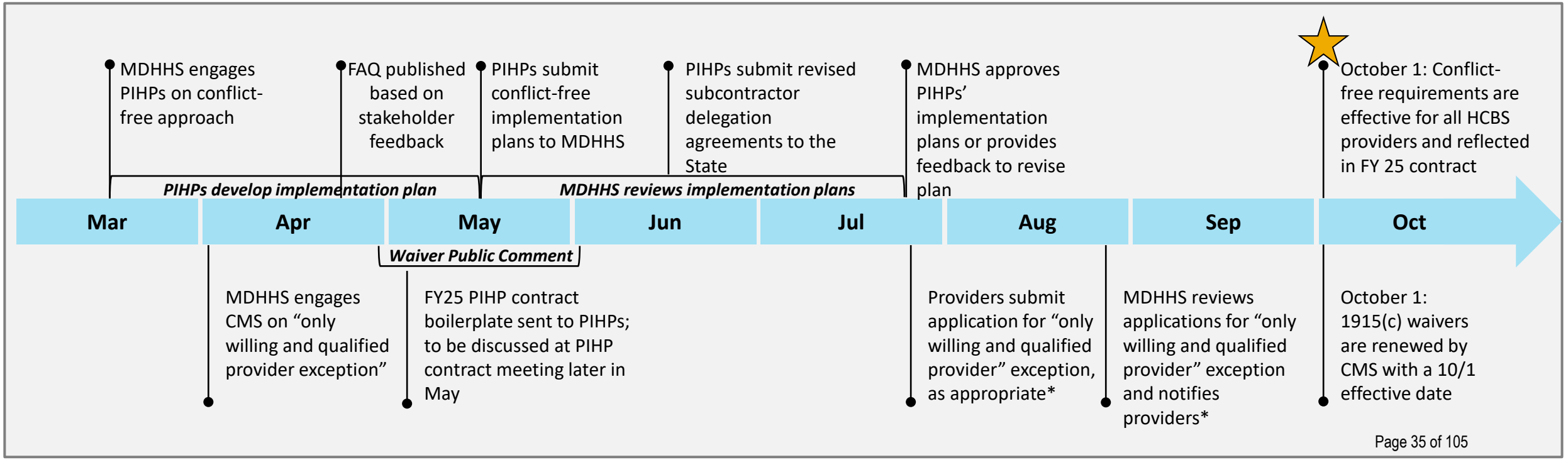
Next Steps for Implementation

New conflict-free requirements will go-live on October 1, 2024, aligning with the effective dates of FY 25 PIHP contract and 1915(c) waiver. MDHHS will require each PIHP to submit a Conflict-Free Access & Planning Implementation Plan describing how the PIHP will comply with new conflict-free requirements on the following timeline. MDHHS will provide a template implementation plan for PIHPs to complete in mid-April.



**Subject to CMS approval*

MDHHS
Michigan Department of Health & Human Services

Appendix

Conflict-Free Federal Regulations

1915(c) - 42 CFR 441.301(c)(1)(vi) Providers of HCBS for the individual, or those who have an interest in or are employed by a provider of HCBS for the individual must not provide case management or develop the person-centered service plan, except when the State demonstrates that the only willing and qualified entity to provide case management and/or develop person centered service plans in a geographic area also provides HCBS. In these cases, the State must devise conflict of interest protections including separation of entity and provider functions within provider entities, which must be approved by CMS. Individuals must be provided with a clear and accessible alternative dispute resolution process.

1915(i) 42 CFR 441.730
(b) Conflict of interest standards. The State must define conflict of interest standards that ensure the independence of individual and agency agents who conduct (whether as a service or an administrative activity) the independent evaluation of eligibility for State plan HCBS, who are responsible for the independent assessment of need for HCBS, or who are responsible for the development of the service plan. The conflict of interest standards apply to all individuals and entities, public or private. At a minimum, these agents must not be any of the following:
(1) Related by blood or marriage to the individual, or to any paid caregiver of the individual.
(2) Financially responsible for the individual.
(3) Empowered to make financial or health-related decisions on behalf of the individual.
(4) Holding financial interest, as defined in § 411.354 of this chapter, in any entity that is paid to provide care for the individual.
(5) Providers of State plan HCBS for the individual, or those who have an interest in or are employed by a provider of State plan HCBS for the individual, except when the State demonstrates that the only willing and qualified agent to perform independent assessments and develop person-centered service plans in a geographic area also provides HCBS, and the State devises conflict of interest protections including separation of agent and provider functions within provider entities, which are described in the State plan for medical assistance and approved by the Secretary, and individuals are provided with a clear and accessible alternative dispute resolution process.

1915(c) and 1915(i) 42 CFR 431.10 requires that the State Medicaid Agency (SMA) be responsible for eligibility determinations, and eligibility determination can only be delegated to another governmental agency with SMA oversight. (Referenced in the 1915(c) Waiver Application, Appendix A: Waiver Administration and Operation)

Federal Requirements for "Only Qualified and Willing Provider" Exception

States that are granted an only willing provider exemption must develop and implement conflict of interest (COI) protections to ensure that in situations where there may be potential COI, individuals are offered a variety of protections:

- Full disclosure to participants and assurance that participants are supported in exercising their right to free choice of providers and are provided information about the full range of waiver services, not just the services furnished by the entity that is responsible for the person-centered service plan development;
- An opportunity for the participant to dispute the state's assertion that there is not another entity or individual that is not that individual's provider to develop the person-centered service plan through a clear and accessible alternative dispute resolution process;
- Direct oversight of the process or periodic evaluation by a state agency;
- Restricting the entity that develops the person-centered service plan from providing services without the direct approval of the state; and
- Requiring the agency that develops the person-centered service plan to administratively separate the plan development function from the direct service provider functions.

Source: CMS 1915(c) Waiver HCBS Instructions, Technical Guide and Review Criteria

MDHHS Michigan Department of Health & Human Services

FY2024 Q1 PIHP Final PI Numbers

CMHSP Medicaid Only & SUD All-Funding

10/01/2023 – 12/31/2023

FY2024 – Q1 PIHP Final PI Numbers - Medicaid Only

10/01/2023 – 12/31/2023

NORTHERN MICHIGAN REGIONAL ENTITY

Table 1 – Access – Timeliness/Inpatient Screening

Population	Emergency Referral	# Less Than 3 Hrs.	% Less Than 3 Hrs.
Children	191	188	**98.43%**
Adults	703	695	**98.86%**
Total	**894**	**883**	**98.77%**

Table 2a – Access – Timeliness/First Request

Population	New Clients	In 14 Days	% In 14 Days
MIC	395	238	**60.25%**
MIA	761	388	**50.99%**
DDC	64	47	**73.44%**
DDA	35	21	**60.00%**
Total	**1,255**	**694**	**55.30%**

Table 2b – Access – Timeliness/First Request - Substance Use Disorder

Population	Admissions	Expired	In 14 Days	% In 14 Days
SA	Calculated	**430**	Calculated	Calculated **%**

Table 3 – Access – Timeliness/First Service

Population	New Clients Start Services	In 14 Days	% In 14 Days
MIC	289	184	**63.67%**
MIA	444	282	**63.51%**
DDC	70	46	**65.71%**
DDA	28	23	**82.14%**
Total	**831**	**535**	**64.38%**

Table 4a – Access – Continuity of Care

Population	# Discharges	Exceptions	Net Discharges	In 7 Days	% In 7 Days
Children	65	15	50	46	**92.00%**
Adults	246	82	164	143	**87.20%**
Total	**311**	**97**	**214**	**189**	**88.32%**

Table 4b – Access – Continuity of Care - Substance Use Disorder

Population	# Discharges	Exceptions	Net Discharges	In 7 Days	% In 7 Days
SA	245	112	133	127	**95.49%**

Table 6 – Outcomes – Inpatient Recidivism

Population	# Discharges	Exceptions	Net Discharges	Readmit In 30 Days	% Readmit In 30 Days
Children	65	0	65	7	**10.77%**
Adults	246	1	245	32	**13.06%**
Total	**311**	**1**	**310**	**39**	**12.58%**

Produced by: Valerie McBain

FY2024 – Q1 PIHP Final PI Numbers - Medicaid Only

10/01/2023 – 12/31/2023

AVCMH - Medicaid Only

Table 1 – Access – Timeliness/Inpatient Screening

Population	Emergency Referral	# Less Than 3 Hrs.	% Less Than 3 Hrs.
Children	37	37	**100.00%**
Adults	85	85	**100.00%**
Total	**122**	**122**	**100.00%**

Table 2a – Access – Timeliness/First Request

Population	New Clients	In 14 Days	% In 14 Days
MIC	69	54	**78.26%**
MIA	135	95	**70.37%**
DDC	12	11	**91.67%**
DDA	4	4	**100.00%**
Total	**220**	**164**	**74.55%**

Table 3 – Access – Timeliness/First Service

Population	New Clients Start Services	In 14 Days	% In 14 Days
MIC	58	47	**81.03%**
MIA	113	93	**82.30%**
DDC	13	8	**61.54%**
DDA	4	3	**75.00%**
Total	**188**	**151**	**80.32%**

Table 4a – Access – Continuity of Care

Population	# Discharges	Exceptions	Net Discharges	In 7 Days	% In 7 Days
Children	4	1	3	3	**100.00%**
Adults	19	6	13	13	**100.00%**
Total	**23**	**7**	**16**	**16**	**100.00%**

Table 6 – Outcomes – Inpatient Recidivism

Population	# Discharges	Exceptions	Net Discharges	Readmit In 30 Days	% Readmit In 30 Days
Children	4	0	4	1	**25.00%**
Adults	19	0	19	4	**21.05%**
Total	**23**	**0**	**23**	**5**	**21.74%**

FY2024 – Q1 PIHP Final PI Numbers - Medicaid Only

10/01/2023 – 12/31/2023

CWN - Medicaid Only

Table 1 – Access – Timeliness/Inpatient Screening

Population	Emergency Referral	# Less Than 3 Hrs.	% Less Than 3 Hrs.
Children	11	11	**100.00%**
Adults	11	11	**100.00%**
Total	**22**	**22**	**100.00%**

Table 2a – Access – Timeliness/First Request

Population	New Clients	In 14 Days	% In 14 Days
MIC	43	25	**58.14%**
MIA	91	44	**48.35%**
DDC	4	3	**75.00%**
DDA	3	2	**66.67%**
Total	**141**	**74**	**52.48%**

Table 3 – Access – Timeliness/First Service

Population	New Clients Start Services	In 14 Days	% In 14 Days
MIC	23	18	**78.26%**
MIA	35	23	**65.71%**
DDC	4	3	**75.00%**
DDA	2	1	**50.00%**
Total	**64**	**45**	**70.31%**

Table 4a – Access – Continuity of Care

Population	# Discharges	Exceptions	Net Discharges	In 7 Days	% In 7 Days
Children	10	1	9	8	**88.89%**
Adults	11	4	7	6	**85.71%**
Total	**21**	**5**	**16**	**14**	**87.50%**

Table 6 – Outcomes – Inpatient Recidivism

Population	# Discharges	Exceptions	Net Discharges	Readmit In 30 Days	% Readmit In 30 Days
Children	10	0	10	3	**30.00%**
Adults	11	0	11	1	**9.09%**
Total	**21**	**0**	**21**	**4**	**19.05%**

FY2024 – Q1 PIHP Final PI Numbers - Medicaid Only

10/01/2023 – 12/31/2023

NCCMH - Medicaid Only

Table 1 – Access – Timeliness/Inpatient Screening

Population	Emergency Referral	# Less Than 3 Hrs.	% Less Than 3 Hrs.
Children	34	34	**100.00%**
Adults	113	112	**99.12%**
Total	**147**	**146**	**99.32%**

Table 2a – Access – Timeliness/First Request

Population	New Clients	In 14 Days	% In 14 Days
MIC	101	72	**71.29%**
MIA	201	133	**66.17%**
DDC	18	15	**83.33%**
DDA	9	6	**66.67%**
Total	**329**	**226**	**68.69%**

Table 3 – Access – Timeliness/First Service

Population	New Clients Start Services	In 14 Days	% In 14 Days
MIC	80	55	**68.75%**
MIA	125	78	**62.40%**
DDC	19	12	**63.16%**
DDA	8	6	**75.00%**
Total	**232**	**151**	**65.09%**

Table 4a – Access – Continuity of Care

Population	# Discharges	Exceptions	Net Discharges	In 7 Days	% In 7 Days
Children	16	1	15	15	**100.00%**
Adults	50	10	40	39	**97.50%**
Total	**66**	**11**	**55**	**54**	**98.18%**

Table 6 – Outcomes – Inpatient Recidivism

Population	# Discharges	Exceptions	Net Discharges	Readmit In 30 Days	% Readmit In 30 Days
Children	16	0	16	0	**0.00%**
Adults	50	0	50	5	**10.00%**
Total	**66**	**0**	**66**	**5**	**7.58%**

FY2024 – Q1 PIHP Final PI Numbers - Medicaid Only

10/01/2023 – 12/31/2023

NEMCMH - Medicaid Only

Table 1 – Access – Timeliness/Inpatient Screening

Population	Emergency Referral	# Less Than 3 Hrs.	% Less Than 3 Hrs.
Children	34	33	**97.06%**
Adults	101	100	**99.01%**
Total	**135**	**133**	**98.52%**

Table 2a – Access – Timeliness/First Request

Population	New Clients	In 14 Days	% In 14 Days
MIC	54	33	**61.11%**
MIA	53	25	**47.17%**
DDC	3	1	**33.33%**
DDA	4	3	**75.00%**
Total	**114**	**62**	**54.39%**

Table 3 – Access – Timeliness/First Service

Population	New Clients Start Services	In 14 Days	% In 14 Days
MIC	38	20	**52.63%**
MIA	23	18	**78.26%**
DDC	4	2	**50.00%**
DDA	3	2	**66.67%**
Total	**68**	**42**	**61.76%**

Table 4a – Access – Continuity of Care

Population	# Discharges	Exceptions	Net Discharges	In 7 Days	% In 7 Days
Children	3	0	3	3	**100.00%**
Adults	12	1	11	11	**100.00%**
Total	**15**	**1**	**14**	**14**	**100.00%**

Table 6 – Outcomes – Inpatient Recidivism

Population	# Discharges	Exceptions	Net Discharges	Readmit In 30 Days	% Readmit In 30 Days
Children	3	0	3	0	**0.00%**
Adults	12	0	12	0	**0.00%**
Total	**15**	**0**	**15**	**0**	**0.00%**

FY2024 – Q1 PIHP Final PI Numbers - Medicaid Only

10/01/2023 – 12/31/2023

NLCMH - Medicaid Only

Table 1 – Access – Timeliness/Inpatient Screening

Population	Emergency Referral	# Less Than 3 Hrs.	% Less Than 3 Hrs.
Children	75	73	**97.33%**
Adults	393	387	**98.47%**
Total	**468**	**460**	**98.29%**

Table 2a – Access – Timeliness/First Request

Population	New Clients	In 14 Days	% In 14 Days
MIC	128	54	**42.19%**
MIA	281	91	**32.38%**
DDC	27	17	**62.96%**
DDA	15	6	**40.00%**
Total	**451**	**168**	**37.25%**

Table 3 – Access – Timeliness/First Service

Population	New Clients Start Services	In 14 Days	% In 14 Days
MIC	90	44	**48.89%**
MIA	148	70	**47.30%**
DDC	30	21	**70.00%**
DDA	11	11	**100.00%**
Total	**279**	**146**	**52.33%**

Table 4a – Access – Continuity of Care

Population	# Discharges	Exceptions	Net Discharges	In 7 Days	% In 7 Days
Children	32	12	20	17	**85.00%**
Adults	154	61	93	74	**79.57%**
Total	**186**	**73**	**113**	**91**	**80.53%**

Table 6 – Outcomes – Inpatient Recidivism

Population	# Discharges	Exceptions	Net Discharges	Readmit In 30 Days	% Readmit In 30 Days
Children	32	0	32	3	**9.38%**
Adults	154	1	153	22	**14.38%**
Total	**186**	**1**	**185**	**25**	**13.51%**

FY2024 – Q1 PIHP Final PI Numbers - Medicaid Only

10/01/2023 – 12/31/2023

Substance Use Disorder

Table 2b – Access – Timeliness/First Request - Substance Use Disorder

Population	Expired
SA	430

Table 4b – Access – Continuity of Care

Population	# Discharges	Exceptions	Net Discharges	In 7 Days	% In 7 Days
SA	245	112	133	127	**95.49%**

Quarter 1 Fiscal Year 2024
(October 1, 2023 through December 31, 2023)
Statewide
Performance Indicator Report

Indicator 1a: Percentage of Children Receiving a Pre-Admission Screening for Psychiatric Inpatient Care for Whom the Disposition Was Completed Within Three Hours -- 95% Standard

	Percentage	Number of Emergency Referrals for Children	Number Completed in Three Hours for Children
Detroit Wayne Mental Health Authority	99.44	712	708
Lakeshore Regional Entity	98.70	460	454
Macomb Co CMH Services	99.33	297	295
Mid-State Health Network	98.58	915	902
NorthCare Network	100.00	68	68
Northern MI Regional Entity	98.43	191	188
Oakland Co CMH Authority	100.00	295	295
Region 10	99.29	280	278
CMH Partnership of Southeast MI	99.30	143	142
Southwest MI Behavioral Health	99.57	232	231
Statewide Total	**99.26**	**3,593**	**3,561**

Indicator 1b: Percentage of Adults Receiving a Pre-Admission Screening for Psychiatric Inpatient Care for Whom the Disposition Was Completed Within Three Hours -- 95% Standard

	Percentage	Number of Emergency Referrals for Adults	Number Completed in Three Hours for Adults
Detroit Wayne Mental Health Authority	96.55	2,726	2,632
Lakeshore Regional Entity	98.42	1,706	1,679
Macomb Co CMH Services	98.36	1,159	1,140
Mid-State Health Network	99.67	2,409	2,401
NorthCare Network	100.00	250	250
Northern MI Regional Entity	98.86	703	695
Oakland Co CMH Authority	97.99	1,345	1,318
Region 10	98.57	908	895
CMH Partnership of Southeast MI	99.84	615	614
Southwest MI Behavioral Health	99.52	826	822
Statewide Total	**98.78**	**12,647**	**12,446**

Indicator 2: The Percentage of New Persons During the Quarter Receiving a Completed Biopsychosocial Assessment within 14 Calendar Days of a Non-emergency Request for Service

	Percentage	# of New Persons Who Requested Mental Health or I/DD Services and Supports and are Referred for a Biopsychosocial Assessment	# of Persons Completing the Biopsychosocial Assessment within 14 Calendar Days of First Request for Service
Detroit Wayne Mental Health Authority	47.64	3,224	1,536
Lakeshore Regional Entity	51.73	1,332	689
Macomb Co CMH Services	41.98	1,041	437
Mid-State Health Network	61.79	4,501	2,781
NorthCare Network	58.20	579	337
Northern MI Regional Entity	55.30	1,255	694
Oakland Co CMH Authority	46.94	1,191	559
Region 10	48.76	2,303	1,123
CMH Partnership of Southeast MI	47.63	1,077	513
Southwest MI Behavioral Health	67.17	2,233	1,500
Statewide Total	**52.71**	**18,736**	**10,169**

Indicator 2a: The Percentage of New Children with Emotional Disturbance During the Quarter Receiving a Completed Biopsychosocial Assessment within 14 Calendar Days of a Non-emergency Request for Service

	Percentage	# MI Children Who Requested Mental Health or I/DD Services and Supports and are Referred for a Biopsychosocial Assessment	# MI Children Completing the Biopsychosocial Assessment within 14 Calendar Days of First Request for Service
Detroit Wayne Mental Health Authority	30.21	629	190
Lakeshore Regional Entity	58.03	548	318
Macomb Co CMH Services	39.52	291	115
Mid-State Health Network	60.43	1,625	982
NorthCare Network	62.05	166	103
Northern MI Regional Entity	60.25	395	238
Oakland Co CMH Authority	37.18	355	132
Region 10	48.24	709	342
CMH Partnership of Southeast MI	44.48	281	125
Southwest MI Behavioral Health	61.77	654	404
Statewide Total	**50.22**	**5,653**	**2,949**

Indicator 2b: The Percentage of New Adults with Mental Illness During the Quarter Receiving a Completed Biopsychosocial Assessment within 14 Calendar Days of a Non-emergency Request for Service

	Percentage	# MI Adults Who Requested Mental Health or I/DD Services and Supports and are Referred for a Biopsychosocial Assessment	# MI Adults Completing the Biopsychosocial Assessment within 14 Calendar Days of First Request for Service
Detroit Wayne Mental Health Authority	57.36	2,078	1,192
Lakeshore Regional Entity	48.00	600	288
Macomb Co CMH Services	46.90	612	287
Mid-State Health Network	64.31	2,499	1,607
NorthCare Network	56.68	367	208
Northern MI Regional Entity	50.99	761	388
Oakland Co CMH Authority	53.75	774	416
Region 10	49.46	1,298	642
CMH Partnership of Southeast MI	48.42	634	307
Southwest MI Behavioral Health	68.58	1,432	982
Statewide Total	**54.44**	**11,055**	**6,317**

Indicator 2c: The Percentage of New Children with Developmental Disabilities During the Quarter Receiving a Completed Biopsychosocial Assessment within 14 Calendar Days of a Non-emergency Request for Service

	Percentage	# DD Children Who Requested Mental Health or I/DD Services and Supports and are Referred for a Biopsychosocial Assessment	# DD Children Completing the Biopsychosocial Assessment within 14 Calendar Days of First Request for Service
Detroit Wayne Mental Health Authority	21.78	404	88
Lakeshore Regional Entity	39.29	112	44
Macomb Co CMH Services	23.47	98	23
Mid-State Health Network	43.51	262	114
NorthCare Network	48.00	25	12
Northern MI Regional Entity	73.44	64	47
Oakland Co CMH Authority	11.11	18	2
Region 10	45.95	222	102
CMH Partnership of Southeast MI	51.75	114	59
Southwest MI Behavioral Health	75.44	114	86
Statewide Total	**43.37**	**1,433**	**577**

Indicator 2d: The Percentage of New Adults with Developmental Disabilities During the Quarter Receiving a Completed Biopsychosocial Assessment within 14 Calendar Days of a Non-emergency Request for Service

	Percentage	# DD Adults Who Requested Mental Health or I/DD Services and Supports and are Referred for a Biopsychosocial Assessment	# DD Adults Completing the Biopsychosocial Assessment within 14 Calendar Days of First Request for Service
Detroit Wayne Mental Health Authority	58.41	113	66
Lakeshore Regional Entity	54.17	72	39
Macomb Co CMH Services	30.00	40	12
Mid-State Health Network	67.83	115	78
NorthCare Network	66.67	21	14
Northern MI Regional Entity	60.00	35	21
Oakland Co CMH Authority	20.45	44	9
Region 10	50.00	74	37
CMH Partnership of Southeast MI	45.83	48	22
Southwest MI Behavioral Health	84.85	33	28
Statewide Total	**53.82**	**595**	**326**

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

		Admissions			
	Percentage	# of Non-Urgent Admissions to a Licensed SUD Treatment Facility as reported in BH TEDS	# of Expired Requests Reported by the PIHP	Total	# of Persons Receiving a Service for Treatment or Supports within 14 Calendar Days of First Request
Detroit Wayne Mental Health Authority	64.73	2,901	995	3,896	2,522
Lakeshore Regional Entity	67.86	1,234	247	1,481	1,005
Macomb Co CMH Services	75.47	1,387	301	1,688	1,274
Mid-State Health Network	72.40	2,479	503	2,982	2,159
NorthCare Network	54.41	415	118	533	290
Northern MI Regional Entity	60.15	1,083	430	1,513	910
Oakland Co CMH Authority	79.96	814	144	958	766
Region 10	74.15	1,620	330	1,950	1,446
CMH Partnership of Southeast MI	59.22	806	224	1,030	610
Southwest MI Behavioral Health	59.09	959	410	1,369	809
Statewide Total	**66.75**	**13,698**	**3,702**	**17,400**	**11,791**

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

	Percentage	# of New Persons Who Completed a Biopsychosocial Assessment within the Quarter and Are Determined Eligible for Ongoing Services	# of Persons Who Started a Face-to-Face Service Within 14 Calendar Days of the Completion of the Biopsychosocial Assessment
Detroit Wayne Mental Health Authority	85.22	2,564	2,185
Lakeshore Regional Entity	58.72	1,262	741
Macomb Co CMH Services	77.27	761	588
Mid-State Health Network	59.72	3,553	2,122
NorthCare Network	61.49	457	281
Northern MI Regional Entity	64.38	831	535
Oakland Co CMH Authority	95.54	919	878
Region 10	78.01	1,655	1,291
CMH Partnership of Southeast MI	60.62	744	451
Southwest MI Behavioral Health	56.28	1,816	1,022
Statewide Total	**69.72**	**14,562**	**10,094**

Indicator 3a: The Percentage of New Children with Emotional Disturbance During the Quarter Starting any Medically Necessary On-going Covered Service Within 14 Days of Completing a Non-Emergent Biopsychosocial Assessment

	Percentage	# MI Children Who Completed a Biopsychosocial Assessment within the Quarter and Are Determined Eligible for Ongoing Services	# MI Children Who Started a Face-to-Face Service Within 14 Calendar Days of the Completion of the Biopsychosocial Assessment
Detroit Wayne Mental Health Authority	79.70	468	373
Lakeshore Regional Entity	59.84	503	301
Macomb Co CMH Services	61.24	209	128
Mid-State Health Network	58.28	1,304	760
NorthCare Network	64.83	145	94
Northern MI Regional Entity	63.67	289	184
Oakland Co CMH Authority	88.26	298	263
Region 10	78.64	515	405
CMH Partnership of Southeast MI	66.18	204	135
Southwest MI Behavioral Health	54.91	550	302
Statewide Total	**67.55**	**4,485**	**2,945**

Indicator 3b: The Percentage of New Adults with Mental Illness During the Quarter Starting any Medically Necessary On-going Covered Service Within 14 Days of Completing a Non-Emergent Biopsychosocial Assessment

	Percentage	# MI Adults Who Completed a Biopsychosocial Assessment within the Quarter and Are Determined Eligible for Ongoing Services	# MI Adults Who Started a Face-to-Face Service Within 14 Calendar Days of the Completion of the Biopsychosocial Assessment
Detroit Wayne Mental Health Authority	90.49	1,682	1,522
Lakeshore Regional Entity	60.81	569	346
Macomb Co CMH Services	86.23	414	357
Mid-State Health Network	58.09	1,878	1,091
NorthCare Network	59.70	268	160
Northern MI Regional Entity	63.51	444	282
Oakland Co CMH Authority	99.11	562	557
Region 10	75.58	901	681
CMH Partnership of Southeast MI	53.12	401	213
Southwest MI Behavioral Health	56.98	1,111	633
Statewide Total	**70.36**	**8,230**	**5,842**

Indicator 3c: The Percentage of New Children with Developmental Disabilities During the Quarter Starting any Medically Necessary On-going Covered Service Within 14 Days of Completing a Non-Emergent Biopsychosocial Assessment

	Percentage	# DD Children Who Completed a Biopsychosocial Assessment within the Quarter and Are Determined Eligible for Ongoing Services	# DD Children Who Started a Face-to-Face Service Within 14 Calendar Days of the Completion of the Biopsychosocial Assessment
Detroit Wayne Mental Health Authority	66.35	315	209
Lakeshore Regional Entity	47.75	111	53
Macomb Co CMH Services	77.36	106	82
Mid-State Health Network	76.05	263	200
NorthCare Network	52.17	23	12
Northern MI Regional Entity	65.71	70	46
Oakland Co CMH Authority	100.00	18	18
Region 10	87.71	179	157
CMH Partnership of Southeast MI	65.98	97	64
Southwest MI Behavioral Health	46.28	121	56
Statewide Total	**68.54**	**1,303**	**897**

Indicator 3d: The Percentage of New Adults with Developmental Disabilities During the Quarter Starting any Medically Necessary On-going Covered Service Within 14 Days of Completing a Non-Emergent Biopsychosocial Assessment

	Percentage	# DD Adults Who Completed a Biopsychosocial Assessment within the Quarter and Are Determined Eligible for Ongoing Services	# DD Adults Who Started a Face-to-Face Service Within 14 Calendar Days of the Completion of the Biopsychosocial Assessment
Detroit Wayne Mental Health Authority	81.82	99	81
Lakeshore Regional Entity	51.90	79	41
Macomb Co CMH Services	65.63	32	21
Mid-State Health Network	65.74	108	71
NorthCare Network	71.43	21	15
Northern MI Regional Entity	82.14	28	23
Oakland Co CMH Authority	97.56	41	40
Region 10	80.00	60	48
CMH Partnership of Southeast MI	92.86	42	39
Southwest MI Behavioral Health	91.18	34	31
Statewide Total	**78.02**	**544**	**410**

Indicator 4a(1): The Percentage of Children Discharged from a Psychiatric Inpatient Unit Who are Seen for Follow-up Care Within 7 Days -- 95% Standard

	Percentage	# Children Discharged from Psychiatric Inpatient Unit	# Children Seen for Follow-up Care within 7 Days
Detroit Wayne Mental Health Authority	97.78	45	44
Lakeshore Regional Entity	96.81	94	91
Macomb Co CMH Services	64.84	91	59
Mid-State Health Network	94.67	150	142
NorthCare Network	100.00	25	25
Northern MI Regional Entity	92.00	50	46
Oakland Co CMH Authority	84.62	26	22
Region 10	91.43	70	64
CMH Partnership of Southeast MI	88.10	42	37
Southwest MI Behavioral Health	96.20	79	76
Statewide Total	**90.64**	**672**	**606**

Indicator 4a(2): The Percentage of Adults Discharged from a Psychiatric Inpatient Unit Who are Seen for Follow-up Care Within 7 Days -- 95% Standard

	Percentage	# Adults Discharged from Psychiatric Inpatient Unit	# Adults Seen for Follow-up Care within 7 Days
Detroit Wayne Mental Health Authority	98.67	600	592
Lakeshore Regional Entity	94.80	269	255
Macomb Co CMH Services	56.53	375	212
Mid-State Health Network	95.20	583	555
NorthCare Network	100.00	81	81
Northern MI Regional Entity	87.20	164	143
Oakland Co CMH Authority	93.29	283	264
Region 10	93.61	313	293
CMH Partnership of Southeast MI	93.51	185	173
Southwest MI Behavioral Health	96.62	325	314
Statewide Total	**90.94**	**3,178**	**2,882**

Indicator 4b: The Percent of Discharges from a Substance Abuse Detox Unit Who are Seen for Follow-up Care Within 7 Days -- 95% Standard

	Percentage	# SA Discharged from Substance Abuse Detox Unit	# SA Seen for Follow-up Care within 7 Days
Detroit Wayne Mental Health Authority	97.25	510	496
Lakeshore Regional Entity	100.00	108	108
Macomb Co CMH Services	100.00	291	291
Mid-State Health Network	95.02	201	191
NorthCare Network	94.12	34	32
Northern MI Regional Entity	95.49	133	127
Oakland Co CMH Authority	99.28	138	137
Region 10	96.10	77	74
CMH Partnership of Southeast MI	97.27	110	107
Southwest MI Behavioral Health	100.00	160	160
Statewide Total	**97.45**	**1,762**	**1,723**

Indicator 5: Percentage of Area Medicaid Recipients Having Received PIHP Managed Services

	Percentage	Total Medicaid Beneficiaries Served	# of Area Medicaid Recipients
Detroit Wayne Mental Health Authority	5.83	47,300	811,952
Lakeshore Regional Entity	5.37	18,253	339,619
Macomb Co CMH Services	4.77	12,529	262,670
Mid-State Health Network	7.35	35,496	482,723
NorthCare Network	6.86	5,482	79,886
Northern MI Regional Entity	7.71	11,453	148,497
Oakland Co CMH Authority	7.48	17,942	239,796
Region 10	7.19	17,417	242,289
CMH Partnership of Southeast MI	6.29	9,911	157,639
Southwest MI Behavioral Health	7.15	18,624	260,327
Statewide Total	**6.60**	**194,407**	**3,025,398**

Indicator 6 (old #8): The Percent of Habilitation Supports Waiver (HSW) Enrollees in the Quarter Who Received at Least One HSW Service Each Month Other Than Supports Coordination

	Percentage	# of HSW Enrollees Receiving at Least One HSW Service Other Than Supports Coordination	Total Number of HSW Enrollees
Detroit Wayne Mental Health Authority	95.77	951	993
Lakeshore Regional Entity	95.00	570	600
Macomb Co CMH Services	92.38	376	407
Mid-State Health Network	96.86	1,419	1,465
NorthCare Network	98.91	363	367
Northern MI Regional Entity	97.06	628	647
Oakland Co CMH Authority	95.98	741	772
Region 10	97.18	516	531
CMH Partnership of Southeast MI	92.19	614	666
Southwest MI Behavioral Health	96.50	662	686
Statewide Total	**95.78**	**6,840**	**7,134**

Indicator 10a (old #12a): The Percentage of Children Readmitted to Inpatient Psychiatric Units Within 30 Calendar Days of Discharge From a Psychiatric Inpatient Unit -- 15% or Less Standard

	Percentage	Number of Children Discharged from Inpatient Care	# Children Discharged that were Readmitted Within 30 Days
Detroit Wayne Mental Health Authority	8.62	174	15
Lakeshore Regional Entity	18.49	119	22
Macomb Co CMH Services	10.68	103	11
Mid-State Health Network	9.36	203	19
NorthCare Network	3.13	32	1
Northern MI Regional Entity	10.77	65	7
Oakland Co CMH Authority	5.88	34	2
Region 10	5.45	110	6
CMH Partnership of Southeast MI	18.00	50	9
Southwest MI Behavioral Health	7.89	114	9
Statewide Total	**9.83**	**1,004**	**101**

Indicator 10b (old #12b): The Percentage of Adults Readmitted to Inpatient Psychiatric Units Within 30 Calendar Days of Discharge From a Psychiatric Inpatient Unit -- 15% or Less Standard

	Percentage	Number of Adults Discharged from Inpatient Care	# Adults Discharged that were Readmitted Within 30 Days
Detroit Wayne Mental Health Authority	17.58	1,786	314
Lakeshore Regional Entity	12.79	430	55
Macomb Co CMH Services	13.96	566	79
Mid-State Health Network	10.73	979	105
NorthCare Network	8.11	111	9
Northern MI Regional Entity	13.06	245	32
Oakland Co CMH Authority	8.62	464	40
Region 10	13.77	559	77
CMH Partnership of Southeast MI	9.40	266	25
Southwest MI Behavioral Health	12.59	532	67
Statewide Total	**12.06**	**5,938**	**803**

email correspondence

From: Bowen, Kelsey (DHHS)
To: Branislava Arsenov (NMRE); Heidi Serven (NMRE); Daniel Rockne (NMRE); Eric Kurtz (NMRE); Deanna Yockey (NMRE)
Cc: Carol Balousek (NMRE)
Subject: RE: OHH P4P Withhold
Date: Friday, April 12, 2024 9:19:32 AM

You're welcome, positive news for your Friday morning!

Region 2 has been an outstanding leader for the OHH program, and we are so happy to be able to partner with you all. Over the past few weeks, we have not only seen the outstanding work your region has done through reviewing OHH measures but also reading beneficiary evaluation repots. Reading the positive experiences beneficiaries are having at region 2's HHPs identifies the better quality of life beneficiaries are experiencing which signifies the importance of this program.

Congratulations!
Kelsey Bowen, MPH, CHES
Opioid Health Home
Service Delivery Transformation Section
Behavioral and Physical Health and Aging Services Administration
Michigan Department of Health and Human Services

From: Branislava Arsenov (NMRE) <barsenov@nmre.org>
Sent: Friday, April 12, 2024 9:05 AM
To: Bowen, Kelsey (DHHS) <BowenK8@michigan.gov>; Heidi Serven (NMRE) <hserven@nmre.org>; Daniel Rockne <drockne@nmre.org>; Eric Kurtz (NMRE) <ekurtz@nmre.org>; Deanna Yockey (NMRE) <dyockey@nmre.org>
Cc: Carol Balousek (NMRE) <cbalousek@nmre.org>
Subject: Re: OHH P4P Withhold

Thank you so much!!!!
Phenomenal work, all!

Branislava Arsenov, LLP, CAADC, CCS | Clinical Services Director
Northern Michigan Regional Entity
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www.nmre.org

From: Bowen, Kelsey (DHHS) <BowenK8@michigan.gov>
Sent: Friday, April 12, 2024 8:58 AM
To: Branislava Arsenov (NMRE) <barsenov@nmre.org>; Heidi Serven (NMRE) <hmcclenaghan@nmre.org>; Daniel Rockne (NMRE) <drockne@nmre.org>
Subject: OHH P4P Withhold

Hi everyone,

I am happy to send Region 2's P4P withhold amounts below. Region 2 met three of the three P4P measures awarding the entire FY23 withhold. Due to other regions not hitting all P4P measures, Region 2 received extra funding as noted below. Please review the funding amounts along with the attached beneficiary level data for measure SUD-EDTR (password following in email) and FY23 methodology. If you have any questions, please let me know. This is pending all PIHP review until 4/26. Funds will not be sent before June 2024.

NMRE **PY4**

P4P Number	Measure	OHH Rate	Regional Rate	Statewide Total	P4P Met?
1	IET14	86.42	29.34	36.60	Y
2	FUA7	63.89	29.48	27.28	Y
3	SUD-EDYR	141.29	177.73	230.24	Y

Total Funding Withhold: $209,042.82
Additional Funds provided: $62,794.23
Funding Reduction: No Reduction.
Total Funding sent for FY23: $271,837.06

Kelsey Bowen, MPH, CHES
Opioid Health Home
Service Delivery Transformation Section
Behavioral and Physical Health and Aging Services Administration
Michigan Department of Health and Human Services

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

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

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

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

MOTION BY CONNIE CARARETTE TO APPROVE THE MINUTES OF THE MARCH 13, 2024 NORTHERN MICHIGAN REGIONAL ENTITY REGIONAL FINANCE COMMITTEE MEETING; SUPPORT BY DONNA NIEMAN. MOTION APPROVED.

MONTHLY FINANCIALS
February 2024

- Net Position showed net surplus Medicaid and HMP of $2,577,994. Carry forward was reported as $11,624,171. The total Medicaid and HMP Current Year Surplus was reported as $14,202,165. The total Medicaid and HMP Internal Service Fund was reported as $20,576,156. The total Medicaid and HMP net surplus was reported as $34,778,321.
- Traditional Medicaid showed $86,296,279 in revenue, and $81,660,704 in expenses, resulting in a net surplus of $4,635,575. Medicaid ISF was reported as $13,510,136 based on the current FSR. Medicaid Savings was reported as $845,073.
- Healthy Michigan Plan showed $11,609,868 in revenue, and $13,667,449 in expenses, resulting in a net deficit of $2,057,581. HMP ISF was reported as $7,066,020 based on the current FSR. HMP savings was reported as $10,779,098.
- Health Home showed $1,173,810 in revenue, and $1,013,493 in expenses, resulting in a net surplus of $160,317.
- SUD showed all funding source revenue of $12,872,838 and $11,515,860 in expenses, resulting in a net surplus of $1,356,978. Total PA2 funds were reported as $4,759,803.

PA2/Liquor tax activity was summarized as follows:

Projected FY24 Activity			
Beginning Balance	Projected Revenue	Approved Projects	Projected Ending Balance
$5,220,509	$1,794,492	$2,595,550	$4,419,450

Actual FY24 Activity			
Beginning Balance	Current Receipts	Current Expenditures	Current Ending Balance
$5,220,509	$180,653	$641,360	$4,759,803

Deanna drew attention to a concerning downward trend in DAB, TANF, and HMP eligibles. HSW revenue is buffering the loss of DAB, TANF, and HSW revenue.

MOTION BY ERINN TRASK TO RECOMMEND APPROVAL OF THE NORTHERN MICHIGAN REGIONAL ENTITY MONTHLY FINANCIAL REPORT FOR FEBRUARY 2024; SUPPORT BY DONNA NIEMAN. MOTION APPROVED.

EDIT UPDATE

The next EDIT meeting is scheduled for April 18th at 10:00AM. Donna verified with MDHHS that, for EVV reporting, location code 12 is appropriate for SIP homes. Donna suggested the CMHSPs review the use of location codes as they will impact the EVV.

EQI UPDATE

The Period 1 (October 1, 2023 through January 31, 2024) EQI report is due to MDHHS by May 31st. Tricia clarified that this will be a full report, as opposed to reporting units only. Data will be pulled on May 3rd. Tricia requested reports to her by May 20th.

During the BIT meeting on April 4th, the committee discussed the use of the reconciliation file to verify that encounters submitted to the NMRE were sent to the state. Dmitriy Katsman from PCE suggested using the EQI summary in PCE systems instead. Brandon clarified that the point is to conduct a simple reconciliation (data transfer verification) to be sure data is being transferred between the systems; not checking the accuracy of the data. This process should limit variances on the EQI report. Once data is submitted to the NMRE, CMHSPs can pull a 49/50 report from PCE. Brandon clarified that no data is changed at the NMRE; it is submitted exactly as received from the CMHSPs.

Trica will run summary EQI reports quarterly and post them to ShareFile. Tricia suggested pulling an initial report for October 1, 2023 through January 31, 2024 using data as of this date. She will upload the reports to ShareFile by CMHSP by the end of the day.

ELECTRONIC VISIT VERIFICATION (EVV)

For Behavioral Health, the EVV applies to codes H2015 (Community Living Supports) and T1005 (Respite Care) with location code 12 (Home Location, other than a hospital or other facility, where the patient receives care in a private residence). An additional location code for SIP homes has been proposed but this would take some time, presumably beyond the September 3, 2024 implementation date.

Billing data is intended to run through EVV system; this notion has received pushback from CMHSPs/PIHPs and CMHAM. PCE is involved in communications.

In a paper dated September 2023 CMHAM provided an analysis and recommendations related to the EVV process proposed by MDHHS and its vendor HHAX. CMHAM's advocacy opposing this process is ongoing. Chip is also involved in these efforts.

LOCAL MATCH

The next due date was provided as May 15, 2024.

ALPINE CRISIS RESIDENTIAL UNIT
Brandon noted that the Alpine CRU has had 17 units billed to date. No additional issues were reported.

HSW UPDATE
Ten enrollment packets are pending to fill the 10 open slots in the region.

Current paid HSW slots were summarized as follows:

AVCMHA	CWN	NCCMHA	NEMCMHA	NLCMHA	TOTAL
101	77	161	142	187	668

PLAN FIRST UPDATE
Eric reported that advocates will be sending a letter to the Department to express their dissatisfaction with previous DAB and HSW individuals being placed on Plan First (family planning) benefit during the reenrollment process.

FY24 REVENUE
A comparison of the CMHSPs' PMPM payments for the last two quarters of FY23 and the first two quarters of FY24 was included in the meeting materials.

PMPM Paid to All Boards								
	MA	Increase (Decrease)	HMP	Increase (Decrease)	HSW	Increase (Decrease)	Total	Overall Increase (Decrease)
5/1/23 – 9/30/23	68,758,004		10,057,653		23,238,410		102,054,067	
10/1/23 – 3/31/24	68,315,429	(442,575)	7,151,871	(2,905,782)	27,560,089	4,321,679	103,027,390	**973,323**
Totals	137,073,433	(442,575)	17,209,524	(2,905,782)	50,798,499	4,321,679	205,081,457	

Overall, revenue increased $973,323 in FY24.

April – September Rate Increase
A composite rate increase of 3% was announced effective April 1st due to:
- Original FY24 rates did not include funding for direct-care workers to receive the additional per hour rate paid at time-and-a-half for overtime hours worked.
- Original FY24 enrollment projections materially understated the number of individuals that would be disenrolled from Medicaid.

Increased rates were retroactive to October 1, 2023; revenue that would have been received from October through March will be added to the April through September payments.

The NMRE is working on preliminary numbers showing the effect of the rate increase. The results show little to no increase in revenue. The NMRE will provide updated revenue projections for the May meeting.

NEXT MEETING
The next meeting was scheduled for May 10th at 10:00AM.

Chief Executive Officer Report

April 2024

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.

April 2: Attended and participated in PIHP CEO Meeting.

April 3 Attended and participated in NMRE Internal Operations Committee Meeting (IOC).

April 3: Attended and participated in CMHAM and Advocacy Group Meeting.

April 4: Attended and participated in MDHHS/PIHP CEO Meeting.

April 4: Attended and participated in regional BIT Meeting.

April 10: Attended and participated in NMRE Regional Finance Committee Meeting.

April 10: Attended and participated in CMHAM Regional Meeting.

April 10: Attended and participated in meet and great with Dr. Kennedy, McClaren Medical Director.

April 12: Attended and participated in NMRE Board Nominating Committee Meeting.

April 16: Chaired NMRE Regional Operations Committee Meeting.

April 17: Attended and participated in NMRE IOC Meeting.

Northern Michigan Regional Entity

February 2024 Finance Report

February 2024 Financial Summary

Funding Source	YTD Net Surplus (Deficit)	Carry Forward	ISF
Medicaid	4,635,575	845,073	13,510,136
Healthy Michigan	(2,057,581)	10,779,098	7,066,020
	$ 2,577,994	$ 11,624,171	$ 20,576,156

	NMRE MH	NMRE SUD	Northern Lakes	North Country	Northeast	AuSable Valley	Centra Wellness	PIHP Total
Net Surplus (Deficit) MA/HMP	1,226,706	1,131,931	(567,798)	(909,499)	882,940	1,353,033	(539,320)	$ 2,577,994
Carry Forward		-	-	-	-	-	-	11,624,171
Total Med/HMP Current Year Surplus	1,226,706	1,131,931	(567,798)	(909,499)	882,940	1,353,033	(539,320)	$ 14,202,165
Medicaid & HMP Internal Service Fund								20,576,156
Total Medicaid & HMP Net Surplus								$ 34,778,321

Northern Michigan Regional Entity

Funding Source Report - PIHP

Mental Health

October 1, 2023 through February 29, 2024

	NMRE MH	NMRE SUD	Northern Lakes	North Country	Northeast	AuSable Valley	Centra Wellness	PIHP Total
Traditional Medicaid (inc Autism)								
Revenue								
Revenue Capitation (PEPM)	$ 83,308,862	$ 2,987,417						$ 86,296,279
CMHSP Distributions	(80,697,828)		26,645,577	21,704,514	13,474,472	11,720,562	7,152,704	-
1st/3rd Party receipts			-	-	-	-	-	-
Net revenue	2,611,034	2,987,417	26,645,577	21,704,514	13,474,472	11,720,562	7,152,704	86,296,279
Expense								
PIHP Admin	1,126,115	26,549						1,152,664
PIHP SUD Admin		34,978						34,978
SUD Access Center		14,184						14,184
Insurance Provider Assessment	736,297	16,677						752,974
Hospital Rate Adjuster	-							-
Services		1,835,853	26,185,564	21,613,757	12,549,748	10,052,657	7,468,325	79,705,904
Total expense	1,862,412	1,928,241	26,185,564	21,613,757	12,549,748	10,052,657	7,468,325	81,660,704
Net Actual Surplus (Deficit)	$ 748,622	$ 1,059,176	$ 460,013	$ 90,757	$ 924,724	$ 1,667,905	$ (315,621)	$ 4,635,575

Notes

Medicaid ISF - $13,510,136 - based on current FSR

Medicaid Savings - $845,073

Northern Michigan Regional Entity

Funding Source Report - PIHP

Mental Health
October 1, 2023 through February 29, 2024

	NMRE MH	NMRE SUD	Northern Lakes	North Country	Northeast	AuSable Valley	Centra Wellness	PIHP Total
Healthy Michigan								
Revenue								
Revenue Capitation (PEPM)	$ 6,745,924	$ 4,863,944						$ 11,609,868
CMHSP Distributions	(6,066,985)		2,215,142	1,807,580	763,786	783,999	496,477	(0)
1st/3rd Party receipts			-	-	-	-	-	-
Net revenue	678,939	4,863,944	2,215,142	1,807,580	763,786	783,999	496,477	11,609,868
Expense								
PIHP Admin	125,459	65,990						191,449
PIHP SUD Admin		86,940						86,940
SUD Access Center		35,257						35,257
Insurance Provider Assessment	75,396	39,833						115,229
Hospital Rate Adjuster	-							-
Services		4,563,169	3,242,953	2,807,836	805,570	1,098,871	720,175	13,238,574
Total expense	200,855	4,791,189	3,242,953	2,807,836	805,570	1,098,871	720,175	13,667,449
Net Surplus (Deficit)	$ 478,084	$ 72,755	$ (1,027,811)	$ (1,000,256)	$ (41,784)	$ (314,872)	$ (223,698)	$ (2,057,581)

Notes
HMP ISF - $7,066,020 - based on current FSR
HMP Savings - $10,779,098

Net Surplus (Deficit) MA/HMP	**$ 1,226,706**	**$ 1,131,931**	**$ (567,798)**	**$ (909,499)**	**$ 882,940**	**$ 1,353,033**	**$ (539,320)**	**$ 2,577,994**
Medicaid/HMP Carry Forward								**11,624,171**
Total Med/HMP Current Year Surplus								$ 14,202,165
Medicaid & HMP ISF - based on current FSR								**20,576,156**
Total Medicaid & HMP Net Surplus (Deficit) including Carry Forward and ISF								**$ 34,778,321**

Northern Michigan Regional Entity

Funding Source Report - PIHP

Mental Health
October 1, 2023 through February 29, 2024

	NMRE MH	NMRE SUD	Northern Lakes	North Country	Northeast	AuSable Valley	Centra Wellness	PIHP Total
Health Home								
Revenue								
Revenue Capitation (PEPM)	$ 302,352		257,612	159,691	113,363	105,642	235,150	$ 1,173,810
CMHSP Distributions	-							-
1st/3rd Party receipts								-
Net revenue	302,352	-	257,612	159,691	113,363	105,642	235,150	1,173,810
Expense								
PIHP Admin	14,237							14,237
BHH Admin	14,786							14,786
Insurance Provider Assessment	-							-
Hospital Rate Adjuster								
Services	113,012		257,612	159,691	113,363	105,642	235,150	984,470
Total expense	142,035	-	257,612	159,691	113,363	105,642	235,150	1,013,493
Net Surplus (Deficit)	$ 160,317	$ -	$ -	$ -	$ -	$ -	$ -	$ 160,317

Northern Michigan Regional Entity

Funding Source Report - SUD

Mental Health

October 1, 2023 through February 29, 2024

	Medicaid	Healthy Michigan	Opioid Health Home	SAPT Block Grant	PA2 Liquor Tax	Total SUD
Substance Abuse Prevention & Treatment						
Revenue	$ 2,987,417	$ 4,863,944	$ 1,551,227	$ 2,828,891	$ 641,359	$ 12,872,838
Expense						
Administration	61,527	152,930	41,907	88,994		345,357
OHH Admin			33,837	-		33,837
Access Center	14,184	35,257	-	14,660		64,101
Insurance Provider Assessment	16,677	39,833	-			56,510
Services:						
Treatment	1,835,853	4,563,169	1,250,437	1,897,401	641,359	10,188,219
Prevention	-	-	-	538,288	-	538,288
ARPA Grant	-	-	-	289,548	-	289,548
Total expense	1,928,241	4,791,189	1,326,181	2,828,891	641,359	11,515,860
PA2 Redirect			-	(0)	0	-
Net Surplus (Deficit)	$ 1,059,176	$ 72,755	$ 225,046	$ -	$ 0	$ 1,356,978

Northern Michigan Regional Entity

Statement of Activities and Proprietary Funds Statement of

Revenues, Expenses, and Unspent Funds
October 1, 2023 through February 29, 2024

	PIHP MH	PIHP SUD	PIHP ISF	Total PIHP
Operating revenue				
Medicaid	$ 83,308,862	$ 2,987,417	$ -	$ 86,296,279
Medicaid Savings	845,073	-	-	845,073
Healthy Michigan	6,745,924	4,863,944	-	11,609,868
Healthy Michigan Savings	10,779,098	-	-	10,779,098
Health Home	1,173,810	-	-	1,173,810
Opioid Health Home	-	1,551,227	-	1,551,227
Substance Use Disorder Block Grant	-	2,828,891	-	2,828,891
Public Act 2 (Liquor tax)	-	641,361	-	641,361
Affiliate local drawdown	297,408	-	-	297,408
Performance Incentive Bonus	-	-	-	-
Miscellanous Grant Revenue	-	1,999	-	1,999
Veteran Navigator Grant	33,557	-	-	33,557
SOR Grant Revenue	-	760,368	-	760,368
Gambling Grant Revenue	-	-	-	-
Other Revenue	35	-	3,408	3,443
Total operating revenue	103,183,767	13,635,207	3,408	116,822,382
Operating expenses				
General Administration	1,421,144	254,125	-	1,675,269
Prevention Administration	-	48,460	-	48,460
OHH Administration	-	33,837	-	33,837
BHH Administration	14,786	-	-	14,786
Insurance Provider Assessment	811,693	56,510	-	868,203
Hospital Rate Adjuster	-	-	-	-
Payments to Affiliates:				
Medicaid Services	78,165,425	1,835,853	-	80,001,278
Healthy Michigan Services	8,675,405	4,563,169	-	13,238,574
Health Home Services	984,470	-	-	984,470
Opioid Health Home Services	-	1,250,437	-	1,250,437
Community Grant	-	1,897,401	-	1,897,401
Prevention	-	489,828	-	489,828
State Disability Assistance	-	-	-	-
ARPA Grant	-	289,548	-	289,548
Public Act 2 (Liquor tax)	-	641,359	-	641,359
Local PBIP	-	-	-	-
Local Match Drawdown	297,408	-	-	297,408
Miscellanous Grant	-	2,001	-	2,001
Veteran Navigator Grant	33,557	-	-	33,557
SOR Grant Expenses	-	760,368	-	760,368
Gambling Grant Expenses	-	-	-	-
Total operating expenses	90,403,888	12,122,896	-	102,526,784
CY Unspent funds	12,779,879	1,512,311	3,408	14,295,598
Transfers In	-	-	-	-
Transfers out	-	-	-	-
Unspent funds - beginning	3,058,071	5,220,509	20,576,156	28,854,736
Unspent funds - ending	$ 15,837,950	$ 6,732,820	$ 20,579,564	$ 43,150,334

Northern Michigan Regional Entity

Statement of Net Position

February 29, 2024

	PIHP MH	PIHP SUD	PIHP ISF	Total PIHP
Assets				
Current Assets				
Cash Position	$ 50,180,861	$ 5,199,815	$ 20,579,564	$ 75,960,240
Accounts Receivable	6,929,505	3,598,877	-	10,528,382
Prepaids	106,855	-	-	106,855
Total current assets	57,217,221	8,798,692	20,579,564	86,595,477
Noncurrent Assets				
Capital assets	9,615	-	-	9,615
Total Assets	57,226,836	8,798,692	20,579,564	86,605,092
Liabilities				
Current liabilities				
Accounts payable	41,095,741	2,065,872	-	43,161,613
Accrued liabilities	293,111	-	-	293,111
Unearned revenue	34	-	-	34
Total current liabilities	41,388,886	2,065,872	-	43,454,758
Unspent funds	$ 15,837,950	$ 6,732,820	$ 20,579,564	$ 43,150,334

Northern Michigan Regional Entity

Proprietary Funds Statement of Revenues, Expenses, and Unspent Funds

Budget to Actual - Mental Health
October 1, 2023 through February 29, 2024

	Total Budget	YTD Budget	YTD Actual	Variance Favorable (Unfavorable)	Percent Favorable (Unfavorable)
Operating revenue					
Medicaid					
* Capitation	$ 187,752,708	$ 78,230,295	$ 83,308,862	$ 5,078,567	6.49%
Carryover	11,400,000	-	845,073	845,073	-
Healthy Michigan					
Capitation	19,683,372	8,201,405	6,745,924	(1,455,481)	(17.75%)
Carryover	5,100,000	-	10,779,098	10,779,098	0.00%
Health Home	1,451,268	604,695	1,173,810	569,115	94.12%
Affiliate local drawdown	594,816	297,408	297,408	-	0.00%
Performance Bonus Incentive	1,334,531	-	-	-	0.00%
Miscellanous Grants	-	-	-	-	0.00%
Veteran Navigator Grant	110,000	45,835	33,557	(12,278)	(26.79%)
Other Revenue	-	-	35	35	0.00%
Total operating revenue	227,426,695	87,379,638	103,183,767	15,804,129	18.09%
Operating expenses					
General Administration	3,591,836	1,486,190	1,421,144	65,046	4.38%
BHH Administration	-	-	14,786	(14,786)	0.00%
Insurance Provider Assessment	1,897,524	790,635	811,693	(21,058)	(2.66%)
Hospital Rate Adjuster	4,571,328	1,904,720	-	1,904,720	100.00%
Local PBIP	1,737,753	-	-	-	0.00%
Local Match Drawdown	594,816	297,408	297,408	-	0.00%
Miscellanous Grants	-	-	-	-	0.00%
Veteran Navigator Grant	110,004	38,215	33,557	4,658	12.19%
Payments to Affiliates:					
Medicaid Services	176,618,616	73,591,090	78,165,425	(4,574,335)	(6.22%)
Healthy Michigan Services	17,639,940	7,349,975	8,675,405	(1,325,430)	(18.03%)
Health Home Services	1,415,196	589,665	984,470	(394,805)	(66.95%)
Total operating expenses	208,177,013	86,047,898	90,403,888	(4,355,990)	(5.06%)
CY Unspent funds	$ 19,249,682	$ 1,331,740	12,779,879	$ 11,448,139	
Transfers in			-		
Transfers out			-	90,403,888	
Unspent funds - beginning			3,058,071		
Unspent funds - ending			$ 15,837,950	12,779,879	

Northern Michigan Regional Entity

Proprietary Funds Statement of Revenues, Expenses, and Unspent Funds

Budget to Actual - Substance Abuse
October 1, 2023 through February 29, 2024

	Total Budget	YTD Budget	YTD Actual	Variance Favorable (Unfavorable)	Percent Favorable (Unfavorable)
Operating revenue					
Medicaid	$ 4,678,632	$ 1,949,430	$ 2,987,417	$ 1,037,987	53.25%
Healthy Michigan	11,196,408	4,665,170	4,863,944	198,774	4.26%
Substance Use Disorder Block Grant	6,467,905	2,694,958	2,828,891	133,934	4.97%
Opioid Health Home	3,419,928	1,424,970	1,551,227	126,257	8.86%
Public Act 2 (Liquor tax)	1,533,979	-	641,361	641,361	0.00%
Miscellanous Grants	4,000	1,667	1,999	332	19.94%
SOR Grant	2,043,984	851,660	760,368	(91,292)	(10.72%)
Gambling Prevention Grant	200,000	83,333	-	(83,333)	(100.00%)
Other Revenue	-	-	-	-	0.00%
Total operating revenue	29,544,836	11,671,188	13,635,207	1,964,020	16.83%
Operating expenses					
Substance Use Disorder:					
SUD Administration	1,082,576	426,075	254,125	171,950	40.36%
Prevention Administration	118,428	49,345	48,460	885	1.79%
Insurance Provider Assessment	113,604	47,335	56,510	(9,175)	(19.38%)
Medicaid Services	3,931,560	1,638,150	1,835,853	(197,703)	(12.07%)
Healthy Michigan Services	10,226,004	4,260,835	4,563,169	(302,334)	(7.10%)
Community Grant	2,074,248	864,270	1,897,401	(1,033,131)	(119.54%)
Prevention	634,056	264,190	489,828	(225,638)	(85.41%)
State Disability Assistance	95,215	39,677	-	39,677	100.00%
ARPA Grant	-	-	289,548	(289,548)	0.00%
Opioid Health Home Admin	-	-	33,837	(33,837)	0.00%
Opioid Health Home Services	3,165,000	1,318,750	1,250,437	68,313	5.18%
Miscellanous Grants	4,000	1,667	2,001	(334)	(20.06%)
SOR Grant	2,043,984	851,660	760,368	91,292	10.72%
Gambling Prevention	200,000	83,333	-	83,333	100.00%
PA2	1,533,978	-	641,359	(641,359)	0.00%
Total operating expenses	25,222,653	9,845,287	12,122,896	(2,277,609)	(23.13%)
CY Unspent funds	$ 4,322,183	$ 1,825,901	1,512,311	$ (313,590)	
Transfers in			-		
Transfers out			-		
Unspent funds - beginning			5,220,509		
Unspent funds - ending			$ 6,732,820		

Northern Michigan Regional Entity

Proprietary Funds Statement of Revenues, Expenses, and Unspent Funds

Budget to Actual - Mental Health Administration
October 1, 2023 through February 29, 2024

	Total Budget	YTD Budget	YTD Actual	Variance Favorable (Unfavorable)	Percent Favorable (Unfavorable)
General Admin					
Salaries	$ 1,921,812	$ 800,755	$ 747,491	$ 53,264	6.65%
Fringes	666,212	264,010	243,891	20,119	7.62%
Contractual	683,308	284,715	261,934	22,781	8.00%
Board expenses	18,000	7,500	7,059	441	5.88%
Day of recovery	14,000	9,000	-	9,000	100.00%
Facilities	152,700	63,625	60,110	3,515	5.52%
Other	135,804	56,585	100,659	(44,074)	(77.89%)
Total General Admin	$ 3,591,836	$ 1,486,190	$ 1,421,144	$ 65,046	4.38%

Northern Michigan Regional Entity

Proprietary Funds Statement of Revenues, Expenses, and Unspent Funds

Budget to Actual - Substance Abuse Administration
October 1, 2023 through February 29, 2024

	Total Budget	YTD Budget	YTD Actual	Variance Favorable (Unfavorable)	Percent Favorable (Unfavorable)
SUD Administration					
Salaries	$ 502,752	$ 209,480	$ 108,420	$ 101,060	48.24%
Fringes	145,464	60,610	22,942	37,668	62.15%
Access Salaries	220,620	91,925	47,577	44,348	48.24%
Access Fringes	67,140	27,975	16,524	11,451	40.93%
Access Contractual	-	-	-	-	0.00%
Contractual	129,000	31,250	46,003	(14,753)	(47.21%)
Board expenses	5,000	2,085	2,005	80	3.84%
Day of Recover	-	-	-	-	0.00%
Facilities	-	-	-	-	0.00%
Other	12,600	2,750	10,654	(7,904)	(287.42%)
Total operating expenses	$ 1,082,576	$ 426,075	$ 254,125	$ 171,950	40.36%

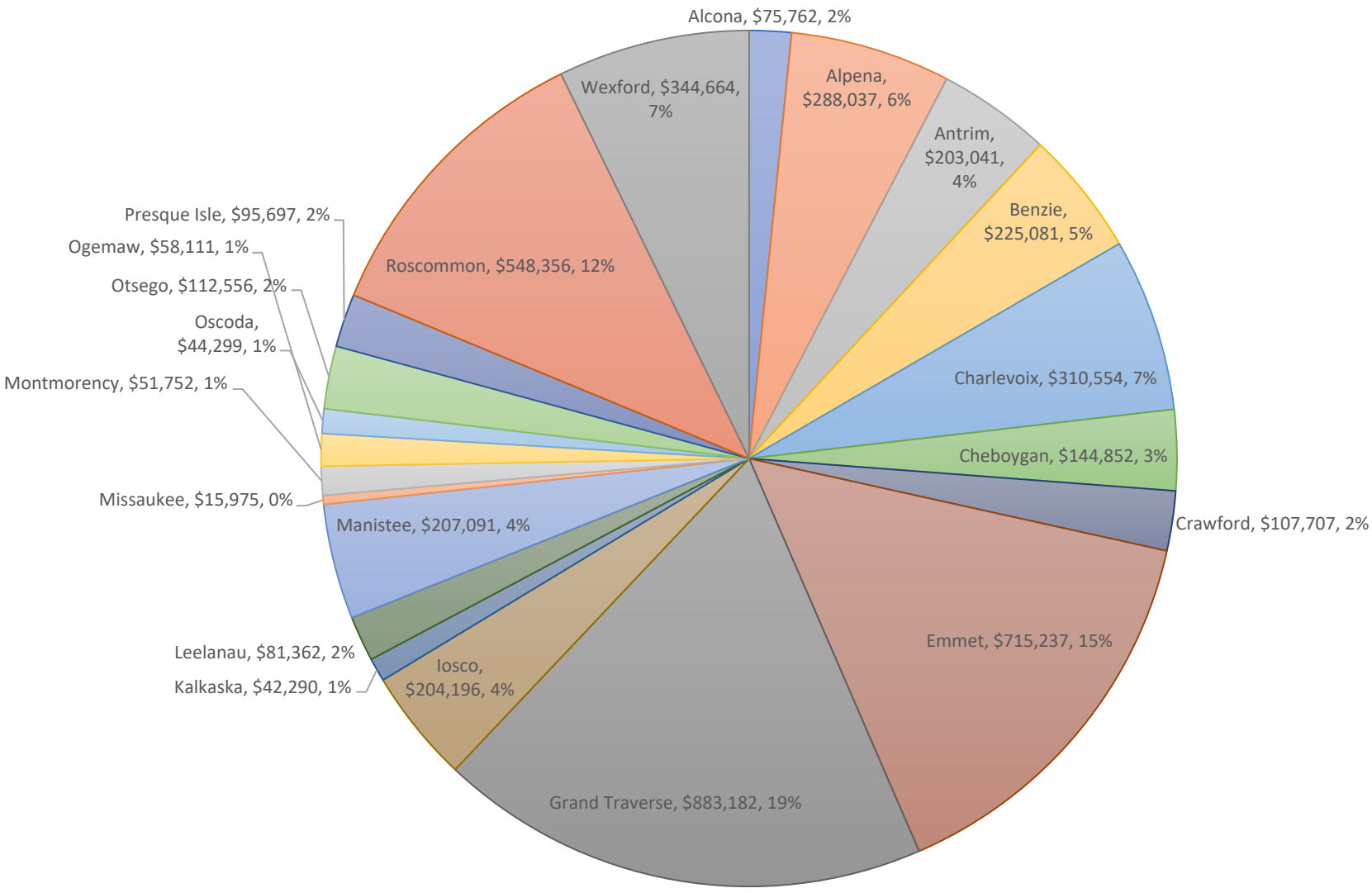
Northern Michigan Regional Entity

Schedule of PA2 by County

October 1, 2023 through February 29, 2024

County	Projected FY24 Activity: Beginning Balance	FY24 Projected Revenue	FY24 Approved Projects	Projected Ending Balance	Actual FY24 Activity: Current Receipts	County Specific Projects (Actual Expenditures by County)	Region Wide Projects by Population (Actual Expenditures by County)	Ending Balance
Alcona	$ 79,250	$ 23,184	$ 47,690	$ 54,744	$ 2,251	5,024	$ 715	$ 75,762
Alpena	302,452	80,118	115,089	267,482	7,946	20,396	1,965	288,037
Antrim	212,068	66,004	72,490	205,582	6,986	14,405	1,608	203,041
Benzie	224,046	59,078	21,930	261,194	6,262	4,014	1,213	225,081
Charlevoix	336,031	101,224	272,367	164,889	10,463	34,135	1,805	310,554
Cheboygan	163,153	84,123	141,260	106,016	8,363	24,914	1,751	144,852
Crawford	107,533	36,525	20,706	123,352	3,541	2,407	960	107,707
Emmet	771,608	181,672	478,053	475,227	17,893	71,973	2,291	715,237
Grand Traverse	1,035,890	440,668	524,017	952,541	45,396	191,766	6,338	883,182
Iosco	253,083	83,616	190,357	146,341	8,247	55,396	1,737	204,196
Kalkaska	42,471	41,470	34,179	49,762	4,088	3,052	1,217	42,290
Leelanau	86,055	62,190	51,029	97,215	6,241	9,438	1,495	81,362
Manistee	204,938	83,138	24,985	263,090	8,067	4,228	1,686	207,091
Missaukee	17,521	21,128	5,832	32,818	2,186	2,697	1,035	15,975
Montmorency	51,302	31,822	21,810	61,313	2,965	1,876	639	51,752
Ogemaw	96,797	74,251	96,041	75,006	6,728	43,965	1,448	58,111
Oscoda	55,406	20,578	38,064	37,920	2,119	12,654	572	44,299
Otsego	125,550	96,172	101,106	120,616	10,276	21,575	1,694	112,556
Presque Isle	96,731	25,177	85,120	36,788	2,443	2,594	883	95,697
Roscommon	559,806	82,157	87,287	554,676	8,540	18,340	1,650	548,356
Wexford	398,819	100,198	166,138	332,880	9,653	61,511	2,297	344,664
	5,220,509	1,794,492	2,595,550	4,419,450	180,653	606,360	35,000	4,759,803
PA2 Redirect								-
								4,759,803

PA2 FUND BALANCES BY COUNTY



Northern Michigan Regional Entity

Proprietary Funds Statement of Revenues, Expenses, and Unspent Funds

Budget to Actual - ISF

October 1, 2023 through February 29, 2024

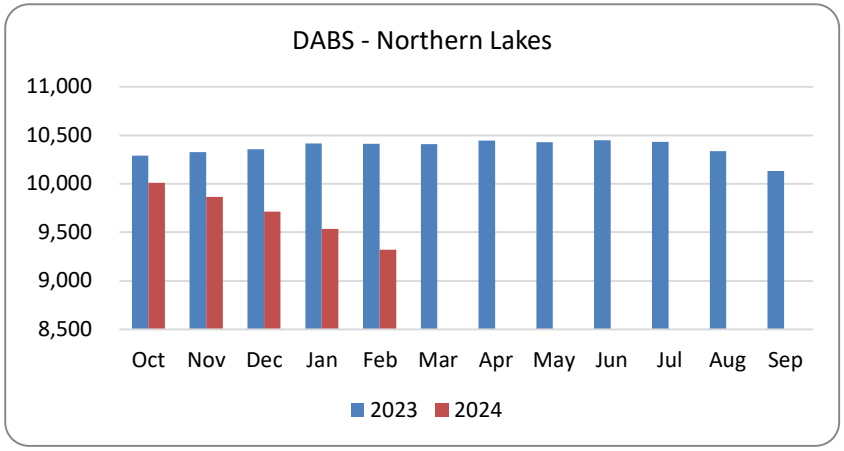
	Total Budget	YTD Budget	YTD Actual	Variance Favorable (Unfavorable)	Percent Favorable (Unfavorable)
Operating revenue					
Charges for services	$ -	$ -	$ -	$ -	0.00%
Interest and Dividends	7,500	3,125	3,408	283	9.06%
Total operating revenue	7,500	3,125	3,408	283	9.06%
Operating expenses					
Medicaid Services	-	-	-	-	0.00%
Healthy Michigan Services	-	-	-	-	0.00%
Total operating expenses	-	-	-	-	0.00%
CY Unspent funds	$ 7,500	$ 3,125	3,408	$ 283	
Transfers in			-		
Transfers out			-	-	
Unspent funds - beginning			20,576,156		
Unspent funds - ending			$ 20,579,564		

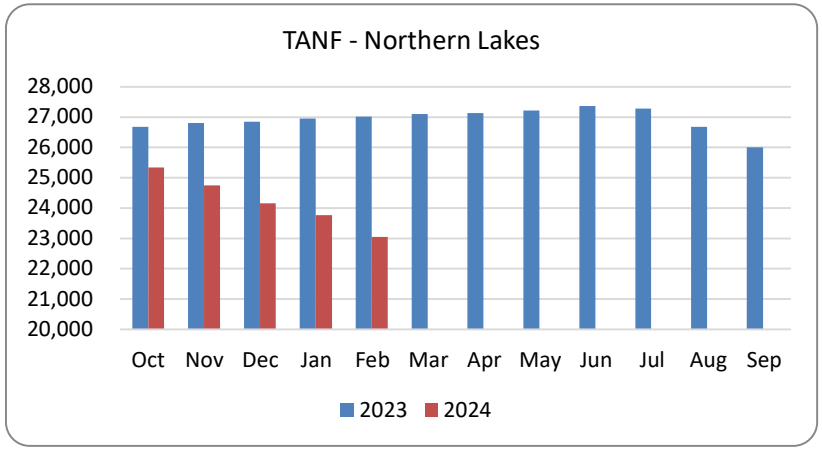
Northern Michigan Regional Entity

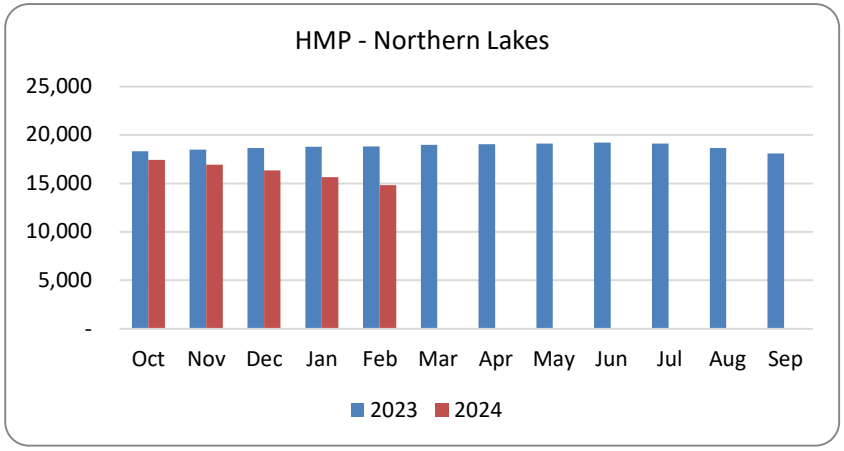
Narrative

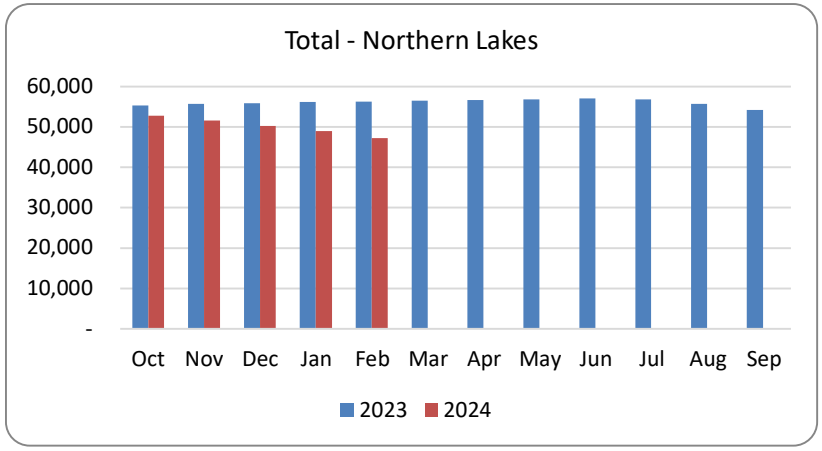
October 1, 2023 through February 29, 2024

Northern Lakes Eligible Members Trending - based on payment files







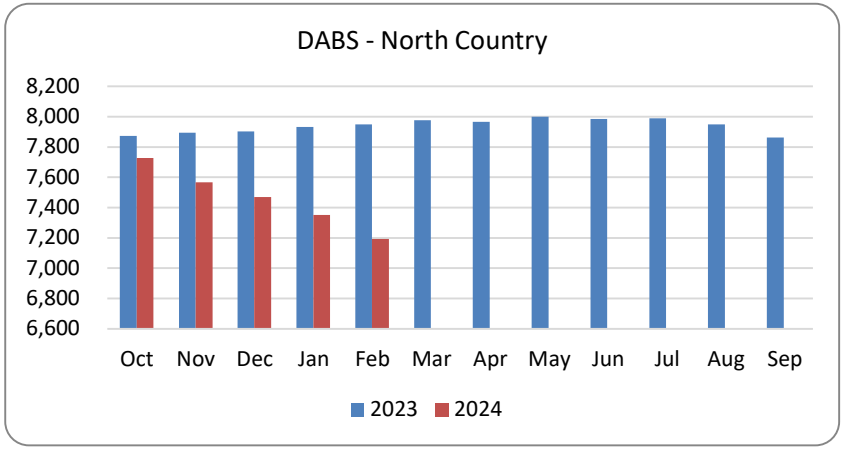


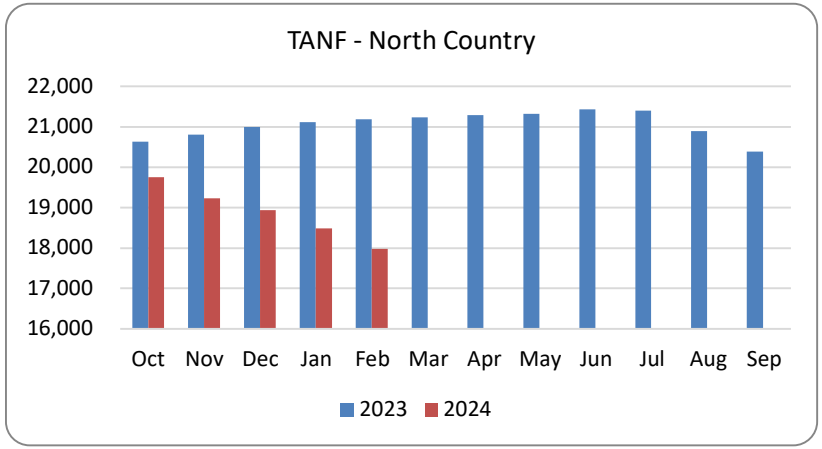
Northern Michigan Regional Entity

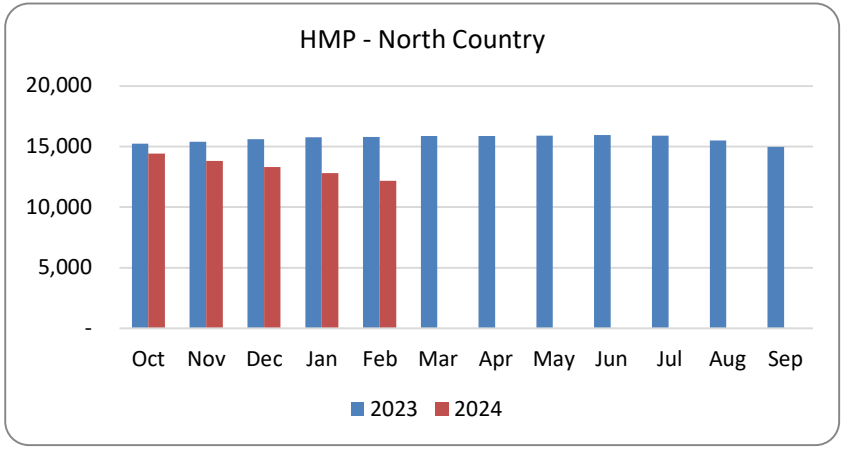
Narrative

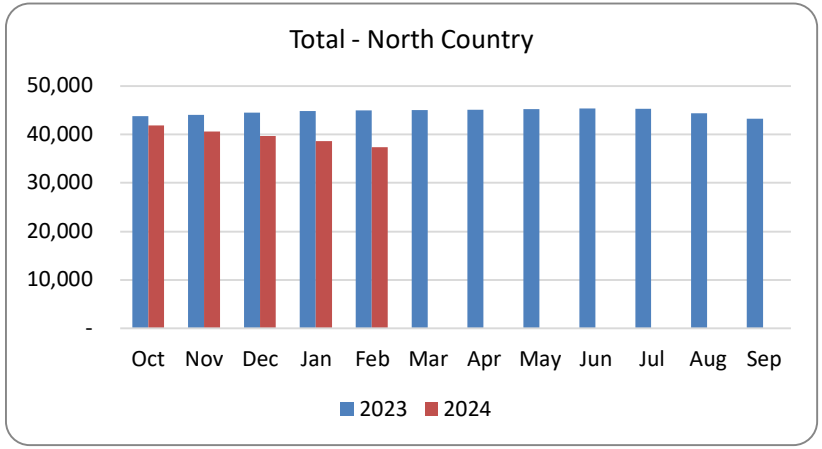
October 1, 2023 through February 29, 2024

North Country Eligible Members Trending - based on payment files







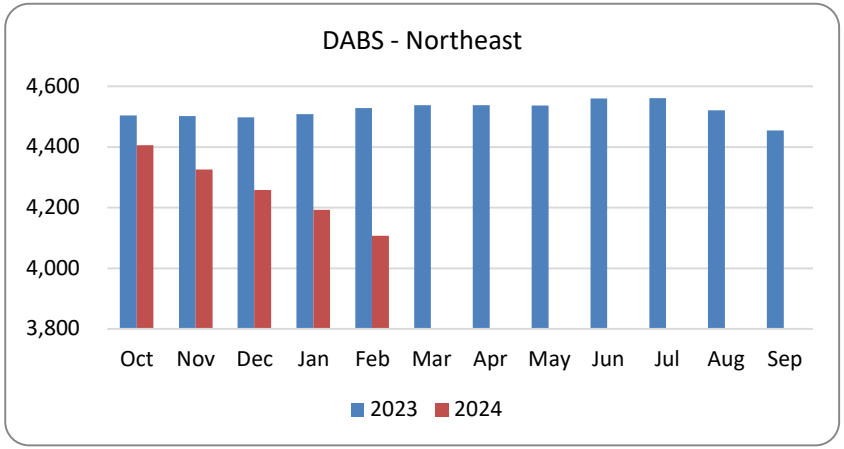


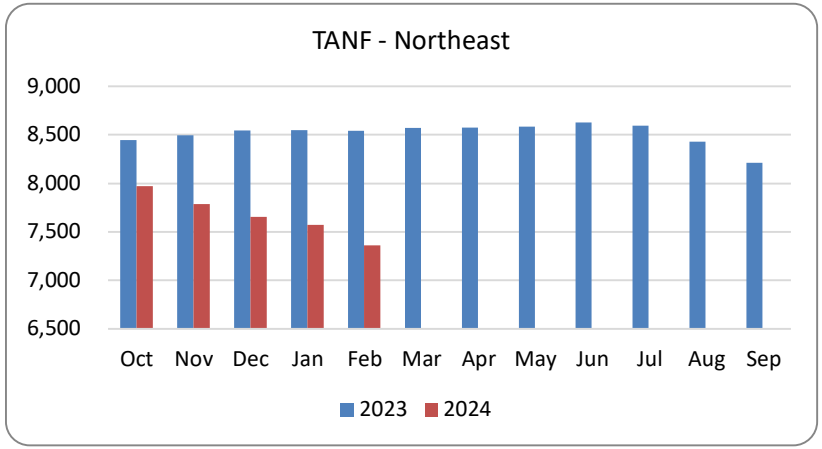
Northern Michigan Regional Entity

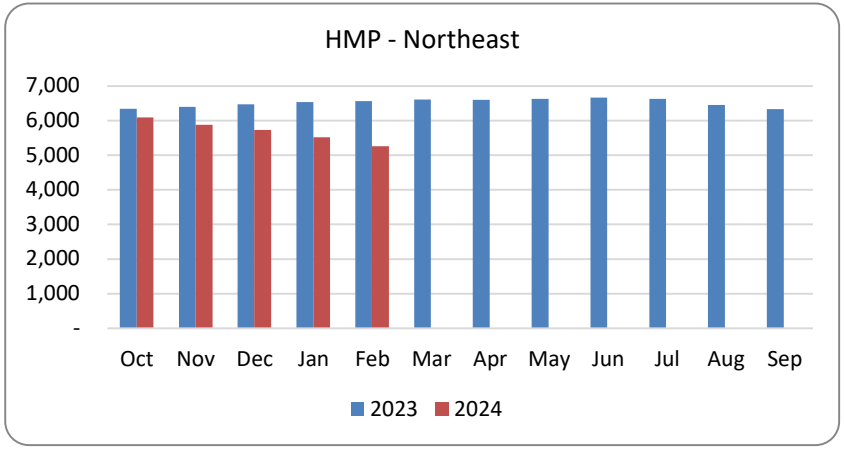
Narrative

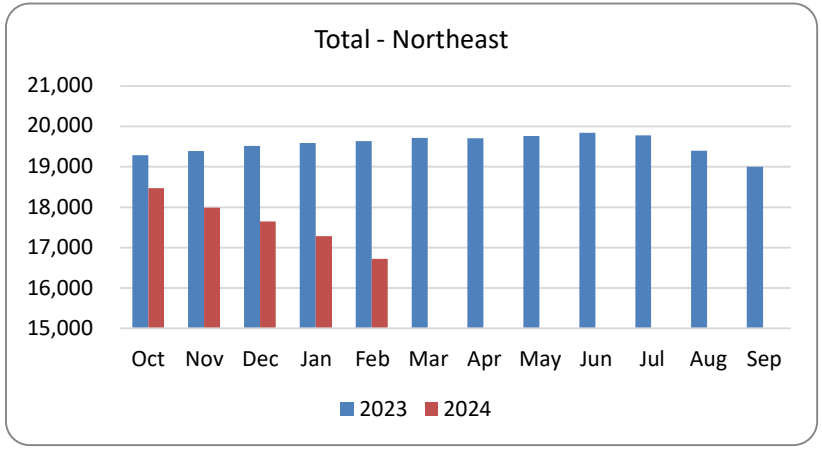
October 1, 2023 through February 29, 2024

Northeast Eligible Members Trending - based on payment files







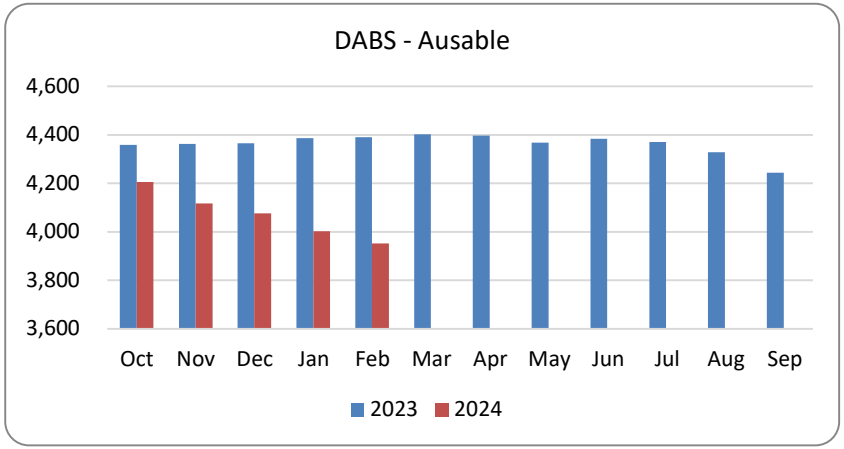


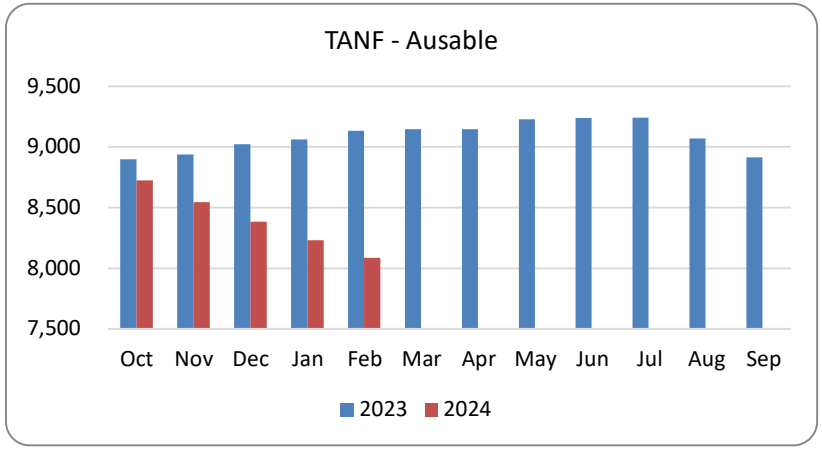
Northern Michigan Regional Entity

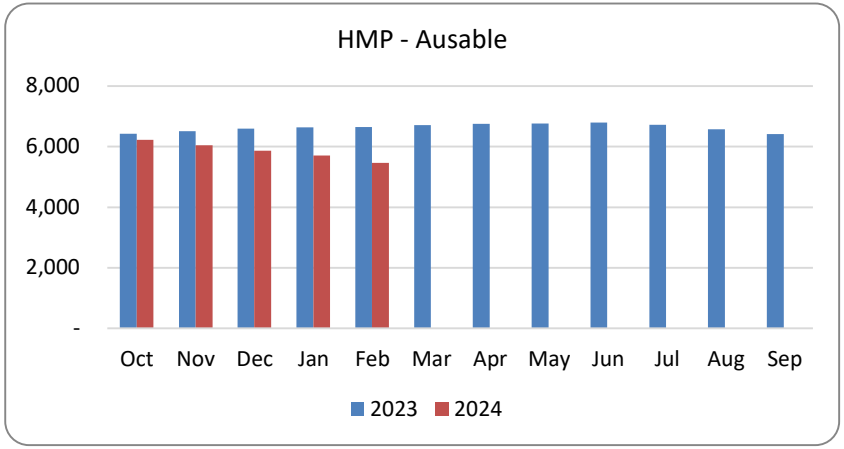
Narrative

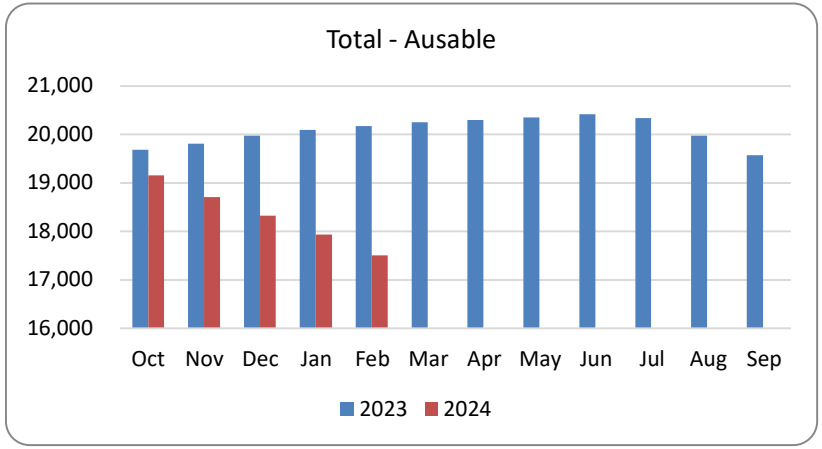
October 1, 2023 through February 29, 2024

Ausable Valley Eligible Members Trending - based on payment files







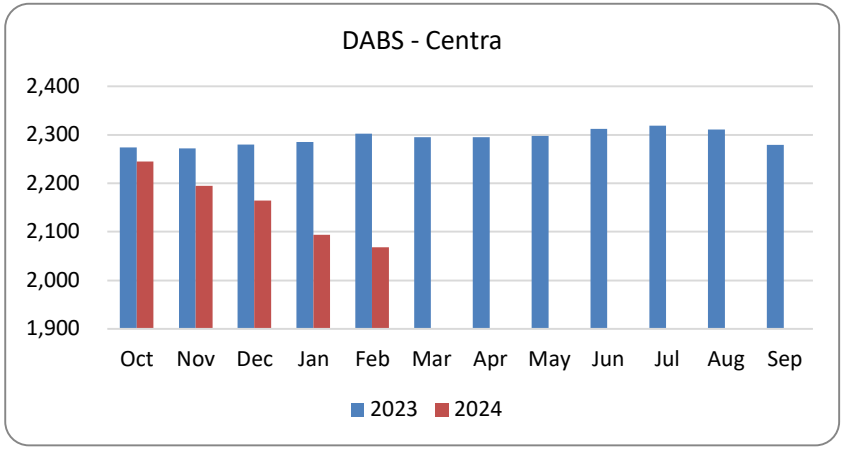


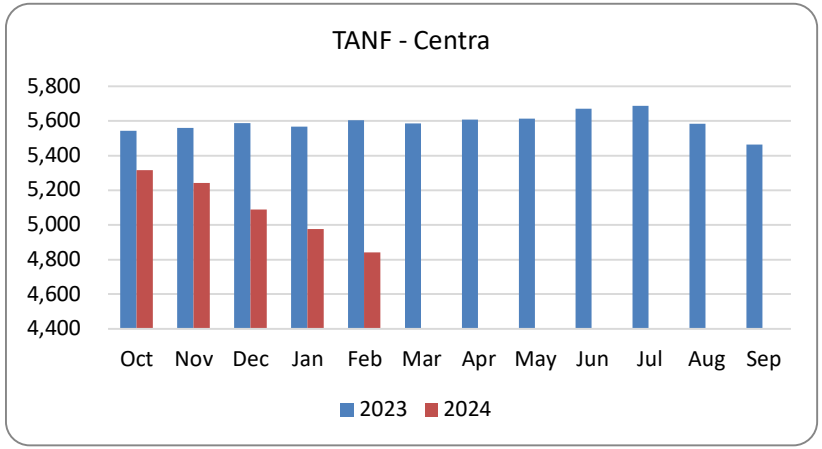
Northern Michigan Regional Entity

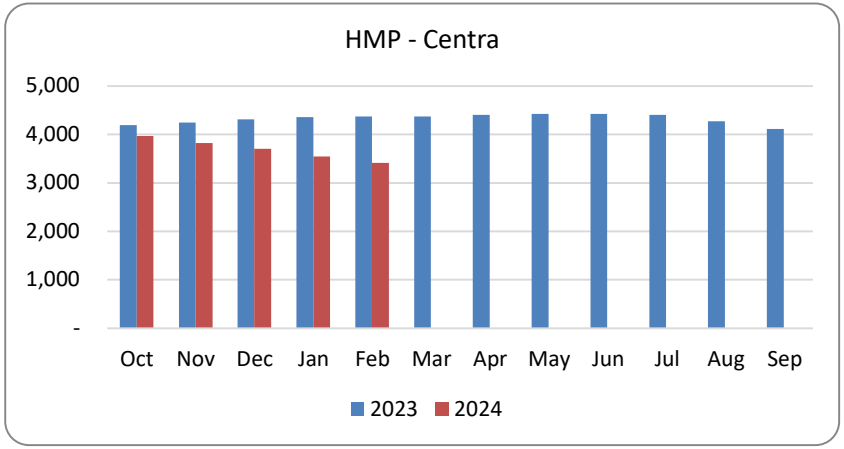
Narrative

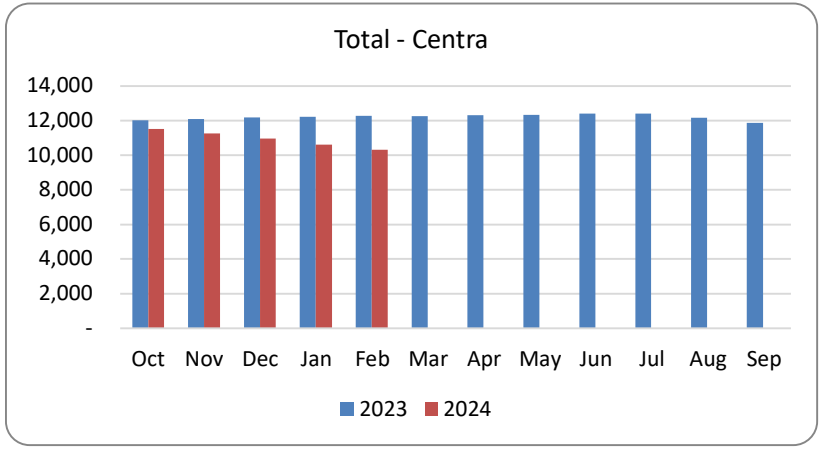
October 1, 2023 through February 29, 2024

Centra Wellness Eligible Members Trending - based on payment files







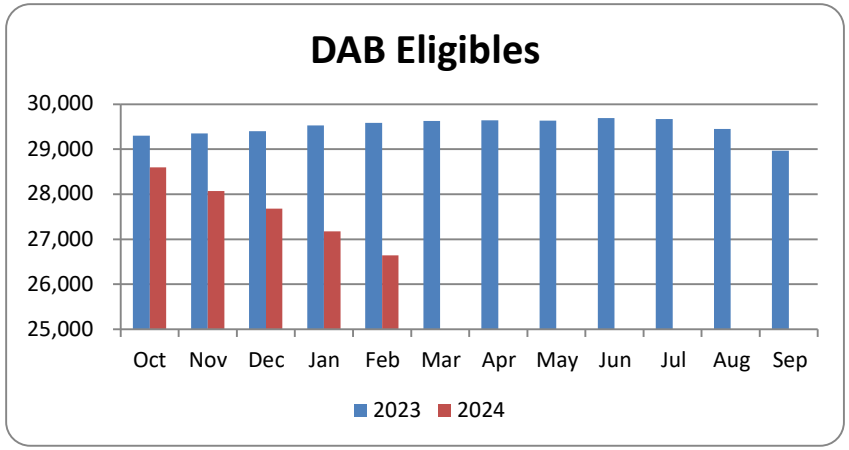


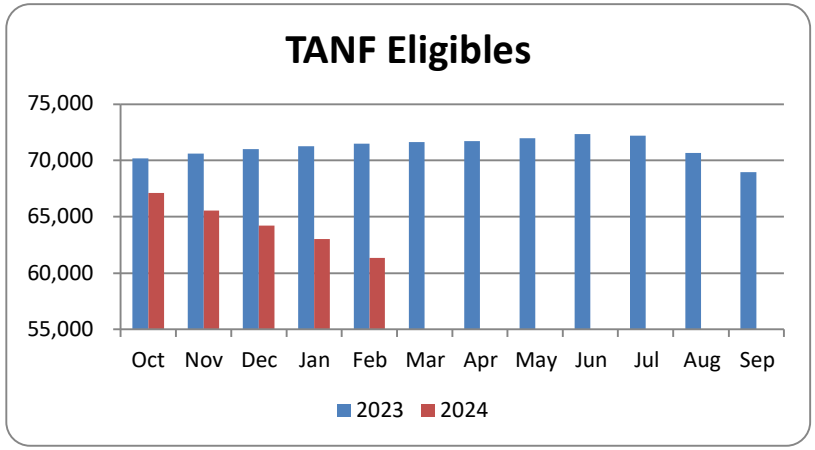
Northern Michigan Regional Entity

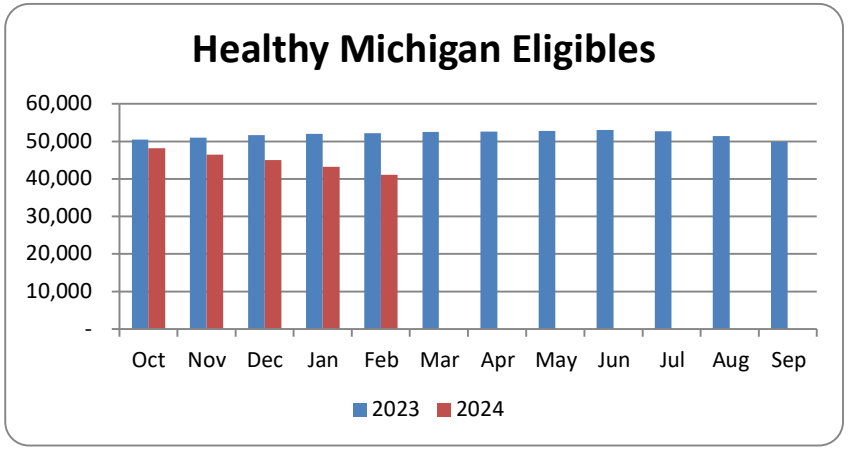
Narrative

October 1, 2023 through February 29, 2024

Regional Eligible Trending





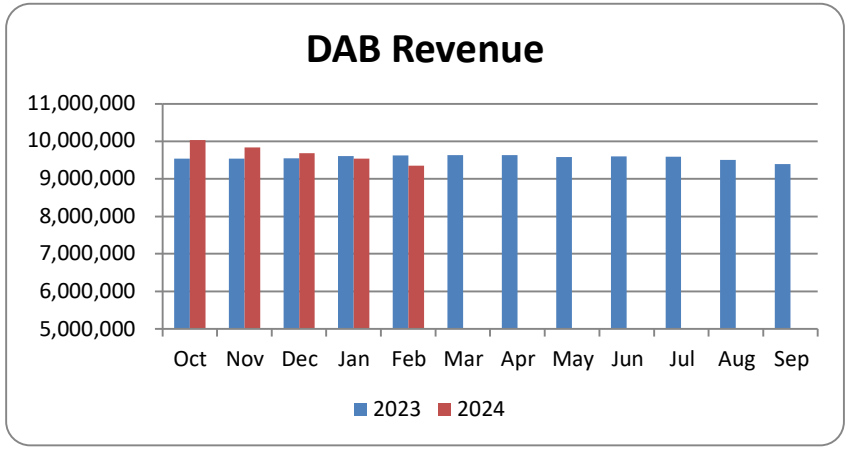


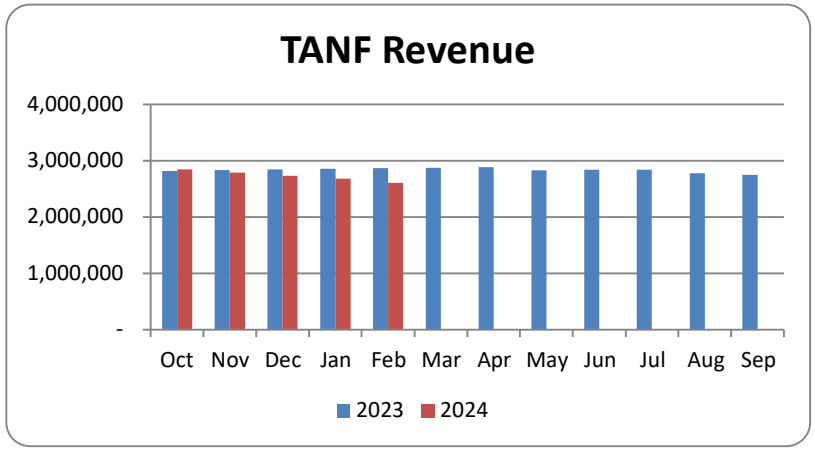
Northern Michigan Regional Entity

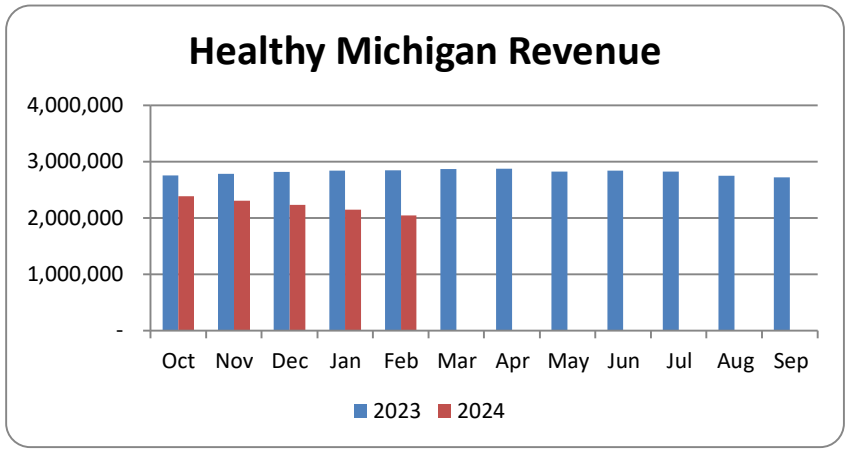
Narrative

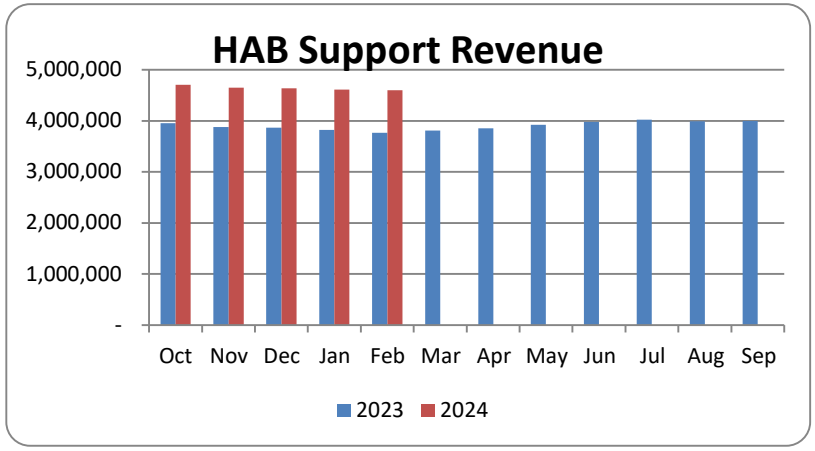
October 1, 2023 through February 29, 2024

Regional Revenue Trending









NORTHERN MICHIGAN REGIONAL ENTITY
OPERATIONS COMMITTEE MEETING
9:30AM – APRIL 16, 2024
GAYLORD CONFERENCE ROOM

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

REVIEW OF AGENDA AND ADDITIONS

Mr. Kurtz added a discussion of Roslund, Prestage & Co.'s review of the Standard Cost Allocation to the meeting agenda.

APPROVAL OF PREVIOUS MINUTES

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

MOTION BY DIANE PELTS TO APPROVE THE MARCH 19, 2024 MINUTES OF THE NORTHERN MICHIGAN REGIONAL ENTITY OPERATIONS COMMITTEE; SUPPORT BY BRIAN BABBITT. MOTION CARRIED.

FINANCE COMMITTEE AND RELATED

February 2024

- Net Position showed net surplus Medicaid and HMP of $2,577,994. Carry forward was reported as $11,624,171. The total Medicaid and HMP Current Year Surplus was reported as $14,202,165. The total Medicaid and HMP Internal Service Fund was reported as $20,576,156. The total Medicaid and HMP net surplus was reported as $34,778,321.
- Traditional Medicaid showed $86,296,279 in revenue, and $81,660,704 in expenses, resulting in a net surplus of $4,635,575. Medicaid ISF was reported as $13,510,136 based on the current FSR. Medicaid Savings was reported as $845,073.
- Healthy Michigan Plan showed $11,609,868 in revenue, and $13,667,449 in expenses, resulting in a net deficit of $2,057,581. HMP ISF was reported as $7,066,020 based on the current FSR. HMP savings was reported as $10,779,098.
- Health Home showed $1,173,810 in revenue, and $1,013,493 in expenses, resulting in a net surplus of $160,317.
- SUD showed all funding source revenue of $12,872,838 and $11,515,860 in expenses, resulting in a net surplus of $1,356,978. Total PA2 funds were reported as $4,759,803.

Mr. Babbit noted that North Country has a $150K surplus in general funds.

The downward trend in DAB, TANF, and HMP has continued. Currently, HSW revenue is buffering the loss of DAB, TANF, and HMP revenue. The region has a total of 689 HSW slots; 9 packets are pending to fill 9 open slots.

MOTION BY BRIAN BABBITT TO RECOMMEND APPROVAL OF THE NORTHERN MICHIGAN REGIONAL ENTITY MONTHLY FINANCIAL REPORT FOR FEBRUARY 2024; SUPPORT BY DIANE PELTS. MOTION APPROVED.

FY24 Revenue
Eligibles are trending down faster than what will be offset by the April 1st rate increase. The increased rates will be retroactive to October 1, 2023; revenue that would have been received from October through March will be added to the April through September payments. The NMRE is working on preliminary numbers showing the effect of the rate increase. The results show little to no increase in revenue. More will be known after the April payments are received.

ENCOUNTER DATA VALIDATION
MDHHS has contracted with Health Services Advisory Group (HSAG) to conduct an Encounter Data Validation (EDV) review to evaluate MDHHS' encounter data completeness and accuracy through a review of medical records. Slides from HSAG's presentation dated March 4th were included in the meeting materials. By the end of June, HSAG expects to complete the FY23 review of PIHPs using a random sample of 411 members from eligible populations for each PIHP; HSAG will select random samples based on the data extracted from MDHHS' data warehouse.

This process is confusing given that PIHPs are already required to verify whether services reimbursed by Medicaid were actually furnished to enrollees by affiliates (as applicable), providers and subcontractors (Medicaid Encounter Validation).

CONFLICT FREE ACCESS & PLANNING (CFA&P)
A Conflict Free Access and Planning Implementation meeting was held with the Department on April 1st to review the requirements and timeline for conflict-free implementation.

According to more recent discussions with Department staff, Mr. Kurtz indicated that no changes to current business practices are needed within the region to comply with the requirement; the services functions in question are currently segregated.

Clarification was made that Case Managers cannot provide services for a particular individual other than case management. Case Managers can develop the IPOS but cannot do ancillary services (CLS, Respite, Skill Building, Supported Employment).

Pursuant to the state's plan, PIHPs will conduct Utilization Management but it is unclear as to what UM is for the purposes CFAP or the definition being proposed by the Department.

ELECTRONIC VISIT VERIFICATION (EVV)
The question was raised regarding the use of location code 12 for individuals in private homes where the CMH contracts or directly provides 24-hour services (Supported Independent Placement/SIP). The state has indicated that the use of location code 12 is appropriate for SIP homes, although CMS does not require EVV for "living facilities or private homes where personal care services are provided 24 hours a day and a caregiver furnishes services to three or more individuals throughout a shift."

There is also concern with involving the state's vendor, HHAX, in the payment review process. A post-payment validation (as is done with all other capitated services) would be preferred.

QUARTER 1 FY24 PERFORMANCE INDICATOR DATA

The Quarter 1 FY24 (September 1, 2023 – November 30, 2023) Performance Indicator report was included in the meeting materials. Regional data showed:

Table 1:	The percentage of all Medicaid adult and children beneficiaries receiving a pre-admission screening for psychiatric inpatient care for whom the disposition was completed within three hours. Standard = 95% in three hours
Regional Total:	98.77%
Table 2:	The percentage of new persons during the quarter receiving a completed biopsychosocial assessment within 14 calendar days of a non-emergency request for service.
Regional Total:	55.30%
Table 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.
Regional Total:	64.38%
Table 4a:	The percentage of discharges from a psychiatric inpatient unit who are seen for follow-up care within seven days. Standard = 95%
Regional Total:	88.32%
Table 4b:	The percentage of discharges from a substance abuse detox unit who are seen for follow-up care within seven days. Standard = 95%
Regional Total:	95.49%
Table 6:	The percentage of MI and DD children and adults readmitted to an inpatient psychiatric unit within 30 days of discharge. Standard = 15% or less within 30 days
Regional Total:	12.58%

Benchmarks were removed for Tables 2 and 3 when exceptions to the standard were eliminated in Quarter 3 of FY20; new guidelines have asked PHIPs to rise to the 50% percentile if currently below, and/or rise to the 75% percentile.

	50th Percentile	75th Percentile
Table 2	57.0%	62.0%
Table 3	72.9%	83.8%

DEBRIEF DR. KENNEDY MEET & GREET

A gathering was held at North Country CMHA on April 10th to introduce McLaren Northern Michigan's Chief Medical Officer, John Kennedy, MD. McLaren Northern Michigan's 18-bed inpatient Behavioral Health Unit has been approved by CMS for payment by Medicaid. The committee felt that good conversations were had and were appreciative of North Country CMHA for hosting. Mr. Babbitt would like to connect Dr. Kennedy with Dr. Ibrahim so that the Cheboygan inpatient unit can work with the Alpine CRU in Gaylord for discharge planning and step-down services.

HEALTH HOME P4P

The NMRE earned its full Pay for Performance (P4P) withhold of $200,795.42 plus and additional $15,526 due to other regions not meeting all the required metrics for the Opioid Health Home. Program. The NMRE is required to pass at least 95% of the $216,321.42 total amount to its Health Home partners.

The benefits of the Health Home programs vs. CCBHC were discussed. Ms. Pelts noted that CMHAM has been approached by NAMI (Kevin Fischer) to host a national CCBHC conference.

ALPINE CRU UPDATE

Mr. Kurtz reported that current utilization of the Alpine CRU is fairly low. Although the NMRE is currently paying for use of the facility (up to $2M in the first two years), a daily rate is needed for general fund billing purposes.

Ms. Pelts shared the rates for the North Shores Center in Oscoda for comparison. Mr. Johnston requested a daily rate of $750.

NLCMHA UPDATE

Mr. Martinus has notified the state about the Northern Lakes CMHA Board's decision to divest from the MiChoice Waiver program; other entities have expressed interest in assuming the role of MiChoice Waiver Agent.

Northern Lakes CMHA staff are in discussions with Munson about transferring the Integrated Health Clinic.

Mr. Martinus expressed concern about funding for the Welcoming Center. Jill LeBourdais and Dr. Ibrahim (North Shores Center) are interested in contracting to run the facility. Long-term sustainability of the Welcoming Center was questioned.

OTHER

ProtoCall

Mr. Johnston noted that Centra Wellness is working on capturing ProtoCall interactions with known clients for billing purposes.

Roslund and the SCA

Last year the NMRE approached Roslund, Prestage & Co. (PRC) to provide an analysis of Milliman's Standard Cost Allocation methodology. Derek Miller, CPA, from PRC recently informed Mr. Kurtz that this will likely not occur until summer, if then. Given the delayed timeframe, Mr. Kurtz made the decision to cancel the request. Any monies paid to RPC for this purpose will be refunded.

NEXT MEETING

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

NMRE BOARD OFFICERS

May 26, 2021 Election of Officers
Chair – Don Tanner
Vice-Chair – Ed Ginop
Secretary – Nina Zamora
Executive Committee – Gary Nowak, Joe Stone

August 25, 2021
Secretary – Gary Nowak
Executive Committee – Mary Marois (to replace Nina Zamora)

April 27, 2022 Election of Officers
Chair – Don Tanner
Vice-Chair – Ed Ginop
Secretary – Gary Nowak
Executive Committee – Mary Marois, Joe Stone

September 28, 2022
Executive Committee – Jay O'Farrell (to replace Joe Stone)

May 24, 2023 Election of Officers
Chair – Don Tanner
Vice-Chair – Ed Ginop
Secretary – Gary Nowak
Executive Committee – Jay O'Farrell and Ruth Pilon

NMRE Bylaws, Article VI – Officers of the Governing Board, Section 6.5, Term of Office
Each officer shall hold office for a term of one (1) year. Officers may serve a maximum of three (3) consecutive years. Upon the completion of his/her term(s), the Chair's replacement shall be appointed from another Member's appointee to the Governing Board, to allow for an equitable rotation of the Chair positions amongst the Members.

Former Board Chairs
Joe Stone (AV): April 2013 – April 2016
Dennis Priess (NC): April 2016 – April 2017
Randy Kamps (NL): April 2017 – May 2020
Gary Nowak (NEM): May 2020 – May 2021
Don Tanner (CWN): May 2021 –

NORTHERN MICHIGAN REGIONAL ENITY
NOMINATING COMMITTEE MEETING
10:00AM – APRIL 12, 2024
VIA TEAMS

Attendees:	**Eric Lawson, Michael Newman, Don Smeltzer**
Absent:	**Tom Bratton, Gary Klacking**
NMRE Staff:	**Eric Kurtz, Carol Balousek**

Nominating Committee members reviewed the NMRE Officers Overview.

Based on the NMRE Bylaws, "Each officer shall hold office for a term of one (1) year. Officers may serve a maximum of three (3) consecutive years. Upon the completion of his/her term(s), the Chair's replacement shall be appointed from another Member's appointee to the Governing Board, to allow for an equitable rotation of the Chair positions amongst the Members."

Current NMRE Officers have served for three consecutive years and were deemed ineligible for reappointment to the same positions currently held.

Board Chair
The history of the NMRE Board Chair position was reviewed as follows:
- Joe Stone (AV): April 2013 – April 2016
- Dennis Priess (NC): April 2016 – April 2017
- Randy Kamps (NL): April 2017 – May 2020
- Gary Nowak (NEM): May 2020 – May 2021
- Don Tanner (CWN): May 2021 – May 2023

Based upon this history, it was felt that the new Chair should be a representative from AuSable Valley CMHA.

MOTION BY DON SMELTZER TO NOMINATE GARY KLACKING TO THE POSITION OF NORTHERN MICHIGAN REGIONAL ENTITY BOARD CHAIR; SUPPORT BY ERIC LAWSON. MOTION CARRIED.

Board Vice-Chair
Because of his current involvement with the issues surrounding Northern Lakes CMHA and the six counties the comprise Northern Lakes CMHA (that led to revising the enabling agreement, etc.), the suggestion was made that current NMRE Board Chair, Don Tanner, assume the position of Vice-Chair.

MOTION BY DON SMELTZER TO NOMINATE DON TANNER TO THE POSITION OF NORTHERN MICHIGAN REGIONAL ENTITY BOARD VICE-CHAIR; SUPPORT BY ERIC LAWSON. MOTION CARRIED.

Board Secretary
It was noted that the NMRE Board Secretary's functions are predominately to sign various documents on behalf of the NMRE Board. A "digital signature" can be obtained to facilitate this need.

MOTION BY DON SMELTZER TO NOMINATE KARLA SHERMAN TO THE POSITION OF NORTHERN MICHIGAN REGIONAL ENTITY BOARD SECRETARY; SUPPORT BY MICHAEL NEWMAN. MOTION CARRIED.

Executive Committee
Because Ruth Pilon was only recently appointed (May 2023) to the Executive Committee, the suggestion was made that she continue in that role to represent Northern Lakes CMHA.

The suggestion was made to appoint Eric Lawson to the Executive Committee to represent Northeast Michigan CMHA.

MOTION BY DON SMELTZER TO APPOINT RUTH PILON AND ERIC LAWSON TO THE NORTHERN MICHIGAN REGIONAL ENTITY EXECUTIVE COMMITTEE TO REPRESENT NORTHERN LAKES COMMUNITY MENTAL HEALTH AUTHORITY AND NORTHEAST MICHIGAN COMMUNITY MENTAL HEALTH AUTHORITY RESPECTIVELY; SUPPORT BY MICHAEL NEWMAN. MOTION CARRIED.

Mr. Smeltzer volunteered to be the spokesperson for the Nominating Committee during the NMRE Board meeting on April 24, 2024.

Northern Michigan Regional Entity

PA2/Liquor Tax Criteria for Review/Adoption

- The NMRE will update projected end balances for each county for the current fiscal year monthly. New applications will be compared to projected end balances to ensure that there is adequate funding in the county to financially support the request.
- If possible, depending on SUD Block Grant usage, a balance equivalent to one year's revenue will remain as a fund balance for each county.
- Project requests for services that can be covered by routing funding from other sources (Medicaid, Healthy Michigan) will not be considered.
- Applications that include any purchase of buildings, automobiles, or the like will not be considered.
- Applications that include using funds for renovations of any kind will not be considered.
- To be considered, applications must be for substance use disorder prevention, treatment, or recovery services or supports.
- Region-wide (21 county) requests should be limited to media requests; other region-wide requests will be evaluated on a case-by-case basis.
- Multi-county requests (2 or more) must include detailed information on the provision of services and/or project activities for each county from which funds are requested.
- Staff who receive staffing grants via liquor tax approvals will not be eligible to bill services to the NMRE.
- Capital investments* will not be considered.
- Budget Requirements:
    - Budgets must include information in all required fields.
    - Fringe benefit budget requests that exceed 30% should be broken out by Health, Dental, Vision, Retirement, taxes, etc. totals and be subject to NMRE staff and Board approval.
    - Indirect costs, when applicable, should **not** exceed 10% of the requested budget total.

- Liquor tax funds may be used to cover up to one FTE (across all projects) per person.
- The amount requested for salaries should be based on the staff person's actual salary and not the billable rate.
- All staff participating in PA2 funded activities are to be listed under budget FTEs (not under indirect cost).

- Requests for liquor tax funds should be coordinated with area stakeholders (CMHSPs, SUD Oversight Committee Members, County Commissioners, courts, law enforcement, SUD services providers) whenever possible.
  - Requestor should inform the county of the request submission at the same time submission to NMRE is completed.

* "*Capital investment" refers to funds invested in a company or enterprise to further its business objectives. Capital investments are often used to acquire or upgrade physical assets such as property, buildings, or equipment to expand or improve long-term productivity or efficiency.*

(Source: Nasdaq)

If at the end of the NMRE's fiscal year there is excess SUD Block Grant funding available, it will be used to offset liquor tax expenses as opposed to lapsing SUD Block Grant funding. In reverse, if SUD Block Grant funding runs a deficit, PA2 funding is used for treatment deficits. Normally for under or uninsured clients.