

Region 10
Genesee • Lapeer • Sanilac • St. Clair Counties

GROUP MEETING: Region 10 PIHP Board
PLACE: Region 10
3111 Electric Ave., Port Huron, MI
Date: January 20, 2023
TIME: 9:00 a.m.
PRESIDING: Lori Curtiss, Chairperson

PRESENT: Ron Barnard, Kathryn Boles, Lori Curtiss, DeElla Johnson, Joyce Johnson, Gary Jones (virtual), Bob Kozfkay, Ken Lemons, Elva Mills, Chad Polmanteer, Wayne Strandberg, Nancy Thomson

ABSENT: Dr. Niketa Dani, Edwin Priemer, Bobbie Umbreit

ALSO PRESENT: *Region 10 PIHP Staff:* Jim Johnson, Chief Executive Officer; Kelly VanWormer, Chief Operations Officer; Richard Carpenter, Chief Financial Officer; Kristen Potthoff, Corporate Compliance Officer; Katherine Forbes, Compliance/Customer Service Manager; Robin Kalbfleisch, Recording Secretary

CMH Staff: Lauren Emmons, Lapeer CMH (virtual); Wil Morris, Sanilac CMH; Dan Russell, GHS (virtual)

GUESTS: None

I. CALL TO ORDER

The meeting was called to order at 9:03 a.m. by Chairperson Curtiss.

II. CITIZENS WISHING TO ADDRESS THE BOARD

None

III. AGENDA CHANGES (*Action*)

It was moved by Ms. Joyce Johnson, seconded by Ms. Mills, to approve the revised meeting agenda as presented. **MOTION CARRIED**

IV. APPROVAL OF PREVIOUS MEETING MINUTES (*Action*)

It was moved by Mr. Strandberg, seconded by Ms. Thomson, to approve the December 16, 2022, meeting minutes as presented. **MOTION CARRIED**

V. FINANCE

A. FY2023 Budget

1. Monthly Finance Report – November 2022 (*Action*)

Mr. Carpenter presented the monthly finance report for November and stated that eligibility is staying consistent each month; however, TANF remains high and will likely stay high until the Public Health Emergency (PHE) is over. The PHE is being decoupled as of March 31st and the Department is planning on taking the full 14 months for Medicaid reconsiderations. We should start to see eligibility and revenue decrease in June 2023.

Revenue for Healthy Michigan is up primarily due to the additional Substance Use Disorder (SUD) revenue that was received. There was a slight rate increase on the TANF side also, but the increase in eligibles is mainly driving the increase to TANF revenue. The Medicaid ISF and Savings amounts are preliminary numbers until after the audit; we expect these numbers to go up slightly and we expect a fully funded ISF and Savings going into 2023. The Medicaid surplus is about \$5.4 million. There was discussion about whether MDHHS would be able to estimate how many individuals will fall off during the 12-month period following the PHE decoupling. There have been no real projections of how this will affect the region. Healthy Michigan has a surplus of about \$1.7 million. Mr. Carpenter stated the CCBHC total revenue/expenses are about \$4.3 million. He is working with St. Clair CMH to reconcile the \$4,040 listed in the total column. He noted that the other counties get their CCBHC funding directly from the federal government. St. Clair is a demonstration site, so it flows through the PIHP.

It was moved by Mr. Kozfkay, seconded by Ms. Boles, to approve the Monthly Finance Report for November 2022 as presented. **MOTION CARRIED**

2. Monthly Payment Report – November 2022 (*Action*)

Mr. Carpenter presented the monthly payment report for November and noted that this report includes the quarterly Hospital Rate Adjustor (HRA) payments. There was discussion about the ability for providers to apply for provider relief from Region 10 PIHP.

It was moved by Ms. Joyce Johnson, seconded by Ms. Boles, to approve the Monthly Payment Report for November 2022 as presented. **MOTION CARRIED**

B. PBIP Request (*Action*)

Mr. Carpenter presented a memo regarding a PBIP request from Sanilac CMH in the amount of up to \$950,000 for parking lot replacement and the purchase and repairs of the building directly in front of the administrative building located at 237 East Sanilac in Sandusky. The region currently has about \$8.5 million PBIP funds and this request is within the policy guidelines. If approved, Region 10 and Sanilac CMH will enter into a repayment agreement.

It was moved by Mr. Barnard, seconded by Ms. Thomson, to approve the request by Sanilac CMH for up to \$950,000 of PBIP funds. **MOTION CARRIED**

VI. SUD FINANCE PRESENTATION

Mr. Carpenter presented on funding sources and allowability requirements for Substance Use Disorder Services, including Healthy Michigan, Medicaid, SAPT Treatment, State Opioid Response (SOR) Programs, PA2, and SAPT Prevention. The role and membership of the SUD Advisory Committee was discussed. There was discussion about how the funding source is determined for individuals. Chairperson Curtiss stated a future presentation about Medicaid funding would be helpful as well.

VII. BUILDING UPDATE

Ms. VanWormer stated there have been ongoing challenges with vendor scheduling and various supply chain issues. In late December and early January, there were additional significant unexpected supply chain issues identified. The original timeline was established with two different phases in order to allow St. Clair CMH to have access to the upstairs space at Electric Avenue sooner. However, due to the delays that have occurred, it was determined we could not meet the phase one timeline of moving the administration staff at the end of January 2023. The plan was reworked and a decision was made to eliminate both phases and work on the building as one project. The deadline for moving all staff into the building remains the same, the first week of June. Ms. VanWormer has discussed the timeframe change with St. Clair CMH.

Recent progress includes completion of bid packages for audio/visual equipment, security, and painting. Rough carpentry, HVAC, plumbing, and rough electrical work has been completed, with all corresponding inspections completed. Work on sidewalks is completed as well as work on the roof. Items to be completed include new fencing, drywall, the parking lot, the patio, data line wiring, telephones, and finalizing the IT network. The furniture has been received and is in storage. There was discussion about the fact that we are currently within budget even with all of the changes.

VIII. CONTRACT MANAGEMENT

A. MDHHS / PIHP Contract Amendment Summary (*Action*)

Ms. Potthoff presented the amendment summary showing language modifications to schedule A and a section added to the reporting section. She reviewed the significant changes in the payment terms section.

It was moved by Ms. Thomson, seconded by Mr. Lemons, to approve the MDHHS / PIHP Contract Amendment # 8 as presented. **MOTION CARRIED**

IX. REGULATORY COMPLIANCE COMMITTEE

A. Meeting Minutes 12.16.22 (*Action*)

Ms. Potthoff presented and reviewed the minutes from the meeting.

It was moved by Ms. Boles, seconded by Ms. Mills, to approve the Regulatory Compliance Committee Meeting Minutes from the December 16, 2022, meeting as presented. **MOTION CARRIED**

B. FY22 Annual Corporate Compliance Report (*Action*)

Ms. Potthoff presented and reviewed the annual report that describes compliance activities that took place during the past fiscal year. The Complaints section was updated to include the data for total number of complaints and violations for FY22. A new Reporting section was added to the report as there were several changes to the reporting requirements in FY22.

It was moved by Ms. Boles, seconded by Ms. Mills, to approve the FY22 Annual Corporate Compliance Report as presented. **MOTION CARRIED**

X. **FY2022 GRIEVANCE AND APPEAL SYSTEM ANNUAL REPORT** (*Action*)

Ms. Forbes presented the annual report and reviewed each section. The Total Customer Service Inquiries, Total Grievances, Appeals, and State Fair Hearings sections were updated to include the data for FY22. She provided an analysis of the data and reviewed recommendations for the upcoming year.

It was moved by Mr. Lemons seconded by Mr. Kozfkay, to approve the FY2022 Grievance and Appeal System Annual Report as presented. **MOTION CARRIED**

XI. **DIRECTOR'S REPORT**

PA2: Mr. Johnson reported there have been changes regarding the PA2 funding, which is in part due to the reduction in debt obligations for convention facilities. This will result in an increase in liquor tax revenues. The formula for how the dollars are used has also been changed. The current rule is that counties pass 50% along to the PIHPs. The new standard is that counties will pass along at least 40% of the revenue they receive and not less than the amounts passed along in 2022. There will be no reduction in PA2 funds for SUD services as there will likely be a slight increase in liquor tax dollars.

Public Health Emergency: The federal legislature passed the FY23 Omnibus Appropriations bill in December, which funds the government through September 2023. Included in the bill was a de-coupling of continuous Medicaid and enhanced FMAP from the PHE and we will likely see the effects of this starting in June, but it should be gradual as Michigan is intending to take advantage of the 12-month allowable unwind period. Our understanding at this point is that enrollees will be assessed during the 12-month period based on their renewal dates.

Recovery Incentives: The state has announced SUD recovery incentive pilots. The pilots are basically a rebranding of contingency management which provides individuals with rewards for negative drug screens focusing on stimulants. There will be \$8 million available each year statewide: \$6 million in Medicaid dollars and \$2 million in opioid settlement dollars.

Tribal Entities: Mr. Johnson stated there have been concerns from the tribal entities related to individuals who were screened as eligible for inpatient services by a clinician associated with the tribal entity and then rescreened at the inpatient unit and denied admission. The tribal entities are frustrated when their screenings are not accepted or confirmed. The Department will be facilitating a discussion about this in the spring.

New Senate Bills: There were three new Senate Bills introduced this week: SB 27 is related to mental health parity; SB 28 states psychiatric drugs cannot be used for discipline or obedience; and SB 29 requires 5 mental health days per student per school year.

Committee Assignments for State Legislature: Mr. Johnson provided a list of legislators in our region who were assigned to committees that will be critical to the PIHP:

Senate:

Appropriations Committee – Senator Cherry
DHHS Budget Subcommittee – Senator Cherry
Health Policy Committee – Senator Cherry
Housing & Human Services – Senator Cherry

House:

Appropriations Committee – Representative Martus & Representative Green
DHHS Budget Subcommittee - Representative Martus & Representative Green
Health Policy Committee – Representative Neeley & Representative Mueller

XII. ANY OTHER BUSINESS TO PROPERLY COME BEFORE THE BOARD

Chairperson Curtiss thanked Jim for sending the informative email to the Board members earlier this month.

Mr. Morris stated Senator Stabenow and Senator Roy Blunt are not planning to run for office again.

XIII. CITIZENS WISHING TO ADDRESS THE BOARD

None

XVI. ADJOURNMENT

It was moved by Ms. Boles to adjourn the meeting. With no further business to discuss, Chairperson Curtiss adjourned the meeting at 11:02 a.m.

Respectfully submitted,

Reviewed and approved,

Robin Kalbfleisch
Recording Secretary

Region 10 PIHP Board
Secretary / Designee