

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

GROUP MEETING: Region 10 PIHP Board
PLACE: Lapeer CMH
1570 Suncrest Drive, Lapeer, MI
Date: November 18, 2022
TIME: 9:00 a.m.
PRESIDING: Lori Curtiss, Chairperson

PRESENT: Ron Barnard, Lori Curtiss, DeElla Johnson, Bob Kozfkay, Ken Lemons, Chad Polmanteer, Edwin Priemer, Wayne Strandberg, Nancy Thomson

ABSENT: Kathryn Boles, Dr. Niketa Dani, Joyce Johnson, Gary Jones, Elva Mills, 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; Lauren Campbell, Quality Manager; Robin Kalbfleisch, Recording Secretary

CMH Staff: Lauren Emmons, Lapeer CMH

GUESTS: None

I. CALL TO ORDER

The meeting was called to order at 9:02 a.m. by Chairperson Curtiss.

II. CITIZENS WISHING TO ADDRESS THE BOARD

None

III. AGENDA CHANGES (*Action*)

It was moved by Mr. Priemer, seconded by Mr. Lemons, to approve the meeting agenda as presented.

MOTION CARRIED

IV. APPROVAL OF PREVIOUS MEETING MINUTES

A. September 16, 2022 (*Action*)

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

B. October 21, 2022 (*Action*)

It was moved by Mr. Kozfkay, seconded by Ms. Thomson, to approve the October 21, 2022, meeting minutes as presented. **MOTION CARRIED**

V. **FINANCE**

A. FY2022 Budget

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

Proceeded to latest report for September 2022.

2. Monthly Finance Report – September 2022 (*Action*)

Mr. Carpenter presented the report and noted there is a spike to TANF eligibles and revenue. The increase was in all four counties. He is waiting to hear from the Department on the reason for the increase. We have not received notice yet that the Public Health Emergency will end, so expect the federal government will extend it for 90 days.

The September report is the first month with the updated CCBHC redirect due to the new methodology, and the redirect is now \$11 million through September.

Traditional Medicaid has a surplus of about \$23.5 million and Healthy Michigan has a surplus of about \$9.5 million through September. Mr. Carpenter noted that the books are in the process of being closed and should be done by the middle of January.

Mr. Carpenter reviewed the CCBHC information, indicating total revenue and expenses of about \$26.5 million.

It was moved by Mr. Kozfkay, seconded by Mr. Lemons, to approve the Monthly Finance Reports for August 2022 and September 2022 as presented. **MOTION CARRIED**

3. Monthly Payment Report – August 2022 (*Action*)

Mr. Carpenter presented the monthly payment report for August and noted that the Hospital Rate Adjustor payments are included in this report. Costs settlements for the CMHs for FY21 were also done this month, so payments to the CMHs were offset by amounts that were owed back to the PIHP.

4. Monthly Payment Report – September 2022 (*Action*)

Mr. Carpenter presented the monthly payment report for September.

It was moved by Mr. Barnard, seconded by Mr. Priemer, to approve the Monthly Payment Reports for August 2022 and September 2022 as presented. **MOTION CARRIED**

B. Finance Department Services (*Action*)

Mr. Johnson presented a draft engagement letter. Based upon an opinion from our legal counsel, Region 10 had contacted the organizations who were sent the 2019 Financial Services RFP to see if they would submit a proposal if Region 10 were to put out an RFP that expanded the scope of our

financial services contract. The organizations we reached out to either responded with “no” or did not respond. Based on our attorney’s opinion, we can make the assumption that there is no legitimate competition and can proceed in negotiating a sole source arrangement with the current contractor.

Mr. Johnson stated that contracting with Rehmann will remove three positions from our open positions table that we have been unable to fill. These positions equate to about \$310,000 per year. In addition, there will be other functions transferred to Rehmann that current staff are doing that will free up time for them take on responsibilities in other administrative areas.

Mr. Johnson reviewed the engagement fees which would require a deposit of \$285,000 and \$95,000 per month, plus any actual out of pocket expenses. The length of this contract is through March 2025. There was additional discussion about the engagement fees and tasks.

It was moved by Mr. Barnard, seconded by Ms. Thomson, to enter into an agreement with Rehmann as presented in the engagement letter draft. **MOTION CARRIED** by roll call vote. Ayes: Mr. Barnard, Ms. Curtiss, Ms. Johnson, Mr. Kozfkay, Mr. Lemons, Mr. Polmanteer, Mr. Priemer, Mr. Strandberg, Ms. Thomson; Nays: None.

C. SUD Max Service Rates (*Action*)

Mr. Carpenter presented an update to the Max Service Rate Grid. Code 99202 was added at \$95 per day.

It was moved by Ms. Thomson, seconded by Mr. Lemons, to approve the SUD Max Service Rate Grid as presented. **MOTION CARRIED**

D. Region 10 FY2023 Salary Analysis (*Action*)

Mr. Carpenter presented a salary analysis document. He summarized that the current policy for increases is a 2% annual increase and up to 3% additional discretionary increase based on performance for Region 10 staff. He noted that the Bureau of Labor Statistics (BLS) is reporting a 12-month Consumer Price Index (CPI) increase of 9.1% and there has been an increase in the health insurance rates for 2023. The CMH Association Survey shows anticipated salary increases ranging from 5% to 10% across the state. For these reasons, Region 10 management is requesting approval for a one time increase from 2% to 5%, with the ability for staff to still earn an additional 3% based on performance in 2023. Total potential increase would be 8%.

It was moved by Mr. Barnard, seconded by Mr. Lemons, to approve a one-time increase to base salary in the amount of 5% for Region 10 staff, with potential to earn an additional 3% based on performance in 2023. **MOTION CARRIED**

Mr. Carpenter left the meeting at 9:45 a.m.

VI. **BUILDING UPDATE**

Ms. VanWormer provided an update of the Water Street building construction. The external Region 10 sign has been installed. Flag poles and trees and brush have been removed. The cement pad and the underground work for the generator has been installed. The majority of demo work inside the building has been completed and masonry work has begun. HVAC and plumbing work are taking place. We are reviewing bids for electrical work, rough carpentry, and millwork. The IT network has been finalized. There have been meetings regarding security for the building, including access to building and fire

safety. Outdoor lighting needs to be updated. Work is taking place on the plans for audio visual. The goal is to move administration in before the end of January and Access in by June 1st.

VII. CONTRACT MANAGEMENT

A. MDHHS / PIHP Contract Amendment # 7 (*Action*)

Summary of changes presented by Ms. Potthoff who stated that the language changes are consistent with the changes that have been discussed at the contract negotiations meetings.

It was moved by Mr. Lemons, seconded by Ms. Thomson, to approve the MDHHS / PIHP Contract Amendment # 7 as presented. **MOTION CARRIED**

B. SUD Crisis Stabilization Funding Report

Ms. Potthoff presented the monthly update which shows the funding paid to the providers listed in 2022.

Chairperson Curtiss left the meeting at 10:10 a.m. Vice Chairperson Kozfkay will preside over the meeting.

VIII. QUALITY IMPROVEMENT

A. FY2022 Quality Improvement Program Annual Report (*Action*)

1. QI Program Summary FY2022 Q4

Ms. Campbell presented the annual report for FY2022 and reviewed in detail the summary page showing the status of the goals for the 4th Quarter of FY2022.

It was moved by Mr. Barnard, seconded by Mr. Strandberg, to approve the FY2022 Quality Improvement Program Annual Report as presented. **MOTION CARRIED**

B. FY2023 Quality Improvement Program and Workplan (*Action*)

Ms. Campbell presented the workplan for FY2023. She noted there was a change on page 8 to the Performance Improvement Project #1. She reviewed the new and updated committee goals that have been approved by the QI Committee, as well as goals that were met and removed.

It was moved by Mr. Barnard, seconded by Ms. Thomson, to approve the FY2023 Quality Improvement Program and Workplan as presented. **MOTION CARRIED**

C. FY2022 Performance Indicator Report – 3rd Quarter (*Action*)

Ms. Campbell presented the third quarter report. All set performance standards were met by the PIHP and CMHs. Indicators that do not have set performance standards (#2a, #2b, and #3) required written root cause analyses and plans of improvement from the CMHs and they were submitted to the PIHP. There was additional discussion regarding indicators with no performance standards.

It was moved by Ms. Thomson, seconded by Mr. Priemer, to approve the FY2022 Performance Indicator Report for the 3rd Quarter as presented. **MOTION CARRIED**

D. FY2022 Validation of Performance Measures Report

Ms. Campbell presented the report from the annual external quality review that took place on June 15, 2022. She reviewed the findings and results, strengths, opportunities for improvement, and recommendations. She also referenced Appendices A, B, & C.

IX. SUBSTANCE USE DISORDER

A. PA2 Funding Request – St. Clair County (*Action*)

Mr. Johnson reviewed the request for PA2 funds for transportation services from BWROC of St. Clair County that was brought to the Board meeting last month. The SUD Oversight Board has endorsed, and he is asking for this Board's approval.

It was moved by Mr. Barnard, seconded by Ms. Thomson, to approve the PA2 funding request from BWROC for transportation services. **MOTION CARRIED**

IX. DIRECTOR'S REPORT

Mr. Johnson summarized the Michigan election results and noted that Democrats have control of the Governor's office, the Senate, the House, and the State Supreme Court. Labor related issues will likely be at the top of the agenda for the administration and newly seated legislature.

There are rumors of a Democrat-led proposal that is focused on the management of behavioral healthcare for children in foster care and the possibility of moving it to a single statewide PIHP-type entity. There is also talk of moving the authority for the Office of Recipient Rights to be the responsibility of the state instead of CMHs.

The Department anticipated getting notice of the ending of the PHE, but no notice has been received. There is talk of the Senate voting on a joint resolution to terminate the PHE as early as this week, but no information has been received on this yet.

X. ANY OTHER BUSINESS TO PROPERLY COME BEFORE THE BOARD

A. CEO Evaluation Form

Please complete and return to Robin by the end of the month.

XI. CITIZENS WISHING TO ADDRESS THE BOARD

None

XII. ADJOURNMENT

With no further business to discuss, Vice Chairperson Kozfkay adjourned the meeting at 11:15 a.m.

Respectfully submitted,

Reviewed and approved,

Robin Kalbfleisch
Recording Secretary

Region 10 PIHP Board
Secretary / Designee