

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

GROUP MEETING: Region 10 PIHP Board
PLACE: Lapeer Community Mental Health
 1570 Suncrest Dr., Lapeer, MI
DATE: December 21, 2018
TIME: 9:00 a.m.
PRESIDING: Lori Curtiss, Chairperson

PRESENT: Lori Curtiss, Terry Bankert, Ronald Barnard, Wanda Cole, Dr. Niketa Dani, DeElla Johnson, Joyce Johnson, Gary Jones, Robert Kozfkay, Linda Keller, Elva Mills, Ed Priemer, Wayne Strandberg,

ABSENT: Steve Armstrong, Ed Rieves

ALSO PRESENT: *Region 10 PIHP Staff:* Jim Johnson, CEO; Kristen Potthoff, Corporate Compliance Officer/Contract Management; Robin Kalbfleisch, Recording Secretary

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

GUESTS: None

I. CALL TO ORDER

The meeting was called to order at 9:00 p.m. by Chairperson Curtiss.

II. CITIZENS WISHING TO ADDRESS THE BOARD

None

III. AGENDA CHANGES

It was moved by Ms. Keller, seconded by Ms. Mills, to approve the meeting agenda as presented.

MOTION CARRIED

IV. APPROVAL OF PREVIOUS MEETING MINUTES

It was moved by Ms. Keller, seconded by Mr. Barnard, to approve the November 16, 2018 meeting minutes as presented. **MOTION CARRIED**

V. FINANCE

A. FY2018 Budget

1. Monthly Finance Report – Revised September 2018 (*Action*)

Mr. Johnson presented the revised Finance report for September. Mr. Butler was using a different process for reporting accruals, which was different than the way it has been done in the past for Region 10. Both ways are acceptable, but we cannot change methodologies, especially mid-year, so it has been revised using the methodologies we have employed all along at Region 10. September was revised with about \$1 million difference, so it has been brought back to the Board for approval.

It was moved by Mr. Barnard, seconded by Ms. Keller, to receive the revised Finance Report for September 2018 as presented. **MOTION CARRIED**

B. CFO Plan

Mr. Johnson referenced the Financial Functions Plan enclosed in the packet. The plan for moving forward is to employ finance staff to complete all functions listed in the plan. We will post for a CFO at the beginning of January with at least 5 years of high level finance experience working within the CMHSP and/or PIHP systems with a preference for both. We will also post for an Accountant position. We plan to develop an RFP for CFO services and post in January in the event that the CFO posting does not yield a suitable candidate. If that happens, our hope is to prepare our internal financial staff to be able to move into the position of CFO eventually.

Mr. Russell noted that the GHS CFO has left after only two months, so they will also be posting for a CFO.

The Board would like a monthly update on the CFO Plan beginning in January.

VI. EXECUTIVE COMMITTEE REPORT

A. Meeting Minutes (12.6.18)

Chairperson Curtiss presented the minutes from the Executive Committee meeting. She stated that there was much discussion about the past year, with the biggest part of it being about the CFO position and finance. A recommendation moving forward is to get a monthly update on the CFO Plan.

Ms. Kalbfleisch provided the evaluation summary for Board members to review and she will provide a copy to everyone by e-mail.

B. CEO Contract Amendment

It was recommended by the Committee that Mr. Johnson receive the 2% step increase which is consistent with what current Region 10 employees receive. In addition to that, it is recommended that he receive an additional 1.5% discretionary increase for a total of 3.5% increase to be effective January 1, 2019. It was noted that all benefits will remain the same as in the original contract.

It was moved by Mr. Barnard, seconded by Mr. Bankert, to approve the CEO Contract Amendment for a total 3.5% increase effective January 1, 2019. Ayes: Mr. Bankert, Mr. Barnard, Ms. Cole, Chairperson Curtiss, Dr. Dani, Ms. D. Johnson, Ms. J. Johnson, Mr. Jones, Ms. Mills, Mr. Priemer,

Mr. Strandberg. Nays: Ms. Keller, Mr. Kozfkay. Ayes: 11, Nays: 2. **MOTION CARRIED by roll call vote**

VII. **CORPORATE COMPLIANCE**

A. Code of Conduct

Ms. Potthoff presented the Region 10 Code of Conduct which is a new document and includes material that is found in other Region 10 documents. This document brings all of that information together. Ms. Potthoff reviewed the sections with the document.

This will be posted on the Region 10 website and employees will be required to review at hire and annually thereafter.

It was moved by Ms. Joyce Johnson, seconded by Dr. Dani, to approve the Region 10 Code of Conduct as presented. **MOTION CARRIED**

B. Corporate Compliance Presentation

Ms. Potthoff presented to the Board an overview of *Medicaid, Fraud, Waste & Abuse*. A handout was provided.

C. FY2018 National Compliance & Ethics Week

Ms. Potthoff reviewed the activities that took place at Region 10 during National Compliance and Ethics Week.

VIII. **DIRECTOR'S REPORT**

Network Adequacy Standards – The PIHPs submitted a plan for compliance to the standards in December and are already in compliance in most areas. An area Region 10 is not in compliance with is the Children's Crisis Residential, which is an issue state-wide. We were able to propose a different standard for our region. We expect a response from MDHHS in mid-January.

FY19 Rate Adjustment – The Department stated that they will not be making a rate adjustment in January as originally planned. They will continue to work with Milliman on making risk adjustments by region effective October 1, 2019, and they are committed to being more transparent during the process.

In FY19, there will be separate rates for the enrolled and unenrolled populations. The unenrolled populations in the pilot regions will be managed by a PIHP selected via an RFP process to manage all of the unenrolled in the pilot regions.

The PIHPs will start to manage the Children's Waiver and SED Waiver beginning in October 2019. They are currently fee for service programs at the CMH level.

Insurance Provider Assessments (IPA) – The HICA assessment was repealed and replaced with the IPA. This new assessment by the Michigan Department of Treasury is \$1.20 per member per month and the reimbursement for this is built into our rates. This will be retroactive to October 1, 2018. We will begin using the IPA once the CMS approval is complete by January 2019.

298 – The RFP for management of the unenrolled population will be out in January. MHPs and pilot sites are working on legislative language to propose to the Michigan legislature. Mr. Priemer asked if any PIHPs are planning to apply. Mr. Johnson stated they probably will not declare that they are until they know what the RFP contains.

Crain’s Article – Mr. Johnson presented a copy of an article from Crain’s Detroit. The article has deceiving information as they are using the preliminary FSR information to detail “structural deficits” in FY18. A response to this article by the CMHAM is expected.

Fee Schedule Development – A group is meeting regarding fee schedule development and they are building a survey tool that should be done in mid-January. Milliman will issue a final draft and then start visiting CMHSPs and PIHPs.

Performance Improvement Group – This group is continuing to work to update the performance indicators.

IX. ANY OTHER BUSINESS TO PROPERLY COME BEFORE THE BOARD

A. 2019 Board Meeting Calendar

It was moved by Ms. Keller, seconded by Ms. Cole, to approve the 2019 Board Meeting calendar as presented. **MOTION CARRIED**

Chairperson Curtiss stated the Board materials include a copy of the external audits timeline from the Board Retreat presentation that was requested to be printed out for the Board members.

Mr. Kozfkay inquired if there was any progress on the GHS funds issue. Mr. Russell stated that the lawyers have it and they are going through discovery. There will probably be mediation sometime in the first quarter.

Ms. Keller inquired if the Strategic Plan will be updated in January and Mr. Johnson stated that it would.

X. CITIZENS WISHING TO ADDRESS THE BOARD

None

XI. ADJOURNMENT

Ms. Keller motioned to adjourn the meeting. With no further business to discuss, Chairperson Curtiss adjourned the meeting at 10:20 p.m.

Respectfully submitted,

Reviewed and approved,

Robin Kalbfleisch
Recording Secretary

Wanda Cole
Region 10 Board Secretary/Designee