I. CALL TO ORDER

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

II. CITIZENS WISHING TO ADDRESS THE BOARD

None

III. AGENDA CHANGES

Chairperson Curtiss requested that the order of the agenda be changed to move the audit presentation after the finance presentation. It was moved by Ms. Keller, 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. Priemer, seconded by Ms. Keller, to approve the July 19, 2019 meeting minutes as presented. MOTION CARRIED

V. PRESENTATION: 2018 Audit and Compliance Exam

Mr. Doug Havera from BDO provided copies of the Audit Wrap Up – September 30, 2018 booklet, the Year Ended September 30, 2018 Financial Statements booklet, the Year Ended September 30, 2018
Single Audit Act Compliance, and the MDHHS Compliance Report Year Ended September 30, 2018 to each Board member. He reviewed the documents and stated there was an unmodified opinion issued on the financial statements. He noted “Findings and Questioned Costs” within the MDHHS Compliance Report that PA2 funds were not being remitted appropriately by Sanilac and Lapeer counties to Region 10; this has been the case in previous years as well. Mr. Johnson noted that the Department and the PIHP do not have authority to force the county commissioners to remit the funds; only the Department of Treasury has the authority. It was discussed that we should request reports from the counties regarding the PA2 funds. Ms. Cole will bring up the subject at the SUD Oversight Board meeting.

VI. FINANCE

A. FY2019 Budget

   Presented by Mr. Carpenter.

   Presented by Mr. Carpenter. He reviewed the eligibles: DAB is consistent. TANF and Healthy Michigan eligible are on a downward trend. The revenue impact for this decrease is very small but we will keep an eye on it. The HAB slots paid will pop back up when the subsequent month retroactive payment is received. Under revenue, the increase to DAB and HAB in April is due to the direct care wage increase. There is a Medicaid surplus of $22 million and $12 million of Medicaid Savings from last year. We anticipate we will take approximately that same amount of savings into FY20. The remainder of about $10 million will be used for the Healthy Michigan deficit of about $961,180.

   There was a question regarding the eligibles and whether they will remain consistent through FY20. There was discussion on how the State is working on a process for determining eligibility and the possible implications of that.

   It was moved by Ms. Mills, seconded by Ms. Joyce Johnson, to approve the Monthly Finance Reports for May 2019 and June 2019 as presented. MOTION CARRIED

   Presented by Mr. Carpenter.

   It was moved by Mr. Priemer, seconded by Ms. Cole, to approve the Monthly Payment Report for May 2019 as presented. MOTION CARRIED

   Presented by Mr. Carpenter.

   It was moved by Ms. Keller, seconded by Mr. Strandberg, to approve the Monthly Payment Report for June 2019 as presented. MOTION CARRIED

B. Financial Staffing Update

Mr. Johnson reported that training is underway for the finance person recently hired. She has healthcare experience but no PIHP or CMH experience. She will be handling the internal management of finance, including finance related to the SUD network.
VII. **PIHP-CMH FY19 CONTRACT AMENDMENTS (Action)**

Ms. Potthoff reviewed the changes made to the FY19 PIHP-CMH contracts that are a direct result of the MDHHS-PIHP amendment that was presented to this Board in July. There was also another update made to the GHS contract due to one GHS leased staff change.

It was moved by Ms. Keller, seconded by Ms. Cole, to approve the FY19 PIHP-CMH Contract Amendments as presented. **MOTION CARRIED**

VIII. **DIRECTOR’S REPORT**

**Waivers** - Mr. Johnson reported that all waivers have been reviewed publicly and submitted to CMS for approval. The Department expects an implementation date of October 1st, 2019. This includes implementation of the GAIN assessment, as that is a requirement within the 1115 Waiver. There are still discussions taking place in Lansing regarding this assessment. In addition, a big issue regarding the waivers is that the Department will determine eligibility annually by person for the (b)3 services. The process for determining eligibility is still being worked out.

**Lakeshore** - The Department has stated that they will appoint a new Board for the Lakeshore region, which will consist of CMH representatives, individuals from the advocacy communities, and people with lived experience and their family members. This Board will not be a true governing board, but more like our SUD Advisory Board. The current Lakeshore PIHP Board will no longer be in place as of September 30th.

**MDOC** – The Department is negotiating the PIHP contracts to include management of the community based behavioral health benefit in the corrections system. The contract negotiations group has had discussions with the Department regarding updating the contract and making the public behavioral health network available to the DOC as opposed to making the public behavioral health system a department of the DOC.

**298** - CMHSPs and Health Plans are still meeting. The Department has stated that an agreement needs to be made on how they will proceed by October 1st, 2019 (for implementation Oct. 1, 2020). The PIHPs have not been involved in the discussions at this time and will only become involved after an agreement has been made for moving forward. Mr. Johnson stated there have been discussions regarding the regions moving forward in the pilots with only the larger Health Plans participating. Mr. Russell concurred with these statements and stated that there has been nothing formal about the Health Plans being able to opt out.

**Utilization Management Redesign** – A pilot is currently taking place in St. Clair, Lapeer, and Sanilac counties. The pilot is not occurring in Genesee county; however, GHS has been involved in the planning meetings with the intent of GHS being involved in the redesigned UM process once we are clear what our relationship will be moving forward. The goal is to have a standardized Utilization Management system that will provide more consistency and a more efficient system. Service protocols will be tweaked as needed based on data received from the pilot. Per Ms. VanWormer, the pilot is slated to end September 30th. The data from the pilots will be reviewed by Region 10 Management in September and discussions with PCE will begin regarding updates to the system.
IX. **ANY OTHER BUSINESS TO PROPERTY COME BEFORE THE BOARD**

There has been ongoing dialogue about the public behavioral healthcare system being moved under the Medical Services Administration (MSA). Nothing formal has been put out regarding this, but there are concerns of the effect it would have on the behavioral healthcare system.

Chairperson Curtiss stated that the September Board meeting date needs to be changed to either September 27th or 30th. After a show of hands, it was determined that the meeting would be moved to September 30th at GHS and that the FY20 budget will need to be approved at that time, so it is very important that there is a quorum present. An email reminder will be sent out.

Ms. Keller reminded Regulatory Compliance Committee members that there will be a meeting today after this Board meeting.

X. **CITIZENS WISHING TO ADDRESS THE BOARD**

None

XI. **ADJOURNMENT**

Motion by Ms. Joyce Johnson to adjourn the meeting. With no further business to discuss, Chairperson Curtiss adjourned the meeting at 10:04 a.m.

Respectfully submitted, Reviewed and approved,

Robin Kalbfleisch Wanda Cole
Recording Secretary Region 10 Board Secretary/Designee