COMMUNITY MENTAL HEALTH PARTNERSHIP OF SOUTHEAST MICHIGAN
REGULAR BOARD MEETING
705 N. Zeeb Rd, Ann Arbor, MI
Wednesday, May 10, 2017
6:00 PM

Agenda

		Guide
I.	Call to Order	1 min
II.	Roll Call	2 min
III.	Consideration to Adopt the Agenda as Presented	2 min
IV.	Consideration to Approve the Minutes of the 4-12-17 Regular Meeting and Waive the Reading Thereof (Board Action) {Attachment #1}	2 min
V.	Audience Participation (5 minutes per participant)	
VI.	Old Business a. April Finance Report {Attachment #2} b. Consideration to approve FY 17 CMHPSM Budget Amendment {Attachment #3}	30 min
VII.	New Business	10 min
VIII.	PIHP CEO Report to the Board a. Report from the SUD Oversight Policy Board (OPB) b. Legislative Luncheon	15 min
IX.	Adjournment	

Attachment #1 – May 2017

COMMUNITY MENTAL HEALTH PARTNERSHIP OF SOUTHEAST MICHIGAN
REGULAR BOARD MEETING MINUTES
April 12, 2017

Members Present: Judy Ackley, Greg Adams, Lisa Berry-Bobovski, Martha Bloom, Barb Cox, Greg Lane, Sandra Libstorff, Charles Londo, Kent Martinez-Kratz, David Oblak, Caroline Richardson, Sharon Slaton, Ralph Tillotson

Members Absent: Charles Coleman

Staff Present: Connie Conklin (phone), Jane Terwilliger, Katherine Szewczuk, Stephannie Weary, Marci Scalera, Lisa Jennings, Trish Cortes, Suzanne Stolz, James Colaianne, Matt McDaniels,

Others Present: John Torres (Juvenile Drug Court Coordinator, Washtenaw), Laurie Lutomski

I. Call to Order
Meeting called to order at 6:00 p.m. by Board Chair Ralph Tillotson

II. Roll Call
- A quorum of members present was confirmed.
- David Oblak will represent the Oversight Policy Board until Charles Coleman returns.

III. Consideration to Adopt the Agenda as Presented

Motion by G. Lane, supported by J. Ackley, to add the PCE contract to the agenda
Motion carried

Motion by G. Lane, supported by K. Martinez-Kratz, to approve the agenda as amended
Motion carried

IV. Consideration to Approve the Minutes of the February 8, 2017 Regular Meeting and Waive the Reading Thereof

Motion by G. Lane, supported by S. Slaton, to approve the minutes of February 8, 2017 Regular Meeting and waive the reading thereof
Motion carried

V. Audience Participation
None

VI. Old Business
a. April Finance Report
   - S. Stolz presented the April finance report.
   - There are still issues with the CHAMPS system. Regional Board and staff discussed the CHAMPS issues.

Motion by G. Lane, supported by S. Slaton, to authorize J. Terwilliger to retain legal services to draft a letter to MDHHS concerning CHAMPS
Motion carried

b. SUD Request for Proposal (RFP)
   - The Treatment and Prevention RFPs will be released tomorrow.
   - All providers will have to resubmit their proposals for services for FY 2018 and beyond.

VII. New Business,

a. Department of Corrections SUD Contracts
   - As a group, the PIHPs have offered to manage the DOC's SUD contracts.

b. PCE Contract

Motion by L. Berry-Bobovski, supported by C. Richardson, to approve the PCE contract as presented
Motion carried

VIII. PIHP CEO Report to the Board

a. Strategic Plan
   - J. Terwilliger provided an overview of the PIHP's strategic plan. The Board provided feedback.

b. SUD Updates
   - M. Scalera shared the results of the 2016 Recovery Self-Assessment (RSA) Analysis.
   - M. Scalera provided an overview of the 4 Requests for Information (RFIs) that were released by the state, for which the PIHP has applied.

IX. Adjournment

Motion by B. Cox, supported by S. Slaton, to adjourn the meeting
Motion carried

Meeting adjourned at 8:15 p.m.

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Barbara Cox, CMHPSM Board Secretary

DRAFT

Financial Highlights
For the Period Ending March 31, 2017

Statement of Revenue and Expenses:

1. Revenue

   - Autism Medicaid is under budget due to timing. Autism is payment delayed. Payments are five months in arrears.
   - SUD Block Grant and PA2 revenues are under and over budget respectively due to timing of payments. Expenditures are under due to delayed implementation of programs and over budget do to treatment services, these budgets will be amended based on utilization. Expenditures correlate with revenues. PA2 Revenue fund distributions were not made for the 1st quarter of FY17 by the State of Michigan.

2. Expenditures

   - The State of Michigan use tax concluded in December of 2016, budget to be amended based on final taxes calculated.
   - Administrative costs are under budget due to vacant positions.

CMHPSM Strategies:

1. CMHPSM will continue coordinate with CMHSP's to review current year budgets and actual expenditures, making amendments as needed.

2. A shared decision model will be utilized to monitor and stabilize budgets and services while projected usage of risk reserves in the current year and subsequent years.

3. CMHPSM will trend traditional Medicaid Eligibles and HMP Enrollees from the most current listing to apply the rates and monitor incoming revenues.

Note:

The fiscal year 2016 audit will be presented at the June board meeting. The audit was delayed due to a partner compliance audit finding.

The eligibility issue with CHAMPS has been resolved. CMHPSM and the partner's staff are diligently working to update reports and projections.

Community Mental Health Partnership of Southeast Michigan
Statement of Revenues and Expenditures
Budget 1st Amend
For the Period Ending March 31, 2017

	FY17 Original Budget	YTD Actual	YTD Budget	YTD Actual O/(U) Budget	**FY17 1st Amend**	Budget Increase (Decrease)	Budget 1st Amend Notes
Operating Revenue							
Medicaid Capitation	$127,437,570	$64,216,608	$63,718,785	$497,823 a	$128,341,084	$903,514	**1**
Medicaid SUD Capitation	1,633,100	651,389	816,550	(165,160) b	1,302,779	(330,321)	**2**
Medicaid Carryforward	7,763,318	3,881,659	3,881,659	-	5,171,523	(2,591,795)	**3**
Healthy Michigan Plan	9,417,682	4,733,665	4,708,841	24,824 a	9,467,330	49,648	**1**
Healthy Michigan Plan SUD	3,250,389	1,594,765	1,625,195	(30,430) b	3,189,530	(60,859)	**2**
Healthy Michigan Carryforward	2,414,927	1,207,464	1,207,464	-	1,726,329	(688,598)	**3**
Autism	1,661,715	376,668	830,858	(454,190) c	1,661,715	-	**4**
SUD Community Block Grant	3,694,050	1,847,025	1,847,025	-	3,694,050	-	
Block Grants	73,410	25,320	36,705	(11,385)	73,410	-	
SUD PA2 - Cobo Tax Revenue	1,806,604	-	903,302	(903,302) d	1,434,893	(371,711)	**5**
Local Match	1,577,780	788,890	788,890	-	1,577,780	-	
Other Revenue	253,225	120,142	126,613	(6,471)	253,225	-	
Use of Risk Reserve					1,241,349	1,241,349	**6**
Total Revenue	**$160,983,770**	**$79,443,595**	**$80,491,885**	**$(1,048,290)**	**$157,893,648**	**$(1,848,773)**	
Funding For CMHSP Partners							
Lenawee CMHSP	17,898,153	8,911,211	8,949,077	(37,865) e	17,898,153	-	
Livingston CMHSP	24,926,088	12,234,207	12,463,044	(228,837) e	24,926,088	-	
Monroe CMHSP	26,589,319	13,201,763	13,294,660	(92,897) e	26,589,319	-	
Washtenaw CMHSP	67,904,980	33,830,400	33,952,490	(122,090) e	67,863,000	(41,980)	**1**
Total Funding For CMHSP Partners	**$ 137,318,540**	**$ 68,177,581**	**$68,659,270**	**$ (481,689)**	**$137,276,560**	**$(41,980)**	
Funding For SUD Services							
Lenawee County	1,278,823	590,727	$639,412	(48,685) f	1,301,705	22,882	**2**
Livingston County	1,614,420	763,162	807,210	(44,048) f	1,485,422	(128,998)	**2**
Monroe County	1,506,177	725,369	753,089	(27,719) f	1,460,581	(45,596)	**2**
Washtenaw County	4,026,893	2,556,135	2,013,447	542,689 g	5,283,247	1,256,354	**2**
Total Funding For SUD Services	**$ 8,426,313**	**$ 4,635,394**	**$4,213,157**	**$422,237**	**$9,530,955**	**$1,104,642**	
Other Contractual Obligations							
Hospital Rate Adjuster	2,207,816	1,050,892	$1,103,908	(53,016)	2,207,816	-	
USE and HICA Tax	4,949,850	2,514,926	2,474,925	40,001	3,521,089	(1,428,761)	**3**
Local Match	1,577,780	788,890	788,890	-	1,577,780	-	
Total Other Costs	**$8,735,446**	**$4,354,708**	**$4,367,723**	**$(13,014)**	**$7,306,685**	**$(1,428,761)**	
CMHPSM Administrative Costs							
Salary& Fringe	2,002,998	899,038	$1,001,499	(102,461) h	2,002,998	-	
Administrative Contracts	1,143,352	575,209	571,676	3,533	1,334,727	200,000	**4**
Board Expense	14,260	2,681	7,130	(4,449)	14,130	-	
All Other Costs	203,135	65,007	101,568	(36,560)	211,890	-	
Total Administrative Expense	**$3,363,745**	**$1,541,935**	**$1,681,873**	**$(139,938)**	**$3,563,745**	**$200,000**	
Carry Forward	**$3,139,726**		**1,569,863**	**(1,569,863)**	**215,703**		
Total Expense	**$160,983,770**	**$78,709,618**	**$80,491,885**	**$(1,782,266)**	**$157,893,648**	**$(166,099)**	
Revenues over (under) Expenditures		**$733,977**					

a - Over budget due to eligibles trended higher.
b - Under budget due to rates were amended for Apr 17- Sep 17 and slightly lower than Oct 16-Mar 17 rates.
c - Timing difference, Autism benefit receipts delayed.
d - PA2 first quarter distribution was not made by the Michigan Department of Treasury.
e - Under budget due to autism payments delayed therefore not distributed to partners.
f - SUD expenses are under budget, Projects awarded for engagement centers have not been fully implemented.
g - Treatment services over budget, primarily HMP.
h - Administrative expenses under budget due to vacant positions through the year.

Fiscal Year 2017
Budget 1st Amend Notes

Revenues

1) Eligibles trended higher, budget increased to reflect those trends.

2) Rates amended for Apr 17- Sep 17 were slightly lower than Oct 16-Mar 17 rates.

3) Adjusted based on final closeout with MDHHS.

4) Autism will be paid at fee screens established by MDHHS, budget will be amended before fiscal year end based on final trending. Current timing difference due to Autism payments are paid 5 months in arrears.

5) PA2 1st quarter distributions were not made by the State of Michigan, budget reflects projected 3 quarters of payments.

6) Risk reserve for HMP will be utilized to cover projected partner's overage.

Expenditures

1) Health Home revenue is not being utilized by Washtenaw in FY17, original budget recognized reduction in revenues, not expenditures.

2) Adjusted SUD budgets to reflect actual utilization of treatment services and prior year trending in addition to adjustments made for approved new block grant and PA2 contracts.

3) Decreased due to HMO USE tax being discontinued as of 12/31/16. Adjustment based on final return.

4) Administrative contracts increased due to implementation of EHR and related contracts.

COMMUNITY MENTAL HEALTH PARTNERSHIP OF SOUTHEAST MICHIGAN

Projected Summary by Funding Source

FY 2016/2017

		Current Budget	Projected Use of Funding Source	Over (Under) Final Budget to Actual
MEDICAID	Lenawee	16,253,000	14,500,000	(1,753,000)
	Livingston	22,547,500	22,073,376	(474,124)
	Monroe	24,332,600	25,082,600	750,000
	Washtenaw	62,100,000	62,207,494	107,494
	Medicaid Total	**125,233,100**	**123,863,470**	**(1,369,630)**
HMP	Lenawee	1,500,000	1,537,488	37,488
	Livingston	1,800,000	2,158,422	358,422
	Monroe	2,000,000	2,250,000	250,000
	Washtenaw	5,200,000	7,268,916	2,068,916
	HMP Total	**10,500,000**	**13,214,826**	**2,714,826**

COMMUNITY MENTAL HEALTH PARTNERSHIP OF SOUTHEAST MICHIGAN
Projected Summary by Funding Source
FY 2016/2017

	1st Amend Budget	FY16 Carryforward	Use of Risk Reserve	Total FY17 Revenues	Admin & Operations	Projected YTD use by affiliates	Projected YTD Expenditures	Projected Revenues over (under) Expenditures
MEDICAID	128,341,084	5,171,523		133,512,607	8,689,009	123,863,470	132,552,479	960,128
HMP	9,467,330	1,726,329	1,241,349	12,435,008	603,641	13,214,826	13,818,467	(1,383,459)
TOTALS	137,808,414	6,897,852	1,241,349	145,947,615	9,292,650	137,078,296	146,370,946	(423,331)

	ISF Available
Medicaid ISF	10,149,157
HMP ISF	1,241,349
Total ISF	11,390,506

Attachment #3 – May, 2017

Regional Board Action Request

Board Meeting Date: May 10, 2017

Action Requested: Approve the proposed 2017 1st Amend Budget and allocations as presented.

Background: The fiscal year 2017 1st amend budget is representative and in an adherence to the contracts entered into with the Michigan Department of Health and Human Services (MDHHS).

Connection to PIHP/MDCH Contract, Regional Strategic Plan or Shared Governance Model:

PIHP/MDCH Contract Section 8.0 Contract Financing
CMHPSM Regional Agreements

Recommend: Approval

Attachment #4 – May, 2017

LEGISLATIVE LUNCHEON

Hosted by the Community Mental Health Services Programs in Lenawee, Livingston, Monroe and Washtenaw Counties and the Community Mental Health Partnership of Southeast Michigan

Agenda

Agenda Item	Time Frame
1. Welcome and Introductions—What are the most important Behavioral Health/Substance Use related issues you would like to discuss today?	15 minutes
2. Current Regional Structure a) *CMHPSM and CMHs* b) *Shared Governance*	15 minutes
3. Accomplishments Across the Region	15 minutes
4. FY 18 Policy Priorities	10 minutes
5. FY 18 Budget Priorities	10 minutes
6. Comments and Questions	15 minutes
7. Next Steps	5 minutes

History of CMHPSM Region

- Since 1997 Lenawee, Livingston, Monroe and Washtenaw CMHs have been working together to standardize processes, create efficiencies, and build an effective behavioral health managed care delivery system for individuals with Medicaid and those without adequate health insurance.
- In 2002, when the Prepaid Inpatient Health Plans were first procured by MDCH (now MDHHS), the Washtenaw Community Health Organization (WCHO) became the PIHP for the four county region and the four county partnership named itself the "Community Mental Health Partnership of Southeast Michigan".
- The mission of the Partnership has always been to ensure quality services for consumers, seek opportunities for standardization and/or centralization to gain efficiencies, and pursue implementation of Evidence Based Practices to constantly improve consumer outcomes.
- In 2013, the same four CMHs were given the opportunity by MDHHS to submit an Application for Participation as one of the ten newly designed PIHPs. Besides the 3 stand alone PIHPs and the UP region, we were the only other PIHP region that was not required to either split up or add additional partners.
- For over 20 years we have had a successful history of managing the behavioral health needs for Medicaid recipients across our region who have serious mental illness, substance use disorders, and Intellectual/Developmental Disabilities

Governance Structure and Process

- The CMHPSM Board is comprised of 13 members—3 appointed by each Partner CMH and one appointed by the SUD Oversight Policy Board
- Of the 13 members, four are primary consumers, four are secondary consumers, three are general community members, and two are in healthcare related positions. In addition to the other categories where they fit, two of the 13 are county commissioners.
- According to its Bylaws and Governance Policies, the Board governs with an emphasis on (a) outward vision, (b) diversity in viewpoints, (c) strategic leadership, (d) clear distinction of Board and CEO roles, (e) collective rather than individual decisions and, (f) proactivity
- In its Regional Operations Agreement, the Board has created a Regional Operations Committee (ROC) that is comprised of the CMHPSM CEO and Clinical Director and the Executive Directors of the four CMHs.
- The ROC meets regularly and its purpose, in collaboration with the CMHPSM Board and CMHPSM Chief Executive Officer, is to create the vision, mission and long term plans for the CMHPSM. The ROC and the CMHPSM Chief Executive Officer establish and coordinate the priorities for the CMHPSM Board consideration and approval.

Shared Governance Value and Process

- The organization of the CMHPSM is based on a shared governance model that
  - Utilizes an administrative structure that empowers regional committees to maximize the use of the current best practices of each Partner (both administrative and clinical),
  - Creates venues that allow voices from all consumer populations and the Partners to be heard, and
  - Includes certain checks and balances to ensure that governance remains equal and that the operation of the CMHPSM and its governance board is for the service of the Partners while still achieving the highest level of fiscal, program and regulatory compliance.

Standardization and Centralization to Create Regional Efficiencies

- Standardization
  - *Policies and Procedures*
  - *Staff Training Requirements for CMHs as well as providers*
  - *Standard provider contracts used across the region*
  - *Set of Standard Financial and Management Reports*
  - *Regional Committee Structure for Customer Services, Compliance, Utilization Management/Review, Network Management, EHR and IT Reporting, Clinical Practices and Performance Improvement, and Finance*
- Centralization
  - *Office of Recipient Rights contracted by CMHs through Washtenaw County CMH*
  - *Regional Electronic Health Record held by CMHPSM*
  - *Health Information Exchange (HIE) for care coordination activities through the Regional EHR*
  - *Regional Provider Network held by CMHPSM*
  - *Regional Statistician for Healthcare Analytics*
  - *Personal Emergency Response System (PERS) provided by Livingston CMHA*
  - *Afterhours Crisis Response Line provided by Washtenaw County CMH*

CMHPSM Operations

- Responsibilities
  - *Manage Medicaid/Healthy Michigan Plan and Federal Block Grant Contracts for CMHPSM region:*
    - Mental Health and SUD Treatment
    - SUD Prevention Services
    - Autism Benefit
    - Home and Community Based Services (HCBS) Waiver
    - State HCBS Transition Plan
    - SIS (Severity and Intensity Scale) Assessments for all Individuals with an Intellectual/Developmental Disability
    - Children's Waiver
    - Care Coordination with Medicaid Health Plans
    - Region wide Quality Assurance and Performance Improvement Program (QAPIP)
    - Maintain Provider Network for CMHPSM region
    - Manage the Regional Electronic Health Record
    - Reporting to MDHHS for the region, i.e. financial, data, and encounter reporting
  - *Ensure regional compliance with Federal and State laws, regulations, and rules*
  - *Monitor and support CMHs and SUD providers to ensure consumers are receiving the right services, at the right time, and in the right amounts*
- Staffing: 20.5 FTEs
- PIHP Administrative Expense: 2% of total revenue

Accomplishments Across the CMHPSM Region

- Regional Implementation of Evidence Based Practices including ACT, PMTO, DBT,
- Regional participation in the Statewide Integrated Health Learning Collaboratives, staff training leading to Certificates in Integrated Care from the University of Massachusetts, receipt of Federal Block Grant funding to support local health care integration with Federally Qualified Health Centers (FQHCs) and local primary care providers
- Community collaboration across the region to address Social Determinants of Health that lead to poor health outcomes and high utilization rates
- Jail Diversion and Specialty Courts across the region
- SUD Prevention and Treatment Services across the region
- Naloxone distributed to First Responders across the region
- High consumer satisfaction reflected in 2015 and 2016 consumer surveys
- History of regional PIHP financial stability since 2002 when the PIHPs were first formed.

Care Coordination Activities Across the Region

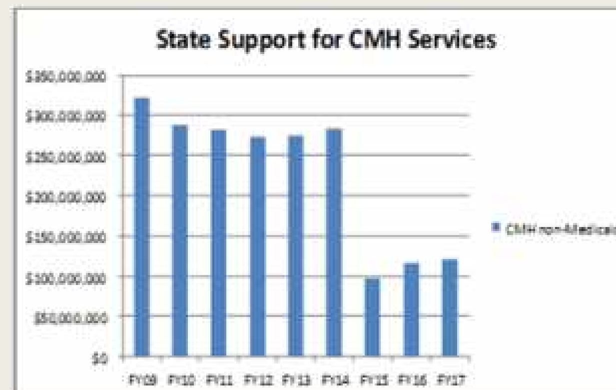
- Health Care happens locally
- Co-location of services at FQHCs in Lenawee, Monroe, and Washtenaw Counties and in medical practices in Livingston County leading to collaborative relationships with primary care providers.
- Washtenaw SAMHSA grant for integrated care and MDHHS grant for the creation of a Health Home
- SIM site for Washtenaw and Livingston Counties
- Ongoing Care Coordination activities with Medicaid Health Plans
- Care coordination with the Veteran's Administration
- Access to the Health Information Exchange (HIE) for improved care coordination—labs, hospital records—admissions, discharges and transfers (ADTs)

FY 18 Policy Priorities

- Support Healthy Michigan Plan
- Adjust data collection requirements for CMHs when serving individuals with Mild to Moderate conditions as the full data set of demographic information now required is not necessary when brief focused outpatient treatment is provided
- CMH Financing Modernization to allow CMHs to reinvest savings into services and to ensure fiscal stability
- Retain Medicaid eligibility for inmates awaiting trial to support physical health care, mental health, and SUD treatment

FY 18 Budget Priorities

- Wage increase for Direct Support Workers
- Medicaid Funding
  - *Full support of the Medicaid program, including HMP*
  - *Medicaid rates must fully support program expectations in a timely fashion (i.e. eliminate/reduce delay in paying for autism services)*
- Regulatory reform—enforce and strengthen Section 994 Deemed Status
- Need for additional GF dollars



House & Senate Recommendation Concerns

- Section 298 process built foundational components to design an optimal public system.
- Current proposal being considered is focused on shifting funding at the payer level
- Health Plans cross state lines
  - *No assurance reinvestment will be directly to State of Michigan*
- Array of services is unique and robust in Michigan (Waivers)
- Michigan's focus is least restrictive setting based on consumer choice

House & Senate Recommendation Concerns

- Currently CMHSP's contract with 1 PIHP. Under the new arrangement will the CMHSP have to hold contracts with all health plans? If so the administrative overhead to manage multiple contract expectations will take away funds from direct services
- Risk of stepping backwards into non-fiscally sound fee for service environment is high with Health Plans.
- Health Plans do not have the longstanding relationships with other public/private sector safety net providers (courts, public safety, housing, employers, child welfare, schools, etc.)?
- Each community is unique and the public mental health system must be able to address unique challenges and opportunities based on local needs.

House & Senate Recommendation Concerns

- Private & Public requirements are different
  - *What assurances will be put in place as regulatory requirements change that citizens will have same protections currently defined in the Michigan Mental Health Code and Medicaid Provider Manual.*
- Who manages the funding should not drive the clinical service delivery model?
- What data points suggest that the Health Plans have effectively managed the needs of the mild to moderate population?
- What role does the public system including the State of Michigan have in assuring beneficiaries receive the highest quality of care?

Comments and Questions

Next Steps