

CEO Report
May 24, 2023

Hello and good afternoon, it is a Great Day to be a part of the Lakeshore Regional Entity!

PIHP/REGIONAL Update

1. **LRE Updates**

- **LRE CEO Evaluation Process**

Mr. Bill Riley is working with the LRE Executive Committee to update the CEO evaluation process to be more streamlined. A draft will be brought to the full Board for review when it is complete.

Update: The draft process has been completed and will be sent to the Executive Committee for review.

- **Behavioral Health Conferences**

It is that time of year when staff are able to attend the many informative conferences that CMHAM and other organizations offer. This week many of the LRE staff attended the Improving Outcomes conference and the Harm Reduction Summit. In June staff will be attending the CMHAM Summer conference. These conferences are a great way for LRE staff to stay updated on statewide happenings, to learn about new initiatives and to network with their counterparts from other organizations. The LRE encourages staff to take advantage of these opportunities to broaden their scope and knowledge base.

2. **Regional Updates**

- **Historical Deficit Update**

Honorable Judge Shapiro ruled on the Declaratory Action. The ruling states that the LRE is allowed to use its Internal Service Fund, MA Savings, or current year revenue to pay historical deficits. LRE leadership, CMH leadership and the LRE Board of Directors Executive Committee have established weekly meetings to evaluate scenarios of how funding can be disbursed to address the historical deficit.

Update: The deadline for the State to appeal has passed. LRE legal Chris Ryan, Dickinson-Wright drafted and sent a letter to MDHHS (letter was sent to Board members) requesting an update of when we can expect to receive MDHHS' share of the deficit payment (55% or \$16,253,009) in accordance with the ruling of the Court as outlined in the proposal to eliminate the deficit which was incorporated into the administrative settlement agreement that ultimately took LRE off

sanctions. LRE has not received a response as of this writing.

- Funding Revenue Streams/HAB Waiver Slot/Behavioral Health Homes/Opioid Health Homes
 - HAB Waiver – During weekly meetings with MDHHS there has been ongoing discussion about the allocation of HSW slots. Region 3 has historically been under the state average number of slots although we consistently utilize every slot and have a need for more. LRE has requested 269 additional waiver slots which will bring us up to the state average. Mr. Wieferrich has agreed to review this request internally and stated that this is a good opportunity because the state is re-evaluating the waiver slots because their 372 report is being completed for CMS.
 - Behavioral Health Homes (BHH)/Opioid Health Homes (OHH) – LRE met with the state about BHH/OHH. The state had originally stated that LRE did not qualify based on how we are set up because they are supposed to be run at the PIHP. LRE met with Lindsey Naeyaert and explained that these are already being run through the CMHs and CCBHC. Lindsey stated that she is going to try to revise what was submitted to CMS or to get a waiver to move forward. This will add additional revenue to the region for the people that are already being served in the CCBHC.

- FY 21 and FY 22 Finance Audits –
 - The FY21 and FY22 Compliance Exams are wrapping up while the Single Audit will begin this week as well. The goal is to have the FY21 and FY22 Compliance Audits (specific to the PIHP/CMHSP system related to contracts with the State) and the Single Audit (specifically required for federal funding) with reports concluded by the June 22 deadline.
 - There has been no update regarding the sanction issue. A new date has not been scheduled at the time of this report.

- Wakely Update

LRE will be wrapping up the work with Wakely over the next few months. The contract has been extended to 9/30/2023 to continue working on a regional rate analysis and the ISF analysis. Wakely will present the information to the Board when it is complete.

- Medicaid Enrollment and the Public Health Emergency Unwind

The LRE has been conducting analysis on the decline in MC enrollment. It is important to state that this information is an educated guess with some areas that we do not have answers on. The BOD will continue to get updates monthly as we

know more. The areas that impact our ability to project include: unclear what percentage of the general Medicaid population will be disenrolled, what type of a rate adjustment will there be if any to offset the decrease in enrollments, change in Direct Care Wage process, and the reduction in the 2024 Region 3 rates (2 year rate cycle and 2024 will be year two of the overall 5%, which is 2.5% each year).

STATE OF MICHIGAN/STATEWIDE ACTIVITIES

3. **CCBHC Demonstration**

On April 20, 2023, MDHHS sent out a letter announcing an opportunity to join the CCBHC Demonstration beginning October 1, 2023 (FY24). This letter details that MDHHS is requesting funds to expand the CCBHC demonstration to allow any new CMHSPs to participate in the demonstration. This letter also includes a timeline and requirements that CMHSPs seeking to join the demonstration must meet prior to joining on October 1, 2023. Please note that current CCBHC demonstration sites will also be permitted to expand for FY24, and that MDHHS intend to seek additional funding to support further expansion in the future.

Update: Network180, OnPoint, and Ottawa CMH all intend to participate in the demonstration making our region a fully CCBHC demonstration area.

CCBHC Expansion Timeline

<i>Requirement</i>	<i>Deadline</i>
Attend Informational Session (optional)	April 24, 2023
Complete Intent to Submit Certification Application Survey	May 5, 2023
CCBHC OMB Cost Report Due	July 1, 2023
CCBHC Needs Assessment Due*	July 1, 2023
CCBHC Certification Application Due	July 1, 2023
Attend CCBHC Kick-Off	September 2023 (date TBD)
New Sites Begin CCBHC Services	October 1, 2023

4. **MDHHS Jeff Wieferich Role Change**

Mr. Wieferich, Director of Bureau of Specialty Behavioral Health Services within MDHHS will be making a move to Senior Executive of the State Psychiatric Hospitals/Centers, effective June 11. We wish him good luck in his new role.

FEDERAL/NATIONAL ACTIVITIES

5. Direct Care Work Force Federal Legislation

There have been two pieces of legislation that have been reintroduced that would help support DC workers.

- i. [Recognizing the Role of Direct Support Professionals Act](#) which will create a standard occupational classification code that can be tracked and will help to set sufficient rates for DCW.
- ii. [Supporting our Direct Care Workforce and Family Caregivers Act](#) which will use grants and the Administration of Community Living to help with recruiting, training and retention.

OTHER

6. Board Works Videos Available Online:

The CMHA BoardWorks program was developed to assist Board members in fulfilling their obligations as CMH leaders, directors of policy, and advocates for those they serve. Traditionally, these modules have been offered at conferences and through DVDs. CMHA now offers updated modules available for viewing on our website. The following BoardWorks modules are currently available with more to come! Click [here](#) to view.

- Foundations – Intended Beneficiary Command
- Foundations – Public Policy
- Management – Systems
- Current and Future Funding for CMHSPs and PIHPs (formerly Budgets)
- Leadership – Participatory Governance and Ethical Implications (formerly Character)

Report by Mary Marlatt-Dumas, CEO, Lakeshore Regional Entity