

Meeting Minutes
BOARD OF DIRECTORS
Lakeshore Regional Entity
HealthWest
376 E. Apple Avenue, Muskegon, MI 49442
January 16, 2020 – 1:00 PM

WELCOME AND INTRODUCTIONS – Mr. DeYoung

Mr. DeYoung called the January 16, 2019 LRE Board meeting to order at 1:03 PM.

ROLL CALL/CONFLICT OF INTEREST QUESTION – Mr. Stek

In Attendance: Mark DeYoung, Peg Driesenga, Matt Fenske, Patricia Gardner, Jack Greenfield, Ron Sanders, John Snider, Stan Stek, Jane Verduin,

Absent: Nancy Pagan, Stevi Riel

No conflicts of interest were declared.

PUBLIC COMMENT

None.

CONSENT ITEMS:

LRE 20-01 Motion: To approve by consent the following items.

- a. January 16, 2020 Board of Directors meeting agenda
- b. December 19, 2019 Board of Directors meeting minutes

Moved by: John Snider

Support: Patricia Gardner

MOTION CARRIED

STAFF REPORTS –

Reports are included in packet for information.

Mr. Greenfield recommends that we continue to keep an eye on the challenges of legalizing Cannabis.

CHAIRPERSON’S REPORT – Mr. DeYoung

Minutes from the January 8, 2020 Executive Committee meeting are included in the packet.

Mr. DeYoung highlights the following:

- Continue to discuss strategies for ongoing settlement discussions with MDHHS.
- Susan Wakefield has handed in her resignation from the LRE Board. The Board has lost 2 members within the last month. Mr. DeYoung would like a recommendation from the current Board members if replacements should be approached or to leave as is, due to the current situation with the State contract.

- Ms. Verduin recommends that the LRE proceeds in filling the empty positions.
- Mr. Stek recommends that we contact the CMHs and request new nominations.

ACTION ITEMS

LRE 20-02 Motion: To approve the FY2020 LRE Financial Risk Management Plan.

Moved: Patricia Gardner

Support: John Snider

This is a requirement of all PIHPs and explains how regional risk management will be addressed. This document was pulled off the Board agenda in December for further review. The feedback and concerns have been addressed. MDHHS has seen a preliminary draft, but there has been no response.

ROLL CALL VOTE – UNANIMOUS

MOTION CARRIED

LRE 20-03 Motion: To approve Amendment #1 to PIHP/CMHSP Medicaid Managed Specialty Supports and Services 1115 Demonstration Waiver, 1915 (c)/(i) Waiver Program(s), the Healthy Michigan Program Flint 1115 Demonstration Waiver Substance Use Disorder Community Grant Programs – Exhibit E.

Moved: Stan Stek

Support: Jane Verduin

This contract amendment is to approve additional funding that was received from the State and will be disbursed as specified. These funds will help with targeted response for opioid services.

ROLL CALL VOTE – UNANIMOUS

MOTION CARRIED

FINANCIAL REPORT AND FUNDING DISTRIBUTION

FY2020 December Funds Distribution

Included in the Board packet for information.

Ms. Coleman highlights additional items.

- Legal Costs - \$19,000
- Milliman Costs - \$18,000
- Total grant award + \$456,000

LRE 20-04 Motion: To approve the FY2020 December Funds Distribution as presented

Moved by: Jack Greenfield Support: John Snider

ROLL CALL VOTE – UNANIMOUS
MOTION CARRIED

Statement of Activities as of 11/30/2019 and Variance Report-

Presented by Ms. Coleman for information.

- The State is no longer prepaying SUD BG (Block Grant), we now submit the amounts for payment and have not been reimbursed for our submissions yet.
- The LRE will receive the hospital rate adjuster in February.
- Ms. Coleman comments that there are items that are budgeted for but do not come out until the end of the year and that is why we see the variance, such as, HRA and taxes (\$2 million variance) or revenue for HSW.
- LRE/Beacon/CMHs are monitoring and documenting funds being received and the differences in the projections. MDHHS has been very cooperative in working with the organizations to resolve revenue issues.
- The LRE will continue to monitor the impact of the work requirements on enrollment, which may have an impact on revenue. MDHHS sent a list of enrollees that are required to participate in the work requirements. The LRE split the list by CMH and sent to the CMHs to confirm corresponding individuals. The LRE built this cut into our projections, while MDHHS has not.

Member Bucket Reports-

Ms. Coleman presents reports for information and highlights the following:

- Beacon is monitoring eligibles that we have not received payment for.
- Mr. Stek comments that the projections on the bucket report are showing that we will have the same type of deficit as the last couple of years. The LRE/Beacon/CMHs are meeting every other week to discuss financial strategies. The finance strategy meetings can help to address, monitor and review data.
- Mr. Greenfield would like to know how the region is doing when it comes to Beacons projection of savings and if the impact they projected is happening. There is a year-end report that Beacon will present to the LRE Board that will address this.
- The CMHs have just begun implementing items in their budget reduction plans and as we continue through the year, we should see the impact.
- Board members would like Mr. Shirley to present a budget analysis during the February Board meeting and continuous updates monthly.
- Mr. Snyder comments that there is no means for a PIHP to impact the system and seems to be only a pass-through organization.

HEALTHWEST CMH PRESENTATION-Brandy Carlson

HealthWest has received 3 grants that allows them to work with the corrections department on

systems of care, focus on the female population and onboarding Suboxone. These funds will address the female population more because the male population has the EXIT program.

CEO REPORT – Mr. Hofman

The CEO report is included in Board packet for information.

- The meeting with MDHHS was cancelled and rescheduled as a phone call. There are 2 items that continue to be addressed; past deficits and Board structure. We have given the Department the amount that would address the past deficits and would make the region financially solvent. We received an initial offer that was very low and not acceptable. Mr. Hofman and will discuss further with the CMHs. Another meeting is scheduled for January 29. The negotiating group will look at the Board structure after there is agreement on the past deficit.
- The meeting with the ALJ is still set for February 4, 2020.
- The regional allocation model has been updated with FY18 data. The LRE and CMHs and Beacon continue to meet and review.
- The LRE received citations during the HSAG audit while we were still transitioning with the Beacon implementation. The LRE is working on a corrective action plan that will be submitted to HSAG.
- MDHHS has made a request to CMS for the discontinued use of the GAIN. The region will slow down the roll out until we receive clarification from the State on how to move forward.
- Due to an error by the State, providers have been receiving capitated payments for deceased Medicaid beneficiaries. This was not an LRE or CMHSP error, but the State will still require a recoupment of these payments. PIHPs are looking further into this issue.
- MDHHS gave a presentation during the last PIHP CEO meeting addressing homelessness and would like to put begin initiatives to address it.

BOARD MEMBER COMMENTS

None.

PUBLIC COMMENT

None.

UPCOMING LRE MEETINGS

- February 12, 2020 – LRE Executive Committee, 3:00 PM
- February 13, 2020 – Consumer Advisory Panel, 1:00 PM
- February 20, 2020 - LRE Board Meeting, 1:00 PM
Fillmore Complex, 12220 Fillmore Street, West Olive, MI 49460

ADJOURN

Mr. DeYoung adjourned the January 20, 2020 LRE Board of Directors meeting at 3:38 PM.

Mark DeYoung, Board Chair

Minutes respectfully submitted by:
Marion Dyga, Executive Assistant