

Meeting Minutes
BOARD OF DIRECTORS
Lakeshore Regional Entity
April 16, 2020 – 1:00 PM

WELCOME AND INTRODUCTIONS – Mr. DeYoung

Mr. DeYoung called the April 16, 2020 LRE Board meeting to order at 1:05 PM.

ROLL CALL/CONFLICT OF INTEREST QUESTION – Mr. DeYoung

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

Absent: Patricia Gardner, Stevi Riel, John Snider

No conflicts of interest were declared.

PUBLIC COMMENT

Ms. Jay Roberts-Eveland is present. She has submitted an application to become an LRE Board member. Ms. Roberts-Eveland's application will be reviewed and brought to the May Board meeting.

CONSENT ITEMS:

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

- a. April 16, 2020 Board of Directors meeting agenda
- b. March 19, 2020 Board of Directors meeting minutes
- c. LRE Policy 6.7 – Advance Directive
- d. LRE Policy 6.8 – Enrollee Rights

Moved: Matt Fenske Support: Peg Driesenga

MOTION CARRIED

LEADERSHIP REPORTS

Reports are included in packet for information.

- Mr. Hofman comments that the information contained in the leadership reports is very useful and recommends that they be read.

CHAIRPERSON'S REPORT

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

BEACON REPORT

Ms. Ackermann reports:

- During COVID, Beacon operations are still up and running with a business continuity plan in place. All delegated function can be done with staff working from home.

- There has been incredible strength and exceptional leadership during this crisis from the LRE and the CEOs.
- Beacon continues with appeals and compliance and working with some of the CMHs with the COVID initiatives.
- Beacon is working with LRE and HW to find cost saving initiatives. We are reviewing information from HW that has been submitted to us. After LRE/Beacon review we will give HW our recommendations.

a. COVID-19 – Dr. Monteith

The Region has a task force that includes CMH Leadership. In addition to the CEO group, which has been meeting 3 times a week, there is a CFO group that Chad Shirley is in charge of, a medical director group and a provider network group. The goal is to have a standardize regional approach for things such as PPE, injected medications, etc.

Q: What is the plan for isolating individuals or helping individuals that do not reach out even though they need help?

A: It is a priority at the CMHs and working to be addressed, as well as statewide and nationwide.

Q: Is there a regional hub?

A: There has been discussion about having a place for individuals that test positive to go. We received a list of hotels that are willing to take in staff that are working the front lines and do not want to go home.

Q: Is the LRE going to be testing regionally?

A: Dr. Monteith explains that we are dependent on the medical resource's infrastructure for testing. Our role is through monitoring the individuals that are testing positive. We will help with advocating to ensure that the needs of our consumers are met because they are so vulnerable. There are discussions at the state level and national level to ramp up testing.

Ms. Rupp (HW CMH CEO) comments that testing is local and is tied to the public health system. The resources in each county are different and is led by the health departments in those counties. The Muskegon County Health Department asked HW to help with screening, which they are doing.

Ms. Williams (WM CMH CEO) comments that unless the health department contacts a CMH for assistance then this will be directed to the large health systems. West Michigan CMH has spoken with the MDHHS because there is not adequate testing and has been told that they send what they believe is an adequate number of tests.

b. Regional Revenue Update – Chad Shirley

- The LRE/Beacon continue to work on revenue. We will be shifting to look at LOCUS scores because the State has been discussing using them as one of the factors for setting rates next year.

- Originally the State communicated that there will be an additional \$70 million in funds, but more recent communication suggests that amount will decrease to \$50-\$60 million. A reasonable estimate is that this region will receive 10% of these additional funds.
- If the amount stays at \$70 million statewide, we may receive \$7 million, which would bring the region to a positive \$5.2 million. This does not include the impact that COVID could have.
- Based on a study by HMA the impact of increased enrollment on the low end could be 377 thousand additional HM and 19 thousand additional Marketplace and on the high end 599,000 additional HM and 65,000 additional Marketplace. None of these estimates have been projected into our revenue due to the difficulty of breaking it down to our region, but we will continue to work on this estimate.
- Mr. Stek asks the following:
 - Could we project the impact, using the same method that was used to make the estimate for the \$70 million using the 10%? Mr. Shirley confirms that it is possible, but it is difficult because the numbers could fluctuate. We can put together an estimate using different scenarios.
 - Should we expect to see less spending because there are fewer services being utilized? Mr. Shirley that there has been a decline in expenditures. There have been meetings to discuss using the liquidity of these funds to help the provider network regionally. There still has been no guidance from the State regarding extra funding.
 - Could this deflate our rates for next year and is the State going to take this into consideration for next year's rate setting? Mr. Shirley comments that this will not have an effect for 2 years and typically this would be taken into consideration by throwing out data for this time period. Mr. Hofman adds that the State has recognized this and has communicated that they will take this into consideration. There has not been a written plan but the PIHP CFOs will make sure they do not lose this as an objective.

ACTION ITEMS

LRE 20-21 Motion: To approve reappointment of Patricia Gardner as an At-Large LRE Board Member representing Kent County

Moved: Jane Verduin Support: Stan Stek

MOTION CARRIED

FINANCIAL REPORT AND FUNDING DISTRIBUTION

FY2020 March Funds Distribution

Included in the Board packet for information.

- HRA payments are due in March.

LRE 20-22 Motion: To approve the FY2020 March Funds Distribution as presented

Moved: Peg Driesenga Support: Matt Fenske
ROLL CALL VOTE – UNANIMOUS
MOTION CARRIED

Statement of Activities as of 1/31/2020 and Variance Report-

Presented by Ms. Coleman for information.

- FY20 tax payments, HRA and local match items create a variance, as noted.
- Employee benefits have increased which will show later in the year.
- The variance explanations are attached.

Member Bucket Reports-

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

- This report is through February.
- Revenue projections are through March and takes into account projected spending in February. Deficit is at \$6.5 million, as of now. This does not include the revenue adjustment, which may add additional funding of approximately \$7 million.
- After applying added offsets our deficit decreases to a little over \$1 million.
- N180 has already started to realize the impact of COVID with a \$2 million decrease in spending.

CEO REPORT

Mr. Hofman would like to say that the response from the CMHs has been amazing and they are still working hard to respond to the changing environment.

- We continue to wait for State guidance regarding additional funding for the provider network but will move forward to give increases where needed. There are 2 meetings weekly with the State where we continue to keep them aware of the importance that the additional funds are sent out as soon as possible.
- There has been no additional communication regarding the litigation with MDHHS. There is an update to the ALJ at the end of May.
- We are working with HealthWest to identify potential areas of cost saving.
- Muskegon County and HealthWest have initiated legal action against LRE and MDHHS. Greg Moore is reviewing and when he has fully vetted the action, there will be a complete update.
- The regional Compliance Plan is required to be updated yearly. This will come back to the LRE board for approval. At this time, it is an informational item.
- We continue to work on data cleanup, which is critical for future rate setting.
- Ms. Meyers put together a list of links for COVID-19 which is included in her report.
 - Mr. Greenfield ask how can current staff needs be supported? Mr. Hofman comments that we are having weekly meetings that we discuss and address CMH

issues. There is not a long-range plan for when services continue as normal but we will begin to put a plan together.

- Senator Stabenow has been meeting with MDHHS and is asking for advocacy. We will send out the link.

BOARD MEMBER COMMENTS

- Mr. Greenfield would like to thank the Direct Care providers as well as the administrators.
- Ms. Verduin hopes the CEOs will contact Board members if they need any support.

PUBLIC COMMENT

None.

UPCOMING LRE MEETINGS

- May 13, 2020 – LRE Executive Committee, 3:00 PM
- May 21, 2020 - LRE Board Meeting, 1:00 PM
[HealthWest, 376 E. Apple Avenue, Muskegon 49442](#)

ADJOURN

Mr. DeYoung adjourned the April 16, 2020 LRE Board of Directors meeting at 2:30PM.

Mark DeYoung, Board Chair

Minutes respectfully submitted by:
Marion Dyga, Executive Assistant