



## Information Officer Report – January 2022

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### Summary:

1. **MCIS Software:**

At LRE's request, PCE Systems has enabled software modules in the PIHP system to support Grievance and Appeals functions. The use of these modules at the PIHP level will be needed as those task responsibilities are moved back to LRE staff over the next few months.

2. **Data Analytics and Reporting:**

LRE's initial production Data Analytics "soft launch" was completed in late December. A small number of CMH and LRE users have been onboarded for training and to test connectivity. In the coming weeks, additional users will be brought onboard.

Initial dashboards in the current soft-launch system include:

- Encounter Timeliness (attachment included with this report)
- Top Costly Consumers
- Encounter Integrity Measures
- Customer Satisfaction Surveys

Those currently in active development include an Autism Dashboard and BHTEDS Data Quality Measures.

Many additional dashboards and reports are in the design and planning stage, some of which are replacements for existing reports currently being provided from within the Beacon system, while others (such as the CCBHC Dashboard) are new developments required to fill current and future needs.

3. **FY21 data reporting to MDHHS:**

**FY21 Encounters:** FY21 encounters remain with good volume for all CMHSPs across both mental health and SUD service categories. Please see also the attached encounter graphs showing year to year comparisons.

**FY21 BH-TEDS:** BH-TEDS reporting volumes remain strong for our region for FY21 related records.

4. **FY22 data reporting to MDHHS:**

FY22 Encounter reporting is beginning to come in with some good volumes (after experiencing some initial delays due to a broad number of MDHHS changes taking effect 10/1/2021).

SUD encounter reporting appears to be lagging from HealthWest, Ottawa and West Michigan CMH (October 2021 appears significantly under-reported). Mental Health encounter reporting appears under-reported from HealthWest for October 2021 – mental health lines with October dates of service are down by 40% and units down by 63% as compared with September 2021. These are being investigated.

5. **MDHHS encounter reporting format changes - Coordination of Benefits (COB): targeted for 10/01/2022 implementation.** Per a recent memo from MDHHS:

*“BHDDA is currently working with HASA (previously MSA) and members of the COB workgroup to design an encounter structure and process to report coordination of benefits (COB). While PIHPs have been reporting net Medicaid expenditures on encounters since 2013, there is currently no requirement or clear method to identify either non-Medicaid benefits or to report payments by third parties. Compliance with encounter reporting of COB is required by the Medicaid final rule.*

*The COB workgroup, which is comprised of PIHP and CMHSP IT and finance staff as well as MDHHS staff from behavioral health, Third-party Liability and Medicaid Data and Systems support, has developed a recommendation for PIHP COB reporting. The COB workgroup is to have a final proposal to MDHHS by January 2022 with an October 1, 2022, implementation date.”*

Coupled with this is an additional requirement to report as encounters all services delivered that are included in the clients Individual Plan of Service (IPOS), whether the CMHSP had any responsibility to pay for any portion of that service or not. This is also a change compared to current encounter reporting requirements.

Ongoing discussions regarding this requirement are still occurring between PIHPs and MDHHS. There is still a fair bit of detail to be worked out yet to get to the point where reporting methods will be clear, and the intended uses of the data will be more fully understood. In order to comply with this new reporting requirement, changes to the provider billing systems would likely be needed as well as changes to CMHSP and PIHP systems.

An upcoming MDHHS technical advisory training, scheduled for 1/21/2022, will explore the proposed technical reporting requirements and provide a venue for feedback and concerns.



**Data Source:** LRE\_DW\_CorporateInfo.LRE\_Encounters

**Purpose:** Show Distinct client counts along with counts of Encounter Lines and Claim Units for both Mental Health and Substance Use Disorder by FY and Service Month.

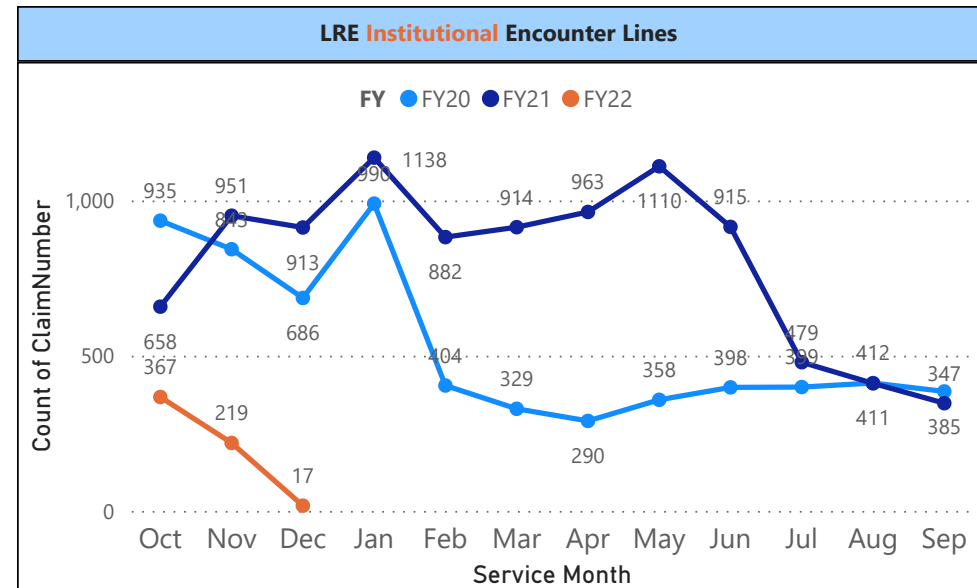
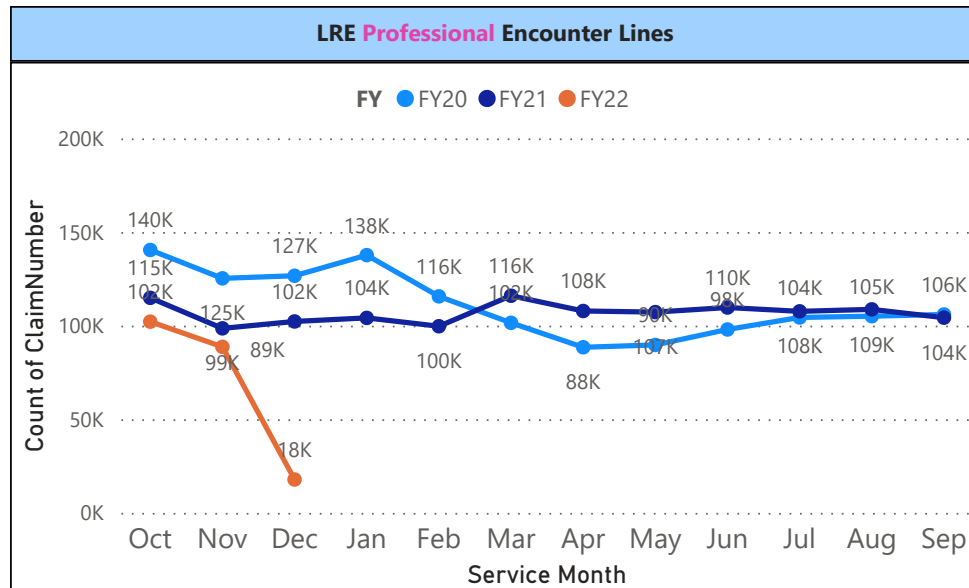
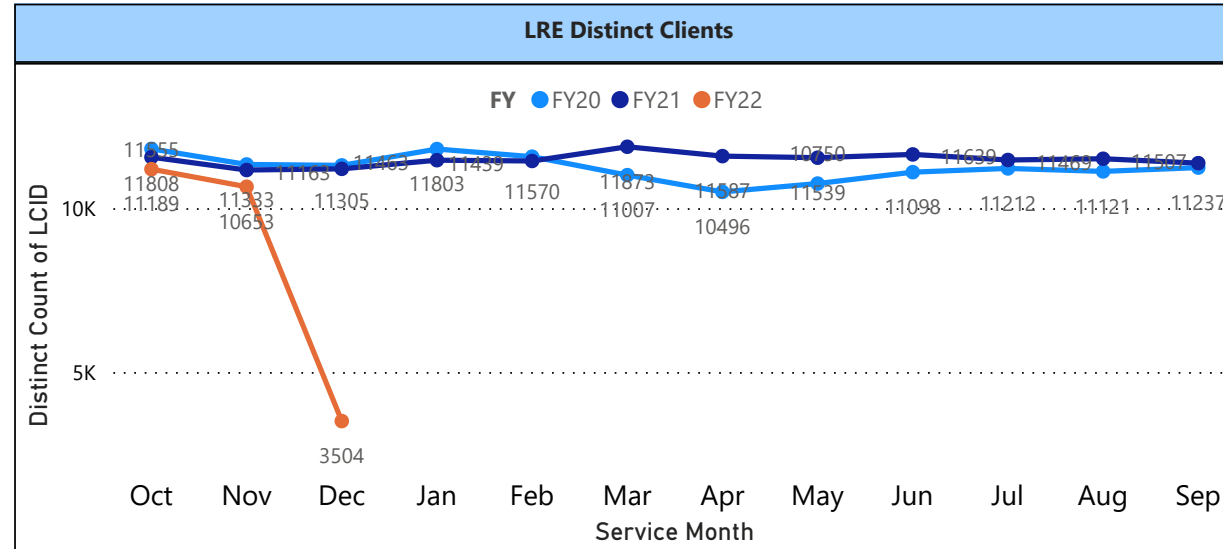
**Reports in Dashboard:**

1. **LRE - MH Lines** - Shows distinct client count and mental health encounter line totals for both Professional and Institutional type transactions for the LRE as a whole.
2. **LRE - MH Units** - Shows distinct client count and mental health encounter claim unit totals for both Professional and Institutional type transactions for the LRE as a whole.
3. **LRE - SUD** - Shows distinct client count and both SUD encounter line totals and SUD encounter claim unit totals for the LRE as a whole.
4. **CMHSP - MH Lines** - Shows distinct client count and mental health encounter line totals for both Professional and Institutional type transactions for the individual CMHSP.
5. **CMHSP - MH Units** - Shows distinct client count and mental health encounter claim unit totals for both Professional and Institutional type transactions for the individual CMHSP.
6. **CMHSP - SUD** - Shows distinct client count and both SUD encounter line totals and SUD encounter claim unit totals for the individual CMHSP.

**Notes:** Items 4-6 above are repeated for each individual CMHSP.



## LRE Behavioral Health



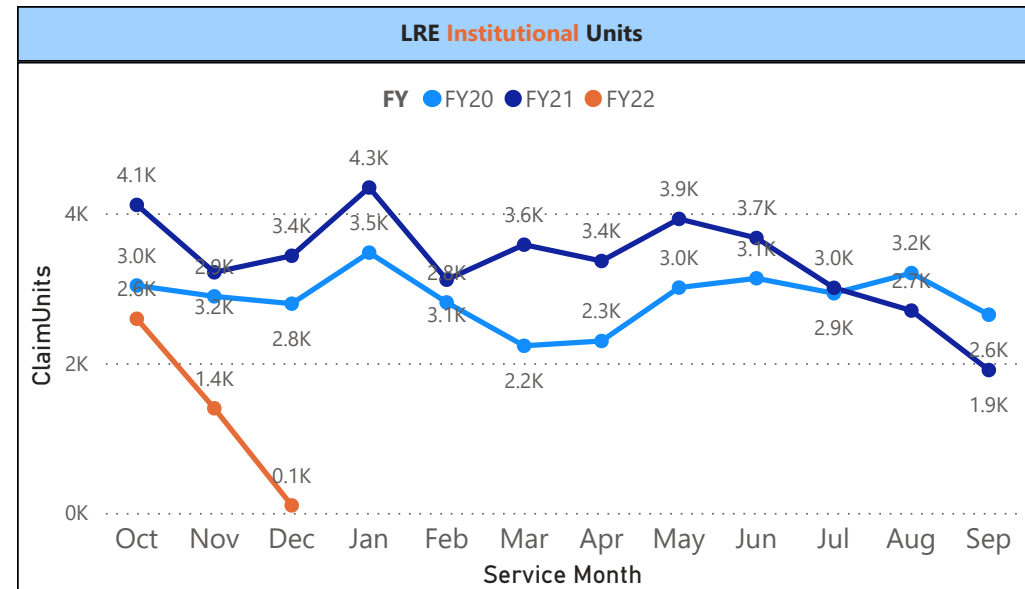
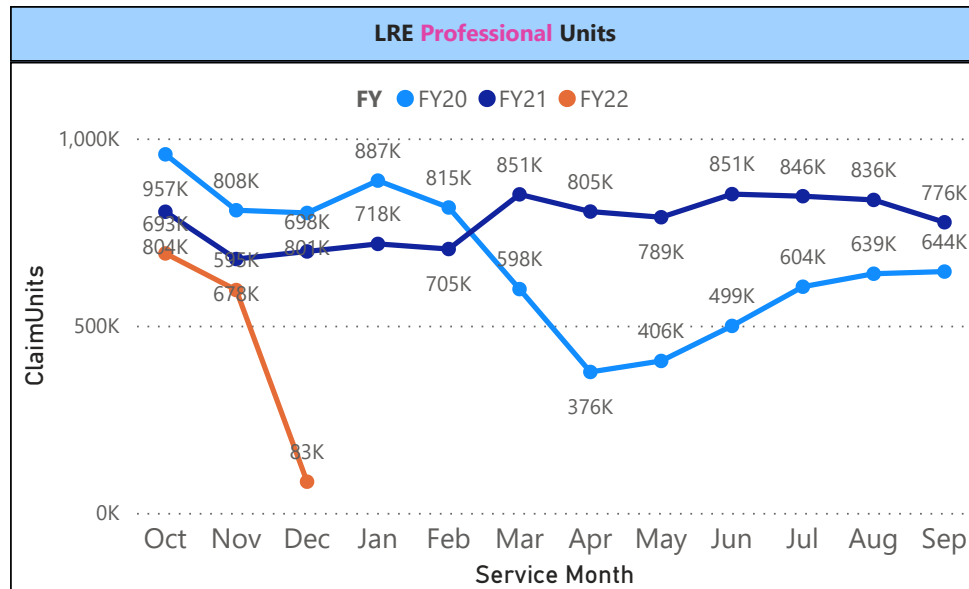
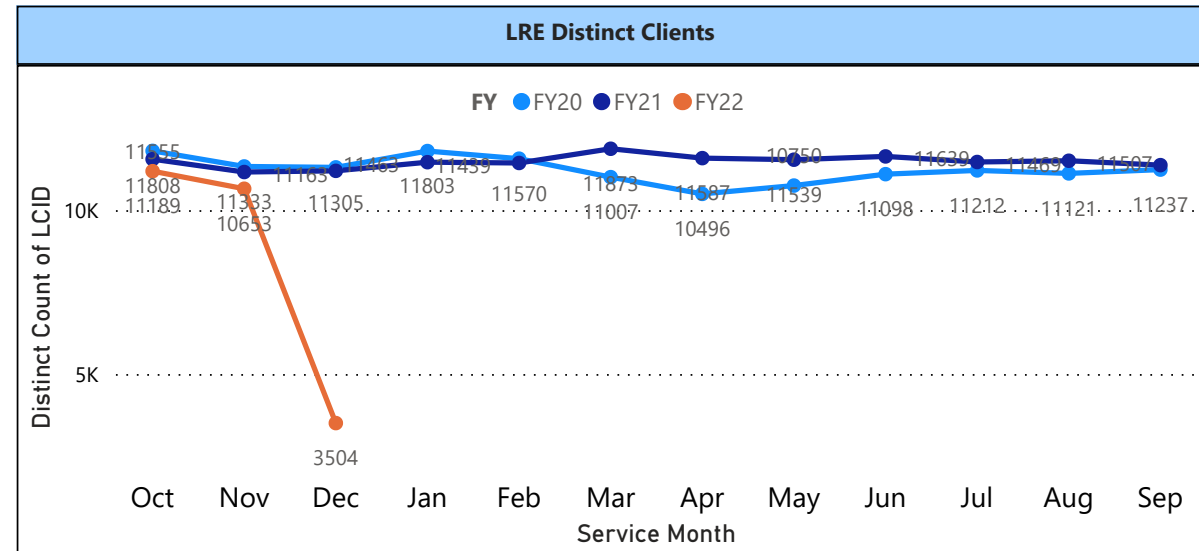
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## LRE Behavioral Health

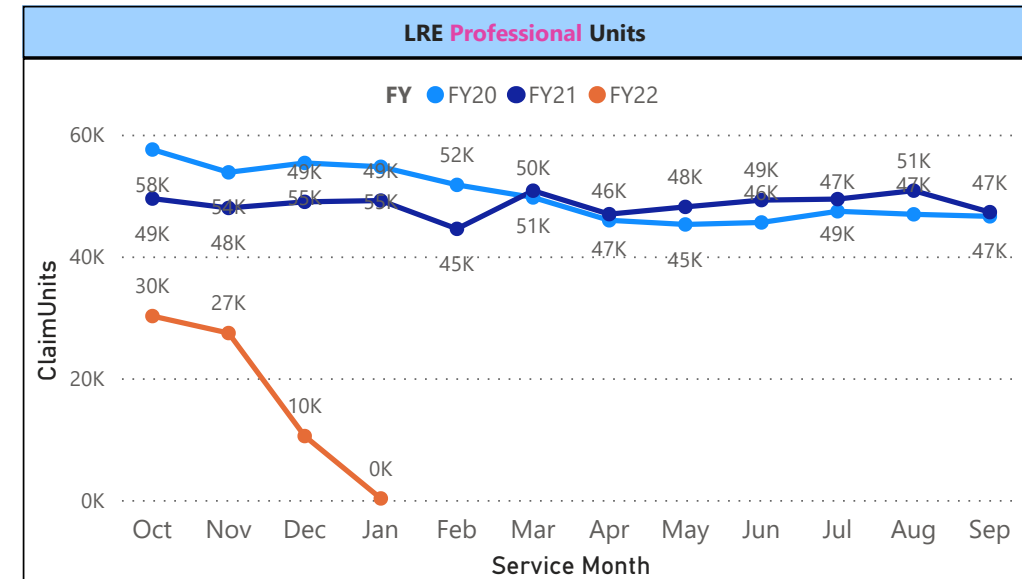
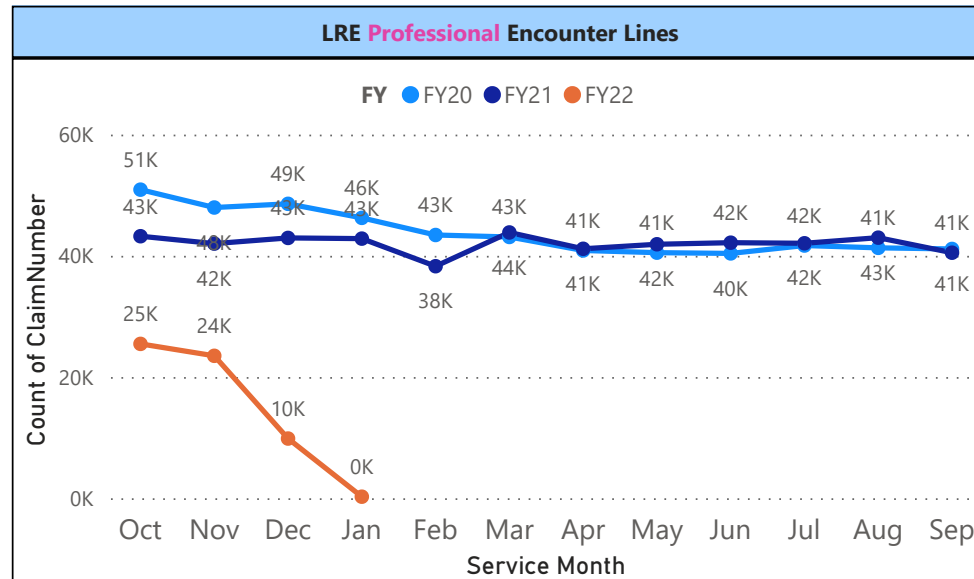
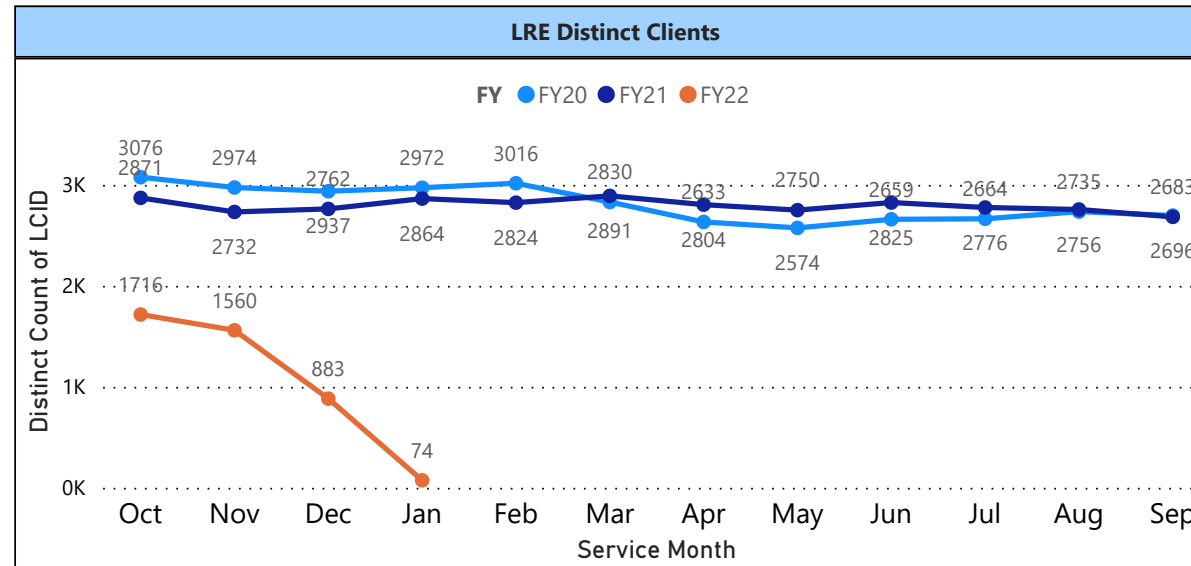


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## LRE Substance Use Disorder

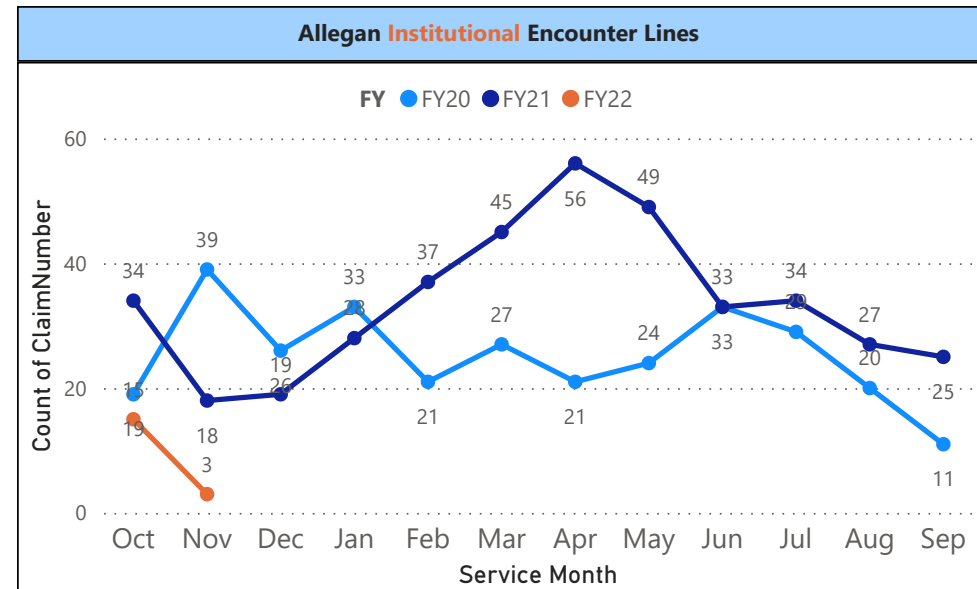
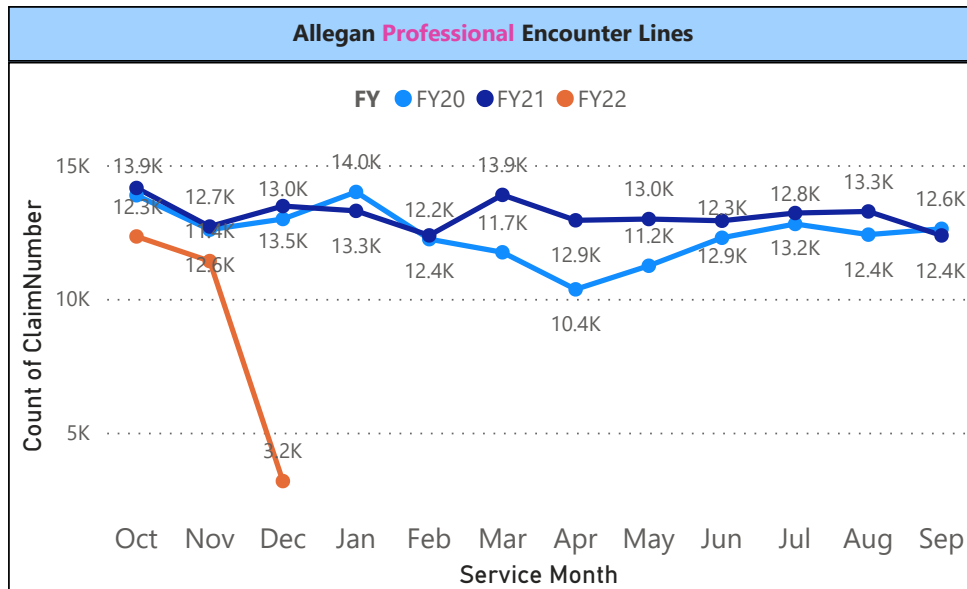
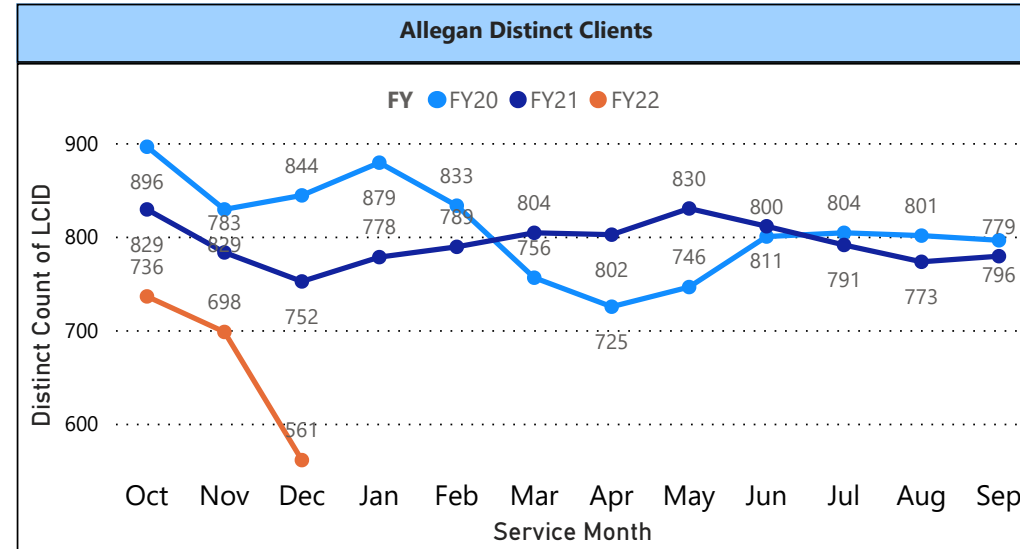


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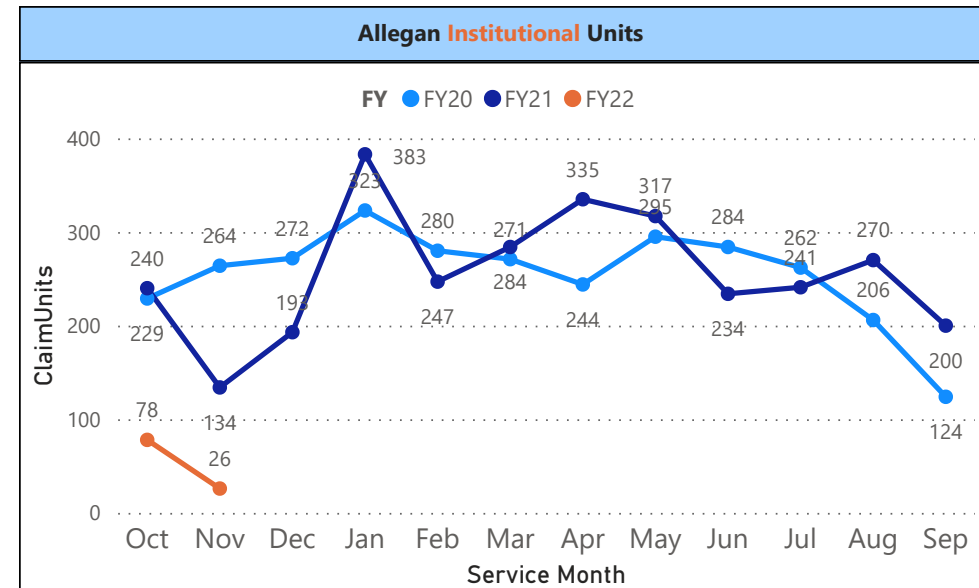
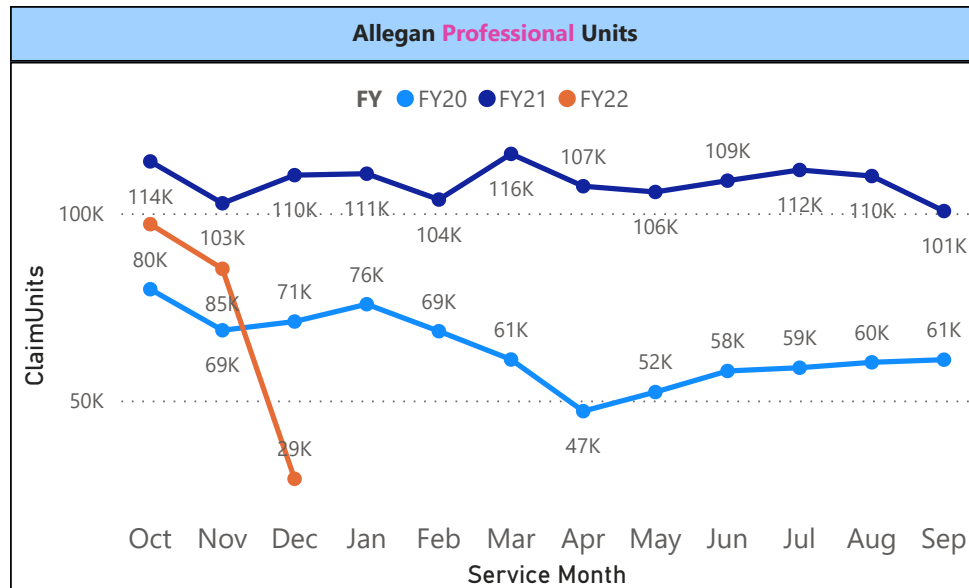
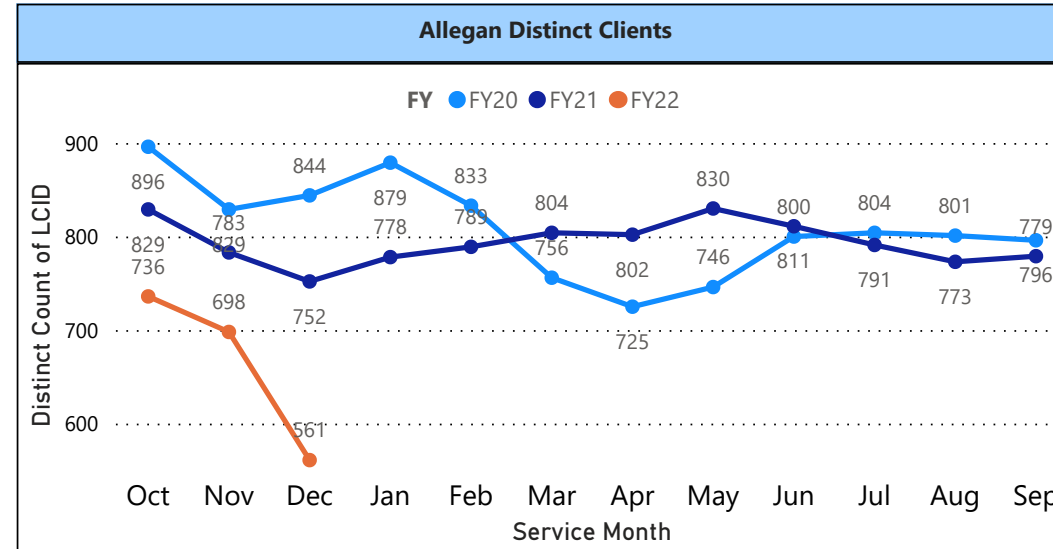


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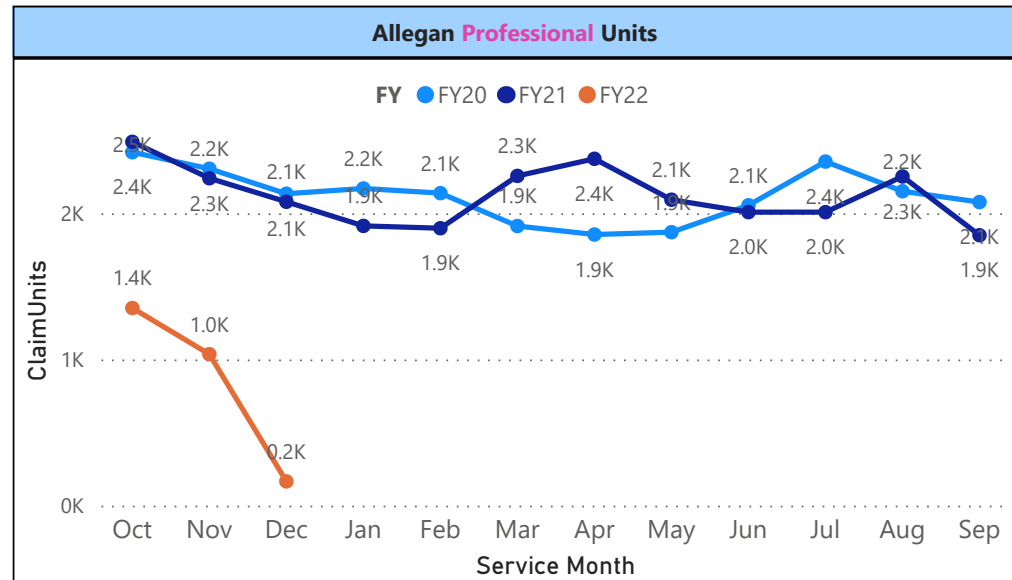
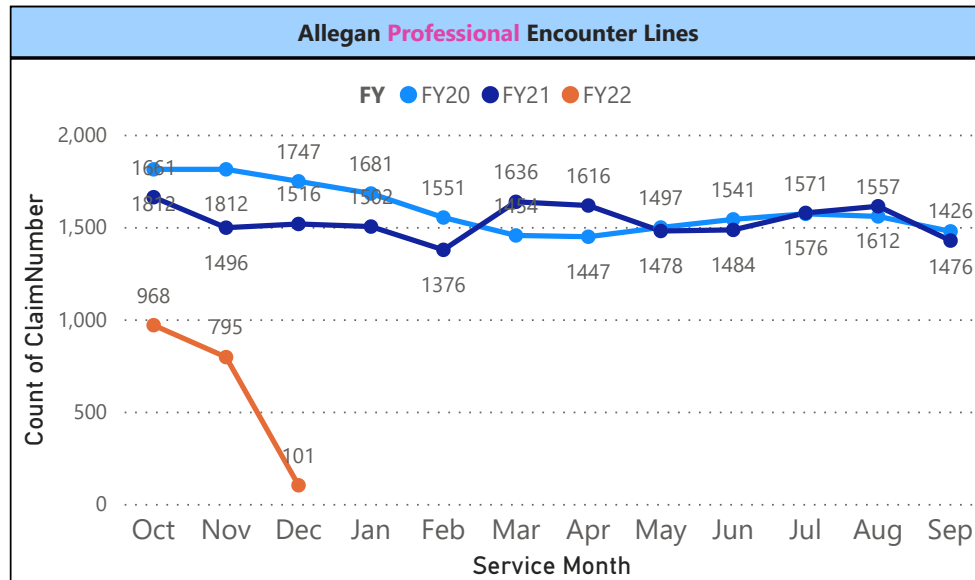
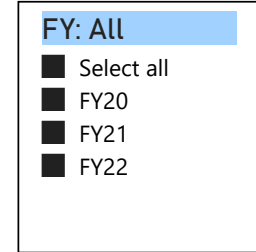
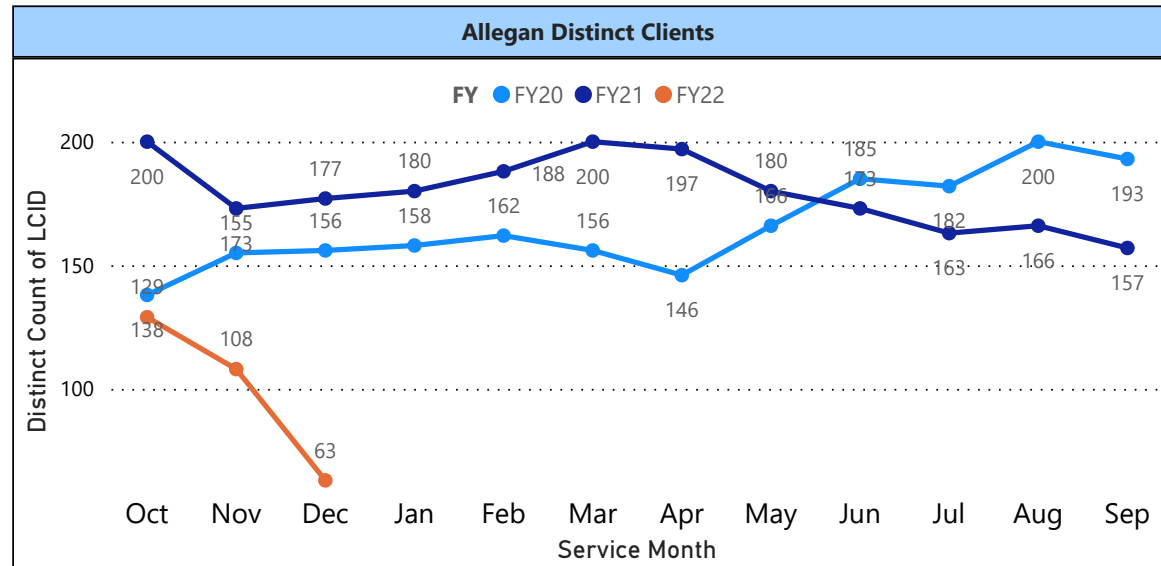


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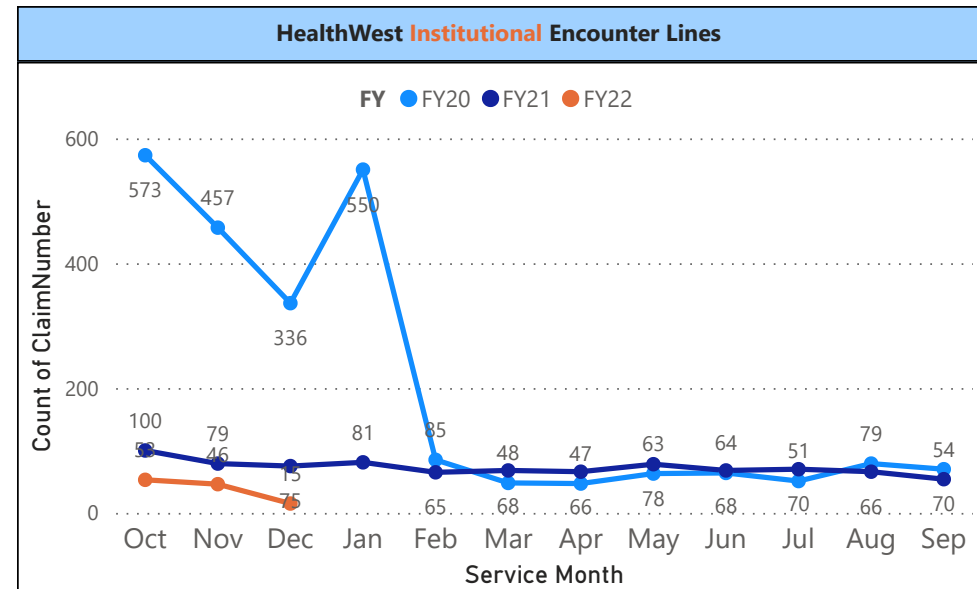
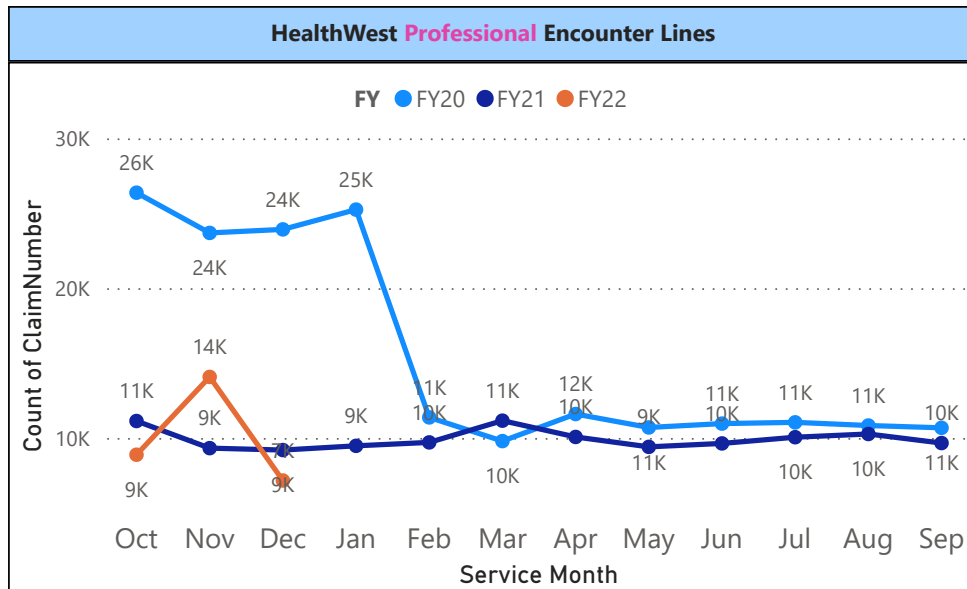
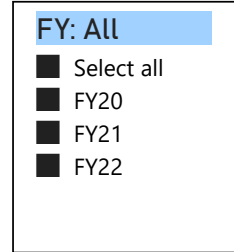
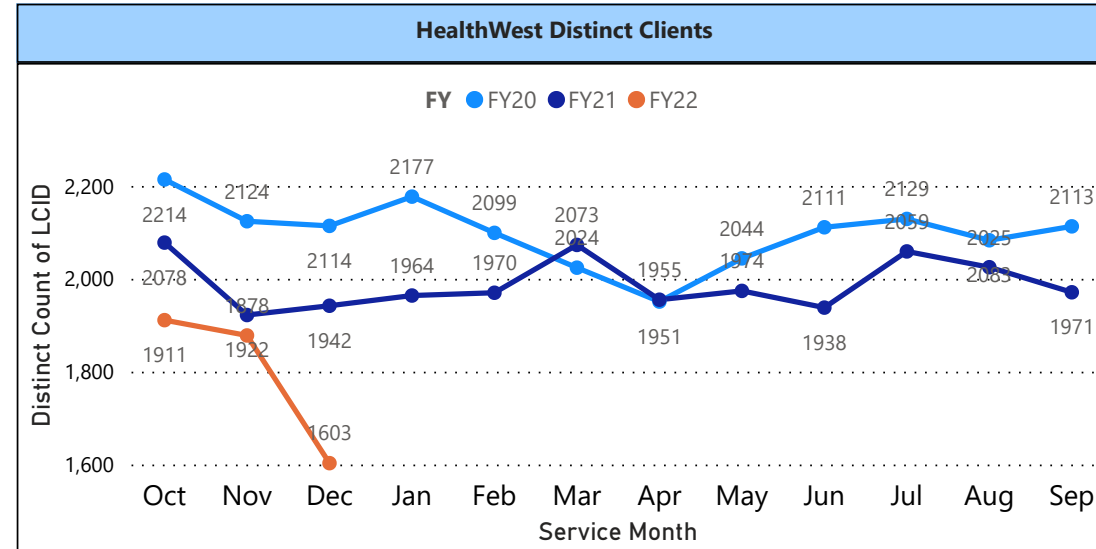


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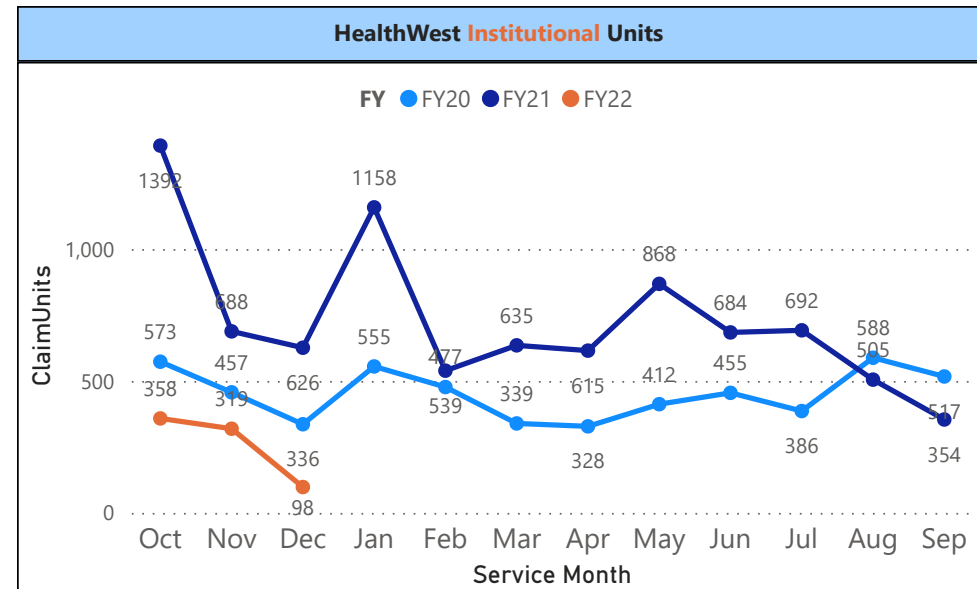
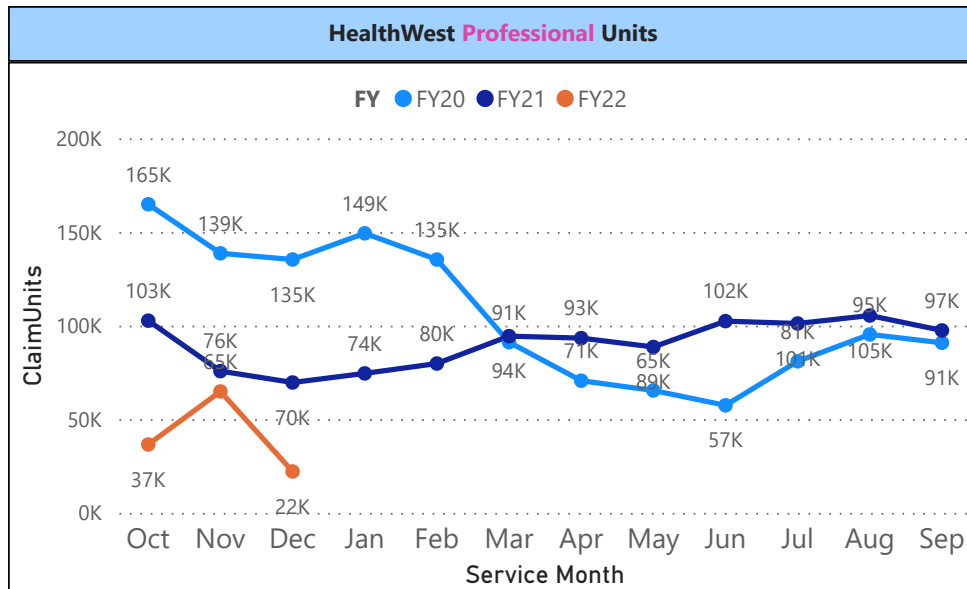
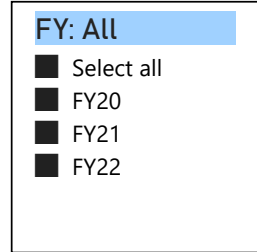
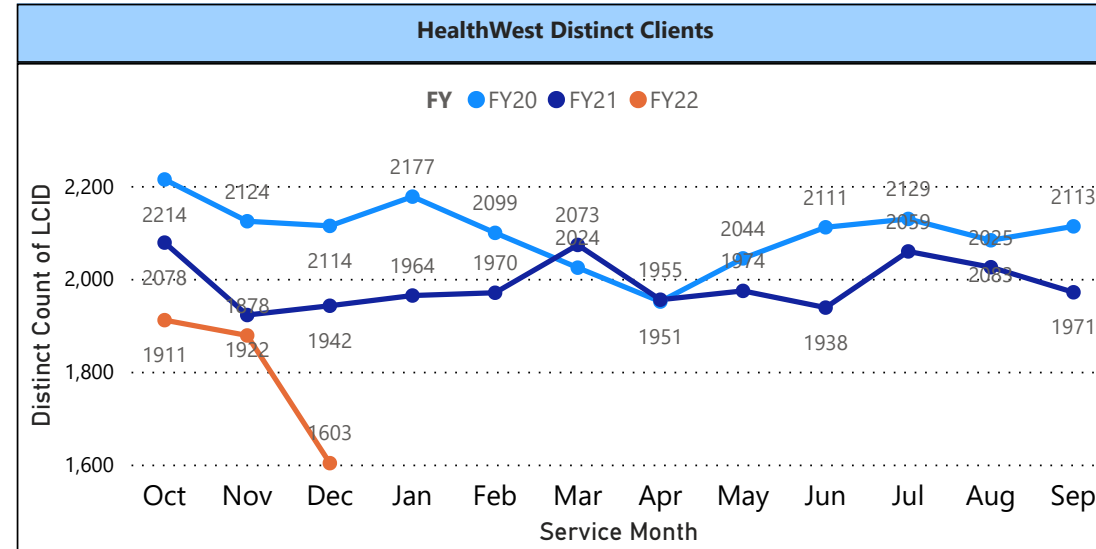


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## HealthWest Behavioral Health

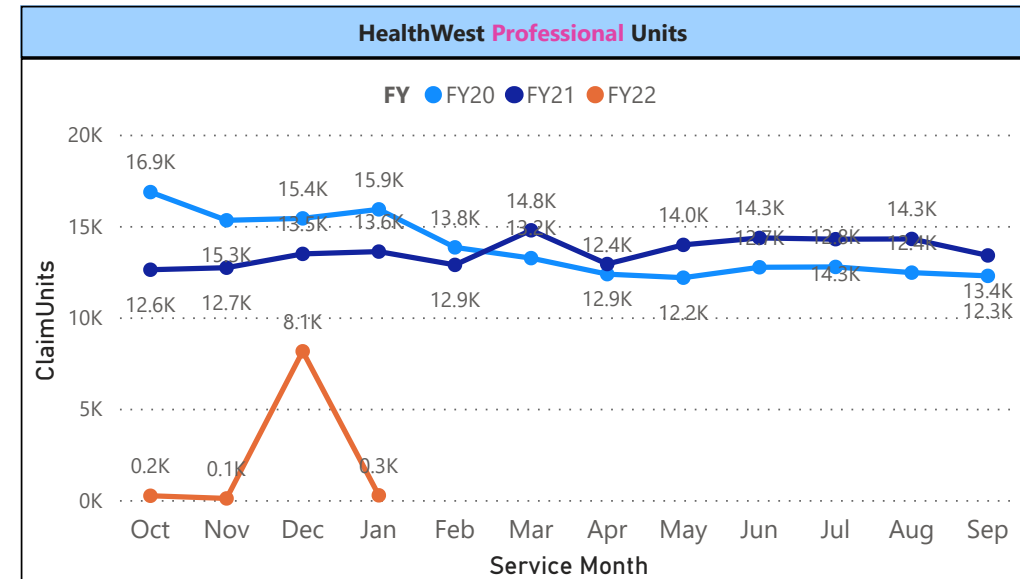
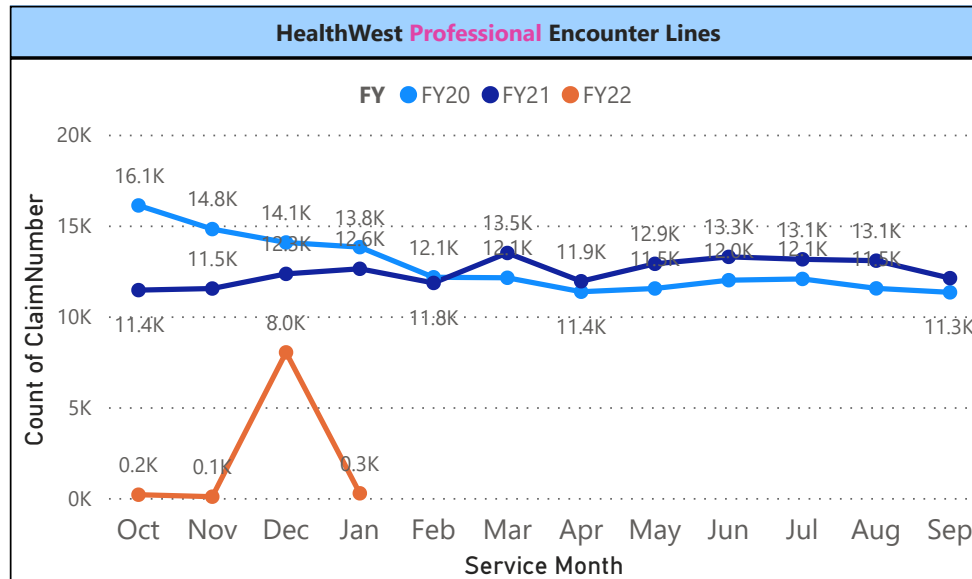
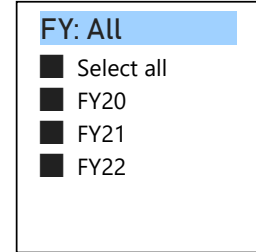
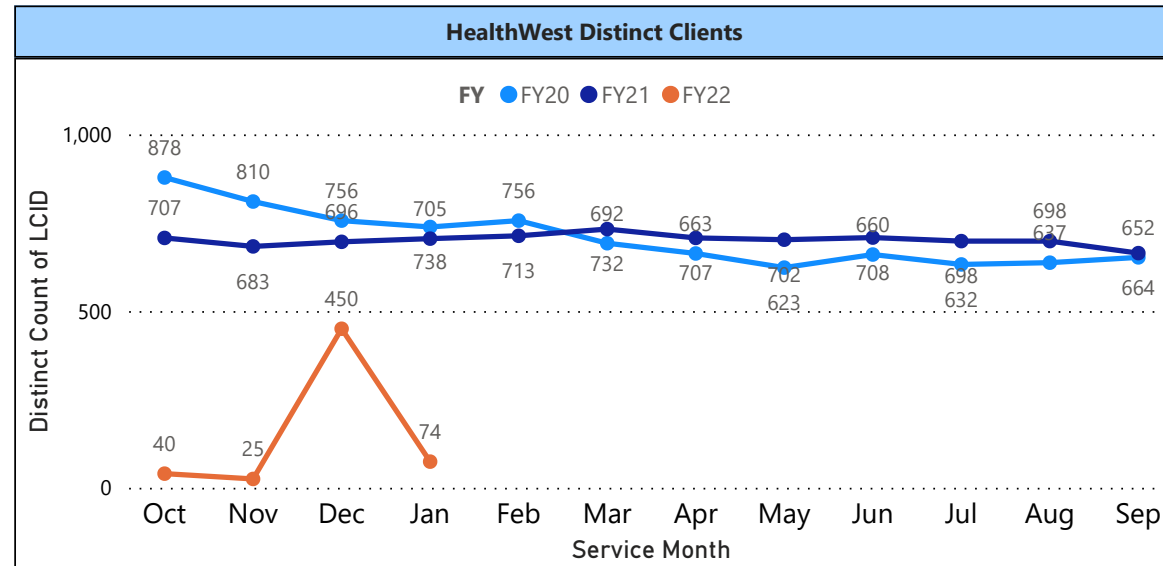


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## HealthWest Substance Use Disorder



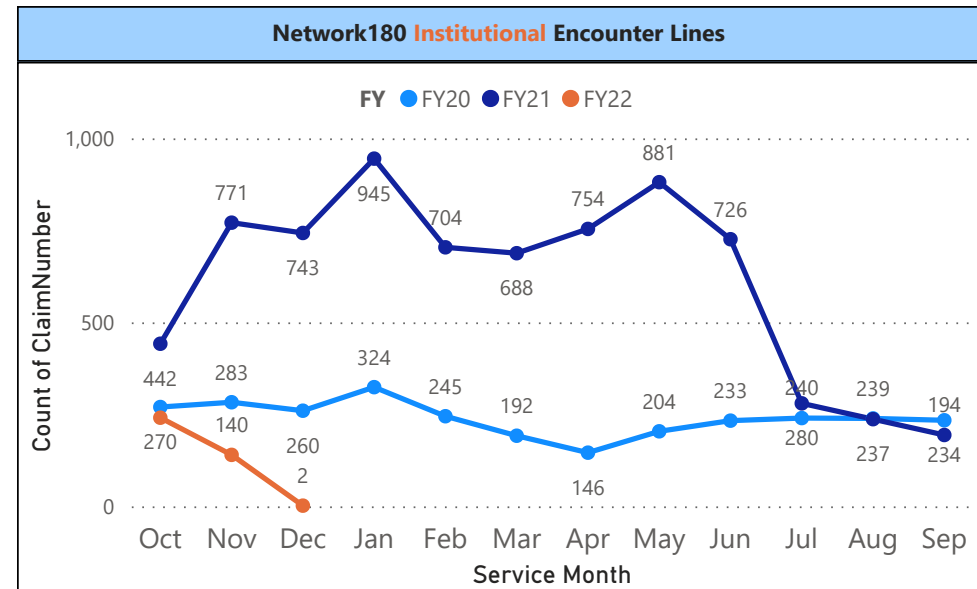
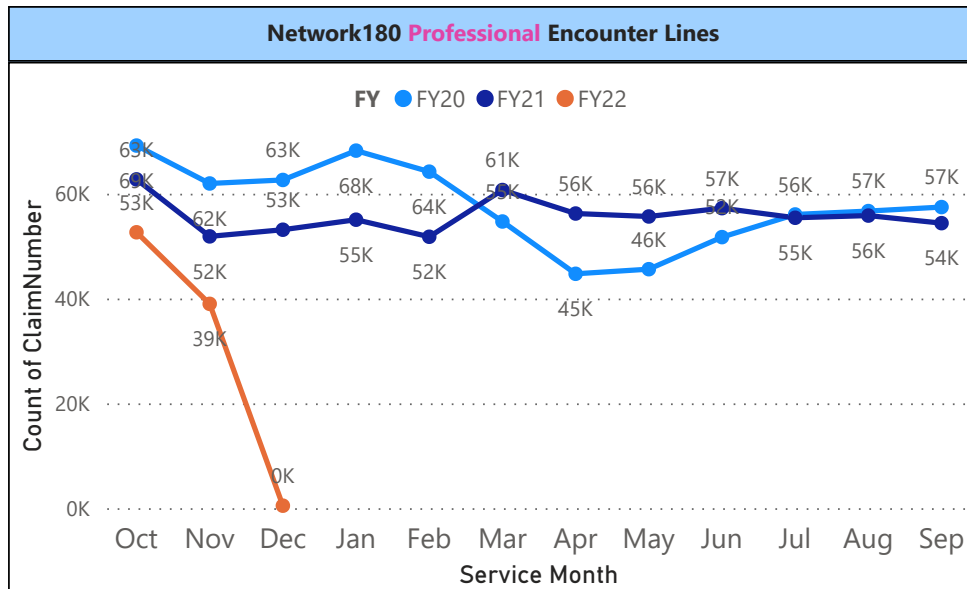
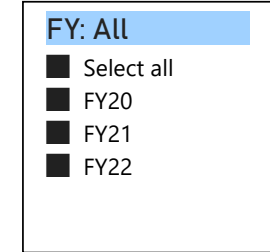
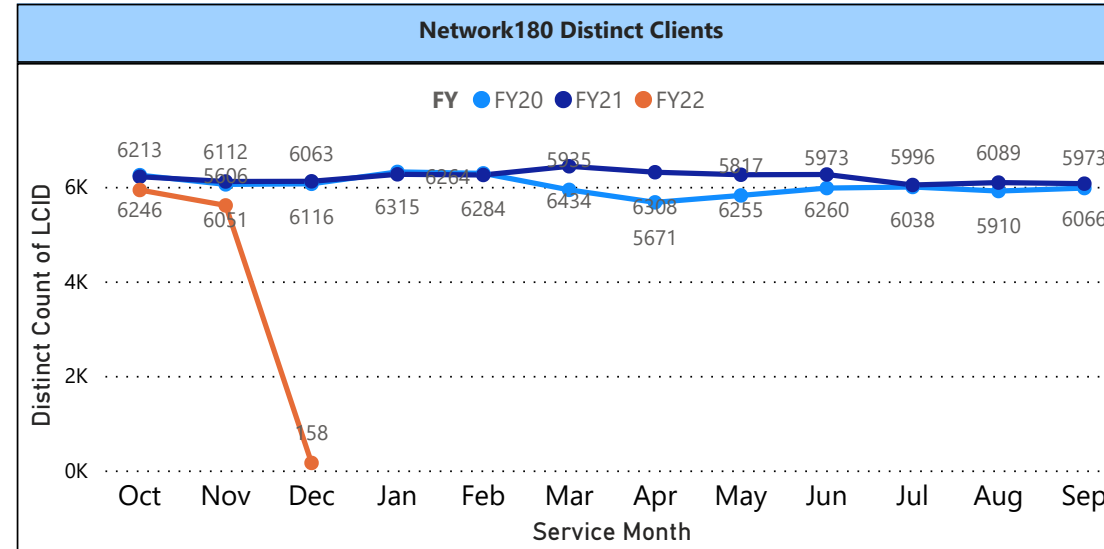
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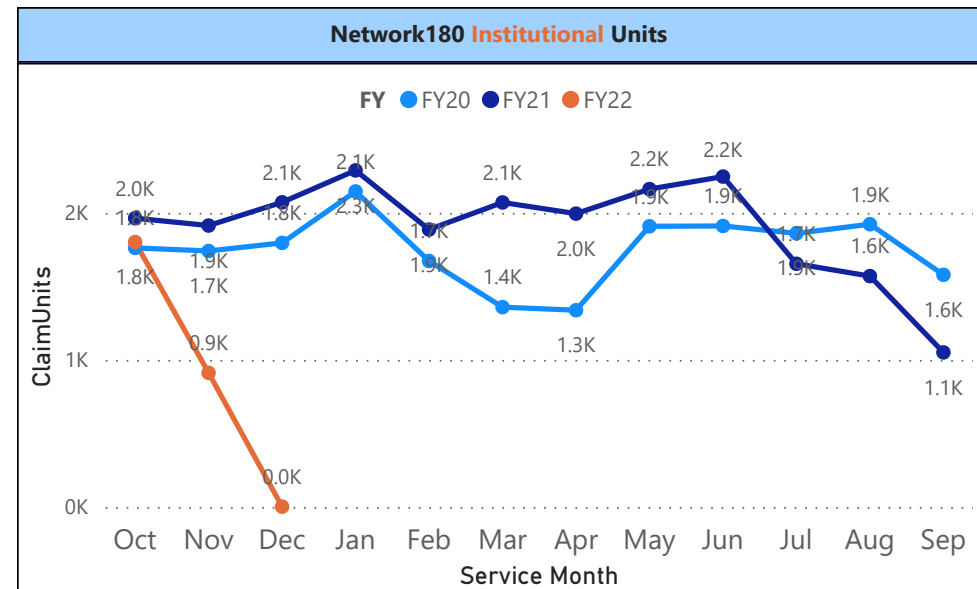
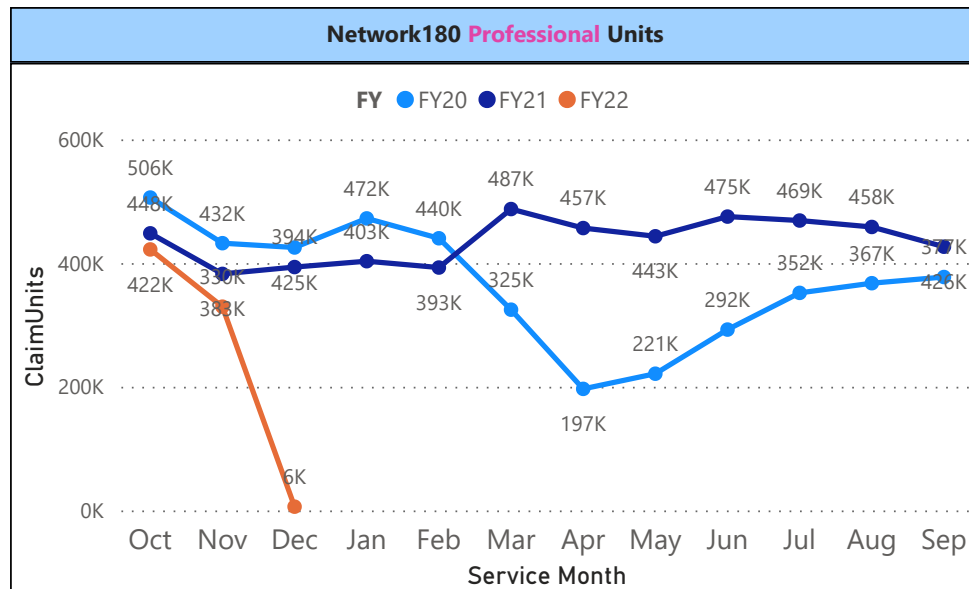
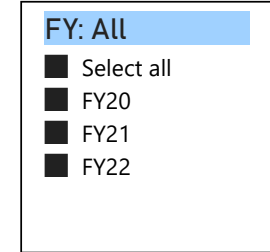
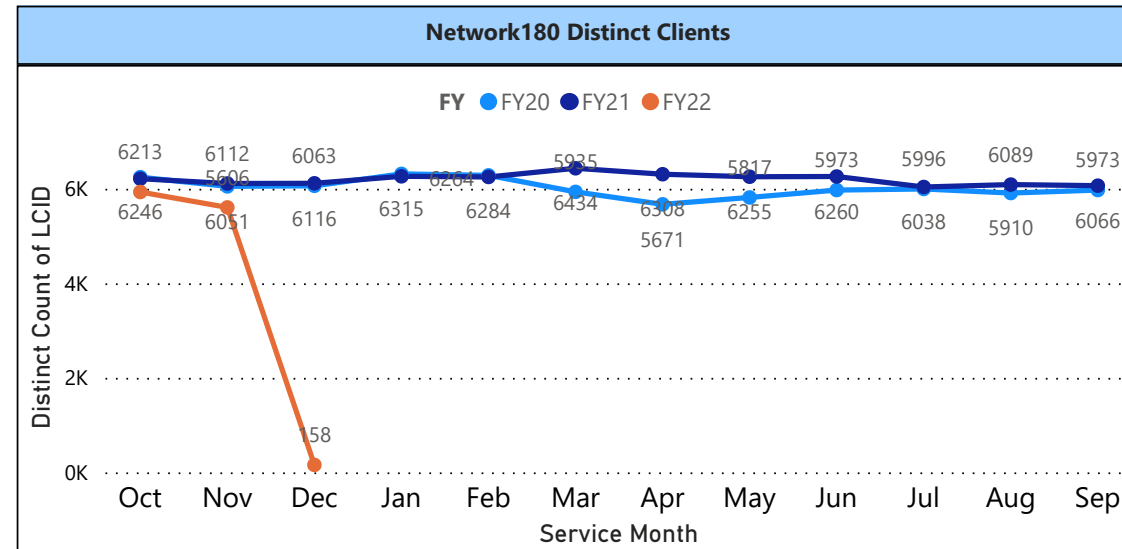


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## Network180 Behavioral Health

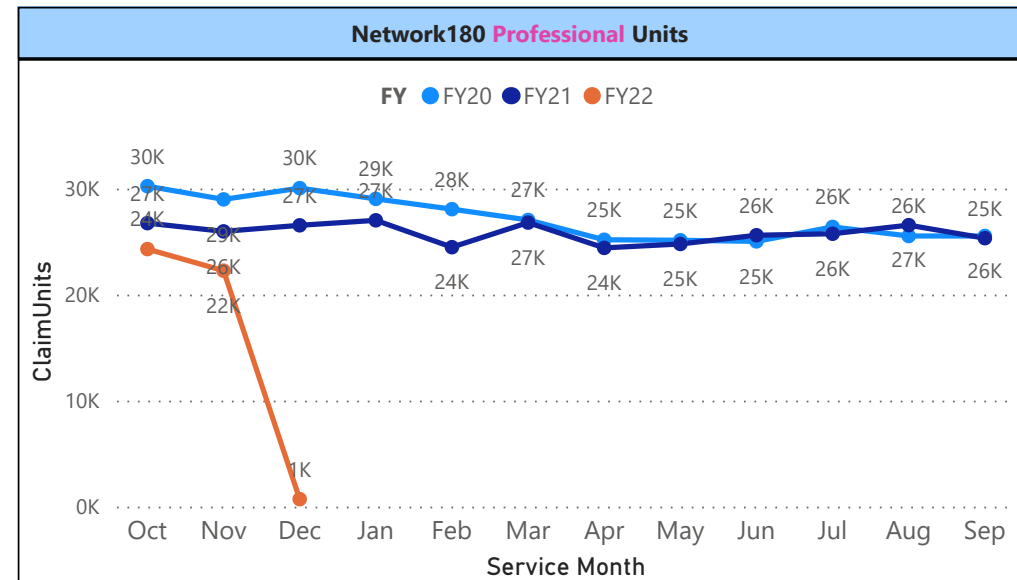
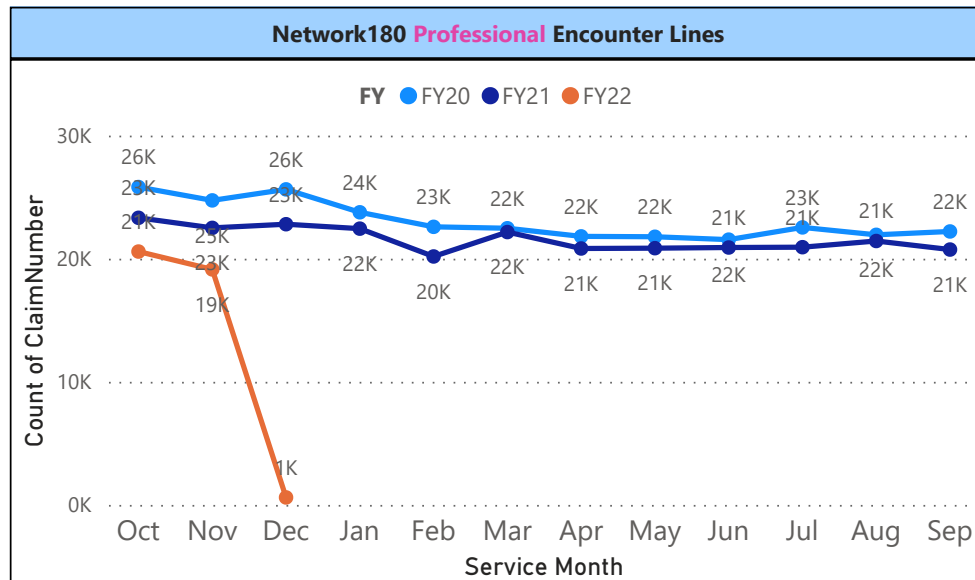
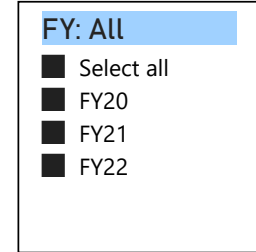
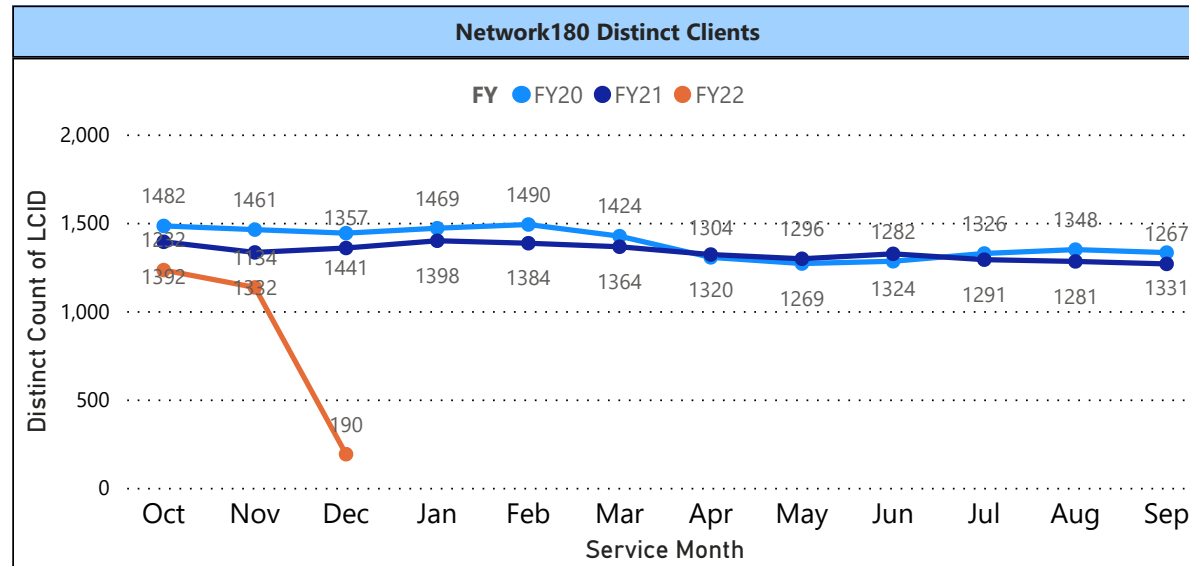


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## Network180 Substance Use Disorder

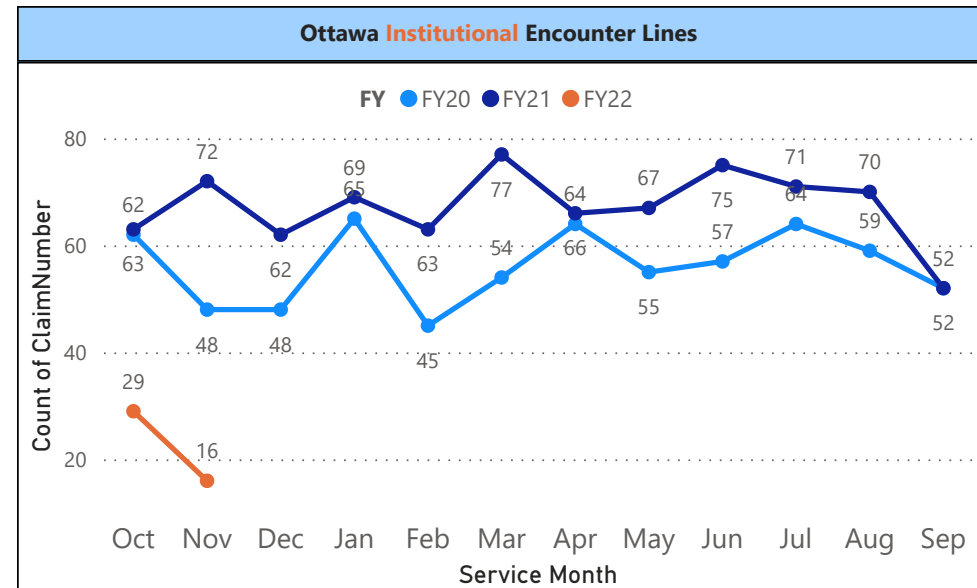
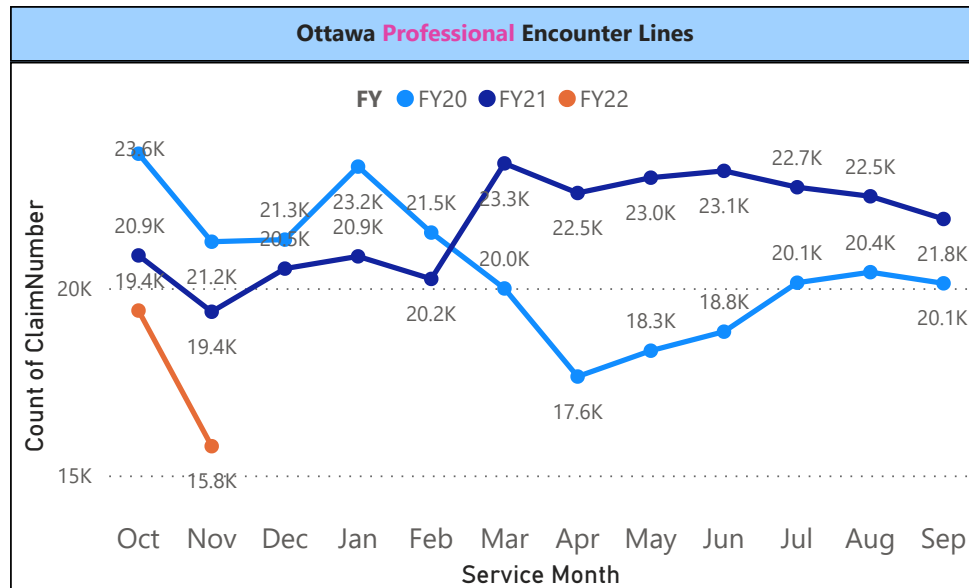
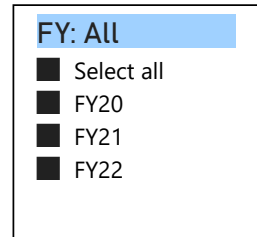
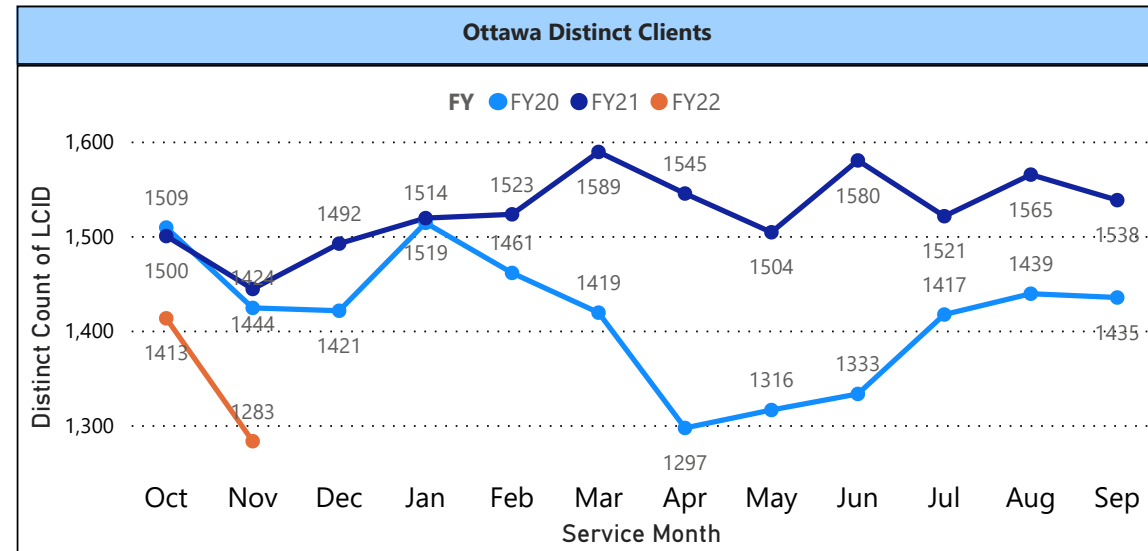


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## Ottawa Behavioral Health

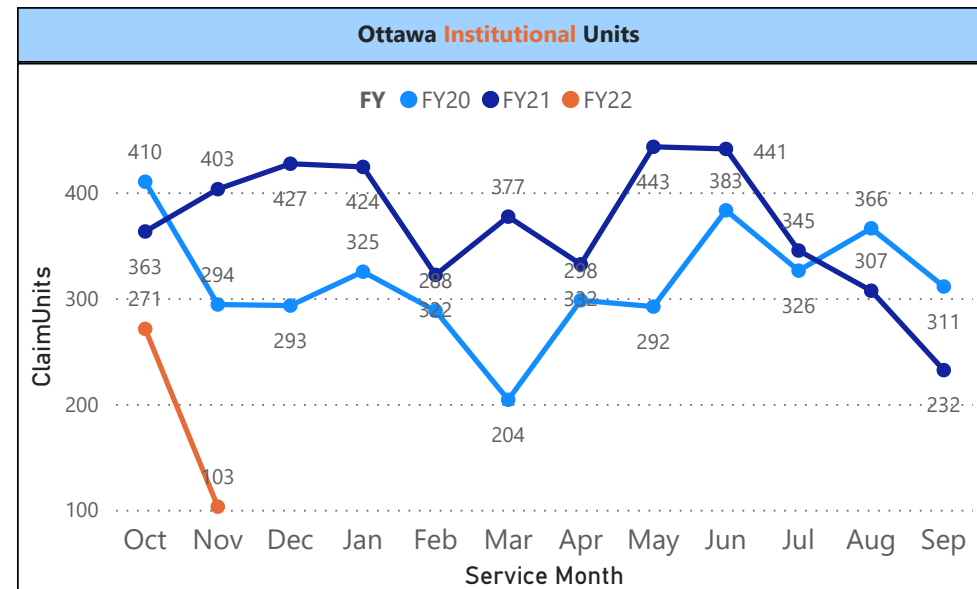
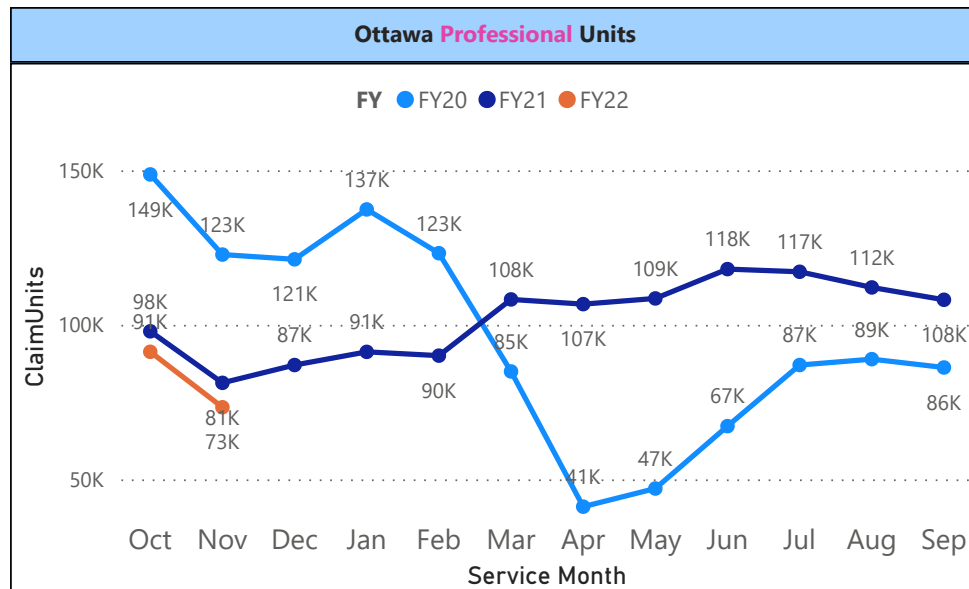
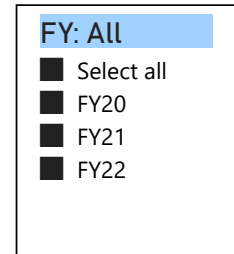
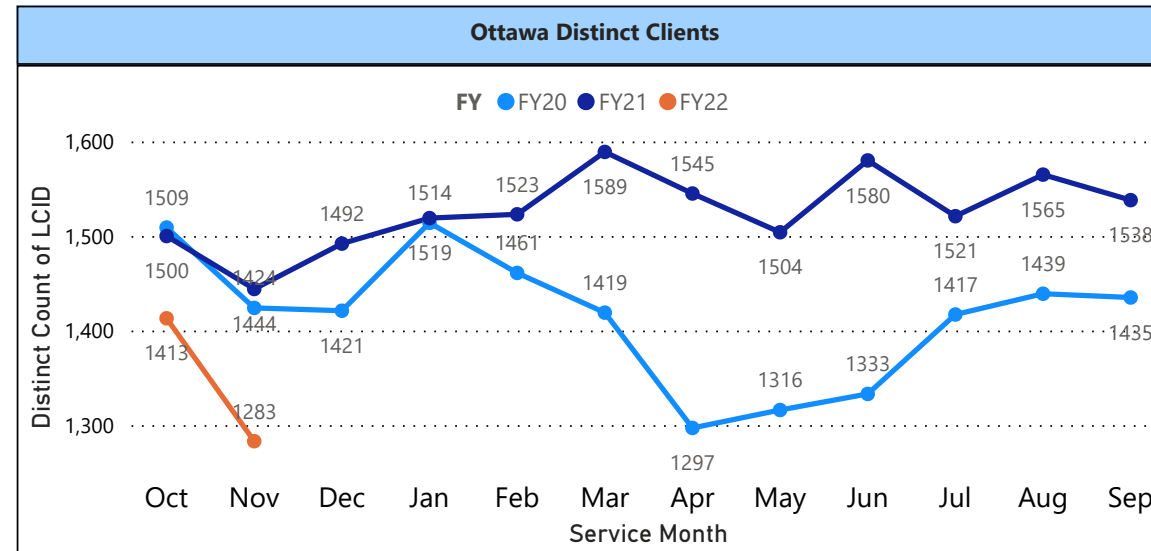


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## Ottawa Behavioral Health

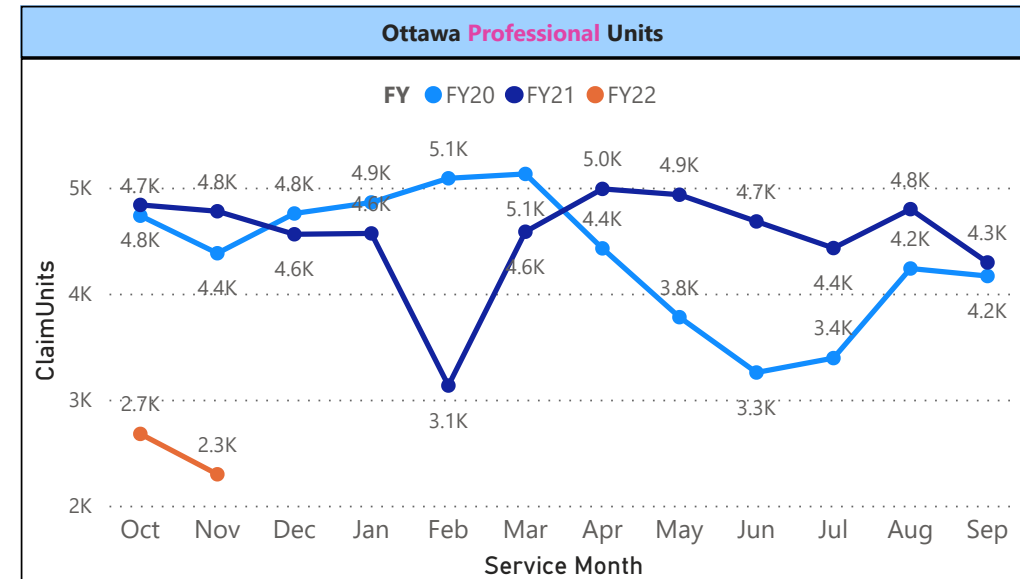
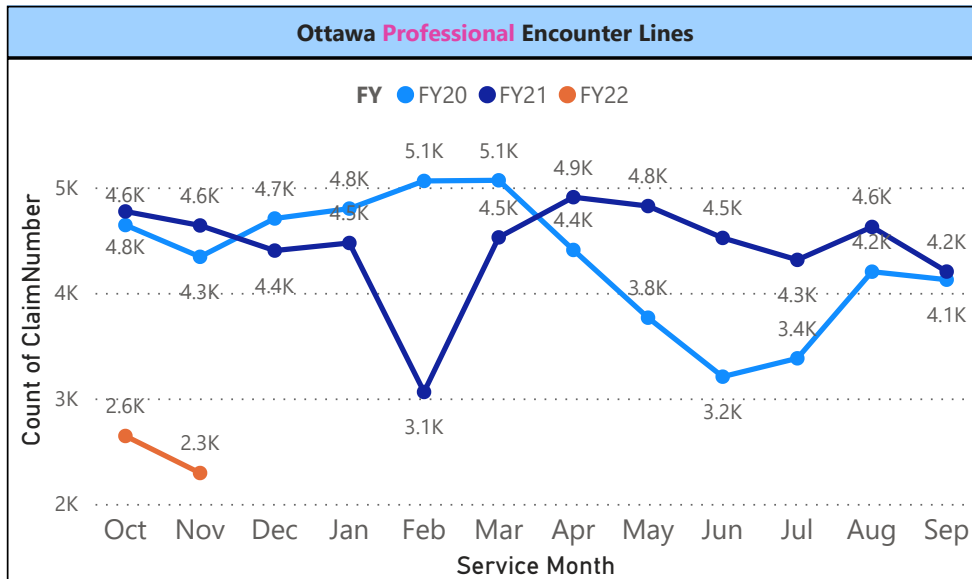
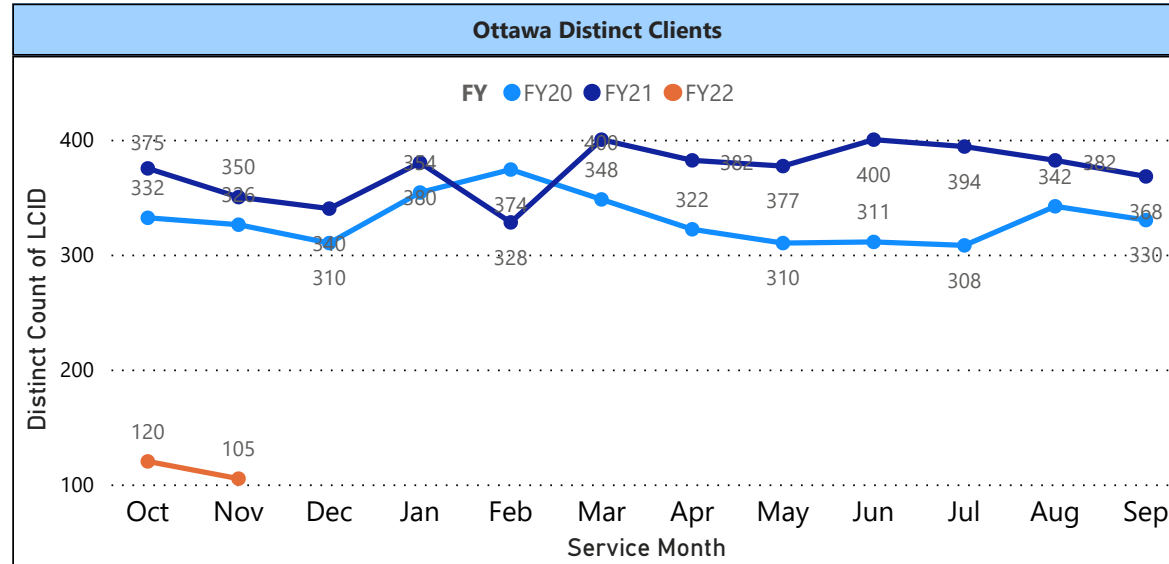


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## Ottawa Substance Use Disorder

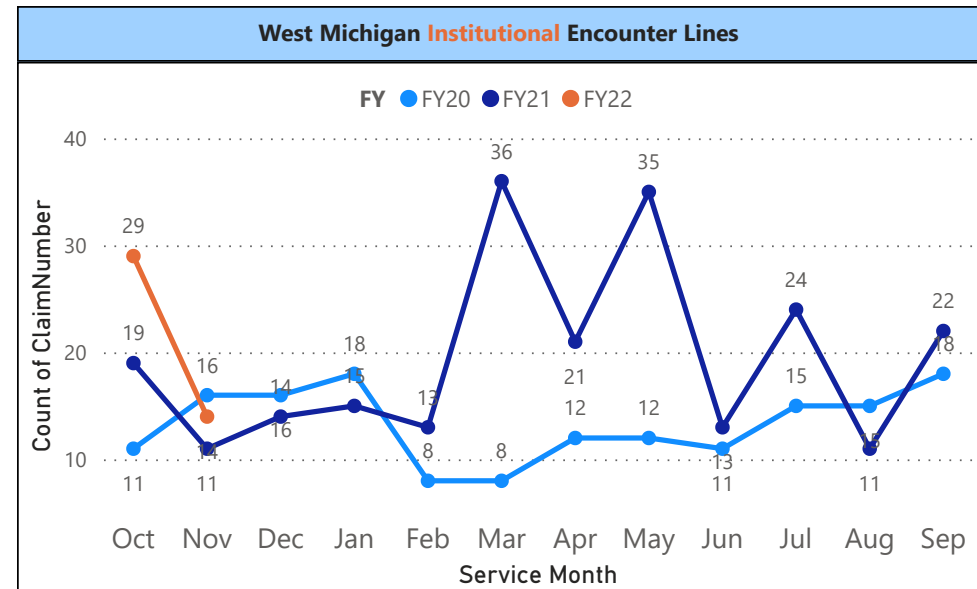
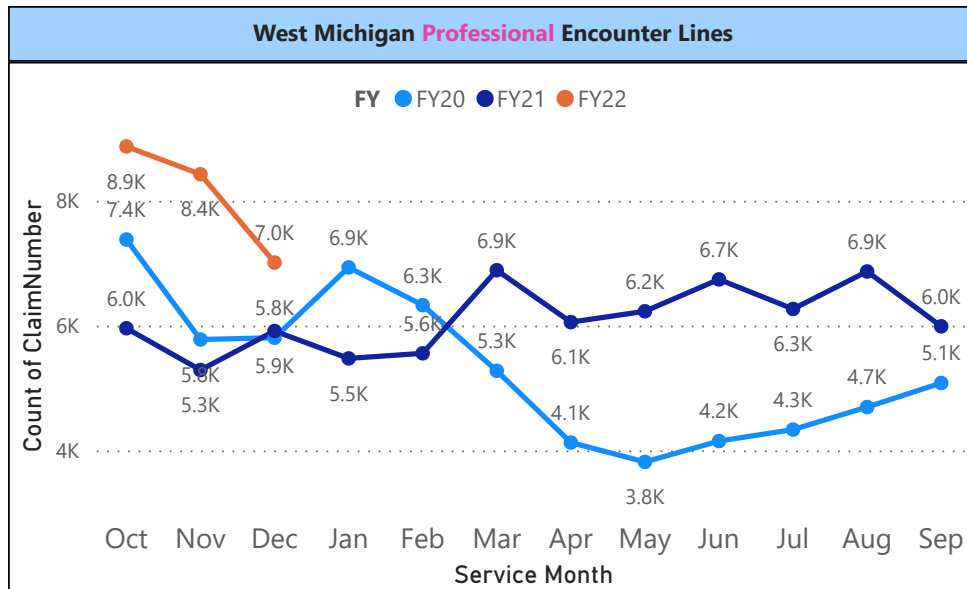
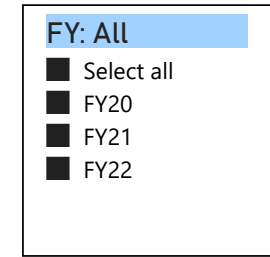
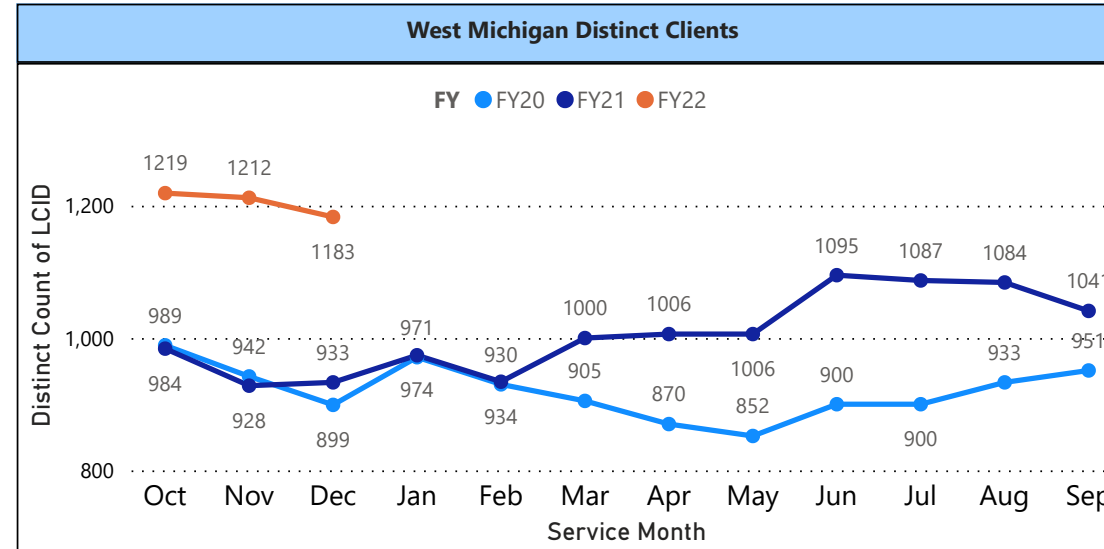


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## West Michigan Behavioral Health

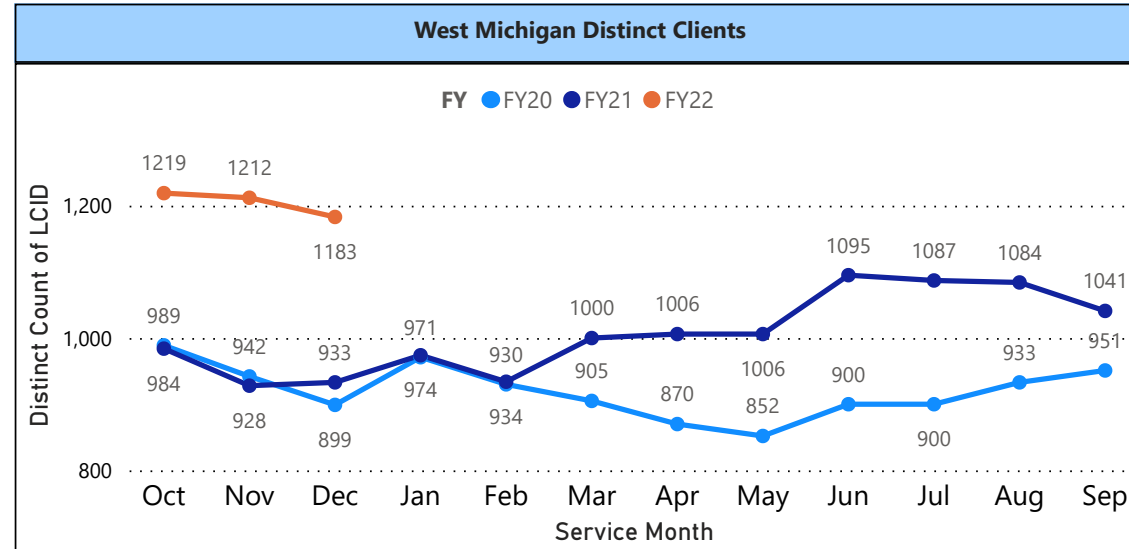


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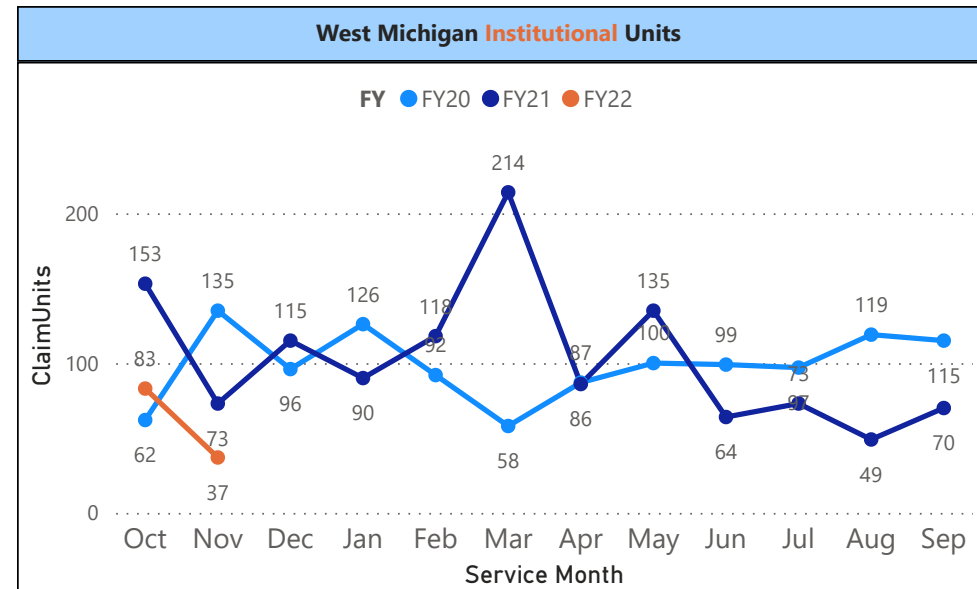
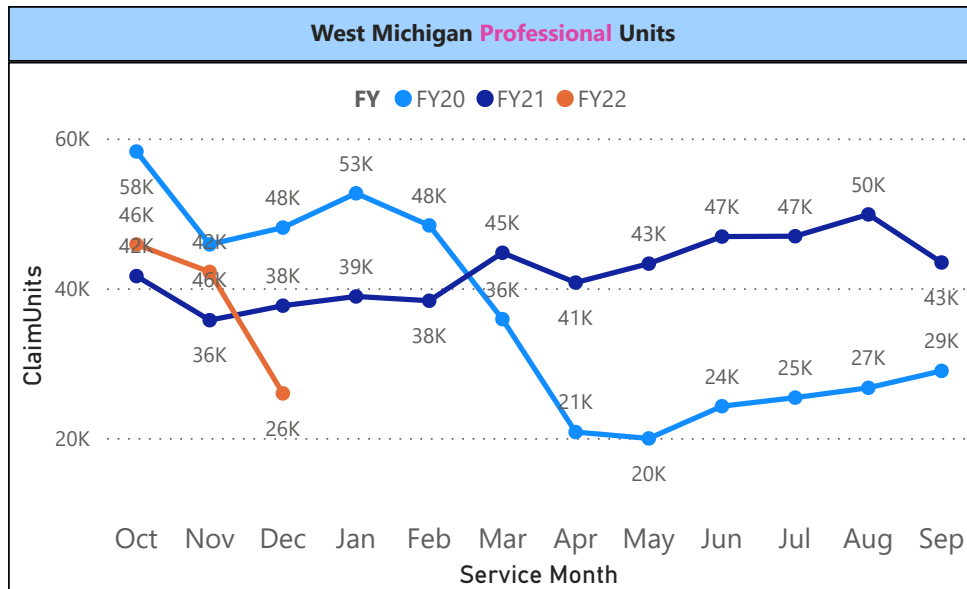


## West Michigan Behavioral Health



FY: All

- Select all
- FY20
- FY21
- FY22



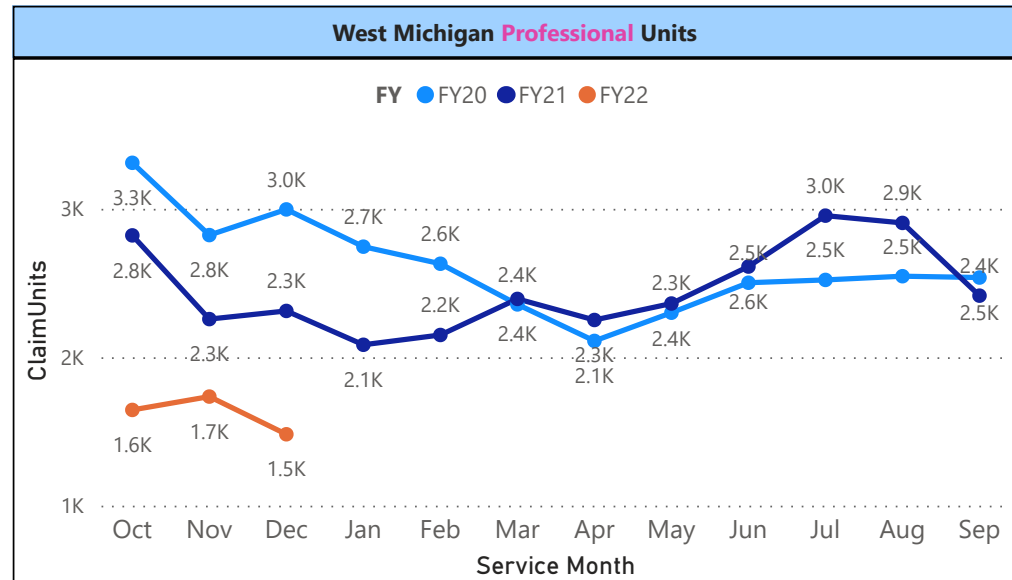
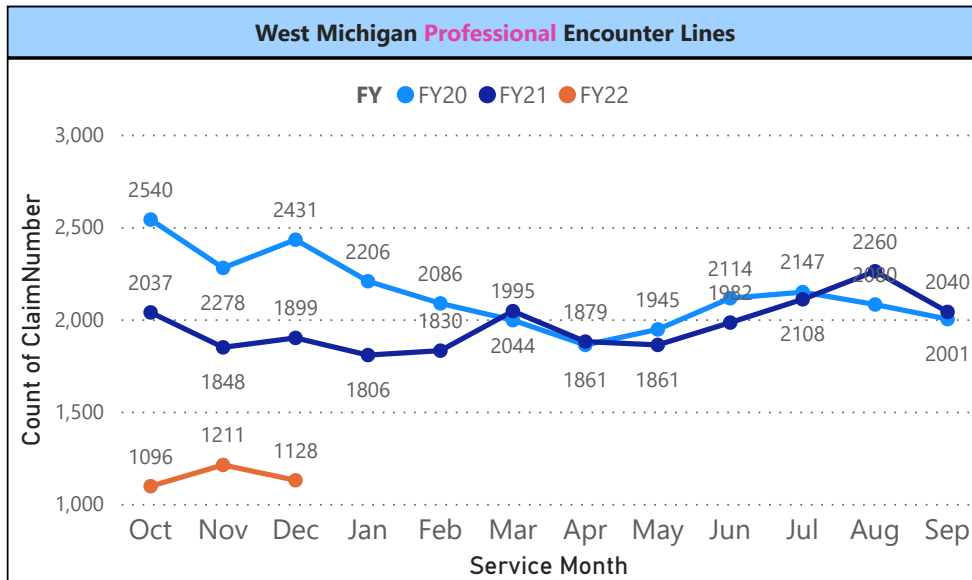
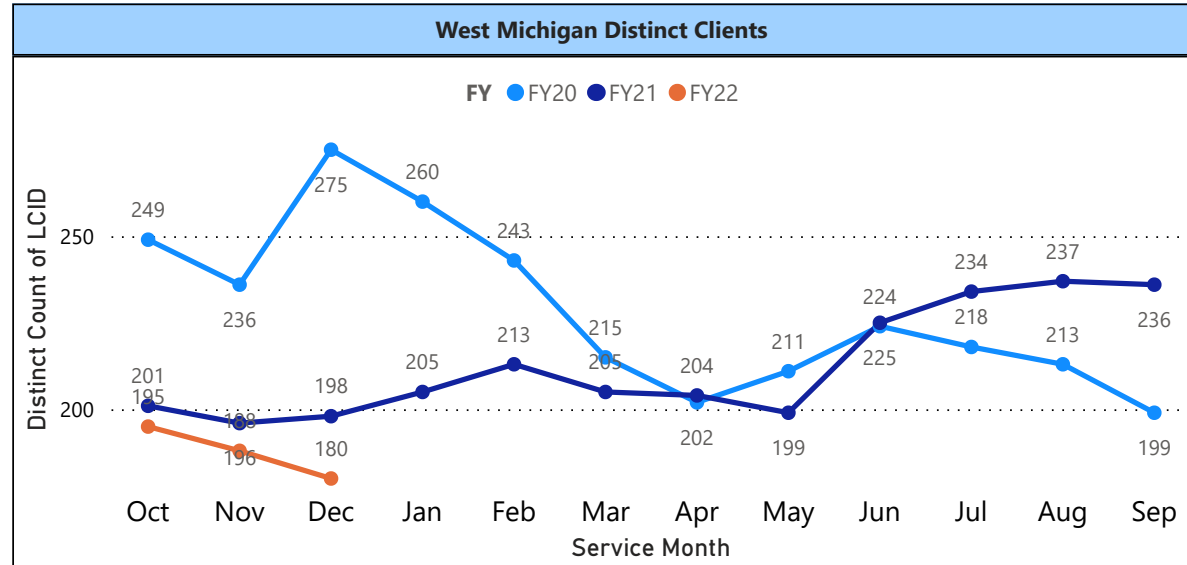
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## West Michigan Substance Use Disorder



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# Data Sources and Definitions

## **Data Source**

LRE\_DW\_CorporateInfo.LRE\_Encounters

## **Definitions**

***Distinct Clients:*** Distinct Count of LCID (Unique Regional Consumer ID)

***Service Month:*** MMM (ex. Oct) pulled from ServiceFromFullDate

***Encounter Lines:*** Count of ClaimNumber

***Units:*** Sum of ClaimUnits

***CMHSP:*** LRE visuals are using ALL MemberCodeCombined  
Individual CMHSP visuals using Individual MemberCodeCombed (ALGN, MKG, N180, OTT, WMCH)

***Division:*** Behavioral Health (MH) using Mental Health Division  
Substance Use Disorder using Substance Abuse Division

***Professional Lines and Units:*** TransactionType = Professional

***Institutional Lines and Units:*** TransactionType = Institutional

***Fiscal Year:*** FY

**EXECUTIVE COMMITTEE SUMMARY**

Wednesday, January 12, 2022, 3:00 PM

Present: Mark DeYoung, Peg Driesenga, Stan Stek, John Snider, Jane Verduin

**WELCOME**

- i. January 12, 2022, Meeting Agenda
- ii. December 8, 2021, Meeting Minutes

Moved: John Snider                      Support: Stan Stek  
MOTION CARRIED

The January 12, 2022, meeting agenda and the December 8, 2021, meeting minutes were accepted as presented.

**BEACON CONTRACT TRANSITION UPDATE**

- LRE gave notice to Beacon on Dec. 29 terminating the LRE/Beacon contract without cause. The end date to the contract will be June 30, 2022.
- LRE is meeting with Beacon to begin information gathering for the transition of functions back to LRE.

**MDHHS SETTLEMENT UPDATE**

- LRE has received a proposal that will be brought to Board for approval. If approved LRE will be off sanctions and will move to a 1-year contract. LRE will be under review for the next 2 years and will have to submit additional reporting to the State.
  - The HW claim has been dismissed by the judge. If Muskegon is willing to keep it as a stay the judge will more than likely give it. Muskegon legal will most likely be unwilling to ask for a stay.
  - the primary HW litigator is back from a medical leave.
- LRE put language into the regional Risk Management plan to address the past liability and have submitted to MDHHS. We are waiting for it to be approved and if it is then we may have an avenue to pay the past liabilities.
- CMS is completing an audit at MDHHS. The audit is investigating how PIHPs are funding (amount) and using their ISF. This may address the ability to use our ISF for the historical debt. It is estimated that any ruling will not come for at least a year.
- There is concern that if we do not receive a judgment prior to sending back surplus funds, the Region would use have to use up the ISF to pay the historical debt, while millions of dollars of surplus funds had to be sent back that could have been used. Greg Moore will have research completed to avoid this.
- Ms. Marlatt-Dumas has requested a meeting with Allen Jansen.

**OPERATING AGREEMENT/BYLAWS REVISIONS**

- CEOs have reviewed both documents. The finance language has been reviewed by the CMH CFOs and CEOs and they approved.
- The Board will be sent the last approved copy and a clean version of the draft documents.
- Ms. Marlatt-Dumas will be available to attend any CMH Board meetings if needed.

#### BOARD MEETING AGENDA ITEMS

- Rubix Contract – A contract was entered into last year that will have to be ratified by the Board and then an extension of this contract.
- Finance Policies
- Risk Management Plan
- FY22 Budget Amendment #1
- Operating Agreement and Bylaws
- Contract Sanctions Proposal

#### BOARD WORK SESSION AGENDA

- LRE/MDHHS Contract Sanctions Proposal (10 mins.)
- Past Liabilities (15 mins.)
- LRE Operating Agreement and Bylaws
- Finance Policies

#### OTHER

#### UPCOMING MEETINGS

- January 20, 2022 – LRE Executive Board Meeting, 1:00 PM
- February 9, 2022 – LRE Executive Committee, 3:00 PM
- February 17, 2022 – LRE Executive Board Meeting, 1:00 PM  
GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440

#### ADJOURN

**Independent Contract for Services**

This Business Intelligence and Decision Support Data Warehouse Development Project ("Agreement") is entered into and shall become effective on 5/3/2021, by and between **RUBIX TECHNOLOGY** ("Contractor") and the **LAKESHORE REGIONAL Entity** ("Entity").

**RECITALS:**

WHEREAS, Entity is a community mental health regional entity formed under the Mental Health Code, 1974 P.A. 258, MCL 330.1001 et seq., specifically MCL 330.1204b, by five (5) community mental health services programs to serve as the Medicaid Prepaid Inpatient Health Plan ("PIHP") for the region designated by the Michigan Department of Health and Human Services ("MDHHS") as Region 3;

WHEREAS, Contractor has established and maintains Data Technology services; and

WHEREAS, Entity desires to engage Contractor to provide design and development of a Business Intelligence Decision Support System and Data Reporting environment including development of its underlying Data Warehouse structures; and

WHEREAS, Contractor possesses the necessary expertise and ability and is willing to provide Entity with database development, data reporting and technological services;

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, Entity and Contractor agree as follows.

**ARTICLE 1  
RELATIONSHIP OF THE PARTIES**

1.1 Engagement to provide Design Consultation and Technological Services to Develop a Business Intelligence Decision Support System and Data Reporting Environment. Entity hereby engages Contractor to provide design and development services to support and enable the creation of a Business Intelligence Decision Support Systems and data reporting environment ("Decision Support System") capable of serving a variety of stakeholders with ready access to key PIHP and CMHSP data measures, including both pre-packaged reports and ad-hoc drill-down data analysis capabilities. Contractor hereby agrees to provide Recommended Implementation Strategies and Technological Services to assist in the design, development and deployment of the new Decision Support System, subject to all terms, conditions and provisions of this Agreement. Recommended Implementation Strategies and Technological Services means those services described in Exhibit B.

1.2 Independent Contractor.

1.2.1 In performing its responsibilities under this Agreement, it is expressly understood and agreed that Contractor's relationship to Entity is that of an independent contractor. This Agreement shall not be construed to establish any principal/agent or joint venture relationship between Entity and Contractor.

1.2.2 It is expressly understood and agreed by the parties that the Michigan Department of Health and Human Services ("MDHHS") and the State of Michigan are not parties to, nor responsible for any payments under this Agreement and that neither the MDHHS nor Entity is party to any employer/employee relationship of Contractor.

1.2.3 It is expressly understood and agreed by the parties that neither Contractor nor its employees shall in any way be deemed to be, or hold themselves out as, employees of Entity. Except as otherwise provided herein, Contractor and employees of Contractor shall not be entitled to any fringe benefits from Entity, including but not limited to, health and accident insurance, life insurance, professional liability insurance, longevity, economic increases, or paid vacation and sick leave.

1.2.4 Contractor shall be responsible for paying all salaries, wages, or other compensation due employees of Contractor and for withholding and payment of all applicable taxes, including, but not limited to, income taxes. Entity shall not be responsible for providing Contractor, as an independent contractor, with workers' compensation coverage. Contractor, as required by law, shall be responsible for providing workers' compensation and unemployment insurance coverage for Contractor's employees.

## **ARTICLE 2 DESIGN CONSULTATION AND TECHNOLOGICAL SERVICES TO BE PROVIDED BY CONTRACTOR**

2.1 Scope of Services. Contractor will provide services as outlined in exhibit B.

2.2 Description of Services are outlined in exhibit B.

2.3 Non-Exclusivity. Notwithstanding the provision of Design Consultation and Technological Services under this Agreement, Contractor shall retain the authority to contract with other entities for the provision of said services, whether or not such services are similar services provided under this Agreement.

## **ARTICLE 3 COMPENSATION**

3.1 Payments. Entity shall pay a rate of \$85.00 per hour for services as specified under this Agreement. The maximum hours of service under this agreement are 50 hours per week and are not to exceed a total of 1,400 hours ( \$119,000.00 ) for the full term of the agreement. Entity shall pay time and material expenses related to work performed per this agreement. Material purchases must be pre-approved and must accompany a receipt. Mileage and other costs will be the sole responsibility of the Contractor.

## **ARTICLE 4 COMPLIANCE WITH LAWS**

4.1 Compliance with Applicable Laws. Both parties shall be responsible for complying with all applicable federal, state and local laws, regulations and restrictions in the performance of their obligations under this Agreement, including without limitation:

4.1.1 This Agreement shall be construed according to the applicable laws of the United States and the laws of the State of Michigan as to the interpretation, construction and performance;

4.1.2 The parties shall comply with the Anti-Lobbying Act, 31 U.S.C. 1352 as revised by the Lobbying Disclosure Act of 1995, 2 U.S.C. 1601 et seq., and Section 503 of the Departments of Labor, Health and Human Services and Education, and Related Agencies Appropriations Act (Public Law 104-208);

4.1.3 The parties shall comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act, as amended (33 U.S.C. 1251 et seq.). Violations shall be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA); and

4.1.4 The parties shall comply with the Hatch Political Activity Act, 5 U.S.C. 1501-1508, and Intergovernmental Personnel Act of 1970, as amended by Title VI of the Civil Service Reform Act, P.L. 95-454, 42 U.S.C. 4728. Federal funds cannot be used for partisan political purposes of any kind by any person or organization involved in the administration of federally assisted programs.

4.2 Nondiscrimination. The parties shall comply with the following:

4.2.1 In performing their duties and responsibilities under this Agreement, the parties hereto shall comply with all applicable federal and State laws, rules and regulations prohibiting discrimination;

4.2.2 Neither of the parties hereto shall discriminate against any employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment or a matter directly or indirectly related to employment because of race, color, religion, national origin, age, sex, height, weight, marital status, physical or mental disability unrelated to the individual's ability to perform the duties of the particular job or position, as required pursuant to the Elliott Larsen Civil Rights Act of 1976 PA 453, as amended and Section 504 of the Federal Rehabilitation Act 1973, PL 93 112, 87 Stat. 394;

4.2.3 Each of the parties hereto shall comply with the provisions of the Michigan Persons With Disabilities Civil Rights Act of 1976 PA 220, as amended, and Section 504 of the Federal Rehabilitation Act of 1973 P.L. 93-112, 87 Stat 394, as amended;

4.2.4 Each of the Parties hereto shall comply with MCL 15.342 Public Officer or Employee prohibited conduct, the Americans with Disabilities Act of 1990 (ADA),

P.L. 101-336, 104 Stat 328 (42 U.S.C.A. S 12101 et seq.), as amended; the Age Discrimination Act of 1973; the Rehabilitation Act of 1973, Title VI of the Civil Rights Act of 1964; and Title IX of the Education Amendments of 1972;

For purposes of this subsection 9.6.4, Employee shall be defined as an individual classified or unclassified, of the executive branch of this State. For the purpose of section 2b of MCL 15.341, employee shall include an employee of this State or a political subdivision of this State. Public Officer shall be defined as a person appointed by the governor or another executive department official. For the purpose of section 2b of MCL 15.341, public officer shall include an elected or appointed official of this State or a political subdivision of this State; and

4.2.5 Each of the parties hereto shall not refuse to treat nor will they discriminate in the treatment of any beneficiary or referral, under this Agreement, based on the individual's source of payment for services, or on the basis of age, sex, height, weight, marital status, arrest record, race, creed, handicap, color, national origin or ancestry, religion, political affiliation or beliefs, or involuntary patient status.

4.3 Federal Requirement: Pro-Children Act. The parties shall comply with Public Law 103-227, also known as the Pro-Children Act of 1994, 20 U.S.C. 6081 et seq. which requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted by and used routinely or regularly for the provision of health, day care, early childhood development services, education or library services to children under the age of 18, if the services are funded by federal programs either directly or through State or local governments, by federal grant, contract, loan or loan guarantee. The law also applies to children's services that are provided in indoor facilities that are constructed, operated or maintained with such federal funds. The law does not apply to children's services provided in private residences; portions of facilities used for inpatient drug or alcohol treatment; service providers whose sole source of applicable federal funds is Medicare or Medicaid; or facilities where Women, Infants, and Children (WIC) coupons are redeemed. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1,000 for each violation and/or the imposition of an administrative compliance order on the responsible entity.

In addition to compliance with Public Law 103-227, any service or activity funded in whole or in part through this Agreement will be delivered in a smoke-free facility or environment. If activities or services are delivered in residential facilities or in facilities or areas that are not under the control of either party (e.g., a mall, residential facilities or private residence, restaurant or private work site), the activities or services shall be smoke free.

## **ARTICLE 5 CONFIDENTIALITY/RECORDS**

5.1 Confidentiality Behavioral Health and Substance Use Disorder Information and Protected Health Information. The parties shall comply with all applicable federal and state laws, rules and regulations concerning a consumer's health care information confidentiality rights, including without limitation the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), the Health Information Technology for Economic and Clinical Health Act



("HITECH"), the regulations and standards promulgated pursuant thereto, the Michigan Mental Health Code and the Michigan Public Health Code.

Under HIPAA, Entity is a covered entity and Contractor would, therefore, be considered a business associate of Entity, due to certain services provided to Entity by Contractor under this Agreement. Similarly, Entity may be deemed a "Program" that provides substance use disorder ("SUD") services within the meaning of 42 CFR Part 2 and, therefore, Contractor would be considered a Qualified Service Organization under 42 CFR Part 2. Accordingly, the parties shall enter into a Business Associate Agreement and/or Qualified Service Organization Agreement with respect to this Agreement, a copy of which is attached hereto as Exhibit A, to comply with HIPAA and 42 CFR Part 2.

5.2 Records. Entity has all right, title and interest in and to any material provided to Entity and in and to any material compiled, created or obtained by Contractor on behalf of Entity in the course of performing this Agreement, including all intellectual property including any patent rights, copyrights, trade secret rights, trademark rights, distribution and publicity rights, all other intellectual property rights and other proprietary rights existing therein.

## **ARTICLE 6 INSURANCE AND LIABILITY**

6.1 Insurance to be Maintained by Entity. Throughout the term of this Agreement, Entity shall maintain liability insurance, in amounts agreed upon by the parties against any liability asserted or incurred by Entity, its directors, officers, employees, and agents.

6.2 Liability. Except as otherwise provided in Section 6.1, all liability to third parties, loss, or damage as a result of claims, demands, costs, or judgments arising out of activities to be carried out by Contractor in the performance of this Agreement shall be the responsibility of Contractor, and not the responsibility of Entity, if the liability, loss, or damage is caused by, or arises out of, the actions or failure to act on the behalf of Contractor, its other affiliates and subcontractors, and their officers, directors, employees and authorized representatives, provided that nothing herein shall be construed as a waiver of any governmental immunity that has been provided to Contractor or its principals, officers and employees by statute or court decisions.

All liability to third parties, loss or damage as a result of claims, demands, costs, or judgments arising out of activities to be carried out by Entity in the performance of this Agreement shall be the responsibility of Entity, and not the responsibility of Contractor, if the liability, loss, or damage is caused by, or arises out of, the actions or failure to act on the behalf of Entity, its other affiliates and subcontractors, and their officers, directors, employees and authorized representatives, provided that nothing herein shall be construed as a waiver of any governmental immunity that has been provided to Entity or its principals, officers and employees by statute or court decisions.

Each party to this Agreement must seek its own legal representative and bear its own costs including judgments in any litigation which may arise out of its activities to be carried out pursuant to its obligations hereunder. It is specifically understood and agreed that neither party will indemnify the other party in such litigation.

Except as provided in Section 6.1, in the event that liability to third parties, loss or damage arises as a result of activities conducted jointly by the parties hereto in fulfillment of their responsibilities under this Agreement, such liability, loss, or damage shall be borne by each party in relation to each party's responsibilities under the joint activities, provided that nothing herein shall be construed as a waiver of any public or governmental immunity granted to any of the parties hereto as provided by applicable statutes and/or court decisions.

## **ARTICLE 7 TERM AND TERMINATION**

7.1 Term of Agreement. This Agreement shall commence on 5/3/2021 and shall expire on 12/31/2021 unless earlier terminated pursuant to Section 7.2 or 7.3 below.

7.2 Termination by Entity. Entity may terminate this Agreement upon notification to Contractor as follows:

7.2.1 In the event Contractor materially defaults in the performance of any duty or obligation imposed upon it by this Agreement and such default shall continue for a period of thirty (30) days after written notice thereof has been given to Contractor, Entity may terminate this Agreement without further notice.

7.2.2 This Agreement shall terminate effective immediately upon receipt of notice and/or discovery by Entity that Contractor is: 1) listed by the State of Michigan as being suspended from participation in the Medicare or the Michigan Medicaid Programs; and/or 2) listed by a department or agency of the State of Michigan in its registry for Unfair Labor Practices pursuant to 1980 P.A. 278, as amended, MCL 423.321 et. seq.; and/or 3) listed by the U.S. Office of Inspector General in its "Excluded Provider List" as being excluded from participating in any federal health care program; and/or 4) excluded from participating in any federal or state health care program.

7.2.3 Entity may terminate this Agreement for any or no reason by providing Contractor thirty (30) days prior written notification.

7.3 Termination by Contractor. Contractor may terminate this Agreement upon notification to Entity as follows:

7.3.1 In the event Entity materially defaults in the performance of any duty or obligation imposed upon it by this Agreement and such default shall continue for a period of thirty (30) days after written notice thereof has been given to Entity, Contractor may terminate this Agreement without further notice.

7.3.2 This Agreement shall terminate effective immediately upon receipt of notice and/or discovery by Contractor that Entity is: 1) listed by the State of Michigan as being suspended from participation in the Medicare or the Michigan Medicaid Programs; and/or 2) listed by a department or agency of the State of Michigan in its registry for Unfair Labor Practices pursuant to 1980 P.A. 278, as amended, MCL 423.321 et. seq.; and/or 3) listed by the U.S. Office of Inspector General in its "Excluded Provider List" as being excluded from participating in any federal health care program; and/or 4) excluded from participating in federal or any state health care program.

7.3.3 Contractor may terminate this Agreement for any or no reason by providing Entity thirty (30) days prior written notification.

## **ARTICLE 8 GENERAL PROVISIONS**

8.1 Assignment. Neither party shall assign its respective rights and obligations hereunder without the written consent of the other.

8.2 Notices. All notices required or permitted by this Agreement shall be in writing and shall be deemed given if sent, postage prepaid, certified mail, return receipt requested, to the address set forth below:

To Contractor:

Jason Villalta, Rubix Technology

7034 Country Springs

Byron Center MI 49315

To Entity:

Lakeshore Regional Entity

5000 Hakes Dr. Suite 250 Norton Shore, MI 49441

or to such other address as either party shall indicate to the other in accordance with the provisions of this Section.

8.3 Binding on Successors. This Agreement shall be binding upon the parties hereto and their successors and assigns.

8.4 Waiver of Provisions. Any waiver of any terms and conditions hereof must be in writing and signed by the parties hereto. The waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms and conditions hereof.

8.5 Governing Law. The validity, interpretation and performance of this Agreement shall be governed by and construed in accordance with the laws of the State of Michigan.

8.6 Severability. The provisions of this Agreement shall be deemed severable, and if any portion shall be held invalid, illegal or unenforceable for any reason, the remainder of this Agreement shall be effective and binding upon the parties hereto.

8.7 Additional Documents. Each of the parties hereto agrees to execute any document or documents that may reasonably be requested from time to time by the other party to implement or complete such party's obligations under this Agreement.

8.8 Remedies Cumulative. No remedy set forth in this Agreement or otherwise conferred upon or reserved to any party shall be considered exclusive of any other remedy available to any party.

8.9 No Obligation to Third Parties. The terms of this Agreement are intended to be solely for the benefit of Contractor and Entity and their successors and assigns, and none of the obligations and duties of Contractor or Entity under this Agreement shall in any way or in any manner be deemed to create any obligation of Contractor or Entity to, or any rights in, any person or entity not a party to this Agreement.

8.10 Entire Agreement. This Agreement sets forth the entire understanding between the parties and supersedes all prior understandings, whether written or oral, between the parties and their affiliates regarding the subject matter contained herein. This Agreement cannot be amended except by a writing signed by both parties.

8.11 Counterparts. This Agreement may be executed in multiple counterparts, each of which when solely executed, shall be deemed an original, but which counterparts together shall constitute one and the same instrument. A signature delivered via facsimile, email, or attachment to email shall be equally as effective as an original signature delivered in-person, by postal mail, or by any other means

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

**RUBIX TECHNOLOGY:**

By: Jason Villalta  
Jason Villalta  
Its: Chief Executive Officer

**LAKESHORE REGIONAL ENTITY**

By: Mary Marlatt-Dumas  
Mary Marlatt-Dumas  
Its: Chief Executive Officer

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ID\RRP - 110216\0001  
05/14/2021

# **EXHIBIT A**

## **Business Associate Agreement**

## EXHIBIT B: SCOPE OF WORK

The following list of responsibilities form the basis for the work of the Consultant. This list (and timeline) may be modified through discussion between Lakeshore Regional Entity and the Consultant.

### **Initiation (Project Definition): Beginning in May 2021**

- Work with Lakeshore Regional Entity staff to assist in definition/establishment of project team; participate in project kick-off.
- Work with Lakeshore Regional Entity staff to define key stakeholders and critical deliverables.
- Work with Lakeshore Regional Entity staff to prepare high level requirements definition and delivery of “Decision Support System Design Framework” (preliminary design).
- Work with Lakeshore Regional Entity staff to clearly define and agree upon project scope and to complete development of the over-all project implementation plan including timeline to initial implementation, as well as the definition and documentation of subsequent implementation phases, if appropriate [contractor may or may not be engaged in subsequent implementation phases and the actual implementation of subsequent phases is not included in the scope of this contract].
- Perform project management and facilitation in an iterative fashion to guide the data warehouse to initial implementation.
- Define technical resource requirement needs sufficiently to enable procurement to begin.

### **Detailed Design and Procurement: May-July 2021**

- Work with Lakeshore Regional Entity staff to ensure efficient procurement of adequate technical resource requirements to support the new Decision Support environment and ensure adequate access for key stakeholders (data center and software resources, including training resources if applicable).
- Deploy development environment if needed to assist with prototyping as part of detailed design.
- Working collaboratively with the project team, complete detail design specifications for initial implementation including critical deliverables. Should encompass staging and presentation layer database design, schema designs, and data flows as well as high-level strategies for how the data structures will support the development of key dashboards and reports.
- Working collaboratively with the project team, define detailed implementation targets for initial implementation and refine project timeline if warranted.

### **Development: July-October 2021**

- Deploy full development environment (or re-purpose prototype for full development use).
- Development and testing of all deliverables targeted for initial production deployment of the new data warehouse.
- Development of end-user data dictionary, for easier system usability and clarity of data meaning.
- Assist Lakeshore Regional Entity staff with the preparation of system documentation, including:
  - o High level project briefs (for LRE Board and other executive stakeholders)
  - o Technical documentation for LRE staff to support and enable ongoing internal support and development within the decision support data warehouse environment

**Deployment: November-December 2021**

- Cross training of Lakeshore Regional Entity staff as needed to enable ongoing internal support and future development within the data warehouse environment.
- Participate with Lakeshore Regional Entity staff in the planning and execution of User Acceptance Testing (UAT) to provide quality assurance regarding the validity and usability of the data within the new data warehouse environment prior to its production deployment.
- Conduct Production Deployment (following successful UAT), including system documentation and instructions for ongoing maintenance requirements.

**Project Goals/Deliverables:**

- Stand up a Data Warehouse environment utilizing the data sources available to Lakeshore Regional Entity to provide a platform on which knowledge workers within our region can build decision support system functionality including dynamic dashboards and pre-formatted reporting as well as ad-hoc information query capabilities.
- Others as detailed in the scope of work statement above.

**Work schedule and project limits**

- Approximately 20 - 40 hours per week anticipated during the duration of the project with a cap of 50 hours per week and a projected maximum of 1,400 hours as described in Article 3.1 (Payments) of the contract above.

**Reimbursement**

- As described in Article 3.1 (Payments) of the contract above.

**Independent Contract for Services**

This Business Intelligence and Decision Support Data Warehouse Development Project ("Agreement") is entered into and shall become effective on 5/3/2021, by and between **RUBIX TECHNOLOGY** ("Contractor") and the **LAKESHORE REGIONAL Entity** ("Entity").

**RECITALS:**

WHEREAS, Entity is a community mental health regional entity formed under the Mental Health Code, 1974 P.A. 258, MCL 330.1001 et seq., specifically MCL 330.1204b, by five (5) community mental health services programs to serve as the Medicaid Prepaid Inpatient Health Plan ("PIHP") for the region designated by the Michigan Department of Health and Human Services ("MDHHS") as Region 3;

WHEREAS, Contractor has established and maintains Data Technology services; and

WHEREAS, Entity desires to engage Contractor to provide design and development of a Business Intelligence Decision Support System and Data Reporting environment including development of its underlying Data Warehouse structures; and

WHEREAS, Contractor possesses the necessary expertise and ability and is willing to provide Entity with database development, data reporting and technological services;

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, Entity and Contractor agree as follows.

**ARTICLE 1  
RELATIONSHIP OF THE PARTIES**

1.1 Engagement to provide Design Consultation and Technological Services to Develop a Business Intelligence Decision Support System and Data Reporting Environment. Entity hereby engages Contractor to provide design and development services to support and enable the creation of a Business Intelligence Decision Support Systems and data reporting environment ("Decision Support System") capable of serving a variety of stakeholders with ready access to key PIHP and CMHSP data measures, including both pre-packaged reports and ad-hoc drill-down data analysis capabilities. Contractor hereby agrees to provide Recommended Implementation Strategies and Technological Services to assist in the design, development and deployment of the new Decision Support System, subject to all terms, conditions and provisions of this Agreement. Recommended Implementation Strategies and Technological Services means those services described in Exhibit A.

1.2 Independent Contractor.

1.2.1 In performing its responsibilities under this Agreement, it is expressly understood and agreed that Contractor's relationship to Entity is that of an independent contractor. This Agreement shall not be construed to establish any principal/agent or joint venture relationship between Entity and Contractor.

1.2.2 It is expressly understood and agreed by the parties that the Michigan Department of Health and Human Services ("MDHHS") and the State of Michigan are



not parties to, nor responsible for any payments under this Agreement and that neither the MDHHS nor Entity is party to any employer/employee relationship of Contractor.

1.2.3 It is expressly understood and agreed by the parties that neither Contractor nor its employees shall in any way be deemed to be, or hold themselves out as, employees of Entity. Except as otherwise provided herein, Contractor and employees of Contractor shall not be entitled to any fringe benefits from Entity, including but not limited to, health and accident insurance, life insurance, professional liability insurance, longevity, economic increases, or paid vacation and sick leave.

1.2.4 Contractor shall be responsible for paying all salaries, wages, or other compensation due employees of Contractor and for withholding and payment of all applicable taxes, including, but not limited to, income taxes. Entity shall not be responsible for providing Contractor, as an independent contractor, with workers' compensation coverage. Contractor, as required by law, shall be responsible for providing workers' compensation and unemployment insurance coverage for Contractor's employees.

## **ARTICLE 2 DESIGN CONSULTATION AND TECHNOLOGICAL SERVICES TO BE PROVIDED BY CONTRACTOR**

2.1 Scope of Services. Contractor will provide services as outlined in Exhibit A.

2.2 Description of Services are outlined in Exhibit A.

2.3 Non-Exclusivity. Notwithstanding the provision of Design Consultation and Technological Services under this Agreement, Contractor shall retain the authority to contract with other entities for the provision of said services, whether or not such services are similar services provided under this Agreement.

## **ARTICLE 3 COMPENSATION**

3.1 Payments. The Contract will track three levels of staff hours on this project. These staffing level include: Project Leadership, Lead Development and Report Developer Responsibility levels. These levels are budgeted maximum and costs are based on the following structure. Entity shall pay time and material expenses related to work performed per this agreement. Material purchases must be pre-approved and must accompany a receipt. Mileage and other costs will be the sole responsibility of the Contractor

<b><u>Compensation Table</u></b>			
<b><u>Position</u></b>	<b><u>Budgeted Hours</u></b>	<b><u>Rate</u></b>	<b><u>Budget</u></b>
Project Leadership	300	\$95.00/hr	\$28,500
Lead Developer	600	\$85.00/hr	\$51,000
Report Developer	600	\$75.00/hr	\$45,000
		<b>Total Budget (Not to Exceed)</b>	\$124,500

**Figure-1**

#### **ARTICLE 4 COMPLIANCE WITH LAWS**

4.1 Compliance with Applicable Laws. Both parties shall be responsible for complying with all applicable federal, state and local laws, regulations and restrictions in the performance of their obligations under this Agreement, including without limitation:

4.1.1 This Agreement shall be construed according to the applicable laws of the United States and the laws of the State of Michigan as to the interpretation, construction and performance;

4.1.2 The parties shall comply with the Anti-Lobbying Act, 31 U.S.C. 1352 as revised by the Lobbying Disclosure Act of 1995, 2 U.S.C. 1601 et seq., and Section 503 of the Departments of Labor, Health and Human Services and Education, and Related Agencies Appropriations Act (Public Law 104-208);

4.1.3 The parties shall comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act, as amended (33 U.S.C. 1251 et seq.). Violations shall be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA); and

4.1.4 The parties shall comply with the Hatch Political Activity Act, 5 U.S.C. 1501-1508, and Intergovernmental Personnel Act of 1970, as amended by Title VI of the Civil Service Reform Act, P.L. 95-454, 42 U.S.C. 4728. Federal funds cannot be used for partisan political purposes of any kind by any person or organization involved in the administration of federally assisted programs.

4.2 Nondiscrimination. The parties shall comply with the following:

4.2.1 In performing their duties and responsibilities under this Agreement, the parties hereto shall comply with all applicable federal and State laws, rules and regulations prohibiting discrimination;

4.2.2 Neither of the parties hereto shall discriminate against any employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment or a matter directly or indirectly related to employment because of race, color, religion, national origin, age, sex, height, weight, marital status, physical or mental disability unrelated to the individual's ability to perform the duties of the particular job or position, as required pursuant to the Elliott Larsen Civil Rights Act of 1976 PA 453, as amended and Section 504 of the Federal Rehabilitation Act 1973, PL 93 112, 87 Stat. 394;

4.2.3 Each of the parties hereto shall comply with the provisions of the Michigan Persons With Disabilities Civil Rights Act of 1976 PA 220, as amended, and Section 504 of the Federal Rehabilitation Act of 1973 P.L. 93-112, 87 Stat 394, as amended;

4.2.4 Each of the Parties hereto shall comply with MCL 15.342 Public Officer or Employee prohibited conduct, the Americans with Disabilities Act of 1990 (ADA), P.L. 101-336, 104 Stat 328 (42 U.S.C.A. S 12101 et seq.), as amended; the Age Discrimination Act of 1973; the Rehabilitation Act of 1973, Title VI of the Civil Rights Act of 1964; and Title IX of the Education Amendments of 1972;

For purposes of this subsection 9.6.4, Employee shall be defined as an individual classified or unclassified, of the executive branch of this State. For the purpose of section 2b of MCL 15.341, employee shall include an employee of this State or a political subdivision of this State. Public Officer shall be defined as a person appointed by the governor or another executive department official. For the purpose of section 2b of MCL 15.341, public officer shall include an elected or appointed official of this State or a political subdivision of this State; and

4.2.5 Each of the parties hereto shall not refuse to treat nor will they discriminate in the treatment of any beneficiary or referral, under this Agreement, based on the individual's source of payment for services, or on the basis of age, sex, height, weight, marital status, arrest record, race, creed, handicap, color, national origin or ancestry, religion, political affiliation or beliefs, or involuntary patient status.

4.3 Federal Requirement: Pro-Children Act. The parties shall comply with Public Law 103-227, also known as the Pro-Children Act of 1994, 20 U.S.C. 6081 et seq. which requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted by and used routinely or regularly for the provision of health, day care, early childhood development services, education or library services to children under the age of 18, if the services are funded by federal programs either directly or through State or local governments, by federal grant, contract, loan or loan guarantee. The law also applies to children's services that are provided in indoor facilities that are constructed, operated or maintained with such federal funds. The law does not apply to children's services provided in private residences; portions of facilities used for inpatient drug or alcohol treatment; service

providers whose sole source of applicable federal funds is Medicare or Medicaid; or facilities where Women, Infants, and Children (WIC) coupons are redeemed. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1,000 for each violation and/or the imposition of an administrative compliance order on the responsible entity.

In addition to compliance with Public Law 103-227, any service or activity funded in whole or in part through this Agreement will be delivered in a smoke-free facility or environment. If activities or services are delivered in residential facilities or in facilities or areas that are not under the control of either party (e.g., a mall, residential facilities or private residence, restaurant or private work site), the activities or services shall be smoke free.

## **ARTICLE 5 CONFIDENTIALITY/RECORDS**

5.1 Confidentiality Behavioral Health and Substance Use Disorder Information and Protected Health Information. The parties shall comply with all applicable federal and state laws, rules and regulations concerning a consumer's health care information confidentiality rights, including without limitation the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), the Health Information Technology for Economic and Clinical Health Act ("HITECH"), the regulations and standards promulgated pursuant thereto, the Michigan Mental Health Code and the Michigan Public Health Code.

Under HIPAA, Entity is a covered entity and Contractor would, therefore, be considered a business associate of Entity, due to certain services provided to Entity by Contractor under this Agreement. Similarly, Entity may be deemed a "Program" that provides substance use disorder ("SUD") services within the meaning of 42 CFR Part 2 and, therefore, Contractor would be considered a Qualified Service Organization under 42 CFR Part 2. Accordingly, the parties shall enter into a Business Associate Agreement and/or Qualified Service Organization Agreement with respect to this Agreement in compliance with HIPAA and 42 CFR Part 2.

5.2 Records. Entity has all right, title and interest in and to any material provided to Entity and in and to any material compiled, created or obtained by Contractor on behalf of Entity in the course of performing this Agreement, including all intellectual property including any patent rights, copyrights, trade secret rights, trademark rights, distribution and publicity rights, all other intellectual property rights and other proprietary rights existing therein.

## **ARTICLE 6 INSURANCE AND LIABILITY**

6.1 Insurance to be Maintained by Entity. Throughout the term of this Agreement, Entity shall maintain liability insurance, in amounts agreed upon by the parties against any liability asserted or incurred by Entity, its directors, officers, employees, and agents.

6.2 Liability. Except as otherwise provided in Section 6.1, all liability to third parties, loss, or damage as a result of claims, demands, costs, or judgments arising out of activities to be carried out by Contractor in the performance of this Agreement shall be the responsibility

of Contractor, and not the responsibility of Entity, if the liability, loss, or damage is caused by, or arises out of, the actions or failure to act on the behalf of Contractor, its other affiliates and subcontractors, and their officers, directors, employees and authorized representatives, provided that nothing herein shall be construed as a waiver of any governmental immunity that has been provided to Contractor or its principals, officers and employees by statute or court decisions.

All liability to third parties, loss or damage as a result of claims, demands, costs, or judgments arising out of activities to be carried out by Entity in the performance of this Agreement shall be the responsibility of Entity, and not the responsibility of Contractor, if the liability, loss, or damage is caused by, or arises out of, the actions or failure to act on the behalf of Entity, its other affiliates and subcontractors, and their officers, directors, employees and authorized representatives, provided that nothing herein shall be construed as a waiver of any governmental immunity that has been provided to Entity or its principals, officers and employees by statute or court decisions.

Each party to this Agreement must seek its own legal representative and bear its own costs including judgments in any litigation which may arise out of its activities to be carried out pursuant to its obligations hereunder. It is specifically understood and agreed that neither party will indemnify the other party in such litigation.

Except as provided in Section 6.1, in the event that liability to third parties, loss or damage arises as a result of activities conducted jointly by the parties hereto in fulfillment of their responsibilities under this Agreement, such liability, loss, or damage shall be borne by each party in relation to each party's responsibilities under the joint activities, provided that nothing herein shall be construed as a waiver of any public or governmental immunity granted to any of the parties hereto as provided by applicable statutes and/or court decisions.

## **ARTICLE 7 TERM AND TERMINATION**

7.1 Term of Agreement. This Agreement shall commence on 12/1/2021 and shall expire on 8/30/2022 unless earlier terminated pursuant to Section 7.2 or 7.3 below.

7.2 Termination by Entity. Entity may terminate this Agreement upon notification to Contractor as follows:

7.2.1 In the event Contractor materially defaults in the performance of any duty or obligation imposed upon it by this Agreement and such default shall continue for a period of thirty (30) days after written notice thereof has been given to Contractor, Entity may terminate this Agreement without further notice.

7.2.2 This Agreement shall terminate effective immediately upon receipt of notice and/or discovery by Entity that Contractor is: 1) listed by the State of Michigan as being suspended from participation in the Medicare or the Michigan Medicaid Programs; and/or 2) listed by a department or agency of the State of Michigan in its registry for Unfair Labor Practices pursuant to 1980 P.A. 278, as amended, MCL 423.321 et. seq.; and/or 3) listed by the U.S. Office of Inspector General in its "Excluded

Provider List” as being excluded from participating in any federal health care program; and/or 4) excluded from participating in any federal or state health care program.

7.2.3 Entity may terminate this Agreement for any or no reason by providing Contractor thirty (30) days prior written notification.

7.3 Termination by Contractor. Contractor may terminate this Agreement upon notification to Entity as follows:

7.3.1 In the event Entity materially defaults in the performance of any duty or obligation imposed upon it by this Agreement and such default shall continue for a period of thirty (30) days after written notice thereof has been given to Entity, Contractor may terminate this Agreement without further notice.

7.3.2 This Agreement shall terminate effective immediately upon receipt of notice and/or discovery by Contractor that Entity is: 1) listed by the State of Michigan as being suspended from participation in the Medicare or the Michigan Medicaid Programs; and/or 2) listed by a department or agency of the State of Michigan in its registry for Unfair Labor Practices pursuant to 1980 P.A. 278, as amended, MCL 423.321 et. seq.; and/or 3) listed by the U.S. Office of Inspector General in its “Excluded Provider List” as being excluded from participating in any federal health care program; and/or 4) excluded from participating in federal or any state health care program.

7.3.3 Contractor may terminate this Agreement for any or no reason by providing Entity thirty (30) days prior written notification.

## **ARTICLE 8 GENERAL PROVISIONS**

8.1 Assignment. Neither party shall assign its respective rights and obligations hereunder without the written consent of the other.

8.2 Notices. All notices required or permitted by this Agreement shall be in writing and shall be deemed given if sent, postage prepaid, certified mail, return receipt requested, to the address set forth below:

To Contractor:

Jason Villalta, Rubix Technology

7034 Country Springs

Byron Center MI 49315

To Entity:

Lakeshore Regional Entity

5000 Hakes Dr. Suite 250 Norton Shore, MI 49441



or to such other address as either party shall indicate to the other in accordance with the provisions of this Section.

8.3 Binding on Successors. This Agreement shall be binding upon the parties hereto and their successors and assigns.

8.4 Waiver of Provisions. Any waiver of any terms and conditions hereof must be in writing and signed by the parties hereto. The waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms and conditions hereof.

8.5 Governing Law. The validity, interpretation and performance of this Agreement shall be governed by and construed in accordance with the laws of the State of Michigan.

8.6 Severability. The provisions of this Agreement shall be deemed severable, and if any portion shall be held invalid, illegal or unenforceable for any reason, the remainder of this Agreement shall be effective and binding upon the parties hereto.

8.7 Additional Documents. Each of the parties hereto agrees to execute any document or documents that may reasonably be requested from time to time by the other party to implement or complete such party's obligations under this Agreement.

8.8 Remedies Cumulative. No remedy set forth in this Agreement or otherwise conferred upon or reserved to any party shall be considered exclusive of any other remedy available to any party.

8.9 No Obligation to Third Parties. The terms of this Agreement are intended to be solely for the benefit of Contractor and Entity and their successors and assigns, and none of the obligations and duties of Contractor or Entity under this Agreement shall in any way or in any manner be deemed to create any obligation of Contractor or Entity to, or any rights in, any person or entity not a party to this Agreement.

8.10 Entire Agreement. This Agreement sets forth the entire understanding between the parties and supersedes all prior understandings, whether written or oral, between the parties and their affiliates regarding the subject matter contained herein. This Agreement cannot be amended except by a writing signed by both parties.

8.11 Counterparts. This Agreement may be executed in multiple counterparts, each of which when solely executed, shall be deemed an original, but which counterparts together shall constitute one and the same instrument. A signature delivered via facsimile, email, or attachment to email shall be equally as effective as an original signature delivered in-person, by postal mail, or by any other means

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

**RUBIX TECHNOLOGY:**

By: Jason Villalta  
Jason Villalta

Its: Chief Executive Officer

**LAKESHORE REGIONAL ENTITY**

By: \_\_\_\_\_  
Mary Marlatt-Dumas

Its: Chief Executive Officer

AA01\375463.3  
ID\RRP - 110216\0001  
12/30/2021



## EXHIBIT A: SCOPE OF WORK

Working at the direction of the Project Steering Committee and in partnership with the CIO, the Contractor will provide IT experienced leadership and staff to assist the Entity in re-establishing a centralized Information Services function. The following list of responsibilities form the basis for the work of the Contractor. These responsibilities may be modified through discussion between Lakeshore Regional Entity and the Consultant.

- Provide leadership and IT management mentoring to the current Entity CIO.  
Experience CMH-IT leadership and project co-management
  - CIO Mentoring
  - Project Management
  - Lead the IT Project Steering Committee
  - Support the development and delivery of projects
  - Where appropriate provide training for LRE IT staff
  
- Lead-Developer and Application Mgr
  - Lead sub-project deliverables
  - Support and potentially lead projects related to new operational PCE-LIDS modules
  - Provide training to LRE staff where appropriate
  - Continued development of the LRE Data Warehouse environment
  - Reporting and Power-BI where appropriate
  - Lead the “hands-on” staff from Rubix
  - Provide development resources to convert existing reports into the central IT environment
  - At the direction of the Project Steering Committee and in partnership with the CIO provide staff resources to develop additional reports/visualization in support of Entity analytics.
  
- Report Developer
  - Support the development of reports and implementation of Power-BI tool
  - Where appropriate support the implementation of new transaction system applications at the LRE

**Work schedule and project limits**

- A combined 20 - 30 hours per week anticipated during the duration of the project with a cap of 100 hours per week and a projected maximum of 1,500 hours as described in Article 3.1 (Payments) of the contract above.

**Reimbursement**

- As described in Article 3.1 (Payments) of the contract above.

January 11, 2022

Jeff Wieferich  
Director  
Behavioral Health and Developmental  
Disabilities Administration  
Lewis Cass Building  
320 South Walnut Street  
Lansing, MI 48913

Dear Mr. Wieferich:

Please find attached the Risk Management Strategy (RMS) for the Lakeshore Regional Entity (LRE) as required by Section 8 Schedule E of our MDHHS/PIHP fiscal year 2021 contract. The RMS is presented following the outline provided by the department in their October 10, 2008, letter "Technical Advisory on Risk Management Strategy Submissions" – updating to FY22 where appropriate. The Technical Advisory language and LRE responses are provided in different fonts, hopefully allowing for easy understanding.

Should you have any questions about the LRE RMS please let me know at (231) 747-0904 or [staciachick@lsre.org](mailto:staciachick@lsre.org). This Risk Management Strategy submission is in accordance with the requirement to resubmit if any change may be required.

Sincerely,



Stacia Chick  
2022.01.11 20:57:27 -05'00'

Stacia Chick  
Chief Finance Officer  
Lakeshore Regional Entity

## Lakeshore Regional Entity (LRE)

### Risk Management Strategy

For the Year Ending September 30, 2022

**\*DRAFT – Pending LRE Board Approval 1/20/2022\***

#### Medicaid

1)

- The expected balance of the Medicaid ISF as of 09/30/21  
*LRE Response: \$27,745,911*
- If the PIHP maintains a GF ISF, then the balance should be reported  
*LRE Response: N/A, LRE does not receive GF Funding*
- Any FY21 Medicaid savings, GF carry-forward  
*LRE Response: The LRE anticipates \$22,597,551 of FY21 Medicaid/HMP savings.*
- The projected amount of general fund dollars, if any redirected to cover Medicaid cost overruns in FY21  
*LRE Response: N/A, LRE does not receive GF Funding*
- The CMHSP/PIHP's expected unrestricted fund balance  
*LRE Response: (\$19,238,918) Unrestricted fund balance.*

- 2) A report of FY22 projection of Medicaid capitation pre-payments and waiver expenditures for Medicaid beneficiaries for each affiliate and the PIHP in total.  
*LRE Response: The estimated or budgeted Medicaid capitation payments (including State Plan, 1915(i), SED, CWP, HSW, Autism, DHIP, HMP, and Savings) for the FY22 contract is \$412,223,633. Expected Medicaid expenditures are \$362,092,168.*

*Expected expenditures are broken down by CMHSP and LREs as follows:*

Allegan County CMH	30,939,833
CMH of Ottawa County	47,272,971
HealthWest	65,940,074
Network 180	176,331,782
West Michigan CMH	23,417,649
LRE	18,189,860
	<u>\$362,092,168</u>

- 3) A) If FY22 Medicaid revenue is expected to be below projected expenditures, then the RMS must include the following:
- A brief summary of the expected change in Medicaid revenue and costs from FY21  
*LRE Response: N/A – total Medicaid Revenue (including Savings) is projected to exceed expenditures.*
  - The amount of projected local and state risk obligations the plan covers  
*LRE Response: N/A – total Medicaid Revenue (including Savings) is projected to exceed expenditures.*

- A detailed description of the funds (ISF, local, etc.) that will be used to satisfy the risk obligation  
*LRE Response: N/A – total Medicaid Revenue (including Savings) is projected to exceed expenditures.*
- A description of any unrelated actions such as plans to increase efficiency or reduce costs  
*LRE Response: N/A – total Medicaid Revenue (including Savings) is projected to exceed expenditures.*

B) If FY22 Medicaid prepaid revenue is expected to exceed Medicaid prepaid plan expenditure, then the planned utilization of this difference must be specified (i.e., how much will be allocated to Medicaid savings, ISF deposit or lapse). Similarly, any general fund allocations that are expected to exceed expenditures for FY22, for each CMHSP and for the PIHP in total, must be delineated with respect to whether they will be included in carry-forward, a GF ISF, or lapsed and the expected amounts of each.

*LRE Response: Our projected surplus of revenue (including Medicaid Savings) over expenditures is \$50,131,466. LRE plans to apply the surplus of Revenue as Carry Forward (approx. \$27,533,915). LRE plans to work with affiliates to develop a plan to utilize any remaining (approx. \$22,597,551) within the current fiscal year or will be utilized to settle historical deficits with affiliates or will lapse back to MDHHS.*

*LRE does not receive GF funding.*

- 4) A report on PIHP/Affiliate risk management relationships. This component of the RMS would not apply to stand alone PIHPs. This should describe the PIHP responsible CMHSP arrangements with affiliate CMHSPs in sharing financing responsibility for the projected Medicaid risk exposure.  
*LRE Response: LRE maintains all Medicaid risk up to the total capitation revenue from MDHHS. The ISF is used to cover Medicaid shortfalls to the extent LRE enters the risk corridor. If the ISF is insufficient to cover all LRE risk corridor obligations, the CMHSPs will be required to use other available funding sources. For FY22 Medicaid Savings and the ISF is expected to be sufficient to cover any risk exposure.*
- 5) Additional information – LRE does not have any insurance for risk financing. LRE will continue to evaluate the availability and need for such insurance in the future.