

CEO Report November 18, 2021

Hello and good afternoon. It is a Great Day to be a part of the Lake Shore Regional Entity!

1. COVID – New! Federal Government announces plans to require COVID vaccinations to health facilities participating in Medicaid or Medicare. This week, the Federal Centers for Medicare and Medicaid Services issued an announcement requiring COVID-19 vaccinations for all staff working at health care facilities that receive Medicaid or Medicare funds. This requirement would apply to nearly all CMHA member organizations and includes Ambulatory Surgical Centers, Long-Term Care Facilities, Psychiatric Residential Treatment Facilities, Intermediate Care Facilities for Individuals with Intellectual Disabilities, Home Health Agencies, Community Mental Health Centers, and Rural Health Clinics and Federally Qualified Health Centers among others.

This is an Interim Final Rule, meaning that it takes effect immediately but does have a 60-day comment period that closes on January 4th, 2022. The full regulation is not yet up on the Federal Register.

- 2. CCBHC Update The Certified Community Behavioral Health Clinic (CCBHC) demonstration effort kicked off on October 1. As mentioned last month the unanswered questions regarding implementation continue into November, however things are moving forward. Although this is frustrating and concerning, the LRE, as well as the CMH Members continue to partner with MDHHS to find answers to the questions and resolve outstanding concerns.
- **3. Beacon Contract** The LRE continues to work with Beacon regarding the contracted functions. Specific activity that Beacon provided support in this month included the following:
 - > Finance:
 - Provided EQI comparison of CHMSP encounter data relative to LRE PCE/LIDS data.
 - Reviewed the first CCHBC waiver payment file (October 2021) for discrepancies.
 - Supported LRE CFO as it relates to reviewing CCBHC supplemental rates and CCBHC portion of base capitation rates.
 - <u>Utilization Management</u>
 - The LRE clinical team continues to support LRE appeals by reviewing the Network180 appeal cases and completing the Beacon PA referral form for those cases. Additionally, one clinician participates in the Network180 weekly appeals committee meeting.

- BHO continues to offer support to all CMHs in coordinating complex case meetings, as requested.
- The Beacon UM team dedicated to the LRE account is currently completing a training on Mental Health Parity through Beacon.
- The BHO team continues to increase their knowledge of the Michigan Medicaid Provider Manual, which is helpful in preparing for Beacon's future involvement related to clinical oversight.
- They are also working on other various trainings, improving skillsets. Retro reviews are still being submitted and processed by the team within the 30-day turnaround time.
- Lastly, the team continues to attend Grand Rounds led by Dr. Monteith. Beacon clinical staff remain available to provide any desired support, expertise, or assistance to those in the LRE region.
- The necessity of Inter-rater reliability (IRR) continues to be an area of focus for the Beacon clinical team, specific to parity requirements and ensuring consistency in level of care determinations across the region. The IRR proposal has been edited and is ready for review at the December UM ROAT meeting.

> Integrated Healthcare

In October, monthly joint care coordination meetings were held with each of the Medicaid Health Plans that serve this region. During the October meetings, 63 consumers were discussed with their respective MHPs related to their potential or ongoing benefit from having an interactive care plan within the State's claims database, CC360, and subsequently improving the care they receive and their quality of life, removing barriers, and decreasing unnecessary utilization of crisis services. There were 5 consumers discussed with their MHPs, wherein an interactive care plan was not created, but joint collaboration took place. During October, there were 9 new interactive care plans opened, with agreement by the respective CMHs and Medicaid Health Plans.

4. State "Action Plan" Discussions – The Assistant Attorney communicated thru email with the LRE counsel on 11/12/2021. The email communicated the following:

There are a few major points on which our clients disagree:

1. The Term of the Settlement Agreement. An ending of 09/30/2022 is not acceptable to MDHHS. With service utilization and financials being quite different at the moment in light of the Pandemic, ending the Term on 09/30/2022 does not allow MDHHS to monitor LRE's stabilization post-Pandemic. MDHHS suggests 3 years is the appropriate Term.

- 2. In MDHHS' version of the Settlement Agreement, the only part of the plan on which MDHHS was requiring its approval was LRE's plan to bring managed care functions back in-house. MDHHS would like to retain some sort of initial approval authority over that part of the LRE Plan.
- 3. MDHHS' version of the Settlement Agreement made clear that MDHHS could bring a future action against the contract, and that in such future action, evidence from both before and after this Settlement Agreement could be used. MDHHS has no plans to take such action now, but it cannot waive its right to use pre-settlement events if it ever needs to take such action in the future.
- 4. MDHHS will not put any financial settlement in this Settlement Agreement—including committing to any set figure for the 2018 and 2019 cost settlements—or any MDHHS financial contribution towards LRE's deficit.
- 5. MDHHS cannot agree to LRE's request for more HSW slots. Those slots are capped statewide, so to grant more to LRE at this point would take slots away from other PIHPs.
- 6. MDHHS cannot agree that LRE can retain Medicaid surplus funds from FY20 and FY21, nor can they agree LRE can take such funds from other PIHPs.

There are a handful of other, smaller points, but I won't take up your time now getting into those if these major points present an insurmountable hurdle to resolution.

LRE Counsel is scheduling a call with the AG to discuss the specifics of the above-mentioned areas.

The next status hearing is scheduled on November 23, 2021 regarding the Sanctions.

5. Updates from Lansing

- > System Redesign Proposals
 - Senate Committee Votes Out SBs 597 & 598 Shirkey Integration Bills On Tuesday, October 26 the Senate Govt Ops Committee voted out new versions of SBs 597 & 598. The new substitute version of SB 598, which amends the mental health code, contained new language which continues to fuel our concerns and intent with these bills. The language contained in SB 598 would eliminate all the roles for the state's CMHs, given that those roles are contained in Chapter 2 of the code, the chapter referenced by this section. This section will shatter the public mental health system, which we believe is Sen. Shirkey's underlining intent. See Attachment regarding the specific changes to SB 597 & SB 598.

Mental Health Supplemental Introduced in the Senate

Last week, Sen. Shirkey introduced SB 714, which is a Behavioral Health supplemental. Again, this is ONE-TIME funding, Sen. Shirkey will use this bill as leverage to pass SBs 597 & 598 in the Senate and the House saying this will help increase access and providers. If you talk to your legislators or local partners let them know this funding is not sustainable, it helps with infrastructure needs but

will not cover on-going programing or workforce development needs. More details at the end of the report regarding who and where this money is ear-marked for.

• House Democrats Launch Mental Health Listening Tour

I participated in the Listening Tour sponsored by Rep. Felicia Brabec (D, District 55). I was a panelist on the West Michigan stop along with Bill Ward from Network180 and Mark Witte from Allegan CMH. There were also a few other providers on the panel. Representative Brabec does seem interested in listening to what we have to say, however it is unclear where this will lead regarding change with MI public behavioral health.

• Afghan Nationals

The total expected arrival number has increased from 1280 to 1655. National resettlement agencies asked our local agencies to increase their proposed capacity numbers, which is reflected in the numbers below. This increase has not yet been approved by the national resettlement agencies but is expected to be approved. Additionally, Samaritas' Troy office is currently exploring Afghan (and eventually refugee) resettlement in Genesee County (City of Flint). Samaritas and OGM are in the community consultation phase, but Samaritas is tentatively proposing resettling 50 Afghan individuals. Afghan nationals and refugees will not be placed in Genesee County until agreements and approvals from community and national stakeholders have been made. (see charts regarding the arrival status at the end of the CEO report)

- **6. Staffing Crisis** there is no improvement with the staffing crisis. BHDDA held a meeting with all CMH and PIHP CEOs regarding Psychiatric Inpatient Discharge Planning from the state hospitals. They have said that we need to do a better job at finding placements despite the residential crisis and staffing shortages. The letter included language about recipient rights violations as they did not need the level of care of a state psychiatric inpatient facility. All member CMHs are working on placements regarding individuals that are ready for discharge, however finding placements is becoming more challenging each week.
- 7. LRE By-Laws and Operating Agreement LRE staff have drafted recommendations regarding changes to the By-laws and Operating Agreement. The Operations Advisory Team has reviewed both documents. The financial section of the Operating Agreement is being reviewed by the finance ROAT on 11/17/2021 and then Ops afterwards. Legal counsel is needed regarding some questions around termination and dissolution, however currently the process is going well, and all member CMHs have been providing feedback and suggestions to the documents. Policies and procedures will be revised or added to support the recommended changes. The process is taking longer than originally anticipated, however it is important to not rush this process as it is extremely important and valuable to have necessary feedback and discussion regarding the proposed changes. I will be providing you with a white paper regarding the areas that changes have been recommended as well as some

insight into why. This should be out the first week of December and will be sent between the November and December Board Meetings.

More Details on Shirkey Bills SB 597 & SB 598 changes:

On Page 16-17 of SB 598 S-2

Sec. 203. Throughout this chapter, a specialty integrated plan is not responsible for the duties set forth in this chapter until after completion of a successful transition under the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b. After the specialty integrated plan has completed a successful transition, the specialty integrated plan shall take over the duties set forth in this and the community mental health services program shall no longer be responsible for those duties. The behavioral health accountability council shall determine the successful transition at each phase of integration establishing when the specialty integrated plan is responsible and the community mental health services program is no longer responsible.

Below are additional changes included in SBs 597 & 598

SB 597 (Shirkey)

- Reconfigures the phases so that the first phase focuses specifically on children (both foster youth and those with an SMI or SED), the second phase focuses on SMI/SED adults, the third phase focuses on individuals with a SUD diagnosis, and the I/DD population is in the fourth phase (there were only 3 phases initially, as the first phase originally included both kids and adults with an SMI or SED diagnosis).
- Extends the duration of each phase from 18 months to 2 years.
- Extends the full integration date from 2026 to 2030 (to account for the new phase timeline). State Legislative Update
- Adds language that would allow MDHHS to terminate a phase if it is deemed unsuccessful (in consultation with the behavioral health accountability council).
- Requires the behavioral health accountability council to conduct their own evaluation of each implementation phase and provide MDHHS with the results of their evaluation. The council's results could ultimately be used in the department's separate evaluation and final determination of their findings.
- Adds the Michigan Association of Alcoholism and Drug Abuse Counselors to the definition of "interested parties". This addition is to ensure that there is sufficient SUD representation in the development of the integration plan.
- Adds language to ensure that in the development of the metrics, MDHHS and representatives of the interested parties ensure they are:
 - o Tailored to each of the populations included in the specific phase(s) of implementation;

- o Take into consideration lessons learned from any past integration efforts (this could include the CCBHCs, the CHIRs, or other integration pilots, but no specific pilot is referenced in the bill);
- o Are developed and made publicly available at least 6 months before the phase of implementation
- Requires that any GF money distributed to the CMHs or other providers (as determined by the department) must receive 100% of the intended reward -- no administrative fees would be permitted. S

B 598 (Bizon)

- The bill makes numerous language modifications to align with the changes made in SB 597, including the updated metrics, evaluation, timelines, responsibilities of the council, and phases.
- Adds the following additional members to the behavioral health accountability council:
 - o The director of the office of recipient rights;
 - o One individual representing an organization or institution with experience in research on physical and behavioral health;
 - o One individual representing a private provider or agency of SUD services.

Details regarding the One-Time Mental Health Supplemental Payment Introduced in the Senate last week

Behavioral health provider recruitment (for hospitals) \$ 15,000,000

Child advocacy centers \$8,000,000

Clinical integration fund \$25,000,000

Community mental health services programs integration readiness \$50,000,000

Community substance use disorder prevention, education, and treatment grants \$10,000,000

Crisis stabilization units \$10,000,000

Department of health and human services integration readiness \$10,000,000

Greenlawn enhancements \$3,000,000

Hawthorn Center expansion \$5,000,000

Hospital infrastructure enhancements \$20,000,000

Infrastructure grants to enhance pediatric inpatient services \$100,000,000

Jail diversion fund \$15,000,000

Mental health block grant \$10,000,000

Michigan essential health provider loan repayment program \$25,000,000

Northern Michigan psychiatric hospital bed investment \$5,000,000

Psychiatric residential treatment facilities \$10,000,000

Recovery high schools and recovery community organizations \$2,000,000

State psychiatric capital outlay investment \$25,000,000

Afghan Nationals Updated Arrival Demographics:

This update has been prepared by the Office of Global Michigan for sharing with the following local agencies in Michigan: **WIC** (Women, Infants, and Children), **CMH** (Community Mental Health), and **LHD** (Local Health Department) **Health Officers**. Resettlement agencies have also received this update, so they are aware of the communications. Information is coming quickly and is subject to change. The numbers are current as of 10/16/21.

Michigan Weekly Afghan Arrivals Status Repor	Michigan	Weekly	Afghan	Arrivals	Status	Report
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Affiliate	Resettlement County	Proposed to Resettle	Assured, yet to travel ^a	In Transit ^b	Arrived b
JFS		300	64	38	69
	Washtenaw	300			69
USCRI		200	0	0	12
	Wayne	undetm			12
	Oakland	undetm			0
	Macomb	undetm			0
Samaritas		350	5	0	9
	Genesee	50			0
	Wayne	undetm			9
	Oakland	undetm			0
	Macomb	undetm			0
CCSEM		25	0	0	0
	Wayne	undetm			0
	Oakland	undetm			0
	Macomb	undetm			0
Samaritas		75	4	6	0
	Kent	45			0
	Calhoun	30			0
BCS		200	48	9	19
	Kent	100			12
	Muskegon	50			0
	Ottawa	50			7
<u> </u>		4==			
Samaritas	17. 1	175	7	0	13
	Kalamazoo	175			13

BCS		30	0	0	0
	Kalamazoo	30			0
STVCC		300	11	0	108
	Ingham	300			108
		1655	139	53	230

^a Provided by the federal government; number last updated:

10/26/2021

10/26/2021

County	Proposed	Arrived	Proportion
Calhoun	30	0	0.0%
Genesee	50	0	0.0%
Ingham	300	108	36.0%
Kalamazoo	205	13	6.3%
Kent	145	12	8.3%
Ottawa	50	7	14.0%
Muskegon	50	0	0.0%
Washtenaw	300	69	23.0%
Wayne/Oakland/Macomb	525	21	4.0%

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

^b Provided by local resettlement agencies; number last updated:



Meeting Agenda

BOARD OF DIRECTORS

Lakeshore Regional Entity
November 18, 2021 – 1:00 PM
GVSU Muskegon Innovation Hub
200 Viridian Dr, Muskegon, MI 49440
Phone: 646-558-8656 Meeting ID: 85260455438#

- 1. Welcome and Introductions Mr. DeYoung
- 2. Roll Call/Conflict of Interest Question Mr. DeYoung
- 3. Public Comment (Limited to agenda items only)
- 4. Consent Items:

Suggested Motion: To approve by consent the following items.

- November 18, 2021, Board of Directors meeting agenda (Attachment 1)
- October 21, 2021, Board of Directors meeting minutes (Attachment 2)
- 5. Reports
 - a. LRE Leadership (Attachment 3, 4, 5, 6, 7, 8)
- 6. Chairperson's Report Mr. DeYoung
 - a. November 10, 2021, Executive Committee (Attachment 9)
- 7. Action Items
 - i. LRE Board Governance Policies Updated

Suggested Motion: To approve the updated LRE Governance Board Policies:

- a. 10.2 Committees
- b. 10.4 Board Governance
- c. 10.5 Code of Conduct
- d. 10.12 Budget
- e. 10.13 Communication and Counsel
- f. 10.17 Management Delegation
- g. 10.19 Monitoring CEO Performance
- h. Procedure Compensation and Benefits

LRE Board Governance Policies - Rescind

Suggested Motion: To approve the rescinding of LRE Governance Board Policies:

- a. 10.3 Committee Principles
- b. 10.6 Open Meetings Act
- c. 10.7 Board Chair Role
- d. 10.8 Board Member Job Description

LRE Board Packet Page # 009

- e. 10.9 Board Outcomes Accomplishment
- f. 10.10 501(c)(3) Representation
- g. 10.11 Delegation Unity of Control
- h. 10.14 Compensation and Benefits
- i. 10.15 Financial Condition
- j. 10.16 Global Executive Constraint
- k. 10.18 Executive Role and Job Description
- 1. 10.20 Treatment of Plan Members
- m. 10.21 Treatment of Staff
- ii. LRE Corporate Compliance Plan (Attachment 10)Suggested Motion: To approve the LRE FY21 Corporate Compliance Plan
- 8. Financial Report and Funding Distribution Ms. Chick (Attachment 11)
 - a. FY2021, October Funds Distribution (*Attachment 12*) **Suggested Motion:** To approve the FY2021, October Funds Distribution as presented
 - b. Statement of Activities as of 9/30/2021 and Variance Report (Attachment 13)
 - c. Bucket Report (Attachment 14)
- 9. CEO Report Ms. Marlatt-Dumas
- 10. Board Meeting Location
- 11. Board Member Comments
- 12. Public Comment
- 13. Upcoming LRE Meetings
 - December 8, 2021 Executive Committee, 3:00 PM
 - December 9, 2021 Consumer Advisory Panel, 1:00 PM
 - December 16, 2021 LRE Executive Board Meeting, 1:00 PM
- 14. Adjourn



Meeting Minutes

BOARD OF DIRECTORS

Lakeshore Regional Entity
Hackley Public Library, 316 West Webster Avenue, Muskegon, MI 49440
October 21, 2021 – 1:00 PM

WELCOME AND INTRODUCTIONS - Mr. DeYoung

Mr. DeYoung called the October 21, 2021, LRE Board meeting to order at 1:17 PM.

ROLL CALL/CONFLICT OF INTEREST QUESTION – Mr. DeYoung

In Attendance: Mark DeYoung, Peg Driesenga, Matt Fenske, Patricia Gardner, Steven Gilbert, Jack Greenfield, Jacquie Johnson, Shaun Raleigh, Jay Roberts-Eveland, Ron Sanders, John Snider, Stan Stek, Jane Verduin

Absent: Stevie Riel

PUBLIC COMMENT

None.

CONSENT ITEMS:

LRE 21-36 Motion: To approve by consent the following items.

• September 16, 2021, Board of Directors meeting minutes

Moved: Jack Greenfield Support: Peg Driesenga

MOTION CARRIED

October 21, 2021, Board of Directors meeting agenda

Mr. Stek asks that the October 21, 2021, Board meeting agenda be removed from the consent items and that motion 8.4 under Action Items be added.

LRE Motion 21-37: To approve removal of the October 21, 2021, Board meeting agenda from the consent items, add motion 8.4 under Action Items and approve the revised agenda.

Moved: Stan Stek Support: Ron Sanders

ROLL CALL VOTE - UNANIMOUS

MOTION CARRIED

CONSUMER ADVISORY PANEL

Minutes from the October 14, 2021, Consumer Advisory Panel are included in the packet.

WRITTEN BOARD REPORTS

LRE Leadership reports are included in packet for information.

Attachment 4 (COO Report) – Jay Roberts-Eveland – Ms. Roberts comments that the Provider Network Managers will be a positive. She would like an update on the CCBHC roll out. Ms. VanDerKooi updates that it began on October 1, 2021. The PIHPs are waiting for the State to provide further training. We are just beginning to enroll individuals and will have more information next month.

Attachment 9 (CIO Report) – Stan Stek – Mr. Stek would like to know if the region is still doing well with the BHTEDS reporting. Ms. Myers comments that our trending is stable, and we have held all 3 measures to date. We will continue to work on BHTEDs data, and we now also have a data coordinator that has been able to do more data clean up that helps us to improve.

CHAIRPERSON'S REPORT

Minutes from the October 13, 2021, Executive Committee meeting are included in the packet.

ACTION ITEMS

LRE 21-38 Motion: To approve the LRE CEO to execute the Medicaid Events Verifications

Specialist (MEV) Contract

Moved: Jay Roberts-Eveland Support: Shaun Raleigh

ROLL CALL VOTE - UNANIMOUS

MOTION CARRIED

LRE 21-39 Motion: To approve the LRE CEO to execute the Seyferth PR/Gambling PR

contract

Moved: Jane Verduin Support: John Snider

ROLL CALL VOTE - UNANIMOUS

MOTION CARRIED

LRE 21-40 Motion: To approve the LRE CEO to execute the Seyferth PR/TalkSooner Contract

Moved: John Snider Support: Ron Sanders

ROLL CALL VOTE - UNANIMOUS

MOTION CARRIED

LRE 21-41 Motion: To approve appointment of Mary Marlatt-Dumas (LRE CEO), Mark DeYoung (LRE Chair) and Stan Stek (LRE Vice-Chair) to negotiate on behalf of the LRE Board with MDHHS a resolution of the pending settlement and then bringing back the draft settlement for formal approval by the LRE Board of Directors

Moved: Jane Verduin Support: John Snider

ROLL CALL VOTE - UNANIMOUS

Lakeshore Regional Entity Board of Directors

MOTION CARRIED

FINANCIAL REPORT AND FUNDING DISTRIBUTION

FY2021 September Funds Distribution

LRE 21-42 Motion: To approve the FY2021, September Funds Distribution as presented

Moved: Stan Stek Support: Jay Roberts-Eveland

ROLL CALL VOTE - UNANIMOUS

MOTION CARRIED

Statement of Activities as of 8/31/2021 and Variance Report-

Included in the Board packet for information.

Ms. Chick comments that revenues decreased by \$14 million but it is largely due to timing of this report, compared to the annualized amount. The late adjustments for autism revenue accounts for most of the variance. Expenditures are \$28 million under but also due to timing issues. DCW lapse will not be withheld or lapsed until we know the final numbers but presently is \$10.2 million.

Member Bucket Reports-

Included in the Board packet for information.

- Ms. Chick updates that there will be revisions to this report to make it more usable to the Board and CMHSPs. Those changes will be walked through.
- Stabilization payments will go into FY22.
- CCBHC Continue to meet regularly to explain how entity factors were put in and how we should be using them. We are hoping to receive clarity on the projected budgets. Those will be brought to the Board for approval when we receive that information.

BOARD MEMBER DISCLOSURE OF OWNERSHIP FORMS

Ms. Marlatt-Dumas comments that this document should be filled out annually. The Provider Network Managers will mockup an example of how this document should be filled out and will also populate as many of the areas on the individual documents that they are able and leave only the items that must be filled out by each specific Board member. We will walk through with Board members at a work session.

CEO REPORT

Included in the Board packet for information. Ms. Marlatt-Dumas highlights:

- There is still much work to be done to move forward with CCBHC. We continue to have internal meetings, regional meetings and state meetings.
- Democratic listening tour is in progress. Ms. Marlatt-Dumas and Mr. Ward (N180 CEO) will be part of that panel.
- MI Kids now known as the KB lawsuit was given a 90-day extension.

- There 1200 Afghanistan Nationals that are slated to arrive in Michigan. These individuals are eligible for MC. We have moved forward with securing additional trainings.
- Staffing shortage continues and makes it challenging to move individuals as needed. We will continue to update the Board.
- LRE is working to update the Operating Agreement and Bylaws. When they are complete the CMH CEOs will review and then these documents will be brought to Board for review.

BOARD MEMBER COMMENTS

None.

PUBLIC COMMENT

None.

UPCOMING LRE MEETINGS

- November 10, 2021 Executive Committee, 3:00 PM
- November 18, 2021 LRE Executive Board Meeting, 1:00 PM

ADJOURN

Mr. DeYoung adjourned the October 21, 2021, LRE Board of Directors meeting at 2:33 F	M.
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Jane Verduin, Board Secretary

Minutes respectfully submitted by:

Marion Dyga, Executive Assistant



<u>Chief Operating Officer - Report to the Board of Directors</u> November 18, 2021

STAFFING UPDATE

LRE is pleased to announce that the Site Review Team (Jeff Rozema, Kathy Curtis-Newell, and Melissa Westerhof) have returned from Beacon Health Options as of November 1st. Jill Osterhout started as the Medicaid Event Verification (MEV) Specialist, and Deb Fiedler is working under contract as the Transitioning Quality Manager. Justin Persoon, BCBA, LBA, LLP has started as the regional Autism Manager to assist with Utilization Management and Quality Improvement. On December 2, Elizabeth "Liz" Totten will join the LRE team serving as the Clinical/UM Manager.

CCBHC (CERTIFIED COMMUNITY BEHAVIORAL HEALTH CLINIC) ROLLOUT:

Michelle Anguiano joined LRE on November 9th as the CCBHC/Customer Services Manager. LRE continues to hold weekly meetings with HealthWest and West Michigan Community Mental Health Services staff to ensure the smooth rollout of this project. State meetings are still occurring, assisting the regions in formulating policies and procedures. An updated manual from the state is expected soon. Changes are also planned for the WSA database.

SUD PREVENTION UPDATE - Amy Embury, Sud Prevention Manager

TalkSooner Update- A PowerPoint presentation from Karen Kirchenbauer, Seyferth PR, is included with the Board meeting materials.

Gambling Disorder Grant

Three clinicians have submitted their Certification of Completion for the "Counseling the Disordered Gambler" training. The training, developed by the North American Training Institute (NATI), is an online gambling training which has been identified by the State of Michigan as a requirement for all clinicians seeking to provide publicly funded gambling disorder treatment in Michigan.

The clinicians were awarded a training scholarship offered through the LRE Gambling Grant funds. The scholarship provides financial support to complete the required 30-Hour web-based training. The scholarship reimburses the agency for 30 hours per clinician at a rate of \$80/hour (total of \$2,400) to cover time spent on the training. A scholarship application is required, and clinicians awarded the must submit their certificate of completion to receive the scholarship. The intent is that the clinician will commit to joining the panel upon completion. For the current fiscal year, a total of six scholarships have been made available (three completed, one in process, two available).

Please see these articles were that were added to the LRE website:

Gambling Disorder — Lakeshore Regional Entity (Isre.org)

Gambling in Michigan: 10 tips to 'Stay Outta the Danger Zone' (mlive.com)

Michigan parents: How to minimize risk of youth developing gambling disorders (mlive.com)

SUD TREATMENT UPDATE - Amanda Tarantowski, SUD Treatment Manager

Highlighting the month was the opportunity to perform virtual site visits of all of the Women's Specialty Services providers. Women's Specialty funds are a special carve-out of the Federal Block Grant and have been a priority of the state and the feds for several years.

COVID presented uniquely difficult impacts on mothers with children, and the WSS providers rose to the challenge to ensure that these families were cared for. A few of the most innovative ideas presented:

- ONE provider took a Contingency Management approach, but provided child-based incentives. So, if a mom attended all appointments within a certain time frame, or made progress on a goal, the provider would give Mom the choice of several incentives that made quarantine life easier (activity books, subscription services, memberships to community places like the nature center, etc.)
- A provider taught women how to strategically place a mirror during telehealth services so the therapist could know if the woman was alone in the room or not, and thus know what topics were safe to discuss (in the cases of abusive relationships).
- A residential provider developed relationships with a local nursing program as well as a local physical therapy program which provides access to interns who can provide educational groups and activities related to wholistic health and wellness.
- A community-based provider who struggled with small caseloads in the aftermath of COVID began sending the team out to build relationships with primary care providers, women's health clinics, and the local DHS office.
- A local physician has been so impressed with one of our community-based teams that she now directly refers any woman with a positive drug screen directly to the team (rather than sending the client to the local CMH for screening). This increases the chance for engagement and recovery.
- A residential provider added a swing and a sandbox on their grounds so that mothers who were in treatment would have safely distanced activities in which to engage in with their kids when they had visits or if they brought their child with them to treatment.

This sort of innovation and outreach is unique to the public system, and the coordination of care within local communities is not the kind of service provided within the private sector. I'm grateful that our clients receive such high quality, individually tailored care, and I'm proud to work at the LRE.

VETERAN NAVIGATOR UPDATE - Eric Miller (Veteran Navigator)

Over the last month the Veteran Navigator has been fielding many of calls from Veterans with housing issues. The issues range from needing help moving from a hostile living situation to asking for help cleaning the around a trailer to avoid an eviction. These issues are time consuming and require coordination between the Navigator and the organizations that are helping to accomplish these tasks. One Veteran needed assistance with the down payment for

an apartment. The Navigator was able to enlist the assistance of two non-profit organizations to provide funds and avoid being homeless.

The Navigator has been working with Habitat for Humanity on cases where Veterans are in need of roof repair or replacements and connecting veterans with their local VSO toward getting benefits to assist with future bills and healthcare needs. Three beds have been delivered and assembled for a family with three children who did not have previously have beds to sleep.

We are working with the VA to start an Ottawa County Veterans Coalition to help stop suicide in veterans by connecting veterans to local resources. A program has also been developed to help veterans reduce lethal means where a veteran can turn their gun into a local gun range while going through a crisis. The veteran can get the weapons back after having received the help needed.

Work with Karen Kirchenbauer from Seyferth has yielded a news interview for WZZM13 news. The link is here for viewing: https://www.wzzm13.com/article/news/ask-for-help-vietnam-vet-in-muskegon-offering-advice-ahead-of-veterans-day/69-ee66208a-3b92-41f2-acc1-864189fd6971

CREDENTIALING UPDATE - Pam Bronson (Credentialing Specialist):

In October, the Credentialing Committee met and approved 14 providers for credentialing/recredentialing. Auditing and verifying of several provider lists continues, to insure we have the most accurate list for credentialing tracking. Notices for re-credentialing have been distributed each month and responses are being received from providers. Contract Managers have been helpful when encountering barriers.

QUALITY UPDATE: Kim Keglovitz, Stephanie Thommen and Melanie Misiuk

1. Autism/Behavioral Health:

There are currently 1,460 individuals enrolled in the Applied Behavioral Health Autism Benefit.

- 57 approvals for October 2021
- 53 closures for October 2021

2. Child's Waiver Program:

60 children are enrolled in the Children's Waiver Program. Two prescreens was submitted by Network 180 in October. There are no children on the waiting list for the CWP.

3. Habilitation Supports Waiver:

There are three open spots in the region for the enrollment in the month of November. Additional slots would be welcome as LRE currently has 10 packets that are ready to be submitted as well as an additional 10 packets that have expired documents or are missing needed elements prior to submission.

Changes are being made in the WSA regarding how to enroll new consumers for HSW. Close attention will have to be paid to the guardian signature for the certification. Effective November 10, this signature cannot be more than 6 months old (previously up to a year)

Recertification packets continue to be due on the 15th of the month to MDHHS. LRE requests that the CMHSPs submit these 3 to 4 days early to allow sufficient time for review prior to submission to the state. Regionally, there are 10 recertifications overdue, 3 of which are outstanding from FY2021 and are now past the recertification date. An additional three were submitted to MDHHS but are pending due to missing documentation or insufficient plan of service.

On November 8, MDHHS distributed surveys to all supports coordinators and supervisors to get an understanding of training needs across the state. We are hopeful that the training materials developed from these surveys will address some of the needs identified above. MDHHS has not set a date as to when these materials will be available.

4. Home and Community-Based Services:

- See the attached chart for a summary of current projects for HCBS "Project Cheat Sheet Condensed"
 - o Provisional Surveys & Non-Responders are the current priority projects/main focus
- Provisional Applications:
 - CMHSPs have been reminded that these must be completed as part of the contracting process for any new provider or provider adding a new HCBS service (res/non-res CLS, Supported Employment, or Skill Building) to our Region.
 - Working with Pam Bronson/Credentialing to check that Providers completed this as they
 go through the initial credentialing process or come due for re-credentialing.
 - Any provider that was new to the Region since October 2017 should have completed a provisional approval application for HCBS.
 - There are quite a few providers across the region that did not have Provisionals completed. We will be following up with these providers to ensure provisional applications are completed.

Next Round of Surveys:

- These are scheduled to be distributed on November 15, with a due date of December 10.
- This will be for all providers that have received provisional approval since the last round of surveys and will provide a 2nd chance for those that did not respond to the most recent round of provisional surveys.
- The PIHPs are now taking the lead on these surveys, with technical assistance from MI-DDI.
- The original survey size has increased to approximately 40 cases across 11 providers.
- HCBS Non-Responders (Providers that have had multiple chances to respond to HCBS Surveys, but have not completed them).
 - o The PIHPs were provided two options from MDHHS to deal with these providers:

- Option 1: Those settings who did not complete the HCBS survey despite two opportunities will be found non-compliant and will not be eligible for funding to provide services to HCBS waiver participants after March 17, 2023. No further efforts will be made to engage settings in the assessment process.
- Option 2: PIHP assume responsibility to facilitate an assessment with settings in their network who have been nonresponsive. Strict timelines are required in order to complete this process before the due date.
- PIHPS will decide which option will be used for each provider, and submit that decision to MDHHS by 11/30/21. See attached timeline "Table due dates nonresponsive providers 9.17.21 (002)"

5. Serious Emotional Disturbance:

There has been a change in the LRE's PIHP lead and Melanie Musiuk will serve in this role with Kim Keglovitz as a backup. There have been two transfers from other Regions, which we are currently processing. There are currently 67 open and pending cases broken out as follows:



BOD NOV. LRE REPORT: TalkSooner and Gambling Prevention



GAMBLING PREVENTION:

 Assessed/reviewed metrics of mlive.com's multi-month campaign to understand learnings, applications and enhancements for 2021-2022.





- Review of LRE Strategic Plan
- Continued updates, ideation for 2021–2022



Stay Outta the Danger Zone

For most, gambling is an occasional and entertaining outlet. For others, it can morph into a problematic addiction ripe with financial trouble, strained relationships with family and friends, job issues and health problems. While gambling can be just addictive as drugs or alcohol, it has a higher rate of suicide than any other disorder.

If you or a loved one needs help, free and confidential resources are available, here.









TALKSOONER:

 Evaluation of Channel 13/WZZM 13 Family Meals Month Public Service Announcement, & thank you considerations for Meredith TerHaar.





- Development of inaugural News Alert template and distribution to key partners, leverage as relationship builder, continue momentum
 - Direct Invitation from mPARKS to present at March,
 2022 Conference 700 attendees; new template for future in-person/virtual conversations about
 TalkSooner.org





- Website updates
- Refresh media approach for Virtual Teen Room – Pitch to TV media the week of Nov. 18



Virtual Teen Room Tour



VIRTUAL TEEN ROOM: WHAT IS HIDING IN PLAIN SIGHT?



Outreach, ideation, exploration with:

- Betten Baker Automotive
- Gerald R. Ford International Airport
- Michigan Secretary of State
- Food trucks











Thank you!

Attachment 5

Project	Who/What	To Do	Reports	Due Dates
Compliance Validation	Providers that were found to be in compliance after completing a survey.	PIHP will verify compliance status by reviewing documentation, virtual site visits, attestations, etc.	Combined Tracking Report	Bi-Monthly on 15 th (Nov, Jan, Mar, May) Final Completion Date: 7/1/2022
HS-OOC Remediation	Providers that were in OOC and completed CAPs & HS Providers moved to OOC and completed CAPs. These are providers who have completed site reviews already.	PIHP will verify continued compliance status by reviewing documentation, virtual site visits, attestations, etc.	Combined Tracking Report	Bi-Monthly on 15 th (Nov, Jan, Mar, May) Final Completion Date: 7/1/2022
Non-Responsive Settings	Providers who did not complete/respond to any surveys	PIHPS will decide how to proceed with each provider (re-survey, not survey & transition/close case)	Combined Tracking Report PIHP Survey Decision Initial Report Final Report	Bi-Monthly on 15 th (Nov, Jan, Mar, May) 11/30/21 Final Completion Date: 8/31/2022
Provisional Surveys	New Provisionally Approved Providers that have not yet been surveyed	PIHPs will send out surveys via Qualtrics to these providers. MI-DDI will provide support & assistance.	TBD	TBD: MI-DDI sending surveys in November

Attachment 6

Activity	Responsible Entity	Completion due date	
Phase One: 30 days	Responsible Entity	completion due date	
MDHHS provides a list to the PIHP	MDHHS	11.1.2021	
eads with names of settings who did			
not respond and WSA ID numbers			
affiliated with the settings			
PIHP <u>leads</u> s will notify MDHHS- which	PIHP Leads	11.30.2021	
option will be chosen related to each			
individual and setting using the			
tracking sheet provided by MDHHS			
Phase Two: 120 days			
•PIHP leads request Survey links from MDHHS	PIHP Leads	3.31.2022	
 Leads and complete them with 			Formatted: List Paragraph, Bulleted + Level: 1 +
surveys with providers submit to			Aligned at: 0" + Indent at: 0.25"
Qualtrics			
Phase Three: 30 days	MDHHS	4.30.2022	
 Completed surveys are uploaded 			
into WSA for access by PIHP leads			
Phase Four: 120 days			
 PIHP <u>Leads leads</u> complete 	PIHP Leads	8.31.2022	
remediation/validation work with			
settingsMand_make final			
determination of compliance status			
Phase Five: 15 days			
PIHP <u>leads</u> s will notify MDHHS of	PIHP leads	9.15.2022	
the status of every setting and			
related participants by WSA ID on a final submission of the tracking			
sheet provided to the lead by MDHHS			
Transition Planning: 150+ days			
PIHP leadswill leads will commence	PIHP leads	3.1.2023	Formatted: List Paragraph, Bulleted + Level: 1 +
finish andensure transitions occur	coordinate with	3.1.2023	Aligned at: 0" + Indent at: 0.25"
and all HCBS waiver participants	CMHSPs		Commented [PC(1]: Suggesting we change the verb
who remain in waivers will be in	0.7111313		to better indicate that 3.1.2023 is the day when everythe has to be finished
compliant settings no later than			
3.1.23			

LRE Board Packet Page # 029

September 17, 2021





Information Officer Report – November 2021

Summary:

1. MCIS Software:

PCE Systems completed FY22 code and modifier setups in the LRE PIHP system (effective 10/1/2021). PCE Systems enabled FY22 BHTEDS reporting changes in the CMH and PIHP systems effective 11/1/2021.

2. Data Analytics and Reporting:

Initial configuration of our go-live data analytics server is complete. Some initial objects have been published to a pre-production environment for testing and performance tuning.

Data source and report development timelines have slipped behind target from the original schedule. LRE's hiring process for data analytics developer resources took longer than anticipated, however two candidates have just accepted positions with LRE and will come on-board in late November. This will round-out the capacity needed for LRE's report design and development team!

As you review the encounter graphs attached to this month's report, you will find them to be the same information presented with slightly different styling. This report is a "first glimpse" into one of the new dashboards that have been fully tested and deployed in our pre-production data analytics environment. Note also, as we move into FY22, that FY18 and FY19 have been removed to reduce clutter in these graphs.

3. FY21 data reporting to MDHHS:

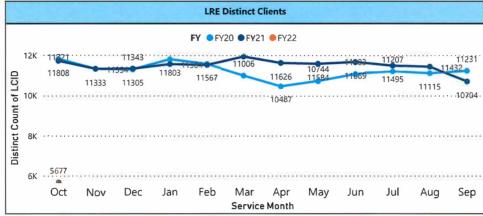
Encounters: FY21 encounters have been reported in good volume for all CMHSPs through September 2021 across both mental health and SUD service categories, which should normally be the case by mid-November. Please see also the attached encounter graphs showing year to year comparisons. It is noted that there is a sharp spike in July 2021 SUD encounters from HealthWest. This is the result of an encounter reporting error within the Cx360 (Core Solutions) software. They are working to correct that issue.

BH-TEDS: BH-TEDS reporting volumes remain strong for all CMHSPs. MDHHS did not create completeness stats this period due to BHTEDs submissions being slowed state-wide in October as a result of the format change for new fields being added for FY22.

4. CCBHC: As workflow issues come into focus around the CMHSP and PIHP requirements of CCBHC, it has become clear that there is a 42 CRF Part 2 [Substance Use Disorder (SUD)] involved set of conditions that we need to be concerned with as part of assigning an individual to a CCBHC. Our regional team is working together and bringing in information from MDHHS and other CCBHC regions to overcome these challenges. Assignment of CCBHC clients in the MDHHS Waiver Support Application (WSA) will be able to move forward at full speed only after MDHHS releases an update to the WSA application in December, which will provide for the ability to assign individuals with the proper SUD related security settings.

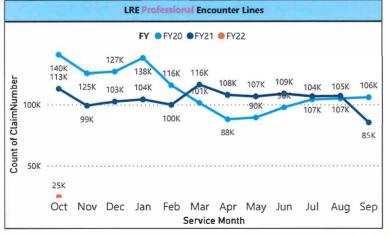
Attachment 8

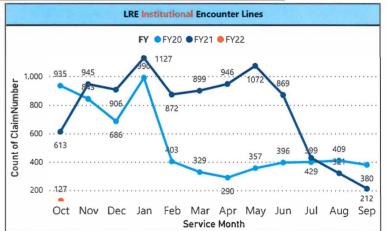






LRE Behavioral Health

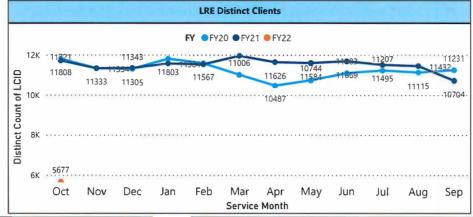




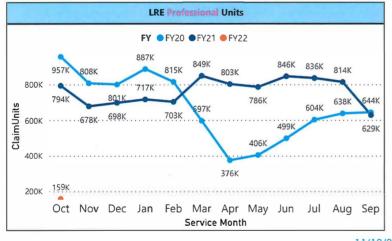
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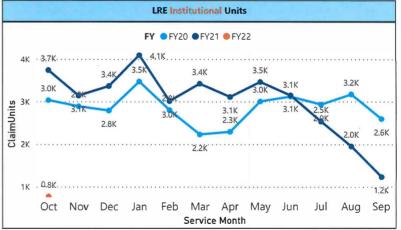


LRE Behavioral Health







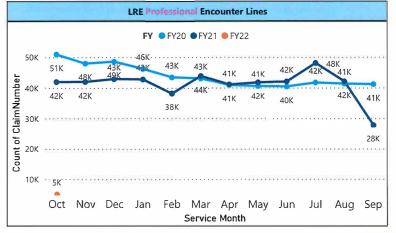


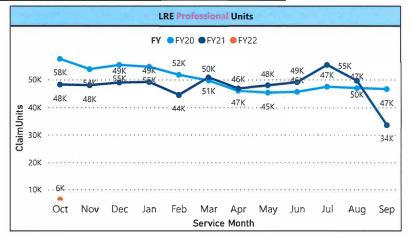
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| Service Month | Service Mont

LRE Substance Use Disorder





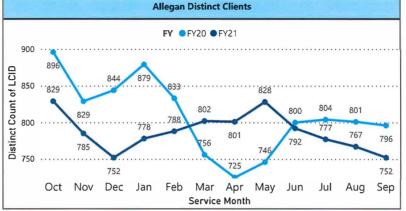
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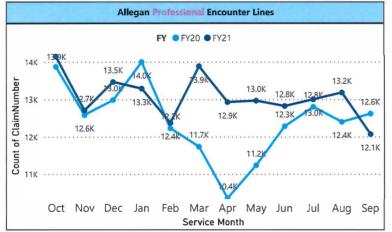
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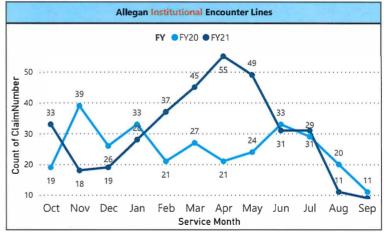






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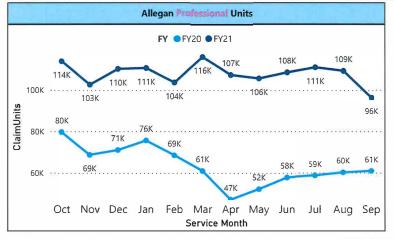


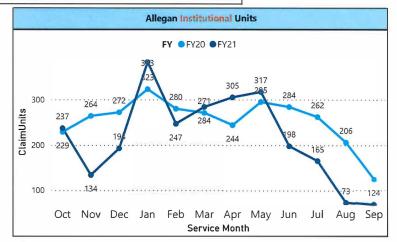
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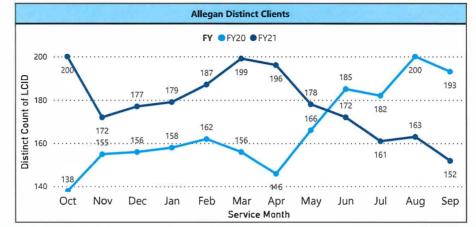




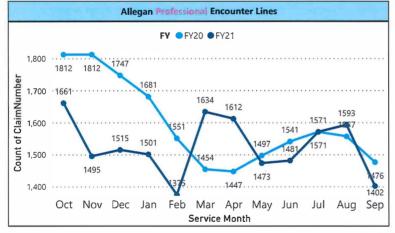
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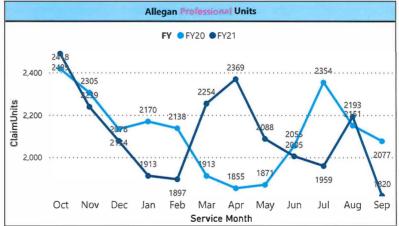


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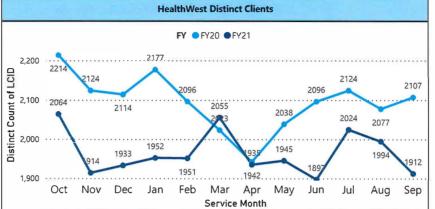


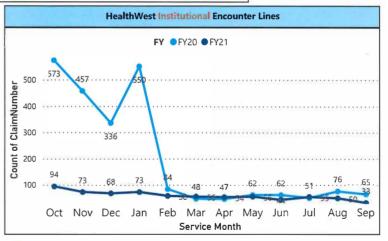


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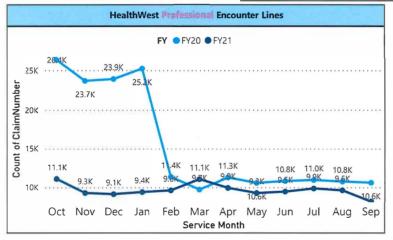




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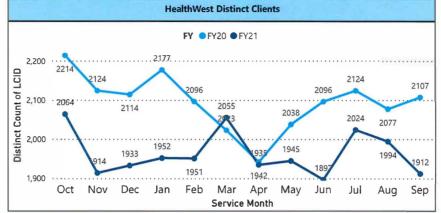
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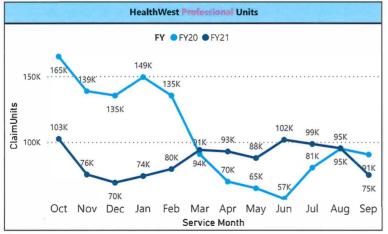
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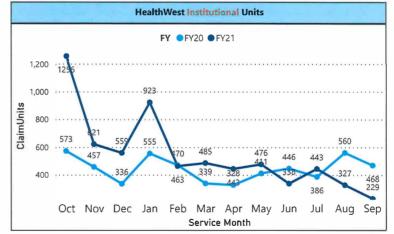


HealthWest Behavioral Health





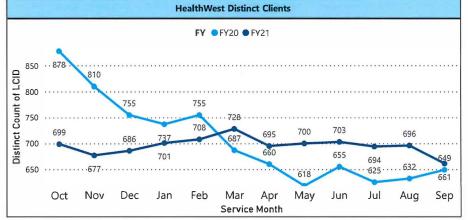




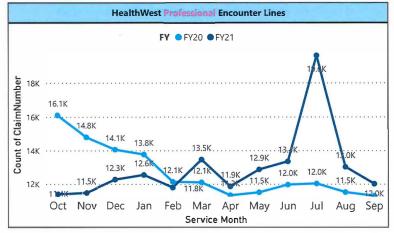
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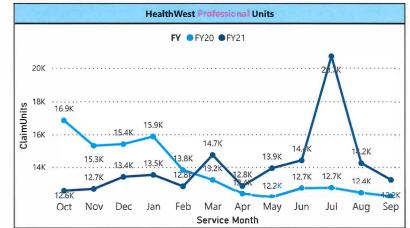


HealthWest Substance Use Disorder



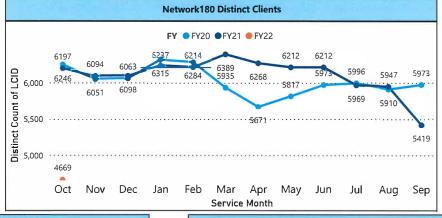




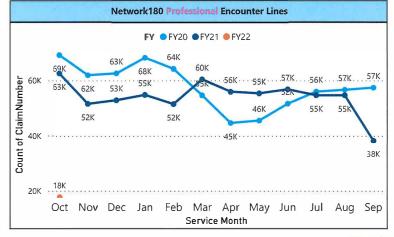


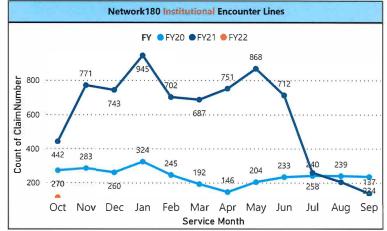
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Network180 Behavioral Health





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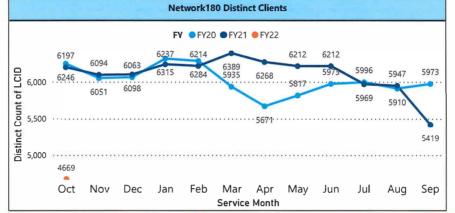
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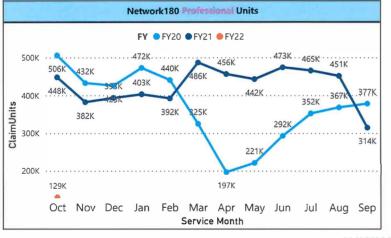
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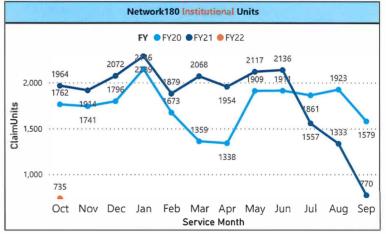


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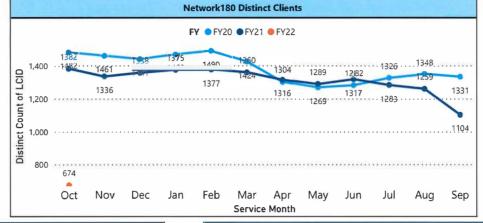


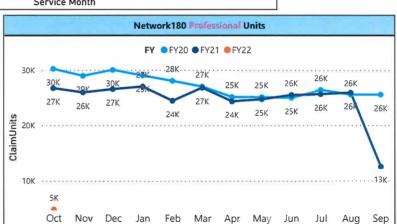


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Network180 Substance Use Disorder



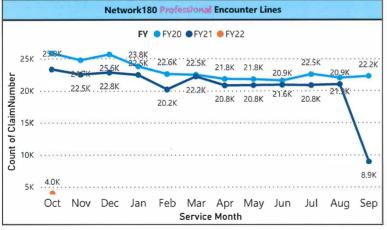


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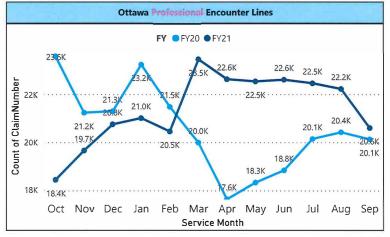
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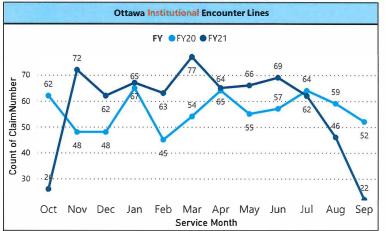


Ottawa Distinct Clients FY ● FY20 ● FY21 1514 Distinct Count of LCID 1509 1500 1,500 1498 1484 14271427.....14211.435 1316 Apr May Oct Nov Dec Jan Feb Mar Jul Service Month



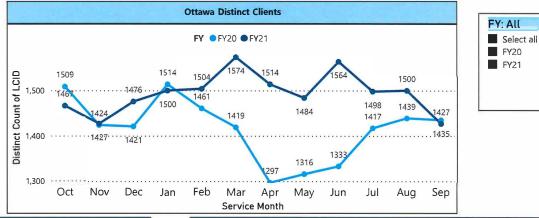
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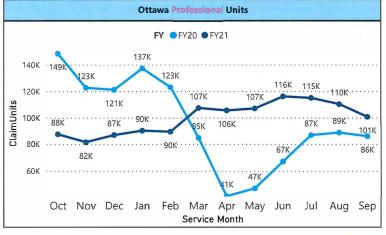


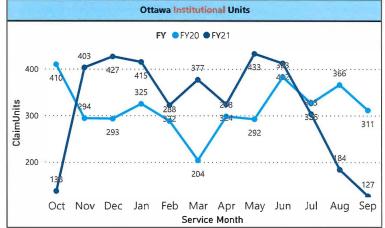
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Ottawa Behavioral Health

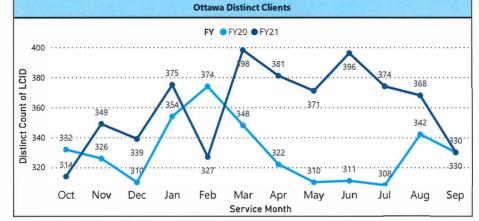




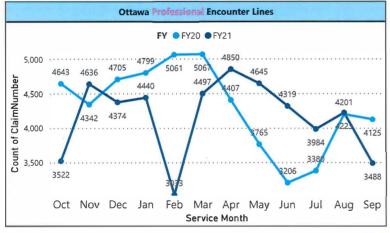
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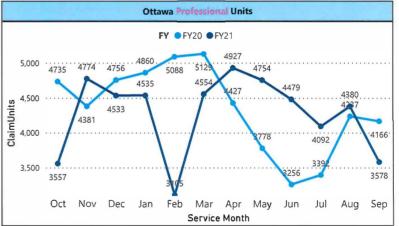


Ottawa Substance Use Disorder





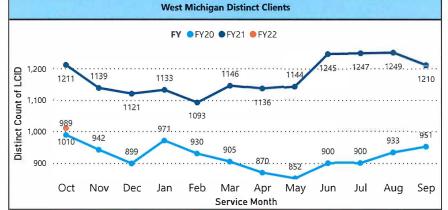


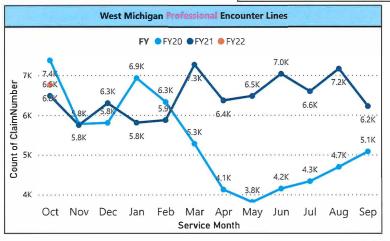


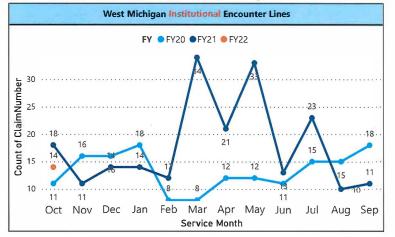
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West Michigan Behavioral Health







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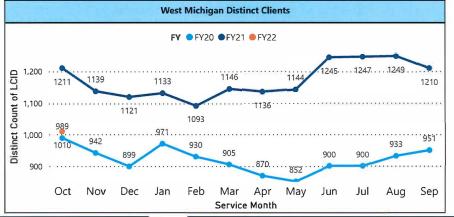
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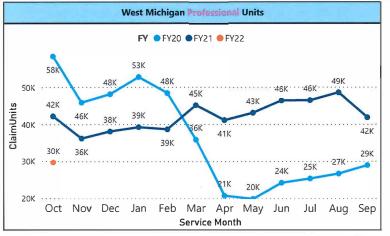


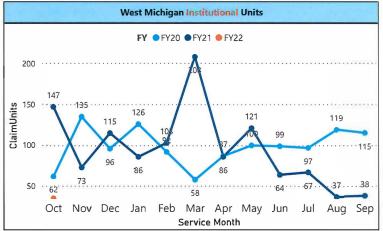
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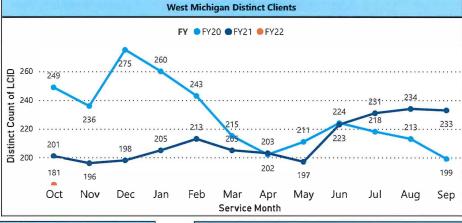






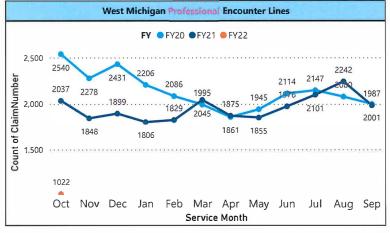
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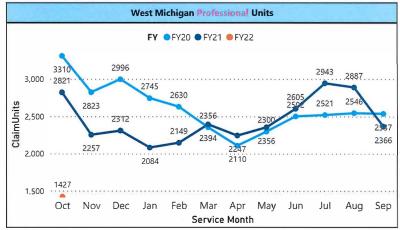






West Michigan Substance Use Disorder





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EXECUTIVE COMMITTEE SUMMARY

Wednesday, November 10, 2021, 3:00 PM

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

WELCOME

i. November 10, 2021, Meeting Agenda

ii. October 13, 2021, Meeting Minutes

Moved: Jane Verduin Support: John Snider

MOTION CARRIED

The November 10, 2021, meeting agenda and the October 13, 2021, meeting minutes were accepted as presented.

BEACON CONTRACT TRANSITION UPDATE

- The LRE continues to work with Beacon for smooth transition of functions back to the LRE.
- November 1, 2021, the Quality team returned to the LRE and will begin working on site reviews.

MDHHS SETTLEMENT UPDATE

- The LRE submitted a counter proposal to MDHHS last Thursday, Nov 4th. We did offer to send them the redline if they would like to review it. The AG acknowledged receipt and will schedule a meeting with MDHHS to discuss.
- Jeff Wieferich will act as Interim Director of BHDDA while Allen Jansen is on leave.
- The legal document and deficit plan was submitted to the State as one document, as LRE Board members requested.
- A status conference is scheduled for November 2nd. The judge has stated that if the settlement has not been resolved by then, a hearing will be scheduled to move this forward.

BOARD MEETING LOCATION

GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440.

OPERATING AGREEMENT/BYLAWS REVISIONS

- The LRE will not bring the revisions to the Board this month. Ms. Marlatt-Dumas will put together a concept paper that explains what is changing in the Bylaws and Operating Agreement, at the request of the Board Chair.
- Ms. Marlatt-Dumas is recommending moving the review of these documents to January and would like to schedule a half day meeting with the Board for this purpose.

- There is discussion regarding the regional allocation methodology. Mr. Stek would make the recommendation for the LRE Board to make an acknowledgment resolution that LRE is using the current distribution methodology with the expectation that the final adjustments to our formal documentation will take place in the coming months.
- Ms. Marlatt-Dumas informs the group that the LRE can begin paying PM/PM for autism, if that is what is agreed to. Ms. Chick updates that moving from the 50/50 to full PM/PM there would be a .9% difference, which is a minimal increase. N180 would have a .32% decrease. Right now, Autism section states that it will be distributed on the same basis that the state distributes to us, which is PM/PM. A smoothing process would be recommended for N180 to "Do No Harm".
- Ottawa is hesitant to agree due to a \$600,000 decrease, when they are not sure of the amount of funding that will be disbursed. They may also need a smoothing process.
- Ms. Verduin recommends that this should be discussed with all the information to the full Board.
- Ms. Marlatt-Dumas would like to make a request that the CMHs submit FY22 Autism projections for review to compare with FY21. The reason we are doing the work is to know what the impact will be. The group would like the CEOS and Finance ROAT to discuss further and give a recommendation to the Board.

BOARD MEETING AGENDA ITEMS

NA

BOARD WORK SESSION AGENDA

1. Review the governance policies with an explanation grid.

OTHER

UPCOMING MEETINGS

- November 18, 2021 LRE Executive Board Meeting, 1:00 PM
- December 8, 2021 Executive Committee, 3:00 PM
- December 9, 2021 Consumer Advisory Panel, 1:00 PM
- December 16, 2021 LRE Executive Board Meeting, 1:00 PM
 GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440

ADJOURN

Attachment 10



CORPORATE COMPLIANCE PLAN October 2021

Table of Contents

ORGANIZATIONAL STRUCTURE	4
LRE as the PIHP	
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ORGANIZATIONAL STRUCTURE

Lakeshore Regional Entity (LRE) serves as the Medicaid Prepaid Inpatient Health Plan (PIHP) for the following seven county region:

Allegan County: Allegan County Community Mental Health Services;
Kent County: Kent County Mental Health Authority d/b/a Network 180;

Lake County: West Michigan Community Mental Health System Mason County: West Michigan Community Mental Health System;

Muskegon County: HealthWest;

Oceana County: West Michigan Community Mental Health System;

Ottawa County: Community Mental Health Ottawa County

The Member Community Mental Health Service Programs have elected to configure LRE under the Michigan Mental Health Code Section 3301.1204b.

LRE as the PIHP

LRE serves as the Medicaid Prepaid Inpatient Health Plan (PIHP) for the region with authority and accountability for operations and fulfillment of applicable federal and state statutory, regulatory and contractual obligations related to the applicable waiver(s) and MDHHS contract(s). The role of LRE as the PIHP is defined in federal statute, specifically 42CFR 438 and the MDHHS/PIHP Contract.

LRE contracts with MDHHS for The Medicaid Managed Specialty Supports and Services 1115 Demonstration Waiver, 1915 (c)/(i) Waiver Program(s), the Healthy Michigan Program, the Flint 1115 Waiver and Substance Use Disorder Community Grant Programs

LRE: VISION and VALUES

Vision:

The vision of the Lakeshore Regional Entity is to promote the efficiency and effectiveness of the Members by jointly serving as the PIHP for Medicaid Specialty Behavioral Health Services for the region. Behavioral Health Services include services for persons with developmental disabilities, adults with mental illness, children with emotional disturbance and persons with substance use disorders. The Lakeshore Regional Entity seeks to build upon and maximize the unique strengths of the individual Member Boards serving Allegan, Kent, Lake, Mason, Muskegon, Oceana and Ottawa Counties, while establishing a regional organization and identity that supports an essential standard for services. The Lakeshore Regional Entity will promote performance that supports and advocates for and is informed by the needs of the individuals the Entity serves across the region.

Values:

- **Public Dollars**. Responsibility for the appropriate use of public dollars and accountability to the Members for the use of those dollars;
- Successes. Accountability for the successes and/or failures of the Entity;
- Mental Health System. Commitment to trust, honesty, openness, and commitment
 concerning the public mental health system in Michigan with the understanding that respect
 and transparency informs relationships and our dealings with and amongst Members;

- **Communities/Members.** Commitment to keeping the promises made to Region 3 communities and the promises made to Members;
- Persons Served. Commitment to ensuring that the voice of Persons Served, families
 and the supporters of Persons Served is heard, honored, and reflected in the work of
 Lakeshore Regional Partners in a meaningful and substantive manner;
- Person-Centered. Commitment to a person-centered, family centered approach, with emphasis upon self-determination, the rights of the persons served and the opportunity to engage in community living that has meaning and value for the person;
- Growth. Commitment to resolving conflicts that may arise as part of the Entity's growth; and
- **Integrity.** Commitment to achieving performance, ethically, effectively and professionally, in accordance with the Partner's Conflict of Interest Policy.

OVERVIEW

This Corporate Compliance Plan documents LRE's approach to assuring that federal and state regulatory and contractual obligations related to compliance of the Prepaid Inpatient Health Plan (PIHP) are fulfilled.

The LRE Corporate Compliance Plan addresses LRE's regulatory compliance obligations as a Prepaid Inpatient Health Plan (PIHP) and how, where it has obligations, it will oversee the PIHP functions it delegates to the Member Community Mental Health Service Providers (CMHSP). LRE's Corporate Compliance Program is designed to further LRE's commitment to comply with applicable laws, promote quality performance throughout the LRE region, and maintain a working environment for all LRE personnel that promotes honesty, integrity and high ethical standards. LRE's Corporate Compliance Program is an integral part of LRE's vision, and all LRE personnel, Member CMSHPs and contracted and sub-contracted Providers are expected to support the corporate compliance program. LRE's compliance plan is comprised of the following principal elements as outlined in the Federal Sentencing Guidelines:

- The development and distribution of written standards of conduct, as well as written policies and procedures, that promote LRE's commitment to compliance and that address specific areas of potential fraud;
- 2) The designation of a Compliance Officer and other appropriate bodies, (e.g., a Compliance Oversight Committee), charged with the responsibility and authority of operating and monitoring the compliance program;
- 3) The development and implementation of regular, effective education and training programs for all affected employees;
- 4) The development of effective lines of communication between the Compliance Officer and all employees, including a hotline to receive complaints and the

- adoption of procedures to protect the anonymity of complainants and to protect callers from retaliation;
- 5) The use of audits or other risk evaluation techniques to monitor compliance and assist in the reduction of identified problem areas within delivered services, claims processing and managed care functions;
- 6) The development of disciplinary mechanisms to consistently enforce standards and the development of policies addressing dealings with sanctioned and other specified individuals; and
- 7) The development of policies to respond to detected offenses, to initiate corrective action to prevent similar offenses, and to report to Government authorities when appropriate.

LRE's Corporate Compliance Program is committed to the following:

- Minimizing organizational risk and improving compliance with the service provision, documentation, and billing requirements of Medicaid;
- Maintaining adequate internal controls throughout the region and provider network;
- Encouraging the highest level of ethical and legal behavior from all employees and providers;
- Educating employees, contract providers, board members, and stakeholders on their responsibilities and obligations to comply with applicable local, state, and federal laws; and
- Providing oversight and monitoring functions.

There are numerous laws that affect the regulatory compliance of LRE and its provider network; however, in formalizing the PIHP's compliance program, the legal basis of the LRE compliance program centers around four key laws and statutes:

- The Affordable Care Act (2010) This Act requires the PIHP to have a written and operable compliance program capable of preventing, identifying, reporting, and ameliorating fraud, waste and abuse across the PIHP's provider network. All programs funded by the PIHP including CMHSPs, subcontract provider organizations and practitioners, board members and others involved in rendering PIHP covered services fall under the purview and scope of LRE's compliance program.
- The Federal False Claims Act This Act applies when a company or person knowingly presents (or causes to be presented) to the Federal government (or any entity on its behalf) a false or fraudulent claim for payment; knowingly uses (or causes to be used) a false record or statement to get a claim paid; conspires with others to get a false or fraudulent claim paid; or knowingly uses (or causes to be used) a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to the Federal government (or its designated entity).
 - The Michigan False Claims Act This Act prohibits fraud in the obtaining of benefits or payments in conjunction with the MI Medical assistance program; to prohibit kickbacks or bribes in connection with the program to prohibit conspiracies

- in obtaining benefits or payments; and to authorize the MI Attorney General to investigate alleged violations of this Act.
- The Anti-Kickback Statute This Act prohibits the offer, solicitation, payment or receipt of remuneration, in cash or in kind, in return for or to induce a referral for any service paid for or supported by the Federal government or for any good or service paid for in connection with consumer service delivery.

There are numerous Federal and State regulations that affect the LRE compliance program. Some of these laws not referenced above include but are not limited to:

- The Balanced Budget Act of 1997
- The Deficit Reduction Act of 2005
- Social Security Act of 1964
- Privacy and Security requirements of the Health Insurance Portability and Accountability Act (HIPAA) and the Health Information Technology for Economic and Clinical Health Act (HITECH)
- 42 CFR Part 2 Confidentiality of Alcohol and Drug Abuse Patient Records
- Code of Federal Regulations
- The MI Medicaid False Claims Act (Current through amendments made by Public Act 421 of 2008, effective 1/6/2009)
- Michigan Whistleblowers Act, Act 469 of 1980
- Michigan Mental Health Code and Administrative Rules
- Medical Services Administration (MSA) Policy Bulletins
- State Operations Manual
- State of Michigan MDHHS/PIHP contract provisions
- Provisions from Public Act 368 of 1978 revised Article 6 Substance Abuse
- Michigan State Licensing requirements
- Michigan Medical Records Act
- Civil Monetary Penalty Law of 1981
- American with Disabilities Act of 1990

The LRE Compliance Plan is subject to the following conditions:

- A. LRE's Compliance Officer (CO) may recommend modifications, amendments or alterations to the written Corporate Compliance Plan as necessary and will communicate any changes promptly to all personnel and to the Board of Directors.
- B. This document is not intended to, nor should be construed as, a contract or agreement and does not grant any individual or entity employment or contract rights.

DEFINITIONS AND TERMS

Compliance investigation: the observation or study of suspected fraud, abuse, waste, or reported violations of applicable laws and regulations for all Medicaid covered services by close examination and systematic inquiry.

Abuse: means provider practices that are inconsistent with sound fiscal, business, or clinical practices, and result in an unnecessary cost to the Medicaid program, or in reimbursement for services that are not medically necessary or that fail to meet professionally recognized standards of care. It also includes beneficiary practices that result in unnecessary cost to the Medicaid program. (42 CFR § 455.2)

Fraud (Federal False Claims Act): means an intentional deception or misrepresentation made by a person with the knowledge that the deception could result in some unauthorized benefit to himself or some other person. It includes any act that constitutes fraud under applicable Federal or State law including but not limited to the Federal False Claims Act and the Michigan False Claims Act. (42 CFR § 455.2)

Fraud (MI Medicaid False Claims Act): Michigan law permits a finding of Medicaid fraud based upon "constructive knowledge." This means that if the course of conduct reflects a systematic or persistent tendency to cause inaccuracies" then it may be fraud, rather than simply a good faith error or mistake. (Public Act 421 of 2008, effective 1/6/2009)

Waste: means overutilization of services, or other practices that result in unnecessary costs. Generally, not considered caused by criminally negligent actions but rather the misuse of resources.

Member CMSHPs: Member CMSHPs hold a subcontract with LRE to provide supports and services to adults and children with mental illness, developmental disabilities, and co-occurring mental health and substance abuse disorders to Plan Members and to perform various delegated managed care functions consistent with LRE policy. "Member CMSHPs" includes the agency itself as well as those acting on its behalf, regardless of the employment or contractual relationship.

Contracted Providers: substance abuse, hospital and other Providers throughout the LRE region with which LRE directly holds a contract to provide Medicaid covered mental health and substance abuse services.

Subcontracted Providers: various Providers throughout the LRE region that contract directly with one or more of the Member CMSHPs to provide covered mental health and substance abuse services.

APPLICATION OF COMPLIANCE PLAN

LRE is a regional PIHP and as such, this Plan is intended to address LRE's function as a PIHP. It is the intent of LRE that the scope of all its compliance policies and procedures should promote integrity, support objectivity and foster trust throughout the service region. This Plan applies to all LRE operational activities and administrative actions, and includes those activities that come within federal and state regulations relating to PIHPs.

LRE personnel are subject to the requirements of this plan as a condition of employment. All LRE personnel are required to fulfill their duties in accordance with LRE's Compliance Plan, human resource and operational policies, and to promote and protect the integrity of LRE. Failure to do so will result in discipline, up to and including termination of employment depending on the egregiousness of the offense. Disciplinary action may also be taken against a supervisory employee who directs or approves an employee's improper conduct, is aware of the improper conduct and does not act appropriately to correct it, or who fails to properly exercise appropriate supervision over an employee.

LRE directly and indirectly, through its Member CMSHPs, contracts services for adults and children with mental illness, developmental disabilities, and co-occurring mental health and substance abuse disorders within its seven counties (Allegan, Kent, Lake, Mason, Muskegon, Oceana, and Ottawa counties).

The PIHP Compliance Plan applies to all contracted and subcontracted providers receiving payment through LRE and/or through the PIHP managed care functions. All Member CMSHPs and contracted and subcontracted providers, including their officers, employees, servants and agents, are subject to the requirements of this Plan as applicable to them and as stated within the applicable contracts. Failure to follow the LRE Compliance Plan and cooperate with the compliance program will result in remediation effort attempts and/or contract action, if needed.

The LRE Corporate Compliance Plan, standards, and policies included or referenced herein are not exhaustive or all inclusive. All LRE personnel, Member CMSHPs and providers are required to comply with all applicable laws, rules and regulations including those that are not specifically addressed in the Corporate Compliance Plan.

SECTION I – STANDARDS OF CONDUCT

LRE Personnel and Board of Directors Standards of Conduct

In order to safeguard the ethical and legal standards of conduct, LRE will enforce policies and procedures that address behaviors and activities within the work setting, including but not limited to the following:

- Confidentiality: LRE is committed to protecting the privacy of its consumers. Board members and LRE personnel are to comply with the Michigan Mental Health Code, Section, 330.1748, 42 CFR Part 2 relative to substance abuse services, and all other privacy laws as specified under the Confidentiality section of this document.
- 2) Harassment: LRE is committed to an environment free of harassment for Board members and LRE personnel. LRE will not tolerate harassment based on sex, race, color, religion, national origin, citizenship, chronological age, sexual orientation, or any other condition, which adversely affects their work environment. LRE has a strict non-retaliation policy prohibiting retaliation against anyone reporting suspected or

known compliance violations.

- 3) Conflict of Interest: LRE Board members and personnel will avoid any action that conflicts with the interest of the organization. All Board members and personnel must disclose any potential conflict of interest situations that may arise or exist. LRE will maintain standards establishing a clear separation of any supplemental employment in terms of private practice and outside employment from activities performed for LRE.
- 4) Reporting Suspected Fraud: LRE Board members and personnel must report any suspected or actual "fraud, abuse or waste" (consistent with the definitions as set forth in this Plan) of any LRE funds to the organization.
- 5) Culture: LRE Board members, Executive Officer and management personnel will establish at LRE, and encourage throughout its region, cultures that promote prevention, detection, and resolution of instances of misconduct in order to conform to applicable laws and regulations. LRE will assist Member CMSHPs, contracted and subcontracted providers in adopting practices that promote compliance with Medicaid fraud, abuse and waste program requirements. The LRE Compliance Plan and program will be enforced consistently.
- 6) Delegation of Authority: LRE Board members, Executive Officer and management personnel will use due care not to delegate substantial discretionary authority to individuals whom they know, or should have known through due diligence, have a propensity to engage in illegal activities
- 7) Excluded Individuals: LRE will perform or cause to be performed criminal records checks and sanctions screenings on potential LRE personnel, and shall avoid placing untrustworthy or unreliable employees in key positions.
- 8) LRE Board members and LRE personnel are expected to participate in compliance training and education programs.
- 9) LRE Board members and LRE personnel are expected to cooperate fully in any investigation.
- 10) Reporting: All LRE Board members and LRE personnel have the responsibility of ensuring the effectiveness of the organization's Compliance Program efforts by actively participating in the reporting of suspected violations of the Compliance Plan or policies and the standards stated in this Code of Conduct and Ethics.
- 11) Gifts from Consumers/Members: LRE personnel are prohibited from soliciting tips, personal gratuities or gifts from members or member families. Additionally, LRE personnel are prohibited from accepting gifts or gratuities of more than nominal value. LRE generally defines "nominal" value as \$25.00 per gift or less. If a member or other individual wishes to

- present a monetary gift of more than nominal value, he or she should be referred to the Executive Officer.
- 12) Gifts Influencing Decision-Making: LRE personnel will not accept from anyone gifts, favors, services, entertainment or other things of value to the extent that decision-making or actions affecting LRE might be influenced. Similarly, the offer or giving of money, services or other things of value with the expectation of influencing the judgment or decision-making process of any purchaser, supplier, customer/member, government official or other person by any LRE personnel or LRE is absolutely prohibited. Any such conduct should be reported immediately to the CO, or through the LRE corporate compliance hotline at (800) 420-3592.
- 13) Gifts from Existing Vendors: LRE personnel may accept gifts from vendors, suppliers, contractors or other persons that have nominal values as defined in LRE financial and compliance policies. LRE expects LRE personnel to exercise good judgment and discretion in accepting gifts. If any LRE personnel have any concerns regarding whether a gift should be accepted, the person should consult with his or her supervisor. LRE personnel will not accept excessive gifts, meals, expensive entertainment or other offers of goods or services, which has a more than a nominal value as defined in LRE financial and compliance policies.
- 14) Vendor Sponsored Entertainment: At a vendor's invitation, LRE personnel may accept meals or refreshments of nominal value at the vendor's expense. Occasional attendance at local theater or sporting events, or similar activity at a vendor's expense may also be accepted provided that, a business representative of the vendor attends with LRE personnel. Such activities are to be reported to the Compliance Officer by LRE personnel.
- 15) Purchasing and Supplies: It is the policy of LRE to ensure that all rental, lease, and purchasing agreements are structured in accordance with applicable federal and state self-referral and anti-kickback regulations as well as federal guidelines regarding tax-exempt organizations. All agreements must be commensurate with the fair market value for equipment or space.
- 16) All subcontractor and supplier arrangements will be managed in a fair and reasonable manner, consistent with all applicable laws and good business practices. Subcontractors, suppliers, and vendors will be selected based on objective criteria including quality, technical excellence, price, delivery, and adherence to schedules, services and maintenance of adequate sources of supply. Purchasing decisions will be made on the supplier's ability to meet needs and not on personal relationships or friendships. LRE will always employ the highest ethical standards in business practices in source selection, negotiation, determination of contract awards, and the administration of purchasing activities.

17) Marketing: Marketing and advertising practices are defined as those activities used by LRE to educate the public, provide information to the community, increase awareness of services, and recruit employees or contractual providers. LRE will present only truthful, fully informative and non-deceptive information in any materials or announcements. All marketing materials will reflect available services.

The federal Anti-kickback Statute (section 1128B[b] of the Social Security Act) makes it a felony, punishable by criminal penalties, to offer, pay, solicit, or receive "remuneration" as an inducement to generate business compensated by Medicaid programs. Therefore, all direct-to-consumer marketing activities require advance review by the Compliance Oversight Committee or designee if the activity involves giving anything of value directly to a consumer.

18) Financial Reporting: LRE shall ensure integrity of all financial transactions. Transactions shall be executed in accordance with established policies and procedures and with federal and state law and recorded in conformity with generally accepted accounting principles or any other applicable criteria.

All financial reports, accounting records, research reports, expense accounts, time sheets and other documents will accurately and clearly represent the relevant facts or the true nature of a transaction. No undisclosed or unrecorded funds or assets will be established for any purpose.

LRE will not tolerate improper or fraudulent accounting, documentation, or financial reporting. LRE personnel have a duty to make reasonable inquiry into the validity of financial information reporting. In addition to employee discipline and termination, LRE may terminate the contractual arrangement involving any contracted provider due to fraudulent accounting, documentation, or financial reporting.

LRE shall develop internal controls and obtain an annual independent audit of financial records; shall ensure that reimbursement for services billed is accurate, appropriate, and based on complete documentation; and shall maintain accountability of assets.

19) Third Party Billing and Governmental Payers: LRE is committed to truthful billing that is supported by complete and accurate documentation. LRE personnel may not misrepresent charges to, or on behalf of, a consumer or payer.

LRE must comply with all payment requirements for government-sponsored programs. All LRE personnel must exercise care in any written or oral statement made to any government agency. *LRE will not tolerate*

false statements by LRE personnel to a governmental agency. Deliberate misstatements to governmental agencies or to other payers will expose the individual to potential criminal penalties and termination.

20) Responding to Government Investigations: LRE will fully comply with the law and cooperate with any reasonable demand made in a governmental investigation. LRE personnel may not conceal, destroy, or alter any documents, lie or make misleading statements to governmental representatives. LRE personnel may not aid in any attempt to provide inaccurate or misleading information or obstruct, mislead, or delay the communication of information or records relating to a possible violation of the law.

It is crucial that the legal rights of LRE personnel and LRE are protected. If any LRE personnel receives an inquiry, a subpoena, or other legal documents requiring information about LRE business or operation, whether at home or in the workplace, from any government agency, LRE requests that the person notify LRE's Executive Officer or the Compliance Officer immediately.

LRE will distribute the Code of Conduct and Ethics to all LRE personnel upon hire who shall certify in writing that they have received, read, and will abide by the organization's Code. In addition to the Code, all LRE personnel will be familiar with and agree to abide by all LRE operational and human resources policies and procedures. All operational and human resources policies and procedures are available to LRE personnel through the LRE intranet and the shared drive.

Member CMSHP and Contracted and Subcontracted Provider Relationships

It is the policy of LRE to ensure that all direct and subcontracted provider contractual arrangements are structured in accordance with federal and state laws and regulations and are in the best interest of the organization and the consumers we serve. In order to ethically and legally meet all standards, LRE will strictly adhere to the following:

- 1) LRE does not receive or provide any inducement for referrals. Consumer referrals and intakes will be accepted based on the consumer's needs, eligibility, and our ability to provide the services needed.
- 2) No employee, Member CMSHP, or contracted or subcontracted provider, or any other person acting on behalf of the organization is permitted to solicit or receive anything of value, directly or indirectly, in exchange for the referral of consumers.
- 3) LRE does not enter into financial arrangements with physicians that are designed to provide inappropriate remuneration to the organization in return for the physician's ability to provide services to state and federal health care program beneficiaries.
- 4) LRE does not enter into contractual relationships with individuals or

agents/agencies that have been convicted of a criminal offense related to health care or that are listed by a federal agency as debarred, excluded, or otherwise ineligible for participation in federal health care programs. Reasonable and prudent background investigations will be completed prior to entering into contractual relationships with all individuals and agents/agencies.

5) All Member CMSHP, contracted and subcontracted provider personnel have the responsibility of ensuring the effectiveness of LRE's Compliance Program efforts by actively participating in the reporting of suspected violations.

Member CMSHPs and contracted and subcontracted providers will be required to have written standards of legal and ethical conduct of their own. Member CMSHPs and contracted or subcontracted providers having developed their own standards of conduct will be required to provide evidence of such for inclusion in the contractor file. Member CMSHPs and contracted and subcontracted providers will be familiar with and agree to abide by the LRE Compliance Plan and all applicable policies and procedures as incorporated into relevant contracts. All policies and procedures relevant to the the-Member CMSHPs and Providers are available via the LRE Internet Website at www.-lsre.org. Member CMSHPs and contracted and subcontracted providers are responsible for monitoring and staying informed of regulatory developments independent of LRE Compliance Program efforts.

All LRE personnel, Member CMSHPs, contracted and subcontracted providers will refrain from conduct that may violate the Medicaid anti-kickback, false claims or physician self-referral laws and regulations. A false claim includes the following: billing for services not rendered; misrepresenting services actually rendered; falsely certifying that certain services were medically necessary; or submitting a claim for payment that is inconsistent with or contrary to Medicaid payment requirements. In general, these laws prohibit:

- Submission of false, fraudulent or misleading claims for payment, the knowing use of a false record or statement to obtain payment on false or fraudulent claims paid by the United States government, or the conspiracy to defraud the United States government by getting a false or fraudulent claim allowed or paid. If the claims submitted are knowingly false or fraudulent then the False Claims Act has been violated;
- Knowingly and willfully making false representation to any person or entity in order to gain or retain participation in the Medicaid program or to obtain payment for any service from the United States government;
- A physician (or immediate family member of the physician) who has a financial relationship with an entity from referring a Medicaid patient to the entity for the provision of certain "designated health services" unless an exception applies, or an entity from billing an individual, third party payer; or other entity for any designated health services provided

- pursuant to a prohibited referral; and
- Knowingly and willfully making or causing to be made any false statement or representation of a material fact in any application (claim) for benefits or payments under a Federal health care program.

SECTION II - COMPLIANCE OFFICER AND COMPLIANCE OVERSIGHT COMMITTEE

LRE CEO will designate a Compliance Officer (CO), who will be given sufficient authority to oversee and monitor the Compliance Plan, including but not limited to the following:

- Recommending revisions/updates to the Compliance Plan, policies, and procedures to reflect organizational, regulatory, contractual and statutory changes.
- Reporting on a regular basis the status of the implementation of the Compliance Plan and related compliance activities.
- Assuring and/or coordinating compliance training and education efforts for LRE personnel, Member CMSHPs and contracted and subcontracted providers.
- Assuring continuing analysis, technical expertise and knowledge transmission of corporate compliance requirements and prepaid health plan performance in keeping with evolving federal requirements and MDHHS contractual obligations and standards.
- Coordinating and oversight of audits and monitoring activities
- Performing or causing to be performed risk assessments, verification audits, and on-site monitoring consistent with the approved annual PIHP compliance work plan(s) intended to reduce the risk of criminal conduct at LRE, Member CMSHPs, contracted and subcontracted providers.
- Ensure coordinating efforts with human resources, Provider Network Manager and other relevant departments regarding employee certifications/licensures, background checks, sanctions screenings, and privileging and credentialing.
- Developing and modifying policy and programs that encourage the reporting of suspected fraud and other potential problems without fear of retaliation.
- Independently investigating and acting on matters related to compliance.
- Drafting and maintaining LRE Board and executive reports including annual Compliance Program Evaluation.

The authority given the CO will include the ability to review all LRE, Member CMSHP, contracted and subcontracted provider Medicaid and Healthy Michigan documents and other information relevant to compliance activities, including, but not limited to, consumer records, billing records, employee records and contracts and obligations of LRE consistent with Section XVIII of the Medicaid Subcontracting Agreement.

LRE maintains and charters a Compliance Oversight Committee that oversees the implementation and operation of the LRE Compliance Program. The Compliance Oversight Committee reviews reports and recommendations made by the LRE CO

regarding compliance activities. This includes data regarding compliance generated through audits, monitoring, and individual reporting. Based on these reports, the Compliance Officer will make recommendations to the Executive Leadership regarding the efficiency of the LRE Compliance Plan and program.

SECTION III - COMPLIANCE TRAINING AND EDUCATION

Proper and continuous training and education of LRE personnel at all levels is a significant element of an effective compliance program. Therefore, LRE will establish a regular training program consistent with applicable compliance policies that covers the provisions of the Code of Conduct and Ethics, as well as the processes for obtaining advice and reporting misconduct. Training is provided upon hire for new employees; annual and periodic retraining is provided to existing LRE personnel and, as applicable, independent contractors.

LRE Board members and personnel will be scheduled to receive LRE's compliance program training on the Compliance Plan and Code at orientation or within thirty (30) days of employment. Tailored training may be required for employees involved in specific areas of risk and the CO will coordinate and schedule this as needed and will supplement with training and/or newsletters, e-mails and in-services. Records will be maintained on all formal training and educational activities. Training is considered a condition of employment and failure to comply will result in appropriate disciplinary action.

SECTION IV - COMPLIANCE REPORTING AND ONGOING COMMUNICATION

All LRE Board members and personnel must be familiar with applicable federal and state laws and regulations as well as LRE policies and procedures. Any LRE Board member and personnel that know, or has reason to believe, that an employee of, or independent professional providing services to, LRE is not acting in compliance with federal and state laws and regulations should report such matters to the CO. Reporting of suspected violations may be accomplished through a verbal, written, or anonymous report using the following mechanisms:

- <u>LRE Telephone Hot Line</u> Suspected compliance violations or questions can be made to a toll-free hot line. The number is (800) 420-3592 and includes confidential voice mail.
- <u>LRE Electronic Mail (E-Mail)</u> Suspected compliance violations or questions can be sent electronically via e-mail to the Compliance Officer.
- Mail Delivery Suspected compliance violations or questions can be mailed to:

Lakeshore Regional Entity Attn: Compliance Officer 5000 Hakes Dr. STE. 250 Norton Shores, MI 49441

• <u>In Person</u> - Suspected compliance violations or questions can be made in person to LRE's CO at the above address.

Whistleblower Protections for LRE Personnel

Employees who make good faith reports of violations of federal or state law are protected by state and federal whistleblower statutes, as more fully described below.

Under the Federal False Claims Act and the Michigan Medicaid False Claims Act, employees who report violations in good faith are entitled to protection from disciplinary actions taken by their employer.

The Federal False Claims Act, 31 USC §§3729 through 3731, provides for administrative remedies, encourages enactment of parallel State laws pertaining to civil and criminal penalties for false claims and statements, and provides "whistle-blower" protection for those making good faith reports of statutory violations.

Under the *Michigan Medicaid False Claims Act*, an employer shall not discharge, demote, suspend, threaten, harass, or otherwise discriminate against an employee in the terms and conditions of employment because the employee initiates, assists in, or participates in a proceeding or court action under this act or because the employee cooperates with or assists in an investigation under this act. This prohibition does not apply to an employment action against an employee who the court finds: (i) brought a frivolous claim, as defined in section 2591 of the revised judicature act of 1961, 1961 PA

236, MCL §600.2591; or, (ii) planned, initiated, or participated in the conduct upon which the action is brought; or, (iii) is convicted of criminal conduct arising from a violation of that act.

An employer who takes action against an employee in violation of the *Michigan Medicaid False Claims Act* is liable to the employee for all of the following:

- 1. Reinstatement to the employee's position without loss of seniority;
- 2. Two times the amount of lost back pay;
- 3. Interest on the back pay;
 - 4, Compensation for any special damages; and,
- 5. Any other relief necessary to make the employee whole.

Under the *Federal False Claims Act*, any employee who is discharged, demoted, suspended, threatened, harassed, or in any other manner discriminated against in the terms and conditions of employment by his or her employer because of lawful acts done by the employee on behalf of the employee or others in furtherance of an action under this section, including investigation for, initiation of, testimony for, or assistance in an action filed or to be filed under this section, shall be entitled to all relief necessary to make the employee whole. Such relief shall include reinstatement with the same seniority status such employee would have had but for the discrimination, 2 times the amount of back pay, interest on the back pay, and compensation for any special damages sustained as a result of the discrimination, including litigation costs and reasonable attorneys' fees. An employee may bring an action in the appropriate district court of the United States for the relief provided in this subsection.

Partly because of their status as primary contracted agents performing delegated managed care functions and in order to minimize regional risk and harm, Member CMSHPs will report suspected compliance issues within three business days or less to the LRE Compliance Officer when one or more of the following criteria are met:

- During an inquiry by the Member CMSHP compliance officer there is determined to be (reasonable person standard) Medicaid fraud, abuse, or waste as defined by federal statute, CMS, HHS OIG and applicable Michigan statute or regulation; or
- 2) Prior to any self-disclosure to any federal, state or Medicaid authority. In no way is this intended to nor should it be interpreted as a requirement or request to violate the letter or spirit of federal or Michigan reporting and whistleblower statutes or related regulations; or
- 3) When a Member CMSHP knows or (reasonable person standard) suspects that an action or failure to take action in the organization or its contractors would result in the improper application or improper retention of Medicaid funds.

Participant CMHPSs shall undertake fraud, waste and abuse prevention, detection, and

surveillance measures per contractual obligations and industry standards.

SECTION V - COMPLIANCE AUDITING, MONITORING AND RISK EVALUATION

The LRE CO is responsible for monitoring compliance activities and operations within LRE. The CO must then report any determinations of noncompliance to the CEO, the Compliance Oversight Committee, and LRE's Board of Directors. The CO will identify, interpret and determine standards of compliance through internal audit and monitoring functions and external audits. The CO shall prepare an Auditing and Monitoring Plan addressing identified risk areas.

Monitoring and Auditing: LRE believes that a thorough and ongoing evaluation of the various aspects of LRE's Compliance Plan is crucial to its success. In order to evaluate the effectiveness of the Plan, LRE will employ a variety of monitoring and auditing techniques, including but not limited to, the following:

- Periodic interviews with personnel within LRE, Member CMSHPs, and contracted and subcontracted providers regarding their perceived levels of compliance within their departments or areas of responsibilities;
- Questionnaires developed to poll personnel within LRE, Member CMSHPs, contracted and subcontracted providers regarding compliance matters including the effectiveness of training/education;
- Information gained from written reports from LRE compliance staff utilizing audit and assessment tools developed to track all areas of compliance;
- Audits designed and performed by internal and/or external auditors utilizing specific compliance guidelines;
- Incidents of alleged noncompliance reports are investigated.
- Member CMSHPs, contracted and subcontracted providers are encouraged to perform auditing and monitoring functions involving Medicaid covered services through their own compliance program efforts.

The LRE CO, legal counsel, Compliance Oversight Committee, and as appropriate, other LRE personnel will take actions to ensure the following:

- Access to and familiarity with the latest HHS OIG compliance guidelines and current enforcement priorities; and
- Assessment of the baseline risk of any significant issues regarding noncompliance with laws or regulations in accordance with LRE's Compliance Plan.

The CO is also responsible to ensure a risk assessment is performed annually with the results integrated into the daily operations of the organization.

SECTION VI - ENFORCEMENT OF COMPLIANCE POLICIES AND STANDARDS

<u>Basis for Member CMSHP, Contracted or Subcontracted Provider Corrective Action</u>: Monitoring and auditing, and reports of questionable practices may form the basis for imposing corrective action.

<u>Elements of a Member CMSHP, Contracted or Subcontracted Provider a Corrective Action Plan</u>: As appropriate given the nature of the noncompliance, a corrective action plan submitted to LRE for approval shall include:

- A description of how the issue(s) identified was immediately corrected OR the reason the issue(s) cannot be immediately corrected (i.e. the consumer has been discharged).
- A description of the steps put to be put into place to prevent the issue(s), or a similar issue(s), from occurring again (i.e. staff training, process redesign, etc.)
- A description of the quality assurance program put into place for monitoring purposes to ensure the corrective action plan is effective and/or similar issues do not occur.

SECTION VII - CONFIDENTIALITY AND PRIVACY

All LRE Board members, LRE personnel, Member CMSHPs, and contracted and subcontracted providers must conduct themselves in accord with the principle of maintaining the confidentiality of consumers' information in accordance with all applicable laws and regulations, including but not limited to the Michigan Mental Health Code and the Privacy and Security Regulations issued pursuant to HIPAA and recent updated HITECH revisions, and 42 CFR Part 2 as it relates to substance abuse records. All will refrain from disclosing any personal or confidential information concerning members unless authorized by laws relating to confidentiality of records and protected health information. If specific questions arise regarding the obligation to maintain the confidentiality of information or the appropriateness of releasing information, LRE Board members, LRE personnel, and Member CMSHPs should seek guidance from the Compliance Officer/ Privacy Officer, or anonymously through the LRE corporate compliance hotline at (855800) 350-5501420-3592.

LRE PERSONNEL COMPLIANCE CERTIFICATION FORM

- 1) I have received, read and understand the LRE Compliance Plan, Code of Conduct and Ethics, and related policies and procedures.
- 2) I pledge to act in compliance with and abide by the Code of Conduct and Ethics and LRE Compliance Plan during the entire term of my employment and/or contract.
- 3) I acknowledge that I have a duty to report to the Compliance Officer any alleged or suspected violation of the Code of Conduct and Ethics, agency policy, or applicable laws and regulations.
- 4) I will seek advice from my supervisor or the Compliance Officer concerning appropriate actions that I may need to take in order to comply with the Code of Conduct and Ethics or Compliance Plan.
- 5) I understand that failure to comply with this certification or failure to report any alleged or suspected violation of the Code of Conduct and Ethics or Compliance Plan may result in disciplinary action up to and including termination of employment or contract.
- 6) I agree to participate in any future compliance trainings as required and acknowledge my attendance at such trainings as a condition of my continued employment/contract.
- 7) I agree to disclose the existence and nature of any actual or potential conflict of interest to the Compliance Officer. Further, I certify that I am not aware of any current conflicts of interest.

Board/Employee/Provider/Contractor Signature	Date

LRE BOARD OF DIRECTORS COMPLIANCE CERTIFICATION FORM

- I have received, read and understand the LRE Compliance Plan and Code of Conduct and Ethics
- 2) I pledge to act in compliance with and abide by the Code of Conduct and Ethics Ethics and LRE Compliance Plan during the entire term of my Board service.
- 3) I acknowledge that I have a duty to report to the LRE Chief Compliance Officer any alleged or suspected violation of the Code of Conduct and Ethics or related laws and regulations by myself, another Board Member or any other person.
- 4) I will seek advice from the LRE Board Chairman or the LRE Chief Compliance Officer concerning appropriate actions that I may need to take in order to comply with the Code of Conduct and Ethics or Compliance Plan.
- 5) I understand that failure to comply with any part of this certification may result in my removal from the Board of Directors.
- 6) I agree to participate in future Board compliance trainings as required
- 7) I agree to disclose the existence and nature of any actual or potential conflict of interest to the Board Chairman and Chief Compliance Officer. Further, I certify that I have disclosed all current conflicts of interest.

Board Member Signature	Date	



Lakeshore Regional Entity Board Financial Officer Report for November 2021

- **♣ Disbursements Report** A motion is requested to approve the October 2021 disbursements. A summary of those disbursements is included as an attachment.
- **Statement of Activities** − Preliminary September report is not available. We plan to present the preliminary report to the Board in December. Final FY21 financial statements will be presented after the external financial audit is completed in 2022.
- ♣ Bucket Report September 2021 Bucket Report is not available. We plan to present the report to the Board in December. Several of our CMHSP Members and the LRE have been experiencing financial reporting delays for due to changes in general ledger systems, electronic health records systems changes, implementation of Standard Cost Allocation, FY22 Code/Modifier changes, implementation of the CCBHC Demonstration Program and other competing demands. All September reports will be preliminary in nature until final FY21 year-end reports are completed in February 2022.
- FY 2022 Revenue Projections Updated revenue and membership projections by program and CMHSP are not available. The capitation payment/rates changed 10/1/2021; however, Beacon has been unable to project revenues with the rate information provided by MDHHS and Milliman. We are working with Beacon and MDHHS to try to resolve this matter as quickly as possible.
- ♣ Direct Care Worker Increase Extension Legislation was passed to add funding to the State budget for a temporary \$2.35 per hour wage increase for FY22 (October 2021 September 2022). CMHSPs continued to maintain wage increases and will continue to do so through September 2022. PIHPs have been informed that DCW payments are included in their capitation payments for FY22; but currently only at a rate of \$2.00 per hour which was included in the FY22 capitation rate certification prior to final approval of the legislature. At that time, MDHHS and Milliman indicated that if the legislation passed a different amount than the \$2.00 per hour, there would be a subsequent rate adjustment. As of today, there has been no communication regarding the rate adjustment for the additional \$.35 per hour. We had previously projected DCW Revenue for Region 3 for FY22 to be approximately \$18 million at the \$2.00 per hour rate.
- **↓ CCBHC** At this time, we are still unable to project FY22 CCBHC Revenues. We are working with our CCBHC partners, other PIHPs and MDHHS on a regular basis to further our efforts in the revenue projection process and also to be able to accurately distribute the CCBHC revenues within to our CCBHC partners. We are hoping to bring a budget amendment to the LRE Board in as soon as possible for CCBHC related revenue and expenses for the region.



- → Financial Risk Management Plan Our Annual Financial Risk Management Plan is due to the State on December 3, 2021. We plan to submit a draft plan to MDHHS by the deadline. We will submit a final plan at a later date after the plan has been reviewed by our CMHSP member and approved by the LRE Board of Directors in December. The plan should include details from eight main areas:
 - ➤ Budgeting Annual Projections of Revenues and Expenditures
 - ➤ General Accounting
 - Financial Reporting, Analysis, and Monitoring
 - Financial Risk Management
 - > Investment Management
 - > Supervision of External Audits, Internal Audits, and Internal Controls
 - > Claims Adjudication and Payment
 - Cost Allocation Process
- **↓ Finance ROAT** We welcomed a new member to Finance ROAT in November, Erinn Trask, Interim CFO for Allegan County CMH Services.

Our focus is primarily on the following items at this time:

- Revising reporting templates to better suit the needs of our CMHSP Members and the LRE
- ➤ Drafting proposed revisions to 'Article IV Financial' of the Operating Agreement and recommending those revisions to the Operating Committee



BOARD ACTION REQUEST

Subject: October 2021 Disbursements

Meeting Date: November 18, 2021

RECOMMENDED MOTION:

To approve the October 2021 disbursements of \$13,584,718.68 as presented.

SUMMARY OF REQUEST/INFORMATION:

<u>Disbursements:</u>	
Allegan County CMH	\$1,229,967.60
Healthwest	\$2,481,689.00
Network 180	\$6,684,026.67
Ottawa County CMH	\$1,809,910.09
West Michigan CMH	\$968,711.00
SUD Prevention Expenses	\$98,584.74
Local Match Payment	\$0.00
Hospital Reimbursement Adjuster (HRA)	\$0.00
SUD Public Act 2 (PA2)	\$65,873.98
Beacon Health Options	\$0.00
Administrative Expenses	\$245,955.60
Total:	\$13,584,718.68

98.18% of Disbursements were paid to Members and SUD Prevention Services.

I affirm that all payments identified in the monthly summary above are for previously appropriated amounts.

STAFF: Stacia Chick DATE: November 18, 2021

\$ 28,751,666.06 -\$15,166,947.38 -52.75%

\$0.00

\$0.00

\$0.00

\$13,174,304.36 \$24,953,793.68

-\$11,779,489.32 53%

-\$11,779,489.32 -\$3,387,458.06

Allegan County CMH Healthwest Network 180 Ottawa County CMH West Michigan CMH

98.18%

Last month total Change since last month
Quarterly Hospital Reimbursement Adjuster (HRA) Payment
Current Month Member Payments Last Month Member Payments
CHANGE SINCE LAST MONTH
9% 19%
51% 14% 7%
Update from 2nd tab - ALSO UPDATE WORDING, AS NEEDED TO REMOVE HRA, TAXES, ETC.