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## Lakeshore Regional Entity Board Financial Officer Report for February 2021

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- ✚ A motion is requested to approve the January 2021 disbursements. A summary of those disbursements is included as an attachment.
- ✚ A Statement of Activities report through December is also included as an attachment.
- ✚ **Direct Care Worker Wage Increase** – A motion is requested to approve the LRE’s request to extend the COVID-19 direct care worker premium pay increase of \$2 per hour through March 31, 2021. The use of LRE funds is contingent upon there being no other state or federal funds available to cover this expense.
- ✚ A Bucket Report for December 2020 is included as an attachment for today’s meeting. Expense projections, as reported by each CMHSP, are noted. Overall, an anticipated increase in spending of \$10.6 million is projected for FY21. With additional revenues projected for FY21 of about \$28.6 million, this month’s report continues to show a significant surplus projected regionally.
- ✚ Updated **revenue and membership projections by program and CMHSP** are attached. This incorporates enrollments and rates within capitation payments received through January 2021. We continue to see notable increases in the number of individuals enrolled in the Medicaid and Healthy Michigan Plan programs. A summary of our analysis is attached to this report for your review.
- ✚ **FY21 Risk Management Plan Changes** – On December 2, 2020 the LRE submitted its FY21 Risk Management Plan to the Michigan Department of Health and Human Services (MDHHS). On January 28, 2021 we received notice that MDHHS reviewed our plan and had some follow-up questions regarding planned use of performance bonus dollars to cover potential risks, clarification regarding prior liabilities, and the projected Healthy Michigan Plan deficit reported by Healthwest. We have responded to all questions received to date and made a few minor edits to the original document. A final copy will be shared with the Board upon approval by MDHHS.
- ✚ **FY20 Performance Bonus Award** – Each year PIHPs can earn dollars that are withheld by MDHHS from their capitation payments if they comply and meet specific metrics surrounding coordination efforts with health plans. The LRE received notice that its performance bonus award for the FY20 period will be \$2,332,144.63. The total potential award for FY20 was \$2,419,516.04. A summary of how the LRE scored in each category is attached. Dollars are expected by April 30, 2021.

This communication serves as the final notice regarding the FY2020 performance bonus, contract section 8.4.2. Scoring is based on PIHP/MHP Joint Metrics and PIHP-only deliverables. Your PIHP has earned partial points, as detailed below. Total performance bonus earnings are shown with yellow highlight below.

<b>FY20 Total .75 Performance Bonus Incentive</b>				
	<b>Total \$ Available (.75 withhold)</b>	<b>Total Withhold Unearned</b>	<b>Additional Performance Bonus Earned</b>	<b>Grand Total Earned</b>
LRE	\$ 2,419,516.04	\$87,371.41	\$0.00	\$ 2,332,144.63

#### PIHP/MHP Joint Metrics

Joint metrics with the MHPs included 1) FUH measure performance, and 2) implementation of joint care management processes. The final Follow-up after Hospitalization for Mental Illness within 30 Days (FUH) measure rates for the 1/1/2019-12/31/2019 measurement period were posted in CC360 in July 2020. Points earned out of 65 total points available are displayed in the table below.

<b>Follow-up after Hospitalization for Mental Illness within 30 days CY2019 (65 points)</b>								
		Scored 6-20 Combos Meeting Standard	Scored 21-65 Combos Meeting Standard	Scored 21-65 Combos Meeting Standard	Total Scored Combos	Points per Combo	Total Combos Meeting Standard	Score (maximum = 65)
LRE	Scored 6-20 Combos	3	6	5	9	7.22	8	58

Quarterly, beneficiaries for whom CC360 joint care plans have been developed are randomly selected for review by MDHHS staff. This review is used to score the implementation of joint care management processes portion of the performance bonus. Points earned out of 35 total points available are displayed in the table below.

<b>Joint Care Management Processes (35 points)</b>	
	Joint care mgmt processes Yes = 35, No = 0
LRE	35

Joint metric results are represented below in dollar amounts.

<b>PIHP Joint MHP Metric Score (100 points)</b>				
	<b>Score</b>	<b>Score Converted to Percentage</b>	<b>Joint Metric Total \$ Available</b>	<b>Joint Metric Earned</b>
LRE	93	93%	\$1,209,758.02	\$1,122,386.61

#### PIHP-only deliverables

PIHP-only deliverables included 1) a narrative report on patient-centered medical home-like participation, 2) quarterly Veteran Service Navigator data submissions, and 3) a BHTEDS data quality narrative report. Points earned along with dollar amounts are displayed in the table below.

<b>PIHP-only Incentive Score (100 points)</b>							
	Patient Centered Medical Home Participation Yes = 50, No = 0	VSN Quarterly Data Submission Yes=25, No=0	BHTEDS Narrative Yes = 25, No = 0	Score	Score Converted to Percentage	Total PIHP-only \$ Available	Total PIHP-only \$ Earned
LRE	50	25	25	100.00	100%	\$1,209,758.02	\$1,209,758.02

Results as of 12/31/2019

MHP	Adults						Children					
	Met Criteria	Did Not Meet Criteria	Total Discharges	Percent Met	Target	Variance to Target	Met Criteria	Did Not Meet Criteria	Total Discharges	Percent Met	Target	Variance to Target
BLUE CROSS COMPLETE	55	40	95	57.89%	58%	-0.11%	11	4	15	73.33%	70%	3.33%
MCLAREN HEALTH PLAN	33	23	56	58.93%	58%	0.93%	6	5	11	54.55%	70%	-15.45%
MERIDAN HEALTH PLAN	193	110	303	63.70%	58%	5.70%	68	17	85	80.00%	70%	10.00%
MOLINA HEALTH CARE	79	46	125	63.20%	58%	5.20%	35	12	47	74.47%	70%	4.47%
PRIORITY HEALTH	269	142	411	65.45%	58%	7.45%	119	36	155	76.77%	70%	6.77%
UNITED HEALTHCARE COMMUNITY PLAN	37	37	74	50.00%	58%	-8.00%	9	4	13	69.23%	70%	-0.77%
LRE Overall	666	398	1064	62.59%	58%	4.59%	248	78	326	76.07%	70%	6.07%

Current measurement period (shown above) is 1/1/2019 - 12/31/2019

Results as of 12/31/2019

CMHSP	MHP	Adult						Children					
		Met Criteria	Did Not Meet Criteria	Total Discharges	Percent Met	Target	Variance to Target	Met Criteria	Did Not Meet Criteria	Total Discharges	Percent Met	Target	Variance to Target
ALLEGAN CMH	BLUE CROSS COMPLETE	2	2	4	50.00%	58%	-8.00%	1		1	100.00%	70%	30.00%
	MCLAREN HEALTH PLAN					58%	#VALUE!					70%	
	MERIDAN HEALTH PLAN	23	10	33	69.70%	58%	11.70%	4	2	6	66.67%	70%	-3.33%
	MOLINA HEALTH CARE	3	1	4	75.00%	58%	17.00%	2	1	3	66.67%	70%	-3.33%
	PRIORITY HEALTH	14	14	28	50.00%	58%	-8.00%	8	3	11	72.73%	70%	2.73%
	UNITED HEALTHCARE COMMUNITY PLAN	1	1	2	50.00%	58%	-8.00%		1	1	0.00%	70%	-70.00%
ALLEGAN CMH Total		43	28	71	60.56%	58%	2.56%	15	7	22	68.18%	70%	-1.82%
HEALTHWEST	BLUE CROSS COMPLETE	14	9	23	60.87%	58%	2.87%	2		2	100.00%	70%	30.00%
	MCLAREN HEALTH PLAN	6	3	9	66.67%	58%	8.67%	1	1	2	50.00%	70%	-20.00%
	MERIDAN HEALTH PLAN	48	29	77	62.34%	58%	4.34%	30	3	33	90.91%	70%	20.91%
	MOLINA HEALTH CARE	26	10	36	72.22%	58%	14.22%	10		10	100.00%	70%	30.00%
	PRIORITY HEALTH	62	30	92	67.39%	58%	9.39%	16	5	21	76.19%	70%	6.19%
	UNITED HEALTHCARE COMMUNITY PLAN	12	5	17	70.59%	58%	12.59%	2	1	3	66.67%	70%	-3.33%
HEALTHWEST Total		168	86	254	66.14%	58%	8.14%	61	10	71	85.92%	70%	15.92%
NETWORK 180	BLUE CROSS COMPLETE	29	27	56	51.79%	58%	-6.21%	8	3	11	72.73%	70%	2.73%
	MCLAREN HEALTH PLAN	22	18	40	55.00%	58%	-3.00%	5	3	8	62.50%	70%	-7.50%
	MERIDAN HEALTH PLAN	81	64	145	55.86%	58%	-2.14%	28	11	39	71.79%	70%	1.79%
	MOLINA HEALTH CARE	38	30	68	55.88%	58%	-2.12%	21	10	31	67.74%	70%	-2.26%
	PRIORITY HEALTH	145	81	226	64.16%	58%	6.16%	72	22	94	76.60%	70%	6.60%
	UNITED HEALTHCARE COMMUNITY PLAN	20	29	49	40.82%	58%	-17.18%	5	2	7	71.43%	70%	1.43%
NETWORK 180 Total		335	249	584	57.36%	58%	-0.64%	139	51	190	73.16%	70%	3.16%
CMH OF OTTAWA COUNTY	BLUE CROSS COMPLETE	5		5	100.00%	58%	42.00%		1	1	0.00%	70%	-70.00%
	MCLAREN HEALTH PLAN	1		1	100.00%	58%	42.00%					70%	
	MERIDAN HEALTH PLAN	16	5	21	76.19%	58%	18.19%	2		2	100.00%	70%	30.00%
	MOLINA HEALTH CARE	4	3	7	57.14%	58%	-0.86%	1	1	2	50.00%	70%	-20.00%
	PRIORITY HEALTH	41	16	57	71.93%	58%	13.93%	18	5	23	78.26%	70%	8.26%
	UNITED HEALTHCARE COMMUNITY PLAN	4	2	6	66.67%	58%	8.67%					70%	
CMH OF OTTAWA COUNTY Total		71	26	97	73.20%	58%	15.20%	21	7	28	75.00%	70%	5.00%
WEST MICHIGAN CMH SYSTEM	BLUE CROSS COMPLETE	5	2	7	71.43%	58%	13.43%					70%	
	MCLAREN HEALTH PLAN	4	2	6	66.67%	58%	8.67%		1	1	0.00%	70%	-70.00%
	MERIDAN HEALTH PLAN	25	2	27	92.59%	58%	34.59%	4	1	5	80.00%	70%	10.00%
	MOLINA HEALTH CARE	8	2	10	80.00%	58%	22.00%	1		1	100.00%	70%	30.00%
	PRIORITY HEALTH	7	1	8	87.50%	58%	29.50%	5	1	6	83.33%	70%	13.33%
	UNITED HEALTHCARE COMMUNITY PLAN					58%	#VALUE!	2		2	100.00%	70%	30.00%
WEST MICHIGAN CMH SYSTEM Total		49	9	58	84.48%	58%	26.48%	12	3	15	80.00%	70%	10.00%
LRE Overall		666	398	1,064	62.59%	58%	4.59%	248	78	326	76.07%	70%	6.07%

Revenue Projection

	Total LRE		
	Prior Projection	Current Projection	Change
MCD - MH	\$ 207,217,238	\$ 207,405,284	\$ 188,046
MCD - SUD	\$ 7,663,478	\$ 7,721,283	\$ 57,805
HMP - MH	\$ 25,874,918	\$ 26,594,817	\$ 719,899
HMP - SUD	\$ 14,681,689	\$ 15,096,162	\$ 414,473
Autism	\$ 40,515,924	\$ 40,656,053	\$ 140,129
Waiver	\$ 35,305,125	\$ 35,335,985	\$ 30,860
LRE / Beacon Admin	\$ 13,500,515	\$ 13,555,823	\$ 55,308
ISF	\$ 2,634,899	\$ 2,647,191	\$ 12,292
Perf. Bonus (Region)	\$ 2,355,672	\$ 2,367,746	\$ 12,075
Timely Filing (Region)	\$ 1,570,448	\$ 1,578,498	\$ 8,050
IPA	\$ 4,029,163	\$ 4,075,173	\$ 46,010
Total Region	\$ 355,349,068	\$ 357,034,015	\$ 1,684,947

	Total CMHSPs		
	Prior Projection	Current Projection	Change
Allegan	\$ 29,942,197	\$ 30,044,459	\$ 102,261
Healthwest	\$ 63,630,388	\$ 63,837,401	\$ 207,013
Network180	\$ 170,273,152	\$ 171,146,677	\$ 873,525
Ottawa	\$ 44,807,725	\$ 45,100,749	\$ 293,024
West Michigan	\$ 22,604,909	\$ 22,680,298	\$ 75,388
Total CMHSPs	\$ 331,258,372	\$ 332,809,583	\$ 1,551,212

	Prior Projection	Current Projection	Change
Allegan	\$ 107.01	\$ 106.17	\$ (0.83)
Healthwest	\$ 95.70	\$ 95.13	\$ (0.57)
Network180	\$ 98.98	\$ 98.34	\$ (0.64)
Ottawa	\$ 97.10	\$ 96.28	\$ (0.82)
West Michigan	\$ 94.42	\$ 93.96	\$ (0.46)
Total CMHSPs	\$ 98.42	\$ 97.77	\$ (0.65)

Member Month Projection			
	Prior Projection	Current Projection	Change
Allegan	279,816	282,976	3,160
Healthwest	664,872	671,047	6,175
Network180	1,720,235	1,740,279	20,044
Ottawa	461,454	468,442	6,989
West Michigan	239,407	241,390	1,984
Total Member Months	3,365,783	3,404,135	38,351

	CMHSPs Breakdown		
	Prior Projection	Current Projection	Change
MCD - MH			
Allegan	\$ 18,349,030	\$ 18,368,795	\$ 19,766
Healthwest	\$ 42,692,404	\$ 42,737,002	\$ 44,598
Network180	\$ 103,496,488	\$ 103,577,243	\$ 80,755
Ottawa	\$ 27,431,520	\$ 27,469,790	\$ 38,270
West Michigan	\$ 15,247,795	\$ 15,252,453	\$ 4,658
Total MCD - MH	\$ 207,217,238	\$ 207,405,284	\$ 188,046

MCD - SUD			
Allegan	\$ 625,429	\$ 631,250	\$ 5,821
Healthwest	\$ 1,690,902	\$ 1,698,732	\$ 7,830
Network180	\$ 3,852,293	\$ 3,880,450	\$ 28,157
Ottawa	\$ 896,661	\$ 908,885	\$ 12,224
West Michigan	\$ 598,193	\$ 601,966	\$ 3,773
Total MCD - SUD	\$ 7,663,478	\$ 7,721,283	\$ 57,805

HMP - MH			
Allegan	\$ 1,974,658	\$ 2,030,867	\$ 56,209
Healthwest	\$ 5,431,845	\$ 5,544,743	\$ 112,898
Network180	\$ 13,063,578	\$ 13,459,763	\$ 396,185
Ottawa	\$ 3,470,519	\$ 3,587,572	\$ 117,053
West Michigan	\$ 1,934,317	\$ 1,971,871	\$ 37,554
Total HMP - MH	\$ 25,874,918	\$ 26,594,817	\$ 719,899

HMP - SUD			
Allegan	\$ 1,107,652	\$ 1,138,896	\$ 31,244
Healthwest	\$ 3,159,026	\$ 3,230,330	\$ 71,304
Network180	\$ 7,415,630	\$ 7,641,960	\$ 226,329
Ottawa	\$ 1,893,798	\$ 1,957,450	\$ 63,652
West Michigan	\$ 1,105,583	\$ 1,127,527	\$ 21,944
Total HMP - SUD	\$ 14,681,689	\$ 15,096,162	\$ 414,473

Autism			
Allegan	\$ 3,358,770	\$ 3,370,387	\$ 11,617
Healthwest	\$ 2,706,464	\$ 2,715,824	\$ 9,361
Network180	\$ 27,251,010	\$ 27,345,261	\$ 94,251
Ottawa	\$ 6,020,666	\$ 6,041,489	\$ 20,823
West Michigan	\$ 1,179,013	\$ 1,183,091	\$ 4,078
Total Autism	\$ 40,515,924	\$ 40,656,053	\$ 140,129

Waiver			
Allegan	\$ 4,526,659	\$ 4,504,263	\$ (22,396)
Healthwest	\$ 7,949,746	\$ 7,910,770	\$ (38,976)
Network180	\$ 15,194,153	\$ 15,242,001	\$ 47,848
Ottawa	\$ 5,094,560	\$ 5,135,562	\$ 41,002
West Michigan	\$ 2,540,008	\$ 2,543,389	\$ 3,382
Total Waiver	\$ 35,305,125	\$ 35,335,985	\$ 30,860