

**EXECUTIVE COMMITTEE SUMMARY**

Wednesday July 8, 2020, 3:00 PM

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

Absent: Peg Driesenga

WELCOME

- a. Review of July 8, 2020 Meeting Agenda
- b. Review of June 10, 2019 Meeting Minutes

The July 8, 2020 meeting agenda is accepted with the addition of reviewing a new Board member application. The June 10, 2020 meeting minutes were accepted as presented.

FINANCIAL UPDATE

- This data is updated with our revenue for June. There was a rate adjustment for Direct Care Wage.
- Ms. Coleman reports an increase in revenue due to the DCW, \$2 pass through which accounts for \$4.5 million with an additional estimated \$600 thousand due to increased enrollment.
- Mr. Shirley reports that the projected amount for unemployment is higher than expected. We are projecting an estimated 6,200 increase in MC. In May the unemployment went down because of individuals going back to work, but in June actual numbers have jumped higher than the projections, possibly due to individuals not signing up for MC right away. We will remain conservative through the rest of the fiscal year. This information is based on data from the government website.
- We are waiting for the projected expenses from the CMHs for the \$2 DCW increase. The CMHs will submit information from their provider network to calculate this.
- During the last Board meeting there was discussion that the projected surplus was not accurate. Mr. Stek would like to know if there will be significant variances that will have a large negative effect on the surplus amount. Mr. Shirley and Ms. Coleman comment that this is unknown yet. Mr. Hofman comments that we must continue to analyze expenses. He states that a caveat will be put into the bucket report to remind the Board that this information may change significantly due to key variables that have not yet been reported.
- MDHHS is aware of the concern related to the amount of administrative burden there is with disbursing the DCW increase. They are reviewing the feedback from the PIHPs. There is not a set date for when the pass through has to be disbursed.

PROVIDER NETWORK STABILITY UPDATE

- The LRE submitted an update to the stability plan to MDHHS, which we received approval by Jeff Wieferich. The first report has also been submitted.

- The CMHs took the lead on sending out the survey to the providers to gather information about the Network Stabilization needs. The request for funds form was due, Monday July 6. We are giving extensions for these submissions.
- A meeting is being scheduled with the CEOs and their relevant staff to begin reviewing the submitted provider forms for additional funding.
- There has been communication from MDHHS clarifying double dipping. The funds are only to be used to stabilize providers; providers will cost settle funds back to the PIHPs when provider relief loans are forgiven.
  - Who will be responsible for any cost settlement back to the PIHP? The agreements with providers that will be put into place before disbursing funds will have language to cover the reporting of the used funds that will enable us to track what will have to be cost settled.
  - Can PIHPs/CMHs use any of these funds to cover the cost of our oversight for this process? The provider relief fund can be utilized by the CMHs, which they are taking advantage of.
  - Mr. Stek would encourage the LRE to review the rules and regulations of the CARES Act to understand the allowances.
  - Mr. Stek would like to know if we can do a preliminary release of funds. Mr. Hofman comments that we must have a process in place prior to sending out funds and there has been little guidance from the State.

**Action Item:** Mr. Hofman will follow-up on any programs that the LRE could take advantage of.

#### MDHHS/LRE SETTLEMENT UPDATE

- Greg Moore is preparing a communication to send to MDHHS this week. Next step will be to schedule meetings with MDHHS.

#### BEACON CONTRACT NEGOTIATIONS UPDATE

- The target is to have a new contract in place by October 1.
- We are coordinating an initial meeting with Beacon within the next couple of weeks.
- Mr. Hofman would like to have a draft document by mid to late August.
- Has there been an evaluation of the delegation grid?
  - Mr. Hofman comments that we have begun reviewing the grid to determine what the future contract will be. The LRE Executive Team and CMH CEOs have a document that has started to aggregate items for discussion, such as being a risk bearing partner.

**Action Item:** Mr. Hofman will submit an executive summary of contract negotiations with a directional intent to the LRE Board.

### 2020 LRE BOARD REAPPOINTMENTS

Below are the At-Large Board members that will be up for reappointment in 2020. Mr. DeYoung will contact them and discuss their interest in continuing to be on the LRE Board.

HealthWest has submitted a new At-Large Board member application that will be reviewed and voted on during the July Board meeting.

- Shaun Raleigh – July Board (New Board member applicant)
- Jane Verduin – August Board
- Matt Fenske – November Board

### HEALTHWEST UPDATE

- LRE received a response from HealthWest addressing the recommendations from the assessment that LRE and Beacon completed. HealthWest has contracted with Bill Riley to do an overall review.

### BOARD MEETING AGENDA ITEMS

- i. Budget Amendment
- ii. Shaun Raleigh – Muskegon Representative for LRE Board member
- iii. SouthEast began a lawsuit against MDHHS – update from Mr. Hofman in his report. Mr. Stek will send the report to the group.

### BOARD WORK SESSION AGENDA

There will be a work session.

- Network Stability Plan
- Beacon Contract

### OTHER

### UPCOMING MEETINGS

- July 16, 2020 – LRE Board Meeting, 3:00 PM
- August 12, 2020 – LRE Executive Committee, 3:00 PM
- August 13, 2020 – Consumer Advisory Panel, 1:00 PM
- August 20, 2020 – LRE Executive Board Meeting, 3:00 PM

### ADJOURN