

EXECUTIVE COMMITTEE SUMMARY

Wednesday February 12, 2020, 3:00 PM

LRE, 5000 Hakes Drive, Norton Shores 49441, Lobby Conference Room

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

WELCOME

- a. Review of February 12, 2020 Meeting Agenda
- b. Review of January 8, 2020 Meeting Minutes

The February 12, 2020 meeting agenda, with the additions of the Ottawa County Letter and HSAG Audit and the January 8, 2020 meeting minutes were accepted as presented.

LRE/MDHHS SETTLEMENT UPDATE

- a. MDHHS Settlement Offer
 - i. The negotiating group met with the Department. During the meeting, Sarah Esty commented that they do not agree with drawing down federal funds but will review a proposal. Another meeting will be scheduled for a meeting between LRE financial expert and MDHHS financial people to review a proposal of federal draw down.
 - ii. The LRE will use Richard Carpenter as a financial expert in this area.
 - iii. The LRE asked 2 questions of MDHHS: 1) What they believe the legal or contractual issues are drawing down the Federal Medicaid funds. 2) Who would be present at the meeting. We have not yet received an answer for either.
 - iv. They were not available to meet prior to next week but would like the LRE to submit the proposal as soon as possible. During a meeting with the negotiating committee it was discussed and agreed that the LRE will submit a high overview of the proposal but leaving out details until the face to face.
 - v. Legislators will be invited to the first hour of the meeting to discuss the draw down and then the next hour will be used for negotiating the contract. Mr. Stek updates that representatives from McGregor's office will be attending the meeting next week.
 - vi. Richard Carpenter, Greg Moore and Greg Hofman will work on the high overview that will be submitted to MDHHS.
 - vii. Mr. Hofman will contact Alan Bolter for clarification of the supplemental and what impact that may have.

REGIONAL ALLOCATION MODEL UPDATE

There were issues with some of the factors that Milliman used. Milliman is scheduling to meet at the LRE to review the allocation model. The model will have to have full buy in from the CMHs and after the meeting with Milliman there may be a final recommendation in March. If the recommendation is not to implement this model, there will still be value in having it.

REVENUE PROJECTION ANALYSIS – Chad Shirley

Mr. Shirley reviews information that he will bring to the LRE Board and discuss during the Work Session. Highlights:

- a. Consumers have been identified that should be signed up for HSW (Hab Support Waiver). This will enhance the regions revenue.
- b. Autism has decreased because people are aging out and not being replaced. We would like to see Milliman raise the PM/PM because people are leaving quicker than they can be replaced. Anticipating another \$2.2 million.
- c. The \$565,000 that was discussed during the last Board meeting is the gap when looking at the spending plans, but according to the Bucket report, which is what is actually being spent there is a \$5.8 million negative of where we should be.
 - o We are designing a new template for the CMHs.
 - o Beacon actuarial are working on a new report called a run rate report. The report is split by CMH and will show trends over time based on encounters. This will be in conjunction with the CMHs and will be dependent on the how accurate the data we receive is. This report will also work with the State Milliman and will help with accuracy of the encounter data and will help with the allocation model for the region.
- d. There is an issue with the HSW not picking up the dual eligibles. We will continue to monitor as we should receive retro payments. We are about 200 down from last year.
- e. Michigan work requirements:
 - Monitoring the impact this may have on revenue.
 - There may be a review if there is a large drop off of enrollees.
 - The CMHs were sent a list of people in their county to review. They reached out to those people in services to attempt to be as proactive as possible.
- f. Executive Committee would like an ongoing report for the Board and public.
- g. Any time there is a change in data from the state the graph will be updated.

BOARD MEETING AGENDA ITEMS –

- a. STR Funding – Amendment #3 to Exhibit E in the LRE/CMHSP Contract – Action Item
- b. LRE Policy 2.0 – Financial Management – Action Item
- c. Budget Amendment #1 – Action Item

BOARD WORK SESSION AGENDA

- a. There will be work session.
 - Chad Shirley - Revenue Projection Analysis (give specific scenarios and show how this will be useful)

OTHER

- a. Nancy Pagan has given Mr. DeYoung her resignation. The LRE Board now has 5 vacant positions.

- b. Doug Van Essen sent a letter from Ottawa County stating that we have diverted PA2 funds from Ottawa to other counties. Mr. Hofman sent a communication back stating we will review these allegations.
- c. HSAG -The LRE has taken some hits on the HSAG due to policy issues and we will continue to work on this with Beacon.

UPCOMING MEETINGS

- February 13, 2020 – Consumer Advisory Panel, 1:00 PM
- February 20, 2020 – LRE Board Meeting, 1:00 PM
Fillmore Complex, 12220 Fillmore Street, West Olive, MI 49460
- March 11, 2020 – LRE Executive Committee, 3:00 PM
- March 19, 2020 - LRE Board Meeting, 1:00 PM
Network 180, 3310 Eagle Park Dr. NE, Suite 100, Grand Rapids, MI 49525

ADJOURN