

EXECUTIVE COMMITTEE SUMMARY

Wednesday December 9, 2020, 3:00 PM

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

Absent: Stan Stek

WELCOME

- i. Review of December 9, 2020 Meeting Agenda
- ii. Review of November 11, 2019 Meeting Minutes

The December 9, 2020 meeting agenda and the November 11, 2020 meeting minutes were accepted as presented.

FINANCIAL UPDATE

SUD Block Grant Reductions

Ms. VanDerKooi updates:

- The State has reduced SUD Block Grant (BG) funds by about \$20 million, this is a \$2.3 million BG cut for LRE region. The budget cuts are not due to performance issues but because of an allocation mistake by the State which effects all of the regions within Michigan.
- The State was allocating extra funds because BG has historically been underspent. The overallocation of BG was not being tracked correctly, which created the shortage.
- A motion was approved by the Oversight Policy Board, which will allow LRE to use up to \$2 million of PA2 funds this year to smooth out funding shortages due to the reduction. The reduced amount of BG funds will be the amount disbursed moving forward.
- Ms. VanDerKooi confirms that PA2 may only be used in the county that it comes from and amendments will be made to the contracts. CMHs have individual strategies for handling the cut in BG funding to continue to meet the needs within their counties.

CEO TRANSITION UPDATE

- Position Change – Bill Riley, CEO Interim
Mr. Riley and Mr. Hofman continue to work together toward transitioning their roles. During the December Board meeting there will be a motion to place Mr. Riley as Interim CEO in which he will take over as signatory for LRE.

CEO SEARCH UPDATE

- The search committee met with Hiring Solutions and reviewed prospective candidates. Another meeting has been scheduled in 2 weeks to review additional applicants. Top candidates will have another in depth interview with Hiring Solutions prior to being interviewed by LRE.

MDHHS SETTLEMENT UPDATE

- Bill Riley, Lisa Williams, and Stan Stek met with Allen Jansen to discuss the settlement.
- Mr. Riley has an alternative deficit reduction strategy that he is working on with Ms. Coleman (LRE Interim CFO) and Mike Tegler (Beacon CFO). Mr. Riley will update the Board when he has more information.

BEACON CONTRACT NEGOTIATIONS UPDATE

- There have been numerous meetings regarding scope of the contract. The Beacon contract negotiations committee had an initial meeting with Beacon with another scheduled in 2 weeks. The negotiations will complete a scope of work and then move on to pricing for the new contract.
- The meetings have been very productive and are targeting to have the scope of services complete or nearly complete by the next meeting. Focus will stay on transitioning functions without harm to individuals served.
- LRE and CMHs will build capacity to implement the functions that will move back to the Region. These functions include: Quality, Utilization Management and Credentialing.

PROVIDER NETWORK STABILITY UPDATE

- The LRE submitted an update to the MDHHS for November. Stability funds have been disbursed through rate increases and COVID rate increases for those providers that have COVID positive individuals.
- CMHs are in constant communication with their providers and it is consistently being messaged that if there are any providers in immediate need to contact their contracted CMH.
- As of now there is also a \$2 per hour Direct Care Wage (DCW) increase. This will go through the end of December with heavy advocacy to extend at least through March. A formal letter was sent to the state from the PIHPs, as well.
- LRE continues to meet weekly to discuss regional COVID issues.

Action: Ms. Myers, LRE CIO to include footnotes in her report as to why there is a decline in encounter submissions. There are 2 CMHs that have not yet submitted encounters for FY21 due to cleanup of their FY20 data regarding the DCW increase.

2021 EXECUTIVE COMMITTEE SCHEDULE

Motion: To accept the 2021 Executive Committee schedule

Moved: Jane Verduin Support: Peg Driesenga
Motion Carried

BOARD MEETING AGENDA ITEMS

- i. Bill Riley, Interim CEO – Action
 - Recommended to have 2 separate motions – 1) moving Mr. Hofman out of the CEO position and 2) moving Mr. Riley into the Interim CEO position.
- ii. LRE/CMHSP FY20 Contract Amendment #5 - Action
- iii. 2021 LRE Board Meeting Schedule - Action

Motion: To include the above listed items on the LRE Board agenda

Moved: John Snider Support: Jane Veduin
Motion Carried

BOARD WORK SESSION AGENDA

No Board work session.

OTHER

UPCOMING MEETINGS

- December 10, 2020 – Consumer Advisory Panel, 1:00 PM
- December 17, 2020 – LRE Executive Board Meeting, 1:00 PM
- January 13, 2021 – LRE Executive Committee, 3:00 PM
- January 21, 2021 – LRE Executive Board Meeting, 1:00 PM

ADJOURN