

EXECUTIVE COMMITTEE SUMMARY

Wednesday February 10, 2021, 3:00 PM

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

WELCOME

- i. Review of February 10, 2021 Meeting Agenda
- ii. Review of January 13, 2021 Meeting Minutes

The February 10, 2021 meeting agenda and the January 13, 2021 meeting minutes were accepted as presented.

FINANCIAL UPDATES

Employee Health Insurance 8%/20%

- This is a yearly motion for the Board to approve the employee health insurance of 80/20 split. Ms. Coleman updates that there was not an increase for health insurance or dental insurance. There was a small increase for HSA and a slight increase for vision insurance.
- We are looking at other plans for the FSA to compare for possible savings. The coverage period is from April to March.

Performance Bonus

- FY20 performance bonus total that the region has earned back is \$2.3 million of the \$2.4 million possible. FY20 is the most that we have earned back.
- The metric that we did not meet was follow-up after hospitalization. We will continue to work on this.

DIRECT CARE WAGE (DCW) INCREASE

- The DCW increase will conclude at the end of February. Certain PIHPs have received their Boards approval to continue the increase with their own surplus for various amounts of time.
- If the LRE continues to fund DCW it will be in the amount of \$950,000 a month. The LRE Board will have to decide by the end of February whether to continue from our surplus funds.
- Ms. Driesenga would like the Board to consider all options because the LRE funding the DCW is not a long-term solution and may hurt the Region by depleting surplus funds. In the long run if the Region has a deficit, rate cuts to providers would be a worse outcome. Mr. Stek is concerned about the disruption to workers and services if the DCW is not continued. This concern is shared by the CEOs.
- If the State decides to continue funding the increase wage, it is uncertain if PIHPs will be repaid retroactively for any months past February that was covered.

Action:

- Motion for the February Board. Include in the motion that additional funding from the state will supersede use of regional funds.
- PP slide showing the amounts per month needed.

CEO SEARCH UPDATE

- The committee has reviewed applications and gone through the interview process. There is a candidate that the search committee is recommending to the Board. The candidate will attend the Work session for a Q/A. If agreed by the Board, then the Board can approve putting a contract in place during the February Board meeting.
- The committee will recommend the normal hiring package along with the stated pay rate.

MDHHS SETTLEMENT UPDATE

- LRE will submit a formal proposal to the state when the final amounts are received from the CMHS. We are still verifying the final deficit. LRE is also verifying the amount that is owed to the region from the State, estimated \$4 million.
- The target is to keep \$4 million in reserves.
- LRE is asking for clarification for other areas that may be in a corrective action plan.

BEACON CONTRACT NEGOTIATIONS UPDATE

- There is a step down of functions returning to the region that have been moved up by about a month.
- Mr. Riley will recommend to the Board to hire a CFO and COO. The COO will help enable the region to stand up functions that will be moving back to the region.
- The savings that will be received will enable hiring staff as functions are moved back to the region.
- The boilerplate will not be changed, an amendment will address the changes in the contract. The target is to bring to the Board next week. Approval of the Beacon contract will be contingent on review/approval of the State. The contract documents have been sent to the MDHHS and Greg Moore to review.
- Mr. Riley would like to use the work session to review the contract documents.

Action: The contract documents will be sent out to the Board.

BOARD MEETING AGENDA ITEMS

- Motion: DCW increase, the use of state funding prior to using regional funds. (Board members that are providers to be recused from this deliberation/vote)

- Motion: Beacon Contract (motion to include caveat: contingent on review/approval from MDHHS)
- Motion: Thanking Mr. Hofman for his service to the region and individuals served.

BOARD WORK SESSION AGENDA

Board work session.

- i. Q/A with CEO candidate – first hour – Send questions to Ms. Dyga.
- ii. Beacon Contract – closed session (?)

OTHER

UPCOMING MEETINGS

- February 11, 2021 – Consumer Advisory Panel, 1:00 PM
- February 18, 2021 – LRE Executive Board Meeting, 1:00 PM
- March 10, 2021 – Executive Committee, 3:00 PM
- March 18, 2021 – LRE Executive Board Meeting, 1:00 PM

ADJOURN