

**Mid-State Health Network (MSHN) Board of Directors Meeting  
Tuesday, January 9, 2018, 5:00 P.M.  
Gratiot Integrated Health Network**

**Meeting Minutes**

**1. Call to Order**

Chairperson Ed Woods called the MSHN Board of Directors Meeting to order at 5:01 p.m.

**2. Roll Call**

Secretary Kurt Peasley provided the Roll Call for Board Members in attendance.

**Board Member(s) Present:** Jim Anderson (Bay-Arenac), Joe Brehler (CEI), Bruce Cadwallender (Shiawassee), David Griesing (Tuscola), Phil Grimaldi (Saginaw) (via phone), Dan Grimshaw (Tuscola), Mike Hamm (Newaygo), Tina Hicks (Gratiot), John Johansen (Montcalm), Steve Johnson (Newaygo), Colleen Maillette (Bay-Arenac), Deb McPeek-McFadden (Ionia) (via phone), Gretchen Nyland (Ionia)(via phone), Irene O'Boyle (Gratiot)(via phone), Kurt Peasley (Montcalm), Joe Phillips (CMH for Central Michigan), Kay Pray (CEI), Kerin Scanlon (CMH for Central Michigan), Robyn Spencer (Shiawassee), Leola Wilson (Saginaw), Beverly Wiltse (Huron) (via phone), and Ed Woods (LifeWays)

**Board Member(s) Absent:** Brad Bohner (LifeWays), Pam Kahler (Huron)

**Staff Members Present:** Joe Sedlock (CEO), Amanda Horgan (Deputy Director), Leslie Thomas (Chief Financial Officer), Todd Lewicki (Utilization Management and Waiver Director), Carolyn Watters (Director of Provider Network Management Services), and Merre Ashley (Executive Assistant)

**3. Approval of Agenda for January 9, 2018**

Board approval was requested for the Agenda of the January 9, 2018 Regular Business Meeting.

**MSHN 17-18-013 MOTION BY DEB MCPEEK-MCFADDEN, SUPPORTED BY JOHN JOHANSEN, FOR APPROVAL OF THE AGENDA OF THE JANUARY 9, 2018 REGULAR BUSINESS MEETING, AS PRESENTED. MOTION CARRIED: 21-0.**

#### 4. Public Comment

There was no public comment.

#### 5. Approval of Consent Agenda

Board approval was requested for Draft Minutes of the November 7, 2017 Board of Directors Regular Business Meeting, Draft Meeting Minutes of the October 18, 2017 SUD Oversight Policy Advisory Board Meeting, Draft Meeting Minutes of the October 10, 2017 and December 5, 2017 Board Policy Committee, Draft Meeting Minutes of the November 17, 2017 and December 13, 2017 Board Executive Committee Meetings, Key Decisions of the November 13, 2017, and December 18, 2017 Operations Council, and Policies, as presented.

**MSHN 17-18-014 MOTION BY COLLEEN MAILLETTE, SUPPORTED BY ROBYN SPENCER, TO APPROVE THE DRAFT MINUTES OF THE NOVEMBER 7, 2017 BOARD OF DIRECTORS REGULAR BUSINESS MEETING, DRAFT MEETING MINUTES OF THE OCTOBER 18, 2017 SUD OVERSIGHT POLICY ADVISORY BOARD MEETING, DRAFT MEETING MINUTES OF THE OCTOBER 10, 2017 AND DECEMBER 5, 2017 BOARD POLICY COMMITTEE, DRAFT MEETING MINUTES OF THE NOVEMBER 17, 2017 AND DECEMBER 13, 2017 BOARD EXECUTIVE COMMITTEE MEETINGS, KEY DECISIONS OF THE NOVEMBER 13, 2017 AND DECEMBER 18, 2017 OPERATIONS COUNCIL MEETINGS, AND POLICIES, AS PRESENTED. MOTION CARRIED: 21-0.**

#### 6. MSHN Board Chair Update

Chairperson Woods addressed the following:

- Board Member Update
  - Best wishes for a speedy recovery to Gretchen Nyland due to a recent injury.
- The Right Door for Hope Recovery and Wellness CEO Retirement Announcement
  - Robert Lathers, CEO of The Right Door for Hope, Recovery and Wellness, has announced his retirement, effective March 2018. Kerry Possehn, The Right Door's current Chief Financial Officer, has been named by the Board as his successor.

#### 7. Board Executive Committee Report

Chairperson Woods reported the following:

- MSHN staff is continuing to follow up with those that offered Public Comment at the November 7, 2017 Board of Directors Meeting. Any related questions should be directed to Mr. Joseph Sedlock.
- Board Member Conference Attendance/Education

- Irene O’Boyle and Tina Hicks will be attending the National Council for Behavioral Health Conference (NATCON) in April of 2018.
- Members were encouraged to register and participate in Boardworks sessions, offered by the CMH Association of Michigan.
- CEO Employment Contract Negotiations
  - Board Executive Committee completed contract negotiations with CEO. The contract will be directly addressed in a separate agenda item
- Board Executive Committee Membership
  - Per Board discussion to broaden the membership of the Board Executive Committee, the board previously acted to continue the appointment of Mr. Jim Anderson to the Executive Committee as an immediate past officer, in the absence of an immediate past Chair. Additional actions taken include:
  - Board Executive Committee meeting packets and invitations have been distributed to the full board, beginning in July of 2017. Several board members have participated in committee meetings via phone, and positive interaction/discussion has occurred.
  - A commitment was made to reevaluate the executive committee effectiveness and whether the need exists to expand membership further. Board members were asked to provide feedback if further changes should be considered and/or instituted. As all input received has been positive, the Executive Committee will continue with the current membership and other arrangements will continue
  - Board Member are encouraged to raise questions or concerns moving forward.

Ms. Kerin Scanlon arrived at 5:12 p.m.

## 8. Saginaw CMHSP Cash Advance Report

Mr. Joe Sedlock provided status report and information and referenced the *MSHN Cash Advance to Saginaw CMH: Board Member Information Summary*, provided in hardcopy within board member folders.

- Saginaw County CMH Authority (SCCMHA) is represented at the day’s meeting by Ms. Sandra Lindsey, SCCMHA CEO, and Richard Carpenter, Rehman, who is temporarily assisting SCCMHA’s financial management issues.
- Ms. Lindsey reiterated SCCMHA’s commitment to honor all MSHN requirements and thanked the MSHN board for supporting their agency. She encouraged board member questions.

- During review, it was emphasized that SCCMHA has met all agreements in the contract and has no outstanding obligations.
- Mr. Phil Grimaldi expressed his thanks to the board for their cooperation on this issue.
- Following discussion, Mr. Sedlock clarified due diligence will be performed with all future considerations requested by SCCMHA, and thanked Ms. Lindsey and Mr. Carpenter for their participation.

## 9. Finance Report

Ms. Leslie Thomas provided an overview and information on the Financial Status Report, to include the Statement of Net Position, Preliminary Statement of Activities, and Statement of Cash Flows for the period ending November 30, 2017. Board action on the report was requested, as presented.

- FY17 Financial Status Report

**MSHN 17-18-015 MOTION BY DAVID GRIESING, SUPPORTED BY TINA HICKS, TO RECEIVE AND FILE THE STATEMENT OF NET POSITION, STATEMENT OF ACTIVITIES, AND STATEMENT OF CASH FLOWS FOR THE PERIOD ENDING NOVEMBER 30, 2017, AS PRESENTED. MOTION CARRIED: 22-0.**

## 10. Provider Network Adequacy Assessment

Ms. Horgan introduced Ms. Carolyn Watters, who provided a presentation and information pertaining to MSHN's 2017 Assessment of Network Adequacy.

- Ms. Watters stated that links to Final and "Track Changes" versions of the 2017 Provider Network Adequacy Assessment were provided on the meeting agenda.
- Following presentation and brief discussion, Ms. Watters requested board action on the Provider Network Adequacy Assessment, as provided.

**MSHN 17-18-016 MOTION BY KURT PEASLEY, SUPPORTED BY JOE BREHLER, TO RECEIVE AND FILE THE MSHN 2017 ASSESSMENT OF NETWORK ADEQUACY, AND SUPPORT IMPLEMENTATION OF THE RECOMMENDATIONS CONTAINED THEREIN. MOTION CARRIED: 22-0.**

## 11. Deputy Director Report

Ms. Amanda Horgan provided information and updates on the following:

- Professional Employment Organization (PEO) Conversion
  - Board members were advised in advance of the meeting of the necessity to complete forms and provide proof of identity documentation as required by law

and regulation. Those that could not participate in the day's meeting were advised to submit the paperwork to Ms. Merre Ashley.

- CoStaff became MSHN's PEO effective January 1, 2018 (as approved by the MSHN Board). Completion and submission of forms and required identification is necessary to process board member per diem payments.
- MSHN staff will be in communications with members as necessary to obtain the required forms and documentation.
- REMI (Regional Electronic Medical Information) System Update
  - January Trainings (held in Saginaw and Lansing) for Substance Use Disorder (SUD) Providers and Community Mental Health Service Programs (CMHSPs).
  - There is a blackout period between January 11-February 1 for Claims only; SUD providers were advised in advance. MSHN staff are working with providers through any issues being encountered. Interim payments will be provided by MSHN
  - REMI System Start/Go Live is set for February 1, 2018
- Value Based Purchasing – Update provided, including working with 2 SUD Providers.
- Website Update - New, secure web platform to be implemented February 2018.
- Compliance Update – The Office of the Inspector General (OIG) has requested all Board Member, Senior Management and Managing Employees names and information. This is considered a routine request. The information will be provided to the OIG within the next few weeks. Board members are reminded to complete Board Member Disclosure of Ownership, Controlling Interests and Criminal Convictions by all current members.

## 12. FY18 Contract Listing

Ms. Horgan referenced the listing provided in board meeting packets, and provided information and overview of the listing, presented for approval as provided.

**MSHN 17-18-017 MOTION BY JOE BREHLER, SUPPORTED BY JIM ANDERSON, TO AUTHORIZE THE MSHN CHIEF EXECUTIVE OFFICER TO SIGN AND FULLY EXECUTE THE CONTRACTS AS PRESENTED AND LISTED ON THE FY18 CONTRACT LISTING, AS PRESENTED. MOTION CARRIED: 22-0.**

## 13. Board Development: Home and Community-Based Services (HCBS) Transition

Mr. Sedlock introduced Dr. Todd Lewicki. This presentation is in response to board member requests for additional board development. Additionally, the HCBS Transition is an important public policy initiative about which members should have good understanding.

Following Dr. Lewicki's presentation and review of information pertaining to the HCBS Transition, Mr. Sedlock emphasized that just two MSHN staff are leading this regional effort involving thousands of individual and provider surveys, compliance and non-compliance matters, documentation and approval of corrective action plans (including confirmation that the corrections have been implemented), and a myriad of other details involving several thousand consumers in the region. He advised members the presentation and links to resources referenced during the presentation are available from the MSHN website.

#### 14. Chief Executive Officer Update

Mr. Sedlock provided updates and information on the following:

- Recognition of Regional CEOs in Attendance:
  - CMH for Central Michigan, John Obermesik; Gratiot County Integrated Health Network, Steve Vernon; Montcalm Care Network, Tammy Quillan, and Saginaw County CMHA, Sandra Lindsey
- MSHN staff members Amanda Horgan (Deputy Director) and Forest Goodrich (Chief Information Officer) were recognized for their outstanding work and recent presentation to the Michigan Department of Health and Human Services (MDHHS) on MSHN's Integrated Care and Population Health Management activities.
- Migration of Individual from Disabled, Aged and Blind (DAB) Eligibility to Other Medicaid Eligibility Categories (DAB to TANF/HMP [Temporary Aid to Needy Families/Healthy Michigan Plan]), including statewide and regional impacts.
  - PIHP and MSHN Actions to address this issue include meetings with MDHHS Leadership, meeting with Department of Technology, Management and Budget, meetings with Representative Bizon, Senator McGregor (MDHHS Appropriations) and Senator Hildenbrand (Chair, Senate Appropriations) and Senate Policy Office Staff.
- Section 298 Initiative
  - Barriers Report, which covers statutory, policy, regulatory, fiscal, operational and evaluation components of financial management pilots released November 2017.
  - Request for Information (RFI):
    - MDHHS Released RFI: 12.20.2017
    - Responses Due from CMHSPs (the only eligible applicants): 02.13.2018
    - MDHHS Decision: 02.28.2018
    - Application Requires Letters of Support from 50% of Medicaid Health Plans (MHPs) in the Pilot Area (note that actual pilots will include

- 100% of Medicaid Health Plans (MHPs); support by half of the MHPs is required for RFI submission
  - RFI Includes Statement of Intent by MDHHS to contract with a MCO or MBHO as extension of state for Fee for Service (FFS) population, to provide payment, encounter reporting, monitoring and oversight, and other managed behavioral healthcare functions.
- MAT Inclusive Policy Statement
  - All 10 PIHPs Developed Consensus Document, initiated and led by MSHN (Dr. Dani Meier).
  - Statement is that all providers must provide a welcoming/engaging experience for all persons with substance use disorder (SUD), including those participating in Medication Assisted Treatment.
  - Position is based on the current science and guidance from many governmental, research university and public health sources.
  - MSHN region is working through implementation.
- Michigan Department of Corrections (MDOC)
  - Proposal to Manage the Community-Based SUD Provider Network and Benefit for Parolees.
    - PIHPs statewide have approached MDOC with a proposal to manage the benefit for parolees.
    - PIHPs, led by MSHN, have been meeting with MDOC officials for months
    - MDOC executives met with MDOC Director, Heidi Washington at the end of November; information received indicates the initiative will not likely move ahead in the near future.
- MSHN's Veterans Navigator has announced his resignation. The Veteran's Navigator service is grant funded. Postings for the position will completed shortly.
- Press Reports – Mr. Sedlock summarized several recent media reports involving service reductions on the west side of the State and several reports of compliance settlement concerns from Southeast Michigan. Mr. Sedlock reiterated that MSHN's financial position is not the same as the other PIHP involved, and that service reductions are not permitted under the MDHHS-PIHP contract. Mr. Sedlock also stated that all compliance matters are handled without compromising on amounts due and payable as recoveries to MSHN (he noted we do, from time to time, negotiate a payment schedule). Mr. Sedlock also noted that MSHN routinely consults with, relies on and uses guidance from the MDHHS Office of the Inspector General.

**15. Other Business**

Chairperson Woods advised of the passing of Mr. Tony Lewis, longtime member of the LifeWays Board of Directors, and recent appointee to MSHN's SUD Oversight Policy Advisory Board, and asked members to keep his family in their prayers.

Chairperson Woods thanked MSHN staff and its regional CMHSP Directors for the professional way their organization is handled, especially in light of recent press reports.

Ms. Deb McPeek-McFadden thanked Ms. Merre Ashley for her assistance.

**16. Public Comment**

There was no public comment

**17. Personnel Matter: CEO Contract Listing**

Mr. Sedlock requested the board consider the employment contract in closed session.

Mr. John Johansen departed at 6:47 p.m.

Ms. Beverly Wiltse disconnected via phone at 6:49

**MSHN 17-18-019 MOTION BY MIKE HAMM, SUPPORTED BY COLLEEN MAILLETTE, TO MOVE INTO CLOSED SESSION. ROLL CALL VOTE: VOTING FOR: JIM ANDERSON, JOE BREHLER, BRUCE CADWALLENDER, DAVID GRIESING, PHIL GRIMALDI, DAN GRIMSHAW, MIKE HAMM, TINA HICKS, STEVE JOHNSON, COLLEEN MAILLETTE, DEB MCPEEK-MCFADDEN, GRETCHEN NYLAND, IRENE O'BOYLE, KURT PEASLEY, JOE PHILLIPS, KAY PRAY, KERIN SCANLON, ROBYN SPENCER, LEOLA WILSON, ED WOODS. VOTING AGAINST: N/A. MOTION CARRIED: 20-0.**

**The MSHN Board of Directors Convened Closed Session at 6:49 p.m.**

Board discussion occurred on the employment contract of the Chief Executive Officer

Mr. Kurt Peasley departed at 7:09 p.m.

**MSHN 17-18-020 MOTION BY COLLEEN MAILLETTE, SUPPORTED BY TINA HICKS TO ADJOURN THE CLOSED SESSION AND RECONVENE THE REGULAR BUSINESS MEETING. MOTION CARRIED: 19-0.**



**The MSHN Board of Directors Regular Business Meeting reconvened at 7:20 p.m.**

**MSHN 17-18-018 MOTION BY COLLEEN MAILLETTE, SUPPORTED BY JOE PHILLIPS TO CALL THE QUESTION FOR APPROVAL OF THE PROPOSED EMPLOYMENT CONTRACT WITH THE CURRENT CEO; ROLL CALL VOTE: VOTING YES: JIM ANDERSON, BRUCE CADWALLENDER, DAVID GRIESING, PHIL GRIMALDI, TINA HICKS, COLLEEN MAILLETTE, DEB MCPEEK-MCFADDEN, GRETCHEN NYLAND, IRENE O'BOYLE, JOE PHILLIPS, KERIN SCANLON, ROBYN SPENCER, LEOLA WILSON, ED WOODS; VOTING NO: JOE BREHLER, DAN GRIMSHAW, MIKE HAMM, STEVE JOHNSON, KAY PRAY. MOTION CARRIED: 14-5.**

Chairperson Woods thanked board members and congratulated Mr. Sedlock on approval of his contract

### **18. Adjourn**

The MSHN Regional Board of Directors Meeting adjourned at 7:26 p.m.

Meeting minutes submitted respectfully by:  
Merre Ashley, MSHN Executive Assistant