

# Mid-State Health Network

## Board of Directors Meeting ~ November 2, 2021 – 5:00 p.m.

### Board Meeting Agenda

THIS MEETING WILL BE HELD AT A PHYSICAL LOCATION WITH APPROPRIATE SOCIAL DISTANCING  
AND/OR MASKING REQUIREMENTS

Best Western Okemos/East Lansing Hotel & Suites  
Stadium Room  
2209 University Park Dr.  
Okemos, MI 48864

MEMBERS OF THE PUBLIC AND OTHERS UNABLE TO ATTEND IN PERSON CAN PARTICIPATE IN THIS  
MEETING VIA TELECONFERENCE

Teleconference: (Call) 1.312.626.6799; Meeting ID: 379 796 5720

1. Call to Order
2. Roll Call
3. **ACTION ITEM:** Approval of the Agenda  
**Motion to Approve the Agenda of the November 2, 2021 Meeting of the MSHN Board of Directors**
4. Public Comment (3 minutes per speaker)
5. **ACTION ITEM:** MSHN External Compliance Examination Report Presentation (Derek Miller, Audit Partner; Roslund, Prestage & Company) (Page 4)  
**Motion to receive and file the Report on Compliance of Mid-State Health Network for the year ended September 30, 2020**
6. **ACTION ITEM:** MSHN Compliance Plan Update for Approval (Page 10)  
**Motion to approve the FY2022 MSHN Corporate Compliance Plan and acknowledge receipt of plan.**
7. Chief Executive Officer's Report (Page 40)
8. Deputy Director's Report (Page 58)
9. Chief Financial Officer's Report  
  
Financial Statements Review for Period Ended September 30, 2021 (Page 60)  
**ACTION ITEM: Receive and File Preliminary Statement of Net Position and Statement of Activities for the Period ended September 30, 2021**
10. **ACTION ITEM:** Contracts for Consideration/Approval (Page 67)  
  
**The MSHN Board of Directors Approve and Authorizes the Chief Executive Officer to Sign and Fully Execute the FY 2022 Contracts, as Presented on the FY 2022 Contract Listing**
11. Executive Committee Report



#### OUR MISSION:

To ensure access to high-quality, locally-delivered, effective and accountable public behavioral health and substance use disorder services provided by its participating members

#### OUR VISION:

To continually improve the health of our communities through the provision of premiere behavioral healthcare & leadership. MSHN organizes and empowers a network of publicly funded community partnerships essential to ensure quality of life while efficiently, and effectively addressing the complex needs of the region's most vulnerable citizens.

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#### Board of Directors Meeting Materials:

Click [HERE](#)  
or visit MSHN's website at:  
<https://midstatehealthnetwork.org/stakeholders-resources/board-councils/board-of-directors/fy2022-meetings>

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#### Upcoming FY22 Board Meetings

Board Meetings convene at 5:00pm  
unless otherwise noted

##### January 11, 2022

Best Western Okemos  
2209 University Park Drive  
Okemos, MI 48864

##### March 1, 2022

Best Western Okemos  
2209 University Park Drive  
Okemos, MI 48864

##### May 3, 2022

Location to be determined

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#### Policies and Procedures

Click [HERE](#) or Visit  
<https://midstatehealthnetwork.org/provider-network-resources/provider-requirements/policies-procedures/policies>

12. Chairperson's Report

13. **ACTION ITEM:** Consent Agenda

**Motion to Approve the documents on the Consent Agenda**

- 13.1 Approval Board Meeting Minutes 09/14/21. (Page 69)
- 13.2 Approval Public Hearing Minutes 09/14/21. (Page 76)
- 13.3 Receive Board Executive Committee Minutes 10/15/21. (Page 78)
- 13.4 Receive Policy Committee Minutes 10/05/21. (Page 80)
- 13.5 Receive Operations Council Key Decisions 09/20/21 (Page 82) and 10/18/21. (Page 84)
- 13.6 Approve the following policies:
  - 13.6.1 Compliance Line (Page 86)
  - 13.6.2 Compliance and Program Integrity (Page 88)
  - 13.6.3 Consent to Share Information (Page 91)
  - 13.6.4 Disqualified Providers (Page 96)
  - 13.6.5 Reporting and Investigations (Page 107)
  - 13.6.6 Confidentiality and Notice of Privacy (Page 110)
  - 13.6.7 External Quality Review (Page 112)

14. Other Business

15. Public Comment (3 minutes per speaker)

16. Adjourn

## FY22 MSHN Board Roster

Last Name	First Name	Email 1	Email 2	Phone 1	Phone 2	Appointing CMHSP	Term Expiration
Anderson	Jim	<a href="mailto:jdeweya@yahoo.com">jdeweya@yahoo.com</a>		989.667.1313	989.327.0734	BABHA	2022
Bohner	Brad	<a href="mailto:bbohner@tds.net">bbohner@tds.net</a>		517.294.0009		LifeWays	2022
Brehler	Joe	<a href="mailto:jbrehler@sprynet.com">jbrehler@sprynet.com</a>		517.882.7491	517.230.5911	CEI	2022
Cadwallender	Bruce	<a href="mailto:bcadwall@umich.edu">bcadwall@umich.edu</a>		517.703.4223		Shia Health & Wellness	2024
Cierzniwski	Michael	<a href="mailto:mikecierzniewski@yahoo.com">mikecierzniewski@yahoo.com</a>		989.493.6236		Saginaw County CMH	2023
Colton	Craig	<a href="mailto:johnniec15@hotmail.com">johnniec15@hotmail.com</a>		989.912.0312		HBH	2023
DeLaat	Ken	<a href="mailto:kdelaat1@aol.com">kdelaat1@aol.com</a>		231.414.4173		Newaygo County MH	2023
Griesing	David	<a href="mailto:davidgriesing@yahoo.com">davidgriesing@yahoo.com</a>		989.823.2687		TBHS	2024
Grimshaw	Dan	<a href="mailto:midstatetitlesvcs@mstsinc.com">midstatetitlesvcs@mstsinc.com</a>		989.823.3391	989.823.2653	TBHS	2023
Hicks	Tina	<a href="mailto:tmhicks64@gmail.com">tmhicks64@gmail.com</a>		989.576.4169		GIHN	2024
Holman	Dianne	<a href="mailto:dianne@workingbugs.com">dianne@workingbugs.com</a>		517.908.9951	517.333.6880	CEI	2022
Johansen	John	<a href="mailto:j.m.johansen6@gmail.com">j.m.johansen6@gmail.com</a>		616.754.5375	616.835.5118	MCN	2024
Johnson	Steve	<a href="mailto:saj1950@comcast.net">saj1950@comcast.net</a>		231.349.6979		Newaygo County MH	2022
Ladd	Jeanne	<a href="mailto:stixladd@hotmail.com">stixladd@hotmail.com</a>		989.634.5691		Shia Health & Wellness	2024
Matelski	Rhonda	<a href="mailto:rhondam2374@gmail.com">rhondam2374@gmail.com</a>		989.269.2374		HBH	2023
McFarland	Pat	<a href="mailto:pjmcfarland52@gmail.com">pjmcfarland52@gmail.com</a>		989.225.2961		BABHA	2023
McPeck-McFadden	Deb	<a href="mailto:deb2mcmail@yahoo.com">deb2mcmail@yahoo.com</a>		616.794.0752		The Right Door	2024
Nyland	Gretchen	<a href="mailto:gretchen7080@gmail.com">gretchen7080@gmail.com</a>		616.761.3572		The Right Door	2022
O'Boyle	Irene	<a href="mailto:irene.oboyle@cmich.edu">irene.oboyle@cmich.edu</a>		989.763.2880		GIHN	2023
Peasley	Kurt	<a href="mailto:peasleyhardware@nethawk.com">peasleyhardware@nethawk.com</a>		989.560.7402	989.268.5202	MCN	2024
Phillips	Joe	<a href="mailto:joe44phillips@hotmail.com">joe44phillips@hotmail.com</a>		989.386.9866	989.329.1928	CMH for Central	2022
Raquepaw	Tracey	<a href="mailto:tl.raquepaw@icloud.com">tl.raquepaw@icloud.com</a>	<a href="mailto:raquepawt@michigan.gov">raquepawt@michigan.gov</a>	989.737.0971		Saginaw County CMH	2022
Scanlon	Kerin	<a href="mailto:kscanlon@tm.net">kscanlon@tm.net</a>		502.594.2325		CMH for Central	2022
Woods	Ed	<a href="mailto:ejw1755@yahoo.com">ejw1755@yahoo.com</a>		517.392.8457		LifeWays	2024

### **Background**

The Compliance Examination was conducted by Roslund Prestage and Company (RPC) firm for the fiscal year ending September 30, 2020. The intent of the review is for auditors to express an opinion on the PIHP's compliance with the Medicaid Contract. In addition to the tests performed at the PIHP level, the process also includes incorporation of each CMHSP's Compliance Examination results. RPC's auditor presented the report results and allowed questions from board members. MSHN did receive minor findings and implemented corrective action to address issues.

### **Recommended Motion:**

Motion to receive and file the "Report on Compliance" of Mid-State Health Network for the year ended September 30, 2020.

**Report on Compliance**  
**Mid-State Health Network**  
*September 30, 2020*





## INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE

To the Members of the Board  
Mid-State Health Network  
Lansing, Michigan

### Report On Compliance

We have examined Mid-State Health Network's (the PIHP) compliance with the requirements described in the *Compliance Examination Guidelines* issued by Michigan Department of Health and Human Services that are applicable to its Medicaid Contract, General Fund (GF) Contract, Community Mental Health Services (CMHS) Block Grant, and Substance Abuse Prevention and Treatment (SAPT) Block Grant programs for the year ended September 30, 2020.

### Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its Medicaid Contract, GF Contract, CMHS Block Grant, and SAPT Block Grant programs.

### Independent Accountants' Responsibility

Our responsibility is to express an opinion on the PIHP's compliance with the Medicaid Contract, GF Contract, CMHS Block Grant, and SAPT Block Grant programs based on our examination of the compliance requirements referred to above.

Our examination of compliance was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the PIHP complied, in all material respects, with the compliance requirements referred to above.

An examination involves performing procedures to obtain evidence about the PIHP's compliance with the specified requirements referred to above. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risk of material noncompliance, whether due to fraud or error.

We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. However, our examination does not provide a legal determination of the PIHP's compliance.

### Opinion on Each Program

In our opinion, the PIHP complied, in all material respects, with the specified requirements referred to above that are applicable to its Medicaid Contract, GF Contract, CMHS Block Grant, and SAPT Block Grant programs for the year ended September 30, 2020.

### Other Matters

The results of our examination procedures disclosed instances of noncompliance, which are required to be reported in accordance with *Compliance Examination Guidelines*, and which are described in the accompanying *Comments and Recommendations* as item 2020-01. Our opinion is not modified with respect to these matters.

The PIHP's response to the noncompliance finding identified in our examination is described in the accompanying *Comments and Recommendations*. The PIHP's response was not subjected to the examination procedures applied in the examination of compliance and, accordingly, we express no opinion on the response.

Control deficiencies that are individually or cumulatively material weaknesses in internal control over the Medicaid Contract, General Fund Contract, and/or Community Mental Health Services Block Grant Program(s):

None

Material noncompliance with the provisions of laws, regulations, or contracts related to the Medicaid Contract, General Fund Contract, and/or Community Mental Health Services Block Grant Program(s):

None

Known fraud affecting the Medicaid Contract, General Fund Contract, and/or Community Mental Health Services Block Grant Program(s):

None

During our compliance audit, we may have become aware of matters that are opportunities for strengthening internal controls, improving compliance and increasing operating efficiency. These matters are not individually or cumulatively material weaknesses in internal control over the Medicaid Contract, General Fund Contract, and/or Community Mental Health Services Block Grant program(s). Furthermore, we consider these matters to be immaterial deficiencies, not findings. The following comments and recommendations are in regard to those matters.

#### **2020-01 FSR Examination Adjustments**

Criteria or specific requirements:

The FSR must include revenues and expenditures in proper categories and follow the reporting instructions. (Contract Section 7.8)

Condition:

The PIHP is not in compliance with FSR instructions.

Examination adjustments:

Examination adjustments were made to sections of the FSR. See detailed descriptions of these examination adjustments in the Explanation of Examination Adjustments section of this report.

Context and perspective:

The examination adjustments that were made to the PIHP's FSR were the result of reporting changes made to participant CMHSPs' FSRs.

Effect:

See detailed descriptions of these examination adjustments in the Explanation of Examination Adjustments section of this report.

Recommendations:

The PIHP should ensure appropriate controls in place regarding the preparation and review of the Financial Status Report to assure that all amounts are reported in compliance with the reporting instructions.

Views of responsible officials:

Management is in agreement with our recommendation.

Planned corrective action:

Mid-State Health Network will continue to verify reported information with each individual CMHSP prior to submission of the final Financial Status Report.

Responsible party:

Amy Keinath, Finance Manager

Anticipated completion date:

February 28, 2022



**Examined Medicaid Contract Settlement Worksheet**

An examination adjustment was made to Row 4.1 and Row 4.2 to correspond with other examination adjustments that were made.

- Row 4.1 (Total Lapse) was decreased from \$2,483,084 to \$1,263,575; a difference of \$(1,219,509)
- Row 4.1 (Total Earned Savings) was increased from \$29,102,684 to \$29,301,709; a difference of \$199,025
- Row 4.2 (Total Earned Savings) was decreased from \$4,004,533 to \$2,586,000; a difference of \$(1,418,533)

**Examined Financial Status Report – Medicaid**

On the FSR submitted to MDHHS, the amounts reported by Mid-State were based on the understanding that all relevant expenses were reported in Section I of the CMHSPs' FSRs. During the year-end cost settlement process with the CMHSPs, Mid-State discovered that Substance Use Disorder services provided by one CMHSPs were reported as Non-MDHHS Earned Contracts in Section K of the CMHSP's FSR. An examination adjustment was made to Mid-State's Medicaid FSR to increase expenses incurred by MSHN for Substance Use Disorder services:

- Row A202 (MSHN) from \$16,682,614 to \$17,703,045, an increase of \$1,020,431

An examination adjustment was made to adjust the amounts reported by Mid-State to the examined amounts reported by the following CMHSPs:

- Row A115 (Shiawassee) from \$19,893,404 to \$19,893,457, an increase of \$53
- Row A202 (Shiawassee) from \$19,893,404 to \$19,893,457, an increase of \$53

**Examined Financial Status Report – Healthy Michigan**

On the FSR submitted to MDHHS, the amounts reported by Mid-State were based on the understanding that all relevant expenses were reported in Section I of the CMHSPs' FSRs. During the year-end cost settlement process with the CMHSPs, Mid-State discovered that Substance Use Disorder services provided by one CMHSPs were reported as Non-MDHHS Earned Contracts in Section K of the CMHSP's FSR. An examination adjustment was made to Mid-State's Healthy Michigan FSR to increase expenses incurred by MSHN for Substance Use Disorder services:

- Row AI202 (MSHN) from \$21,048,827 to \$22,467,360, an increase of \$1,418,533

### Background

To comply with the PIHP/MDHHS Services Contract, specifically as it relates to the General Requirement Section: Program Integrity, which includes the following:

- “The Contractor must have a program integrity compliance program as defined in 42 CFR 438.608. The program integrity compliance program must include the following:
- i. Written policies and procedures that describe how the Contractor will comply with federal and State fraud, waste and abuse standards, and well publicized disciplinary standards for failure to comply.
  - ii. The designation of a compliance officer who reports directly to the Chief Executive Officer and the Board of Directors, and a compliance committee, accountable to the senior management or Board of Directors, with effective lines of communication to the Contractor’s employees.
  - iii. Effective training and education for the compliance officer, senior management, and the Contractor’s employees regarding fraud, waste and abuse, and the federal and State standards and requirements under this Contract. While the compliance officer may provide training to Contractor employees, “effective” training for the compliance officer means it cannot be conducted by the compliance officer himself/herself.
  - iv. Provisions for internal monitoring and auditing. Audits must include post payment reviews of paid claims to verify that services were billed appropriately (e.g., correct procedure codes, modifiers, quantities, etc.). Acceptable audit methodology examples include:
    1. Record review, including statistically valid random sampling and extrapolation to identify and recover overpayments made to providers
    2. Beneficiary interviews to confirm services rendered
    3. Provider self-audit protocols
    4. The frequency and quantity of audits performed should be dependent on the number of fraud, waste and abuse complaints received as well as high risk activities identified through data mining and analysis of paid claims
  - v. Provisions for the Contractor’s prompt response to detected offenses and for the development of corrective action plans. “Prompt response” is defined as action taken within 15 business days of receipt by the Contractor of the information regarding a potential compliance problem.”

The attached 2022 Corporate Compliance Plan was revised through a review by the MSHN Compliance Committee, Regional Compliance Committee and the Operations Council with recommendation for approval to the MSHN Board of Directors. The attached Summary of Recommended Changes to the 2022 Corporate Compliance Plan provides an overview of the recommended revisions to the plan. In addition, the Corporate Compliance Plan as proposed is in compliance with and supports the MSHN Policy: General Management - Compliance and Program Integrity.

### Recommended Motion:

The MSHN Board approves the 2022 Corporate Compliance Plan and acknowledges receipt of said plan.

## **Summary of Recommended Changes to the 2022 Corporate Compliance Plan**

The following is a summary of the recommended changes, per section, to the 2022 Compliance Plan.

KEY: No Revisions = no changes recommended; No Substantive Revisions = only minor additions/deletions not affecting intent

- I. OVERVIEW/MISSION STATEMENT**
  - No Revisions
- II. VALUE STATEMENT**
  - No Revisions
- III. SCOPE OF PLAN**
  - No Revisions
- IV. DEFINITIONS**
  - No Revisions
- V. COMPLIANCE PROGRAM**
  - A. Compliance Policies**
    - No Revisions
  - B. Compliance Plan**
    - No Revisions
- VI. STRUCTURE OF THE COMPLIANCE PROGRAM**
  - A. General Structure**
    - No Substantive Revisions
  - B. MSHN Compliance Officer**
    - No Revisions
  - C. Regional Compliance Committee**
    - No Revisions
  - D. MSHN Corporate Compliance Committee**
    - No Revisions
- VII. COMPLIANCE STANDARDS**
  - A. Standards of Conduct and Ethical Guidelines**
    - No Revisions
  - B. Legal and Regulatory Standards**
    - No Revisions
  - C. Environmental Standards**
    - No Revisions
  - D. Workplace Standards of Conduct**
    - No Revisions
  - E. Contractual Relationships**
    - No Revisions
  - F. Purchasing and Supplies**
    - No Revisions
  - G. Marketing**
    - No Revisions

**H. Financial Systems Reliability and Integrity**

- No Revisions

**I. Information Systems Reliability and Integrity**

- No Revisions

**J. Confidentiality and Privacy**

- No Substantive Revisions

**VIII. AREAS OF FOCUS**

- No Revisions

**IX. TRAINING**

**A. MSHN Employees and Board Members**

- No Revisions

**B. MSHN Provider Network**

- No Revisions

**X. COMMUNICATION**

The following changes are being recommended:

- Utilization of Interpreter: Changed “where capacity in the area has been identified” to “as needed/requested”

**XI. MONITORING AND AUDITING**

The following changes are being recommended:

- Added that the results of the monitoring and auditing activities will be communicated through “appropriate council/committee” instead of through the Quality Improvement Council and added Quality Improvement Council to the list that will review the summarized results through the annual compliance plan
- Financial and Billing Integrity: Removed details on the frequency and quantity of audits performed for the Medicaid Event Verification review
- Information Systems Reliability and Integrity: Added “system backup and recovery processes” to the sentence on assuring appropriate security is in place
- Clinical/Quality of Care: Added “timeliness and access to” for the performance indicators
- Consumer Rights and Protections: Added “reported” for each sentinel event
- Additional Internal Monitoring and Auditing Analysis: Changed “contract” to “report” for assuring network adequacy; Removed last bullet point on completing periodic reviews of MSHN staff
- Additional External Monitoring and Auditing Analysis: Removed “Independent Financial Audits” and “Independent Compliance Examinations”

**XII. REPORTING AND INVESTIGATIONS**

**A. Reporting of Suspected Violations and/or Misconduct**

- No Substantive Revisions

**B. Process for Investigation**

The following changes are being recommended:

- Removed “Resolution and Documentation Process (Attachment F)” and added reference to MSHN Compliance Investigation Procedure

**XIII. Corrective Actions and Prevention**

- No Revisions

**XIV. Submission of Program Integrity Activities**

- No Revisions

## **XV. References, Legal Authority and Supporting Documents**

- No Revisions

### **ATTACHMENT A**

- No Revisions

### **ATTACHMENT B**

The following changes are being recommended:

- Changed “Director of Compliance, Customer Service and Quality” to ‘Chief of Compliance and Quality Officer’
- Removed “Chief Clinical Officer” and “Director of Provider Network” from the MSHN Corporate Compliance Committee

### **ATTACHMENT C**

The following changes are being recommended to the area of focus chart:

- Removed the column for “Responsible Party” as this is identified in the narrative
- Removed the following:
  - OIG Reporting Requirements
  - Medicaid Event Verification audits
  - Autism Requirements
  - Health Services Advisory Group Site Review Findings and Recommendations
- Added the following:
  - Remote Work Environment
  - Compliance Training Requirements
  - Waiver/Appendix K

### **ATTACHMENT D**

The following changes are being recommended:

- Changed this form to be contact information for Compliance Officers
- No longer being used as a suspected compliance violation report form

### **ATTACHMENT E**

- No Revisions

### **ATTACHMENT F**

The following changes are being recommended:

- This attachment is being removed and the information has been moved to a procedure



# CORPORATE COMPLIANCE PLAN 2022

Mid-State Health Network, Corporate Compliance Committee: August 11, 2021  
Mid-State Health Network, Regional Compliance Committee: August 20, 2021  
Mid-State Health Network, Operations Council Approved: September 20, 2021  
Mid-State Health Network PIHP Board Adopted:

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- XIII. Corrective Action and Prevention
- XIV. References and Supporting Documents

### Attachments:

- A. List of MSHN Compliance Policies/Procedures
- B. MSHN Compliance Organizational Chart
- C. MSHN Areas of Focus
- D. MSHN Compliance Violation Reporting Posting
- E. Office of Inspector General Fraud Referral Form

## **I. OVERVIEW/MISSION STATEMENT**

Mid-State Health Network (MSHN) is a regional entity, which was formed pursuant to 1974 P.A. 258, as amended, MCL §330.1204b, as a public governmental entity separate from the CMHSP Participants that established it. The CMHSP Participants formed Mid-State Health Network to serve as the prepaid inpatient health plan ("PIHP") for the twenty-one counties designated by the Michigan Department of Community Health as Region 5. The CMHSP Participants include Bay-Arenac Behavioral Health, Clinton-Eaton-Ingham Community Mental Health Authority, Community Mental Health for Central Michigan, Gratiot Integrated Health Network, Huron County Community Mental Health Authority, LifeWays Community Mental Health Authority, Montcalm Care Network, Newaygo County Community Mental Health Authority, The Right Door (formerly Ionia County CMH), Saginaw County Community Mental Health Authority, Shiawassee Health and Wellness and Tuscola Behavioral Health Systems. As of October 1, 2015, MSHN took over the direct administration of all public funding for substance use disorder (SUD) prevention, treatment and intervention within the region and expanded the provider network to include SUD providers.

The mission of Mid-State Health Network is to ensure access to high-quality, locally delivered, effective and accountable public behavioral health and substance use disorder services provided by its participating members.

## **II. VALUE STATEMENT**

MSHN and its provider network are committed to consumers, employees, contractual providers, and the community to ensure business is conducted with integrity, in compliance with the requirements of applicable laws, regulations, contractual obligations, and sound business practices, and with the highest standards of excellence. MSHN has adopted a compliance model that provides for prevention, detection, investigation, and remediation.

## **III. SCOPE OF PLAN**

The MSHN Compliance Plan encompasses the activities (operational and administrative) of all MSHN board members, employees, and contractual providers. It is the expectation the Provider Network will follow the standards identified in the MSHN Compliance Plan or develop their own Compliance Plan that minimally meets the standards identified in the MSHN Compliance Plan and in accordance with the Code of Federal Regulations, Title 42, Part 438.608: Program Integrity Requirements.

All MSHN board members, employees and contractual providers are required to comply with all applicable laws, rules and regulations including those not specifically addressed in this Compliance Plan.

Failure by MSHN staff to adhere to the requirements in the Compliance Plan could result in disciplinary action, up to and including termination of employment depending on the seriousness of the offense.

Failure by the Provider Network to adhere to the standards within MSHN's Compliance Plan could result in remediation or further contract action depending on the seriousness of the offense.

Failure by Board Members to adhere to the requirements in the Compliance Plan will be addressed following the standards within the MSHN By-Laws.



## IV. DEFINITIONS

These terms have the following meaning throughout this Compliance Plan.

1. Abuse: Practices that are inconsistent with sound fiscal, business or medical practices and result in an unnecessary cost to the payor, or in reimbursement for services that are not medically necessary or fail to meet professionally recognized standards for healthcare.
2. Behavioral Health: Refers to individuals with a Mental Health, Intellectual Developmental Disability and/or Substance Use Disorder or children with Serious Emotional Disturbances.
3. CMHSP Participant: Refers to one of the Community Mental Health Services Program (CMHSP) participants in the Mid-State Health Network.
4. Fraud: An intentional deception or misrepresentation by a person with the knowledge the deception could result in unauthorized benefit to him/herself or some other person. Includes any act that constitutes fraud under applicable Federal or State laws.
5. Subcontractors: Refers to an individual or organization that is directly under contract with a CMHSP to provide services and/or supports.
6. Contractual Provider: Refers to an individual or organization under contract with the MSHN Pre-Paid Inpatient Health Plan (PIHP) to provide administrative type services including CMHSP participants who hold retained functions contracts.
7. Employee: Refers to an individual who is employed by the MSHN PIHP.
8. Provider Network: Refers to a CMHSP Participant and all Behavioral Health Providers that are directly under contract with the MSHN PIHP to provide services and/or supports through direct operations or through the CMHSP's subcontractors.
9. Staff: Refers to an individual directly employed and/or contracted with a Community Mental Health Service Provider and/or Behavioral Health Provider.
10. Waste: Overutilization of services, or other practices that result in unnecessary costs. Generally not considered caused by criminally negligent actions, but rather the misuse of resources

## V. COMPLIANCE PROGRAM

### A. Compliance Policies

While the Compliance Plan provides the framework of the Compliance Program, the Compliance Policies provide more specific guidance. Refer to Attachment A for a list of the Policy and Procedure categories that are part of the Compliance Program.

### B. Compliance Plan

The Compliance Plan is prepared as a good-faith effort to summarize MSHN's rules, policies and procedures. To the extent that the Plan conflicts with, or misstates any applicable law or regulation, the law takes precedence.

The purpose of the Compliance Plan is to provide the framework for MSHN to comply with applicable laws, regulations and program requirements. The overall key principles of the Compliance Plan are to:

- Minimize organizational risk and improve compliance with billing requirements of Medicare, Medicaid, and all other applicable federal health programs.
- Maintain adequate internal controls (paying special attention to identified areas of risk).
- Reduce the possibility of misconduct and violations through prevention and early detection.
- Being proactive in Compliance to reduce exposure to civil and criminal sanctions.
- Encourage the highest level of ethical and legal behavior from all employees, contractual providers, and board members.
- Educate employees, contractual providers, board members and stakeholders of their responsibilities and obligations to comply with applicable local, state, and federal laws and regulations including credentialing requirements, as well as accreditation standards.
- Promote a clear commitment to compliance by taking actions and showing good faith efforts to uphold such laws, regulations, and standards.

The following elements have been identified by the Medicaid Alliance for Program Safeguards and the Office of Inspector General as being essential to an effective compliance program for Managed Care Organizations and Prepaid (Inpatient) Health Plans (PIHP):

- *Standards and procedures* – the organization must have written policies, procedures, and standards of conduct that articulate the organization’s commitment to comply with all applicable Federal and State standards, laws and regulations.
- *High level oversight and delegation of authority* – the PIHP must designate a Compliance Officer and a Compliance Committee.
- *Training* – the PIHP must provide for effective training and education for the Board of Directors, Compliance Officer, and the organization’s employees. The PIHP must assure adequate training is provided through the provider network. Training should be provided at hire and annually thereafter.
- *Communication* - Effective lines of communication must be established between the Compliance Officer and the organization’s employees.
- *Monitoring and auditing* – The organization must take reasonable steps to achieve compliance with defined standards by utilizing reasonably designed monitoring and auditing systems and practices.
- *Enforcement and disciplinary mechanisms* – Standards must be enforced through well-publicized disciplinary guidelines.
- *Corrective actions and prevention* – After an offense (*non-compliance*) has been detected, the organization must take reasonable steps to respond appropriately and promptly to the offense and to develop corrective action initiatives and performance improvement. This includes follow-up monitoring and review to ensure the performance improvement plan is effective.

## **VI. STRUCTURE OF THE COMPLIANCE PROGRAM**

### **A. General Structure**

- *MSHN Board of Directors*: MSHN’s Board of Directors is responsible for the review and approval of the Compliance Plan and Policies, review of the Annual Compliance Report, and

review of matters related to the Compliance Program. The MSHN Board of Directors has the highest level of responsibility for the oversight of the Compliance Program.

- The Executive Committee of the Board shall review reports annually from the MSHN Compliance Officer (CO)
- **MSHN Corporate Compliance Committee**: The Corporate Compliance Committee provides guidance, supervision, and coordination for compliance efforts at MSHN. MSHN's Corporate Compliance Committee (CCC) is comprised of the MSHN Chief Executive Officer, Deputy Director, Chief Information Officer, Chief Finance Officer, and the Chief Compliance and Quality Officer. The Medical Director and Compliance Counsel will be ad-hoc members of the CCC. In addition, Ex-officio members may be asked to attend as non-voting members to provide consultation on specific areas of expertise.
- **Compliance Officer**: The MSHN Compliance Officer has primary responsibility for ensuring that MSHN maintains a successful Compliance Program. In particular, the Compliance Officer oversees the implementation and effectiveness of the Compliance Plan and Compliance Policies, serves as the Chair of the Regional Compliance Committee and MSHN Compliance Committee, provides consultative support to the provider network and has responsibility for the day-to-day operations of the compliance program.
- **Regional Compliance Committee**: The Compliance Committee advises on matters involving compliance with contractual requirements and all related Federal and State laws and regulations, inclusive of the Office of Inspector General guidelines and the 42 CFR 438.608. The committee is comprised of the MSHN Chief Compliance and Quality Officer and the compliance officers of each CMHSP Participant.
- **Operations Council**: The Operations Council reviews reports concerning compliance matters as identified by the Regional Compliance Committee and reported by the MSHN Chief Executive Officer. The Operations Council shall be comprised of the Chief Executive Officers or Executive Directors of each CMHSP Participant and the MSHN Chief Executive Officer who serves as Chair.

See **Attachment B** – MSHN Compliance Process/Governance

## **B. MSHN Compliance Officer**

MSHN designates the Chief Compliance and Quality Officer as the PIHP Compliance Officer, who will be given sufficient authority and control to oversee and monitor the Compliance Program related Policies and Procedures, including but not limited to the following:

- Oversight of internal (PIHP Audits) and external provider network audits (MDHHS Audit and EQR Audit) and monitoring activities outlined in the compliance plan.
- Directs and is accountable for the implementation and enforcement of the Compliance Plan.
- Serves as chair of the MSHN's Corporate Compliance Committee and Regional Compliance Committee
- Provides leadership to MSHN compliance activity and consultative support to CMHSP Participants/SUD Providers.
- Responsible for oversight of MSHN efforts to maintain compliance with federal and state regulations and contractual obligations.

- Serves as the Privacy Officer for MSHN.
- Ensures that effective systems are in place by which actual or suspected compliance violations are reported in a timely manner to appropriate governing bodies.
- Reviews all reports of actual or suspected compliance violations received by MSHN from any source and ensures that effective investigation and/or other action is taken.
- Completes investigations referred by, and under the direction of, the Office of Inspector General
- Monitors changes in federal and state health care laws and regulations applicable to MSHN operations and disseminate to the region.
- Works collaboratively with other MSHN employees and CMHSP Participants/SUD Providers to ensure that auditing and monitoring protocols are designed to detect and deter potential compliance violations.
- Coordinates compliance training and education efforts for MSHN staff and Board Members
- Ensures that performance improvement plans are adequate to ensure compliance and assures effective implementation of corrective action occurs to reduce risk of future occurrences.
- Prepares and submits the quarterly Office of Inspector General program integrity report
- Prepares and delivers an annual compliance report to the MSHN Board covering the fiscal year, including:
  - A summary of trends in the frequency, nature and severity of substantiated compliance violations;
  - A review of any changes to the Compliance Plan or program; and
  - An objective assessment of the effectiveness of the Compliance Plan and Program.

The authority given the MSHN Compliance Officer will include the ability to review all documents and other information relevant to compliance activities, including, but not limited to, consumer records, billing records, employee records and contracts and obligations of MSHN.

Each MSHN CMHSP Participant/SUD Provider shall designate a Compliance Officer who has the authority to perform the duties listed for the MSHN Compliance Officer at their respective organization, as appropriate.

### **C. Regional Compliance Committee**

The MSHN Regional Compliance Committee will consist of the MSHN Chief Compliance and Quality Officer, and the CMHSP Participants' Compliance Officers appointed by MSHN CMHSP Participant's. The Committee will meet at regular intervals and shall be responsible for the following:

- Advising the MSHN Compliance Officer and assisting with the development, implementation, operation, and distribution of the Compliance Plan and supporting MSHN policies and procedures.
- Reviewing and recommending changes/revisions to the Compliance Plan and related policies and procedures and developing new policies and procedures as needed.
- Evaluating the effectiveness of the Compliance Plan.
- Determining the appropriate strategy/approach to promote compliance with the Compliance Plan and detect potential violations and areas of risk as well as areas of focus.
- Recommending and monitoring the development of internal systems and controls to carry out the Compliance Plan and supporting policies as part of daily operations.

- Reviewing compliance related audit results and corrective action plans, making recommendations when appropriate.

#### **D. MSHN Corporate Compliance Committee**

The MSHN Corporate Compliance Committee meets quarterly and its responsibilities include:

- Reviewing the Compliance Plan and related policies to ensure they adequately address legal requirements and address identified risk areas
- Assisting the CO with developing policies and procedures to promote compliance with the Compliance Plan
- Analyze the effectiveness of the compliance program and make recommendations accordingly
- Assisting the CO in identifying potential risk areas and violations
- Advising and assisting the CO with compliance initiatives
- Receiving, interpreting, and acting upon reports and recommendations from the CO
- Providing a forum for the discussion of compliance related issues

### **VII. COMPLIANCE STANDARDS**

MSHN will ensure the development of written policies and procedures, standards, and documentation of practices that govern the PIHP's efforts to identify risk and areas of vulnerabilities and are in compliance with federal regulations and state contract requirements.

#### **A. Standards of Conduct and Ethical Guidelines**

MSHN and its Provider Network are committed to conducting the delivery of services and business operations in an honest and lawful manner and consistent with its Vision, Mission, and Values. As such, MSHN minimally establishes the following Standards of Conduct to clearly delineate the philosophy and values concerning compliance with the laws, regulations, contractual obligations, government guidelines and ethical standards applicable to the delivery of behavioral health care.

- Provide through its Provider Network, high quality services consistent with MSHN Vision, Mission, and Values;
- Dedicated to ensuring that equality in voice and governance exists, and that the benefit to the citizens meets Medicaid standards while being provided in ways that reflect the needs and resources of the communities in which each CMHSP Participants/SUD Providers operate;
- Shared operating structure, using a committee-based system that creates many venues, allowing voices from across the region to be heard;
- MSHN operations are for service to the CMHSP Participants/SUD Providers in achieving high levels of regulatory compliance, quality of service, and fiscal integrity;
- MSHN exists to serve in the best interest of and to the benefit of all CMHSP Participants/SUD Providers and their consumers;
- Foster each CMHSP Participants/SUD Providers integration activities and locally driven work.
- Conduct business in an honest, legal and competent manner to prevent fraud, abuse and waste;
- Perform all duties in good faith and refrain from knowingly participating in illegal activities;

- Report any actual or suspected violation of the Compliance Plan, Standards of Conduct, MSHN policies or procedures, contract requirements, state and federal regulations or other conduct that is known or suspected to be illegal;
- Provide accurate information to federal, state, and local authorities and regulatory agencies when applicable;
- Promote confidentiality and safeguard all confidential information according to policy;
- Practice ethical behavior regarding relationships with consumers, payers, and other health care providers;
- Protect through its Provider Network, the integrity of clinical decision-making, basing care on identified medical necessity;
- Seek to continually maintain and improve work-related knowledge, skills, and competence; and
- Actively support a safe work environment, free from harassment of any kind.

These Standards of Conduct provide guidance for MSHN Board members and employees, as well as the provider network in performing daily activities within appropriate ethical and legal standards and establish a workplace culture that promotes prevention, detection, and resolution of instances of conduct that do not conform with applicable laws and regulations. While the above standards are expected to be a framework for compliance, the issues addressed are not exhaustive. Therefore, MSHN Board Members, employees and its provider network staff are responsible for conducting themselves ethically in all aspects of business avoiding even the appearance of impropriety and in accordance with established policies and procedures.

## **B. Legal and Regulatory Standards**

It is the policy of MSHN to ensure compliance with all state and federal regulatory agency standards and applicable laws and regulations including, but not limited to, the following:

### State/Federal Laws and Rules

- Michigan Mental Health Code, Public Health Code and Administrative Rules
- Requirements as identified in the MDHHS contract
- Requirements as identified by the Office of Inspector General
- Technical Assistance Advisories, as required
- Medicaid State Plan
- Waiver Applications
- Medical Services Administration (MSA) Policy Bulletins
- Michigan Whistleblowers Act, Act 469 of 1980
- Home and Community Based Final Rules

### Federal Medicaid Law, Regulations and Related Items

- Social Security Act of 1964 (Medicare and Medicaid)
- Balanced Budget Act of 1997
- Deficit Reduction Act/Medicaid Integrity Program of 2005
- Anti-kickback Statute
- Code of Federal Regulations
- 42 CFR Part 2 Confidentiality of Alcohol and Drug Use Patient Records
- State Operations Manual
- Letters to State Medicaid Directors
- Technical Assistance Tools
- Quality Improvement Systems for Managed Care (QISMC)
- Guide to Encounter Data Systems
- Office of Management and Budget (OMB) Circulars
- Government Accounting Standards Board (GASB)



- Affordable Care Act

#### Other Relevant Legislation

- Health Insurance Portability and Accountability Act of 1996 (HIPAA)
- False Claim Act (Federal and Michigan)
- Provisions from Public Act 368 of 1978 – revised – Article 6 Substance Abuse
- Office of Inspector General Annual Work Plan
- Stark Law
- HITECH Act
- American with Disabilities Act of 1990

### **C. Environmental Standards**

MSHN shall maintain a hazard-free environment in compliance with all environmental laws and regulations. MSHN shall operate with the necessary security systems, permits, approvals and controls. Maintenance of a safe environment is the responsibility of all employees and contractual providers. In order to maintain a safe environment, MSHN shall enforce policies and procedures (as needed) designed to protect consumers, employees, staff, providers, visitors, the environment, and the community.

### **D. Workplace Standards of Conduct**

In order to safeguard the ethical and legal workplace standards of conduct, MSHN shall enforce policies and procedures, per the MSHN Personnel Manual, that address employee behaviors and activities within the workplace setting, including but not limited to the following:

1. Confidentiality: MSHN is committed to protect the privacy of its consumers. MSHN Board members, employees, and contractual providers are to comply with the Michigan Mental Health Code, Section, 330.1748, Code of Federal Regulations (CFR), Title 42 and all other privacy laws as specified under the Confidentiality section of this document.
2. Drug and Alcohol: MSHN is committed to maintain its property and to provide a drug-free work environment that is both safe for our employees and visitors, as well as conducive to efficient and productive work standards.
3. Harassment: MSHN is committed to maintaining a work environment free of harassment for Board members, employees, and contractual providers. MSHN will not tolerate harassment based on sex, race, color, religion, national origin, disability, citizenship, chronological age, sexual orientation, union activity, or any other condition, which adversely affects their work environment.
4. Conflict of Interest: MSHN Board members, employees, and contractual providers shall avoid any action that conflicts with the interest of the organization. All Board members, employees, and contractual providers must disclose any potential conflict of interest situations that may arise or exist in accordance with established policies and procedures.
5. Reporting Suspected Fraud: MSHN Board, employees, and contractual providers shall report any suspected or actual “fraud, abuse or waste” of any funds, including Medicaid funds, to the organization.
6. Solicitation and Acceptance of Gifts: MSHN Board members, employees and contractual providers shall not solicit gifts, gratuities or favors. MSHN Board members, employees and contractual providers will not accept gifts worth more than \$25, gratuities or favors of any kind from any individual, consumer, or organization doing business or seeking to do business with MSHN.

7. Workplace Bullying: MSHN defines bullying as “repeated” inappropriate behavior, either direct or indirect, whether verbal, physical, or otherwise, conducted by one or more persons against another or others, at the place of work and/or during the course of employment. Such behavior violates MSHN Code of Ethics, which clearly states that all employees will be treated with dignity and respect.
8. Workplace Violence and Weapons: MSHN takes violence and threats of violence extremely seriously. Any act or threat of violence by or against any employee, customer, supplier, partner, or visitor is strictly prohibited.
9. Political Contributions: MSHN shall not use agency funds or resources to contribute to political campaigns or activities of any political party.

## **E. Contractual Relationships**

MSHN shall ensure that all contractual arrangements with providers are structured in accordance with federal and state laws and regulations and are in the best interest of the organization and the consumers served. In order to ethically and legally meet all standards, MSHN will strictly adhere to the following:

1. MSHN and its Provider Network shall not pay or accept payment of any tangible or intangible kind for referrals. Consumer referrals and intakes will be accepted based on the consumer’s needs, eligibility, and the ability to provide the services needed. No organization, or employee, covered by this plan who is acting on behalf of the organization is permitted to solicit or receive anything of value, directly or indirectly, in exchange for the referral of consumers. Similarly, when making consumer referrals to another healthcare provider, MSHN and the Provider Network will not take into account the volume or value of referrals that the provider has made (or may make).
2. The Provider Network shall not enter into financial arrangements with physicians that are designed to provide inappropriate remuneration to the organization in return for the physician’s ability to provide services to federal health care program beneficiaries at MSHN.
3. MSHN does not enter into contractual relationships with individuals or agents/agencies that have been convicted of a criminal offense related to health care or that are listed by a federal agency as debarred, excluded, or otherwise ineligible for participation in federal health care programs. Reasonable and prudent background investigations will be completed prior to entering into contractual relationships with all individuals and agents/agencies.
4. MSHN and its contractual providers, as well as the Provider Network and its contractors, are responsible for properly conducting credentialing and re-credentialing in accordance with State Policy and the MSHN policies and procedures. The Provider Network and contractual providers are responsible for reporting suspected fraud, abuse and licensing violations to MSHN as soon as suspected.
5. The Provider Network and its contractors shall be responsible, and held accountable, to provide accurate and truthful information in connection with treatment of consumers, documentation of services, and submission of claims.

## **F. Purchasing and Supplies**

MSHN shall ensure that all rental, lease, and purchasing agreements are structured in accordance with applicable federal and state self-referral and anti-kickback regulations as well as federal guidelines regarding tax-exempt organizations. All agreements must be commensurate with the fair market value for equipment or space.



All contractor and supplier arrangements shall be managed in a fair and reasonable manner, consistent with all applicable laws and good business practices. Subcontractors, suppliers, and vendors shall be selected based on objective criteria including quality, technical excellence, price, delivery, and adherence to schedules, services and maintenance of adequate sources of supply.

## **G. Marketing**

Marketing and advertising practices are defined as those activities used by MSHN to educate the public, provide information to the community, increase awareness of services, and recruit employees or contractual providers. MSHN will present only truthful, fully informative and non-deceptive information in any materials or announcements.

The federal Anti-Kickback Statute (section 1128B[b] of the Social Security Act) makes it a felony, punishable by criminal penalties, to offer, pay, solicit, or receive “remuneration” as an inducement to generate business compensated by Medicare or Medicaid programs.

## **H. Financial Systems Reliability and Integrity**

MSHN shall ensure integrity of all financial transactions. Transactions shall be executed in accordance with established policies and procedures and with federal and state law and recorded in conformity with generally accepted accounting principles or any other applicable criteria.

MSHN shall develop internal controls and obtain an annual independent audit of financial records and annual compliance examination; shall ensure that reimbursement for services billed is accurate, appropriate, and based on complete claims documentation; and shall maintain accountability of assets. The Federal Civil False Claims Act prohibits the knowing submission of false or fraudulent claims for payment to the federal or state government, the knowing use of a false record or statement to obtain payment on a false or fraudulent claim, or a conspiracy to defraud the federal or state government by having a false or fraudulent claim allowed or paid.

In accord with the 42 USC 139a(a); Section 1902(a) of the Social Security Act (AKA the Deficit Reduction Act of 2005) MSHN’s processes shall monitor for actions by contractual providers of Medicaid services to prevent fraud, abuse, and waste, or are likely to result in unintended expenditures.

## **I. Information Systems Reliability and Integrity**

The MSHN Chief Information Officer shall serve as the Security Officer and shall ensure the reliability and integrity of the information systems utilized to support the effectiveness of the MSHN compliance program, including but not limited to the following:

- Maintaining security, assuring integrity, and protecting consumer confidentiality.
- Controlling access to computerized data.
- Assuring reliability, validity and accuracy of data through periodic auditing processes.
- Following procedures that assure confidentiality of electronic information pursuant to HIPAA, the Michigan Mental Health Code and other applicable laws and regulations.

## **J. Confidentiality and Privacy**

The MSHN Chief Compliance and Quality Officer serves as the Privacy Officer. MSHN is committed to protecting the privacy of its consumers and shall strictly govern the disclosure of any information to anyone other than those authorized in compliance with applicable privacy laws, regulations and contractual requirements. To ensure that all consumer information

remains confidential, employees and contractual providers are required to comply with all confidentiality policies and procedures in effect, specifically to include the HIPAA Privacy Regulations, the Michigan Mental Health Code (PA 258 of 1974, as amended), the Michigan Public Health Code (PA 368 of 1978 as amended), and 42 C.F.R. Part 2, 45 C.F.R. Part 160 & 164 as outlined below:

- MSHN will follow the HIPAA requirements, as well as all applicable federal and state requirements, for the use of protected health data and information.
- MSHN will immediately report to the MDHHS any suspected or confirmed unauthorized use or disclosure of protected health data and information that falls under the HIPAA requirements.
- Any breach of protected health information shall result in notification of the affected individuals as well as the HHS Secretary and the media in cases where the breach affects more than 500 individuals.
- Privacy Notice - MSHN will have a notice of privacy practices.
- Authorization - If protected mental health information is shared to an entity outside of MSHN for any purpose other than coordination of care, treatment, or payment of services, a signed authorization will be obtained from the consumer prior to sharing information. If substance use treatment information is being shared, for any purpose, to an entity outside of MSHN, a signed authorization, by the consumer, will be obtained. The Michigan Behavioral Health Consent Form will be utilized for obtaining authorizations.
- MSHN will perform any necessary internal risk analysis or assessments to ensure compliance.
- Physical and electronic safeguards shall be in place for MSHN employees and premises, including, but not limited to, door locks, unique logins and secure passwords, firewall and virus protection, disaster recovery mechanisms, and secure email.
- Business Associate Agreement – MSHN will obtain assurances with all Business Associates that protected health care information shared with them, will be protected and appropriately safeguarded consistent with all applicable State and Federal laws and requirements.
- Qualified Service Organization Agreement (QSOA) - Third-party service providers must become qualified to service Part 2 Programs. This is achieved through the entity entering into a written agreement with the Part 2 Program in which it acknowledges that it is bound by the Part 2 confidentiality regulations and agrees to resist in judicial proceedings any efforts to obtain unauthorized access to patient identifying information related to substance use disorder diagnosis, treatment, or referral for treatment that may come into its possession.

## **VIII. AREAS OF FOCUS**

The MSHN Compliance Officer under the direction of the MSHN Board of Directors, MSHN Corporate Compliance Committee and the MSHN Regional Compliance Committee, will identify strategic areas of focus developed from a risk analysis that will guide the direction of MSHN compliance activities (**Attachment C**).

## **IX. TRAINING**

### **A. MSHN Employees and Board Members**

All MSHN Employees and Board members shall receive a copy of the MSHN Compliance Plan and training on the MSHN Compliance Plan, Compliance Policies and Standards of Conduct. Additional training may be required for employees involved in specific areas of risk or as new regulations are issued. Records shall be maintained on all formal training and educational activities. The Compliance Officer must receive training by an entity other than himself/herself.

Training is considered a condition of employment and failure to comply will result in disciplinary action up to and including termination.

Training will be provided upon hire for new employees and during orientation for new Board Members. All current staff and Board Members will receive annual training.

The Compliance Officer will provide ongoing information and education on matters related to health care fraud and abuse as disseminated by the Office of Inspector General, Department of Health and Human Services or other regulatory bodies.

It is the responsibility of MSHN staff to maintain licensure and certifications that are specific to their job responsibilities.

#### **B. MSHN Provider Network**

The MSHN Provider Network Committee will review and recommend a Regional Training Requirement to assure and provide consistent training requirements throughout the provider network. MSHN will monitor the provider network to ensure adherence to the identified training requirements. Where viable, MSHN will offer related compliance training and educational materials to the Provider Network. The Regional Training Requirements is available on MSHN's website.

### **X. COMMUNICATION**

Open lines of communication between the MSHN Compliance Officer, the CMHSP Participant/SUD Provider Compliance Officer(s) and CMHSP Participant/SUD Provider staff within the region are essential to the successful implementation of the Compliance Plan and the reduction of any potential for fraud or abuse. Methods for maintaining open lines of communication may include, but not be limited to the following:

- There shall be access to the MSHN Compliance Officer for clarification on specific standards, policies, procedures, or other compliance related questions that may arise on a day-to-day basis.
- Access to a dedicated toll-free compliance line.
- Utilization of interpreter as needed/requested.
- Information will be shared regarding the results of internal and external audits, reviews, and site visits, utilization data, performance and quality data, and other information that may facilitate understanding of regulations, and the importance of compliance.
- Information may be communicated through a variety of methods such as formal trainings, e-mails, newsletters, intranet resource pages, or other methods identified that facilitate access to compliance related information as a preventative means to reduce the potential for fraud and abuse.
- Compliance contact information shall be available to stakeholders through a variety of methods such as the MSHN & CMHSP Participants/SUD Provider customer service handbook, websites, posters, and/or other methods (or processes) identified consistent with standards associated with MSHN Policies.

### **XI. MONITORING AND AUDITING**

Monitoring and auditing of MSHN's operations is key to ensuring compliance and adherence to policies and procedures. Monitoring and auditing can also identify areas of potential risk and those areas where additional education and training is required. Results of the below activities will be

communicated through the appropriate council/committee and summarized results will be provided to the Operations Council, MSHN Quality Improvement Council, MSHN Corporate Compliance Committee, MSHN Regional Compliance Committee and MSHN Board of Directors through the Annual Compliance Report.

MSHN shall assure the provision and adequacy of the following monitoring and auditing activities:

#### Financial and Billing Integrity

- An independent audit of financial records each year;
- An independent compliance examination in accordance with the MDHHS guidelines (if applicable);
- Contractual providers have signed contracts and adhere to the contract requirements;
- Fiscal Monitoring reviews for all SUD providers
- Explanation of benefits (annually to 5% of the consumers receiving services)
- Medicaid Event Verification Site Reviews

#### Information Systems Reliability and Integrity

- MSHN Information System employees and Provider Network staff monitor the reliability and integrity of the information system and data;
- Assure appropriate security and ~~redundancies~~ system backup and recovery processes are in place to address loss of information and that provide sufficient disaster recovery plans; and
- MSHN employees and Provider Network staff are trained on use of information systems and provided access based on role and job function.

#### Clinical/Quality of Care

- Performance indicators are monitored and reviewed in an effort to continually improve timeliness and access to services;
- MSHN employees are evaluated in writing on their performance and are provided with detailed job descriptions;
- MSHN employees are hired through a detailed pre-employment screening and hiring process and complete a comprehensive orientation program;
- Assuring qualification and competency of organizational and practitioner credentialing and privileging directly operated by or under sub-contract with the Provider Network;

#### Consumer Rights and Protections

- Rights complaints and issues are reviewed and investigations are completed as required;
- MSHN shall ensure that the Provider Network has a designated individual (Recipient Rights Officer or Advisor) and that the responsibilities of the Recipient Rights Office are completed in accordance with state and federal requirements.
- Risk events and incident reports are completed, reported and follow up action is taken as needed
- A root cause analysis is completed on each sentinel event reported as defined in MDHHS contract.

#### Environmental Risks

- Comprehensive maintenance reviews of facilities, equipment, and vehicles are completed as required;
- Emergency drills are conducted and evaluated on a regular basis;
- Accommodations are provided in accordance with the Americans with Disabilities Act (ADA);
- Privacy reviews of facility/office are completed;
- Ensure appropriate environmental licensures; and
- Initial and ongoing education on health, safety, and emergency issues are provided.

#### Quality and Utilization Reviews

- Review of delegated managed care functions (as identified in the MSHN/CMHSP Medicaid Subcontract);
- Review of SUD Provider Network in accordance with contracted functions
- Review of adherence and compliance with Quality Assessment and Performance Improvement Program (QAPIP) Plan; and
- Review of adherence and compliance with the Utilization Management (UM) Plan.

#### Additional Internal Monitoring and Auditing Activities

- Assessment of initial capacity and competency to perform delegated PIHP functions;
- Consumer Satisfaction Surveys;
- Review of MSHN contracts for administrative services;
- Contract Expense Monitoring;
- Monitor capacity and demand for services in the PIHP region through the Assuring Network Adequacy Report
- Review of Policies and Procedures for any needed revisions or development of new ones
- Questionnaires to poll staff and the provider network regarding compliance matters including effectiveness of training/education and related policies and procedures
- Exit interviews with departing staff (Issues related to Compliance)

#### Additional External Monitoring and Auditing Activities:

- External Quality Reviews
- CMS Site Visits
- MDHHS Site Visits
- Accreditation Surveys

## **XII. REPORTING AND INVESTIGATIONS**

MSHN and its Provider Network shall follow established disciplinary guidelines for their respective employees who have failed to comply with the standards of conduct, policies, and procedures, federal and state law, or otherwise engage in wrongdoing. The guidelines shall be consistently enforced at all levels of the organization.

### **A. Reporting of Suspected Violations and/or Misconduct**

MSHN shall maintain a reporting system that provides a clear process and guidelines for reporting potential offenses or issues.

MSHN board members, employees, contractual providers, consumers, and others are to report suspected violations or misconduct to the MSHN Compliance Officer or the appropriate CMHSP Participant/SUD Provider Compliance Officer and/or designee as outlined below. Suspected violations or misconduct may be reported by phone/voicemail, email, in person, or in writing (mail delivery). See **Attachment D** for contact information.

MSHN employees, consumers, contractual providers, and CMHSP Participant/SUD Provider staff who make good faith reports of violations of federal or state law are protected by state and federal whistleblower statutes, which includes protections from disciplinary actions such as demotions, suspension, threats, harassment or other discriminatory actions against the employee by the employer.

#### **Violations Involving Suspected Fraud, Waste or Abuse:**

- MSHN board members, employees, contractual providers and the provider network will report all suspected fraud and abuse to the MSHN Compliance Officer. The report will be

submitted in writing utilizing the Office of Inspector General (OIG) Fraud Referral Form (**Attachment E**).

- The MSHN Compliance Officer will complete a preliminary investigation, as needed, to determine if a suspicion of fraud exists.
- If there is suspicion of fraud, the MSHN Compliance Officer will report the suspected fraud and abuse to the MDHHS Office of Inspector General using the OIG Fraud Referral Form.
- The MSHN Compliance Officer will inform the appropriate provider network member when a report is made to the MDHHS Office of Inspector General.
- MSHN will follow the guidance/direction provided by the MDHHS Office of Inspector General regarding investigation and/or other required follow up.
- MSHN and the provider network will cooperate fully with investigations involving the MDHHS Office of Inspector General and/or the Department of Attorney General and adhere to any subsequent legal action that may result from such investigation.

**Suspected Violations (NOT Involving Fraud, Waste, or Abuse) and/or Misconduct:**

- MSHN employees will report all suspected violations or misconduct (not involving suspected fraud or abuse) directly to the MSHN Compliance Officer for investigation. If the suspected violation involves the MSHN Compliance Officer, the report will be made to the MSHN Chief Executive Officer. Information provided shall at a minimum include the following:
  - Provider Information, if applicable (Name, Address, Phone Number, NPI Number, Email)
  - Complainant Information (Name, Address, Phone Number, NPI number [if applicable], Medicaid ID # [if applicable], Email)
  - Consumer Information, if applicable (Name, Address, Phone Number, Email)
  - Summary of the violation and/or misconduct
  - Date(s) of the violation and/or misconduct
  - Supporting documentation, if any (i.e. claims data, audit findings, etc.)
  - Action, if any, taken prior to submitting the violation
- Any suspected violations regarding the MSHN Chief Executive Officer will be reported to the MSHN Compliance Officer and/or the MSHN Board Chairperson/Executive Committee for investigation.
- CMHSP Participant/SUD Provider staff with firsthand knowledge of activities or omissions that may violate applicable laws and regulations (not involving suspected fraud or abuse) are required to report such wrongdoing to the MSHN Compliance Officer or to the CMHSP Participant/SUD Provider Compliance Officer. The CMHSP Participant/SUD Provider Compliance Officer will review reported violations to determine the need to report to the MSHN Compliance Officer. The review will be based on but not limited to: external party involvement, Medicaid recipient services, practices and/or system-wide process applicability.
- The Provider Network (CEO)/Executive Director(ED) and/or designee, shall inform, in writing, the MSHN Chief Executive Officer (CEO) of any material notice to, inquiry from, or investigation by any Federal, State, or local human services, fiscal, regulatory, investigatory (excluding Recipient Rights related to non-PIHP activities), prosecutory, judicial, or law enforcement agency or protection and/or advocacy organization regarding the rights, safety, or care of a recipient of Medicaid services. The Provider Network



CEO/ED shall inform, in writing, the MSHN CEO immediately of any subsequent findings, recommendations, and results of such notices, inquiries, or investigations.

- Reports of suspected violations or misconduct may be made on a confidential basis to the extent possible.

## **B. Process for Investigation**

All reports involving suspected fraud, waste and abuse will follow the guidance/direction of the MDHHS Office of Inspector General for any required investigation.

All reports of suspected wrongdoing, not involving fraud or abuse, shall be investigated promptly following the process outlined in the MSHN Compliance Investigation Procedure. "Prompt response" is defined as action taken within 15 business days of receipt by the PIHP of the information regarding a potential compliance problem.

The investigation process and outcome will be documented and will include at a minimum the following (as identified on the required OIG report template):

- Date of Complaint
- Consumer Name (if applicable)
- Provider Name (if applicable)
- Source of the Complaint/Activity (Identify how the report was received such as phone, hotline, anonymous, etc)
- Activity Type (audit, complaint, referral, etc.)
- Medicaid ID# (if applicable)
- Target of Activity (indicate whether the report involves a provider, consumer, etc.)
- Provider Type (Group home, Facility, etc.)
- Time Period Covered (enter a date range that the activity occurred)
- Summary of the Complaint/Activity
- Codes Involved in Complaint/Activity (If Applicable)
- Total Amount Paid Relating to Activity (If Applicable)
- Overpayment Identified (If Applicable)
- Date the Initial Review was Completed (for determining if further action is needed such as reporting to OIG)
- Was Potential Fraud Identified (Yes or No)
- Date Referred to MDHHS OIG (If Applicable)
- Date Final Notice sent to Provider (If Applicable for matters of overpayment, etc.)
- Total Overpayment Amount Identified (If Applicable)
- Total Number of Paid Claims Related to Overpayment (If Applicable)
- Total Collection Amount (If Applicable)
- Date the Complaint was Resolved
- Summary of the Findings

In conducting the investigation, judgment shall be exercised, and consideration shall be given to the scope and materiality consistent with the nature of the concern. Each investigation must be carefully documented to include a report describing the disclosures, the investigative process, the conclusions reached and the recommended corrective action, when such is necessary. No one involved in the process of receiving and investigating reports shall communicate any information about a report or investigation, including the fact that a report has been received or an investigation is ongoing, to anyone within MSHN who is not involved in the investigation process or to anyone outside of MSHN without the prior

approval of the MSHN Compliance Officer. All MSHN employees, Provider Network staff and subcontractors are expected to cooperate fully with investigation efforts.

The MSHN Compliance Officer and the CMHSP Participant/SUD Provider Compliance Officers must report any conflict of interest that may exist when investigating a report of suspected wrongdoing or misconduct. If a conflict of interest does exist, the MSHN Compliance Officer will be responsible for securing an appropriate source to complete the investigation, which may include utilizing the MSHN Compliance Officer, one of the Provider Network Compliance Officers or an external source if necessary.

### **XIII. Corrective Actions and Prevention**

Where an internal investigation substantiates a reported violation, corrective action will be initiated as identified within MSHN policies and procedures and the MSHN subcontracts with the CMHSP Participant/SUD Providers including, as appropriate, making prompt restitution of any overpayment amounts, notifying the appropriate governmental agency, the provision of a corrective action plan from the designated Provider Network member (as necessary) including follow-up monitoring of adequate implementation, and implementing system changes to prevent a similar violation from recurring in the future.

Corrective Action Plans should minimally include the following description:

- How the issue(s) identified will be immediately corrected, or the reason why it cannot be immediately corrected.
- Steps taken to prevent further occurrences
- Process for monitoring to ensure implementation and effectiveness of corrective action plan

Depending on the seriousness of the offense, the resulting action for MSHN staff could include additional training, written reprimand, suspension or termination of employment. The resulting action for the provider network would also depend on the seriousness of the offense and could include additional training, letter of contract non-compliance and termination of contract.

### **XIV. Submission of Program Integrity Activities**

The PIHP, and the provider network will log and track all program integrity activities performed. The provider network will utilize the program integrity activities performed template to report quarterly to the PIHP. The PIHP will report the program integrity activities to the MDHHS Office of Inspector General, on a quarterly basis, using the provided template.

The program integrity activities will include, but limited to, the following:

- Tips/Grievances received
- Data mining and analysis of paid claims, including audits performed based on the results
- Audits performed
- Overpayments collected
- Identification and investigation of fraud, waste and abuse
- Corrective action plans implemented
- Provider dis-enrollments
- Contract terminations



## **XV. References, Legal Authority and Supporting Documents**

1. Guidelines for Constructing a Compliance Program for Medicaid Managed Care Organizations and Prepaid Health Plans, Medicaid Alliance for Program Safeguards, May 2002  
[http://ahca.myflorida.com/medicaid/managed\\_care/pdf/federal\\_cms\\_guidelines\\_constructing\\_compliance\\_program.pdf](http://ahca.myflorida.com/medicaid/managed_care/pdf/federal_cms_guidelines_constructing_compliance_program.pdf)
2. Anti-kickback Statute (section 1128B[b] of the Social Security Act)  
[http://www.ssa.gov/OP\\_Home/ssact/title11/1128B.htm](http://www.ssa.gov/OP_Home/ssact/title11/1128B.htm)  
<https://oig.hhs.gov/compliance/safe-harbor-regulations>
3. False Claims Act  
<https://oig.hhs.gov/fraud>  
<http://www.legislature.mi.gov>
4. 42 USC 139a(a); Section 1902(a) of the Social Security Act (AKA the Deficit Reduction Act of 2005)  
<http://www.cms.hhs.gov/deficitreductionact>
5. Michigan Mental Health Code  
[http://michigan.gov/documents/mentalhealthcode\\_113313\\_7.pdf](http://michigan.gov/documents/mentalhealthcode_113313_7.pdf)
6. Department of Health and Human Services, Office of Inspector General  
<https://oig.hhs.gov>
7. Michigan Public Health Code  
<http://www.legislature.mi.gov/documents/mcl/pdf/mcl-act-368-of-1978.pdf>
8. Code of Federal Regulations (Title 42, Part 2 and Title 45, Part 160 & 164)  
<http://www.ecfr.gov/cgi-bin/ECFR?page=browse>

## **ATTACHMENT A**

**MSHN's Policies and Procedures can be found at the following link:**

<https://midstatehealthnetwork.org/provider-network-resources/provider-requirements/policies-procedures/policies>

### **Policy and Procedure Categories Include:**

**Compliance**

**Customer Service**

**Finance**

**General Management**

**Human Resources**

**Information Technology**

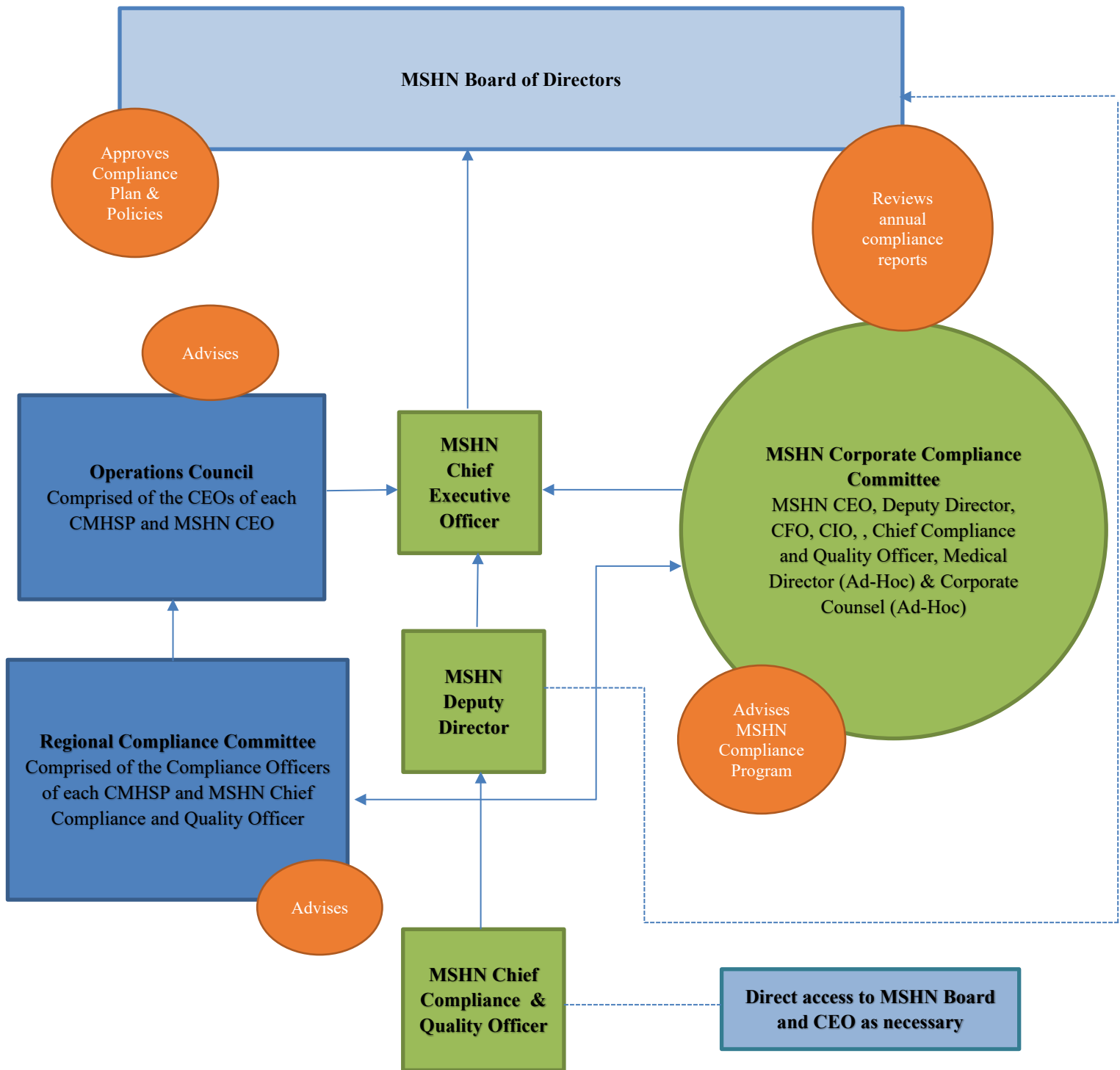
**Provider Network**

**Quality**

**Service Delivery System**

**Utilization Management**

## Mid-State Health Network Compliance Process/Governance



## ATTACHMENT C

MSHN Compliance Officer in coordination with the MSHN Quality Improvement Council, MSHN Corporate Compliance Committee and the Regional Compliance Committee shall focus its efforts on overseeing compliance in the below key areas as identified and prioritized:

Area of Focus	Task
Credentialing and Provider Qualifications	Develop processes and monitoring to ensure compliance with state contract requirements
Remote Work Environment	Review process for Home Office/Off Site Office security and privacy of protected health information to ensure compliance with established standards.
Compliance Training Requirements	Develop/review training to promote compliance with state and federal requirements
Waiver/Appendix K Extension	Monitor for Compliance with requirements after termination of PHE and related waiver exemptions
Telehealth Requirements	Monitor for compliance with rules outlined during the state of emergency and those continued past the state of emergency
HCBS Planning and implementation of changes	Review capacity, changes in waiver requirements and implementation to meet compliance
Children's Waiver (CW) and Serious Emotional Disturbance (SED) Waivers Certification Process for B3 Services	Review capacity, changes in waiver certification requirements and implementation to meet compliance

## MID-STATE HEALTH NETWORK

### COMPLIANCE OFFICER CONTACT INFORMATION

PIHP Compliance Officer:  
Mid-State Health Network

Kim Zimmerman, 517-657-3018,  
[kim.zimmerman@midstatehealthnetwork.org](mailto:kim.zimmerman@midstatehealthnetwork.org)

CMHSP Compliance Officers (or designee):

Bay Arenac Behavioral Health,  
CMH for Central Michigan,  
Clinton, Eaton, Ingham CMH,  
Gratiot County CMH,  
Huron Behavioral Health,  
The Right Door,  
LifeWays CMH,  
Montcalm Care Network  
Newaygo CMH,  
Saginaw County CMH,  
Shiawassee County CMH,  
Tuscola Behavioral Health Systems

Janis Pinter, 989.895.2760, [jpinter@babha.org](mailto:jpinter@babha.org)  
Bryan Krogman, 989.772.1380, [bkrogman@cmhcm.org](mailto:bkrogman@cmhcm.org)  
Jessica Scutt, 517.237.7115, [compliance@ceicmh.org](mailto:compliance@ceicmh.org)  
Pam Fachting, 989.466.4143, [pfachting@qihn-mi.gov](mailto:pfachting@qihn-mi.gov)  
Levi Zagorski, 989.269.9293, [levi@huroncmh.org](mailto:levi@huroncmh.org)  
Susan Richards, 616.527.1790, [srichards@rightdoor.org](mailto:srichards@rightdoor.org)  
Ken Berger, 517.789.2526, [ken.berger@LifeWayscmh.org](mailto:ken.berger@LifeWayscmh.org)  
Sally Culey, 989.831.7523, [sculey@montcalmcare.net](mailto:sculey@montcalmcare.net)  
Andrea Fletcher, 231.689.7542, [afletcher@newaygocmh.org](mailto:afletcher@newaygocmh.org)  
Richard Garpiel, 989.797.3539, [Rmgarpiel@sccmha.org](mailto:Rmgarpiel@sccmha.org)  
Dirk Love, 989.723.0762, [dlove@shiabewell.org](mailto:dlove@shiabewell.org)  
Lindsay Harper, 989.672.3014, [lharpert@tbhs.net](mailto:lharpert@tbhs.net)

A complete listing of SUD Providers, with contact information, is located on the MSHN website at the following link:  
<https://midstatehealthnetwork.org/provider-network-resources/provider-information/directory>

MSHN Compliance Line: 1-844-793-1288  
MDHHS Medicaid Fraud Hotline: 1.855.MI.FRAUD (643.7283)  
HHS/OIG Hotline: 1.800.HHS.TIPS (447.8477)

MICHIGAN DEPARTMENT OF HEALTH & HUMAN SERVICES  
INSPECTOR GENERAL ADMINISTRATION  
INTEGRITY DIVISION  
MCO – FRAUD REFERRAL

MCO Details:			
<b>MCO Name:</b>		<b>Date of Referral:</b>	
<b>Referrer's Name:</b>		<b>Referrer's Phone:</b>	
<b>Referrer's Title:</b>		<b>Referrer's Email:</b>	
Suspect Provider(s) Details:			
<b>Provider Name:</b>		<b>Provider Phone #:</b>	
<b>Provider NPI #:</b>		<b>Provider Type:</b>	
<b>Provider Address:</b>		<b>Provider Email:</b>	
<b>Facility Owner Name:</b>		<b>Owner Phone #:</b>	
Complainant(s) Details:			
<b>Complainant Name:</b>		<b>Complainant Phone #:</b>	
<b>Complainant Address:</b>		<b>Complainant Email:</b>	
<b>Medicaid ID #:</b>		<b>DOB:</b>	
Suspected Fraud Referral Details:			
<b>Summarize the Suspected Fraudulent Activity:</b>			
<b>Estimated Fraud Amount:</b>			
<b>Date(s) of conduct:</b>			
<b>Document the specific laws, rules, regulations, policies, etc. that were violated:</b>			
<b>Supporting Documentation:</b>	<p><i>Attach any and all documentation, data, or records obtained, reviewed, or relied on by the auditor leading to the suspicion of fraud including but not limited to:</i></p> <ul style="list-style-type: none"> <li>⇒ <i>Beneficiary/patient files and/or relevant medical records</i></li> <li>⇒ <i>Audit reports and findings</i></li> <li>⇒ <i>Provider Enrollment Agreements</i></li> <li>⇒ <i>Relevant fee schedules</i></li> <li>⇒ <i>Relevant provider policy manual</i></li> <li>⇒ <i>Provider education letters</i></li> <li>⇒ <i>Interview transcripts</i></li> <li>⇒ <i>Encounter claims data</i></li> </ul>		

	<p><i>Label attachments 1-10, as applicable.</i></p> <p><i>All submissions must be (1) zipped, encrypted, and sent to <a href="mailto:MDHHS-OIG@michigan.gov">MDHHS-OIG@michigan.gov</a> or (2) submitted via the secure File Transfer Protocol (FTP) to the OIG area specific to your MCO.</i></p>
<b>Action Taken:</b>	<p><i>Document the status of the current audit.</i></p> <p><i>NOTE – Do not make a fraud complaint if corrective action has been taken against the suspect provider (e.g., recoupment, contract termination, prepayment review, etc.).</i></p>
<b>Record Review Results:</b>	
<b>Describe Record Selection Methodology:</b>	<p><i>Include sample size and how the sample was selected (e.g., statistical vs nonstatistical, judgmental, etc.)</i></p>
<b>Describe Record Review Results:</b>	
<b>Interview Results:</b>	
<b>Summarize Interviews:</b>	<p><i>List all communications, chronologically, between the MCO and complainant, member and/or provider concerning the suspected fraud.</i></p>
<b>Audit History:</b>	
<b>Document Suspect Provider(s) prior Audit History and Action Taken:</b>	

**REPORT OF THE MSHN CHIEF EXECUTIVE OFFICER  
TO THE MSHN BOARD OF DIRECTORS  
September/October 2021**

**Community Mental Health  
Member Authorities**

Bay Arenac  
Behavioral Health  
•  
CMH of Clinton, Eaton, Ingham  
Counties  
•  
CMH for Central Michigan  
•  
Griatiot Integrated Health  
Network  
•  
Huron Behavioral Health  
•  
The Right Door for Hope,  
Recovery and Wellness (Ionia  
County)  
•  
LifeWays CMH  
•  
Montcalm Care Center  
•  
Newaygo County  
Mental Health Center  
•  
Saginaw County CMH  
•  
Shiawassee Health and  
Wellness  
•  
Tuscola Behavioral  
Health Systems

**FY 2022 Board Officers**

Ed Woods  
Chairperson  
  
Irene O'Boyle  
Vice-Chairperson  
  
Kurt Peasley  
Secretary

**PIHP/REGIONAL MATTERS**

Together with our colleagues from Huron Behavioral Health, we mourn the passing of Board Chairperson Hank Weitenberner. For more than 26 years as an HBH board member - and even longer in his life before his board appointment - Hank advocated for and truly cared about behavioral health and the services and supports individuals, families, and the community needed to thrive in Huron County.

**1. COVID-19 MSHN Internal Operations Status:**

- MSHNs suite of four offices within the Michigan Optometric Association (MOA) building have been closed since March 16, 2020.
- All MSHN personnel remain engaged in the work of supporting our region, its providers, and beneficiaries. All MSHN personnel are working from remote locations 100% of the time, except for three employees, Sherry Kletke (Executive Assistant) and Traci Fisher (Office Assistant) who are office-based and Linda Manser (SIS Assessor) who is field based.
- Mid-State Health Network internal operations will continue to be performed and conducted via away from office (remote) work arrangements for an indeterminate period, for all employee classifications unless specific operational or business requirements mandate that a specific employee or group of employees be deployed for in-person work at either the MSHN office location(s) or at provider or community-based site(s). We remain in regular communication directly with MSHN staff and through leadership team members.
- MSHN is engaged in the process of evaluating the conditions for a return to office-based work, continuation of remote-based work, or a hybrid arrangement, including gathering information on employee preferences and individual position requirements.

**2. MSHN Regional Operations Status:**

- CMHSPs: All CMHSPs in the region remain functional and capable of delivering all essential services and supports to beneficiaries, families, and communities. CMHSPs in the region are at various tiers and in various stages of office-based services re-engagement. Most are continuing with a blend of telehealth and in-person services.
- SUD Prevention, Treatment and Recovery Providers: All SUD providers remain functional and capable of delivering all essential services and supports to beneficiaries, families, and communities. In all cases, services and supports that can be delivered telephonically or by means of video or other alternatives to in-person/face-to-face have been developed and deployed (as authorized under State guidance).

**3. Provider Stabilization Update:**

- **UPDATE:** Previous board reports have provided background on regional provider stabilization activities. As of August 31, 2021, and reported to MDHHS in late



September, MSHN CMHSP networks have been supported with a cumulative \$12.1M in stabilization support. MSHN has also provided a cumulative total of \$3.2M in support to its substance abuse treatment network.

- MDHHS is requiring that the PIHP Provider Network Stabilization Plans be continued through all of FY22 (through 09/30/22). The regional plan is located on the [MSHN Coronavirus Page at this link](#).

#### **4. Region (and Statewide) Workforce Issues Continue:**

As reported previously, providers across the region (and the State) continue to experience extreme workforce issues impacting services and supports. Please see my September 2021 board report for additional details if needed.

#### **5. Direct Care Worker Premium Pay Initiative:**

The Michigan Legislature passed, and the governor signed, a FY 22 budget that included direct care worker premium pay continuation through all of FY 22. While the increase was labeled as “permanent” the budget covers only one year, meaning the legislature will have to make additional allocations in future years (or pass specific legislation). The MSHN Board had approved (in September 2021) a motion to continue the DCW premium pay, if necessary, at MSHN’s expense, through March 2022. Since this is now law and funded through FY 22, MSHN administration will not bring an extension motion for board consideration in March. The current PIHP/MDHHS contract (and related rates) partially funds the increase (the amount of which wasn’t known at the time rates were developed), with a rate adjustment expected in January-March 2022 time frame.

#### **6. Vaccine Hesitancy Among Direct Care Workers:**

(Provided by Captoline Consulting, Washington, DC): [A Kaiser Family Foundation \(KFF\) report notes](#) that the COVID-19 pandemic has intensified longstanding issues surrounding the unmet need for home and community-based services (HCBS) among seniors and people with disabilities and shortages in the direct care workforce that provides these services. The Biden Administration recently announced that it will require vaccination for staff in Medicaid and Medicare certified home health agencies, along with nursing homes and other health care settings. However, a notable share of direct care workers are vaccine hesitant, so new requirements may exacerbate existing staff shortages. To help inform the ongoing debate, KFF conducted four focus groups in July and August 2021 with direct care workers and unpaid caregivers who provide HCBS, assisting seniors and people with disabilities with daily self-care and household activities. These focus groups are not necessarily generalizable to all caregivers but can provide insight into their experiences to help inform current policy debates. Key findings include the following:

- In addition to physical demands, paid caregivers reported that their jobs had mental demands, which intensified during the pandemic. A number of unpaid family caregivers explained that the mental demands associated with caregiving were often “overwhelming.”
- A number of paid caregivers described regularly experiencing uncertainty about whether they would be able to leave work at the end of their shift due to staffing shortages and scheduling challenges, which were exacerbated by the pandemic. It is unclear how vaccination mandates might contribute to workforce shortages, as participants in the paid direct care worker groups were divided about whether to receive the COVID-19 vaccine. While the majority of those weighing in on this issue were vaccinated, a vocal minority were unvaccinated. Among the unvaccinated, some expressed hesitancy, while at least one said their opposition was strong enough to lead them to leave their job if faced with an employer mandate.

- It is perhaps not surprising, but participants in the paid direct care worker groups universally agreed that their wages are low and do not reflect the demands of their jobs. They described their financial situation as “getting by” and “living paycheck to paycheck.” Those who live in a household with two wage earners universally noted that their spouse was the “primary breadwinner” and observed that their earnings alone were not enough to support a family. Some participants in the unpaid caregiver group said that their caregiving demands made it impossible for them to have paid work.

#### Who are caregivers?

- The paid direct care workers in our focus groups generally reflect the national data in terms of gender, race/ethnicity, and full vs. part-time work status.
- The direct care worker focus group participants care for people with a range of disabilities and in a variety of community-based settings.
- Many focus group participants who are paid caregivers started as unpaid family caregivers.
- Nearly all participants in the unpaid caregiver group were women and described themselves as the primary caregiver for someone receiving Medicaid, typically a family member.
- Participants in the unpaid family caregiver group experienced a variety of circumstances that led to them assuming their caregiving roles.

#### What are the physical and mental demands of caregiving?

- Participants in the paid direct care worker groups described daily caregiving work involving a variety of physical demands.
- Participants in the paid direct care worker groups also described their jobs’ mental demands, which intensified during the pandemic.
- Similarly, participants in the unpaid caregiver group recounted a range of daily caregiving duties with a variety of physical demands.
- Participants in the unpaid family caregiver group also explained the mental demands associated with caregiving, which they often described as “overwhelming.”

#### How are caregivers affected by workforce shortages?

- Several participants in the paid direct care worker groups described regularly experiencing uncertainty about whether they would be able to leave work at the end of their shift due to staffing shortages and shifts not being filled if a worker called out.
- On the other hand, participants who provide self-directed services said that they and their clients enjoyed the flexibility to decide how to allocate their allotted hours during the week.
- The COVID-19 pandemic created additional scheduling challenges and intensified pre-existing staffing shortages for paid direct care workers.
- Unpaid caregivers also were affected by the pandemic’s disruption of in-home and day program services on which some unpaid caregivers relied so that they could work outside the home.
- It is unclear how vaccination mandates might contribute to workforce shortages, as participants in the paid direct care worker groups were divided about whether to receive the COVID-19 vaccine.
- Participants in the paid direct care worker groups who were vaccinated cited the benefits they saw for themselves as well as their clients.

#### How do caregivers feel about their wages, overall finances, and opportunities for advancement?

- Perhaps not surprisingly, participants in the paid direct care worker groups universally agreed that their wages were low and did not reflect the demands of their jobs.
- Participants in the paid direct care worker groups generally did not receive raises and expressed the desire to have good job performance recognized with wage increases.
- Participants in the paid direct care worker groups are interested in opportunities for training that lead to wage increases and the ability to advance in their careers.

- Some participants in the unpaid caregiver group have paid employment in addition to their caregiving, while others said that their caregiving demands made it impossible for them to work.

## **7. MDHHS Director Hertel comments on Public Behavioral Health System Redesign:**

**The following is excerpted from Crain's Detroit Business. 10/14/21 and was written by Chad Livengood.**

The state's top health official is staying neutral for now on dueling efforts underway in the Legislature to overhaul the management structure of Michigan's \$3 billion-a-year Medicaid program for adults with severe mental health and substance abuse disorders.

Instead of opposing or supporting competing Republican-authored reform bills, the Michigan Department of Health and Human Services is assessing where there are gaps in access to mental health and substance abuse treatment, MDHHS Director Elizabeth Hertel said.

"We are spending our time right now internally identifying gaps in service access and putting together plans and proposals to try to expand those services and increase access across the state," Hertel said in a videoconference interview for the annual Crain's Health Care Leadership Summit. "... It's incumbent upon us right now to identify those areas that are lacking in service provision and trying our best to work with providers to expand access to service in those areas."

In an interview with Crain's pre-recorded for the summit's attendees, Hertel acknowledged there are "serious gaps" in access to services, particularly rural and urban areas where there are often shortages in psychiatrists and psychologists.

"I think this system, in particular, continues to provide immense opportunities for improvement," Hertel said.

At the summit's in-person event Wednesday in Dearborn, making the Medicaid mental health system easier to navigate and accessing care was a major point of discussion.

## **8. House Democratic Caucus Listening Tour:**

I have participated in several of the "stops" on the listening tour as a viewer and plan to participate in two live events (Saginaw and Lansing) as a panelist. The panel discussions focus on the following key questions (the same questions are being addressed at each stop on the listening tour):

1. What are the biggest barriers to accessing care? What do patients feel they are not getting from the system? What is working well?
2. What can be done to improve workforce retention and recruitment in our community mental health system? What is the biggest issue workers face-- is it pay, hours, training? Try to be as specific as possible.
3. What administrative or regulatory aspects of the community mental health system seem duplicative or overly burdensome?
4. How can we better integrate primary and mental healthcare? Is that an issue consumer are facing?
5. How can we improve preventive and early intervention services for *all* of our populations--including our SUD and IDD populations?
6. How can we improve and better utilize telehealth?

To date, all of the “stops” have been positive and focused on potential solutions to problems citizens face.

## **STATE OF MICHIGAN/STATEWIDE ACTIVITIES**

### **9. Impact of CMH on Michigan’s Jails:**

A new issue brief has been issued summarizing the positive impact of the CMH system on people who are incarcerated in Michigan Jails. Released by the Center for Behavioral Health and Justice (Wayne State University), I have attached a copy of the brief to this report.

Following is an excerpt from the press release:

The Center for Behavioral Health and Justice (CBHJ) is pleased to share with you a brief focusing on the positive impact of Community Mental Health on Michigan's jails....

This brief is empirically based on data from the CBHJ's evaluation of the jail diversion pilots and the provision of technical assistance to Stepping Up communities across the state. As you will see, the data supports the important role of community mental health in providing services in jails across the state. In addition, as also noted, in our experience in 26 counties across the state, the CMH is always a key collaborator and problem-solver in jail diversion efforts in all counties.

Our team intends to share this brief broadly through our list serve. In addition, our project coordinators and managers plan to attend five of the remaining stops on the current Mental Health Listening Tour to share this brief.

### **10. State Plans for Receiving Afghan Nationals:**

MDHHS announced that about 1,300 Afghan Nationals will be received in Michigan communities (Kent, Kalamazoo, Calhoun, Muskegon, Ottawa, Ingham, Washtenaw, Wayne, Oakland, Macomb primarily) in the coming weeks; the number and circumstances are changing daily. MDHHS is announcing that Afghan Nationals will be eligible for Medicaid and WIC. Local agencies (refugee/resettlement) are helping with settlement (host families, other housing, employment, etc.). Afghan Nationals will be provided with initial housing (in host-family or other arrangements) in the above counties (primarily) and will re-settle from those counties to other places of their choosing. The state public behavioral health system is preparing to provide trauma-informed and culturally sensitive/competent services and is arranging for interpreter services (Dari, Pashto and Farsi) to be available.

### **11. Governor Whitmer Combines Aging and Medicaid into New MDHHS Division**

A new Health and Aging Services Administration housed within the Department of Health and Human Services, created recently by Governor Whitmer, by executive order, merges the existing Aging and Adult Services Agency and the Medical Services Administration. Kate Massey, the former Medicaid Director, has been appointed to head the new division.

**12. Michigan Psychiatric Care Improvement Project:**

I have been reporting on the Michigan Psychiatric Care Improvement Project and many other BHDDA initiatives. Please see the attached October 2021 Update provided by BHDDA on the status of these many initiatives directly related to Psychiatric Care Improvement. Also note that MSHN is directly involved in these initiatives.

**13. Michigan Health Integration Updates:**

I have been reporting on the Michigan Health Integration Activities and many other BHDDA initiatives. Please see the attached October 2021 Update provided by BHDDA on the status of these many initiatives directly related to state Integration Initiatives. Also note that MSHN is directly involved in these initiatives.

**14. State Seeks Input on Opioid Settlement Fund Use:**

Following the settlement of several lawsuits against manufacturers and distributors of opioids, the State of Michigan is drafting legislation to establish a fund directing settlement dollars to support substance use services and abate harm created by opioids.

In order to gauge the priorities of Michigan residents and key stakeholders for the use of these funds, MDHHS requests that you complete the following survey. The survey will take about 20 minutes: [MDHHS Opioid Settlement Survey \(Prioridades sobre los Asentamientos de Opioides\)](#). If you would like to access additional data and resources related to opioids and drug overdose, please visit [Michigan.gov/opioids](https://www.michigan.gov/opioids).

## **FEDERAL/NATIONAL ACTIVITIES**

**15. State of Mental Health In America – 2022 – Report Released:**

Mental Health America has released its annual State of Mental Health In America (2022), which [can be found at this link](#). This is an interesting report, a lot to read, and a lot more to think about from a systems improvement perspective. A few key highlights to assist you:

- Michigan's overall ranking (15 measures based on incidence and access) is 18<sup>th</sup> (page 9), adult ranking (7 measures) is 18<sup>th</sup> (page 11), youth ranking (7 measures), 27<sup>th</sup> (page 12).
- Michigan's prevalence ranking (6 measures [adult and youth]) is 21<sup>st</sup> (page 13) and access to care ranking (9 measures) was 25<sup>th</sup>. For adults with a mental illness, 22<sup>nd</sup> (page 20), for adults with a SUD, 18<sup>th</sup> (page 21), youth with a mental illness, 37<sup>th</sup> (page 25), youth with an SUD, 19<sup>th</sup> (Page 26).
- Adults who did not access treatment, Michigan was 33<sup>rd</sup> (page 28) and 32<sup>nd</sup> for youth (page 32). Depression treatment disparities noted on page 36, 37, 38.
- Michigan ranked 22<sup>nd</sup> in workforce availability with a ratio of 360:1 (page 39). By comparison, the "best" state, Massachusetts, ratio is 150:1
- Compared to 2021, the 2022 Michigan ranking worsened by 3 points (page 19)

Interesting report, a lot to read and a lot more to think about from a systems improvement perspective.

#### **16. CMS Issues State Health Official Letter on Continuation of COVID-Related Eligibility:**

The Center for Medicare and Medicaid Services (CMS) has released a [State Health Official \(SHO\)](#) letter to provide states with policy and operational guidance to implement the extension of Medicaid eligibility, as required by the Consolidated Appropriations Act of 2021... Effective December 27, 2020, states and the District of Columbia are required to provide coverage for all Medicaid benefits, including benefits provided through the Medicare Savings Programs and other eligibility groups with limited services, included under the state plan ("full Medicaid benefits") to migrants who otherwise meet all of the eligibility requirements in the state plan. Territories have the option to cover migrants for full Medicaid benefits in their programs. This letter addresses the following topics:

- Extension of Medicaid eligibility to migrants
- Changes to the Federal Exchange eligibility and enrollment platform (Federal platform) and Federal Data Services Hub to implement the change to migrants' Medicaid eligibility
- Operational considerations for states
- Applicable Federal Medical Assistance Percentage (FMAP)

#### **17. SAMHSA Updates Treatment Guidelines**

The federal Substance Abuse and Mental Health Services Administration (SAMHSA) has released two new publications.

- The [Treating Concurrent Substance Use Among Adults](#) guide intends to educate clinicians and other stakeholders about the harms of using more than one substance and consideration for addressing concurrent substance use and concurrent substance use disorders.
- The [Prevention and Treatment of Anxiety, Depression, and Suicidal Thoughts and Behaviors Among College Students](#) guide reviews literature on treating college students' mental health concerns, such as anxiety, depression, and suicidal thoughts and behaviors; distills the research into recommendations for practice; and provides examples of the ways that these recommendations can be implemented.

#### **18. Federal Initiative to Improve America's Behavioral Health System:**

U.S. Senators Michael Bennet (D-Colo.) and John Cornyn (R-Texas), members of the Senate Finance Committee, released "[A Bold Vision for America's Mental Well-being](#)," a white paper outlining a new framework for reimagining and redesigning how mental and behavioral health care is delivered in the United States. The white paper calls for a bold, unified national strategy that is based on smart resource planning and funding and addresses the country's mental and behavioral health crisis through local community needs. The senators sent the new white paper to the Senate Finance Committee in a [letter](#) to Chairman Ron Wyden (D-Ore.) and Ranking Member Mike Crapo (R-Idaho) expressing their interest in working together this year to create a stronger mental and behavioral health care system for all Americans.

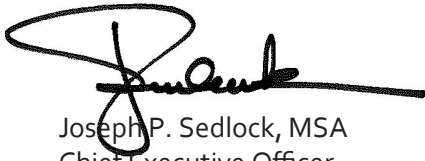
The [new white paper](#) highlights how the Coronavirus Disease 2019 (COVID-19) pandemic exacerbated the mental and behavioral health crisis in this country, increasing poor outcomes across the entire human lifespan and magnifying disparities for underserved communities, including Black, brown, and LGBTQ+ communities. As demand increases in the short-term, the white paper calls for resources to address immediate needs, while urging smart policy and resource planning and a unified, bold strategy for collective mental and behavioral health improvement.

Bennet and Cornyn are proposing establishing a national strategy to modernize the U.S. mental and behavioral health system based on principles designed to:

Integrate mental health more seamlessly throughout delivery and financing options to assume better ease of access; Enhance delivery within local communities through innovative workforce and program modernization and coordination; Update mental and behavioral care programs to improve availability, cost management, and quality; and Improve how federal funds and other resources are planned for and allocated for to increase the return on our nation's investment through better mental and behavioral health outcomes.

Meanwhile, the Senate Finance Committee has called for policy proposals to address unmet mental health needs. The letter can be [found at this link](#).

Submitted by:



Joseph P. Sedlock, MSA  
Chief Executive Officer  
Mid-State Health Network  
Finalized: 10/19/2021

**Attachments:**

- Impact of Community Mental Health on Michigan's Jails
- Michigan Psychiatric Care Improvement Project – October 2021 Update
- Michigan Integration Efforts – October 2021 Update



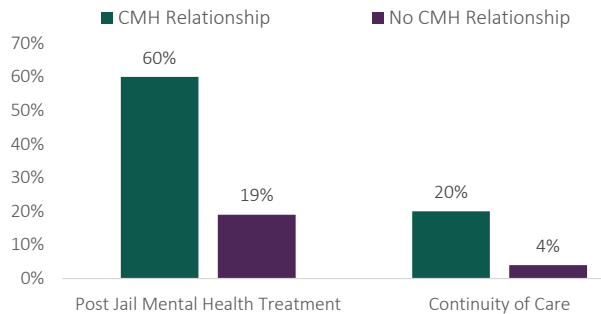


# The Impact of Community Mental Health (CMH) on Michigan's Jails

Since 2015, the Center for Behavioral Health and Justice (CBHJ) has evaluated programs and practices for individuals with serious mental illness (SMI) in 26 Michigan jails. Using interviews and data from county- and state-level databases, and across multiple evaluation projects, the following results show that CMHs have significant and positive impacts on individuals with SMI who have been in jail.



## The Impact of Community Mental Health (CMH) on Michigan's Jails



In 2019, 3,797 individuals were screened for SMI at jail booking. Thirty-six percent screened positive for SMI. Of those with SMI, 53% had a CMH relationship in the prior year<sup>1</sup>. Individuals with a CMH relationship were:

- Significantly more likely to engage with mental health treatment after jail release (60%) compared to those with no CMH relationship (19%).
- More likely to receive care within two weeks of jail release (20%) compared to those with no CMH relationship (4%) - this two week period holds higher risk period for suicide and overdose<sup>2</sup>.

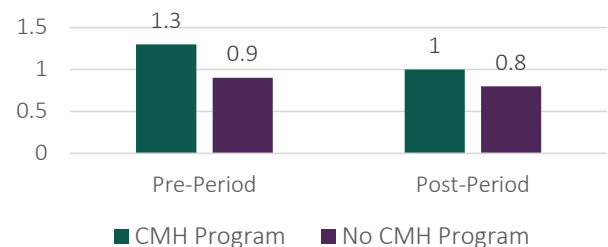
## Impact of CMH on Recidivism

In 2019, 135 individuals with SMI participated in a CMH jail diversion program. Their outcomes were compared to others with SMI in jail<sup>2</sup>.

Though those who participated in the diversion program were higher risk, there was a significant decrease in the number of jail stays in the year after the CMH program (1.0) compared to the year before (1.3). The number of jail stays did significantly decrease for those with SMI who did not participate in a CMH diversion program.

CMH jail providers are more likely to provide mental health services (73%), than non-CMH providers (40%).<sup>4</sup>

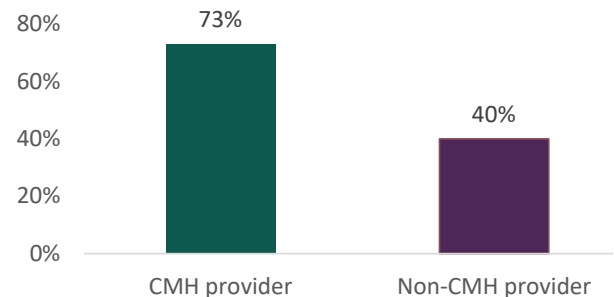
### Average Number of Jail Stays



## CMH Effectively Serves Individuals in Jails

- CMH plays a key role in serving individuals with SMI in Michigan's jails by increasing treatment engagement and reducing recidivism.
- CMH provides in-reach and post-jail follow-up services unlike private mental health providers.
- Current House (H.B. 4925-4929) and Senate (S.B. 597-598) bills would restructure or remove CMH for behavioral healthcare at the community level. This would lead to poor outcomes for this population and create a void on local, collaborative boards seeking to problem-solve and improve deflection and diversion efforts.

### Jail-Based Services Provided



The Center for Behavioral Health envisions communities in which research, data, and best practices are used by multiple stakeholders to enhance the optimal well-being of individuals with mental illness and/or substance use disorders who come in contact with the criminal/legal system.

<sup>1</sup>Found in Medicaid Encounter Data, Michigan Department of Health and Human Services; <sup>2</sup>Lim, et al. (2012). Risks of Drug-Related Death, Suicide, and Homicide During the Immediate Post-Release Period Among People Released From New York City Jails, 2001–2005, American Journal of Epidemiology, 175(6), 519–526; <sup>3</sup>County Jail Data; <sup>4</sup>Comartin, et al (2021). Comparing For-Profit and Nonprofit Mental Health Services in County Jails. The Journal of Behavioral Health Services & Research, 48(2), 320–329.



# Michigan Psychiatric Care Improvement Project (MPCIP)

October 2021 Update

## Overview

Michigan House CARES Task Force and the Michigan Psychiatric Admissions Discussion evolved into the Michigan Psychiatric Care Improvement Project (MPCIP).

### Two Part Crisis System

1. Public service for anyone, anytime anywhere: Michigan Crisis and Access Line (MiCAL) per PA 12 of 2020, Mobile crisis\*, Crisis Receiving and Stabilization Facilities<sup>1\*</sup>
2. More intensive crisis services that are fully integrated with ongoing treatment both at payer and provider level for people with more significant behavioral health and/or substance use disorder issues

### Opportunities for improvement

- Increase recovery and resiliency focus throughout entire crisis system,
- Expand array of crisis services
- Utilize data driven needs assessment and performance measures
- Equitable services across the state
- Integrated and coordinated crisis and access system – all partners
- Standardization and alignment of definitions, regulations, and billing codes

## MI-SMART (MEDICAL CLEARANCE PROTOCOL)

### Overview

- Standardized communication tool between EDs, CMHSPs, & Psychiatric Hospitals to rule out physical conditions when someone in the ED is having a behavioral health emergency and to determine when the person is physically stable enough to transfer if psychiatric hospital care is needed.
- Broad cross-sector implementation workgroup.
- Implementation is voluntary for now.
- Target Date: Soft rollout has started as of August 15, 2020.
- [www.mpcip.org/mpcip/mi-smart-psychiatric-medical-clearance/](http://www.mpcip.org/mpcip/mi-smart-psychiatric-medical-clearance/)

### Current Activities:

- Education of key stakeholders statewide; supporting early implementation sites; performance metric development.
- Two free MiSMART trainings with CMEs were held in July with good turnout.
- CSUs will be required to accept the MiSMART form from EDs as proof of medical clearance as part of certification.
- As of 10/14/21: Adopted/Accepted by: 30 Emergency Departments, 14 Psychiatric Hospitals, 13 CMHSPs. 19 more facilities are in the process of implementing.
- Targeted outreach to specific psychiatric hospitals and CMHSPs in geographic areas of ED adoption

## Michigan Crisis and Access Line (MiCAL)

Legislated through PA 12 of 2020, PA 166 of 2020.

## CALL SIDE

### Overview

- Crisis triage, support, and information and referral services 24/7 via phone, text, and chat
- Predicated on Recovery & Resiliency Principles: Caller-defined crisis, holistic, crisis support and triage, trauma informed, safety assessments, non-judgmental, referrals with follow up to help people connect to treatment when needed.

- Supports all Michiganders with behavioral health and substance use disorder needs to locate care regardless of severity level or payer type. Integrated with BHDDA Peer/ Recovery Coach Warm line, warm hand-offs and follow-ups, crisis resolution and/or referral, 24/7 warm line, and information and referral offered.
- MiCAL will not prescreen individuals. MiCAL will not directly refer people to psychiatric hospitals or other residential treatment. This will be done through PIHPs, CMHSPs, Emergency Departments, and Crisis Stabilization Units.
- Individual level performance measures.
- Opportunity for systems level change: data source for systems level needs i.e. to be addressed in collaboration with other systems including other crisis lines.
- Common Ground is the MiCAL staffing vendor.
- Target Dates: Pilot start date: Upper Peninsula and Oakland April 2021; **Operational Statewide October 2022.**
- Planned Design Activities:
  - Targeted Engagement Discussions to ensure MiCAL meets all Michiganders' needs. This process will pull together providers and people with lived experience for specific population groups to ensure that MiCAL is effectively outreaching and serving them.
  - Resources: Developing partnerships and technological integration with 211 and OpenBeds to ensure MiCAL has up to date resource information.

## Current Activities

- MiCAL Pilot is active in Upper Peninsula and Oakland County on April 19<sup>th</sup>.
- Warmline is active statewide.
- First Responder Crisis support project called Frontline Strong in partnership with Wayne State is in development.
- MiCAL and the Michigan Warmline staff have had over 21,000 encounters since April 19<sup>th</sup> (MiCAL go live); mostly calls. Over half the encounters have been on the Warmline.
- Pilot is focused on streamlining and routinizing care coordination process with CMHSPs and ensuring that CRM technology supports these processes.
- MiCAL Rollout: MiCAL will rollout statewide in two phases.
  - Phase 1 FY 22: MiCAL will rollout statewide one to two PIHP regions at a time, providing coverage for 988 and crisis and distress support through the MiCAL number. It will not provide additional regions with CMHSP crisis after hours coverage at this time.
  - Phase 2 FY 23: CMHSP After Hours Crisis Coverage. MiCAL will provide afterhours crisis coverage for CMHSPs who currently contract with a third party for afterhours crisis coverage. Rollout will occur one PIHP at a time.
- In early December, PIHPs, CMHSPs will be asked to provide BHDDA access and crisis services information in the CRM. This will be used for crisis services planning and in preparation for MiCAL referrals. We will host a couple of trainings which will cover the requirements and talk about 988 coordination requirements.

## BHDDA Customer Relationship Management (CRM) – Internal Business Processes

### Overview

- BHDDA will be transitioning all its internal business processes to a customer relationship management (CRM) system. The BHDDA CRM is a customized technological platform designed to automate and simplify procedures related to the regulatory relationship between BHDDA and its customers: PIHPs, CMHSPs, CCBHCs, SUD entities, Michiganders, etc.
- The development process includes written documentation of the business process, describing the process and highlighting requirements, and the translation of the business process into technology. All this information is included in the user training.
- Stakeholders for each process are actively engaged throughout the design process and user testing.

- Training materials on the CRM and each of the business processes are housed within the CRM. Training materials include videos and written job aids.
- Virtual, synchronous training and “Learning Lab hours” are held when a business process goes live.

## Current Activities

- Universal Credentialing (PA 282 of 2020): BHDDA is taking an in-depth look at the legislation and related business processes so we can ensure that the Universal Credentialing meets the requirements of the legislation and other process such as PIHP credentialing without having our partners enter the same information multiple times. They are designing a requirements cross walk which will be shared with stakeholders. BHDDA has already sent out an email soliciting participation from stakeholders and received a great response.
- Customer Service Inquiry and Contract Management Processes are rolled out statewide.
- ASAM Level of Care Certification Development is occurring now and will be estimated to be ready for rollout in December 2021.
- CMHSP Certification: Design work is still being done on this process. We are also working on rollout plans which will likely be a gradual rollout. Please stay tuned.

## 988 COALITION

### Overview

- MDHHS received a grant from Vibrant Emotional Health (Vibrant) to plan for the implementation of a new, national, three-digit number for mental health crisis and suicide response (9-8-8), which will launch on or before July 16, 2022.
- The 9-8-8 Planning Coalition has gathered input from stakeholders to aide in the development of Michigan’s implementation plan. They met monthly over the last several months to help develop, review
- Michigan’s Draft Plan has two phases based on implementation time frames. Phase 1 focuses primarily on ensuring adequate call coverage statewide. Phase 2 will focus on metrics, operations requirements, and marketing. Note: Vibrant is still developing requirements so they suggested the “Phase” planning approach.
- Stakeholders have provided feedback throughout the planning process. Workgroup meetings have focused on topics such as vision, follow up care, and resources.
- Michigan’s final plan is due January 30, 2022.
- 988 will have a soft launch in July 2022.
- Marketing will start at the federal level late 2022, early 2023. We have been asked to wait to market until we receive notice from Vibrant. They will send us marketing materials.

### Current Activities

- Michigan’s Draft Plan has two phases based on implementation time frames. Phase 1 focuses primarily on ensuring adequate call coverage statewide. Phase 2 will focus on metrics, operations requirements, and marketing. Note: Vibrant is still developing requirements so they suggested the “Phase” planning approach.
- Stakeholders have provided feedback throughout the planning process. Workgroup meetings have focused on topics such as vision, follow up care, and resources. Upcoming topics are metrics, communications, and funding.
- Official 988 Draft Plan was approved by the Workgroup and BHDDA Leadership and has been submitted to Vibrant and SAMHSA for their review. We expect feedback from them in November which we will incorporate into the final plan.
- We are starting implementation. We have scheduled meetings with existing NSPL centers to standardize processes as much as possible.

- We are also developing an email list to keep Workgroup members up to date and to solicit their help as needed on topics such as marketing.

## PSYCHIATRIC BED TREATMENT REGISTRY

### Overview

- Legislated through PA 658 of 2018, PA12 of 2020, PA 166 of 2020.
- Electronic service registry housing psychiatric beds, crisis residential services, and substance use disorder residential services.
- The Psychiatric Bed Registry is housed in the MiCARE/ OpenBeds platform which is Michigan's behavioral health registry/ referral platform which is operated and funded by LARA.
- The Psychiatric Bed Registry Advisory Group's purpose will transition from choosing a platform to supporting successful rollout and maximization of the OpenBeds platform to meet Michigan's needs.
- **Target audience:** Psychiatric Hospitals, Emergency Departments, CMHSP staff, PIHP staff.
  - Public and broader stakeholder access through MiCAL.
  - Broad cross-sector Advisory Workgroup.
- **Target Implementation Date:** Implemented statewide by January 2022.

### Current Activities

- LARA is rolling out MiCARE regionally with a statewide completion date by early 2022.
- LARA is in the process of rolling out MiCARE statewide to all the psychiatric hospitals which was strongly supported by Workgroup members at the August meeting.
- The Psychiatric Bed Advisory Workgroup will meet on Friday, October 22<sup>nd</sup> to support rollout and to focus on streamlining the referral process.

## CRISIS STABILIZATION UNITS

### Overview

- PA 402 of 2020 codifies Crisis Stabilization Units (CSUs) in the Mental Health Code. This new statute requires MDHHS to develop, implement, and oversee a certification process for CSUs. The legislation did not appropriate funding.
- MDHHS is contracting with Public Sector Consultants to help develop with the develop of a Michigan Model and certification criteria.
- MDHHS is convening a cross sector stakeholder group to develop a Michigan model. As a group Stakeholders will review models from other states and from Michigan to make recommendations around a model that will best fit the behavioral health needs of all Michiganders.
- Timing: Current to December 2021

### Current Activities

- MDHHS is contracting with PSC/HMA to help develop a Michigan model and certification process.
- There will be a model for both children and adults. The adult model should be complete 12-1-2021.
- PSC is facilitating twice monthly stakeholder groups with the initial focus on setting high level standards, determining capacity needs, and a thorough assessment of existing CSU like facilities in Michigan.
- Stakeholder Workgroup has over 50 members and is inclusive of people with lived experience, Peers, and representatives from diverse disciplines and geographic regions.

- The most recent workgroup focused on CSU services for children. A sub workgroup will meet to develop a family driven, youth guided CSU model.
- The Michigan model needs to work effectively in all regions. An initial listening session with rural CMHSPs was held to start work on developing a rural model for CSUs. More meetings will be held.
- PSC is also doing extensive research on best practices in other states as well as in Michigan. They have interviewed several other states.
- PSC is looking at available statewide data to help determine capacity needs.

## MOBILE CRISIS SERVICES

### Overview

- Mobile crisis services are one of the three major components that SAMHSA recommends as part of a public crisis services system.
- MDHHS goal is to eventually expand mobile crisis across the state for all populations, taking advantage of the enhanced Medicaid match.
- MDHHS has contracted with PSC/HMA to develop recommendations to expand mobile crisis for adults in Michigan, with special attention on strategies for rural areas.
- There is coordination with the MDHHS staff leading the KB lawsuit around services for children.

Target Date: Spring 2022

### Current Activities

- PSC is doing research on mobile crisis models.
- PSC is coordinating work with the Diversion Council and Wayne State Center for Behavioral Health Justice (CBHJ) who are also focused on looking at adult mobile crisis models.
- PSC will start exploring adult crisis stabilization services offered by CMHSPs in Michigan.
- MDHHS plans to take advantage of the advanced Medicaid match coming in the spring of 2022.

## SMI/SED 1115 WAIVER APPLICATION

### Current Activities

- MDHHS has determined that there is no need to pursue a SMI/SED 1115 Waiver for crisis services at this point in time as the current priorities can be accomplished through other means. MDHHS might pursue a waiver in the future if needs arise.

## QUESTIONS OR COMMENTS?

- Krista Hausermann ([hausermannk@michigan.gov](mailto:hausermannk@michigan.gov))
- Jon Villasurda ([villasurdaj@michigan.gov](mailto:villasurdaj@michigan.gov))

# Michigan Integration Efforts

October 2021 Update

## Overview

### Overview

MDHHS Integration Efforts include four key initiatives: Behavioral Health Homes (BHH), Opioid Health Homes (OHH), Certified Community Behavioral Health Clinics (CCBHC) and Promoting Integration of Primary and Behavioral Health Care (PIPBHC). Each initiative seeks to improve both behavioral and physical health outcomes by emphasizing care coordination, access, and comprehensive care. These programs specifically focus on adults and children with mental health and substance use disorder needs.

### Goals

1. Increase access to behavioral health and physical health services.
2. Elevate the role of peer support specialists and community health workers.
3. Improve health outcomes for people who need mental health and/or substance use disorder services.
4. Improve care transitions between primary, specialty, and inpatient settings of care.

### Opportunities for Improvement

1. Improve access to care for all individuals seeking behavioral health services (SMI, SUD, SED, mild to moderate).
2. Identify and attend to social determinants of health needs.
3. Improve care coordination between physical and behavioral health services.

## Behavioral Health Homes (BHH)

### Overview

- Medicaid Health Homes are an optional State Plan Benefit authorized under section 1945 of the US Social Security Act.
- Behavioral Health Homes provide comprehensive care management and coordination services to Medicaid beneficiaries with select serious mental illness or serious emotional disturbance by attending to a beneficiary's complete health and social needs.
- Providers are required to utilize a multidisciplinary care team comprised of physical and behavioral health expertise to holistically serve enrolled beneficiaries.
- As of October 1, 2020, Behavioral Health Home services are available to beneficiaries in 37 Michigan counties including PIHP regions 1 (upper peninsula), 2 (northern lower Michigan), and 8 (Oakland County)

### Current Activities:

- As of October 5, 2021, there are 881 people enrolled:
  - Age range: 7-84 years old
  - Race: 21% African American, 73% Caucasian, 1% or less American Indian, Hispanic, Native Hawaiian and Other Pacific Islander
- Regions are continuing to enroll eligible beneficiaries and working to expand health home partners to increase capacity to serve more beneficiaries.

### Questions or Comments

- Lindsey Naeyaert (naeyaertl@michigan.gov)
- Jon Villaurda (villasurdaj@michigan.gov)



## Certified Community Behavioral Health Clinics (CCBHC)

### Overview

- MI has been approved as a Certified Community Behavioral Health Clinic (CCBHC) Demonstration state by CMS. The demonstration will launch in October 2021 with a planned implementation period of two years. 14 sites, including 11 CMHSPs and 3 non-profit behavioral health providers, are eligible to participate in the demonstration. The CCBHC model increases access to a comprehensive array of behavioral health services by serving all individuals with a behavioral health diagnosis, regardless of insurance or ability to pay.
- CCBHCs are required to provide nine core services: crisis mental health services, including 24/7 mobile crisis response; screening, assessment, and diagnosis, including risk assessment; patient-centered treatment planning; outpatient mental health and substance use services; outpatient clinic primary care screening and monitoring of key health indicators and health risk; targeted case management; psychiatric rehabilitation services; peer support and counselor services and family supports; and intensive, community-based mental health care for members of the armed forces and veterans.
- CCBHCs must adhere to a rigorous set of certification standards and meet requirements for staffing, governance, care coordination practice, integration of physical and behavioral health care, health technology, and quality metric reporting.
- The CCBHC funding structure, which utilizes a prospective payment system, reflects the actual anticipated costs of expanding service lines and serving a broader population. Individual PPS rates are set for each CCBHC clinic and will address historical financial barriers, supporting sustainability of the model. MDHHS will operationalize the payment via the current PIHP network.

### Current Activities

- The CCBHC Demonstration started on October 1, 2021!
- CCBHC's are working on their certification application in the BHDDA CRM and MDHHS staff are beginning to review the applications. Ten CCBHCs were provisionally certified on October 1, 2021 as the rest continue to submit the required documentation.
- The final CCBHC policy (MSA 21-34) was distributed on September 1, 2021.
- The operational companion to the policy, the CCBHC Demonstration Handbook, has been developed and was distributed to PIHPs and CCBHCs.
- All technological systems met October 1st start date.
- The PPS rates have been finalized and sent to CMS for approval. They were also shared with PIHPs and CCBHCs.
- BHDDA staff hosted a CCBHC kickoff on September 20 and 21, 2021. The National Council for Mental Wellbeing kicked off the event with an overview of the national landscape of CCBHCs. The rest of the training focused on program requirements, CCBHC and PIHP roles and responsibilities, payment, and DCO arrangements. 176 participants attended each day of the event.
- We will be scheduling technical assistance calls with the PIHPs and CCBHCs in October to discuss implementation challenges and successes and provide technical assistance.
- Final rates and implementation procedures have been submitted to CMS for approval. The Implementation Team has been engaging in ongoing technical assistance with CMS.
- An MDHHS marketing request has been submitted to begin a public marketing campaign. Marketing is intended to increase awareness of the CCBHC model, eligibility, and services among the public and other community providers. Marketing will target the eighteen counties with demonstration sites.

## Questions or Comments

- Amy Kanouse (kanousea@michigan.gov)
- Lindsey Naeyaert (naeyaertl@michigan.gov)
- Jon Villasurda (villasurdaj@michigan.gov)

## Opioid Health Homes (OHH)

### Overview

- Medicaid Health Homes are an optional State Plan Amendment under Section 1945 of the Social Security Act.
- Michigan's OHH is comprised of primary care and specialty behavioral health providers, thereby bridging the historically two distinct delivery systems for optimal care integration.
- Michigan's OHH is predicated on multi-disciplinary team-based care comprised of behavioral health professionals, addiction specialists, primary care providers, nurse care managers, and peer recovery coaches/community health workers.
- As of October 1, 2021, OHH services are available to eligible beneficiaries in 48 Michigan counties. Service areas include PIHP region 1, 2, 6, 7, 9 and Calhoun and Kalamazoo counties in region 4.

### Current Activities

- As of October 5, 2021, 1,616 beneficiaries are enrolled in OHH services.
- MDHHS has recently expanded OHH services to an additional nine counties within PIHP region 6, 7, and 10.
- MDHHS is working on collaborating with many state agencies such as the Maternal and Infant Health division to ensure OHH beneficiaries have wraparound support services through their recovery journey.

## Questions or Comments

- Kelsey Schell (schellk1@michigan.gov)
- Jon Villasurda (villasurdaj@michigan.gov)

## Promoting Integration of Primary and Behavioral Health Care (PIPBHC)

### Overview

- PIPBHC is a five-year Substance Abuse and Mental Health Services (SAMHSA) that seeks to improve the overall wellness and physical health status for adults with SMI or children with an SED. Integrated services must be provided between a community mental health center (CMH) and a federally qualified health center (FQHC).
- Grantees must promote and offer integrated care services related to screening, diagnosis, prevention, and treatment of mental health and substance use disorders along with co-occurring physical health conditions and chronic diseases.
- MDHHS partnered with providers in three counties:
  - Barry County: Cherry Health and Barry County Community Mental Health to increase BH services
  - Saginaw County: Saginaw County Community Mental Health and Great Lakes Bay Health Centers



- Shiawassee County: Shiawassee County Community Mental Health and Great Lakes Bay Health Centers to increase primary care

### Current Activities

- Grantees are currently working toward integrating their EHR system to Azara DRVS to share patient data between the CMH and FQHC. This effort should improve care coordination and integration efforts between the physical health and behavioral health providers.
- Providers are starting to deliver more in person appointments to enrollees, but telehealth is still offered and preferred by some patients.
- CMH's and FQHC's are partnering to provide COVID-19 vaccination clinics to CMH recipients.
- Analysis of the FY21 Integration Self-Assessment has been completed for all grantees. Results show that grantees are increasing levels of integration when compared to the FY20 Integration Self-Assessment.

### Questions or Comments

- Lindsey Naeyaert (naeyaertl@michigan.gov)
- Jon Villasurda (villasurdaj@michigan.gov)

## REPORT OF THE MSHN DEPUTY DIRECTOR to the Board of Directors September/October 2021

### OPERATIONAL UPDATES

#### Certified Community Behavioral Health Clinic (CCBHC) Update

MSHN's regional CCBHC partners kick off their CCBHC efforts for FY22. As of October 11, 2021, Community Mental Health for Clinton, Eaton and Ingham and The Right Door for Health and Wellness (Ionia County) have both received their CCBHC provisional certification. Saginaw County Community Mental Health Authority is working towards a December 1, 2021, certification. Both MSHN staff and CCBHC staff are in the process of attending user training for the Waiver Support Application (WSA). The WSA has been designated by MDHHS as the system for MSHN to approve and assign individuals to the appropriate CCBHC and will also manage the consent process for participants. While there are still many outstanding questions and processes to work through, MSHN would like to congratulate our regional partners for their certification and continued efforts to expand services and improve outcomes for individuals served.

#### MSHN Staffing Update

Tammy Foster has accepted the Veterans Navigator position and will join MSHN on November 8, 2021. Tammy comes to us with many years of previous experience as the Case Manager for Veteran Families from the VFW National Home for Children, with her most recent employment from MDHHS as an Assistance Payment/Eligibility Specialist.

A listing of our current vacancies is located on the MSHN website under careers:  
<https://midstatehealthnetwork.org/stakeholders-resources/about-us/Careers>.

#### Intensive Crisis Stabilization Services

The Michigan Department of Health and Human Services (MDHHS) and Behavioral Health and Developmental Disabilities Administration (BHDDA) has completed a review of the CMHSP annual reports regarding the Intensive Crisis Stabilization Service (mobile crisis) for FY20. The review resulted in the following finding:

- There is evidence that the mobile crisis for children is not being provided in two CMHSPs.

MSHN is working with the applicable CMHSPs to submit a plan of correction. The plan must indicate how the CMHSP will raise awareness and educate the community about this service, including marketing and outreach strategies for families who are not yet open to CMH services. The plan of correction is due by November 24, 2021, and must include the following information and evidence of completion:

- Information must be present on the CMHSPs website for parents, youth, and community members about the service and how to access it
- Must provide Access and Emergency Services policy or written process that supports referrals to the program
- Evidence of outreach materials for the community
- Monthly data on service use including quotes or satisfaction data from families who have received the service

MSHN will monitor implementation of the corrective action plan to ensure compliance with contractual requirements.

### **Behavioral Health Waiver Update**

The Behavioral Health Department at MSHN consists of several functions that oversee the following 1915(c) waivers: The Children's Waiver Program (CWP), the Habilitation Supports Waiver (HSW), and the Waiver for Children with Serious Emotional Disturbance (SEDW) and the Autism Benefit as provided under Michigan's Early Periodic Screening, Diagnosis, and Treatment (EPSDT) services. The following includes enrollment updates on the MSHN Waiver Programs.

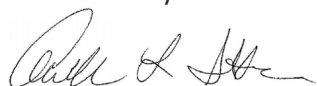
- CWP: At the end of the third quarter (Q3) of Fiscal Year 2021 (FY21), Mid-State Health Network's (MSHN) Children's Waiver Program (CWP) had a total of 64 enrollees, which was a 1.54% decrease since the end of the second quarter.
- HSW: MSHN currently has a slot allocation of 1,637 slots. At the end of June, 1,551 slots, or 94.7%, were being utilized. This is a 0.45% decrease since the end of the second quarter. MSHN has a contractual performance requirement to maintain at least 95% slot utilization.
- SEDW: At the end of Q3, MSHN SEDW program had a total of 140 enrollees, of which there were 61 Project Cases (children with open foster care cases and children adopted out of the Michigan Child Welfare System).
- Autism: MSHN's Autism Benefit program ended FY21 Q3 with 1,638 individuals enrolled, which was an increase of 125 enrollees since the end of Q2.

For more information on waiver enrollments, trends, and compliance, *see the link below FY21 Q3 Behavioral Health Department Report.*

### **MDHHS Credentialing Report**

MDHHS informed PIHPs in FY21 that a new quarterly report would be required for submission to MDHHS that includes information on individual and organizational credentialing activities. MSHN worked with the CMHSPs in our region to gather the required information for submission in August on Q1 & Q2 activities. Two of the twelve CMHSPs were unable to report due to lack of data availability and resources required to manually obtain and track the elements. While this reporting requirement is new to the region, the requirements to ensure appropriate documentation for credentialing and re-credentialing activities are not new. On October 4, 2021, MDHHS provided feedback on our submission along with required follow up and explanation of items in question. MSHN has reviewed the feedback and is working towards providing clarity as well as ensuring all CMHSPs are ready to submit the information for Q3 & Q4 by November 15, 2021. In addition, MSHN monitors delegated credentialing activities throughout the year through verification of sample files during the Delegated Managed Care Site Reviews. For more information on credentialing activities, *see the link below FY21Q3 Provider Network Quarterly Department Report.*

Submitted by:



Amanda L. Ittner  
Finalized: 10.21.21

### **Links to Reports:**

[Behavioral Health Department Report - FY21Q3](#)  
[Provider Network Department Report – FY21Q3](#)

**Background:**

In accordance with the MSHN Board of Directors to review financials, at a minimum quarterly, the Preliminary Statement of Net Position and Preliminary Statement of Activities for the Period Ending September 30, 2021, have been provided and presented for review and discussion.

**Recommended Motion:**

The MSHN Board of Directors receives and files the Preliminary Statement of Net Position and Preliminary Statement of Activities for the Period Ending September 30, 2021, as presented.

**Mid-State Health Network**  
**Preliminary Statement of Activities**  
**As of September 30, 2021**

	Budget Annual	Actual Year-to-Date	Budget Year-to-Date	Budget Difference	Budget Variance	
	FY 21 Amended Bdgt		FY 21 Amended Bdgt			
Revenue:						
Grant and Other Funding	\$ 274,669	200,042	274,669	(74,627)	(27.17) %	1a
Medicaid Use of Carry Forward	\$ 33,254,471	33,254,471	33,254,471	0	0.00 %	1b
Medicaid Capitation	705,572,002	646,245,774	705,572,002	(59,326,228)	(8.41) %	1c
Local Contribution	3,140,208	3,140,208	3,140,208	0	0.00 %	1d
Interest Income	30,000	29,628	30,000	(372)	(1.24) %	1e
Change in Market Value	0	(592)	0	(592)	0.00 %	1f
Non Capitated Revenue	17,735,171	13,135,985	17,735,171	(4,599,186)	(25.93) %	
Total Revenue	760,006,521	696,005,516	760,006,521	(64,001,005)	(8.42) %	
Expenses:						
PIHP Administration Expense:						
Compensation and Benefits	5,768,613	5,660,233	5,768,613	(108,380)	(1.88) %	
Consulting Services	90,000	88,237	90,000	(1,763)	(1.96) %	
Contracted Services	82,790	79,749	82,790	(3,041)	(3.67) %	
Other Contractual Agreements	477,500	343,289	477,500	(134,211)	(28.11) %	
Board Member Per Diems	11,270	9,100	11,270	(2,170)	(19.25) %	
Meeting and Conference Expense	36,800	22,883	36,800	(13,917)	(37.82) %	
Liability Insurance	36,800	36,783	36,800	(17)	(0.05) %	
Facility Costs	155,366	155,722	155,366	356	0.23 %	
Supplies	311,175	262,691	311,175	(48,484)	(15.58) %	
Depreciation	81,927	81,927	81,927	0	0.00 %	
Other Expenses	928,280	912,739	928,280	(15,541)	(1.67) %	
Subtotal PIHP Administration Expenses	7,980,521	7,653,353	7,980,521	(327,168)	(4.10) %	2a
CMHSP and Tax Expense:						
CMHSP Participant Agreements	591,602,867	612,496,939	591,602,867	20,894,072	3.53 %	1b,1c
SUD Provider Agreements	48,254,704	45,126,807	48,254,704	(3,127,897)	(6.48) %	1c,1f
Benefits Stabilization	2,498,500	2,498,500	2,498,500	0	0.00 %	1b
Tax - Local Section 928	3,140,208	3,140,208	3,140,208	0	0.00 %	1d
Taxes- IPA/HRA	20,499,013	20,941,424	20,499,013	442,411	2.16 %	2b
Subtotal CMHSP and Tax Expenses	665,995,292	684,203,878	665,995,292	18,208,586	2.73 %	
Transfer to ISF	0	4,100,000	0	4,100,000	100.00 %	2c
Total Expenses	673,975,813	695,957,231	673,975,813	21,981,418	3.26 %	
Excess of Revenues over Expenditures	\$ 86,030,708	\$ 48,285	\$ 86,030,708			

variance due to inter-account transfers

**Mid-State Health Network**  
**Preliminary Statement of Net Position by Fund**  
**As of September 30, 2021**

	Behavioral Health Operating	Medicaid Risk Reserve	Total Proprietary Funds	
<b>Assets</b>				
Cash and Short-term Investments				
Chase Checking Account	16,036,996	0	16,036,996	1a
Chase MM Savings	31,815,570	0	31,815,570	
Savings ISF Account	0	42,959,798	42,959,798	1b
Savings PA2 Account	8,911,051	0	8,911,051	1c
Investment ISF Account	0	2,998,332	2,998,332	1b
Total Cash and Short-term Investments	\$ 56,763,617	\$ 45,958,130	\$ 102,721,747	
Accounts Receivable				
Due from MDHHS	9,666,296	0	9,666,296	2a
Due from CMHSP Participants	48,021,850	0	48,021,850	2b
Due from CMHSP - Non-Service Related	10,150	0	10,150	2c
Due from Other Governments	747,462	0	747,462	2d
Due from Miscellaneous	215,156	0	215,156	2e
Due from Other Funds	0	4,100,000	4,100,000	2f
Total Accounts Receivable	58,660,914	4,100,000	62,760,914	
Prepaid Expenses				
Prepaid Expense Insurance	51,618	0	51,618	2g
Prepaid Expense Rent	4,529	0	4,529	2h
Prepaid Expense Other	12,938	0	12,938	2i
Total Prepaid Expenses	69,085	0	69,085	
Fixed Assets				
Fixed Assets - Computers	189,180	0	189,180	2j
Accumulated Depreciation - Information Tech	(189,180)	0	(189,180)	
Fixed Assets - Vehicles	251,983		251,983	2k
Accumulated Depreciation - Vehicles	(75,595)		(75,595)	
Total Fixed Assets	176,388	0	176,388	
<b>Total Assets</b>	<b>\$ 115,670,004</b>	<b>\$ 50,058,130</b>	<b>\$ 165,728,134</b>	
<b>Liabilities and Net Position</b>				
Liabilities				
Accounts Payable	\$ 2,554,881	\$ 0	\$ 2,554,881	1a
Current Obligations (Due To Partners)				
Due to State	35,640,754	0	35,640,754	3a
Other Payable	1,275,467	0	1,275,467	3b
Due to State HRA Accrual	3,947,636	0	3,947,636	1a, 3c
Due to State-IPA Tax	1,445,744	0	1,445,744	3d
Due to other funds	4,100,000	0	4,100,000	3e
Accrued PR Expense Wages	61,020	0	61,020	3f
Accrued Benefits PTO Payable	347,824	0	347,824	3g
Accrued Benefits Other	48,592	0	48,592	3h
Total Current Obligations (Due To Partners)	46,867,037	0	46,867,037	
Deferred Revenue	59,011,836	0	59,011,836	1b 1c 2b 3b
Total Liabilities	108,433,754	0	108,433,754	
Net Position				
Unrestricted	7,236,250	0	7,236,250	3i
Restricted for Risk Management	0	50,058,130	50,058,130	1b
Total Net Position	7,236,250	50,058,130	57,294,380	
<b>Total Liabilities and Net Position</b>	<b>\$ 115,670,004</b>	<b>\$ 50,058,130</b>	<b>\$ 165,728,134</b>	

# Mid-State Health Network

## Notes to Financial Statements

### For the Twelve-Month Period Ended, September 30, 2021

**Please note: The Preliminary Statement of Net Position and the Preliminary Statement of Activities contain Fiscal Year (FY) 2021 cost settlement figures between the PIHP and Michigan Department of Health Human Services (MDHHS) as well as each Community Mental Health Service Program (CMHSP) Participants. CMHSP Cost settlement figures were extracted from MSHN's July 2021 Savings Estimates. CMHSP cost settlement activity is generally finalized in May following the fiscal-year end.**

#### **Preliminary Statement of Net Position:**

1. Cash and Short-Term Investments
  - a) The Cash Chase Checking and Chase Money Market Savings accounts is the cash available for operations. A portion of cash available for operations will be used to cover accounts payable and taxes.
  - b) The Savings Internal Service Fund (ISF) and Investment ISF reflect designated accounts to hold the Medicaid ISF funds separate from all other funding per the MDHHS contract.
  - c) The Savings PA2 account holds PA2 funds and is also offset by the Deferred Revenue liability account.
2. Accounts Receivable
  - a) Approximately 40% of the balance in Due from MDHHS represents amounts owed to MSHN for fourth quarter 2021 HRA payments. Roughly 50% of the balance is owed to MSHN for the estimated FY 21 Performance Bonus Incentive Pool (PBIP) funds. The remaining amount in this account stems from Block Grant and other various grants funds owed to MSHN.

CMHSP	Cost Settlement	Payments/Offsets	Total
Bay	1.00	-	1.00
CEI	12,751,126.00	-	12,751,126.00
Central	(109,072.00)	-	(109,072.00)
Gratiot	2,598,266.00	-	2,598,266.00
Huron	162,742.00	-	162,742.00
The Right Door	2,452,359.00	-	2,452,359.00
Lifeways	2,196,123.00	-	2,196,123.00
Montcalm	3,092,111.00	-	3,092,111.00
Newaygo	2,130,438.00	-	2,130,438.00
Saginaw	20,061,651.00	-	20,061,651.00
Shiawassee	2,435,211.00	-	2,435,211.00
Tuscola	250,894.00	-	250,894.00
<b>Total</b>	<b>48,021,850.00</b>	<b>-</b>	<b>48,021,850.00</b>

- c) Due from CMHSP – Non-Service Related reflects the balance for MSHN's performance of Supports Intensity Scale (SIS) assessment billed to one CMH in the region.
- d) Due from Other Governments is the account used to track PA2 billing to the twenty-one counties in MSHN's region. The balance reflects FY 21 quarters two and three outstanding collections due from four counties.
- e) Approximately 49% of the balance in Due from Miscellaneous represents amounts owed from providers for Medicaid Event Verification (MEV) findings. The remaining amount



represents advances made to Substance Abuse and Treatment (SAPT) providers to cover operations.

- f) Due from other funds is the account used to manage anticipated ISF transfers. MSHN can retain up to 7.5 % of current FY revenue to manage risk. This amount is in addition to the allowable 7.5% for savings generated when Medicaid and Healthy Michigan revenue exceed expenses.
- g) Prepaid Insurance holds October 2021 fringe benefits paid in September.
- h) Prepaid Expense Rent balance consists of security deposits for three MSHN office suites.
- i) Nearly 74% of Prepaid Expense Other represents payments made in FY 21 for FY 22 Relias training. The Relias contract cycle is November through October. MSHN has a regional contract which includes the CMHSPs, and they are billed directly for their portion of Relias seats. The remaining portion in this account includes prepaid training for MSHN staff.
- j) This is an account used to track Managed Care Information System (MCIS) costs associated with PCE. This asset is fully depreciated.
- k) Fixed Asset Vehicle contains the total cost for MSHN's Mobile Unit. The Mobile Unit will be used to provide Substance Use Disorder services and tele-psychiatry as needed. Amounts in this account are being depreciated.

### 3. Liabilities

- a) Due to State account balance contains the outstanding FY 20 lapse amount which is \$2.6 M based on the Compliance Examination. The lapse amount indicates we have a fully funded ISF, and that savings will fall within the second tier (above 5%). Per contractual guidelines MDHHS will receive half of every dollar generated beyond this threshold until the PIHP's total savings reach the 7.5% maximum. In addition, MSHN is projecting an FY 21 \$33 M lapse to MDHHS.
- b) This amount is related to SUD provider payment estimates and is needed to offset the timing of payments.
- c) The HRA (Hospital Rate Adjustor) is a pass-through account for dollars sent from MDHHS to cover supplemental payments made to psychiatric hospitals. The HRA payments are intended to incentivize hospitals to have available psychiatric beds as needed. Total HRA payments are calculated based on the number of inpatient hospital services reported.
- d) Due to State - IPA Tax contains funds held for tax payments associated with MDHHS Per Eligible Per Month (PEPM) funds. Insurance Plan Assessment taxes are applied to Medicaid and Healthy Michigan eligible.
- e) Due to other funds is the liability account associated with 2f above.
- f) Accrued payroll expense wages represent expense incurred in September and paid in October.
- g) Accrued Benefits PTO (Paid Time Off) payable is the required liability account set up to reflect paid time off balances for employees.
- h) Accrued Benefits Other represents retirement benefits expense incurred in September and paid in October.
- i) The Unrestricted Net Position represents the difference between total assets, total liabilities, and the restricted for risk management figure.



## **Preliminary Statement of Activities:**

### **1. Revenue**

- a) This account tracks SIS revenue earned from CMHSPs, Veterans Navigator activity and other small grants. Actual revenue is lower than expected due to ongoing pandemic concerns.
- b) Medicaid Use of Carry Forward represents FY 20 savings. Medicaid savings is generated when prior year revenue exceeds expenses for the same time period. A small portion of Medicaid Savings is sent to the CMHSPs as Benefit Stabilization for 24/7/365 SUD activities which include access, prevention, and customer services. FY 20 Medicaid Carry Forward must be used as the first revenue source for FY 21.
- c) Medicaid Capitation – This account's variance results from an anticipated surplus of \$50 M being moved to the deferred revenue account on the Preliminary Statement of Net Position. An additional \$33 M of the surplus will be lapsed to MDHHS (Please see Statement of Net Position 3a). Medicaid Capitation dollars are disbursed to CMHSPs based on per eligible per month (PEPM) payment files and paid to SUD providers based on service delivery.
- d) Local Contribution is flow-through dollars from CMHSPs to MDHHS. Typically, revenue equals the expense side of this activity under Tax Local Section 928. Local Contributions were scheduled to reduce over the next few fiscal years until completely phased out. Legislators did not approve an FY 21 reduction thus the amounts collected from CMHSPs will be equal to those in FY 20.
- e) Interest income is earned from investments and changes in principle for investments purchased at discounts or premiums. The "change in market value" account records activity related to market fluctuations. Actual interest income is less than anticipated due to ongoing low interest rates and fewer investment opportunities to generate this revenue. In addition, the other portion of interest income is amounts earned from the PA2 and General Savings accounts.
- f) This account tracks non-capitated revenue for SUD services which include Community Grant and PA2 funds. More than half of the variance is related to SOR and Block Grant as some year-end activities have not been finalized. In addition, approximately \$1.3 M is related to unspent but approved PA 2 provider budget amounts.

### **2. Expense**

- a) Total PIHP Administration Expense is slightly under budget. The line items with the largest dollar amount variances are Compensation and Other Contractual Agreements. MSHN's compensation includes vacant Home and Community Based Waiver positions. MSHN is experiencing a decrease in salaries expense related to current vacancies. Other Contractual Agreements has several administrative expenses trending lower than budget amounts and costs for ASAM and GAIN assessments training being less than anticipated for the remainder of FY 21.
- b) IPA/HRA actual tax expenses are slightly over the budget amount however the variance is minimal. IPA estimates are impacted by variability in the number of Medicaid and Healthy Michigan eligibles. HRA figures will vary throughout the fiscal year based on inpatient psychiatric utilization. (Please see Statement of Net Position 3c and 3d).
- c) Transfer to ISF reconciles to the notes in the Preliminary Statement of Net Position (2f and 3e).

MID-STATE HEALTH NETWORK  
SCHEDULE OF INTERNAL SERVICE FUND INVESTMENTS  
As of September 30, 2021

DESCRIPTION	CUSIP	TRADE DATE	SETTLEMENT DATE	MATURITY DATE	CALLABLE	AMOUNT DISBURSED	PRINCIPAL	AVERAGE ANNUAL YIELD TO MATURITY
UNITED STATES TREASURY BILL	912796SP5	4.23.19	4.25.19	10.24.19	no	988,182.64	1,000,000.00	2.365%
UNITED STATES TREASURY BILL	912796SP5	4.23.19	4.25.19	10.24.19			(1,000,000.00)	
FEDERAL HOME LOAN MTG CORP	3137EAEF2	5.2.19	5.3.19	4.20.20	no	624,605.01	630,000.00	2.331%
FEDERAL HOME LOAN MTG CORP	3137EAEF2						(630,000.00)	
UNITED STATES TREASURY BILL	912796RN1	6.7.19	6.10.19	12.5.19	no	1,979,752.50	2,000,000.00	2.068%
UNITED STATES TREASURY BILL	912796RN1						(2,000,000.00)	
UNITED STATES TREASURY BILL	912796TF6	8.14.19	8.15.19	2.13.20	no	2,972,607.48	3,000,000.00	1.823%
UNITED STATES TREASURY BILL	912796TF6						(3,000,000.00)	
UNITED STATES TREASURY BILL	912796TK5	9.12.19	9.12.19	3.12.20	no	991,043.07	1,000,000.00	1.788%
UNITED STATES TREASURY BILL	912796TK5						(1,000,000.00)	
FEDERAL FARM CREDIT BANK	3133ELCD4	12.2.19	12.3.19	6.2.21	yes	2,000,092.22	2,000,000.00	1.660%
FEDERAL FARM CREDIT BANK	3133ELCD4						(2,000,000.00)	
UNITED STATES TREASURY BILL	912796UC1	2.12.20	2.13.20	1.28.21	no	2,959,268.75	3,000,000.00	
UNITED STATES TREASURY BILL	912796UC1						(3,000,000.00)	
UNITED STATES TREASURY BILL	912796C56	1.28.21	1.28.21	7.29.21	no	2,999,590.50	3,000,000.00	0.027%
UNITED STATES TREASURY BILL	912796C56	1.28.21	1.28.21	7.29.21			(3,000,000.00)	
UNITED STATES TREASURY BILL	912796k57	8.2.21	8.3.21	7.14.22		2,998,706.25	2,998,923.08	
JP MORGAN INVESTMENTS							2,998,923.08	
JP MORGAN CHASE SAVINGS							42,439,653.72	0.050%
							<u>\$ 45,438,576.80</u>	

**U.S. Treasury Bills** – Treasury Bills, or T-Bills, are sold in terms ranging from a few days to 52 weeks. T-Bills are short-term debt issued and backed by the full faith and credit of the United States government. T-Bills are typically sold at a discount from the par amount (par amount is also called face value). You can hold a T-Bill until it matures or sell it prior to maturity. When a T-Bill matures, you are paid the par amount. Assuming the T-Bill is held to maturity, the difference between the par amount at maturity and the original cost is the amount of interest earned. **Source: U.S Treasury Direct**

**U.S. Agencies** – An agency security is a low-risk debt obligation that is issued by a U.S. government-sponsored enterprise (GSE). A Government-Sponsored Enterprise (GSE) bond is an agency bond issued by such agencies as Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage (Freddie Mac), Federal Farm Credit Banks Funding Corporation, and the Federal Home Loan Bank. Unlike Treasury securities, government agency bonds are not expressly backed by the full faith and credit of the U.S. government, but they do carry an implied backing due to the continuing ties between the agencies and the U.S. government. Most agency securities pay a semi-annual fixed coupon. **Source: Investopedia**

**Background**

In accordance with the MSHN Operating Agreement, Article VI, Contracts that state the following:

The Entity Board must approve the execution of any contract exceeding \$25,000 in value. This includes any contract involving the acquisition, ownership, custody, operation, maintenance, lease, or sale of real or personal property and the disposition, division or distribution of property acquired through execution of the contract.

Therefore, MSHN presents the attached FY22 Contract Listing for Board approval and authorization of the Chief Executive Officer to sign.

**Recommended Motion:**

The MSHN Board authorizes its Chief Executive Officer to sign and fully execute the contracts as presented and listed on the FY22 contract listing.

MID-STATE HEALTH NETWORK					
FISCAL YEAR 2022 NEW AND RENEWING CONTRACTS					
November 2021					
CONTRACTING ENTITY	CONTRACT SERVICE DESCRIPTION	CONTRACT TERM	ORIGINAL FY22 CONTRACT AMOUNT	FY22 TOTAL CONTRACT AMOUNT	FY22 INCREASE/ (DECREASE)
PIHP ADMINISTRATIVE FUNCTION CONTRACTS					
Lisa Najavits (Trainer)	Seeking Safety Training via virtual format for 200 attendees with Seeking Safety manuals for each (COVID - BG Funds)	10.1.21 - 3.31.22	-	26,400	26,400
			\$ -	\$ 26,400	\$ 26,400
CONTRACTING ENTITY	SUD PROVIDERS COST REIMBURSEMENT PROJECTS/PROGRAM DESCRIPTION	CONTRACT TERM	ORIGINAL FY22 COST REIMBURSEMENT CONTRACT AMOUNT	FY22 TOTAL COST REIMBURSEMENT CONTRACT AMOUNT	FY22 INCREASE/ (DECREASE)
Home of New Vision	Jackson Co. Engagement Center (COVID - BG Funds)	10.1.21 - 9.30.22	-	333,946	333,946
			\$ -	\$ 333,946	\$ 333,946
CONTRACTING ENTITY	CONTRACT SERVICE DESCRIPTION (Revenue Contract)	CONTRACT TERM	FY21 ORIGINAL CONTRACT AMOUNT	FY21 TOTAL CONTRACT AMOUNT	FY21 INCREASE/ (DECREASE)
Michigan Department of Health & Human Services (EGrAMS)	Community Grant	10.1.20 - 9.30.21	5,154,076	5,478,164	324,088
	State Disability Assistance	10.1.20 - 9.30.21	302,084	150,000	(152,084)
	SUD Administration	10.1.20 - 9.30.21	518,000	298,000	(220,000)
	SUD Administration	10.1.20 - 9.30.21	298,000	420,000	122,000
			\$ 6,272,160	\$ 6,346,164	\$ 74,004

**Mid-State Health Network (MSHN) Board of Directors Meeting**  
**Tuesday, September 14, 2021**  
**LifeWays Community Mental Health**  
**Meeting Minutes**

**1. Call to Order**

Vice-Chairperson Irene O'Boyle called this meeting of the Mid-State Health Network Board of Directors to order at 5:27 p.m. following the Public Hearing Meeting. Ms. O'Boyle introduced Mike Cierzniewski as the newest Board Member. Ms. O'Boyle also expressed her thanks on behalf of the MSHN Board of Directors to Ms. Maribeth Leonard, CEO of LifeWays Community Mental Health (CMH) for use of LifeWays CMH conference room to hold this evening's board meeting and would also like to express thanks to Ms. Latrelle Burk, the Executive Coordinator at LifeWays for coordinating the room set-up to allow for appropriate social distancing.

**2. Roll Call**

Ms. O'Boyle asked Ms. Sherry Kletke, MSHN Executive Assistant, to conduct the roll call on behalf of Acting Board Secretary Mr. Anderson.

**Board Member(s) Present:** Jim Anderson (Bay-Arenac), Brad Bohner (LifeWays), Joe Brehler (CEI), Bruce Cadwallender (Shiawassee), Mike Cierzniewski (Saginaw), Craig Colton (Huron), Ken DeLaat (Newaygo), David Griesing (Tuscola), Dan Grimshaw (Tuscola), Tina Hicks (Gratiot), Dianne Holman (CEI), John Johansen (Montcalm), Steve Johnson (Newaygo), Jeanne Ladd (Shiawassee), Rhonda Matelski (Huron), Deb McPeck-McFadden (Ionia), Gretchen Nyland (Ionia), Irene O'Boyle (Gratiot), Kurt Peasley (Montcalm), Joe Phillips (CMH for Central Michigan), Tracey Raquepaw (Saginaw), Kerin Scanlon (CMH for Central Michigan)

**Board Member(s) Absent:** Pat McFarland (Bay-Arenac) and Ed Woods (LifeWays)

**Staff Members Present:** Joseph Sedlock (Chief Executive Officer), Amanda Ittner (Deputy Director), Leslie Thomas (Chief Financial Officer), Sherry Kletke (Executive Assistant)

**Public Present:** Maribeth Leonard (CEO – LifeWays)

**3. Approval of Agenda for September 14, 2021**

Board approval was requested for the Agenda of the September 14, 2021, Regular Business Meeting.

**MOTION BY DEB MCPEEK-MCFADDEN, SUPPORTED BY DAVID GRIESING, FOR APPROVAL OF THE AGENDA OF THE SEPTEMBER 14, 2021, REGULAR BUSINESS MEETING, AS PRESENTED. MOTION CARRIED: 22-0.**

**4. Public Comment**

There was no public comment.

**5. Consideration of MSHN Fiscal Year 2021 Budget Amendment**

Ms. Leslie Thomas provided an overview and information on the Fiscal Year 2021 Budget Amendment report and recommended board approval as presented.

**MOTION BY TINA HICKS, SUPPORTED BY KURT PEASLEY, FOR APPROVAL OF THE MSHN FISCAL YEAR 2021 BUDGET AMENDMENT, AS PRESENTED. MOTION CARRIED: 22-0.**

**6. Consideration of MSHN Regional Budget for Fiscal Year 2022**

Board approval was requested for the MSHN Fiscal Year 2022 Budget as presented during the Public Hearing.

**MOTION BY TRACEY RAQUEPAW, SUPPORTED BY DAVID GRIESING, FOR APPROVAL OF THE MSHN FISCAL YEAR 2022 BUDGET, AS PRESENTED DURING THE PUBLIC HEARING. MOTION CARRIED: 22-0.**

**7. Direct Care Worker Premium Pay Continuation**

Mr. Joseph Sedlock discussed the Direct Support Professional Enhanced Compensation Program (DCW PREMIUM PAY). PA2 of 2021 extended the DCW premium pay through September 30, 2021 at an increased hourly wage of \$2.25 + 12% employer costs. MSHN, with the unanimous support of its Operations Council, consisting of the Chief Executive Officers of its partner CMHSPs, recommends the continuation of the DCW premium pay in the MSHN region for a six-month period thru March 31, 2022. Mr. Sedlock indicated that the regional guidance document will be updated periodically to include initiatives agreed upon between the regional CMHSPs and MSHN, if any, to meet the challenges presented by the workforce crisis in the region.

**MOTION BY JOE BREHLER, SUPPORTED BY DAVID GRIESING, TO AUTHORIZE THE COTINUATUON OF THE MSHN DIRECT SUPPORT PROFESSIONAL ENHANCED COMPENSATION PROGRAM (DCW PREMIUM PAY) THROUGH MARCH 31, 2022 AT CURRENT HOURLY RATES LEVELS AND WITHIN REGIONAL PARAMETERS ESTABLISHED BY THE MSHN CHIEF EXECUTIVE OFFICER (INCLUDING INCORPORATING ANY CHANGES DUE TO MDHHS DIRECTIVE OR LEGISLATIVE MANDATE) AND, IF THE PROGRAM IS NOT**

**DIRECTLY FUNDED BY THE STATE, TO FUND IT USING MSHN-MANAGED FINANCIAL RESOURCES. MOTION CARRIED: 22-0.**

## **8. FY2022-2023 Strategic Plan**

Mr. Joseph Sedlock provided an overview and information about the FY2022-2023 Strategic Plan. The strategic priorities include continuation of the four previous priorities of better health, better care, better provider systems and better value and the adoption of a fifth strategic priority, better equity.

Mr. Joseph Sedlock extended thanks to the MSHN Board, staff and consumers for the valuable input received in the development of the FY2022-2023 Strategic Plan.

Some board members offered several comments in support of or questioning appropriateness of several areas included in the plan.

Ms. Irene O'Boyle expressed kudos to MSHN and TBD Solutions in putting the FY2022-2023 Strategic Plan together.

**MOTION BY KURT PEASLEY, SUPPORTED BY TINA HICKS, TO APPROVE THE FY2022-2023 STRATEGIC PLAN FOR MSHN AND TO DIRECT THE CHIEF EXECUTIVE OFFICER TO IMPLEMENT THE PLAN. MOTION CARRIED: 20-2.**

## **9. Board Nominating Committee Report**

Ms. Kerin Scanlon, Chairperson of the MSHN Board Nominating Committee, provided an overview of the Nominating Committee meeting on August 20, 2021. The committee identified that creating at large member(s) of the Board Executive Committee may improve future board leader development and increase participation of non-officer board members in the activities of the Executive Committee.

**MOTION BY KERIN SCANLON, SUPPORTED BY JOHN JOHANSEN, TO CREATE UP TO TWO AT LARGE MEMBERS OF THE MSHN BOARD EXECUTIVE COMMITTEE AND TO ELECT AT LARGE MEMBERS OF THE EXECUTIVE COMMITTEE DURING THE REGULAR BOARD OFFICER ELECTION TIMELINE AND PROCESS. MOTION CARRIED: 22-0.**

## **10. Special Order: Board Officer Election**

Ms. Kerin Scanlon provided a report of committee actions leading to nominations for Fiscal Year 2022 board officer positions and brought forth the following nominations:

- Board Chairperson:
  - Mr. Ed Woods
- Board Vice-Chairperson:
  - Ms. Irene O'Boyle
  - Mr. Kurt Peasley



- Board Secretary:
  - Mr. Kurt Peasley
- At Large Executive Committee Member:
  - Mr. David Griesing

Ms. Kerin Scanlon called for nominations from the floor for the election of Board Officers and At Large Executive Committee Members. Ms. Deb McPeck-McFadden nominated Mr. Pat McFarland for the second At Large Executive Committee Member. There were no other nominations.

Mr. Kurt Peasley asked to address the Board and requested that his name be withdrawn from the slate for Board Vice-Chairperson, leaving Ms. Irene O'Boyle as the only nominee. Mr. Peasley praised Ms. O'Boyle for all her hard work she does for the MSHN Board and knows that she will continue to do in the Vice-Chairperson position.

Paper ballots were collected for the Board Chairperson position and the vote was unanimous for nominee Mr. Ed Woods.

**MOTION BY STEVE JOHNSON, SUPPORTED BY TINA HICKS, MR. PEASLEY HAVING WITHDRAWN AND THERE BEING ONLY ONE NOMINEE FOR VICE-CHAIRPERSON, TO CLOSE NOMINATIONS AND CAST A UNANIMOUS BALLOT FOR MS. IRENE O'BOYLE AS VICE-CHAIRPERSON. MOTION CARRIED: 22-0.**

**MOTION BY JOHN JOHANSEN, SUPPORTED BY DAVID GRIESING, THAT THERE BEING ONLY ONE NOMINEE FOR SECRETARY, TO CLOSE NOMINATIONS AND CAST A UNANIMOUS BALLOT FOR MR. KURT PEASLEY AS SECRETARY. MOTION CARRIED: 22-0.**

**MOTION BY JOHN JOHANSEN, SUPPORTED BY TINA HICKS, THAT THERE BEING TWO VACANCIES AND TWO NOMINEES FOR AT LARGE EXECUTIVE COMMITTEE MEMBERS, TO CLOSE NOMINATIONS AND CAST A UNANIMOUS BALLOT FOR MR. DAVID GRIESING AND MR. PAT MCFARLAND AS AT LARGE MEMBERS OF THE EXECUTIVE COMMITTEE. MOTION CARRIED: 22-0.**

## **11. Chief Executive Officers Report**

Mr. Joseph Sedlock discussed several items from within his written report to the Board highlighting the following:

- PIHP/Regional Matters
- COVID-19 MSHN Internal Operations Status
- MSHN Staffing Configuration Changes. The Director of Provider Network Management Systems position will not be filled. Responsibilities are being absorbed into other positions.



- MDHHS/MSHN Contract Amendment #3
- Region (and Statewide) Workforce Issues Continue
- State of Michigan/Statewide Activities
  - House and Senate Behavioral Health System Redesign Proposals. The Senate Government Operations Committee meeting was held this afternoon and the hearing can be viewed beginning tomorrow, Wednesday September 15, 2021. Mr. Joseph Sedlock will email the link to the board members.
- Michigan Psychiatric Care Improvement Project
- Federal/National Activities
  - Dying From Drugs: A New Look at Overdose Deaths in the U.S. Board members expressed concern over the number of overdoses during the COVID-19 pandemic occurring due to opioids and stimulants. Mr. Joseph Sedlock will ask MSHN staff to present on the topic of Safe Use and Syringe Service Programs at an upcoming Board Meeting.

## 12. Deputy Directors Report

Ms. Amanda Ittner discussed several items in her written report to the board, highlighting the following:

- Certified Community Behavioral Health Clinic (CCBHC) Update
- MSHN Staffing Update
- Balanced Scorecard – FY21, as of June 30, 2021
- Information Technology – Michigan Health Information Network
- Population Health Activities: Initiation and Engagement of Alcohol and Other Drug Dependence Treatment (IET)

## 13. Chief Financial Officers Report

Ms. Leslie Thomas provided an overview of the financial reports included within board meeting packets for the period ended July 31, 2021.

**MOTION BY KURT PEASLEY, SUPPORTED BY JOHN JOHANSEN, TO RECEIVE AND FILE THE STATEMENT OF NET POSITION AND STATEMENT OF ACTIVITIES FOR THE PERIOD ENDING JULY 31, 2021, AS PRESENTED. MOTION CARRIED: 22-0.**

Ms. Leslie Thomas provided a status report on reductions to MSHN's allocation of Federal Substance Abuse Prevention & Treatment Block Grant (SAPTBG) Funds earlier in the year. MSHN's targeted reduction strategy appears to be effective. The report was included within board meeting packets.

## 14. Contracts for Consideration/Approval

Ms. Amanda Ittner provided an overview of the FY22 contract listing provided in the meeting packet and requested the board authorize MSHN's CEO to sign and fully execute the contracts listed on the FY22 contract listing.

**MOTION BY DAVID GRIESING, SUPPORTED BY TINA HICKS, TO AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO SIGN AND FULLY EXECUTE THE CONTRACTS LISTED ON THE FY22 CONTRACT LISTING, AS PRESENTED. MOTION CARRIED: 22-0.**

#### **15. Executive Committee Report**

Ms. Irene O'Boyle discussed the upcoming CEO Performance Review Process and indicated that Ms. Sherry Kletke will be sending an email to Board members in November containing a link to an easy online version of the CEO performance evaluation for each member to complete. Ms. Irene O'Boyle stressed the importance of all board members providing feedback regarding the CEO performance. Mr. Sedlock will not see any individual responses and is not involved in the data collection process.

Ms. Irene O'Boyle is looking forward to the addition of the new At Large Executive Committee members at the upcoming Executive Committee meetings and reminded all Board members that they are also welcome to participate in the Executive Committee meetings.

#### **16. Chairpersons Report**

Ms. Irene O'Boyle wishes Board Chairperson, Ed Woods, well and looks forward to having Ed join us again soon.

#### **17. Fiscal Year 2022 Board Meeting Calendar**

Board approval was requested for the Fiscal Year 2022 Board Meeting Calendar as presented.

**MOTION BY BRAD BOHNER, SUPPORTED BY MIKE CIERZNIEWSKI, TO ADOPT THE FISCAL YEAR 2022 MSHN BOARD OF DIRECTORS MEETING CALENDAR, AS PRESENTED. MOTION CARRIED: 22-0.**

#### **18. Approval of Consent Agenda**

Board approval was requested for items on the consent agenda as listed in the motion below, and as presented.

**MOTION BY JOHN JOHANSEN, SUPPORTED BY TINA HICKS, TO APPROVE THE FOLLOWING DOCUMENTS ON THE CONSENT AGENDA: APPROVE MINUTES OF THE JULY 6, 2021 BOARD OF DIRECTORS MEETING; RECEIVE BOARD EXECUTIVE COMMITTEE MEETING MINUTES OF AUGUST 20, 2021; RECEIVE POLICY COMMITTEE MINUTES OF AUGUST 3, 2021; RECEIVE OPERATIONS COUNCIL KEY DECISIONS OF July 19, 2021 AND**

**AUGUST 16, 2021; RECEIVE NOMINATING COMMITTEE MEETING MINUTES OF JUNE 29, 2021 and AUGUST 20, 2021; AND TO APPROVE ALL OF THE FOLLOWING POLICIES: BREACH NOTIFICATION, DISASTER RECOVERY, INFORMATION MANAGEMENT, RECORD RETENTION AND PROVIDER NETWORK MANAGEMENT. MOTION CARRIED: 22-0.**

**19. Other Business**

There was no other business.

**20. Public Comment**

Reminder of Walk-A-Mile Event coming up on September 29, 2021.

**21. Adjournment**

The MSHN Board of Directors Regular Business Meeting adjourned at 6:50 pm.

**Mid-State Health Network (MSHN) Board of Directors Public Hearing**  
**Tuesday, September 14, 2021**  
**LifeWays Community Mental Health**  
**Meeting Minutes**

**1. Call to Order**

Vice-Chairperson Irene O'Boyle called this meeting of the Mid-State Health Network Board of Directors to order at 5:00 pm. Ms. O'Boyle introduced Mike Cierzniewski as the newest Board Member. Ms. O'Boyle also expressed her thanks on behalf of the MSHN Board of Directors to Ms. Maribeth Leonard, CEO of LifeWays Community Mental Health (CMH) for use of LifeWays CMH conference room to hold this evening's public hearing and would also like to express thanks to Ms. Latrelle Burk, the Executive Coordinator at LifeWays for coordinating the room set-up to allow for appropriate social distancing.

**2. Roll Call**

Ms. O'Boyle asked Ms. Sherry Kletke, MSHN Executive Assistant, to conduct the roll call on behalf of Acting Board Secretary Mr. Anderson.

**Board Member(s) Present:** Jim Anderson (Bay-Arenac), Brad Bohner (LifeWays), Joe Brehler (CEI), Bruce Cadwallender (Shiawassee), Mike Cierzniewski (Saginaw), Craig Colton (Huron), Ken DeLaat (Newaygo), David Griesing (Tuscola), Dan Grimshaw (Tuscola), Tina Hicks (Gratiot), Dianne Holman (CEI), John Johansen (Montcalm), Steve Johnson (Newaygo), Jeanne Ladd (Shiawassee), Rhonda Matelski (Huron), Deb McPeck-McFadden (Ionia), Gretchen Nyland (Ionia), Irene O'Boyle (Gratiot), Kurt Peasley (Montcalm), Joe Phillips (CMH for Central Michigan), Tracey Raquepaw (Saginaw), and Kerin Scanlon (CMH for Central Michigan)

**Board Member(s) Absent:** Pat McFarland (Bay-Arenac) and Ed Woods (LifeWays)

**Staff Members Present:** Joseph Sedlock (Chief Executive Officer), Amanda Ittner (Deputy Director), Leslie Thomas (Chief Financial Officer), Sherry Kletke (Executive Assistant)

**Public Present:** Maribeth Leonard (CEO – LifeWays)

**3. Approval of Agenda for September 14, 2021**

Board approval was requested for the Agenda of the September 14, 2021, Public Hearing.

**MOTION BY BRAD BOHNER SUPPORTED BY TRACEY RAQUEPAW FOR APPROVAL OF THE AGENDA OF THE SEPTEMBER 14, 2021, PUBLIC HEARING, AS PRESENTED. MOTION CARRIED: 22-0.**

**4. Fiscal Year 2022 Budget Presentation**

Ms. Leslie Thomas presented the FY2022 MSHN Regional Budget as distributed at the time of the meeting and answered questions posed by board members.

**5. Public Comment**

There was no public comment.

**6. Board Comment**

There was no board comment.

**7. Adjourn**

The MSHN Public Hearing adjourned at 5:26 p.m.

## Mid-State Health Network Board of Directors Executive Committee Meeting Minutes

Friday, October 15, 2021, 9:00 a.m.

Members Present: Ed Woods, Chairperson; Irene O’Boyle, Vice-Chairperson; Kurt Peasley, Secretary; David Griesing, At Large Member; Pat McFarland, At Large Member

Others Present: Ken DeLaat

Staff Present: Joseph Sedlock, Chief Executive Officer; Amanda Ittner, Deputy Director

1. **Call to order:** This meeting of the MSHN Executive Committee was called to order by Chairperson Woods at 9:05 a.m.
2. **Approval of Agenda:** Motion by I. O’Boyle supported by K. Peasley to approve the agenda for this meeting. Motion carried.
3. **Guest Board Member Comments:** None. At Large Members P. McFarland and D. Griesing were welcomed to the Executive Committee.
4. **Board Matters:**
  - 4.1 **November 2021 Draft Board Meeting Agenda:** The agenda for the November 2 board meeting was reviewed. In addition to regular meeting agenda topics, there are scheduled presentations on the Compliance Examination Report from the board’s auditing firm and the FY 22 Compliance Program Plan. The committee noted that the board meeting location is at a conference center in Okemos, where winter board meetings will be held this year. The Committee requested that administration notify board members that overnight accommodations are available at MSHN cost for those members for whom travel after the board meeting would be a hardship.
  - 4.2 **MSHN CEO Performance Review Update:** I. O’Boyle provided the Committee with a brief update on the CEO Performance Review process and current status. Ms. O’Boyle indicated that Mr. Sedlock is not involved in any aspect of the performance review process other than having provided names of peers, stakeholders and staff to participate in the 360-feedback portion of the review. The board will be provided with a link to a “survey monkey” evaluation tool during the November board meeting.
5. **Administrative Matters:**
  - 5.1 **Provider Stabilization Update:** Administration reported that MDHHS has asked PIHPs to continue the previously approved provider stabilization plan through all of FY 2022, which MSHN will do. MSHN has provided more than \$12M in support to CMHSPs and CMHSP providers and over \$3.1M in support to SAPTR providers since the beginning of the program.
  - 5.2 **Direct Care Worker (DCW) Wage Adjustment Update:** Administration reported that the legislature passed, and the governor signed a FY 22 budget that included direct care worker premium pay continuation through all of FY 22. The MSHN Board had approved a motion to continue the DCW premium pay, if necessary, at its own expense, through March 2022. Since this is now law and funded through FY 22, MSHN administration will not bring an extension motion for board consideration in March. Mr. Sedlock indicated that the current PIHP/MDHHS contract is partially funded, with a rate adjustment expected in January-March 2022 time frame.
  - 5.3 **Michigan Plans for Incoming Afghan Nationals:** MDHHS announced that about 1,300 Afghan Nationals will be received in Michigan communities (Kent, Kalamazoo, Calhoun, Muskegon, Ottawa,

Ingham, Washtenaw, Wayne, Oakland, Macomb primarily) in the coming weeks; the number and circumstances are changing daily. MDHHS is announcing that Afghan Nationals will be eligible for Medicaid and WIC. Local agencies (refugee/resettlement) are helping with settlement (housing, employment, etc.). Afghan Nationals will be provided with initial housing (in host-family or other arrangements) in the above counties (primarily) and will re-settle from those counties to other places of their choosing. The state public behavioral health system is preparing to provide trauma-informed and culturally sensitive/competent services and is arranging for interpreter services Dari, Pashto and Farsi) to be available.

- 5.4 Other: P. McFarland asked if there is a description or scope of responsibility of the Executive Committee. Clarifications were provided that the Executive Committee is not described in the bylaws but was appointed by the Chair to handle administrative support between board meetings and that if actions are taken by the MSHN Executive Committee they are forwarded to the MSHN Board for consideration and ratification. Chairperson Woods noted these instances are rare.

**6. Other:**

- 6.1. Any other business to come before the Executive Committee: None
- 6.2. Next scheduled Executive Committee Meeting: 11/19/2021 – On recommendation of the chair, the November 19, 2021, Executive Committee is cancelled. If needed, the chair will call a meeting.

**7. Guest Board Member Comments: None**

**8. Adjourn: This meeting was adjourned at approximately 9:32 am.**



**MID-STATE HEALTH NETWORK**  
**BOARD POLICY COMMITTEE MEETING MINUTES**  
**TUESDAY, OCTOBER 5, 2021 (VIDEO CONFERENCE)**

**Members Present:** Irene O’Boyle, Kurt Peasley, Jim Anderson, Jeanne Ladd, John Johansen

**Staff Present:** Amanda Ittner (Deputy Director); Sherry Kletke (Executive Assistant)

**1. CALL TO ORDER**

Mr. John Johansen called the Board Policy Committee meeting to order at 10:00 a.m.

**2. APPROVAL OF THE AGENDA**

**MOTION** by Kurt Peasley, supported by Jim Anderson, to approve the October 5, 2021, Board Policy Committee Meeting Agenda, as presented. Motion Carried: 5-0.

**3. POLICIES UNDER DISCUSSION:**

No policies were presented for further discussion.

**4. POLICIES UNDER BIENNIAL REVIEW**

Mr. John Johansen invited Ms. Amanda Ittner to inform members on the revisions made to the policies being presented under biennial review. Ms. Ittner provided an overview of the substantive changes within the policies. The Compliance chapter has been reviewed by the MSHN Chief Compliance & Quality Officer, the Regional Compliance Committee and the Operations Council.

**CHAPTER: COMPLIANCE**

1. COMPLIANCE LINE
2. COMPLIANCE AND PROGRAM INTEGRITY
3. CONSENT TO SHARE INFORMATION
4. DISQUALIFIED PROVIDERS
5. REPORTING AND INVESTIGATIONS
6. CONFIDENTIALITY AND NOTICE OF PRIVACY
7. EXTERNAL QUALITY REVIEW

**MOTION** by Irene O’Boyle, supported by Jeanne Ladd, to approve and recommend the policies under biennial review as presented. Motion carried: 5-0.

Board Policy Committee October 5, 2021: Minutes are Considered Draft until Board Approved

## **5. NEW BUSINESS**

Mr. John Johansen offered a reminder of the procedure to email the policy committee packet to the committee members asking for any changes or edits to the policies being presented. An updated packet, noting any changes or edits, if any, is then emailed back out to the committee prior to the meeting.

There will be no meeting in December 2021. The next Board Policy Committee meeting will be February 1, 2022.

## **6. ADJOURN**

Mr. John Johansen adjourned the Board Policy Committee Meeting at 10:11 a.m.

*Meeting Minutes respectfully submitted by:  
MSHN Executive Assistant*

**REGIONAL OPERATIONS COUNCIL/CEO MEETING**

Key Decisions and Required Action

Date: September 20, 2021

**Members Present:** Lindsey Hull; Maribeth Leonard; Carol Mills; Sharon Beals; Tracey Dore; Tammy Warner; Kerry Possehn; Michelle Stillwagon; John Obermesik; Sandy Lindsey; Sara Lurie

**Members Absent:** Chris Pinter

**MSHN Staff Present:** Joseph Sedlock; Amanda Ittner; Per topic area: Leslie Thomas; Kim Zimmerman

Agenda Item		Action Required			
<b>CONSENT AGENDA</b>	No discussion				
	Approved as presented	By Who	N/A	By When	N/A
<b>MSHN Regional Savings Estimates through July 2021</b>	L. Thomas reviewed the July 2021 Savings Estimate				
	Informational Only	By Who	N/A	By When	N/A
<b>Regional Standardized Contract – ABA – Change log and Contract for FY 22</b>	A. Ittner reviewed the Change Log and Review Process				
	Feedback due to Amanda if any by next Monday; significant changes will be incorporated; final version will be sent by MSHN shortly after 09/27. Intention is to use the standardized regional contract template for all applicable FY 22 CMHSP contracts.	By Who	CMHs	By When	9.28.21
<b>Regional Standardized Inpatient Psychiatric – Change Log/Contract</b>	A. Ittner reviewed the Change Log and Review Process				
	Feedback due to Amanda if any by next Monday; significant changes will be incorporated; final version will be sent by MSHN shortly after 09/27. Intention is to use the standardized regional contract template for all applicable FY 22 CMHSP contracts.	By Who	CMHs	By When	9.28.21
<b>Compliance Plan Change Log and Plan Edits For FY 22</b>	K. Zimmerman reviewed the changes to the FY22 Compliance Plan. Discussed remote environment;				
	Endorsed by Operations Council with changes as presented to move forward with MSHN Board approval in November	By Who	Zimmerman	By When	11.15.21
<b>System Redesign – Ongoing Dialog/Discussion/Regional Strategies (If</b>	Discussed legislative hearings coming up and the last week videoconference with Rep. Brabec Also discussed Whiteford listening tour				

Agenda Item		Action Required			
any)	Discussed MLR, Taxes and what is reported in admin: L. Thomas will review and report back				
	L. Thomas to review what is included in MLR and send via email to Ops members	By Who	L. Thomas	By When	9.25.21
Regional COVID related updates/planning (if any)	Discussed the Biden administrative policy on vaccination requirements; consideration for staff of 100 more employees; federal contractor; identification as healthcare provider. Gratiot sees as not healthcare provider since ETS/OSHA; Waiting for next OSHA guidance. The Thursday call may get cancelled due to Directors Forum DCW still at \$2 in budget legislation, no details on the tentative agreement – still waiting MSHN Board approved continuation of the current DCW plan at current regional levels even if not legislative appropriated				
	Discussion Only	By Who	N/A	By When	N/A
		By Who		By When	
		By Who		By When	
		By Who		By When	

**REGIONAL OPERATIONS COUNCIL/CEO MEETING**

Key Decisions and Required Action

Date: October 18, 2021

**Members Present:** Lindsey Hull; Maribeth Leonard; Carol Mills; Sharon Beals; Tracey Dore; Tammy Warner; Kerry Possehn; Michelle Stillwagon; John Obermesik; Sandy Lindsey; Sara Lurie

**Members Absent:** Chris Pinter

**MSHN Staff Present:** Joseph Sedlock; Amanda Ittner; For applicable topic area: Skye Pletcher

Agenda Item	Action Required				
CONSENT AGENDA	Pag 38-39 of the QIC – FUH two rows for each CMH – Label for the rows				
	MSHN to follow up with QIC to add label for rows	By Wh o	A. Ittner	By When	10.23.21
FY2o Operations Council Annual Report (QAPI Evaluation)	J. Sedlock reviewed the Annual Report for inclusion in the QAPI Evaluation and requested any additions. Update page 98 to Upcoming Goal FY22				
	MSHN to edit and submit to QAPI	By Wh o	J. Sedlock	By When	10.31.21
FY22 Utilization Management Plan	S. Pletcher reviewed the UM Plan edits as reviewed by UMC.				
	Approved to proceed with changes; Next step Board	By Wh o	S. Pletcher	By When	10.31.21
Medicaid Event Verification	A. Ittner reviewed the MEV position vacancy and request for CMHSPs interest in providing this function on the behalf of the region.				
	If interested respond by 10.31.21 to A. Ittner	By Wh o	CMHSPs	By When	10.31.21
System Redesign – Ongoing Dialog/Discussion/Regional Strategies (if any)	J. Sedlock reviewed the schedule for the listening tours. S. Lauri reported her county signed a third resolution and will send MSHN a copy. T. Warner meeting with her local senator J. Obermesik has resolutions in his counties being presented this month and next J. Sedlock will send Sara a list of the questions for Brebac panel				

Agenda Item		Action Required			
	Sara to send MSHN a copy of the resolution	By Wh o	S. Lauri	By When	10.31.21
<b>Regional COVID related updates/planning (if any)</b>	Open discussion regarding clinical in office, remote or hybrid.				
	Discussion Only	By Wh o	N/A	By When	N/A
<b>NGRI</b>	S. Lindsey reported concerns regarding the webinar series a couple months ago regarding NGRI. A presentation is expected at the conference next week. Sandy worked with other CMH Directors to address their concerns; hopeful changes will occur but wondered if others experienced same things.				
	Discussion Only	By Wh o	N/A	By When	N/A

## POLICIES AND PROCEDURE MANUAL

<b>Chapter:</b>	<b>Compliance</b>		
<b>Title:</b>	<b>Compliance Line</b>		
<b>Policy:</b> <input checked="" type="checkbox"/> <b>Procedure:</b> <input type="checkbox"/>  <b>Page:</b> 1 of 2	<b>Review Cycle:</b> <del>Annually</del> Biennial  <b>Author:</b> Chief Compliance Officer & Quality Improvement Council	<b>Adopted Date:</b> 07.01.2014  <b>Review Date:</b> 11.05.2019  <b>Revision Eff. Date:</b>	<b>Related Policies:</b> Compliance and Program Integrity

### **Purpose**

To ensure Mid-State Health Network (MSHN) maintains a compliance line that is available to receive reports from employees, network providers, contractors, stakeholders and/or consumers about suspected fraud or regulatory violations.

### **Policy**

The Mid-State Health Network will develop and maintain a dedicated compliance line for the purpose of receiving reports from employees, network providers, contractors, consumers, and/or stakeholders about suspected fraud or regulatory violations.

The telephone number for the compliance line will be posted prominently in all office locations and on the MSHN website. Calls will be treated confidentially and in accordance with the protections provided in the Michigan Whistleblower's Act (PA 469 of 1980).

The MSHN Compliance Officer (CO) will listen to the compliance line messages and receive calls daily. For periods of absence the MSHN CO shall assure appropriate and designated coverage for the line. The MSHN Compliance Officer, will prepare a compliance log for each call. The compliance log will summarize the call, and clearly identify the concern and the indicated follow up of the MSHN CO.

The MSHN CO may perform investigations in accordance with the Corporate Compliance Plan. ~~If an investigation reveals an indication of a significant regulatory violation or fraud, the MSHN CO will inform the MSHN Chief Executive Officer (CEO) and the need for additional investigation will be evaluated. The MSHN CO will also report, as required and appropriate, to the Office of Inspector General.~~

~~An investigation report will be prepared by the MSHN CO and submitted to the MSHN CEO. The need for corrective action will be evaluated by the MSHN CEO with consultation of the MSHN CO and corporate counsel if necessary.~~

~~The MSHN CEO will determine if a self-report action should be taken by the Mid State Health Network and will initiate such a report or delegate such action in writing to the MSHN Compliance Officer and/or corporate counsel.~~

~~The MSHN Board of Directors will receive an annual compliance report summarizing compliance activities of MSHN.~~



**Applies to:**

- ☒ All Mid-State Health Network Staff  
☐ Selected MSHN Staff, as follows:  
☐ MSHN's CMHSP Participants: ☐ Policy Only ☒ Policy and Procedure Other:  
☐ Sub-contract Providers

**Definitions:**

MSHN: Mid-State Health Network

MSHN- CEO: Mid-State Health Network Chief Executive Officer

MSHN-CO: Mid-State Health Network Compliance Officer

**Related Materials:**

MSHN Corporate Compliance Plan (CCP)

**References/Legal Authority:**

Michigan Whistleblower's Act (PA 469 of 1980)

[~~Michigan Medicaid Managed Special Supports and Service Contract FY 20 – 7.11 Regulatory Management~~](#)

[State of Michigan/PIHP Contract: Schedule A: Statement of Work Contract Activities: R. Program Integrity](#)

[Code of Federal Regulations, Section 42: 438.608 – Program Integrity Requirements](#)

**Change Log:**

<b>Date of Change</b>	<b>Description of Change</b>	<b>Responsible Party</b>
07.01.2014	New policy	Chief Compliance Officer
08.25.2016	Annual Review	Director of Compliance, Customer Service, & Quality
08.24.2017	Annual Review	Director of Compliance, Customer Service, & Quality
08.2018	Annual Review	Director of Compliance, Customer Service, & Quality
09.2019	Annual Review	Director of Compliance, Customer Service, & Quality
<a href="#">08.2021</a>	<a href="#">Bi-Annual Review; removed language on investigations; updated references</a>	<a href="#">Chief Compliance and Quality Officer</a>

## POLICIES AND PROCEDURE MANUAL

<b>Chapter:</b>	<b>Compliance</b>		
<b>Section:</b>	<b>Compliance and Program Integrity</b>		
<b>Policy:</b> <input checked="" type="checkbox"/> <b>Procedure:</b> <input type="checkbox"/>  <b>Page:</b> 1 of 2	<b>Review Cycle:</b> <u>Annually/Biennial</u>  <b>Author:</b> Chief Compliance Officer	<b>Adopted Date:</b> 11.2013  <b>Review Date:</b> 11.005.2019  <b>Revision Effective Date:</b> 01.05.2016	<b>Related Policies:</b> Compliance Reporting & Investigations Compliance Line External Quality Review Program Integrity Required Reporting

### Purpose

To ensure that Mid-State Health Network (MSHN) conducts all aspects of service delivery and administration with integrity, in conformance with the highest standards of accountability and applicable laws, while utilizing sound business practices, through the development of and adherence to its Corporate Compliance Plan (CCP), guaranteeing the highest standards of excellence.

### Policy

#### A. Corporate Compliance:

1. MSHN shall establish, implement and maintain a region-wide Corporate Compliance Plan that is in accordance with federal and state statutes, laws and regulations. MSHN will furthermore adhere to regulations required by the Attorney General's Office, Office of Inspector General, Centers for Medicaid and Medicare, and relevant accrediting bodies.
2. The MSHN Corporate Compliance Plan provides the framework for MSHN to comply with applicable laws, regulations and program requirements, minimize organizational risk, maintain internal controls and encourage the highest level of ethical and legal behavior.
3. MSHN, and the CMHSP Participants and the SUD Provider Network, shall have policies and procedures necessary to comply with the MSHN CCP and shall ensure effective processes for identifying and reporting suspected fraud, abuse and waste, and timely response to detected offenses with appropriate corrective action.
4. MSHN, and the CMHSP Participants and the SUD Provider Network, shall each identify a Corporate Compliance Officer ~~specific to their agencies~~ who is responsible for developing and implementing policies, procedures, and practices designed to ensure compliance with the requirements of the contract.
5. MSHN, and the CMHSP Participants and the SUD Provider Network, shall have a compliance committee at the senior management level charged with overseeing the agencies compliance program.
- 5-6. MSHN, and the CMHSP Participants and the SUD Provider Network, shall provide staff and board member training in compliance with the CCP and will maintain records of staff attendance. Trainings shall include but are not limited to: Federal False Claims Act, Michigan False Claims Act and Whistleblowers Protection Act.
- 6-7. MSHN, and the CMHSP Participants and the SUD Provider Network, shall require all Board members, employees and contractors to comply with corporate compliance requirements including any necessary reporting to other agencies.
8. MSHN, and the CMHSP Participants and the SUD Provider Network, shall review their own

compliance activities at least annually.

~~7.9. The CMHSP Participants and the SUD Provider Network and~~ will participate in the annual review of the MSHN CCP and provide recommendations for revisions as needed.

**B. Ethical Standards/Program Integrity**

1. All services within MSHN shall be provided with commitment to appropriate business, professional and community standards for ethical behavior.
  2. MSHN shall develop and maintain Standards of Conduct applicable to all MSHN staff and MSHN Board Members.
  3. MSHN shall conduct business with integrity and not engage in inappropriate use of public resources.
  4. MSHN shall ensure that services are provided in a manner that maximizes benefit to consumers while avoiding risk of physical, emotional, social, spiritual, psychological or financial harm.
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5. All MSHN staff and MSHN Board Members shall conduct themselves in such a way as to avoid situations where prejudice, bias, or opportunity for personal or familial gain, could influence, or have the appearance of influencing, professional decisions.
  6. The CMHSP Participants and the SUD Provider Network shall have standards of conduct that articulate organization's commitment to comply with all applicable requirements and standards under the contract, and all applicable Federal and State requirements.

**Applies to:**

- ☒ All Mid-State Health Network Staff and Board Members  
☐ Selected MSHN Staff, as follows:  
☒ MSHN's CMHSP Participants: ☐ Policy Only ☒ Policy and Procedure  
☒ Other: Sub-contract Providers

**Definitions/Acronyms:**

CCP: Corporate Compliance Plan  
CMHSP: Community Mental Health Service Program  
MDHHS: Michigan Department of Health and Human Services  
PIHP: Prepaid Inpatient Health Plan  
SUD: Substance Use Disorder

**Related Materials:**

Mid-State Health Network Corporate Compliance Plan  
~~CMHSP Participant and the SUD Prevention and Treatment Provider Network~~

**References/Legal Authority:**

1. Department of Health and Human Services, Office of Inspector General, Publication of the OIG Compliance Program Guidance for Hospitals.
2. Michigan False Claims Act (Act 72 of 1997)
3. Michigan Whistleblowers Protection Act (Act 469 of 1980)
4. Deficit Reduction Act of 2005
- ~~5. Michigan Medicaid Managed Special Supports and Service Contract FY 20—  
7.11 Regulatory Management 4~~
5. State of Michigan/PIHP Contract: Schedule A: Statement of Work Contract Activities: R.  
Program Integrity
6. Code of Federal Regulations, Section 42: 438.608 – Program Integrity Requirements

**Change Log:**

<b>Date of Change</b>	<b>Description of Change</b>	<b>Responsible Party</b>
11.2013	New Policy	Chief Compliance Officer
11.2014	Annual Review	Chief Compliance Officer
11.2015	Annual Review & Updates	Director of Compliance, Customer Services & Quality
08.2016	Annual Review	Director of Compliance, Customer Services & Quality
08.2017	Annual Review	Director of Compliance, Customer Services & Quality
08.2018	Annual Review	Director of Compliance, Customer Services & Quality
09.2019	Annual Review	Director of Compliance, Customer Service, & Quality
<u>08.2021</u>	<u>Bi-Annual Review; Updated references; added language consistent with 42 CFR</u>	<u>Chief Compliance and Quality Officer</u>

## POLICIES AND PROCEDURE MANUAL

<b>Chapter:</b>	<b>Compliance</b>		
<b>Title:</b>	<b>Consent to Share Information</b>		
<b>Policy:</b> <input checked="" type="checkbox"/> <b>Procedure:</b> <b>Page:</b> 1 of 5	<b>Review Cycle:</b> <u>Annually/Biennial</u>  <b>Author:</b> Director of Quality, Compliance and Customer Service	<b>Adopted Date:</b> 01.09.2018  <b>Review Date:</b> 07.09.2019  <b>Revision Eff. Date:</b>	<b>Related Policies:</b>

### **Purpose**

To ensure that Mid-State Health Network (MSHN) Pre-Paid Inpatient Health Plan (PIHP) is in compliance with the Michigan Department of Health and Human Services (MDHHS), State of Michigan/PIHP Contract/Medicaid Managed Specialty Supports and Services Contract regarding the use and acceptance of the current MDHHS Standard Release-Consent Form.

Michigan Public Act 129 of 2014 mandated that the Michigan Department of Health and Human Services (MDHHS) develop a standard release form for exchanging and sharing confidential mental health and substance use disorder information for use by public and private agencies, departments, corporations, or individuals that are involved with treatment of an individual experiencing serious mental illness, serious emotional disturbance, developmental disability, or substance use disorder.

### **Policy**

MSHN delegates the responsibility to the Community Mental Health Services Program (CMHSP) Participants and the Substance Use Disorder (SUD) Providers for obtaining consents to share information such as mental health records or information on treatment or referrals for alcohol and substance use services. The consent form is to be utilized for all electronic and non-electronic Health Information Exchange environments: (This would include hard copies of records that are passed from one provider to another.) CMHSP Participants and SUD Providers will utilize, accept and honor the MDHHS standard release-consent form (Form MDHHS – 5515) that was created by MDHHS under Public Act 129 of 2014 (DCH-3927 Consent to Share Behavioral Health Information for Care Coordination Purposes). MSHN will not use or disclose protected health information without written authorization except where permitted or required by state and/or federal law(s).

#### **Sharing Protected Health Information NOT Requiring a Signed Consent:**

- Health Insurance Portability and Accountability Act (HIPAA) and the Michigan Mental Health Code (under Public Act 559 of 2016) allows for the sharing of mental health records for the purposes of treatment, payment, and coordination of care
- Sharing information for Substance Use Service under the following conditions (42 CFR- Part 2; Subpart D and E):
  - Medical Emergencies
  - Research
  - Audit and Evaluation
  - Court Ordered
- Refer to Attachment A for examples of when a signed consent is not required

#### **Sharing Protected Health Information that DOES Require a Signed Consent:**

- Behavioral health and mental health services for purposes other than payment, treatment and coordination of care
- Referrals and/or treatment for substance use disorder services
- Refer to Attachment A for examples of when a signed consent is required

MDHHS Standard Consent Form CANNOT be used for the following:

- To share psychotherapy notes (as defined by federal law - 45 CFR 164.501)
- Release of information pertaining to HIV infection or acquired immunodeficiency syndrome (unless by court order or subpoena as defined in the Public Health Code – Section 333.5131)
- For a release from any person or agency that has provided services for domestic violence, sexual assault, stalking, or other crimes.

**Applies to**

- ☒ All Mid-State Health Network Staff  
☐ Selected MSHN Staff, as follows:  
☒ MSHN's Affiliates: ☒ Policy Only    ☐ Policy and Procedure  
☒ Other: Sub-contract Providers

**Definitions**

**Care Coordination:** A set of activities designed to ensure needed, appropriate and cost-effective ~~care~~<sup>care for</sup> beneficiaries. As a component of overall care management, care coordination activities focus on ensuring timely information, communication, and collaboration across a care team and between Responsible Plans. Major priorities for care coordination in the context of a care management plan include:

- Outreach and contacts/communication to support patient engagement,
- Conducting screening, record review and documentation as part of Evaluation and Assessment,
- Tracking and facilitating follow up on lab tests and referrals,
- Care Planning,
- Managing transitions of care activities to support continuity of care,
- Address social supports and making linkages to services addressing housing, food, etc., and
- Monitoring, Reporting and Documentation.

**CMHSP:** Community Mental Health Service Programs

**Consent:** A written agreement executed by a recipient, a minor recipient's parent, or a recipient's legal representative with authority to execute a consent, or a verbal agreement of a recipient that is witnessed and documented by an individual other than the individual providing treatment.

**Contractor:** Medicaid Health Plans and Prepaid Inpatient Health Plans

**DHHS:** Department of Health and Human Services

**MDHHS:** Michigan Department of Health and Human Services

**MSHN:** Mid-State Health Network

**Payment:** Activities undertaken by (1) A health plan to obtain premiums or to determine or fulfill its responsibility for coverage and provision of benefits under the health plan; or (2) A health care provider or health plan to provide reimbursement for the provision of health care.

**PIHP:** Prepaid Inpatient Health Plan

**Responsible Plan:** Contractors with responsibility for Medicaid beneficiaries within the shared service area

**SUD:** Substance Use Disorder

**Treatment:** The provision, coordination, or management of health care and related services by one or more health care providers, including the coordination or management of health care by a health care provider with a third party; consultation between health care providers relating to a patient; or referral of a patient for health care from one health care provider to another.

### **Other Related Materials**

1. DCH-3927 Consent to Share Behavioral Health Information for Care Coordination Purposes ([http://www.michigan.gov/mdhhs/0,5885,7-339-71550\\_2941\\_58005\\_70642---,00.html](http://www.michigan.gov/mdhhs/0,5885,7-339-71550_2941_58005_70642---,00.html))
2. Behavioral Health Consent Form Background Information ([http://www.michigan.gov/documents/mdhhs/Behavioral\\_Health\\_Consent\\_Form\\_Background\\_Information\\_514583\\_7.pdf](http://www.michigan.gov/documents/mdhhs/Behavioral_Health_Consent_Form_Background_Information_514583_7.pdf))
3. Behavioral Health Consent Form ~~Handout~~ ([https://www.michigan.gov/mdhhs/0%2C5885%2C7-339-71550\\_2941\\_58005\\_70642%2C00.html](https://www.michigan.gov/mdhhs/0%2C5885%2C7-339-71550_2941_58005_70642%2C00.html))[http://www.michigan.gov/documents/mdhhs/Behavioral\\_Health\\_Consent\\_Form\\_Handout\\_514584\\_7.pdf](http://www.michigan.gov/documents/mdhhs/Behavioral_Health_Consent_Form_Handout_514584_7.pdf))
4. Frequently Asked Questions for Michigan Residents About the DCH-3927 ([http://www.michigan.gov/documents/mdhhs/MDHHS-Pub-1101\\_514350\\_7.pdf](http://www.michigan.gov/documents/mdhhs/MDHHS-Pub-1101_514350_7.pdf))
5. ~~Public Act 129 of 2014~~
6. ~~Public Health Code – Section 333.5131~~
7. ~~Mental Health Code – Section 330.1141a~~
8. ~~Public Act 559 of 2016~~
9. ~~Code of Federal Regulation – Title 45 – Section 164.501~~

### **References/Legal Authority**

~~Medicaid Managed Specialty Supports and Service Concurrent 1915 (b)/(c) Waiver Program FY20:-  
Section 7.9.3: MDHHS Standard Consent Form~~

1. Michigan Mental Health Code, Sections 330-1261, 330-1262 and 330-1263
2. ~~Michigan PA 129 of 2014~~
3. ~~Michigan Public Health Code – Section 333.5131~~
4. ~~Michigan Mental Health Code - Section 330.1141a~~
5. ~~Public Act 559 of 2016~~
6. ~~Code of Federal Regulation – Title 45 - Section 164.501~~
7. ~~State of Michigan/PIHP Contract: Schedule A: Statement of Work Contract Activities: N. Provider Services:~~
8. ~~MDHHS Standard Consent Form~~

### **Change Log:**

<b>Date of Change</b>	<b>Description of Change</b>	<b>Responsible Party</b>
09.2017	New Policy	Director of Quality, Compliance, and Customer Svc.
03.2018	Annual Review	Director of Quality, Compliance, and Customer Svc.
09.2018	Revisions Requested by Ops Council	Director of Quality, Compliance, and Customer Svc.
03.2019	Annual Review	Quality Manager
09.2019	Update Attachment A – Move policy under Compliance	Director of Compliance, Customer Service, & Quality
<u>08.2021</u>	<u>Bi-Annual Review; Minor wording changes for consistency with contract language; Updated related materials references</u>	<u>Chief Compliance and Quality Officer</u>



**Attachment A: (This is not an exhaustive list of all agencies or circumstances)**

<b>DOES NOT REQUIRE CONSUMER CONSENT TO DISCLOSE INFORMATION</b>			<b>REQUIRES CONSUMER CONSENT TO DISCLOSE INFORMATION</b>
<b>Treatment</b>	<b>Payment</b>	<b>Coordination of Care</b>	
The provision, coordination, or management of health care and related services by one or more health care providers, including the coordination or management of health care by a health care provider with a third party; consultation between health care providers relating to a patient; or referral of a patient for health care from one health care provider to another	Activities undertaken by (1) A health plan to obtain premiums or to determine or fulfill its responsibility for coverage and provision of benefits under the health plan; or (2) A health care provider or health plan to provide reimbursement for the provision of health care.	A set of activities designed to ensure needed, appropriate and cost-effective care for beneficiaries. As a component of overall care management, care coordination activities focus on ensuring timely information, communication, and collaboration across a care team and between Responsible Plans.	
Contracted Treatment Providers	DHHS-for Medicaid/ Financial Assistance Reasons	CMHP, PIHP, Health Plans and Health Plan Providers involved in a care team around a specific consumer	Referrals and/or treatment for substance use disorder
Primary Care Physicians	Payment to Providers	Contracted Treatment Providers	Natural Supports: Family, Spouse, Friends, Partners, etc.
Physical Health Care Specialists	Contracted Providers	Primary Care Physicians	Employers
Hospitals/Urgent Care/Labs -Medical and Psychiatric	BCBS/other 3rd party payor reviews	Physical Health Care Specialist	Schools (including ISD)
Persons/Providers as required under Alternative Treatment Order (ATO)	Any insurance companies related to payment for services	Hospitals/Urgent Care/Labs -Medical and Psychiatric	Law Enforcement (i.e. Probation Officer) outside of court ordered treatment or a court order
Jail for medications & aftercare coordination	Social Security	DHHS Housing/Food/Other Benefits Assistance	Landlord/Housing
Pharmacies	Non-Contracted Treatment Providers	Veteran's Administration	Non-Contracted Treatment Providers
DHHS as guardian (consumer is ward of the court/ward of the State)	Veteran's Administration		Attorneys
Office of Inspector General (OIG) for active investigations			Step Parent
DHHS-CPS/APS for active investigations (does not include SUD)			Fair Hearing Representatives

consumers other than initial mandated reporting)			
LARA (Licensing)-for active investigation			DHHS Foster Care Workers (UNLESS child is a ward of the state & worker has legal rights, or there is open CPS/APS case, or DHHS has legal custody)
Michigan Protection & Advocacy (MPAS)			Mental Health Court/Drug Court/Veterans Court
			Coroner/Medical Examiner
			Guardian Ad Litem
			Court Appointed Special Advocate (CASA)
			Ombudsman
			Clergy
			DHHS- CPS/APS for active investigation (SUD consumers only)
			Pharmaceutical Advocates
			Foster Care Parent(s) (No release needed if MDHHS Form #3762 is presented - Consent to Routine, Non-Surgical, Medical Care and Emergency Medical/Surgical Treatment)

MINIMUM NECESSARY: A key protection of the HIPAA Privacy Rule, is derived from confidentiality codes and practices in common use today. It is based on sound current practice that protected health information should not be used or disclosed when it is not necessary to satisfy a particular purpose or carry out a function. The minimum necessary standard requires covered entities to evaluate their practices and enhance safeguards as needed to limit unnecessary or inappropriate access to and disclosure of protected health information. The Privacy Rule's requirements for minimum necessary are designed to be sufficiently flexible to accommodate the various circumstances of any covered entity.

NEED TO KNOW: Protected Health Information is only to be released to individuals who need to have access to the information to perform their job function.

## POLICIES AND PROCEDURE MANUAL

<b>Chapter:</b>	<b>Compliance</b>		
<b>Title:</b>	<b>Disqualified Providers</b>		
<b>Policy:</b> <input checked="" type="checkbox"/> <b>Procedure:</b> <input type="checkbox"/> <b>Page:</b> 1 of 5	<b>Review Cycle:</b> <u>Annually/Biennial</u> <b>Author:</b> Director of Customer Service, Compliance and Quality	<b>Adopted Date:</b> 07.09.2019 <b>Review Date:</b> 07.07.2020 <b>Revision Eff. Date:</b>	<b>Related Policies:</b> Provider Network Management Disclosure of Ownership, Control, and Criminal Convictions; Credentialing: Background Checks and Primary Source Verification

### **Purpose**

To ensure individual providers are eligible to participate in federal and state health care programs (e.g.: Medicaid and Medicare) and are not excluded from participation based on federal and state regulations.

### **Policy**

MSHN and its provider network shall not employ, contract with, authorize services for, reimburse services for, or seek reimbursement for services delivered, prescribed, or ordered by any individual if:

1. The individual has received a criminal history screening indicating a mandatory disqualifying conviction identified in 42 USC 1320a-7(a);
2. The individual has been the subject of a substantiated finding; or
3. The individual has direct access, or provides direct services, to program participants in a prescribed setting (inpatient hospital and specialized residential) and the individual has received a criminal history screening indicating a time-limited disqualifying conviction for which the time limitation has not yet been satisfied (MCL 20173a, MCL 330.1134a, MCL 400.734b).

3.4. The individual does not possess the appropriate/required degree, certification, training, etc. to perform their job functions.

### **Reporting:**

1. All employees, directors, managers, and individuals with any other type of employment or consulting arrangement with MSHN are required to report the following to Human Resources within five (5) days of conviction or assessment imposition:
  - a. Any criminal conviction, felony or misdemeanor; and/or
  - b. The imposition of civil money penalties or assessments imposed under Subsection 1128A of the Social Security Act (**Exclusion Regulations** [https://www.ssa.gov/OP\\_Home/ssact/title11/1128A.htm](https://www.ssa.gov/OP_Home/ssact/title11/1128A.htm)).
2. Criminal conviction resulting in disqualifications are to be disclosed to MSHN by the CMHSP participants and MSHN direct contracted entities with regard to those offenses as detailed in Subsections 1128(a) and 1128(b)(1), (2), of (3) of the Social Security Act, or that have had civil money penalties or assessments imposed under Subsection 1128A of the Act. The report to MSHN will be made within 15 business days of the discovery of the disqualification through electronic submission.
3. MSHN will notify the Michigan Department of Health and Human Services (MDHHS) Behavioral Health and Developmental Disabilities Administration (BHDDA) Division of Program Development, Consultation and Contracts when disclosures are made by providers regarding any offenses detailed in Subsections 1128(a) and 1128(b) (1), (2) or (3) of the Social Security Act, or that have had civil money penalties or assessments imposed under Subsection 1128A of the Act.

### **Mandatory and Time-Limited Disqualifications:**

The tables below identify disqualifications for participation in a provider capacity in Medicare, Medicaid or any other Federal health care programs.

**The following table applies to all personnel at MSHN and the Provider Network.**

Disqualifications related to the Social Security Act, subsections 1128(a), 1128(b)(1), (2), and (3); 1128A; Title V, XX, XXI, XVII, and XIX; MCL 333.18263; <u>42 USC 1320a – 7(a)</u> ; Medicaid Provider Manual (General Information for Providers: Section 6 – Denial of Enrollment, Termination and Suspension)
<b>Mandatory Disqualifications Persons with the following convictions are <u>Excluded</u> from participating in Medicare and State health care programs</b>
1. Any criminal convictions related to the delivery of an item or service under Medicare (Title XVIII), Medicaid (Title XIX) or other state health care programs (e.g., Children’s Special Health Care Services, Healthy Kids), (Title V, Title XX, and Title XXI).
2. Any criminal convictions under federal or state law, relating to neglect or abuse of patients in connection with the delivery of a health care item or service.
3. Felony convictions occurring after August 21, 1996, relating to an offense, under federal or state law, in connection with the delivery of health care items or services or with respect to any act or omission in a health care program (other than those included in number 1 above) operated by or financed in whole or in part by any federal, state, or local government agency, of a criminal offense consisting of a felony relating to fraud, theft, embezzlement, breach of fiduciary responsibility, or other financial misconduct.
4. Felony convictions occurring after August 21, 1996, under federal or state law, related to unlawful manufacture, distribution, prescription, or dispensing of a controlled substance.
<del>5. An individual shall not act as a behavior technician in this state unless he or she has had a criminal history check conducted and the criminal history check does not contain any criminal history record information for that individual.</del>
<del>56. The provider is convicted of violating the Medicaid False Claims Act, the Health Care False Claims Act, a substantially similar statute, or a similar statute by another state or the federal government.</del>
<del>67. The provider is excluded from participating in a provider capacity in Medicare, Medicaid or any other Federal health care programs.</del>
<del>78. Termination on or after January 1, 2011 under Medicare or the Medicaid program, or the Children's Health Insurance Program (CHIP) of any other state.</del>
<b>Disqualifications related to the Medicaid Provider Manual (General Information for Providers: Section 6 – Denial of Enrollment, Termination and Suspension)</b>
<b>Time-Limited Disqualifications</b> <b>Time Requirement*: 10 Years</b> <b>The provider has a federal or state felony conviction within the preceding 10 years of their provider enrollment application, including but not limited to, any criminal offense related to:</b>
1. Murder, rape, abuse or neglect, assault, or other similar crimes against persons
2. Extortion, embezzlement, income tax evasion, insurance fraud, and other similar financial crimes
3. The use of firearms or dangerous weapons
4. Any felony that placed the Medicaid program or its beneficiaries at immediate risk, such as a malpractice suit that results in a conviction of criminal neglect or misconduct.
<b>Disqualifications related to the Medicaid Provider Manual (General Information for Providers: Section 6 – Denial of Enrollment, Termination and Suspension)</b>
<b>Time-Limited Disqualifications</b> <b>Time Requirement*: 5 Years</b> <b>The provider has a federal or state misdemeanor conviction within the preceding five years of their provider enrollment application, including but not limited to, any criminal offense related to:</b>
1. Any misdemeanor crime listed as a permissive exclusion in 42 USC 1320a-7(b);

2. Rape, abuse or neglect, assault, or other similar crimes against persons;
3. Extortion, embezzlement, income tax evasion, insurance fraud, or other similar financial crimes;
4. Any misdemeanor that placed the Medicaid program or its beneficiaries at immediate risk, such as a malpractice suit that results in a conviction of criminal neglect or misconduct.

**The following tables apply to staff working in a Specialized Residential Setting (adult foster care homes). That includes an individual that has direct access, or provides direct services, to program participants in a prescribed setting and the individual has received a criminal history screening indicating a time-limited disqualifying conviction for which the time limitation has not yet been satisfied.**

Disqualifications related to MCL 333.20173a, MCL 330.1134a and MCL 400.734b	
<b>Time-Limited Disqualifications</b> <b>Time Requirement*: 15 years</b>	
1. A felony that involves the intent to cause death or serious impairment of a body function, that results in death or serious impairment of a body function, that involves the use of force or violence, or that involves the threat of the use of force or violence	
2. A felony involving cruelty or torture.	
3. A felony under chapter XXA of the Michigan penal code, 1931 PA 328, MCL 750.145m to 750.145r (Vulnerable Adults chapter). <a href="https://www.legislature.mi.gov/(S(sigap145p0xoam2bb0t0kxrp))/documents/mcl/pdf/mcl-328-1931-XXA.pdf">https://www.legislature.mi.gov/(S(sigap145p0xoam2bb0t0kxrp))/documents/mcl/pdf/mcl-328-1931-XXA.pdf</a>	
4. A felony involving criminal sexual conduct.	
5. A felony involving abuse or neglect.	
6. A felony involving the use of a firearm or dangerous weapon.	
7. A felony involving the diversion or adulteration of a prescription drug or other medications.	
<b>Time-Limited Disqualifications</b> <b>Time Requirement*: 10 years</b>	
1. <del>Convicted of a Other</del> felony or attempt or conspiracy to commit felony, other than those described under the mandatory and <del>the</del> 15 year time limited disqualifications sections.	
<b>Time-Limited Disqualifications</b> <b>Time Requirement*: 10 years</b>	
1. A misdemeanor involving the use of a firearm or dangerous weapon with the intent to injure, the use of a firearm or dangerous weapon that results in a personal injury, or a misdemeanor involving the use of force or violence or the threat of the use of force or violence.	
2. A misdemeanor under chapter XXA of the Michigan penal code, 1931 PA 328, MCL 750.145m to 750.145r (Vulnerable Adults chapter).	
3. A misdemeanor involving criminal sexual conduct.	
4. A misdemeanor involving cruelty or torture unless otherwise provided under the 5-year time limited disqualification section.	
5. A misdemeanor involving abuse or neglect.	
<b>Time-Limited Disqualifications</b> <b>Time Requirement*: 5 years</b>	
1. A misdemeanor involving cruelty if committed by an individual who is less than 16 years of age.	
2. A misdemeanor involving home invasion.	
3. A misdemeanor involving embezzlement.	

4. A misdemeanor involving negligent homicide or a violations of section 601d (10 of the Michigan vehicle code, 1949 PA 300, MCL 257.601d.
5. A misdemeanor involving larceny unless otherwise provided under the 1-year time limited disqualification section.
6. A misdemeanor of retail fraud in the second degree unless otherwise provided in the 1-year time limited disqualification section.
7. Any other misdemeanor involving assault, fraud, theft, or the possession or delivery of a controlled substance unless otherwise provided in the 1, 3, and 10-year time limited disqualifications sections.
<b>Time-Limited Disqualifications</b> <b>Time Requirement *: 3 years</b>
1. A misdemeanor for assault if there was no use of a firearm or dangerous weapon and no intent to commit murder of inflict great bodily <del>harm</del> injury.
2. A misdemeanor of retail fraud in the third degree unless otherwise provided under the 1-year time limited disqualification section.
3. A misdemeanor under part 74 (MCL 333.74- offenses related to controlled substances) unless otherwise provided under the <u>1</u> -year time limited disqualification section.
<b>Time-Limited Disqualifications</b> <b>Time Requirement*: 1 year</b>
1. A misdemeanor under part 74 (MCL 333.74 – offenses related to controlled substances) if the individual, at the time of conviction, is under the age of 18.
2. A misdemeanor for larceny of retail fraud in the second or third degree if the individual, at the time of the conviction, is under the age of 16.

**\* Time requirement means the time required for completing all terms and conditions of sentencing, parole, and probation for the conviction prior to the date of application for employment or clinical privileges.**

#### **Applies to**

- ☒ All Mid-State Health Network  
☐ Staff Selected MSHN Staff, as  
☒ follows:  
☒ MSHN's Affiliates: ☐ Policy Only ☐ Policy and  
 Procedure Other: Sub-contract Providers

#### **Definitions**

- A. **Behavioral Health**: refers to individuals with a Mental Health, Intellectual Developmental Disability and/or Substance Use Disorder or children with Serious Emotional Disturbances
- B. **Conviction**: For purposes of the laws mentioned above, an individual or entity is considered to have been convicted of a criminal offense when:
1. A judgment of conviction has been entered against the individual or entity by a federal, state, tribal or local court, regardless of whether there is an appeal pending: ~~or whether the judgment of conviction or other record relating to criminal conduct has been expunged,~~
  2. A finding of guilt against the individual or entity by a federal, state, tribal or local court,
  3. A plea of guilty or nolo contendere by the individual or entity has been accepted by a federal, state, tribal or local court, ~~or~~
  4. ~~An individual or entity that has entered into participation in a first offender, deferred adjudication, or other arrangement or program where judgment of conviction has been withheld.~~
- C. **Direct Access**: Means access to an an individual-Customer, ~~a Customer's~~ an individual's property, or an an individual's-Customer's personal financial information (checking account information, credit cards, bank statements, etc.).
- D. **Personnel**: For purposes of this policy, "personnel" means, employees, contractors, volunteers, interns, and any other staff.
- E. **Provider Network**: Refers to a CMHSP Participant and all Behavioral Health Providers that are directly under contract with the MSHN PIHP to provide services and/or supports

through direct operations or through CMHSP subcontractors.

- F. **Subcontractors**: refers to an individual or organization that is directly under contract with a CMHSP to provide services and/or supports.

### **Other Related Materials**

Medicaid Service Administration (MSA) Policy Bulletin 18-09: Home Help Agency Provider Standards

### **References/Legal Authority**

42 U.S.C 1320a-7

Michigan Mental Health Code - MCL 330.1134a Public Health Code - MCL 400.734b

Michigan Public Health Code - MCL 333.20173a Public Health Code -MCL 333.18263

42 CFR 441.570

1128 A of the Social Security Act

1128 B of the Social Security Act

Medicaid Provider Manual: General Information for Providers: Section 6 – Denial of Enrollment, Termination and Suspension

Senate Bill No. 184 (revisions to ABA technician exclusions in the Michigan Public Health Code)

Attachment A: Excluded Convictions Worksheet

### **Change Log:**

<b>Date of Change</b>	<b>Description of Change</b>	<b>Responsible Party</b>
04.25.2019	New Policy	Director of Compliance, Customer Service & Quality
09.2019	Updates based on Medicaid Provider Manual Revisions	Director of Compliance, Customer Service & Quality
10.2019	Added clarification for substantiated recipient rights complaints	Director of Compliance, Customer Service & Quality
12.2019	Added clarification for reporting disqualifications to MSHN and for substantiated recipient rights complaints	Director of Compliance, Customer Service & Quality
<u>08.2021</u>	<u>Bi-Annual Review; Updated references; Added language consistent with Medicaid Provider Manual; added reference on staff qualifications</u>	<u>Chief Compliance and Quality Officer</u>



## Attachment A

### Lookback Periods:

- Reference the date of conviction in relation to the date of application or enrollment (i.e., within X years preceding the date of application/enrollment)
- An exception is felonies for ABA Techs, which are in reference to the date of completion of “all of the terms and conditions of his or her sentencing, parole, and probation for that conviction”

An individual or entity is considered to have been convicted of a criminal offense when:

- a judgment of conviction has been entered against the individual or entity by a federal, state, tribal or local court regardless of whether there is an appeal pending;
- there has been a finding of guilt against the individual or entity by a federal, state, tribal or local court; or
- a plea of guilty or nolo contendere by the individual or entity has been accepted by a federal, state, tribal, or local court.
- (for behavioral technicians) a final conviction, the payment of a fine, a plea of guilty or nolo contendere if accepted by the court, or a finding of guilt for a criminal law violation or a juvenile adjudication or disposition by the juvenile division of probate court or family division of circuit court for a violation that if committed by an adult would be a crime.

Enrolled Medicaid Prov.			Additional Req's for ABA Techs				
<div><input type="checkbox"/> Check</div>	Conviction/ Offense	Felony	Misdemeanor	Felony	Misdemeanor		Law or Rule Reference
<input type="checkbox"/>						Termination on or after Jan 1, 2011 under Medicare, Medicaid or Children's Health Insurance Program (CHIP) <u>of any other state</u>	A
<input type="checkbox"/>						Exclusion from participation in a provider capacity in Medicare, Medicaid or any other Federal health care programs	A
<input type="checkbox"/>	X					Related to the delivery of an item/service under Medicare or Medicaid	A, C
<input type="checkbox"/>	X					Violation of the Medicaid False Claims Act, the Health Care False Claims Act, a substantially similar statute, or a similar statute by another state or the federal gov't	A
<input type="checkbox"/>		w/in 10 yrs	w/in 5 yrs	w/in 10 yrs after completion of parole/ probation		That placed the Medicaid program or its beneficiaries at immediate risk, such as a malpractice suit that results in a conviction of criminal neglect or misconduct.	A, D

Enrolled Medicaid Prov.			Additional Req'ts for ABA Techs				
<div><input type="checkbox"/> Check</div>	Conviction/ Offense	Felony	Misdemeanor	Felony	Misdemeanor		Law or Rule Reference
<input type="checkbox"/>		After Aug. 21, 1996	After Aug. 21, 1996			Related to fraud, theft, embezzlement, breach of fiduciary responsibility, or other financial misconduct [related to government programs]: <ul style="list-style-type: none"><li>in connection with the delivery of a health care item or service; OR</li></ul>	A, C
<input type="checkbox"/>		After Aug. 21, 1996	After Aug. 21, 1996			<ul style="list-style-type: none"><li>with respect to any act or omission in a health care program (<u>other than Medicaid &amp; Medicare</u>) operated by or financed in whole or in part by any Federal, State, or local government agency; OR</li></ul>	A, C
<input type="checkbox"/>			After Aug. 21, 1996			<ul style="list-style-type: none"><li>with respect to any act or omission in a program (<u>other than a health care program</u>) operated by or financed in whole or in part by any Federal, State, or local government agency</li></ul>	A, C
<input type="checkbox"/>		w/in 10 yrs	w/in 5 yrs	w/in 15 yrs after completion of parole/ probation		Extortion, income tax evasion, insurance fraud, and other similar financial crimes	A, D
<input type="checkbox"/>		w/in 10 yrs	w/in 5 yrs	w/in 15 yrs after completion of parole/ probation	w/in 5 yrs	Embezzlement	A, D
<input type="checkbox"/>					w/in 5 yrs	Larceny	D
<input type="checkbox"/>					w/in 5 yrs  if committed when <16 yrs, then w/in 1 yr	Retail Fraud in the 2 <sup>nd</sup> Degree	D
<input type="checkbox"/>					w/in 3 yrs  if committed when <16 yrs old, then w/in 1 yr	Retail Fraud in the 3 <sup>rd</sup> Degree	D
<input type="checkbox"/>					w/in 5 yrs	Fraud or theft not otherwise addressed in this list	D
<input type="checkbox"/>					w/in 5 yrs	Home invasion	D
						Subject to an order or disposition of not guilty by reason of insanity	D, H
<input type="checkbox"/>		w/in 10 yrs		w/in 15 yrs after completion of parole/ probation		Murder	A, D
<input type="checkbox"/>					w/in 5 yrs	Negligent homicide or a moving violation that is proximate cause of death of another person or serious impairment of body function	D, G

Enrolled Medicaid Prov.			Additional Req'ts for ABA Techs			Law or Rule Reference
Check <input type="checkbox"/>	Conviction/ Offense	Felony Misdemeanor	Felony	Misdemeanor		
<input type="checkbox"/>		w/in 10 yrs	Includes attempts/ conspiracy to commit; w/in 15 yrs after parole/ probation	w/in 10 yrs*	Use of firearms or dangerous weapons  *Additional info for misdemeanors for ABA Techs: ...with the intent to injure, the use of a firearm or dangerous weapon that results in a personal injury, or a misdemeanor involving the use of force or violence or the threat of the use of force or violence	A, D
<input type="checkbox"/>			Includes attempts/ conspiracy to commit; w/in 15 yrs after completion of parole/ probation		Involving intent to cause death or serious impairment of a body function, that results in death or serious impairment of a body function, that involves the use of force or violence, or that involves the threat of the use of force or violence.	D
<input type="checkbox"/>			Includes attempts/ conspiracy to commit; w/in 15 yrs after completion of parole/ probation	w/in 10 yrs, if committed when <16 yrs old, then w/in 5 yrs	A felony involving cruelty or torture	D
<input type="checkbox"/>	w/in 10 yrs	w/in 5 yrs	w/in 15 yrs after completion of parole/ probation	w/in 5 yrs  if no weapon and no intent to murder/ inflict great bodily injury, w/in 3 yrs	Assault or other similar crimes against persons	A, D
<input type="checkbox"/>	w/in 10 yrs	w/in 5 yrs	w/in 15 yrs after completion of parole/ probation		Rape or other similar crimes against persons	A, D
<input type="checkbox"/>			Includes attempts/ conspiracy to commit; w/in 15 yrs after completion of parole/ probation	w/in 10 yrs	Involving criminal sexual conduct	D
<input type="checkbox"/>	X				Related to neglect or abuse of patients in connection with the delivery of a health care item or service.	A, C



	w/in 10 yrs	w/in 5 yrs	Includes attempts/ conspiracy to commit; w/in 15 yrs after completion of parole/ probation	w/in 10 yrs	Abuse or neglect	A, D
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Enrolled Medicaid Prov.			Additional Req'ts for ABA Techs				
<div><input type="checkbox"/> Check</div>	Conviction/ Offense	Felony	Misdemeanor	Felony	Misdemeanor	Law or Rule Reference	
						Substantiated finding of neglect, abuse, or misappropriation of property by a state or federal agency (regarding long term care facilities)	D, I
<input type="checkbox"/>				Includes attempts/ conspiracy to commit; w/in 15 yrs after completion of parole/ probation	w/in 10 yrs	Related to chapter XXA of the Michigan penal code, 1931 PA 328, MCL 750.145m to 750.145r: <ul style="list-style-type: none"><li>Caregiver who intentionally causes serious physical harm or serious mental harm to a vulnerable adult</li><li>Reckless act or reckless failure to act of the caregiver or other person with authority over the vulnerable adult causes serious physical harm or serious mental harm</li><li>An operator/employee/individual acting on behalf of an unlicensed facility that is subject to licensure, who violates the adult foster care facility licensing act or public health code or rules and whose violation is a proximate cause of the death of a vulnerable adult</li><li>Caregiver/person with authority over vulnerable adult or licensee convicted of felony due to repeated misdemeanor violations of the adult foster care licensing act regarding funds, retaliation against staff/ residents, obstruction, falsifying info, etc.</li></ul>	D, E
<input type="checkbox"/>		After Aug. 21, 1996	w/in 5 yrs			Relating to the unlawful manufacture, distribution, prescription, or dispensing of a controlled substance (Per MSA provider enrollment on 02/14/20 excludes possession)	A, C
<input type="checkbox"/>					w/in 3 yrs  if committed when <18 yrs old, then w/in 1 yr	<ul style="list-style-type: none"><li>Manufacturing, creating, delivering, or possessing with intent to manufacture, create, or deliver a controlled substance, prescription form, or counterfeit prescription form</li><li>Dispensing, prescribing, or administering controlled substance outside the scope of practice of a practitioner, licensee, or applicant</li></ul>	D, F
<input type="checkbox"/>				Includes attempts/ conspiracy to commit; w/in 15 yrs after parole/ probation		A felony involving the diversion or adulteration of a prescription drug or other medications	D
<input type="checkbox"/>					w/in 5 yrs	Possession or delivery of a controlled substance	D
<input type="checkbox"/>						<u>Failure to Comply w Enrollment &amp; Screening Requirements:</u> Failure to submit timely and accurate information; cooperate with MDHHS screening methods; submit sets of fingerprints as required within 30 days of a CMS or MDHHS request; permit access to provider locations for site visits; and/or comply with Medicaid policies regarding submission of claims and billing Medicaid beneficiaries. Falsification of information provided on the enrollment application or subsequent information requests. Inability to verify their identity	A, B

A = Michigan Medicaid Manual; General Information for All Providers; Section 6 – Denial of Enrollment, Termination and Suspension; 6.1 Termination or Denial of Enrollment

B = Social Welfare Act, Public Act 280 of 1939 (MCL 400.111b -111e) and 42 CFR 455.416

C = 42 USC 1320a-7 Exclusion of certain individuals and entities from participation in Medicare and state health care programs

D = Public Act 19 of 2020 (Public Health Code revision) Section 18263 regarding behavioral technicians

E = Chapter XXA of the Michigan penal code, 1931 PA 328, MCL 750.145m to 750.145r regarding vulnerable adults

F = Public Health Code 333.7401 “Part 74” regarding controlled substances

G = Michigan vehicle code, 1949 PA 300, MCL 257.601d

H = Code of Criminal Procedure MCL 769.16b regarding not guilty by reason of insanity

I = 42 USC 1395i-3a: Protecting residents of long-term care facilities

## POLICIES AND PROCEDURE MANUAL

<b>Chapter:</b>	<b>Compliance</b>		
<b>Title:</b>	<b>Compliance Reporting and Investigations</b>		
<b>Policy:</b> <input checked="" type="checkbox"/> <b>Procedure:</b> <input type="checkbox"/> <b>Page:</b> 1 of 3	<b>Review Cycle:</b> <del>Annually</del> Biennial <b>Author:</b> Chief Compliance Officer and Quality Improvement Council	<b>Adopted Date:</b> 04.07.2015 <b>Review Date:</b> 11.05.2019 <b>Revision Eff. Date:</b>	<b>Related Policies:</b> Compliance & Program Integrity Required Reporting

### **Purpose**

To ensure MSHN staff and its Provider Network report suspected violations, misconduct and Medicaid fraud and abuse, complete investigations, and complete the required reporting in accordance with the MSHN Compliance Plan; Reporting and Investigations.

### **Policy**

#### **Suspected Medicaid Fraud and/or Abuse:**

MSHN staff and its Provider Network, shall report all suspected Medicaid fraud and abuse to the MSHN Compliance Officer in accordance with standards established in the MSHN Compliance Plan. Investigations shall be conducted in accordance with the MSHN Compliance Plan; Reporting and Investigations.

- Reports will be made to the MSHN Compliance Officer in writing utilizing the Office of Inspector General Fraud Referral Form.
- MSHN's Compliance Officer will complete a preliminary investigation, as needed, to determine if a suspicion of fraud exists.
- If there is suspicion of fraud, MSHN's Compliance Officer will report the suspected fraud and abuse to the MDHHS Office of Inspector General.
- MSHN's Compliance Officer will inform the appropriate provider network member when a report is made to the MDHHS Office of Inspector General.
- MSHN will follow the guidance/direction provided by the MDHHS Office of Inspector General regarding investigation and/or other necessary follow up.

#### **Suspected Violations and/or Misconduct (not involving Medicaid Fraud and/or Abuse):**

MSHN staff and its Provider Network, shall report all suspected violations and/or misconduct to the MSHN Compliance Officer and/or the appropriate CMHSP Participant/SUD Provider designated Compliance Officer. Reporting and Investigations shall be conducted in accordance with the MSHN Compliance Plan; Reporting and Investigations.

- Where internal investigation substantiates a reported violation, corrective action plans will be initiated by MSHN staff or its Provider Network.
- Corrective action plans developed by the Provider Network, shall be submitted to the MSHN Compliance Officer within thirty (30) days of the approved plan.
- The MSHN Compliance Officer shall review corrective action plans and ensure, as appropriate, prompt restitution of any overpayment amounts, notifying the appropriate governmental agency, coordinating with the CMHSP designee for follow-up monitoring and oversight, and implementing system changes to prevent a similar violation from recurring in the future.

***Required Reporting:***

MSHN's Provider Network shall submit compliance activity reports quarterly to the MSHN Compliance Officer utilizing the Office of Inspector General program integrity report template. Minimally the report will include the following:

- Tips/grievances received
- Data mining and analysis of paid claims, including audits performed based on the results
- Audits performed
- Overpayments collected
- Identification and investigation of fraud, waste and abuse (as these terms are defined in the "Definitions" section of this contract)
- Corrective action plans implemented
- Provider dis-enrollments
- Contract terminations

***Reporting Period/Due Dates to MSHN:***

- January through March: May 1st
- April through June: August 1st
- July through September: November 1st
- October through December: February 1st

The MSHN Compliance Officer will prepare a quarterly summary report of the Provider Network and direct MSHN compliance activities and present to the MSHN Compliance Committee, Regional Compliance Committee and MSHN Operations Council. An annual summary report of the regional compliance activities will be presented to the MSHN Board of Directors.

To the extent consistent with applicable law, including but not limited to 42 CFR Part 2, HIPAA, and the Michigan Mental Health Code, the PIHP is required to comply with MDHHS-OIG's requests for documentation and information related to program integrity and compliance.

**Applies to:**

☒ All Mid-State Health Network Staff

☐ Selected MSHN Staff, as follows:

☒ MSHN's CMHSP Participants: ☐ Policy Only    ☒ Policy and Procedure

☒ Other: Sub-contract Providers

**Definitions:**

Abuse: Provider practices that are inconsistent with sound fiscal, business or medical practices and result in an unnecessary cost to the Medicaid program, or in reimbursement for services that are not medically necessary or that fail to meet the professionally recognized standards for health care.

CMHSP: Community Mental Health Service Program

Fraud: The intentional deception or misinterpretation made by a person with the knowledge that the deception could result in some unauthorized benefit to himself or another person.

MSHN: Mid-State Health Network

Provider Network: Refers to a CMHSP Participant and all Behavioral Health Providers that are directly under contract with the MSHN PIHP to provide services and/or supports through direct operations or through the CMHSP's subcontractors.

SUD: Substance Use Disorder

Waste: Overutilization of services, or other practices that result in unnecessary costs. Generally, not considered caused by criminally negligent actions, but rather the misuse of resources.



**Other Related Materials:**

MSHN Compliance Plan

MSHN Compliance Investigation Reports Office of Inspector General Fraud Referral Form

MSHN Compliance Activity Report Template

MSHN Contract Compliance Procedure

**References/Legal Authority:**

1. 42 Code of Federal Regulations 455.17 – Reporting Requirements
2. 42 Code of Federal Regulations 438.608: Program Integrity Requirement
3. 42 Code of Federal Regulations, Part 2: Confidentiality of Substance Use Disorder Patient Records
4. ~~Medicaid Managed Specialty Supports and Services Concurrent 1915(b)/(c) Waiver Program FY19 contract, Program Integrity, section 33.0~~
5. ~~4. Medicaid Managed Specialty Supports and Services Concurrent 1915(b)/(c) Waiver Program FY20 contract, Attachment P 7.7.1.1: PIHP Reporting Requirements~~ State of Michigan/PIHP Contract: Schedule A: Statement of Work Contract Activities: R. Program Integrity
5. Michigan Mental Health Code
6. Code of Federal Regulations, Section 42: 438.608 – Program Integrity Requirements
6. —

**Change Log:**

<b>Date of Change</b>	<b>Description of Change</b>	<b>Responsible Party</b>
03.2015	New Policy	Chief Compliance Officer
03.2016	Annual Review	Director of Compliance, Customer Service & Quality
08.2016	Annual Review	Director of Compliance, Customer Service & Quality
08.2017	Annual Review	Director of Compliance, Customer Service & Quality
08.2018	Annual Review	Director of Compliance, Customer Service & Quality
09.2019	Annual Review	Director of Compliance, Customer Service, & Quality
<u>08.2021</u>	<u>Bi-Annual Review; Updated references</u>	<u>Chief Compliance and Quality Officer</u>

## POLICIES AND PROCEDURE MANUAL

<b>Chapter:</b>	<b>Compliance</b>		
<b>Title:</b>	<b>Confidentiality and Notice of Privacy</b>		
<b>Policy:</b> <input checked="" type="checkbox"/>  <b>Procedure:</b> <input type="checkbox"/> <b>Version:</b> 2.0 <b>Page:</b> 1 of 2	<b>Review Cycle:</b> <u>Annually/Biennial</u>  <b>Author:</b> Chief Compliance Officer	<b>Adopted Date:</b> 09.02.2014  <b>Review Date:</b> 07.07.2020  <b>Revision Eff. Date:</b>	<b>Related Policies:</b> Consent to Share Information

### Purpose

To assure the information contained in the records of the beneficiaries of Mid-State Health Network (MSHN) or other such recorded information required to be held confidential by Federal Drug and Alcohol Confidentiality Law (42 CFR, Part 2), Health Insurance Portability and Accountability Act (HIPAA) of 1996 (45 CFR 160 and 164) and/or Mental Health Code (PA 258 of 1974) and Public Health Code (PA 368 of 1978), as amended, in connection with the provision of services or other activity under this agreement shall be confidential and protected communication.

### Policy

MSHN staff and the provider network shall comply with confidentiality and protected communication in accordance with the ~~State of Michigan/PIHP Department of Health and Human Services (MDHHS) Medicaid Managed Specialty Supports and Services Contract.~~

1. Confidential and protected communication shall not be divulged without the written consent of either the recipient or a person responsible for the recipient except as may be otherwise required or allowed by applicable law or regulation. Such information may be disclosed in summary, statistical, or other form, which does not directly or indirectly identify particular individuals;
2. Beneficiaries will receive information regarding privacy and confidentiality as defined in the State of Michigan/PIHP Contract and State and Federal Rules and Regulations. attachment 6.3.1.1 of the MDHHS contract;
3. Non-compliance with confidentiality and notice of privacy will be addressed as outlined in the MSHN Personnel Manual (MSHN staff) or contractual language provisions (contracted personnel and providers) that may result in suspension/termination of employment or contract.

### ☒ Applies to:

- ☐ All Mid-State Health Network Staff  
☒ Selected MSHN Staff, as follows:  
☒ MSHN's Affiliates: ☒ Policy Only ☐ Policy and Procedure  
 Other: Sub-contract Providers

### Definitions:

HIPAA/HIPAA: Health Insurance ~~Privacy and~~ Portability and Accountability Act  
MDHHS: Michigan Department of Health and Human Services  
MSHN: Mid-State Health Network

**Other Related Materials:** ~~N/A~~

MSHN Privacy Notice

**References/Legal Authority:**

Federal Drug and Alcohol Confidentiality Law (42 CFR, Part 2)

Health Insurance Portability and Accountability Act (HIPAA) of 1996 (45 CFR 160 and 164)

~~Mental~~Michigan Mental Health Code (PA 258 of 1974)

Michigan Public Health Code (PA 368 of 1978)

State of Michigan/PIHP Contract: Schedule A: Statement of Work Contract Activities: Q. Observance of State and Federal Laws: 4. Confidentiality; and 9. Health Insurance Portability and Accountability Act and 42 CFR Part 2

**Change Log:**

Date of Change	Description of Change	Responsible Party
09.2014	New Policy	Chief Compliance Officer
08.2015	Update MDHHS	Deputy Director
11.21.2016	Annual review	Customer Service Committee
12.18.2017	Annual review	Customer Service Committee
12.03.2018	Annual review	Customer Service Committee
03.16.2020	Annual Review, policy recommended to be moved under MSHN Compliance	Customer Service Committee
<u>08.2021</u>	<u>Bi-Annual Review; Updated references</u>	<u>Chief Compliance and Quality Officer</u>

## POLICIES AND PROCEDURE MANUAL

<b>Chapter:</b>	<b>Compliance</b>		
<b>Title:</b>	<b>External Quality Review</b>		
<b>Policy:</b> <input checked="" type="checkbox"/> <b>Procedure:</b> <input type="checkbox"/> <b>Page:</b> 1 of 2	<b>Review Cycle:</b> <a href="#">Annually/Biennial</a>  <b>Author:</b> Chief Compliance Officer, Quality Improvement Council (QIC)	<b>Adopted Date:</b> 09.02.2014  <b>Review Date:</b> 11.05.2019  <b>Revision Eff. Date:</b> 11.2015	<b>Related Policies:</b> Compliance Program Integrity Compliance Reporting & Investigations Quality Management

### **Purpose**

To ensure Mid-State Health Network (MSHN) and its Provider Network participate and comply with the expectations of the External Quality Review process conducted and/or arranged by the Michigan Department of Health and Human Services

### **Policy**

MSHN and its Provider Network shall participate in the External Quality Review (EQR) process arranged by the Michigan Department of Health and Human Services (MDHHS). MSHN and its Provider Network will strive to achieve full compliance of the standards as set forth in the State of Michigan/PIHP Contract ~~MDHHS, Medicaid Specialty Supports and Services Contract.~~

MSHN shall address the findings of the external review through its Quality Assessment Performance Improvement Program (QAPIP). MSHN will develop and implement performance improvement goals, objectives, and activities in response to the external review findings as part of MSHN's QAPIP through the Quality Improvement Council. A description of the performance improvement goals, objectives and activities developed and implemented in response to the external review findings will be included in QAPIP and provided to the MDHHS upon request.

MSHN staff will coordinate the EQR site review process and inform the Provider Network of applicable dates and timelines. MSHN staff will confirm provider network achievement of required EQR corrective action as a part of routine site reviews.

MSHN's Provider Network will comply with any findings and related improvement goals as developed in the QAPIP.

### **Applies to:**

- ☒ All Mid-State Health Network Staff
- ☐ Selected MSHN Staff, as follows:
- ☒ MSHN's Affiliates: ☒ Policy Only    ☐ Policy and Procedure
- ☐ X Other: Sub-contract Providers

### **Definitions:**

EQR: External Quality Review

MDHHS: Michigan Department of Health and Human Services

MSHN: Mid-State Health Network

PIHP: Pre-paid Inpatient Health Plan

Provider Network: Refers to a CMHSP Participant and all Behavioral Health Providers that are directly under contract with the MSHN PIHP to provide services and/or supports through direct operations or through the CMHSP's subcontractors.

QAPIP: Quality Assessment Performance Improvement Program

**Other Related Materials:**

MDHHS – PIHP Contract

**References/Legal Authority:**

MDHHS, Medicaid Specialty Supports and Services Contract, 7.9.1 – External Quality Review  
State of Michigan/PIHP Contract: Schedule A: Statement of Work Contract Activities: K. Quality  
Improvement and Program Development, 2.b.

**Change Log:**

<b><u>Date of Change</u></b>	<b><u>Description of Change</u></b>	<b><u>Responsible Party</u></b>
09.2014	New Policy	Chief Compliance Officer
08.2015	Update to MDHHS and add follow-up to EQR required corrective action	Chief Compliance Officer & Chief Executive Officer
08.2016	Annual Review	Director of Compliance, Customer Service and Quality
08.2017	Annual Review	Director of Compliance, Customer Service and Quality
08.2018	Annual Review	Director of Compliance, Customer Service and Quality
09.2019	Annual Review	Director of Compliance, Customer Service, & Quality
<u>08.2021</u>	<u>Bi-Annual Review; Recommending moving to Quality Chapter</u>	<u>Chief Compliance and Quality Officer</u>