

COMMUNITY MENTAL HEALTH PARTNERSHIP OF SOUTHEAST MICHIGAN
 REGULAR BOARD MEETING
 705 N. Zeeb Rd, Ann Arbor, MI
 Wednesday, September 14, 2016
 6:00 PM



Agenda

	<u>Guide</u>
I. Call to Order	1 min
II. Roll Call	2 min
III. Consideration to Adopt the Agenda as Presented	2 min
IV. Consideration to Approve the Minutes of the 7-13-16 Regular Meeting and Waive the Reading Thereof (Board Action) {Attachment #1}	2 min
V. Audience Participation (5 minutes per participant)	
VI. Old Business	20 min
a. July Finance Report {Attachment #2}	
b. Board Action Request {Attachment #3}	
Consideration to approve the modified language to the CMHPSM SUD	
c. Board Action Request {Attachments #4, 4a}	
1. Consideration to approve the CMHPSM's continued membership in the Michigan Consortium for Healthcare Excellence (MCHE)/ Michigan Association of Substance Abuse Coordinating Agencies (MASACA)	
2. Consideration to approve the revised Michigan Consortium for Healthcare Excellence (MCHE) By-Laws	
3. Consideration to appoint the CMHPSM Chief Executive Officer as the CMHPSM representative to the Michigan Consortium for Healthcare Excellence (MCHE)	
VII. New Business	30 min
a. Board Action Request {Attachment #5}	
Consideration to approve the amendment of the 2016 Budget reducing the budgeted amount of \$2,581,623 to the Risk Reserve and increasing the FY2016 Savings/Carryforward of \$2,581,623	
b. Board Action Request {Attachments #6, 6a}	
Consideration to approve proposed 2017 Budget and allocations as presented	
c. Board Action Request {Attachments #7, 7a}	
Consideration to approve the authorization of Chief Executive Officer to sign the attached FY17 contracts	
d. Nominating committee/point person for Regional Board Officer Election	
e. November Four Board Meeting - State of the PIHP	
Topics to include: Where we've been, where we're going, and a 298 update	
VIII. PIHP CEO Report to the Board	15 min
a. 3 rd Quarter CEO Performance Metrics Report {Attachment #8}	
b. Report from the SUD Oversight Policy Board (OPB)	
IX. Adjournment	

**COMMUNITY MENTAL HEALTH PARTNERSHIP OF SOUTHEAST MICHIGAN
REGULAR BOARD MEETING MINUTES**

July 13, 2016



Members Present: Greg Lane (by phone), Sandra Libstorff, Lisa Berry-Bobovski, Charles Coleman, Charles Londo, Judy Ackley, Barb Cox, Bob Wilson, Ralph Tillotson, Sharon Slaton, Kent Martinez-Kratz

Members Absent: Martha Bloom, Robin Damschroder

Staff Present: Connie Conklin, Sandy Keener, Stephannie Weary, Marci Scalera, Trish Cortes, Lisa Jennings, Suzanne Stolz

Others Present:

- I. Call to Order
Meeting called to order at 6:00 p.m. by Board Vice-Chair L. Berry-Bobovski
- II. Roll Call
A quorum of members present was confirmed.
- III. Consideration to Adopt the Agenda as Presented

**Motion by R. Tillotson, supported by K. Martinez-Kratz, to approve the agenda
Motion carried**

- IV. Consideration to Approve the Minutes of the June 8, 2016 Regular Meeting and Waive the Reading Thereof

**Motion by J. Ackley, supported by C. Coleman, to approve the minutes of June 8, 2016 Regular Meeting and waive the reading thereof
Motion carried**

- V. Audience Participation
J None

- VI. Old Business
 - a. May Finance Report
J S. Stolz presented the report. Discussion followed.
 - b. Board Action Request {Attachment #3}
Consideration to Approve FY15/16 2nd Amended Budget

**Motion by R. Tillotson, supported by J. Ackley, to approve FY15/16 2nd Amended Budget
Motion carried**

Ackley	Y	Libstorff	Y
Berry-Bobovski	Y	Londo	Y

Bloom	Absent	Martinez-Kratz	Y
Coleman	Y	Slaton	Not present for vote
Cox	Y	Tillotson	Y
Damschroder	Absent	Wilson	Y
Lane	Y		

c. MACMHB Report

) None

VII. New Business

a. Board Action Request {Attachment #4}

Consideration to Approve the Modified Language to the CMHPSM SUD Oversight Policy Board By-Laws

Motion by S. Libstorff, supported by R. Tillotson, to approve the modified language to the CMHPSM SUD Oversight Policy Board By-laws
Motion denied

) Regional Board members requested some revisions to the presented by-laws draft.

) C. Coleman and M. Scalera will take recommendations back to OPB. By-laws will return to the Regional Board for approval in October, 2016.

b. Board Action Request {Attachment #5}

Consideration to Approve the Appointment of Dave O’Dell as the Monroe CMH Representative to the Oversight Policy Board

Motion by G. Lane, supported by C. Coleman, to approve the appointment of Dave O’Dell as the Monroe CMH representative to the Oversight Policy Board
Motion carried

c. Board Action Request {Attachment #6, 6a}

Consideration to Approve the signature of the Chief Executive Officer on the 3-year lease agreement between the CMHPSM and Washtenaw County for office space on the second floor of 705 N. Zeeb, Ann Arbor, MI 48103

Motion by R. Tillotson, supported by B. Wilson, to approve the signature of the Chief Executive Officer on the 3-year lease agreement between the CMHPSM and Washtenaw County for office space on the second floor of 705 N. Zeeb, Ann Arbor, MI 48103
Motion carried

VIII. PIHP CEO Report to the Board

a. Report from the SUD Oversight Policy Board (OPB)

) C. Coleman provided an overview of OPB activities, and will continue to report quarterly to the Regional Board.

Attachment #1 – August 2016

) J. Terwilliger submitted a written CEO Report to the board that included an SUD update, and the plan to revise the Employee Position and Salary Table.

IX. Adjournment

Motion by C. Coleman, supported by R. Tillotson, to adjourn the meeting
Motion carried

Meeting adjourned at 7:10 p.m.

Bob Wilson, CMHPSM Board Secretary

DRAFT

**Community Mental Health Partnership of Southeast Michigan
Statement of Revenues and Expenditures
For the Period Ending July 31, 2016**

	2nd Amend Budget	YTD Actual	YTD Budget	YTD Actual O/(U) Budget
Operating Revenue				
Medicaid Capitation	\$137,613,945	\$114,552,770	\$114,678,287	(\$125,518)
Medicaid Carryforward	1,473,549	-	1,227,958	(1,227,958) a
Healthy Michigan Plan	12,188,927	10,111,879	10,157,439	(45,560)
Healthy Michigan Carryforward	5,224,847	-	4,354,039	(4,354,039) a
Autism	1,661,715	590,897	1,384,763	(793,866) b
Medicaid Health Home-Washtenaw Only	419,801	642,461	349,834	292,627 c
10% Health Home Match Washtenaw	41,980	64,246	34,983	29,263
SUD Community Grant	3,767,460	3,100,343	3,139,550	(39,207)
SUD PA2 - Cobo Tax Revenue	2,105,798	1,403,727	1,754,832	(351,105) d
Local Match	1,577,780	1,314,817	1,314,817	-
Other Revenue	217,567	110,548	181,306	(70,758)
Total Revenue	\$166,293,369	\$131,891,687	\$138,577,807	\$(6,686,120)
Funding For CMHSP Partners				
Lenawee CMHSP	17,137,987	14,144,830	\$14,144,830	-
Livingston CMHSP	23,871,599	19,465,648	19,465,648	-
Monroe CMHSP	25,931,719	21,426,344	21,426,344	-
Washtenaw CMHSP	65,954,549	55,125,880	55,125,880	-
Total Funding For CMHSP Partners	\$ 132,895,854	\$ 110,162,702	\$110,162,702	\$0
Funding For SUD Services				
Lenawee County	1,278,823	870,103	\$1,065,686	(195,583) e
Livingston County	1,614,420	985,415	1,345,350	(359,935) e
Monroe County	1,506,177	1,073,808	1,255,148	(181,339) e
Washtenaw County	4,026,893	3,458,198	3,355,744	102,454 e
Total Funding For SUD Services	\$ 8,426,313	\$ 6,387,525	\$7,021,928	\$(634,403)
Other Contractual Obligations				
Hospital Rate Adjuster	2,122,900	1,649,721	\$1,769,083	(119,363)
USE and HICA Tax	10,492,516	8,390,205	8,743,763	(353,558)
Local Match	1,577,780	1,314,817	1,314,817	-
10% Health Home Match Washtenaw	41,980	64,886	34,983	29,903 c
Total Other Costs	\$14,235,176	\$11,419,628	\$11,862,647	\$(443,019)
CMHPSM Administrative Costs				
Salary & Fringe	1,768,037	1,208,448	\$1,473,364	(264,916) f
Administrative Contracts	1,031,952	846,953	859,960	(13,007) f
Board Expense	12,980	3,757	10,817	(7,060) f
All Other Costs	168,136	92,712	140,113	(47,401) f
Total Administrative Expense	\$2,981,105	\$2,151,870	\$2,484,254	\$(332,384)
Risk Reserve Provision	\$2,581,623		2,151,353	(2,151,353)
Contribution to Fund Balance/Carry Forward	\$5,173,298		4,311,082	(4,311,082)
Total Expense	\$166,293,369	\$130,121,725	\$137,993,965	\$(7,872,240)
Revenues over (under) Expenditures	\$(0)	\$1,769,962	\$583,843	

- a - Timing difference, recognition will occur at year end corresponding to expenditures and close out with MDHHS.
b - Timing difference, Autism benefit receipts delayed.
c - Correlates with Home Health expenditures, budget to be amended.
d - Funding of partners is on a cash basis, these amount do not reflect the partners projected use of fund sources
e - SUD expenses are under budget, Projects awarded for engagement centers have not been fully implemented.
f - Administrative expenses under budget due to vacant positions throughout the year.



Financial Highlights
For the Period Ending July 31, 2016

Statement Of Revenue and Expenses:

1. Revenue

-) Medicaid Carryforward and Healthy Michigan Plan Carryforward are under budget due to recognition at year end for the closing process for financial reporting status.
-) Autism Medicaid is under budget due to timing. Autism is payment delayed. Payments are five months in arrears.
-) SUD Block Grant and PA2 revenues are under budget due to timing of payments and delayed implementation of programs. Expenditures correlate with revenues.

2. Expenditures

-) SUD Expenditures are under budget and correlate with revenues.
-) Administrative costs are under budget due to timing of conferences and vacant positions.

CMHPSM Strategies:

1. CMHPSM will collaborate with CMHSP's to establish a consistent and reasonable methodology to balance the budget as a PIHP in whole.
2. CMHPSM will continue to trend Traditional Medicaid Eligibles and HMP Enrollees to project deviations of funding from MDHHS. Eligibility files will be used to verify current revenue streams and to trend for the remainder of the fiscal year.
3. A final budget amendment will be presented to the board to reduce the budgeted risk reserve contribution and increase the savings/carryforward from FY2016 to keep the funds readily accessible for FY2017.
4. CMHPSM will coordinate with CMHSP's to continue to monitor budgets regularly, maintain a shared decision model, and present recommendations to the board.



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Regional Board Action Request

Board Meeting Date: September 14, 2016

Action Requested: Approve the modified language to the CMHPSM SUD Oversight Policy Board By-Laws.

Background:

The CMHPSM SUD OVERSIGHT POLICY BOARD (OPB) is requesting minor modifications to their By-Laws to further provide clarity to the process for membership removal (highlighted below).

Connection to PIHP/MDCH Contract, Regional Strategic Plan or Shared Governance Model:

The CMHPSM OPB reviews issues regarding substance use disorder services regionally and serves as the advisory board to the CMHPSM regional board. Membership is a combination of 2 appointments from each county commission and 2 recommended members by each CMH board. There should be at least one consumer/person in recovery from each county on the board.

Recommend: Approval

BY-LAWS

**REGION 6
SUBSTANCE USE DISORDER OVERSIGHT POLICY BOARD**

**COMMUNITY MENTAL HEALTH PARTNERSHIP OF SOUTHEAST MICHIGAN
(CMHPSM)**

ARTICLE I – Name

Pursuant to Section 287 (5) of Public Act 500 of 2012 states, “A department-designated community mental health entity [PIHP/Regional Entity] shall establish a substance use disorder oversight policy board for Lenawee, Livingston, Monroe and Washtenaw Counties. This BOARD shall be named the REGION 6 SUBSTANCE USE DISORDER OVERSIGHT POLICY BOARD hereafter called the OVERSIGHT POLICY BOARD (OPB).

ARTICLE II – Objectives of the OPB

To assist the CMHPSM Regional Board by:

- A. Providing an opportunity for individuals within the applicant’s service delivery area to comment upon the issuance of a substance use disorders services license.
- B. Assisting in the development of a comprehensive substance use disorders service delivery plan.
- C. Providing review and recommendations to the CMHPSM Regional Board of the progress and effectiveness of services delivered in accordance with the plan.
- D. Assuring that a mechanism exists for community input on substance use disorders needs and services throughout the region.
- E. Providing such other assistance to the CMHPSM as necessary.

ARTICLE III – Membership of the OPB

- A. The OPB shall be made up of a maximum of SIXTEEN (16) members, four (4) appointed from each member County.
 - 1. Two representatives from Lenawee County, appointed by the Lenawee County Board of Commissioners, two (2) representatives from Livingston County, appointed by the Livingston County Board of Commissioners, two (2) representatives from Monroe County, appointed by the Monroe County Board of Commissioners and two (2) representatives from

Washtenaw County, appointed by the Washtenaw County Board of Commissioners. The remaining two (2) members from each county will be appointed by the CMHPSM Regional Board with recommendations from each respective Community Mental Health Board.

2. Each county must have at least one member representing the recovery community, or a person with lived experience.
3. Community representatives/ shall reside in the county represented.

B. Vacancies during Term of Office:

1. All vacancies shall be filled by the respective appointing bodies.
2. All vacancies shall be filled only until expiration of the term.

C. Length of Term:

1. All representatives shall serve three-year terms, starting October 1, of the year appointed.
2. Initial terms shall be staggered to ensure that no more than one-third of OPB members turn over each year.
3. Appointments shall be effective upon approval of the respective appointing body.
4. All reappointments shall be made by the respective appointing body.

D. Attendance:

1. Meeting attendance may be face to face or through electronic participation via phone or video conference when available.
2. Conference call participation must be arranged prior to the meeting.

E. Removal and Resignation:

1. A member must resign in writing to the appointing body and to the CMHPSM Board.
2. An OPB member may be removed for lack of attendance. In the absence of a written resignation, three (3) consecutive absences from regularly scheduled meetings or three (3) absences within a twelve (12) month period would require a review by the OPB. The review may result in a recommendation for appointment of a new member by the respective appointing board. A vote of three-fourths (3/4) of the OPB is required for recommendation of removal and reappointment.

ARTICLE IV – Meetings

- A. Regular meetings shall be scheduled at least six times per year, at least once each quarter, with each county being the site for at least one meeting during the calendar year.
- B. Written notification and agenda shall be made at least one week in advance of all regularly scheduled meetings.
- C. Special meetings may be called by the Chairperson or Acting Chairperson of the OPB or by four (4) members of the OPB.
- D. OPB members must receive prior notification, in writing, of special meetings.
- E. Eight (8) active members of the OPB shall constitute a quorum, *with* representation from each county. In the case of a less than full membership, 50% plus one (1) with representation from each county will constitute a quorum.
- F. Electronic/Telephone votes will only be counted if there is a quorum present at the meeting.
- G. Motions shall be passed by a majority vote of those present AND via Electronic/Telephone.
- H. All regular and special meetings are open to the public, pursuant to the Open Meetings Act. Minutes will be made available.

Article V - Conflict Of Interest Policy

The OPB shall adopt and adhere to a conflict of interest policy which shall require, among other things, the disclosure to the Board Chairperson ~~and any committee chairperson any~~ actual or possible conflicts of interest ~~by any board members~~. This includes any OPB members who are current employees of licensed providers. All board members will annually disclose any conflicts of interest while serving on the board.

Commented [MS1]: The Regional Board suggested this needs more clarification and suggests language which is added here.

ARTICLE VI – Officers

- A. The Chairperson, Vice-Chairperson, and Secretary shall be elected by the OPB. Elections shall be held annually in October.
- B. Duties and Responsibilities:
 - 1. The Chairperson shall:
 - a. Call meetings.
 - b. Preside over meetings.
 - c. Appoint special committees as deemed necessary.
 - d. Serve ex-officio on all committees with the right to vote.
 - e. Make appointments as necessary.
 - e-f. Ensure compliance to the by-laws

Commented [MS2]: Question of Enforcement... who upholds the bylaws?

2. The Vice-Chairperson shall, in the absence of the Chairperson, assume the duties of the Chairperson.
3. The Secretary shall:
 - a) Assure that minutes are kept and distributed
 - b) Keep attendance of members at meetings.
 - c) Assume the responsibilities and duties of the Chairperson in the absences of the Chairperson and Vice-Chairperson
4. The Officers shall serve one year terms, and may be renewed.

ARTICLE VII – Amendments

- A. The By-laws changes may be ~~amended~~ proposed by a majority vote of the total membership of the OPB, provided that notice of proposed amendments is made available in writing to members at least two weeks in advance.
- B. Amendments shall not become effective until they have been reviewed and approved by the governing board of the Community Mental Health Partnership of Southeast Michigan.
- C. Notification of Amendments shall be sent to the appointing Board of Commissioners in each partner county.

ARTICLE VIII – COMMITTEES

- A. Ad Hoc Committees may be formed by the OPB at any time and shall act only on the direction of the OPB.
- B. Committee membership may include individuals other than OPB Members, but each Committee must have a least one OPB member appointed to it.

ARTICLE IX

- A. For all items not otherwise covered in the By-Laws, Roberts Rules of Order shall apply.

ADOPTED BY THE CMHPSM ON: August 13, 2014



Regional Board Action Request

Board Meeting Date:

September 14, 2016

Action Requested:

Approval of the revised MASACA By-laws and confirm continued membership.

Background:

In October 2014, the former 16 SUD Coordinating Agencies merged under the PIHP Structure, leaving **the Michigan Association of Substance Abuse Coordinating Agencies (MASACA)**, their 501 (c) (3) trade organization with a need to be “re-purposed” with the intent of supporting the public behavioral health system in a positive fashion. The organization leadership was transferred to the PIHP boards, who each selected a representative board member. Marci Scalera, served as the PIHP representative. Marci’s involvement with MASACA dates back to 1996, as the coordinating agency representative for SEMCA and the WCHO. The membership opportunity for CMHPSM was to participate in redesigning the purpose and structure of the organization. Originally, the focus was to “Approve membership of CMHPSM in the reorganized MASACA for purposes of providing a venue for on-going SUD planning, integration and sharing of best practices...” Subsequently, leadership of the MACMHB provided a membership opportunity for the PIHP’s, which afforded the support of the SUD field with advocacy and other supports. MASACA no longer performed the functions of the original organization, leaving it open for the PIHP’s to redesign. The goal of this organization was not to “compete” but rather support potential initiatives benefiting the entire behavioral health system of care. Some examples of initiatives that may be undertaken are inter-PIHP efforts such as shared services (e.g., credentialing) and joint procurement of common goods and services (e.g., Epidemiologist); Inter-organizational efforts such as establishing and/or supporting multi-agency partnerships, pilots and demonstrations; and fiduciary and management services, e.g., seeking and securing state-wide or multi-regional public or private grants.

Because of the structural change, the by-laws had to be revised. Legal counsel was contracted out of the remaining MASACA budget, as was financial review and insurance costs, bank transfers, etc. This process is now complete.

The MASACA Board has now recommended changing the name from **MASACA** to “**Michigan Consortium for Healthcare Excellence**” (**MCHE**). Because of the 501 (c) (3) status, this organization can perform any number of functions as deemed by the PIHP’s that could

-) Enhance the pace and/or quality of systemic work
-) Create administrative efficiencies and administrative savings
-) Increase normalization and consistency of services and functions, and

) Enable future structural or operational options congruous with the Triple Aim and public behavioral health system values

Currently there are no fees or dues, but there are provisions for this in the by-laws, should it become necessary to carry out functions in the future. The next formal process will be to update the articles of incorporation to reflect the change in the by-laws.

Connection to PIHP/MDCH Contract, Regional Strategic Plan or Shared Governance Model:

The newly designed organization will support the regional PIHP structure as a flexible tool for future initiatives.

Recommend:

1. Approval of the MCHE By-Laws
2. Approval of continued membership in the new organization
3. Appointment of the CMHPSM CEO as the individual to serve as the CMHPSM's Member Representative in Membership meetings and other matters as authorized by action of Member's Board (Member Representative). Said Member Representatives shall also serve on the MCHE Board of Directors, as appointed by a Member Board. (MCHE Bylaws, Article III, Section 6: Member's Representative)

BYLAWS
MICHIGAN CONSORTIUM FOR HEALTHCARE EXCELLENCE
Suggested Edits at 12/15, 1/5/16, 2/24/16, 3/18/16, 3/25/16, 4/7/16/, 5/23/16,
6/1/16

ARTICLE I
NAME

Section 1. Name.

The name of the organization is the Michigan Consortium for Healthcare Excellence hereinafter called “MCHE” or the “Corporation.”

ARTICLE II
PURPOSE AND ACTIVITIES

Section 1. Purposes of the Corporation.

The purposes of the Corporation are stated in the Corporation’s Articles of Incorporation, filed with the Michigan Department of Licensing and Regulatory Affairs ~~are~~ as follows:

- A. To improve the health and welfare of Michigan youth, adults, families and communities facing problems associated with behavioral health and related issues;
- B. To interpret to the community, the Legislature, the Governor and relevant executive departments and regulatory agencies, including, but not limited to, the Michigan Department of Health and Human Services, the problems and needs of individuals and communities resulting from behavioral health needs and related issues to assist in mobilizing necessary resources to meet these needs;
- C. To monitor and influence public policy-making related to individuals and communities facing problems resulting from behavioral health and related issues;
- D. To promote prevention, treatment, and recovery services for behavioral health and related needs in Michigan, recognizing the value of local service delivery;
- E. To seek and secure alliances, initiatives, and partnerships with similarly focused organizations for the purpose of improving ~~population-public~~ health in Michigan;
- F. To collect, analyze, utilize and disseminate data and other information including but not limited to operational and outcomes data regarding prevention, treatment and recovery services within behavioral health programs and related issues in Michigan;

- G. In furtherance of its purposes, but not by way of limitation:
- i. To acquire, purchase, own, maintain, hold, use, convey, manage, exchange, transfer, mortgage, lease, sublease, or rent all real and personal property of every kind and nature in furtherance of the Corporation's charitable purposes described in Section 501(c)(3) of the Internal Revenue Code (the "Code");
 - ii. To loan, borrow, manage, and invest funds;
 - iii. To accept, seek, solicit, request, and hold in trust or otherwise, contributions, legacies, devises, grants, bequests, donations, gifts, and benefactions which may be left, made, or given to the Corporation;
 - iv. To make gifts and grants to other organizations which are exempt from tax under Section 501(a) of the Code which promote the health of the community or other charitable, educational or scientific purposes under Section 501(c)(3) of the Code; and
 - v. To take all such actions and do all such things as may be necessary, convenient, or desirable to accomplish the foregoing purposes within the restrictions and limitations of the Corporation's Articles of Incorporation, these Bylaws, and applicable law, with all the powers conferred on a nonprofit corporation by the laws of the State of Michigan including the Michigan Nonprofit Corporation Act, 1982 PA 162, as amended (the "Act"); provided that: ~~the Corporation does not engage in any activities prohibited in Section 2 hereof.~~

Section 2. Status and Prohibited Activities.

- A. MCHE is a Michigan nonprofit corporation, exempt from Federal income tax under Section 501(a) of the Code as an organization described under Section 501(c)(3) of the Code, possessing all the accountability and requirements called for by such organizations. Accordingly, the Corporation shall not carry on any activity not permitted to be carried on by a corporation described in Section 501(c)(3) of the Code, a corporation to which contributions are deductible under Section 170(c)(2) of the Code, or a corporation classified as other than a private foundation under Section 509(a) of the Code.
- B. No part of the net earnings of the Corporation shall inure to the benefit of any private individual, except that reasonable compensation may be paid for services rendered to or for the Corporation and other payments, in furtherance of one or more charitable purposes.
- C. The Corporation shall not participate or intervene in any political campaign on behalf of, or in opposition to, any political candidate for public office, or ballot proposal.

D. No substantial part of the activities of the Corporation shall be to carry on propaganda, or otherwise attempt to influence legislation or regulation.

Section 3. Organizational Affiliations.

The Members may, by a vote of a simple majority of the Members, authorize the Corporation to enter into an agreement or agreements of cooperation or affiliation with another organization having purposes similar to or consistent with those of the Corporation; provided, however, that no such agreement directly or indirectly violates the spirit of Article II, Section 2, of these Bylaws.

ARTICLE III MEMBERSHIP

Section 1. Qualifications for Membership.

There shall be one class of Members of the Corporation, drawn from those entities identified by MDHHS as department-designated community mental health entities (“CMHE”) under the Michigan Mental Health Code, 1974 PA 258, as amended, and specifically MCL 330.1100a(22). (“CMHE”). Eligible entities must take affirmative action to become a Member of the Corporation by CMHE Board action in the form of a resolution and shall continue to be a Member so long as the CMHE maintains its qualifications as set forth in this Section 1, and provided that any applicable dues for Membership are paid.

Section 2. Loss of Membership Eligibility.

A CMHE that ceases to function as department-designated community mental health entity as defined in ~~this~~ Article III, Section 1, for whatever reason, shall automatically cease to be a Member of the Corporation and shall forego all Membership rights and claims to assets, with the exception of a return of prospectively paid pro-rata dues.

Section 3. Assessments.

Dues. Annual or special dues may be proposed by a majority vote of the Board of Directors present at a duly called Board meeting where a quorum is present. Dues shall be assessed in equal portion to each Member. Subsequently, the Member Boards shall hold a vote on said dues at their next regularly scheduled meeting and shall transmit, in writing, the result of that vote to the Corporation’s Board President/Chairperson. An affirmative vote of 2/3 majority of all of the Members must be obtained to approve any proposed dues. No response within 90 calendar days of notice to the CMHE will be considered an affirmative vote.

Fees. Fees shall be charged for special project initiatives of Members that establish a Project Scope of Work and budget, and if interested and voluntarily committed to the initiative and its cost-sharing, each of which shall be set forth in writing. The Board of Directors may bind the Member to each initiative per their authority granted by the

Member Board, subject to local constraints if any. Members not participating in the special project initiative shall have no obligation for any costs related to the same.

Section 4. Withdrawal of a Member; Reinstatement of a Member.

A Member may withdraw from Membership for any reason, at any time. Said withdrawal shall be provided in writing to the MCHE Board President/Chairperson with a specific effective date. Once a Member withdraws, rejoining shall be subject to Board consent, as evidenced through a simple majority vote of the Board of Directors, (MCHE Board Members).

Section 5. Powers Reserved to the Member (CMHEs).

The Members shall possess all the rights, powers, and authority reserved to the Members by the Act, the Articles of Incorporation, and these Bylaws. These powers shall include, but not be limited to:

- A. Approval of all amendments or restatements to the Corporation's Articles of Incorporation;
- B. Approval of all amendments or restatements to these Bylaws;
- C. Approval of any plan of merger or consolidation of the Corporation;
- D. The sale, lease, exchange or other disposition of all, or substantially all, of the property and/or assets of the Corporation;
- E. The dissolution of the Corporation and distribution of its assets;
- F. Removal of an existing Member

Section 6. Member's Representative

Members shall appoint an individual to serve as the Member's Representative in Membership meetings and other matters as authorized by action of Member's Board (Member Representative). Said Member Representatives shall also serve ~~as a~~ on the MCHE Board of Directors, ~~as~~ appointed by a Member Board.

Section 7. Member's Representative/Director Alternates

Members may appoint an alternate to carry out the duties of a Member Representative/Director during his/her absence. Said appointments shall be evidenced by Member Board resolution or meeting minutes.

ARTICLE IV MEMBER MEETINGS

Section 1. Annual Meeting.

The annual meeting of the Members of the eC Corporation shall be held on such date and hour in the month of October or such other time as shall have been determined by the Board of Directors or the President/Chairperson and as stated in the notice of the meeting.

Section 2. Special Meetings.

Special meetings of the Members of the Corporation may be called by the Board of Directors or the President/Chairperson and shall be called by the Secretary at the written request of any two Members of the Corporation. No business may be transacted at a special meeting except the business specified in the notice of the meeting.

Section 3. Notice of Meetings of Members.

Except as otherwise provided by statute, written notice of the time, place and purposes of each meeting of the Members of the Corporation shall be given not less than ten (10) nor more than sixty (60) days before the date of the meeting to each Member, personally, by mail, or by electronic transmission at the address designated or in the manner authorized by the Member for such purpose or, if none is designated, at the Member's last known address. No notice need be given of an adjourned meeting of the Members provided the time and place to which such meeting is adjourned are announced at the meeting at which the adjournment is taken. At an adjourned meeting only such business may be transacted as might have been transacted at the original meeting.

Section 4. Waiver of Notice of Meetings.

Notice of any annual or special meeting of the Members of the Corporation may be waived in writing before or after the meeting. Attendance by Member Representative at a meeting constitutes waiver of notice of the meeting.

Section 5. Action Without a Meeting.

Any action required or permitted to be taken at an annual or special meeting of the Members may be taken without a meeting, without prior notice, and without a vote, if a consent in writing, setting forth the action so taken, is signed by all Members entitled to vote thereon. Said written consents shall be filed with the minutes of the proceeding of the Members and shall have the same effect as a vote of the Members for all purposes.

Section 6. Quorum, Voting and Proxies.

The presence, in person or by proxy, of a majority of the Members entitled to vote at any meeting shall be necessary to constitute a quorum for transaction of business. A meeting at which a quorum is present shall be duly constituted for the transaction of business even though a lack of a quorum may subsequently arise. Each voting Member shall have one vote on each matter submitted and shall designate a representative to attend and participate in meetings. A Member Representative who is not personally present at any meeting may be represented and vote by written proxy.

Section 7. Minutes.

At all meetings of Members of the Corporation, a record of the proceedings shall be preserved as the minutes of the meeting.

Section 8. Non-Transferability of Membership.

No Member may transfer a Membership or any right arising therefrom. All rights of membership cease upon the Member's dissolution.

Section 9. Termination of Membership.

Membership in the eCorporation shall automatically terminate upon the occurrence of any of the following events:

- A. If this eCorporation has provided for the payment of dues by Members, upon a failure to renew Membership by paying dues on or before their due date, such termination to be effective thirty (30) days after a written notification of delinquency is given personally or mailed to such Member by the Secretary of the Corporation. A Member may avoid such termination by paying the amount of delinquent dues within the thirty (30) day period following the Member's receipt of the written notification of delinquency or as provided therein;
- B. After providing the Member with reasonable written notice and an opportunity to be heard either orally or in writing, upon a determination by the Board of Directors that the Member has engaged in conduct materially and seriously prejudicial to the interests or purposes of the eCorporation. Any Member expelled from the Corporation shall receive a pro-rated refund of dues already paid for the current dues period.

All rights of a Member in the Corporation shall cease upon termination of Membership as provided by this section.

Section 10. Voting of Members.

Each voting Member of the Corporation is entitled to one vote upon each matter submitted to a vote of Members, except as the Articles of Incorporation otherwise provide.

Section 11. Member Meeting Participation by Teleconference.

If available, Member Representatives may participate in meetings of the Members by teleconference or other means of remote communication by which all persons participating in the meeting may hear each other, if all participants are advised of the means of remote communication in use and the names of the participants in the meeting are divulged to all participants. Participation in a meeting pursuant to this section constitutes presence in person at the meeting.

ARTICLE V BOARD OF DIRECTORS

Section 1. Business Affairs

The business and affairs of the Corporation shall be managed by a Board of Directors which is the governing body of the Corporation. The Board of Directors shall meet as often as necessary to conduct the business of the Corporation, but at least quarterly.

Section 2. Appointment

Each Member shall appoint one Director who shall also be its Member Representative to serve on the Board. The Director, or his or her duly authorized Alternate, shall attend meetings of the Board to manage the business and affairs of the Corporation.

Section 3. Term of Office

Directors shall serve until their resignation or removal by the Member Board that appointed the Director.

Section 4. Resignation and Removal

A Director may resign at any time by providing **written** notice to the Corporation. **A** Member Board that appointed the Director may remove the Director at any time.

Section 5. Filling Vacancies

The vacancy of a Director shall be filled by Member Board that appointed the vacating Director.

Section 6. Compensation

No ~~Executive Committee member~~Director of the Corporation shall receive directly or indirectly any salary or other compensation from the Corporation.

ARTICLE VI MEETINGS OF THE BOARD OF DIRECTORS

Section 1. Regular Meetings.

Regular meetings of the Board of Directors shall be held at least quarterly at such places as the Executive Committee may determine.

Section 2. Special Meetings

Special meetings of the Board of Directors may be called by a unanimous vote of the Executive Committee or may be requested in writing by any Member of the Board. The Executive Committee will determine if a meeting is to be held.

Section 3. Notices.

- A. Notices of Board meetings shall be given to each Board Member at least five (5) business days before such meeting by written communication to such Board Member at the address appearing on the membership book of the Corporation or via electronic communication at the Board Member's request. The notice shall specify the place, the day, and the hour of the Board meeting, and the general nature of business to be transacted. An agenda shall also be given.
- B. Special meetings shall be called by written communication, (including electronic communication), to all Members and must indicate the purpose of the meeting.

Section 4. Attendance by Remote Communication.

Directors may attend meetings in person or by a conference telephone or any other similar communication equipment through which all persons participating in the meeting can hear each other.

Section 5. Voting.

- A. Each Director shall have one (1) vote, which vote must be made at a meeting where the Director, or his or her alternate, is present in person or via remote communication. Proxy voting is not permitted.
- B. With a quorum achieved, a simple majority of those in attendance shall be required to transact the business of the Corporation, except as otherwise specified within these Bylaws.

Section 6. Quorum.

At any meeting of the Board, a simple majority of the Board, then in office, shall constitute a quorum including those attending via remote communication.

Section 7. Conduct of the Meetings

The President/Chairperson, or in his/her absence, the Vice-Chairperson or Secretary/Treasurer, (in that order), shall preside at meetings of the Board. The Corporation shall comport to the spirit of the current Robert's Rules of Order at all meetings of the Board and the Executive Committee, insofar as they do not affect, alter, or amend the Bylaws.

Section 8. Action Without a Meeting.

Any action required or permitted at any meeting of the Board of Directors or committee thereof may be taken without a meeting, without prior notice and without vote, if all the Directors or committee members entitled to vote consent in writing to such specific action. Such written consents shall be filed with the minutes of the proceedings of the next Board meeting.

**ARTICLE VII
EXECUTIVE COMMITTEE**

Section 1. Composition.

The Executive Committee shall be composed of three (3) individuals including the President/Chairperson, Vice-Chairperson, and Secretary/Treasurer.

Section 2. Qualifications and Elections.

Executive Committee members shall be elected from among the Directors, by the Directors. Election shall be by a simple majority of all of the Directors present at the meeting, in person or by remote communication.

Section 3. Term of Office.

All Executive Committee members shall take office immediately upon election and shall hold office for one (1) full calendar year and until the election of their successors.

Section 4. Vacancies.

Any vacancy in the Executive Committee shall be filled by a simple majority vote of the Board of Directors at the next duly convened regular or special meeting of the Board. The individual so elected shall serve the remaining portion of the term vacated, and shall be eligible for election to a full subsequent term.

Section 5. Executive Committee Powers and Duties.

Executive Committee business shall only occur with full representation of all Committee Members; President/Chairperson, Vice-Chairperson, and Secretary/Treasurer. The powers and duties of the Executive Committee shall include, but are not limited to:

- A. Management of the day to day operations of the Corporation;
- B. Formulation of the general policies of the Corporation for the Board's consideration;
- C. Adoption of rules and regulations for the conduct of the Executive Committee's meetings;
- D. Filing full and complete reports for the Board on the activities of the Corporation by printing and distributing all minutes, resolutions, and/or materials;
- E. Receiving and acting upon business as referred to it by the Board.

Section 6. Removal or Resignation of Executive Committee Members.

An Executive Committee member may resign their Officer position at any time by providing written notification to the President/Chairperson. In the event that the President/Chairperson is resigning, notice shall be given to the Vice-Chairperson. The resignation will become effective upon receipt of such notice or upon a date identified within such notice.

An Executive Committee member may be removed from the Executive Committee by a simple majority vote of the Directors. Vacancies shall be filled per Article V, Section 6. by simple majority vote of the Directors.

Section 7. Compensation of Executive Committee Members.

No Executive Committee member of the Corporation shall receive directly or indirectly any salary or other compensation from the Corporation.

ARTICLE VIII OFFICERS OF THE CORPORATION

Section 1. Designation.

The officers of the Corporation are President/Chairperson, Vice Chairperson and Secretary/Treasurer. The Corporation may also have, at the Board's discretion, one or more Vice-Presidents, one or more Assistant Secretaries, one or more Assistant Treasurers, corporate counsel, and such other Officers as the Board deems necessary or desirable. Any number of offices may be held by the same person except that the Secretary may not serve concurrently as the President.

Section 2. Election of Officers.

The officers of the Corporation are to be selected annually by the Board. Each officer will continue in office until his or her successor is appointed and qualified by the Board.

Section 3. Resignation and Removal of Officers

An officer may resign by written notice to the Corporation. The resignation is effective upon its receipt by the Corporation or at a subsequent time as set forth in the notice of resignation. A resignation need not be accepted to be effective. An officer may be removed, with or without cause, by unanimous vote of all other directors (that is, Directors other than the officer who is the subject of the removal vote) serving at the time of the vote.

Section 4. Vacancies in Offices

If a vacancy exists or occurs among the Corporation's officers (regardless of whether the vacancy is due to term expiration, death, disability, resignation, removal or any other cause), the vacancy may be filled by the affirmative vote of a majority of the remaining Directors, even if a majority of the remaining Directors is less than a quorum of the Board.

Section 5. President/Chairperson.

The President/Chairperson will, subject to the control of the Board, be the general manager of the Corporation and will supervise, direct, and control the business and the affairs of the Corporation. The President will preside at all meetings in which she or he is in attendance. The President will have such other powers and duties as the Board or these Bylaws may prescribe.

As President/Chairperson, the President shall also:

1. Set the date, time, place, and order of business at all meetings of the Board and Executive Committee and ensure the provision of the required notices.
2. Preside at all meetings of the Board and Executive Committee.
3. Appoint such sub-committees, both standing and special, as necessary to permit the Executive Committee to perform its functions.
4. Authenticate by his/her signature, when necessary, all facts, orders, authorizations, and proceedings of the Board and Executive Committee.
5. Submit to the Board and Members (CMHEs) a report of the Corporation's activities for the preceding calendar year, and recommendations for the ensuing year.

6. Perform all other duties that are incident to the office of President/Chairperson, or that may be assigned thereto, and that are not inconsistent with applicable law, the Articles, or these Bylaws.
7. Ensure that the roles of the President/Chairperson and Secretary/Treasurer are filled.

Section 6. Vice-Chairperson

The Vice Chairperson shall:

1. In the absence or disability of the President/Chairperson, exercise all the powers and perform all the duties of the President/Chairperson.
2. Have such other powers and perform such other duties as may be granted or prescribed by the Board.
3. Succeed to the President/Chairpersonship immediately upon the permanent vacancy of the President/Chairperson. A new election to fill the vacancy of the Vice-Chairperson will be held at the next Board meeting.

If a permanent vacancy occurs, the Vice-Chairperson shall serve the remainder of the President/Chairperson's tenure. If a temporary vacancy of the President/Chairperson occurs, the Vice-Chairperson shall serve during the absence of the President/Chairperson and upon the return of the President/Chairperson shall resume the role of the Vice-~~President~~Chairperson.

Section 7. Secretary/Treasurer.

The Secretary/Treasurer shall:

1. Be custodian of all the original records and documents of the Corporation.
2. Ensure that minutes are kept of all Board and Executive Committee meetings.
3. File the Corporation's report(s) with the State of Michigan, Internal Revenue Service and other external entities as applicable.
4. Perform all other duties that are incident to the office of Secretary/Treasurer or that may be assigned by the Board or the Executive Committee and that are not inconsistent with these Bylaws.
5. Be accountable for the receipt and disbursement of funds or property on behalf of the Corporation.

6. Regularly enter or cause to be entered in the books of the Corporation a complete account of all funds or property received for the account of the corporation.
7. Render a written account of all the Corporation's accounts at all Executive Committee meetings and provide a full financial report of the Board.
8. Maintain the account book of the Corporation and all securities, vouchers, papers, and documents of the Corporation in his or her custody, and make such documentation available to any Board Member upon reasonable request.
9. Create and maintain necessary banking accounts for the Corporation.

Section 8. Additional Duties of Officers.

In addition to the powers and duties of the President/Chairperson, Vice President, Secretary/Treasurer specified by these Bylaws and to those powers and duties as the Board may otherwise prescribe to officers of the Corporation, the President/Chairperson and, in the absence or unavailability of the President/Chairperson, the Vice-Chairperson or any other officer of the Corporation who is also a Director of the Board shall be authorized to execute and deliver agreements or contracts authorized and approved by the Board.

**ARTICLE IX
CORPORATE EMPLOYEES, CONTRACTORS, AND VOLUNTEERS**

Section 1. Appointment, and Compensation.

- A. The Board may appoint by simple majority vote an individual to serve in a compensated position or positions with the Corporation in an executive, consultative, clerical, or other capacity. In the event the Board hires a CEO, the CEO shall be responsible for all other staff hiring and contracting activities.
- B. The terms and conditions of any employee contract, (including compensation or contract amount), shall be fully disclosed to the Board for its consideration, prior to its execution. The authority, responsibility, and qualifications of any employee or contractor of the Corporation shall be specified in writing in a position description approved by the Board.
- C. The President/Chairperson may delegate an Officer's functions to an employee with the assent of the Officer.

ARTICLE X LIABILITY AND INDEMNIFICATION

Section 1. Indemnity.

The Corporation will indemnify and defend to the fullest extent authorized or permitted under applicable law any person, and his or her heirs, executors, administrators and legal representatives, who is made or threatened to be made a party to any action, claim, suit or proceeding, (whether civil, criminal, administrative or investigative), other than an action by or in the right of the Corporation, by reason of the fact that such person is or was a director, officer, non-director volunteer, employee or agent of the Corporation or is or was serving at the request of the Corporation as a director, officer, partner, trustee, employee, non-director volunteer, or agent of another foreign or domestic corporation, business corporation, partnership, joint venture, trust, or other enterprise, whether for profit or not, for expenses, including attorneys' fees, judgments, penalties, fines, and amounts paid in settlement actually and reasonably incurred by the person in connection with the action, suit, or proceeding if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the Corporation, and with respect to a criminal action or proceeding, if the person had no reasonable cause to believe that the conduct was unlawful.

The Corporation shall purchase and maintain insurance on behalf of any person who is or was a director, officer, non-director volunteer, employee, or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee, non-director volunteer, or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability incurred in any such capacity or arising out of such status, whether or not the Corporation would have power to indemnify him or her against such liability.

Section 2. Liability of Directors and Officers.

The Corporation shall assume liability for all acts or omissions of directors and officers as set forth in the Corporation's Articles of Incorporation.

Section 3. Liability of Volunteers.

The Corporation shall assume liability for all acts or omissions of volunteers as set forth in the Corporation's Articles of Incorporation.

**ARTICLE XI
FINANCIAL PROCEDURES AND RESTRICTIONS ON
TRANSACTIONS**

Section 1. Fiscal Year.

The fiscal year of the Corporation shall be from October 1st of one year through September 30th of the following year, consistent with the State of Michigan, unless otherwise fixed by the Board.

Section 2. Contracts.

The President/Chairperson empowered by the Board, may enter into any contracts or execute and deliver any instruments in the name of the Corporation. The Board may authorize any Officer(s), employee(s), or agent(s) to enter into any contract, or to execute and deliver any instrument in the name of the Corporation. Such authorization may be general, subject to specific conditions, or ~~confirmed~~ limited to specific instances.

**ARTICLE XII
DISSOLUTION**

Upon dissolution of the Corporation, after all debts and other obligations have been satisfied, any remaining assets shall be distributed at the direction of the Members of the Corporation, for one or more exempt purposes within the meaning of Section 501(c)(3) of the Code, or to the federal government for a public purpose, or to a state or local unit of government for a public purpose. Any such assets not so disposed of shall be disposed of by the Circuit Court of the county in which the principal office of the Corporation is located, to such organization or organizations which are then described in Section 501(c)(3) of the Code, as said Court shall determine.

**ARTICLE XIII
ADOPTION, AMENDMENT OR REPEAL OF BYLAWS**

Bylaws may be adopted, amended, or repealed by a simple majority vote of the Members. The Members shall receive written notification of proposed, revised, or amended Bylaw changes at least thirty (30) days prior to the meeting at which they will be considered for revision. The Members' Board shall provide their Member Representative written response/vote to the MICHIGAN CONSORTIUM FOR HEALTHCARE EXCELLENCE Board President/Chairperson within 90 days of receipt of the proposed changes. A lack of response will be considered an affirmative vote.

Adopted July 27, 1982
Amended April 15, 1986
Amended October 9, 1989
Amended January 20, 1993
Amended June 24, 1993
Amended June 16, 1994

Amended June 30, 1995
Amended April 13, 2007
Amended March 14, 2014, Effective October 1, 2014





Regional Board Action Request

Board Meeting Date: September 14, 2016

Action Requested: Approve the amendment of the 2016 Budget reducing the budgeted amount of \$2,581,623 to the Risk Reserve and increasing the FY2016 Savings/Carryforward of \$2,581,623.

Background: Based on FY2017 projections, a reduction to capitated base rates, a reduction to the region's geographical factor and the region's partnership needs provides the available funds readily accessible for the FY2017 budget.

Connection to PIHP/MDCH Contract, Regional Strategic Plan or Shared Governance Model:

PIHP/MDCH Contract Section 8.0 Contract Financing
CMHPSM Regional Agreements

Recommend: Approval



Regional Board Action Request

Board Meeting Date:

Action Requested: Approve the proposed 2017 Budget and allocations as presented.

Background: The fiscal year 2017 budget is representative and in an adherence to the contracts entered into with the Michigan Department of Health and Human Services (MDHHS).

Connection to PIHP/MDCH Contract, Regional Strategic Plan or Shared Governance Model:

PIHP/MDCH Contract Section 8.0 Contract Financing
CMHPSM Regional Agreements

Recommend: Approval



**COMMUNITY MENTAL
HEALTH PARTNERSHIP**

of Southeast Michigan

**FISCAL YEAR 2016
BUDGET**

In Partnership with:

Lenawee CMHA

CMH Services of Livingston County

Monroe CMHA

Washtenaw County CMH

To provide quality behavioral health care that promotes recovery and wellness, fosters resilience and supports self determination and empowerment so that individuals served in our four-county region are successful in achieving their personal goals and dreams.



Mission, responsibilities and budget development approach

Community Mental Health Partnership of Southeast Michigan shall be responsible for the operation of the Concurrent 1915(b)/(c) Waiver, SUD Community Grant, the Healthy Michigan Plan, Autism Benefit under iSPA, and other public funding within its designated service area. The PIHP shall also be responsible for the development of the service delivery system and the establishment of sufficient administrative capabilities to carry out the requirements and obligations of the Specialty Services contract.

Community Mental Health Partnership of Southeast Michigan's areas of responsibility includes:

Financial Management

Service Delivery System Development

Oversight Monitoring of the following delegated functions

Access Assurance

Provider Network Services

Quality Assessment/Performance Improvement

Service and Utilization Management

Customer Services

Regulatory Management – Corporate Compliance

PA 500 and Application for Participation Requirements

SUD Treatment and Prevention Services and special funding requirements

Adherence to all Contract Attachments including SUD Policy Manual

Revenue for FY2017

State Plan/ B3 Medicaid Capitation (Mental Health and SUD services)

Habilitation Supports Waiver

Autism Benefit

Healthy Michigan Plan

SUD Community Grant Funds

PA 2 Funds (governed by Oversight Policy Board)



Fiscal Year 2017 Beginning Budget Objectives, Assumptions and Strategies

Community Mental Health Partnership of Southeast Michigan is using the following objectives, assumptions and strategies to prepare the beginning FY17 budget. Budget amendments will be presented throughout the year, on a quarterly basis, to recognize any changes in assumptions or contractual obligations.

CMHPSM FY17 Budget Objectives:

1. Fiscal Year 2017 budget is being presented at the September 2016 Board of Directors meeting.
2. The proposed budget upholds the mission and vision of CMHPSM.
3. The fiscal year 2017 budget delivers a responsible balance of financial management, oversight monitoring, regulatory management, an accountable service delivery system, and an adherence to the contracts entered into with the Michigan Department of Health and Human Services (MDHHS).

CMHPSM FY17 Assumptions:

1. Rates released by MDHHS will be applied to Traditional Medicaid Eligibles and HMP Enrollees listings for the CMHPSM region.
2. CMHPSM trended those Traditional Medicaid Eligibles and HMP Enrollees from the most current listing to apply the rates.
3. Community Living Support approved rate increases were applied to the CMHSP's budgets.
4. Administrative expenditures include a tiered salary step model based on the existing Board approved salary ranges.
5. The State of Michigan use tax will conclude in December of 2016.
6. Proposed changes in the Medicaid 1115 waiver submitted to the Center for Medicare and Medicaid Services (CMS) by MDHHS will not be applied until final approval is received from CMS.

CMHPSM Strategies:

1. CMHPSM collaborated with CMHSP's to establish a consistent and reasonable methodology to balance the budget as a PIHP in whole.
2. CMHPSM coordinated with CMHSP's to review current year budgets and actual expenditures.
3. A shared decision model was utilized to complete the fiscal year 2017 budget to be presented to the board for approval.

Fiscal Year 2017 Budget Overview

Total Revenues Projected for FY2016 for all fund sources:

\$160,983,770

Partnership Capitated Allocations for Medicaid and HMP:

Lenawee CMHA	\$17,753,000
CMH Services of Livingston County	\$24,347,500
Monroe CMHA	\$26,662,600
Washtenaw County CMH	\$67,450,000

Substance Use Disorder Prevention and Treatment (by County):

Lenawee	\$1,278,823
Livingston	\$1,614,420
Monroe (managed by CMHPSM)	\$1,506,177
Washtenaw (managed by CMHPSM)	\$4,026,893

Other Contractual Costs \$9,840,886

Hospital Rate Adjuster
Use Tax and HICA
Local Match
Autism fee for service

Administrative Costs \$ 3,363,745

Salary and Fringe
Contracts
Infrastructure (space and systems)
Training
Supplies

**Community Mental Health Partnership of Southeast Michigan
Fiscal Year 2017 Budget**

	FY16 2nd Amend Budget	FY17 Budget	FY 17 O/(U) FY 2016
Operating Revenue			
Medicaid Capitation	\$137,613,945	\$129,070,670	(\$8,543,275)
Medicaid Carryforward	1,473,549	7,763,318	6,289,769
Healthy Michigan Plan	12,188,927	12,668,071	479,144
Healthy Michigan Carryforward	5,224,847	2,414,927	(2,809,920)
Autism	1,661,715	1,661,715	-
Medicaid Health Home-Washtenaw Only	419,801	-	(419,801)
10% Health Home Match Washtenaw	41,980	-	(41,980)
SUD Community Grant	3,767,460	3,767,460	-
SUD PA2 - Cobo Tax Revenue	2,105,798	1,806,604	(299,194)
Local Match	1,577,780	1,577,780	-
Other Revenue	217,567	253,225	35,658
Total Revenue	\$166,293,369	\$160,983,770	\$(5,309,599)
Funding For CMHSP Partners			
Lenawee CMHSP	17,137,987	17,898,153	760,166
Livingston CMHSP	23,871,599	24,926,088	1,054,489
Monroe CMHSP	25,931,719	26,589,319	657,600
Washtenaw CMHSP	65,954,549	67,904,980	1,950,431
Total Funding For CMHSP Partners	\$ 132,895,854	\$ 137,318,540	\$ 4,422,686
Funding For SUD Services			
Lenawee County	1,278,823	1,278,823	-
Livingston County	1,614,420	1,614,420	-
Monroe County	1,506,177	1,506,177	-
Washtenaw County	4,026,893	4,026,893	-
Total Funding For SUD Services	\$ 8,426,313	\$ 8,426,313	
Other Contractual Obligations			
Hospital Rate Adjuster	2,122,900	2,207,816	84,916
USE and HICA Tax	10,492,516	4,949,850	(5,542,666)
Local Match	1,577,780	1,577,780	-
10% Health Home Match Washtenaw	41,980	-	(41,980)
Total Other Costs	\$14,235,176	\$8,735,446	\$(5,499,730)
CMHPSM Administrative Costs			
Salary & Fringe	1,768,037	2,002,998	234,961
Administrative Contracts	1,031,952	1,143,352	111,400
Board Expense	12,980	14,260	1,280
All Other Costs	168,136	203,135	34,999
Total Administrative Expense	\$2,981,105	\$3,363,745	\$382,640
Risk Reserve Provision	\$2,581,623	\$0	2,581,623
Savings/Carry Forward	\$5,173,298	\$3,139,726	2,033,572
Total Expense	\$166,293,369	\$160,983,770	

Fiscal Year 2017 Budget Notes

Revenues

- 1) Medicaid Capitation - decrease in revenues due to the decrease in capitated rates, decrease in the geographical factor for the region. Eligibles were maintained at a level rate based on a nine month trending.
- 2) Medicaid Carryforward – based on FY 2016 projections submitted to Michigan Department of Health and Human Services (MDHHS) in August 2016.
- 3) Healthy Michigan Plan – Increase due to increase in eligibles compared to FY 2016.
- 4) Healthy Michigan Carryforward – based on FY 2016 projections submitted to MDHHS in August 2016.
- 5) Medicaid Health Home – decrease due to the discontinuing participation of Washtenaw County.
- 6) 10% Health Home Match - decrease due to the discontinuing participation of Washtenaw county
- 7) SUD PA2 - decrease based on the State of Michigan’s FY2017 projected distributions of these funds.
- 8) Other Revenue – increase due to the increase of projected revenue from partners for centralized SIS assessments.

Expenditures

- 1) Funding for CMHSP Partners – increases for all partners based on prior approved rate increases for community living supports, wage/step increases, and contractual obligations.
- 2) Hospital Rate Adjuster – projected historical increase, budget to be amended as realized.
- 3) 10% Health Home Match - decrease due to the discontinuing participation of Washtenaw County.
- 4) Administrative Costs –
 - Salary & Fringes – increase due to creation of two positions, tiered step increases, and projected health care cost increases.
 - Administrative contracts – increase due to contractual obligations.
 - Board Expense – increase due to projected costs based on prior year utilization.
 - All Other Costs – increase due to staff required trainings and miscellaneous expenditures.



Regional Board Action Request – FY17 Contracts

Board Meeting Date: September 14, 2016

Action Requested: CMHPSM Board authorization of Chief Executive Officer to sign the attached FY17 contracts.

Background: Contractual service contracts for FY17 include: Substance Use Disorder service and treatment contracts, administrative contracts, mental health contracts with the partner CMHSPs and various MOUs, coordination agreements and data-use agreements.

Connection to PIHP/MDHHS Contract, Regional Strategic Plan or Shared Governance Model:

All service contracts abide by the stipulations of our service contract with the PIHP/MDHHS Contract.

Recommend: Approval

CMHPSM FY17 Contract List

All contracts listed have a term of October 1, 2016 to September 30, 2017, unless noted otherwise.
All funding amounts listed are full fiscal year annual not-to-exceed amounts unless noted otherwise.

Revenue Contracts

PIHP Revenue Contract	Revenue
Michigan Department of Health and Human Services	Determined by MDHHS on a monthly on a basis based on covered lives.

PIHP Administrative Expense Contracts

Administrative Contracts	FY17 Funding Level
ADP (Payroll Services)	\$4,000 / annual
Afia (Electronic Health Record Procurement Consultant)	\$10,000 / annual
CEO Contract with Jane Terwilliger	\$134,000 / annual
Cohl, Stoker Toskey, P.C.	\$225 / per hour
Marwil and Associates (Employee Benefits Broker)	\$3,600 / annual
Merit (Internet Provider)	\$10,000 / annual
MORC (SIS Assessor Training)	\$5,000 / per employee trained
MORC SIS Assessments	\$500 / per assessment
NetMotion (Offsite Network Access)	\$1,500 / annual
Office365 (CMHPSM Email System)	\$2,000 / annual
PCE Systems (Electronic Health Record and Hosting Services)	\$654,708 / annual
Psychiatrist (Second Opinions)	\$10,000 / annual
Roslund Prestage – (Regional Audit Firm PIHP Share)	\$20,600 / annual
SAS (Statistical Software Annual License)	\$3,162 / annual
Socius (General Ledger Software Annual License)	\$13,000 / annual
Washtenaw County Lease for Office Space & Facilities Charges (PIHP Office)	\$93,966 / annual
Zenith Technology Services (Population Health Software)	\$125,000 / annual

Mental Health Expense Contracts

CMHPSM-CMHSP Medicaid Mental Health Service Funding Contracts	FY17 Funding Level
Funding Source(s): (Medicaid, Healthy Michigan Medicaid)	
Lenawee Community Mental Health Authority	Per CMHPSM Budget
Livingston County Community Mental Health Authority	Per CMHPSM Budget
Monroe Community Mental Health Authority	Per CMHPSM Budget
Washtenaw County Community Mental Health	Per CMHPSM Budget

CMHPSM-CMHSP Master Project & Sub-Grant Agreements	FY17 Funding Level
Funding Source(s): (Medicaid, Healthy Michigan Medicaid)	
Lenawee Community Mental Health Authority	Per CMHPSM Budget
Livingston County Community Mental Health Authority	Per CMHPSM Budget
Monroe Community Mental Health Authority	Per CMHPSM Budget
Washtenaw County Community Mental Health	Per CMHPSM Budget

Substance Use Disorder Contracts

SUD ROSC Core Provider Treatment Contracts	FY17 Funding Level
Funding Source(s): (Medicaid, Healthy Michigan Medicaid, SAPT Block Grant CFDA#93.959 & PA2 Funding)	
Lenawee County SUD Treatment	
Lenawee Community Mental Health Authority	\$890,369 / annual
Livingston County SUD Treatment	
Livingston County Community Mental Health Authority	\$786,900 / annual
Washtenaw County SUD Treatment	
Dawn Inc.	\$800,000 / annual
Home of New Vision	\$800,000 / annual

SUD Prevention Contracts	FY17 Funding Level
Funding Source(s): (SAPT Block Grant CFDA#93.959 & PA2 Funding)	
Lenawee County SUD Prevention & DYTUR	
Lenawee Community Mental Health	\$163,000 / annual
Livingston County SUD Prevention	
Livingston County Catholic Charities	\$412,673 / annual
Monroe County SUD Prevention	
Catholic Charities of Southeast Michigan (Provisional Contract)	\$99,703 / annual
Monroe Intermediate School District	\$114,444 / annual
Washtenaw County SUD Prevention	
Catholic Social Services of Washtenaw County – Get Connected	\$75,994 / annual
Eastern Michigan – Communities that Care of Ypsilanti	\$57,433 / annual
Karen Bergbower and Associates – Project SUCCESS, MOST Campaign	\$44,552 / annual
U of M Regional Alliance of Healthy Schools - Project SUCCESS	\$48,680 / annual
Livingston, Monroe & Washtenaw DYTUR	
Karen Bergbower and Associates – DYTUR Funding	\$63,000 / annual

Engagement Center Contracts	FY17 Funding Level
Funding Source(s): (SAPT Block Grant CFDA#93.959 & PA2 Funding)	
Home of New Vision – Engagement Center	\$391,228 / annual
Lenawee Community Mental Health	\$35,794 / annual
Livingston County Community Mental Health Authority	\$477,094 / annual

Recovery Housing Contracts	FY17 Funding Level
Funding Source(s): (SAPT Block Grant CFDA#93.959 & PA2 Funding)	
<i>All fee-for-service SUD service contract expenditures are based on medically necessary authorizations within the overall service budget, expensed by the consumers funding source eligibility (Block Grant & PA2 Funding).</i>	
Women Empowering Women DBA Paula's House	FY17 CMHPSM Rates
Touchstone Recovery	FY17 CMHPSM Rates

Other SUD Contracts Funding Source(s): (SAPT Block Grant CFDA#93.959 & PA2 Funding) <i>All fee-for-service SUD service contract expenditures are based on medically necessary authorizations within the overall service budget, expensed by the consumers funding source eligibility (Block Grant & PA2 Funding).</i>	FY17 Funding Level
HARC	\$50,000 / annual

SUD Fee-For-Service Contracts (Washtenaw & Monroe Treatment) Funding Source(s): (Medicaid, Healthy Michigan Medicaid, SAPT Block Grant CFDA#93.959 & PA2 Funding) <i>All fee-for-service SUD service contract expenditures are based on medically necessary authorizations within the overall service budget, expensed by the consumers funding source eligibility (Medicaid, Healthy Michigan Medicaid, Block Grant & PA2 Funding).</i>	Fee-for-service contracts are linked to authorizations for medically necessary services.
Ann Arbor Treatment Center - CRC Health	FY17 CMHPSM Rates
Ann Arbor Treatment Services, LLC - Pinnacle	FY17 CMHPSM Rates
Catholic Charities of Southeast Michigan	FY17 CMHPSM Rates
Dawn Inc. (Long Term Residential)	FY17 CMHPSM Rates
Hegira	FY17 CMHPSM Rates
Holy Cross/Kairos	FY17 CMHPSM Rates
Personalized Nursing Light House	FY17 CMHPSM Rates
Premier Services	FY17 CMHPSM Rates
Rainbow Center of Michigan	FY17 CMHPSM Rates
Sacred Heart Rehab	FY17 CMHPSM Rates
Salvation Army Harbor Light	FY17 CMHPSM Rates
Trinity Health – Greenbrook	FY17 CMHPSM Rates
UMATS (University of Michigan)	FY17 CMHPSM Rates
Victory Clinic	FY17 CMHPSM Rates

SUD PA2 Contracts Funding Approved through SUD Oversight Policy Board Funding Source(s): (PA2 Funding)	Funding Amount
Lenawee from RFP#2016B	
Adrian Andy's Angels	\$8,987
Lenawee County Probate Court	\$65,496
Livingston from RFP#2016B	
LCCMHA MOU (Wraparound Program)	\$40,000
LCCMHA (School Support Group)	\$16,068
Monroe from RFP#2016B	
Catholic Charities of Southeast Michigan – Peer Support	\$25,000
Catholic Charities of Southeast Michigan – Family Supports	\$38,382
Washtenaw from RFP#2016B	
Avalon Housing	\$150,000
Corner Health Center / Ozone House	\$150,000
Home of New Vision – Recovery Community Support Services Program	\$290,418

Dawn Inc. & Home of New Vision – Pharmacy Program	\$1,000
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**Memorandums of Understanding / Coordination Agreements / Data-Use Agreements
(No Funding)**

Current Medicaid Health Plan Coordination Agreements
Aetna Health Plan
Blue Cross Complete
McLaren Health Plan
Meridian Health Plan
Molina Healthcare
UnitedHealthcare

Electronic Health Record Data Exchange Agreement
MiHIN (Michigan Health Information Network Shared Services)

Data-Use Agreements
Michigan Department of Health and Human Services (CC360 & Monthly Extract)
Michigan Department of Health and Human Services (SIS Online)
Community Mental Health Services of Livingston County (CC360 & Monthly Extract)
Lenawee Community Mental Health Authority (CC360 & Monthly Extract)
Monroe Community Mental Health Authority (CC360 & Monthly Extract)
Washtenaw County Community Mental Health (CC360 & Monthly Extract)
PCE Systems (CC360 & Monthly Extract)
Zenith Technology Services (Monthly Extract)

**CEO Performance Metrics Report
October 2015 through June 2016
(FY 16 Year to Date)
September 14, 2016**

The performance metrics approved by the CMHPSM Board of Directors at its January 13, 2016 are listed below:

1. Compliance with MDHHS/PIHP Contract requirements as evidenced by satisfactory completion of the MDHHS Site Review Survey, the SUD audit by MDHHS, and the EQR conducted by HSAG. The reviews and audits occur at different times throughout the year.

Status: The External Quality Review (EQR) occurred during the months of June, July and August. There are three sections covered in the full EQR process—Compliance, Performance Measure Validation, and progress on an agreed upon Performance Improvement Project. The review went well, but the final report is not available, yet. The MDHHS Site review process is scheduled for September and the results will be in the fourth quarter report.

2. Satisfactory organizational performance as evidenced by timely submission of financial reports and other required reports to MDHHS. The indicators associated with the performance withhold in the MDHHS contract are the main focus.

Status: The attached graph displays the status of the indicators for items 2 and 4.

-) From January through March 2016, we submitted the 4 required year-end financial reports on time.
-) Indicator 2 includes the coordination metrics for the PIHPs and the Medicaid Health Plans (MHPs). The first, second, and third required status reports were submitted on time. The PIHPs and the MHPs continue to meet together jointly on the second and fourth Thursdays of each month to address the remaining shared metrics for FY 16 and the new metrics for FY 17. These meetings are going well and the PIHPs and MHPs expect to meet all the milestones included in our contracts within the timeframes established by MDHHS. The next required status report is due October 1, 2016.

3. Satisfactory relationship with the CMHPSM Board of Directors as evidenced by Board feedback regarding CEO communication with the Board as a whole that keeps the Board informed of relevant trends, material external and internal changes that impact the operational or financial status of the CMHPSM, particularly changes in the assumptions upon which any Board Policy has previously been established, threatened or pending lawsuits, and any adverse media coverage.

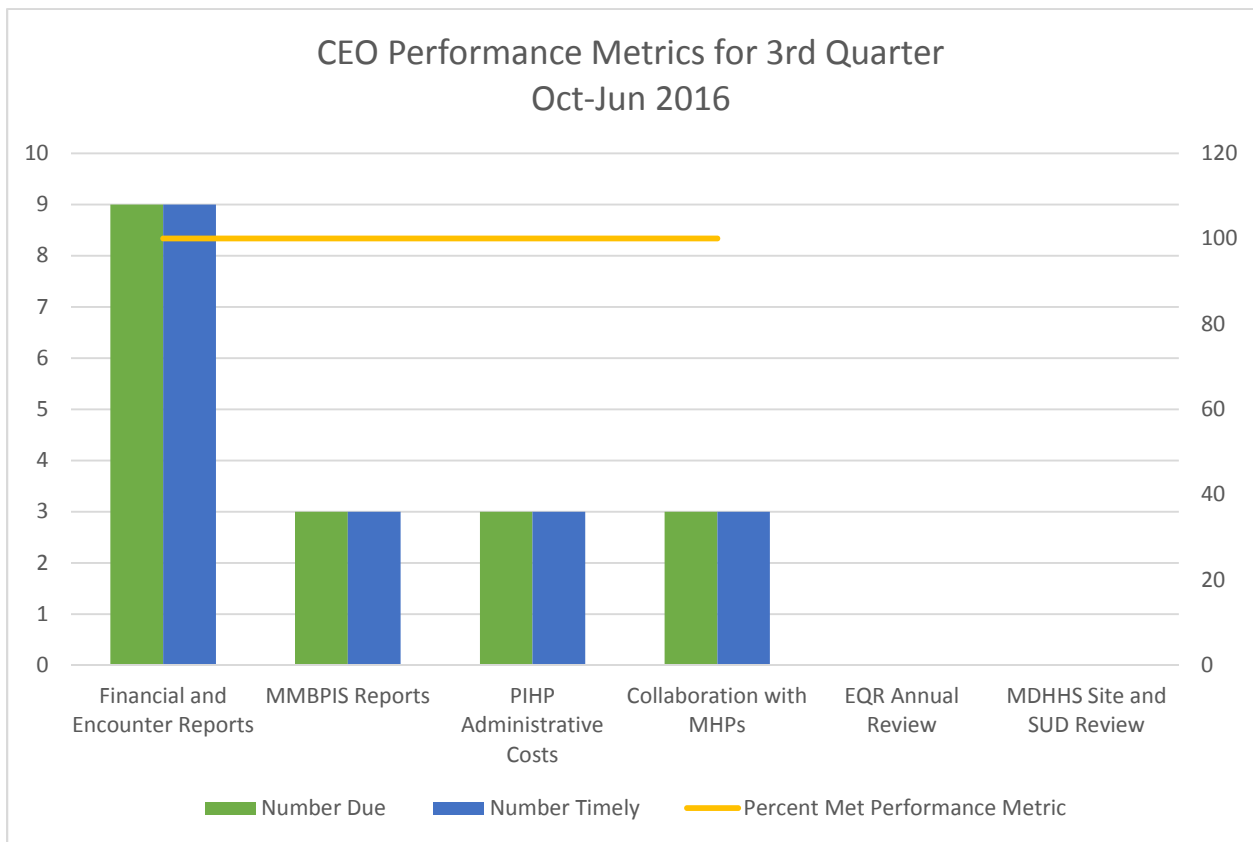
Status: Each CMHPSM Board Meeting Agenda includes a report from the CEO.

4. Satisfactory management of PIHP administrative costs as evidenced by quarterly budget to actual reports.

Status: The budget to actual costs are reported to the Board during Board meetings. We continue to be underspent in this area. A recent state report showed the average PIHP admin rate as 7% with the range from 2% to 12%. We are at the low end at 2%. MDHHS has indicated concern about the extreme variation across the 10 PIHPs and some changes are being made to the end of the year reporting.

5. Development of a 3-5 year Strategic Plan with quarterly progress reports to the Board.

Status: We have been assessing our performance as a PIHP and our role within the four county region. At an All Staff Meeting held in March 2016, we evaluated our internal functioning as a team and the external challenges faced by the CMHPSM. The ROC has met to discuss external threats and opportunities for the region. A strategic planning meeting with key staff has been scheduled for Wednesday, September 28. A draft of the 2016 through 2019 Strategic Plan will be presented for review and feedback at the November 2016 CMHPSM Board Meeting.



Respectfully Submitted

Jane Terwilliger, LMSW
CEO