

Contract & Financial Issues Committee, January 18, 2018, 1:00pm

EDIT Update – Carol Mills

Carol spoke about the December meeting stating that ACT will not be unbundled. Discussion on CURES Act stated that this is on hold till October 1st. She stated that the cost report template has seen transportation removed from it as it is a bundled service.

Sub-Groups for EDIT issues – Bruce Bridges

Bruce stated that 2 sub-groups have been established – Encounters Group which handles parking lot items 2nd Wednesday from 9-11 and Financial Reporting which meets the 3rd Wednesday from 9-11.

GF Negotiations – Lisa Morse

Lisa reported that Amendment 2 negotiations were to start on January 12, but was cancelled due to inclement weather. The Department sent out the materials, which she has reviewed. Lisa gave details on different items such as 1115 and COFR. Lisa stated that she has reviewed Chapter 3 regarding COFR, and is going to try to access the Administrative Rules. She will meet with John Duvendeck and Kendra Binkley to work on recommendations to be brought forward. She stated that PCP policy that was updated due to the HCBS rule has 2 items that are unresolved; supports coordinator be reinstated as a co-leader, and that the policy doesn't mention clinicians. The family supports subsidy was discussed, as well as the reporting grid being made consistent. Other items are recipient rights issues and OBRA PASSAR training requirements. Next meeting is scheduled for February 9, 2018.

Legislative Update – Bob Sheehan

Bob reported that the Disabled, Aged and Blind issue has cost the state approx. \$97 so far, and the Association is working with Legislators to handle this problem with the Department. He stated that discussions are taking place, but that the Department feels risk reserves should take care of this problem, and they will change the rates moving forward. The Association disagrees. This problem was an unanticipated occurrence due to implementation of the Healthy Michigan Program, and the PIHPs were paid an incorrect rate, which was much lower than it should have been. Bob stated that Lakeshore is now announcing cuts due to the loss of this revenue, and that the fix the Department is proposing will take up to 2 years, which will be too late for some agencies to come out of the red. Group wondered if any advocacy efforts should be taking place right now, and Bob advised after we see what the Department does. Bob then spoke about Licensing Exemption. He stated that the licensure that was to be required for homes where there are 6 people or less in a home and are receiving services will now be exempt. Originally they would have been considered AFCs, but under this exemption would not be.

Bob stated that the House CARES Task Force Recommendations were released yesterday, and will be forwarded to the group.

Bob then spoke about the 298 Pilot and the RFI process. Responses are due back to the Department by mid-February. Bob stated that having a few CMHs raise their hand is beneficial since the Department will pick one at their leisure if no one volunteers. He went on to state that the RFIs are being posed with the condition that there are financial safeguards for the agencies involved. He reported that there was a bill that changed the Social Welfare Act to allow for the 298 Pilots to occur. Bob stated that he and Alan will be meeting with the Project Evaluator on Feb. 15th to discuss what the outcomes of this process may provide.

Year to date actuarial funding (projected compared to actual) – Bruce Bridges

Bruce reviewed the chart distributed to the group. He gave details of the DAB and HAB Waiver shortfalls from the actuaries projected numbers, stating that this FY looks to see over \$50 Million short in DAB. Next rate setting meeting is January 23.

Wage Increase for Direct Care Staff Update – Bruce Bridges

Bruce stated that there is a Wage Increase report that was due Feb. 1, which looks at the pay rate for Staff on Sept. 30, and the pay rate for that same staff on Oct. 1. Group discussed providers who may or may not have distributed these pay raises, and were not funded by the PIHP. Bob stated that this was not required by law, and that is what will be put in that report. Wage compression was discussed, as well as the private entity employees who don't want their names given in this attestation report. Bruce stated that PIHPs have to cost settle the appropriation. Group felt this was not going to be handled easily. Bruce stated that the GF costs should be passed on to Medicaid or Healthy Michigan. Bruce also stated that those who increased rate in anticipation of this wage increase were out of luck as this increase needed to be done after 9/30/17.

Registering Providers in CHAMPS (CURES Act) Update – Bruce Bridges

Bruce reported that there are 4 types of provider staff – fully licensed typical providers, limited licensed typical, atypical providers doing one on one services, and atypical providers doing multiple or group services.

Fully licensed typical must be enrolled by March 1. Limited Licensed typical has been acknowledged that there is a problem and they are working out how to deal with how to get them registered. Atypical one-on-one need to be enrolled by October 1st of 2018. Atypical group providers is being discussed as to whether they should be enrolled in CHAMPS, or if this is too much turnover and will become ridiculous. Bruce stated that the Association needs to take a position on this and asked the group their thoughts. Bob asked Bruce to write up the stance that checking up be done by the Provider, and he would submit that to the Department to avoid having this group be required to enroll in CHAMPS. Bob stated that he will bring this back to the group at the next meeting for approval prior to sending to this to the Department.

Other – No other business.

Meeting adjourned at 2:09pm.