

## Legislation & Policy Committee Meeting, January 17, 2018, 9:30am

Bob Sheehan announced the appointment of Lisa Hotovy Williams as the Director Co-Chair for the Legislation & Policy Committee and thanked her for her willingness to serve.

### Legislative Update

#### Consensus Revenue Estimating Conference

Alan reported that this conference took place last week. State economists came together and found that GF dollars within the state are slowing down. GF will decrease, but school aid fund will increase slightly, giving about a \$10-20 Million amount in surplus. This will also be the first year that the State will need to set aside roughly \$300 Million for the Road Package funding. Alan stated that there was discussion of increasing the amount for personal exemption at the State level... this could have a negative effect on the budget as well. Next week, on 1/23/18 will be the last State of the State address from the Governor.

#### General legislation update – bills to watch document

Alan reviewed this document that was distributed to the group. He spoke about the opioid package and PA 224 of 2017 (Sen Shirkey's bill that allows for the creation of 298 Pilots). Group asked about HB 5386 (Medicaid eligibility for SNAP) and if Alan was following this. Alan stated that nothing has happened with this bill which was introduced last week, but he will be following it.

#### House CARES Task Force Update

Alan reviewed the report distributed to the group. The recommendations coming from the House CARES Task Force included licensing laws for Case Managers, funding for psychology, and telehealth becoming a billable Medicaid Health Services, among many others. Creation of a CARES hotline, and expanding/changing services for service provision to Mild/Moderate populations were also discussed. Other items included in the report were universal credentialing, more funds for SUD programs, streamlining the recipient rights officers, wrap around services, jail diversion services & problem solving courts, Medicaid services to be used for individuals prior to be adjudicated, Veterans services, CMH Priority for Foster Children, increasing meaningful rehabilitation efforts in prison, MAT services and re-entry programs. Alan stated that there were about 50 recommendations in this document, and he feels the Legislature will grab many of them and work with them. Any bills that come about from these recommendations will be added to the "Bills to Watch" document. Group discussed the streamlining of the Recipient Rights Office. Group also discussed whether or not the Department would be the ones to choose the items from this list. Alan stated no... that was to prioritize a list of 298 recommendations, not related to the CARES recommendations.

#### SB 745 – Adult foster care facility licensing bill

Alan reported that the this bill would amend the adult licensing foster care act, where a license would not be required for those who are unrelated living in a group home, and would increase the number of residents from 4 to 6 before requiring a license.

#### Section 298 Update

Alan reported that the Department issued an RFI in December, 2017. These RFI's are due back in mid-February, and solicit what agencies would be interested in being Pilot sites for the 298 process. He reported that the State still does not have approval on the 1115 Waiver, so we have to wait and see how this unfolds. Bob reported that the Association has a meeting with the project evaluator in mid-February, which is a good sign. Bob also stated that we have been urging CMHs to step forward and submit RFI's, with conditions, that would help them survive this Pilot process. Bob stated that we don't want to get into a situation where the State can pick any site that they want for fear that they may not be able to ride out the process unscathed. Group discussed the demonstration site in Kent County and the rumors of financial difficulties. Bob stated that Kent County is trying to "right" themselves financially, and if things start to look bad, they would be the ones to pull the plug on their Pilot. Alan stated that Kent County does not require any waiver approval for what they're doing, so there is room for more of these types of demonstrations. Bob stated that the DABS rate issue is the primary reason for financial instability in Kent County, and we are still working to fix this, hoping for retroactive payments. Group discussed how the Pilots could shape the future of the CMH system. Bob stated that hopefully the Association will help to shape the future, with the Pilots being an example of how the future should or should not be shaped.

#### Abuse Neglect Registry

Tracey Pingatore stated that the RR Advisory Committee in St. Clair County identified an issue where an employee who has had a complaint of abuse or neglect filed against them, leaves to seek employment in the same field, elsewhere, and there is no "record" or registry of the complaint. A letter was sent from St. Clair to the Department, and a response was sent back that this should be taken up legislatively. Tracey brought this topic to the Committee to bring it to their attention. Group discussed what statute or laws needed to change to create some sort of registry. Alan stated that he would try to get some feedback from around the state to see what the Pros and Cons of this are.

#### Policy Updates – Alan Bolter/Bob Sheehan

#### DAB issue

Alan reviewed the handouts discussing the impacts on Medicaid revenue for the PIHP/CMH system. He also reviewed the study created by Rehmann, showing a loss of almost \$100 Million in revenue. He went over details of how the payment of the wrong rates has shorted the system since approximately mid-2016. The Association has been in discussions with the Department for 6 or 7 months. In the beginning, the Department stated that there was no problem, but in the last month or so, have agreed there is a problem, and agreed to adjust rates being paid, but that revenue will not catch up to the system for about 2 years. The financial

hardship this creates in the interim is detrimental to the system. This loss of revenue was not identified in the beginning of the HMP program, and could not have been anticipated. The Department feels the risk reserves of the PIHPs should be used to cover this loss. The Association does not agree, stating this is out of the normal realm of what could have been anticipated, and feels the State should pay this to the PIHPs. The Department feels that Medicaid rates cannot be used, and that GF dollars should be used. Alan reported that Legislators are now actively involved in this issue, and are helping to encourage the Department to send out something that fixes this problem, and fix it now. Alan stated that this issue is already impacting Lakeshore negatively, and will likely impact other PIHPs by the end of this year or the beginning of next year if it's not fixed immediately. The Association feels this is a problem that was created by the Department – it needs to be fixed by the Department. Group discussed the ease of signing folks up for HMP (approx. 10 days) versus the difficulty of signing folks up for DAB (approx. 3 – 6 months), and how this affects the enrollment process. Group also discussed the loss of entitlement for those who would qualify for DAB, and the difference in entitlements and benefits for the consumer. Group wondered if there was any interest in actively working with the National Health Law organization to push the issue of protecting the consumer. Bob stated that this process may slow down the efforts of trying to replace/replenish the loss of revenue. Once this issue has been fixed, then pursuing the protection of the rights of entitlements of the consumer can happen.

#### HCBS Status

Bob reviewed the Home and Community Based Services compliance initiative. He stated that this is not funded. The Association joined with MARO and MALA and created a toolkit for agencies to use to help come into compliance.

#### Employment First Initiative

Bob stated that the Association has joined with MARO and the DD council to look for sites to implement this initiative. This initiative would provide technical assistance to our members, improving their ability to assist consumers in obtaining competitive, independent employment.

#### School Community Health Alliance policy work

Bob stated that we have partnered with SCHAMI to find out if Medicaid can fund contracting with CMHs to provide MH services through schools.

#### MDHHS Bulletin on Background Check for all Medicaid Providers (including Peers)

Bob reported that the Department has withdrawn this bulletin due to the negative feedback received on this background check. Group discussed that this would have applied to Home Help staff as well.

#### Other

##### Vice Co-Chair position

With the retirement of David Beck, the Vice Co-Chair position has been left open. Group voted to appoint Diane Pelts to the Vice Co-Chair position. Jim Shotwell asked if Diane Pelts would be willing to serve in this capacity. Diane accepted.

Meeting adjourned at 11:08am.