

## **Contract & Financial Issues Committee, June 24, 2021, 1:00pm**

### Updates

#### EDIT Update – Stacia Chick

Stacia reported there has not been a meeting since April 15, 2021. Next meeting is July 15, 2021. Stacia reported that she is now employed at a PIHP and wondered if the Committee wanted to have a CMH representative as the liaison to the EDIT Group. Committee discussed, agreeing to have Stacia continue to serve in the liaison role. If any there is any issue that creates a conflict of interest, Stacia will recuse herself from that discussion.

#### GF Negotiations – Lisa Morse

Lisa updated the group, stating that the negotiations group met about 2 weeks ago. Amendment #1 is finalized and should be coming to everyone soon. Lisa reported on outstanding items including changes to compliance examination document, Self-D policy, LOCUS code problem (is going to be added to EDIT agenda), and CMH state facility data entry. Lisa stated that the Department is developing software to enter this data. CMHs have been surveyed on this.

#### Legislative Update – Alan Bolter

Alan gave details on how the budget process is going. He stated that the Governor signed a supplemental yesterday which distributes the final funds from the December COVID relief dollars. There was no BH initiatives included in this supplemental. Alan stated that the Legislature is not scheduled to meet during most of July and August. A Shell Bill was passed last week that would allow the budget to be completed after July 1, 2021. Discussions regarding the budget are not going well between the House and the Senate. Alan reported that a supplemental will likely be passed after the Budget that will include Block Grant, CCBHC funding, and Inpatient Infrastructure needs among other BH items. Alan then spoke about BH redesign proposals. The House proposal has seen the introduction of several bills including a MH Code bill and Social Welfare reform bill. These bills will not be moved out of the House before Labor Day as Representative Whiteford has many meetings on this before that date. Alan then spoke about the House proposal from Representative Whiteford's office. He gave details of the proposed single ASO (Administrative Services Organization), which would replace the 10 PIHPs. He stated that the House Health Policy Committee heard testimony last week on this proposal, as well as accepting written testimony. This version is very different from what the Senate has proposed. In this proposal, no money is transferred to the Health Plans, an Advisory Council would be created, moves financing from a capitated system back to a fee for service system, adds additional responsibilities to the Department, and moves 100% of the risk back to the Department. The Senate proposal has a MH Code bill and Social Welfare reform bill ready to go, but they have not been introduced yet.

#### Funding Issues – Bruce Bridges

##### Year to Date Funding vs. Actuary Expectations

Bruce reported on the comparison of actuarial projected funding versus the actual funding advances for FY20 as of June 15, 2021. He reviewed DAB, TANF, HSW, CWP and SED payments. Bruce then reviewed the same comparison for FY21 as of June 15, 2021.

##### Preliminary 2022 Medicaid rate presentation

Bruce reviewed the actuaries report which indicates the system needs to be operating with the same amount of funding as last year. The Comparison of Projected Capitation Rate Expenditures information was reviewed in the document shared with the group. Bruce then reviewed the total projected Medicaid enrollment. He stated that all populations increase from January of 2020 and will not begin to fall until December of 2021. This information is being sent to the actuaries from the Department. This is of great concern for our system in anticipation of advanced funding. Finally, Bruce reviewed the projected SFY 2022 program enrollment comparison. HMP looks to increase by 33%, DAB looks to increase 3.6% and TANF looks to increase 10.2%. Bruce stated that the DCW pass through is not included in these projections, but it is being requested to add it in.

##### Discussion of Key Issues – Bruce Bridges

No items were moved to this section.

##### Other

##### Contract negotiations around MDHHS proposed financial reporting overhaul

Lisa Morse reported that a notification was sent to MDHHS about proposed changes, suggesting that this be put on the negotiations grid to discuss while CMHs continue to do what is currently in their contracts. She stated that the Department has added this to their grid. Lisa stated that the cost allocation workgroup will be involved in the negotiations meeting. Group wondered if the CMHs needed to communicate with MDHHS on their intentions. Lisa stated that you don't have to, but you could answer them confirming that current contractual guidelines will be followed until this is resolved through negotiations.

#### Advocacy around H2015 code changes

Group discussed the letter sent to Al Jansen from Bob Sheehan and Bob Stein. Christine Gebhard reported that this was a very important piece of advocacy and should be fully supported. Lisa Morse wondered if there was anything that should be added to the contract negotiation grid with reporting requirements being involved. Group felt that if the Department was going to ask that this change be implemented, the cost of this should be discussed and negotiated. Lisa stated that Miliman's involvement in day to day operations should be discussed as well. Group agreed by consensus to have this item added to the Negotiations grid.

#### Next Meeting

The next meeting of the Contract & Financial Issues Committee is scheduled for Thursday, September 16, 2021, 1:00pm. This meeting will likely be held in-person AND via Zoom. More details will be sent closer to the meeting date.

Meeting adjourned at 2:00pm.