

Northern Michigan Regional Entity  
Plan for Finalization of Legal Entity

<u>Task</u>	<u>Responsible Party</u>	<u>Target Date</u>
Completion of By-laws.	Attorney	Complete
Adoption of By-laws by each Board		
AuSable Valley CMH	Dave Beck	Complete
Centra-Wellness Network	Chip Johnston	Complete
North Country CMH	Alexis Kaczynski	Complete
Northeast Michigan CMH	Ed LaFramboise	Complete
Northern Lakes CMH	Greg Paffhouse	Complete
File By-laws with each County Clerk	Each Director	April 8, 2013
Adoption of Operations Agreement by each Board		
AuSable Valley CMH	Dave Beck	May 31, 2013
Centra-Wellness Network	Chip Johnston	May 31, 2013
North Country CMH	Alexis Kaczynski	May 31, 2013
Northeast Michigan CMH	Ed LaFramboise	May 31, 2013
Northern Lakes CMH	Greg Paffhouse	May 31, 2013
First Board Meeting of NMRE	Appointed Board Members	April 30, 2013
Legal Documents submitted to MDCH	PIHP CEO	July 1, 2013

Northern Michigan Regional Entity  
Statement of Consumer Involvement

Consumer input to the development and submission of this response has been encouraged and valued. To promote this input, two consumer meetings were conducted.

The first meeting, conducted March 12, 2013 provided opportunity for open discussion of the primary issues addressed in the Application for Participation. This included lengthy discussion of the five public policy initiatives, as well as other policy decisions relevant to this process. Consumers were particularly interested in funding structures, security of adequate funding, consistency of services, true community integration and healthy lifestyle options. This input has been used in developing this response, and more importantly, will continue to be used during the future planning efforts relative to the public policy initiatives. Members of the group have expressed interest in remaining involved in the future planning efforts.

The second meeting of the group was conducted March 28, 2013. This meeting provided the opportunity to review a draft response with the group and obtain additional input.

While the short time frame for completion of this submission limited the number of meetings that could be scheduled, the input received has proven to be very useful. Most importantly, as planning activities continue, additional input from the group will be included.



Karl Kovacs



Dave Schneider

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## Northern Michigan Regional Entity Vision and Values

The Northern Michigan Regional Entity is established by the five community mental health service programs that comprise Region 2. The member Boards are AuSable Valley Community Mental Health Authority, Centra-Wellness Network, North Country Community Mental Health, Northeast Michigan Community Mental Health Authority, and Northern Lakes Community Mental Health. The member organizations have established 11 principles, which provide a general vision and strategy for the newly formed entity.

The first principle states that the new regional entity exists to ensure that the best services and supports are available to benefit the persons served. This principle provides a general vision. The remaining ten principles provide an understanding of how the regional entity will achieve this vision, including how it will utilize the strengths of the members Boards.

The remaining principles are as follows:

- The Northern Michigan Regional Entity (NMRE) is committed to the development, support and use of evidence based practices and promising practices whenever and wherever practical.
- The NMRE is committed to a uniform benefit and the distribution of resources in a manner that supports parity in the availability of services across the region.
- The NMRE is committed to the improved wellness of all persons served through the meaningful and beneficial integration of physical health care, behavioral health care, and substance use disorder treatment services.
- The NMRE is committed to being a CMHSP run PIHP that is an equal partnership amongst the five CMHSP.
- The NMRE is committed to representative equal governance, comprised of publically appointed Board members selected by each participating CMHSP Board of Directors.
- The NMRE PIHP will be an administrative entity, and not a service provider, unless otherwise stated in the operation agreement.
- The NMRE will provide regional leadership consistent with its By-Laws and operation agreement, and will exercise timely and efficient communication practices to keep all CMHSP apprised of matters concerning the compliant functioning of the PIHP and the CMHSP Boards.
- The NMRE will utilize an Operations Committee to advise the Director in all PIHP activities and a committee structure representing all CMHSP and their respective Board members, staff and persons served, to take full advantage of their experience and expertise to help inform and formulate PIHP goals and practice standards.
- In respect to current service structures and decisions made in good faith to persons currently served, no CMHSP should be harmed in the initial process of allocating PIHP resources, to the extent possible, with all future allocations reflecting the principles established above regarding the provision of a common benefit and parity.
- All existing PIHP staff and assets of the region will be retained, and operating structures and agreements sustained, unless agreed to by all involved parties, until such a time that through attrition and/or the ongoing development of the PIHP, it is in the best interest of the NMRE and the member CMHSP to establish other arrangements.

The principles provide a basic framework for achieving the stated principle, and general vision, of ensuring that the best services and supports are available to those individuals served. This begins with drawing from the successful experience of the five CMHSP and the three PIHP of which they have been a part. As noted, there is a commitment to using the existing PIHP staff and operating structures. Additionally, there is a commitment to using the expertise of the five CMHSP through membership on regional committees. And finally, the commitment to an Operations Committee consisting of the five CMHSP Directors ensures that the PIHP structures will represent the best interests of the member CMHSP and the individuals served.

Providing a consistent benefit is a key element in meeting the Entity's vision for the future. This consistent benefit must include evidence based and promising practices when appropriate. While the full structure of the PIHP is not yet finalized, the stated commitment to regional leadership with the use of committees populated by the member Boards will be an effective method of establishing this consistency.

Equally important to ensuring the best supports and services throughout the region is to ensure equitable distribution of resources, i.e., money. While it is not yet clear what impact a new, regional geographic factor will have, the member organizations are committed to a fair and equitable distribution. To the extent that a transition period is necessary, one will be utilized to avoid significant harm to any one Board.

As noted previously, the use of a committee structure populated by the member CMHSP will provide the opportunity to utilize the experience and strengths of the Boards. This is particularly true when one considers the opportunities for the Boards to learn from each other. The formation of a new region with five member organizations creates an environment in which each Board can evaluate what works best throughout the region and then replicate successful programs.

The 2013 Application for Participation "raises expectations for certain administrative capabilities that a mature specialty managed care system such as Michigan's should be able to demonstrate."<sup>1</sup> The NMRE is committed to being an effective and efficient administrative entity and prepaid inpatient health plan. It is an established principle that the PIHP will provide regional leadership. This leadership will be evidenced by the application of consistent regional standards relative to the functions related to a specialty managed care system. Common standards for provider networks, grievance and appeals, access and service authorization, and quality management will ensure that the NMRE, and more importantly the CMHSP in the region, achieve the vision for the best supports and services for those served.

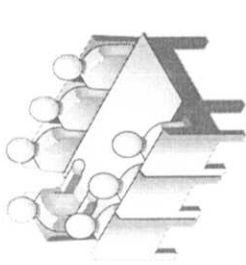
One of the central elements of this regional leadership is the Operations Committee. This committee is comprised of the directors of the five CMHSP. This group will work with the director of the NMRE on a regular basis to define, monitor and apply the common standards for the PIHP. The Operations Committee, because it is comprised of each of the CMHSP directors, will have the ability to address any performance deficits and require that performance be raised to acceptable standards.

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<sup>1</sup> 2013 Application for Participation, Page 9



PIHP Governing Body approves budgets and contracts



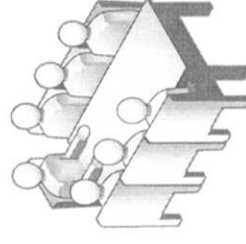
PIHP Governing Body



PIHP CEO

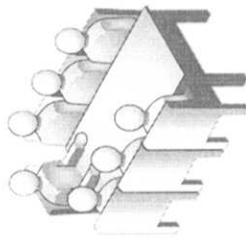


PIHP CFO



Finance Committee

Comprised of CMHSP Finance Directors and PIHP CFO



Operations Committee

Finance Directors of the five CMHSP are responsible for financial operations of their Boards. This includes: budgeting, revenue and expense analysis, costing, supervision of accounting functions and audits, accounts payable, etc.



CWN CFO



AVCMH CFO



NCCMH CFO



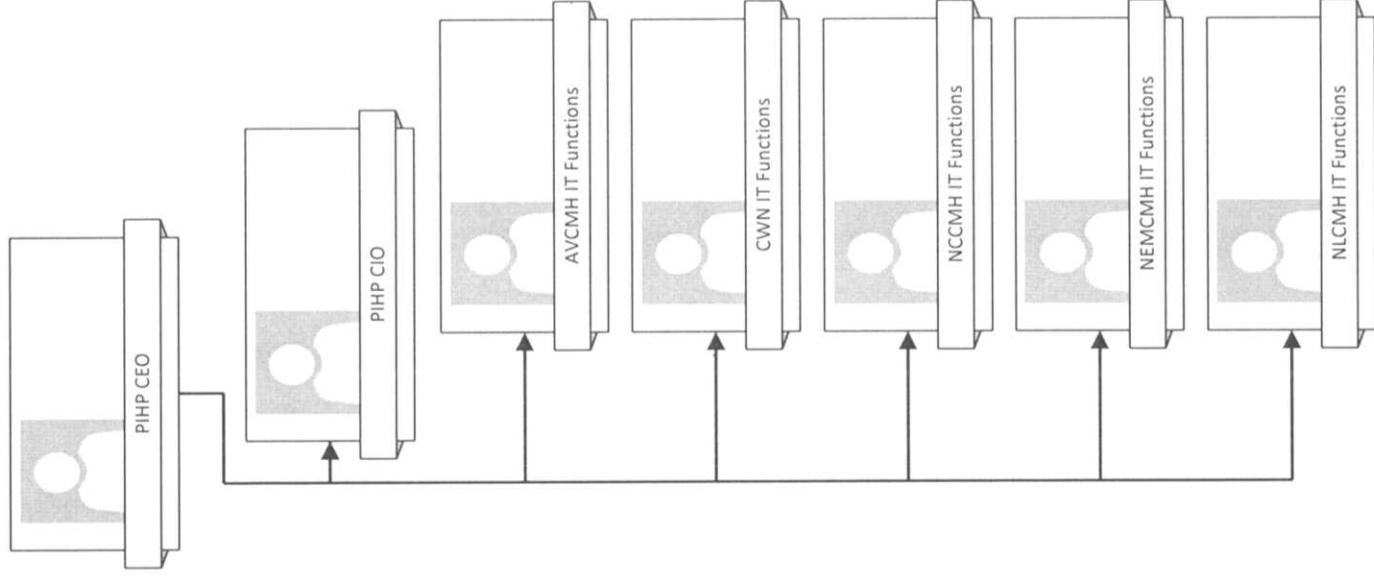
NEMCMH CFO



NLCMH CFO

The regional Finance Committee advises the PIHP staff and Operations Committee regarding most accounting functions, including, but limited to: common regional standards, PIHP budget for both services and administration, revenue analysis, expenditure monitoring, state reporting, audits, and risk reserves.

Full integration of the Coordinating Agency functions to the new PIHP will occur prior to October 1, 2014, but will not be completed prior to January 1, 2014. Once completed, the SUD providers will report data to the PIHP as indicated in the left hand column of this chart. The process during the transition period is yet to be determined, but will likely be consistent with the current practice in place between NMSAS and the Northern Affiliation.



Each CMHSP operates an IT system capable of meeting established standards for the region. These standards are developed with the input of all members.

The PIHP CIO is responsible for the following functions:

- Accepting, processing and making available to all members the enrollment and revenue files.
- Accepting, loading, storing all necessary clinical, financial, utilization, demographic and quality data from the CMHSP and provider network.
- Analyzing, integrating and reporting data received from CMHSP and provider network.
- Submitting QI and encounter data to MDCH.
- Security and compliance relative to data and information.
- Data accuracy and integrity.

Each CMHSP IT system must be operated in a manner consistent with the established standards of the PIHP relative to the functions noted above. Each CMHSP, as noted in procedures, is responsible for data integrity, timeliness and completeness. Each system must be secure.

Each CMHSP maintains an IT capacity to meet the following:

- Electronic medical record
- Accessing enrollment and revenue files
- Collecting, storing and reporting clinical, financial, utilization, demographic and quality data in standard formats.
- Validating the integrity of data prior to submitting to the PIHP.
- Ensuring security of IT system and all data.

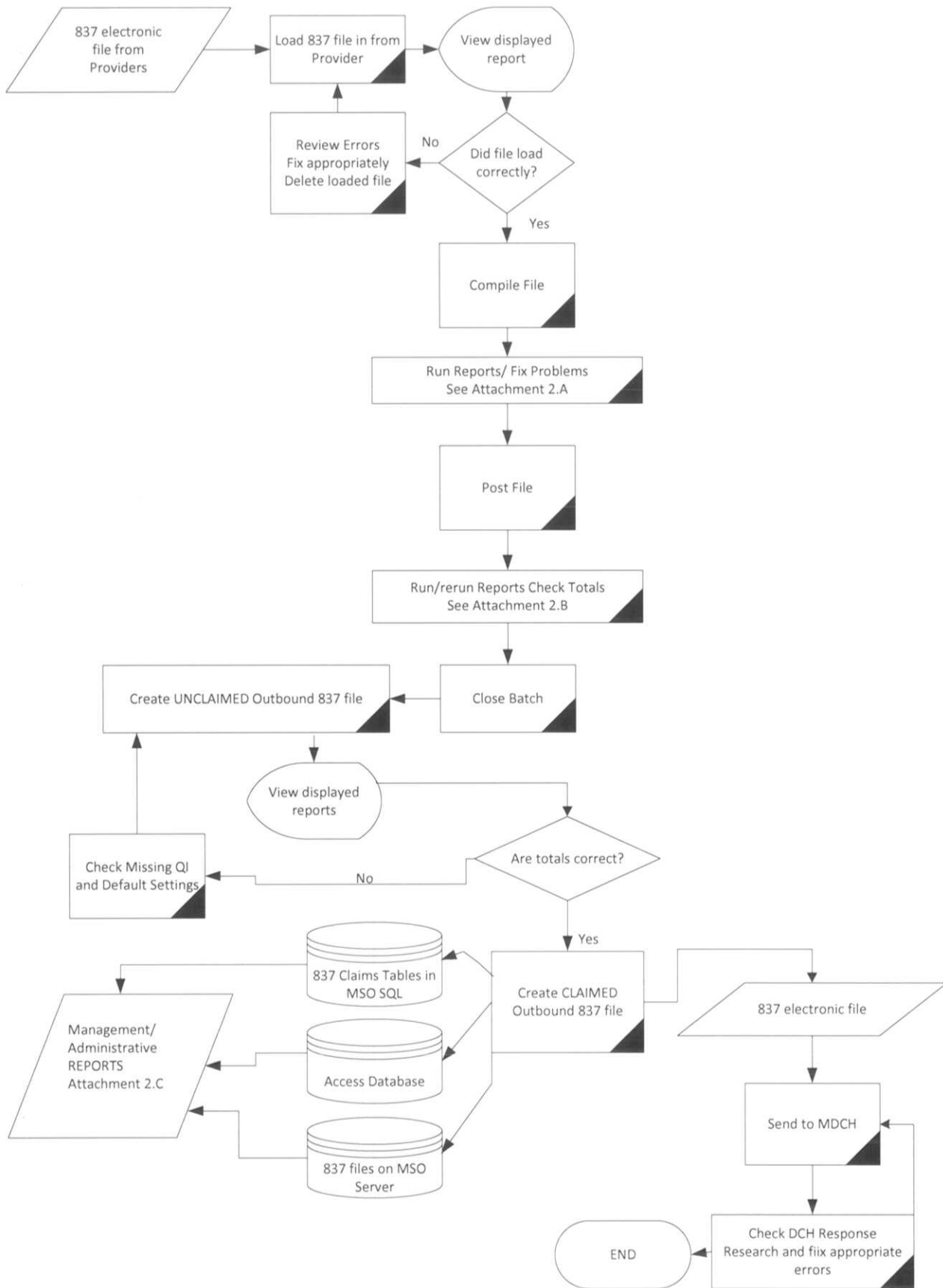
Northern Michigan Regional Entity  
Information Systems Management Policies and Procedures

<u>Policy/Procedure Name</u>	<u>Original PIHP</u>
Policy PIHP Requirements for Information Management	CMHAMM
Procedure PIHP Requirements for Information Management	CMHAMM
Data Validation	CMHAMM
Information System Policy	Northern Affiliation
Security Procedure	Northern Affiliation
Firewall Security	Northern Affiliation
Back-Up Procedure	Northern Affiliation
Anti-Virus Procedure	Northern Affiliation
Breach Notification	Northern Affiliation
837 Institutional Claims Processing Procedure	Northern Affiliation
837 Professional Claims Processing Procedure	Northern Affiliation

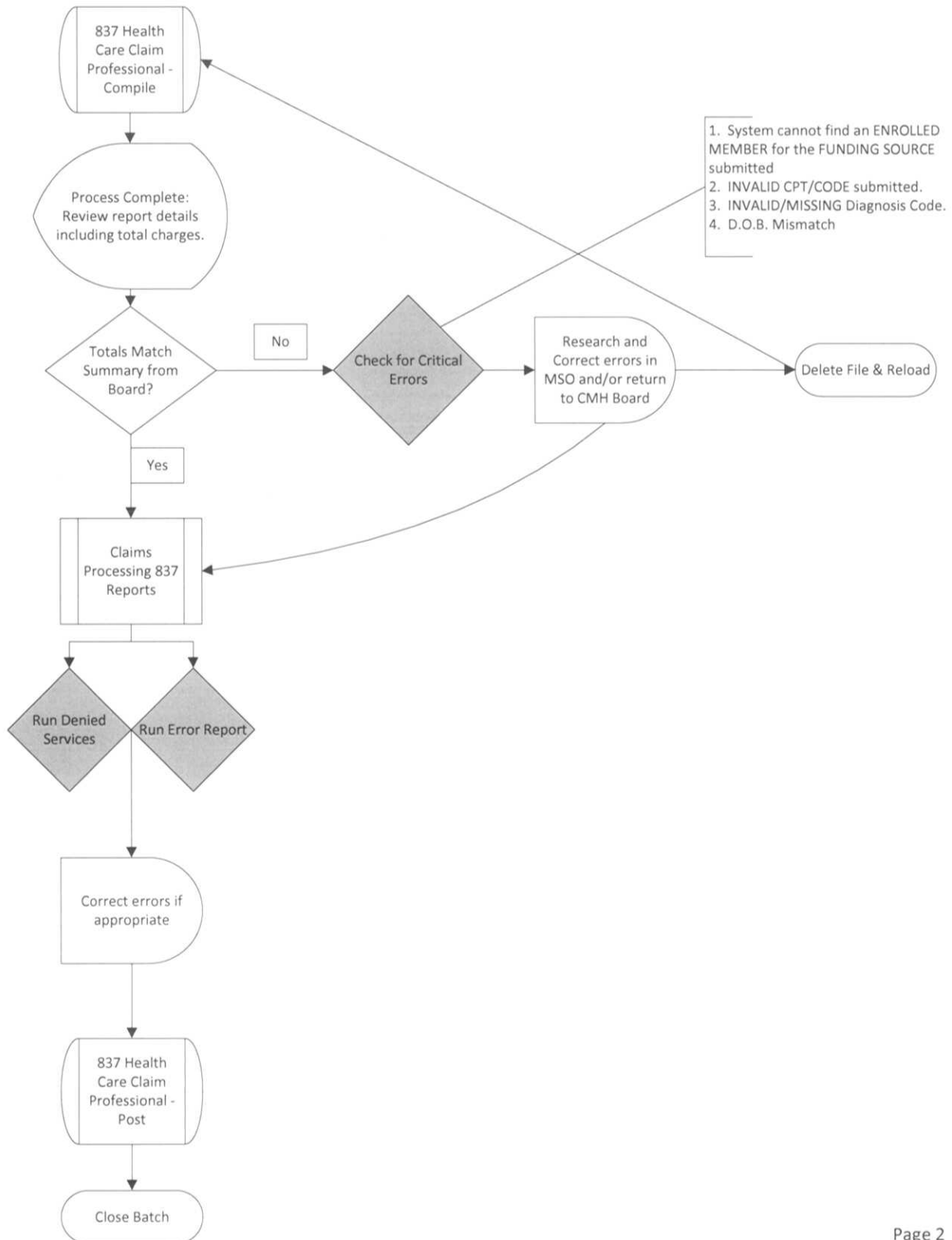
NOTE: The list above represents the existing policies and procedure that the new PIHP intends to adopt in terms of functional activities. Each policy and procedure listed will be edited for format and content in order to apply to the new, larger region. The edits will not impact the core functions. The edited documents will then be submitted to the NMRE Governing Body for formal approval.



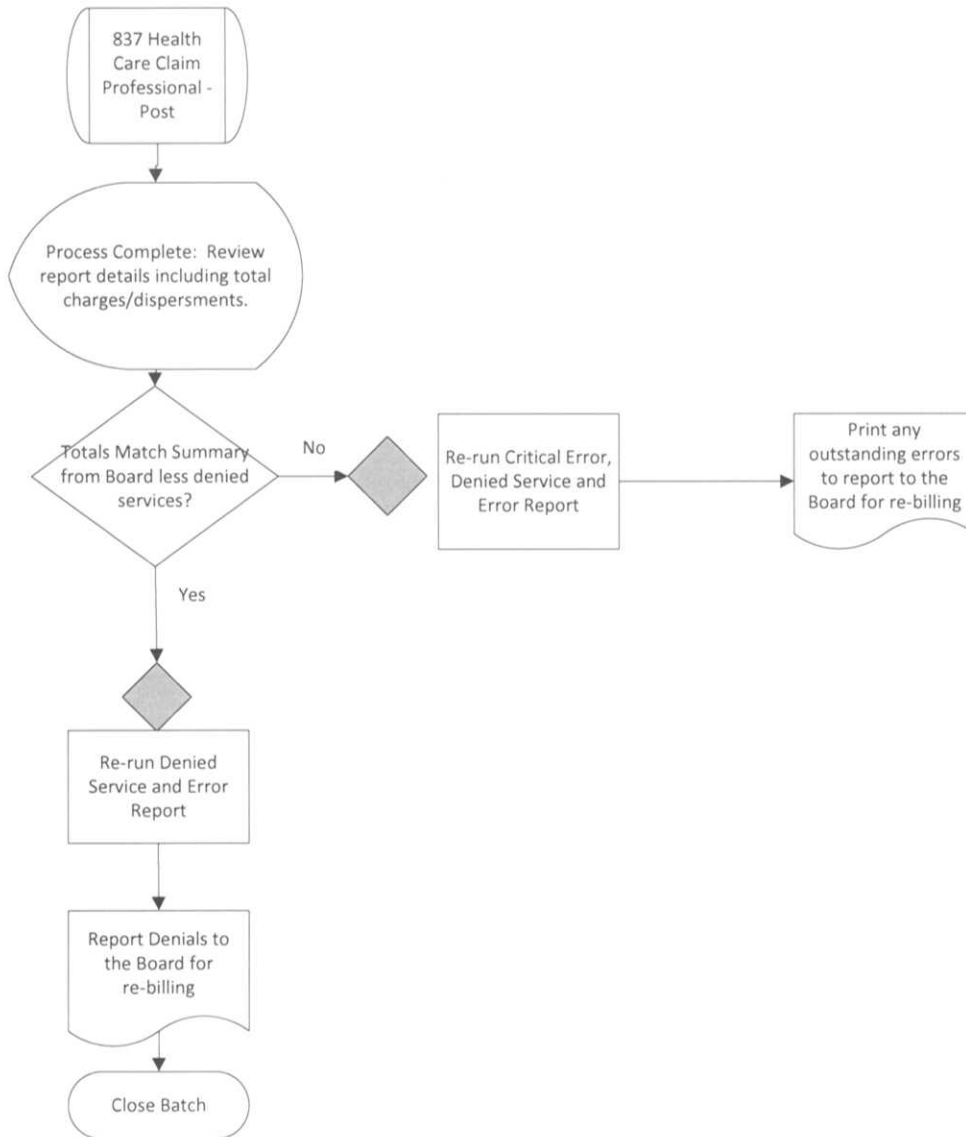
Northern Michigan Regional Entity  
2.3.7 MEDICAID Encounter Flow Sheet - Avatar MSO



Northern Michigan Regional Entity  
**MEDICAID Encounter Flow - 2.A MSO Edits**



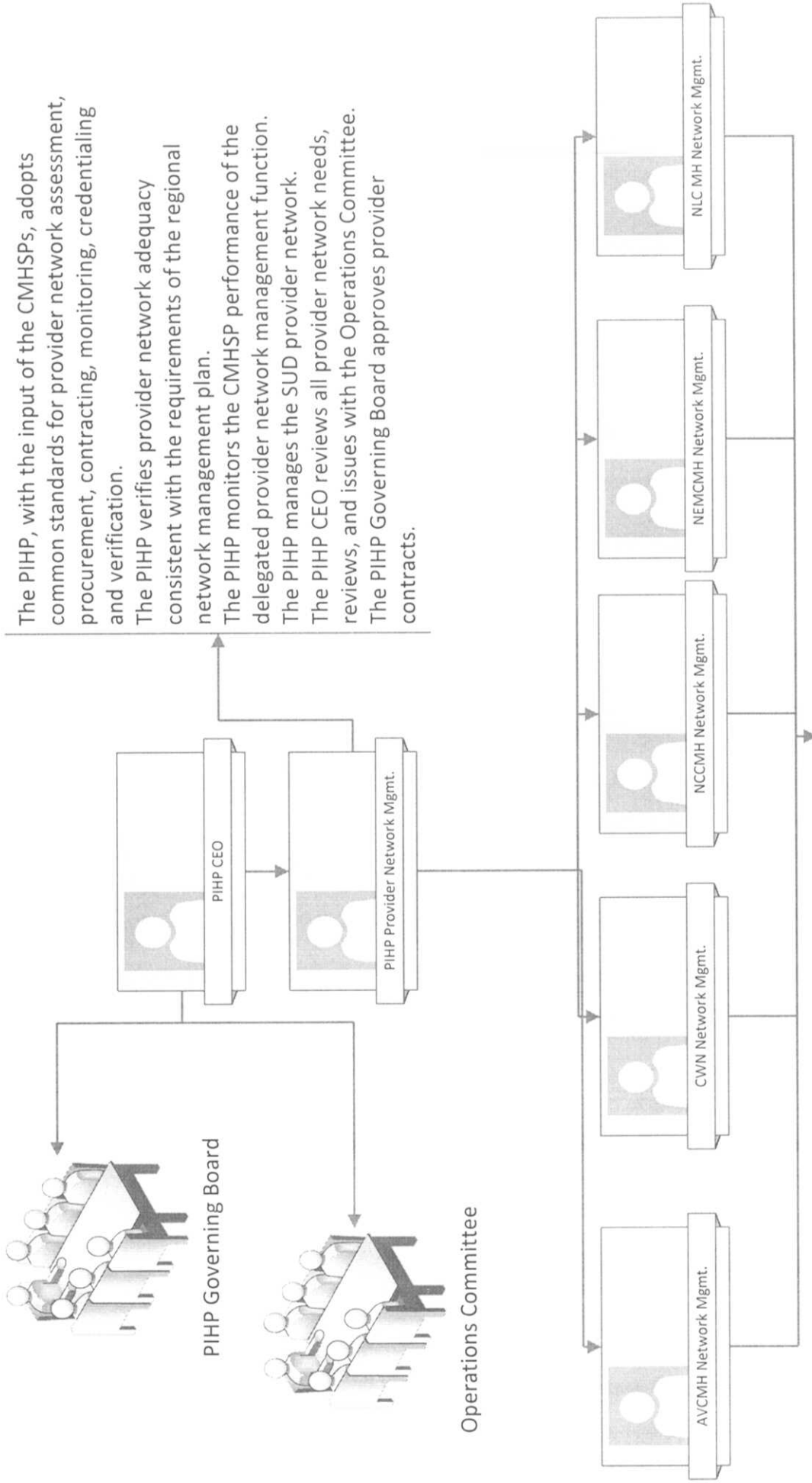
Northern Michigan Regional Entity  
**MEDICAID Encounter Flow - 2.B MSO Edits**



Northern Michigan Regional Entity

**Medicaid Encounter Flow - 2.C MSO Reports**

1. MDCH lines and claims comparison with MSO
2. MDCH Batch Comparison with Access DB
3. MUNC - SQL MSO
4. Habilitation Waiver Checks
5. PI Checks against Services
6. MCAP checks for Medicaid Eligibility
7. Duplicate Clients
8. MSO – DCH service count comparison
9. Management Reports
  - a. Clients Served
  - b. Service Array



Each CMHSP manages a provider network as a delegated function. The related policies and procedures, e.g., procurement, credentialing, contracting and monitoring, are consistent with common standards adopted by the PIHP.

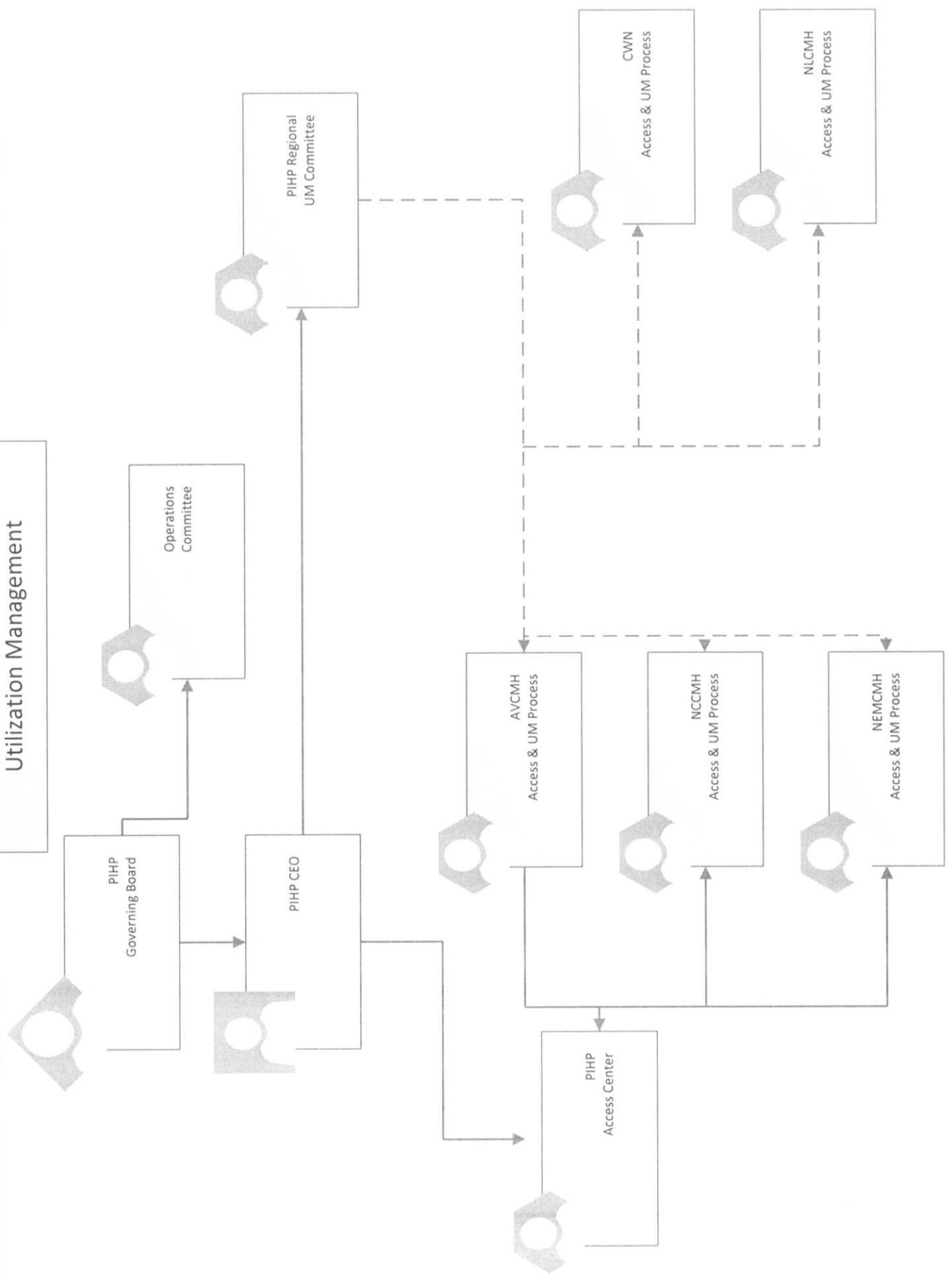
Each CMHSP reports to the PIHP, consistent with the BBA requirements for a delegated function. This includes summary information regarding provider network management functions, including but limited to: procurement activities, network adequacy, provider monitoring, and credentialing. Each CMHSP is responsible for primary source verification and review of excluded provider databases.

Northern Michigan Regional Entity  
Provider Network Management

<u>Policy/Procedure Name</u>	<u>Original PIHP</u>
Network Administration	CMHAMM
Provider Network Management	CMHAMM
Credentialing/Re-credentialing	CMHAMM
Semi Annual Monitoring Procedure	Northern Affiliation
Corrective Action Procedure & Forms	Northern Affiliation
Network Management Plan	Northern Affiliation
Network Operations	Northwest CMH Affiliation
Population Management	Northwest CMH Affiliation
Common Policies and Procedures	Northwest CMH Affiliation
Due Diligence	Northwest CMH Affiliation
Network Services Communication	Northwest CMH Affiliation
Pre-Delegation Assessment	Northwest CMH Affiliation
Delegation	Northwest CMH Affiliation
Procurement	Northwest CMH Affiliation
Purchase of Services	Northwest CMH Affiliation
Network Provider Training	Northwest CMH Affiliation
Excluded Providers	Northwest CMH Affiliation
Provider Profiling	Northwest CMH Affiliation
Provider Dispute Resolution	Northwest CMH Affiliation
Provider Sanctions	Northwest CMH Affiliation
Out of Network Providers	Northwest CMH Affiliation
Notification of Provider Termination	Northwest CMH Affiliation

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Utilization Management

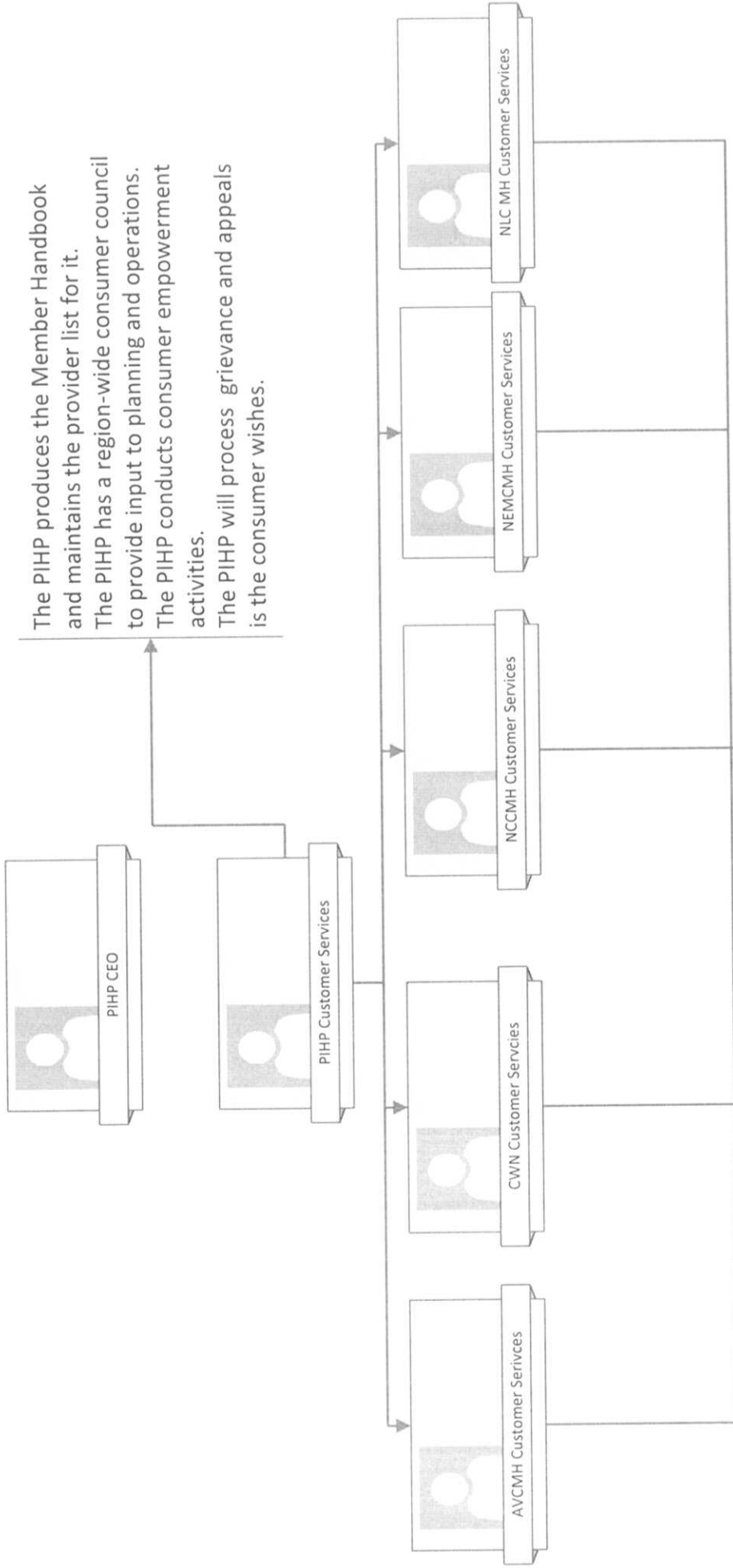


Northern Michigan Regional Entity  
Utilization Management Policies and Procedures

<u>Policy/Procedure Name</u>	<u>Original PIHP</u>
Access Policy	Northwest CMH Affiliation
Utilization Review Policy	Northwest CMH Affiliation
Expedited Determinations Policy	Northwest CMH Affiliation
Discharge Planning Policy	Northwest CMH Affiliation
Utilization Management Plan	Northern Affiliation
Access To Care Plan	Northern Affiliation

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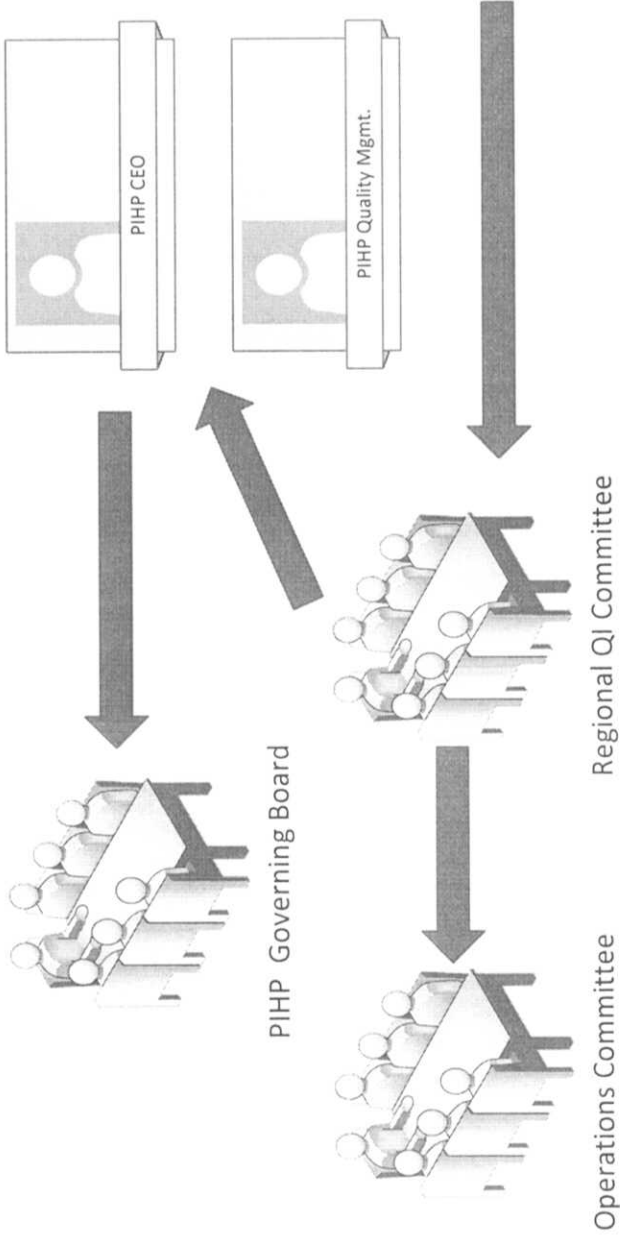




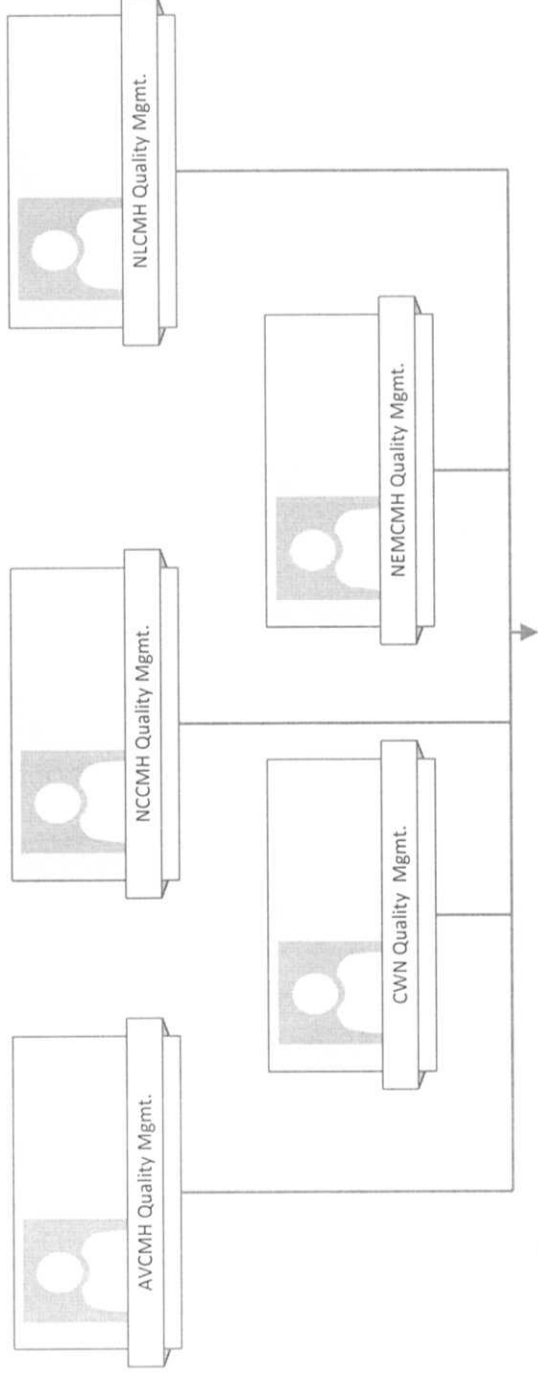
Northern Michigan Regional Entity  
Customer Services Policies and Procedures

<u>Policy/Procedure Name</u>	<u>Original PIHPP</u>
Customer Services Plan	Northern Affiliation
Customer Services Policy	Northwest CMH Affiliation
Enrollee Information	Northwest CMH Affiliation
Grievance and Appeal Protocol	Northern Affiliation

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The regional QI Committee is comprised of members of each CMHSP QI Committee, consumer representation, PIHP staff, and other membership as appointed by the Operations Committee. The regional QI Committee is responsible for recommending a QAPIP for approval and monitoring the implementation of that program as approved by the PIHP Governing Board.



Each CMHSP operates a quality improvement system consistent with federal and contractual requirements. This includes a QI Committee. The CMHSP QI structure is responsible for the local QI processes, including training, assessment, monitoring, and improvement activities. The CMHSP QI structure reports to the regional Quality Improvement Committee.

Northern Michigan Regional Entity  
Quality Management

<u>Policy/Procedure Name</u>	<u>Original PIHP</u>
Level of Care Review	CMHAMM
Clinical Record Review	CMHAMM
Level of Care Assessment Rev	CMHAMM
Quality Improvement	CMHAMM
Medicaid Claims Verification	CMHAMM
Credentialing	Northern Affiliation
Procedure for Delegation	Northern Affiliation
Consumer-Family Satisfaction	Northwest CMH Affiliation
Eval of PIHP Services	Northwest CMH Affiliation
Clinical Practices	Northwest CMH Affiliation
Peer Review	Northwest CMH Affiliation
Incident Reporting Policy	Northwest CMH Affiliation
Corrective Action	Northwest CMH Affiliation
Sentinel Events Policy	Northwest CMH Affiliation
Delegation	Northwest CMH Affiliation
Initial C&P	Northwest CMH Affiliation
Re-credentialing	Northwest CMH Affiliation
Temporary C&P	Northwest CMH Affiliation
Criminal History Checks	Northwest CMH Affiliation
Qualification Non-Licensed	Northwest CMH Affiliation

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