Northern Lakes Community Mental Health Authority

Committee of the Whole Packet

November 17, 2022

Northern Lakes
COMMUNITY MENTAL HEALTH AUTHORITY

Administrative Office, 105 Hall Street, Suite A, Traverse City, MI 49684

COMMITTEE OF THE WHOLE - AGENDA

DATE: November 17, 2022

TIME: 12:30 p.m.

PLACE: 527 Cobb Street Cadillac
& Virtual - Dial 1-810-258-9588 Conference ID 693 661 794#

TIME	ID #	ITEM	POLICY #
12:30 p.m.		Call to Meeting	2.8
12:35 p.m.		Public Comment *(May be limited to three minutes by the Committee Chairperson)*	
12:40 p.m.	1	Update on Recipient Rights	3.7
12:50 p.m.	2	Presentation –Information and Technology	3.4
1:10 p.m.	3	2023 Board Schedules - Policy Monitoring Schedule - Annual Planning Calendar - Board Education and Work Plan - Board Meeting Schedule	
1:20 p.m.	4	Techni^lodge Feasibility Plan	
1:45 p.m.		December 15, 2022, Agenda Planning – Traverse City	
1:50 p.m.		Evaluation/Comments	
1:55 p.m.		Other/Adjourn	

Note: This is the Board's work group and often times the Board's work groups do not follow set times.

NEXT MEETING: December 15, 2022

NOTICE: If any person with a disability needs accommodations, please call the CEO's Office three days prior to the posted meeting date.

Northern Lakes Community Mental Health Authority
Committee of the Whole
Annotated Agenda
November 17, 2022

12:30 p.m. **Call to Meeting**

12:35 p.m. **Public Comment**
This is an opportunity for the public to provide input consistent with board policy.

12:40 p.m. **Update on Recipient Rights**
Report on the Office of Recipient Rights will be given.

12:50 p.m. **Presentation- Information & Technology**
The Chief Information Officer will give a report related to information and technology.

1:10 p.m. **2023 Board Schedules**
The following 2023 calendars will be discussed:
- Policy Monitoring Schedule
- Annual Planning Calendar
- Board Education and Work Plan
- Board Meeting Schedule

1:20 p.m. **Presentation - Techni^lodge Feasibility Plan**
The Chief Financial Officer will give a presentation about Techni^lodge.
Prepared by Lauri Fischer and Darryl Washington.

1:45 p.m. **December 15, 2022, Agenda Planning – Traverse City**
Next meeting will be held in Traverse City at the Gateway Center

1:50 p.m. **Meeting Evaluation/Comments – Board Members**
In keeping with our focus on continued improvement of Board operations, time is scheduled for review and comment on the effectiveness of this meeting using the Board adopted evaluation form.

1:55 p.m. **Other/Adjourn**

Note: This is the Board's work group and often times the Board's work groups do not follow set times.

NEXT MEETING: December 15, 2022

Office of Recipient Rights Director's Report
November 2022

Investigation Information:

Dates represented	10/1/20-11/07/20	10/1/21-11/07/21	10/1/22-11/07/22
Complaints	25	47	39
OJ, No Right Inv.	4	6	4
Interventions	0	4	1
Investigations	21	37	34
Investigations Comp	21	37	2
Investigations open	0	0	32
Inv > 90 days	7	0	0
Inv < 90 days	14/21(66.7%)	239/266(89.8%)	2/2(100%)
Summary Report Avg	20/21 (95.2%)	37/37(100%)	2/2(100%)
NLCMHA staff alleg.	0	5	0
NLCMHA Staff W/I 1 yr	0	1	0

Notes:

-We continue to wrap up FY2022 investigations. Currently there are 59 open investigations that were opened in FY22. The office is continuing to maintain a 100% compliance standard.

-Plan of Correction was submitted to the State for the Triennial review. Currently waiting for acceptance of the plan. One action that will remain open for correction will be Rights Training for the CEO and will remain open until a permanent CEO is hired and trained by the State.

-One staff member has submitted a letter of resignation effective December 23rd. Job opening has been posted and will schedule interviews when a qualified pool of applicants is established.

Respectfully submitted,

Brian Newcomb

Director of Recipient Rights

Recent History of IT 2019 to Present

In 2018 we NLCMHA infrastructure was almost totally on premises (On Prem). We had a disarray of virtual environments and most of the hardware and software that was at end of life. When hardware and software are at end of life (EOL) the manufacturer will no longer provide updates and support, putting the agency in a very risky position.

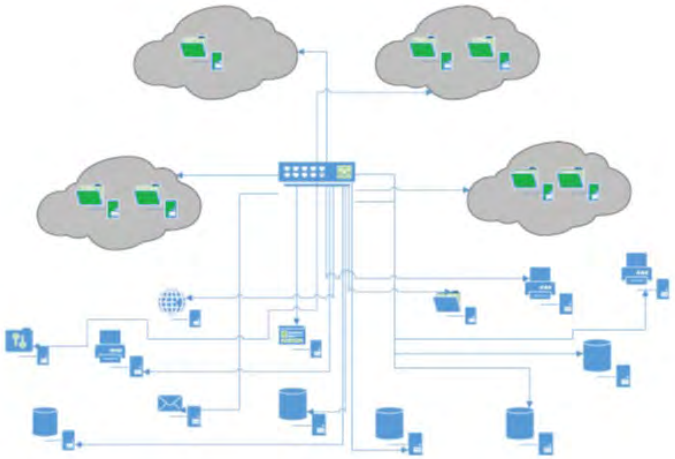


Figure 1

To begin to address the EOL issues, we started by re-purposing three of the newest servers we had in our environment and connected them to a new Storage Area Network (SAN) to create a state-of-the-art virtual environment. We then took physical servers that were at EOL and virtualized them to this environment. By doing this were able to retire the old servers without purchasing new hardware. This move alone opened a 5 year windows of hardware service since the hardware we leveraged, the three servers and the SAN, all had about 5 years before EOL.

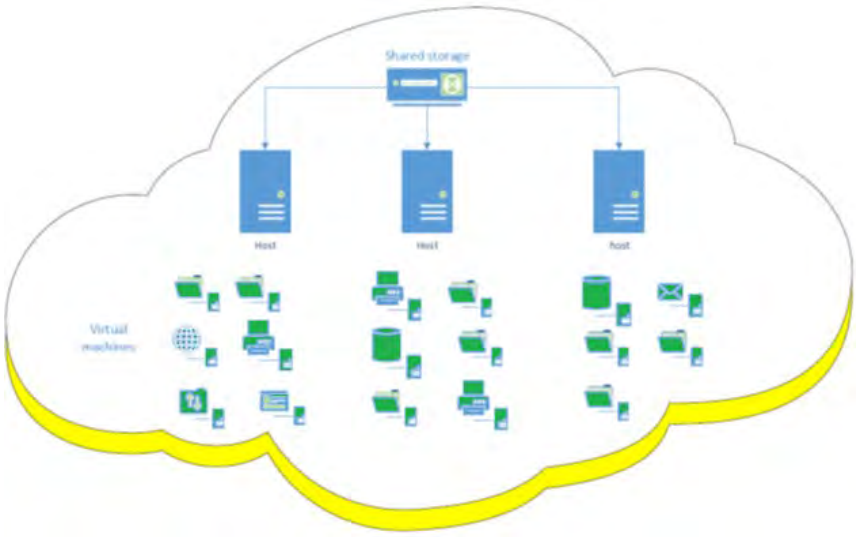


Figure 2

In 2019 we began addressing the need for better internet access. Our network topology was setup with Cadillac and Traverse City having Internet access at 20Mbps. Grayling and Houghton Lake had a 6Mbps inter-office connection and all internet access was through either Traverse City or Cadillac. None of our sites had wireless access.

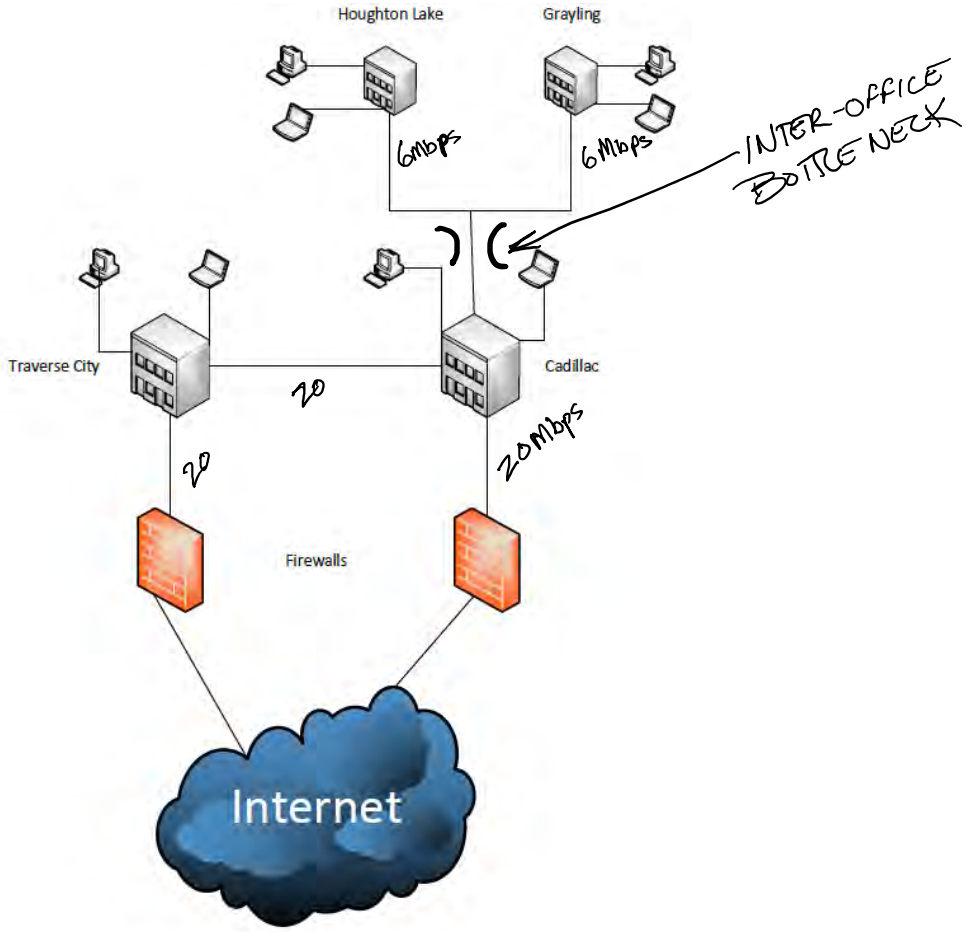


Figure 3

We increased our bandwidth to 100Mbps in Cadillac and Traverse City and 50Mbps in Grayling and Houghton Lake.

Moving to support a more mobile workforce.

As part of our bandwidth increase in 2019, we redesigned our internal network creating a full mesh network between all facilities, eliminating the inter-office bottle necks. We also added Wi-Fi to all facilities to better support inter-office travel, the days of *finding a place to plug-in* were gone.

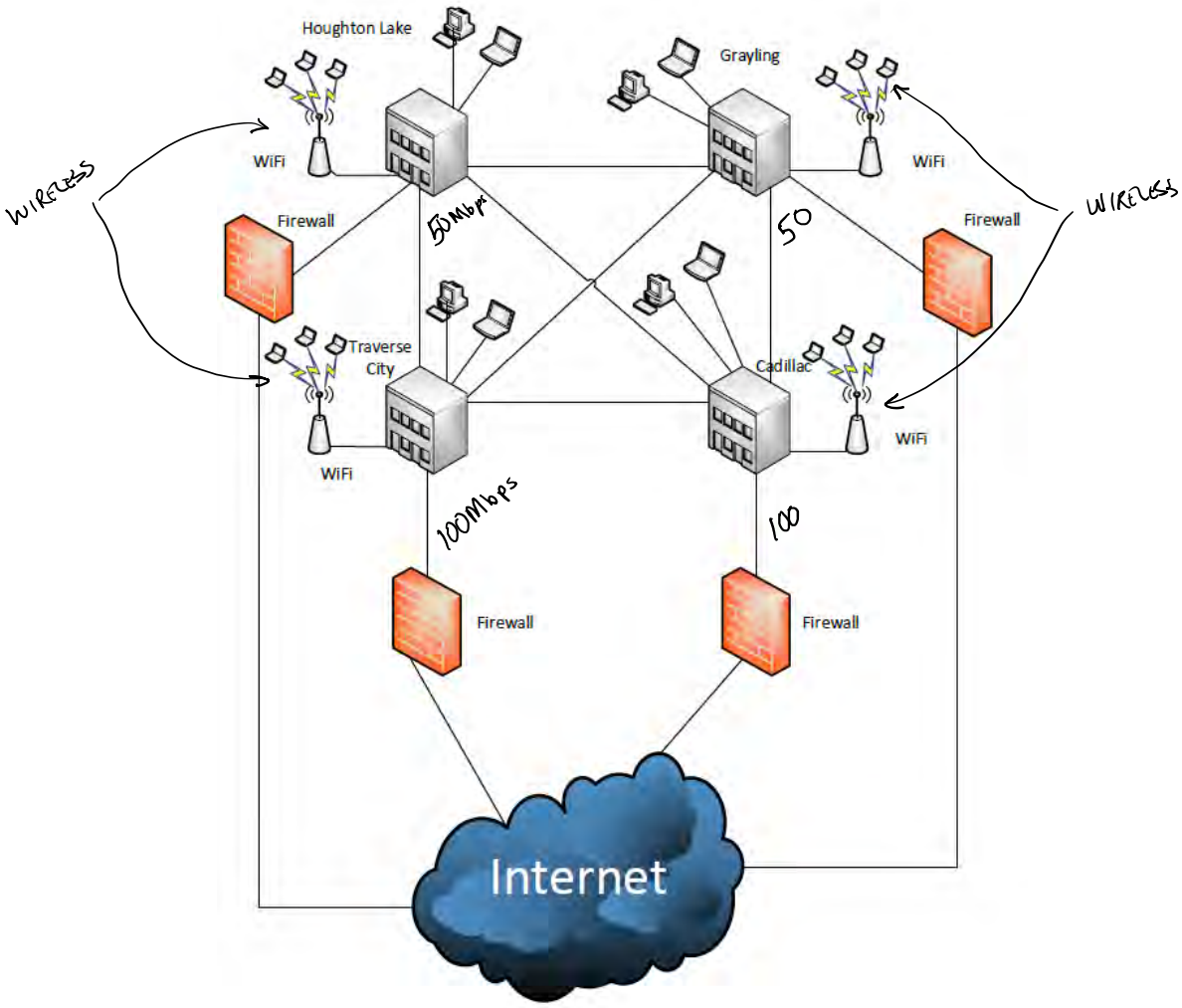


Figure 4

Shift to Cloud solutions

In 2018 all our solutions, except for Gmail, were supported on premise. On premise solutions require the agency to provide all the resources to support the application, Servers, Storage, backup resources, maintenance, updates, and all layers of security.

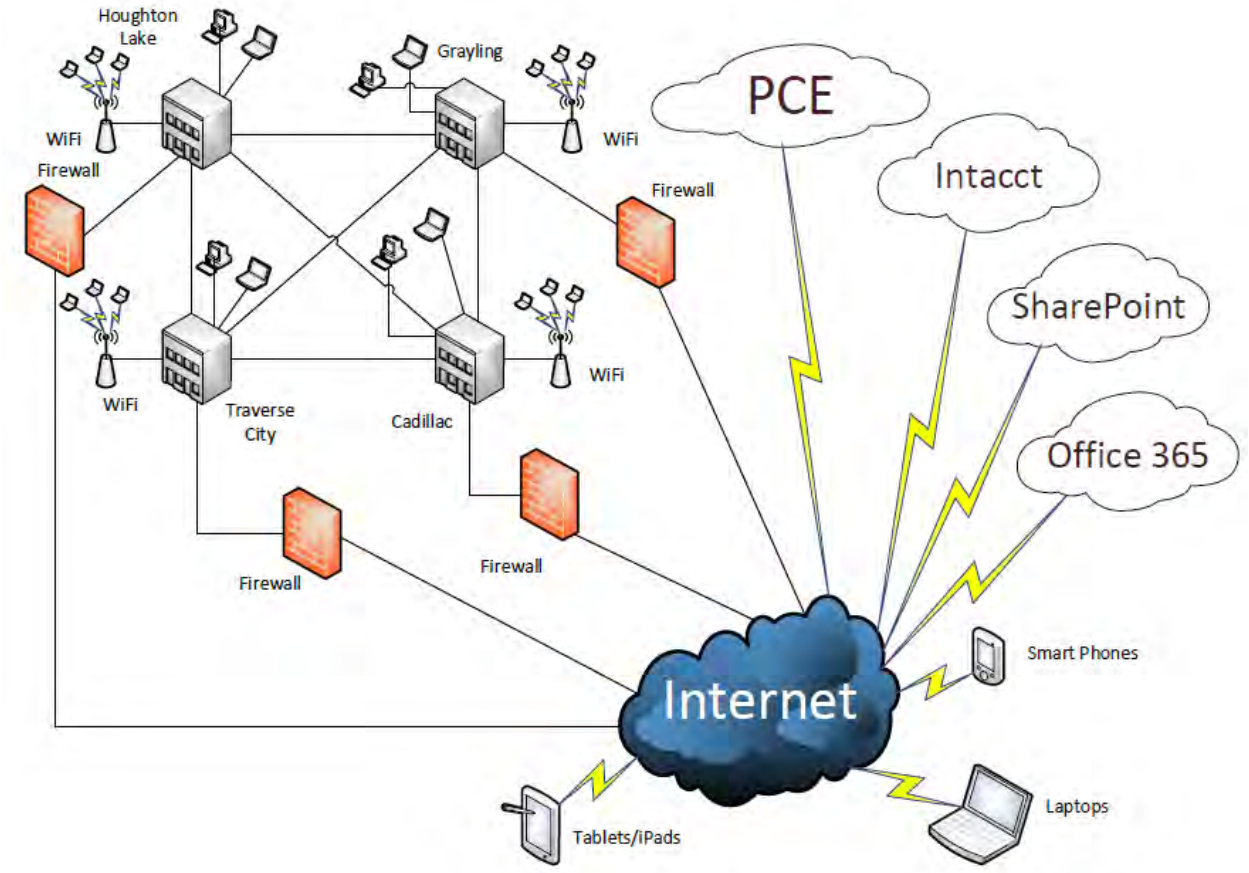


Figure 5

Ransomware explodes into the tech world

As 2019 winds down ransomware makes headlines worldwide. Vulnerabilities in older software and operating systems, as well as hardware, radically increase the risk of infection. We had made great progress in removing our older Windows 2008 servers that were at EOL and replacing them with virtual servers running the latest Operating Systems. We needed to make the same improvements in our workstation environment were we still had some older workstations running Operating systems like windows 95 and Windows 7, both of which were at EOL. We also had an eclectic mix of Office suites installed across the agency, a majority MS Office 2010 and older. Our endpoints, workstations, were at a very high risk of exploitation.

We had budgeted to replace 50 desktop computers with laptops, but that did not address all the needs. We were able to leverage some community reinvestment funds available through the NMRE to add an

additional 50 laptops to the project and ultimately replace 100 desktop computers with laptops. This move enabled us to eliminate the desktop Operating Systems and hardware that was at EOL and radically improve our support for a mobile workforce.

We still had nearly 300 seats of Microsoft Office 2010 deployed throughout the agency. To complicate things further the agency was using Gmail and GSuite from Google for Email. Some staff were leveraging the GSuite applications, but most remained in MS Office. To retire the MS Office suites that were at EOL we decided to migrate from Gmail to Office365. This would give us a state-of-the-art Office environment and consolidate our office documents under one application. In doing this we would also gain over 300 TB of file storage and the Teams environment for collaboration.

2020 sets the world on its head

COVID 19 sent staff off-site. From an IT perspective, the landscape for our support had changed radically. We were now doing everything we could to make sure individuals had the resources they needed to deliver services regardless of the chair they were sitting in. Fortunately, we were in the process of upgrading our phone system from a on-premises Cisco system to a cloud-based solution using our Microsoft Teams environment. This move meant that all staff could have a “desk phone” no matter where they were located. In fact, their Teams phone could ring on their laptop, their smart phone, or their iPad as long as they had an internet connection. Teams became our virtual office, where all forms of collaboration could be supported.

As part of our COVID response we applied for FCC COVID funding. We did not receive any funding in the first round in July of 2020 but did get awarded $404,812 in the second round on November 9, 2021. This funding allowed us to recover costs on everything from software to headsets that were needed to support a more mobile workforce and the immediate needs of a pandemic response.

Prior to COVID we would have a handful of staff members that would work outside the office for days or even weeks at a time. These laptops/end points always pose the biggest challenges for security. Inside our network we have tools to protect our end points, like firewalls and traffic monitoring. We needed a tool or set of tools that could be used to manage our endpoints regardless of their location. Our focus on security has always been a top priority, but the sudden change in our working landscape required a new approach.

To better support remote work, we upgraded our Office365 licenses to Microsoft365, adding several needed license features. This upgrade enables us to better manage and protect our endpoints/laptops. We can now enforce security policies on the devices regardless of their location, the laptops no longer need to be inside a facility to have updates and security measures enforced.

Identifying Risks

In November of 2021 we deployed a product called Arctic Wolf. At that time our Risk Score was 9.1. We have been mitigating known risks and have been able to get our risk score down to 7.9. This is compared to the Industry Average of 7.1. A major roadblock in reducing our risk score is our current deployment of EOF hardware and software. We have struggled to retire older servers, like our old ERH (Avatar) and old servers hosting internal file shares. We cannot upgrade in place on the current hardware because of Operating Systems compatibility issues and the expense of new hardware cannot be justified. Other issues for retiring older hardware are the time it takes to re-organize the data as it is moved to a new location, all staff are struggling to find the bandwidth to complete these tasks.

Figure 6

Daily we review our current Network Risk Summary. Risks are resolved and new risks emerge. Our risk score will fluctuate but has been consistently over the Industry Risk Score. This is primarily due to known issues that we are managing individually until we can retire the hardware and software. Once we retire the Avatar systems and the hardware/software that is in place to support the data migration to cloud solutions we hope to see our numbers closer, if not below the Industry Risk Score.

Figure 7

Staff Support

In 2021 we implemented a Help Desk Ticketing system to help us manage the support needs for staff members. The system has enabled us to provide faster more consistent support. Below is a record of the number of Help Desk tickets that have been logged on a monthly basis. The trend line indicates that we are making improvements in our systems that reduce the number of tickets, making things more stable for staff members.

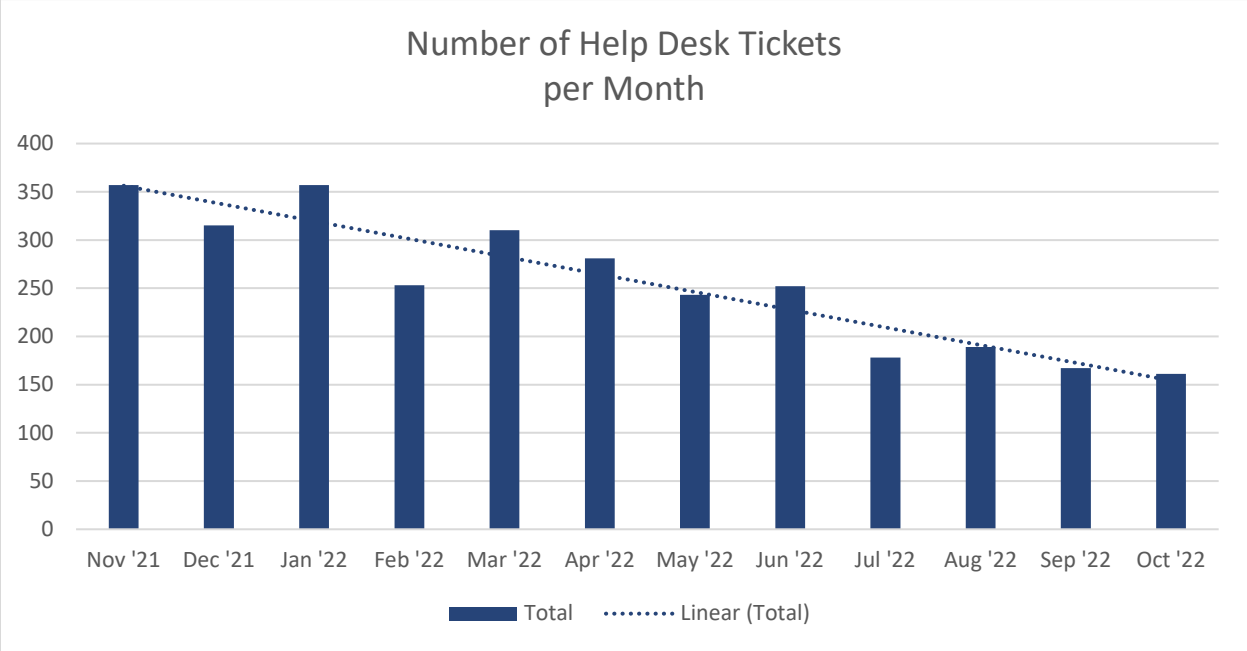


Figure 8

Summary

About 5 years ago the agency began modernizing the IT infrastructure. The primary focus was on making systems work better for staff while reducing the risks presented by aging technologies. We initially eliminated the need to be inside the building and wired to the network. We moved from Workstations to Laptops. Our applications gradually moved from On-Premises to Cloud-based solutions. We began leveraging a Collaboration tool with soft-phone capabilities to keep staff connected. Staff mobility was beginning to emerge as a benefit and then COVID-19 entered the scene. With all staff moving remote we had to shift our focus to support a total remote workforce and address the risks associated with that.

We had been applying best practices for our security needs but recognized we had some weaknesses. These weaknesses were manageable when 10% of the workforce was remote, when it shifted to 90% working remote, we needed a better way to identify our areas of risk. Leveraging a ticketing system and implementing Arctic Wolf gave us the tools we need to focus on the support needs for our staff. We still have many areas of risk, mostly centered around EOL hardware and software that we need to retire.

Changing systems and processes can be very difficult, they get imbedded in the agency and become part of the culture. Many of the changes that we started 5 years ago are still in process. In some cases, we have had a hard time getting staff to adapt, in other cases the complexity of the changes has required

many incremental steps to complete them. As we move forward it is important to recognize that things we are changing or implementing today are a result of foundational changes made years ago and that things we implement today will set the stage for future progress.

2023 Policy Monitoring Schedule

JANUARY	Internal	Direct Inspection	FEBRUARY	Internal	Direct Inspection	MARCH	Internal	Direct Inspection
2.4 Financial Management	X		2.2 Treatment of Employed Workforce Members	X		1.0 Consumer and Community Ends (1.0.1 – 1.0.5)	X	
3.9 CEO Compensation		X	3.5 Meeting Agendas and Schedules		X	3.6 Board Chair Functions		X
3.10 Board Member Conflict of Interest		X				3.3 Board Member Code of Conduct	E/X	
APRIL	**Internal**	**Direct Inspection**	**MAY**	**Internal**	**Direct Inspection**	**JUNE**	**Internal**	**Direct Inspection**
2.4 Financial Management/Internal Controls	E/X		3.8 Costs of Governance	X		2.7 Continuity of Executive Functions	X	
2.8 Communication & Support to the Board	X	X	3.8 Costs of Governance		X	4.3 Delegation of Mgt Powers to the CEO		X
3.7 Governance Committees			2.9 Investments	X				
3.7A Recipient Rights Advisory Committee		X						
3.7B Recipient Rights Appeals Committee								
JULY	**Internal**	**Direct Inspection**	**AUGUST**	**Internal**	**Direct Inspection**	**SEPTEMBER**	**Internal**	**Direct Inspection**
2.4 Financial Management	X		2.1 Consumer Services	X		1.0 Consumer and Community Ends (1.0.6 – 1.0.11)	X	
4.1 Unity of Control		X	4.2 Accountability		X	2.3 Compensation of the Employed Workforce	X	
OCTOBER	**Internal**	**Direct Inspection**	**NOVEMBER**	**Internal**	**Direct Inspection**	**DECEMBER**	**Internal**	**Direct Inspection**
2.4 Financial Management/Internal Controls	X		2.0 Global Executive Limitations	X		2.6 Community Resources	X	
						3.1 Board Job Description		X
2.5 Asset Protection	X		3.2 Governance Style		X	2.10 Administrative Cost	X	
3.0 Global Gov Process/ Ownership Linkage		X	3.4 Annual Workplan		X			
4.0 Global Governance-Bd/CEO Linkage		X						

2023 ANNUAL PLANNING CALENDAR

- TOPIC	TIME ON AGENDA	COW MTG	BOARD MTG	FREQUENCY	MONTH
Review and Approval of Board By-Laws			X	Annual	January 19 - Cadillac
FY 2023 Ownership Linkage Plan	10 MIN	X	X	Annual	January
Update on Recipient Rights	10 MIN	X		Monthly	January
2022 Annual Review	45 MIN	X		Annual	January
NLD Meeting – January 4			X		January
					65 minutes
Annual Recipient Rights Report to the Board	10 MIN	X	X	Annual	February 16 – Grayling
Update on Recipient Rights	10 MIN	X		Monthly	February
2022 Agency Performance Assessment Domains1 - 12	40 MIN	X		Annual	February
CEO Evaluation Distribute	10 MIN	X		Annual	February
Board Leadership Journal	10 MIN	X		Bi-Monthly	February
RR Advisory Committee – Feb 7			X	Bi-Monthly	February
					80 minutes
Update on Recipient Rights	10 MIN	X		Monthly	March -16- Traverse City
FY 2023 Northern Lakes CMHA Quality Assurance and Improvement , Regulatory Compliance, and Customer Services Report	30 MIN	X	X	Annual	March
Security Annual Report	10 Min	X	X	Annual	March
NLD Meeting – March 1			X		March
					50 minutes

2023 ANNUAL PLANNING CALENDAR

Conflict of Interest Disclosure Statement	5 MIN	X		Annual	April 20 - TC
Update on Recipient Rights	10 MIN	X		Monthly	April
Code of Conduct Declaration	5 MIN	X		Annual	April
CEO Evaluation	30 MIN	X	X	Annual	April
Financial, Single and Compliance Audit	30 MIN	X	X		April
Board Leadership Journal	10 MIN	X		Bi-Monthly	April
RR Advisory Committee-April 4-TC			X		April
					90 minutes
Services for People with an Intellectual/Developmental Disability	20 MIN	X		Annual	May 18 - HL
Update on Recipient Rights	10 MIN	X		Monthly	May
Election of Officers			X	Annual	May (slate of officers identified by NLD in April)
NLD Meeting – May 3			X		May
CEO Compensation	30 MIN	X	X	Annual	May-effective May 1
					60 minutes
Club House and Drop-In Center Programs	20 MIN	X		Annual	June 15 – Cadillac
Integrated Health Care	20 MIN	X			June
Board Leadership Journal	10 MIN	X		Bi-Monthly	June
Update on Recipient Rights	10 MIN	X		Monthly	June
RR Advisory Committee-June 6 -Cad			X		June
					60 minutes
Behavioral Health Home	20 MIN	X		Annual	July 20 - Grayling
Update on Recipient Rights	10 MIN	X		Monthly	July

2023 ANNUAL PLANNING CALENDAR

Recipient Rights Semi-Annual Report to the Board	15 MIN	X		Semi-Annual	July
MI Choice Waiver	20 MIN	X		Annual	
NLD Meeting – July 5			X		July
					65 minutes
Update on Recipient Rights	10 MIN	X		Monthly	August 17 - Suttons Bay
Board Leadership Journal	10 MIN	X		Bi-Monthly	August
FY 2023 Budget Amendment, Initial FY 2024 Budget and 2024 Capitalization Plan	30 MIN	X	X	Annual	August
Board Member Per Diem	10 MIN	X	X	Annual	August - Review rates prior to end of FY
Cost of Governance	10 MIN	X	X	Annual	August - Approve Annual Budget
RR Advisory Committee- Aug 1-TC			X		August
					70 minutes
Services for Adults with Mental Illness and Substance Use Disorders	20 MIN	X		Annual	September 21 - HL
Update on Recipient Rights	10 MIN	X		Monthly	September
PCP and Self-Determination Training	20 MIN	X		Annual	September
Compliance, Quality and Customer Services Report	20 MIN	X	X	Quarterly	September
Annual Compliance Training	20 MIN	X			
NLD Meeting – September 6			X		September
					90 minutes
Human Resources	20 MIN	X		Annual	October 19 - TC
Update on Recipient Rights	10 MIN	X		Monthly	October
Board Leadership Journal	10 MIN	X		Bi-Monthly	October
RR Advisory Committee –Oct 3-Gr			X		October

2023 ANNUAL PLANNING CALENDAR

Children with Serious Emotional Disturbance	20 MIN	X		Annual	October
Individual Board Member Self-Assessment	5 MIN	X	X	Annual	Distribute in Oct, finalize in Nov (NLD)
Board Self-Assessment	5 MIN	X	X	Annual	Distribute in Oct, finalize in Nov (NLD)
					70 minutes
Information and Technology Report	20 MIN	X		Annual	November 16 - Cadillac
Update on Recipient Rights	10 MIN	X		Monthly	November
Policy Monitoring Schedule	5 MIN	X	X	Annual	November
Annual Planning Calendar	10 MIN	X	X	Annual	November
Board Education and Work Plan	10 MIN	X	X	Annual	November
Board Meeting Schedule			X		November
NLD Meeting – November 1	10 MIN	X	X	Annual	November
					65 minutes
Update on Recipient Rights	10 MIN	X		Monthly	December 21 - TC
Compliance & Quality Report FY End	20 MIN	X	X	Quarterly	December
County Commissioner Survey	20 MIN	X		Annual	December
Board Leadership Journal	10 MIN	X		Bi-Monthly	December
Board Member Terms	10 MIN	X		Annual	December
RR Advisory Committee-Dec 5-TC And RR Limitations			X		December
					70 minutes

Other Items to Add?
Access
Jail Agreement Services
OBRA
10/17/2022

Northern Lakes
COMMUNITY MENTAL HEALTH

Board Education and Board Work Plan

January 1, 2023 – December 31, 2023

Approved by the Board –

A. Overview

Board members are committed to the principle that developing and maintaining a knowledgeable and skilled board of directors is essential to organizational success. To promote this principle, the board created and maintains a Board Nominating and Leadership Development Committee. The role of the committee includes:

- Assisting the counties, as needed, in identifying potential board members. Screening shall be completed not later than 60 days before the term ends;
- Planning and promoting board training and education, including Policy Governance;
- Developing the curriculum and materials to be used for new board member orientation and providing orientation with Chief Executive Officer (CEO) assistance as requested;
- Having the lead role in the development and annual review of the Board Education and Work Plan. The plan reflects board priority philosophy, expectations, planned activity, and learning objectives; and
- Ensuring Board and board member assessments are completed and utilized consistent with Board Governance policy.

B. Philosophy

Board member education and development is vital to good governance. We believe:

- All board members must have an understanding of the issues impacting the public mental health system, the Michigan public mental health system, NLCMHA, the Northern Michigan Regional Entity, organizational responsibilities and roles, and of board policy governance.
- That having skilled board members is important, especially in the constantly changing health care environment.
- Education needs to be provided through various means such as written documents, oral presentations, site visits, board member orientation, board meetings, meetings with the Chief Executive Officer, in-services, conferences and/or meetings, etc.
- In having experienced board members mentor new members.
- In attending and coordinating with the Community Mental Health Association of Michigan activities and events as a means to gain information and develop networking relationships with others.
- All board members are encouraged to have knowledge of and contact with community leaders.

C. Expectations

1. New board members will participate in an initial orientation session provided by the CEO and NLD chairperson or designee if available prior to the first board meeting after appointment by respective county Board of Commissioners. The CEO shall advise NLD committee members in advance so they may also participate should their schedule permit. At this orientation session the new board member will receive the NLCMHA Board Member Orientation and Reference Manual and will be provided a high level overview on the: Governance model (including providing education DVDs or documents) and NLCMHA governance policies, Boardworks (including information on available agency CDs), Mental Health Code, Open Meetings Act and Board Education and Workplan, and NLCMHA website presentation. In addition, new board members will be encouraged to attend the next NLD committee meeting.

The following are 2022 board education topics completed and listed for the purpose of future planning:

January 20 – 2021 Annual Review

February 17– Agency Performance Assessment

March 17 – None

April 21 – Financial Audit

May 19 –None

June 16 – None

July 15 – Behavioral Health Home and MI Choice Waiver

August 18 – Budget (Board Meeting)

September 15 – None

October 20 – Human Resources and Children with Serious Emotional Disturbance

November 17 – Information Technology

December 15 – Recipient Rights Limitations

2. All board members shall participate in development and external development events to the greatest degree her/his schedule permits. Participation shall be consistent with other Board policies.

3. The NLCMHA Board of Directors may hold an annual board retreat and all board members are encouraged to attend. The objective is to provide orientation, reorientation, team building, and leadership development.

4. The NLCMHA annual budget will include funds to ensure board education and training, board operations, and the annual board retreat. The Board of Directors will review the budget no less than annually and shall provide for board member reimbursement for participating in conferences, meetings, and other board supported events.

5. Board members are encouraged to participate in Community Mental Health Association of Michigan conferences, regional education forums, and other events consistent with the board budget. This includes encouraging all NLCMHA board members to become certified board members through the Boardworks Program.

6. The Board Member Orientation and Reference Manual will be posted on the NLCMHA website. The NLD Committee will update this manual on an annual basis. Board members will be provided the updated manual no later than January of each year. An annual review of the policies will be completed as part of the board monitoring process and more often as desired by the board.

7. Historical board packets, reference documents, and policy information will be made available, upon board member request, through the Director's Office regarding NLCMHA and the Northern

Michigan Regional Entity (nmre.org)

8. FACT sheets may be developed to provide board members and others quick access to important information regarding NLCMHA. The FACT sheets and other reference materials will assist in board education and assisting board members in educating others.

D. Learning Objectives

1. All board members will have a basic understanding of the roles and responsibilities of the Michigan public mental health system.

2. All board members will have a basic understanding of the role of the board, board member responsibility, policy governance, and board governance policies.

3. All board members will have an understanding of NLCMHA, our MDHHS contractual responsibilities (CMHSP, MI Choice Waiver and OBRA program), services managed and directly provided, and financing.

4. Within the first six months of appointment, the Board has established that each board member should know the following:

- Board responsibilities and decisions.
- The NLCMHA Vision, Mission, Values.
- Programs and Services offered by NLCMHA.
- Roberts Rules of Order - basic principles
- Board governance policies.
- NLCMHA Operations – facilities, staff, budget, and procedures – desired outcomes.
- Open Meetings Act
- Board Member Orientation and Reference Manual

5. The Board has identified these basic skills, which a Board member should develop over time.

- Must be willing to contribute the time required – NLCMHA Board meetings are unusually long due to having both the Committee of the Whole and board meeting on the same day.
- Policy Governance and the NLCMHA governance process.
- CMHSP, MI Choice Waiver and OBRA program responsibilities– “differences in the hats we wear.”
- Ability to participate in development and monitoring of Board governance policies.
- Proficiency with the “Board Works” curriculum offered by the CMHAM.
- Partnering.
- A working knowledge of the nature of programs for people who have a MI or I/DD so that board members may be able to more effectively and efficiently develop policies which may affect changes in a positive direction.
- Ability to cope with large amount of information and data – must be logical, experienced and organized.
- Should be familiar with today’s computerized management information systems.
- Working knowledge of Mental Health Code.
- Services that NLCMHA provides in the counties we represent.

E. Education Curriculum

❖ Person Centered Planning and Self-Determination	September 2023	To Be Determined
❖ Board Leadership Journal	Bi-Monthly	Board Members

❖ Compliance Quarterly To Be Determined

F. <u>Board Work Plan</u>

1. <u>Priority Topics</u>

- Persons with Intellectual and/or Developmental Disabilities and Programs
- Integration of Health Care
- Recipient Rights
- Developing Partnerships
- Jail Issues – Mental Health and Working Relationships with Law Enforcement – police, courts and jails

<u>Ongoing Priorities</u>

- Ownership Linkage – site visits to include residential providers, courts, jails, schools; consider arranging one visit per quarter or two per year to sites such as Goodwill Inn, Sheriff Departments; align with ownership linkage plan
- State Innovation Model (SIM)
- Provider issues – shortages – plans to develop providers – Olmstead

2. Proposed Topics for FY 2023:

January 19 – 2022 Annual Review

February 16 – Agency Performance Assessment

March 16 – Integrated Health Care and Mental Health Care for Trauma

April 20 – Financial Audit

May 18 –Services to People with an Intellectual/Developmental Disability

June 15 – Club House and Drop-In Center Programs

July 20 – Evidence Based Practices and MI Choice Waiver

August 17 – Budget

September 21 – Services for Adults with Mental Illness and Substance Use Disorders

October 19 – Human Resources and Children with Serious Emotional Disturbance

November 16 – Information Technology

December 21 – Recipient Rights Limitations

3. <u>Ownership Linkages and Site Visitations</u> - The Board may use site visits as a means to promote accomplishment of board work plan priorities. In 2023 the board education will be a possible visit to the following sites. Visits to occur in the summer months.

- ROOC Inc. and Hope Network
- Goodwill Inn
- New Beginnings

- Kandu Island
- Traverse House
- Club Cadillac
- Jail Administrators and or Sheriff Departments (invite to meeting)
- Residential homes (including former AIS homes)

4. Accountability to the Public/Community Linkage - In addition to possible site visits the board may periodically invite community representatives to board meetings (committee or board). This will assist the board in enhancing its understanding of community need, improve ownership linkage, and organizational performance and planning. The following ideas have been received in the past:

- County Sheriffs, Judges, Prosecuting Attorneys
- State Representatives and Senators
- Local foundations in cities/counties in NLCMHA area
- Church leaders
- Educators
- Hospital staff (ER)

5. Other educational activity

CMHAM Conferences

Fall 2022 Conference, Grand Traverse Resort, October 24 & 25
Winter 2022 Conference - Radisson Plaza Hotel, Kalamazoo, February 7 & 8
Spring 2023 Conference - TBD

10/17/2022

Northern Lakes
COMMUNITY MENTAL HEALTH AUTHORITY
Administrative Office, 105 Hall Street, Suite A, Traverse City, MI 49684

NORTHERN LAKES COMMUNITY MENTAL HEALTH AUTHORITY

2023 BOARD MEETING SCHEDULE

DATE	STARTING TIME	PLACE
January 19, 2023	2:15 p.m.	Northern Lakes Community Mental Health Authority 527 Cobb Street, Cadillac
February 16, 2023	2:15 p.m.	Northern Lakes Community Mental Health Authority 204 Meadows Drive, Grayling
March 16, 2023	2:15 p.m.	Northern Lakes Community Mental Health Authority 105 Hall Street, Traverse CIty
April 20, 2023	2:15 p.m.	Northern Lakes Community Mental Health Authority 105 Hall Street, Traverse CIty
May 18, 2023	2:15 p.m.	Northern Lakes Community Mental Health Authority 2715 South Townline Road, Houghton Lake
June 15, 2023	2:15 p.m.	Northern Lakes Community Mental Health Authority 527 Cobb Street, Cadillac
July 20, 2023	2:15 p.m.	Northern Lakes Community Mental Health Authority 204 Meadows Drive, Grayling
August 17, 2023	2:15 p.m.	Northern Lakes Community Mental Health Authority Leelanau County Governmental Center, Suttons Bay
September 21, 2023	2:15 p.m.	Northern Lakes Community Mental Health Authority 2715 South Townline Road, Houghton Lake
October 19, 2023	2:15 p.m.	Northern Lakes Community Mental Health Authority 105 Hall Street, Traverse CIty
November 16, 2023	2:15 p.m.	Northern Lakes Community Mental Health Authority 527 Cobb Street, Cadillac
December 21, 2023	2:15 p.m.	Northern Lakes Community Mental Health Authority 105 Hall Street, Traverse CIty

Meetings are open to the Public. If any person with a disability needs accommodations, please call the CEO's Office three days prior to the posted meeting date. Contact the CEO's Office for the location of the meetings at 231-409-6065.

Committee of the Whole Meetings are held prior to each Board meeting (12:30 p.m. start time)

NORTHERN HEALTH CARE MANAGEMENT PROPOSAL: DEVELOPMENT OF TECHNI^LODGE HOUSING

ABSTRACT

Northern Health Care Management seeks to address critical barriers that disproportionately effects elderly and disabled Medicaid/Medicare recipients who need in-home direct care supports and housing. These issues may effectively be addressed/resolved by developing the concept of Techni^lodge housing, which effectively integrates the use of developing technologies for personal care, and through the implementation of creative staffing solutions.

Darryl Washington, D.Ed.

Northern Health Care Management Techni^lodge Feasibility Proposal

From: Darryl Washington, Director NHCM and Lauri Fischer, CFO NHCM
To: CEO and NLCMHA Board of Directors
Re: Proposal for Business Development
Date: 11/17/2022

Scope

Services will include relationships and opportunities with clients, vendors, and the tech community; overseeing marketing goals; creating a long-term business strategy; and metrics for social media and customer satisfaction.

Vision

Northern Health Care Management's mission/vision is to provide wrap-around services to those who are nursing facility level of care (NFLOC) and are qualified Medicaid recipients. Pertaining to this proposal, our intent is to address social determinants of health/barriers that impinge upon an elderly or disabled person from receiving in-home community direct care supports, and affordable housing. The availability of these critically needed supports/resources are ever dwindling and are reflective of a national crisis. To meet this challenge, Northern Health Care Management is seeking an opportunity to develop a specialized housing community for Medicare/Medicaid eligible participants, which will be known as the "Techni^lodge."

Most persons served by Northern Health Care Management are aged sixty-five and older and are disabled. Today, at least 52 percent of people that fall within this age category require some form of long-term care. Michigan residents that fit in this demographic ever growing, and current statistics reveal this number to be approximately eighty-eight million.

Trending nationally, States are transitioning from nursing home placement as a traditional setting and increasingly developing services to allow for more home and community-based services/placement. The AARP surveyed most Americans who need in home supports to enable them to stay in their homes, would prefer to live in their own homes in the community, rather than a congregate care facility. They also did a pre-pandemic survey that revealed that 76% of Americans over the age of 50 want to live in a home setting in their preferred community, as they age (see 2018 Home & Community Preferences: A National Survey Of Adults Ages 18-Plus). As we enter post-pandemic times, families are increasingly seeking alternatives to long-term nursing home stays and shorter-term skilled nursing facility (SNF) services. To keep pace with the aging and more disabled population, what is needed is a push to both keep people in their homes if possible and to make congregate care facilities more consumer centric.

> There exists in the State of Michigan a deficiency of affordable and safe housing options available for low- and moderate-income seniors. This problem is exacerbated as seniors become more dependent on assistance and supportive services, and more at risk of isolation. Even when appropriate for Home and Community Based Services Programs (HSCB's) by virtue of level of care benchmarks, it is most often the issue of obtaining appropriate housing that is the primary barrier. There are at least two striking problems here: a) seniors/disabled persons are unable to access the most appropriate and least restrictive level of care because it is inaccessible to them; b) significantly higher costs are being paid to keep people in skilled nursing facilities due to their inability to afford less costly housing options, including assisted living (DeAngelo, 2021).

There are barriers that exist in providing relevant care necessary for the elderly and disabled to live in the community and to remain safe and healthy. The biggest impediment is the declining human resources necessary for providing qualified, specialized care. In a brief entitled "Direct Care Workforce Shortage," the authors (Swanson-Aprill, Luz, Travis, Hunt, & Wamsley, 2019), describe the impact of the crisis in the state of Michigan:

> There are nearly four million Direct Care Workers (DCWs) in the U.S. who provide hands-on care to older adults and persons with disabilities, including certified nursing aides who primarily work in nursing homes, psychiatric aides, direct support professionals who work with people who have mental illness or developmental/intellectual disabilities, home health aides and

unlicensed personal care aides (PCAs) who work in client's own homes (Seavey, 2010). PCAs assist clients with tasks such as dressing, bathing, housekeeping, meal preparation, and medication management. They are responsible for up to 80 percent of paid, direct care provided in private homes, residential settings, and adult day care settings. PCAs are typically employed by an agency or directly by clients (PHI, 2013). They make it possible for people to live at home for as long and independently as possible, which avoids premature and more costly placement in institutional settings e.g., nursing homes which cost $208.50 (Medicaid rate) versus $79.77 per day for home care under the MI Choice Waiver. PCAs are in a pivotal position to monitor their client's status, recognize and report changes, potentially avert costly emergency department visits or hospital stays, and diminish or contribute to quality of life (Luz & Hanson, 2015). By 2020, Michigan will need 34,090 more trained DCWs than we currently have, due in part to a rapidly growing aging population (PHI, 2019). However, their work characterized by unstable hours, few if any benefits, low pay, and little if any training, which results in ongoing and devastating high turnover rates and compromised quality of care (Health Resources and Services Administration, 2013; Mickus, Luz, & Hogan, 2004; Newman, 2019). In fact, the cost of turnover is typically 16 percent of a worker's annual salary (Boushey & Glynn, 2012). Recruitment, training, and compensation issues must be addressed to make sure Michigan has enough DCWs to meet the needs of Michiganders in the coming years. Increased numbers are not enough. We need a stable home care workforce comprised of DCWs who are skilled, who care about their clients and who not only want to stay on the job but given enough resources to do so.

While the paper goes on to offer probable solutions, the timeframe for achieving these ends is futuristic, although the crisis is imminent and potentially leaving the most vulnerable adult population at risk.

Michigan Home and Community Services Network: Housing, MI Choice Barrier to Access

Low-income seniors and disabled persons are too often prevented from appropriate care and support due to inadequate integration of Home and Community Based Services (HCBS) provided in Michigan by the MI-Choice Program and appropriate affordable housing/residential alternatives. The local housing authorities who select and disseminate Section 8 housing vouchers face overwhelming demand for those vouchers and most seniors applying will not gain access. Section 8.11 projects offer incentives to builders to serve low-income tenants, but few are designed for seniors and in Out-Wayne County and they take years to come to fruition. As a result, a systemic barrier exists preventing enrollment of too many otherwise eligible persons in a program that would be immensely helpful to them, help many transitions from unnecessarily long nursing home stays, help reduce instances of re-hospitalization, and fill existing housing and residential facilities. One option may be a housing subsidy available to clients in the MI-Choice program that would give them greater choice and access to appropriate safety and supports. This could be achieved with savings due to reduced (much more expensive) unnecessary Nursing Home stays.

Problem

There exists in the State of Michigan a deficiency of affordable and safe housing options available for low- and moderate-income seniors. This problem is exacerbated as seniors become more dependent on assistance and supportive services, and more at risk of isolation. Even when appropriate for Home and Community Based Services Programs (HSCB's) by virtue of level of care benchmarks, it is most often the issue of obtaining appropriate housing that is the primary barrier. There are at least two striking problems here: a) seniors/disabled persons are unable to access the most appropriate and least restrictive level of care because it is inaccessible to them; b) significantly higher costs are being paid to keep people in skilled nursing facilities due to their inability to afford less costly housing options, including assisted living.

Findings (Evaluating Assets & Gaps)

1. *<u>Section 8 Housing Vouchers:</u> Simply put, there are too many eligible people competing for too few housing vouchers. Local housing authorities who were spoken with confirmed overwhelming and disproportionate demand for housing vouchers in comparison to vouchers available. One housing authority reported (paraphrasing here) "When we open up the applications briefly, we will get 28,000 applications, we will pull 200, and pick 150 per priorities for housing vouchers." Furthermore, (again paraphrasing) "Eligible seniors who may be applying are competing for the limited available housing vouchers with other eligible persons including younger people eligible by virtue of disability including attention deficit hyperactivity disorder (ADHD)."[i] Housing Authorities may elect to prioritize certain eligible categories. For example, Taylor gives Veterans and Seniors preference per a 2013 policy. Westland has earmarked a certain number of vouchers (20%) for seniors.*

Recently, of those one-fifth has been utilized for assisted living. Housing authorities recognize the attractiveness of having tenants who are supported by their being participants in HCBS care management, as they come with supports.[ii] *Interesting fact learned: when a local housing authority "opens up" applications, they are taking applications from any state resident. It is not limited to residents of their local municipality or area.*

2. *Michigan State Housing Development Authority (MSHDA) 8.11 Project Rental Assistance: Facility developers and/or owners can apply to MSHDA for Low Income Taxing Credits (LITC) when first building a facility or completing a gut renovation on one that is intended to serve low income, disabled or other specified populations. They would need to complete an 8.11 application completion process that takes one ½ years, sign MOUs with local Medicaid (Waiver) and Community Mental Health providers. The facility owner agrees to a 30-year use agreement. Populations eligible include those who are low income, 18-61 years of age, with a physical or cognitive disability. The MSHDA 8.11 program has Service Coordinators who assist potential tenants by filling out applications and forwarding them to leadership for approval.*[iii] *This option seems to match well with clients going through the Nursing Facility Transition Program to the MI-Choice (Medicaid Waiver) program. These persons are eligible for long term support from this program, even if they move within the State. The Senior Alliance (Wayne) is currently engaged in a building project and their partner has accessed the LITC program.*[iv]

3. *Other States Models: A recent analysis, Key State Policy Choices About Medicaid Home and Community-Based Services reported the share of HCBS Waivers that provide key services for seniors and people with disabilities: Case Management (62%), Home-Based Services (85%), Day Services (61%), Nursing/Therapy Services (70%), Round-the-Clock Services (40%), Supported Employment (24%), Other Mental Health/Behavioral Services (27%), Equipment/Technology Modifications (78%).*[v] *Forty-four states measure beneficiary quality of life when monitoring HCBS waiver quality. Quality of life measures include assessing an individual's level of satisfaction with their living situation, degree of control over their daily activities, and whether services are adequate to their support needs. Among these specific quality of measures, level of satisfaction with current living situation (22 states) was the most reported measure.*[vi] *However, there is no expressed mention of housing subsidies being provided within the context of these programs, any more than it might be covered by a health care plan. There is however a January 2014 Home and Community Based Settings Rule that defines the qualities of residential and non-residential settings in which Medicaid HCBS can be provided. To be considered community-based, a setting must support an individual's full access to the greater community; be selected by the individual from options including non-disability specific settings; ensure individual privacy, dignity, respect and freedom from coercion or restraint; optimize individual autonomy in making life choices; and facilitate individual choice regarding*

4. *services and providers.*[vii]

There are Medicaid 1115 Demonstration Waivers that have been approved to research covering housing support services (CA, MA, MD, WA) and Tenancy Support Services (FL, HI IL). The target populations most often identified: high cost/high need populations, residents experiencing chronic homelessness, serious mental illness/behavioral health, and frequent hospitalization utilization. Connecticut and Maryland may be interesting.
Connecticut submitted to CMS a proposal for Tenancy Support Services for High Cost/High Need complex care populations: program called Connecticut Housing Engagement and Support Services (CHESS). The Medicaid mechanism is a 1915 (i) State Plan Amendment. The target population is described as age 18 and over, HUD defined homelessness, particular diagnoses and a risk score as defined by the Healthcare Effectiveness Data and Information Set (HEDIS) Plan All-Cause Readmissions measure, and that the individual is experiencing more significant impatient services that would be predicted based on the individual's risk score.
Maryland is currently operating a program using Medicaid 1115 Waiver for Tenancy Support Services. This program is county driven with match requirements. The target population is defined as follows. Housing status criteria: Persons who are either experiencing homelessness or transitioning to the community from an institution or at elevated risk of institutional placement; in a nursing home for 60 days. Health status criteria: four or more hospital visits in a year (emergency room or inpatient) or two or more chronic conditions. The state has awarded funds to serve four hundred households. CMS has approved a statewide cap of six hundred persons. Persons served will need to be determined eligible for Home and Community Based Waiver Services and ready to leave nursing home if institutionalized.[viii]

5. *MI-Choice: This home and community-based services care management program provides many supports based on need, but not housing subsidies.*
6. *Nursing Facility Transition: This program that transitions people out of nursing homes into the community can do first month's rent and security deposit but not ongoing rent subsidy/support.*

Instrumental Activities of Daily Living: Instrumental activities of daily living or IADLs are not essential for basic functioning; however, they enable a person to live independently within a community. They are more complex than basic ADLs.

- *Housekeeping, laundry, and other home care chores*
- *Money management*
- *Meal preparation*
- *Moving/changing residences*
- *Shopping for groceries and other necessities*
- *Medication management*
- *Using the telephone or computer*

Basic ADLs, sometimes referred to as BADLs, are self-care activities routinely performed which include, but are not limited to:

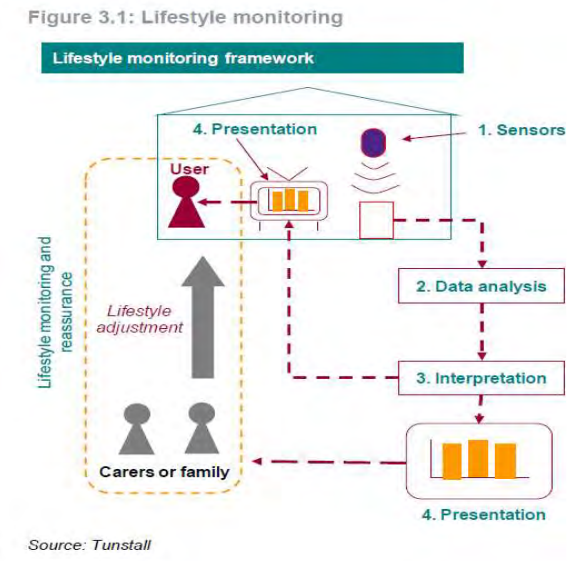
- *Functional mobility, which includes the ability to walk and transfer in and out of a chair or bed. It is the ability to move from one place to another as a person goes through their daily routines.*
- *Personal hygiene, oral care, and grooming, including skin and hair care*
- *Showering and/or bathing*
- *Toileting, which includes getting on/off toilet and cleaning oneself*
- *Dressing, which includes selecting appropriate attire and putting it on*
- *Self-feeding*

Northern Health Care Management proposed solution is the construction of **"Techni^lodge Housing."** Techni^lodge housing, is an apartment complex that will be fully equipped with technology and apparatuses, which will assist the resident in functionality living independently, despite having limitations in completing activities of daily living (ADL's) and Instrumental Activities of Daily Living, with as minimal supports as necessary. Primarily, the home would equip in a way where it is fully adaptable for independent living. Through technology we hope to address IADL's, like meal preparation, medication management, and hounuymsing keeping through Smart Technology and computer applications. Smart tech would also be used for ADLs, where showers are voice activated, and mobility supports, and devices are installed in the home. Factors to be considered in determining appropriate technology to be incorporated in the Techni^lodge home for the aged and disabled including access, cohorts (those with similar needs in the aged and disability community) culture and language, customization, expectations, legal constraints, stereotyping, privacy, safety, training, trust, usability, and control, autonomy, and dignity (R. Pew & S. Van Hemel).

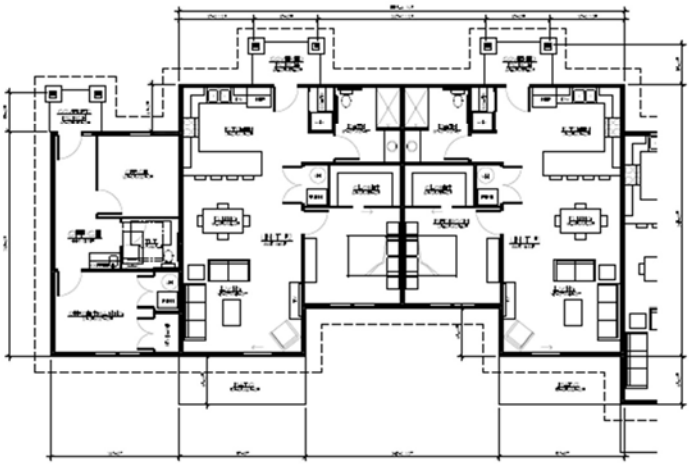
The Techni^lodge home is intended to support the resident in their ability

to live independently by integrating technology and devices in each that in some way provide necessary assistance where human care is not available. An example would be to equip each home with an Alexa, or similar device that would allow those with limited mobility to control their environment. This device will be incorporated into the home that will minimize the need for support by creating a "Smart Home." Equipment will be installed that would help residence with activities of daily living (ADL). Some of the services that might otherwise be supported by a worker such as cleaning and maintenance of the home could be supplemented using a robot to clean and maintain floors. Those needing assistance with showers could be provided with automatic showers that are preset at a water temperature that is customized for the user. Water would automatically flow when the resident entered the tub/shower. There are also devices that can automatically assist the user from wheelchair to shower chair. Technilodge would be equipped with a telemedical devices and electronic communication devices to allow the resident to receive outside medical care and support.

The model for living would replicate Tunstall's lifestyle monitoring model of care:



This proposal is a high-level overview of the Techni^lodge Program/Project, and primarily addresses the basics of the core concept, and philosophy for a new way of advancing Home and Community Based Services, amidst the barriers to access. There are a variety of products on the market that will be considered and vetted for use and assistance. Consultants specialized in technological enhancements for community living will be sought out in the development and completing final plans for these the Techni^lodge residences.



Concept

The concept of Techni^lodge is building upon the philosophy of self-determination and community-based care. These are ideas that lead to people who experience chronic illness, and happen to be elderly and disabled, live healthier lives, have better outcomes and quality of life. This will be a dwelling place that appears the same as any other home and will in no way appear as a facility. It will be affordable housing that is specifically designed to ensure residents would have needed assistance, but also enjoy independent living.

Community integration and involvement is likewise a key aspect of the Techni^lodge concept. It will be built or developed where necessary access to healthcare, transportation, shopping, entertainment, and socialization is optimally available. There will be a clubhouse area where community events will be held, offering learning opportunities on the topic of lifestyles, and living for the aged.

The purpose is to allow for staffing options that are creative and more likely attainable. For example, NHCM could employ one worker to deliver MI Choice services options to all residents. Another option would be for the residents to employ their own self-determined worker. Overall, staff in this arrangement would be more available.

There would be an opportunity to implement Medically Complex Case Management, which is an evidence-based practice that is a problem-solving approach to clinical practice that incorporates the best evidence from well-designed studies, patient values and preferences, and a clinician's expertise in making decisions about a patient's care. There would be an interdisciplinary team who could collaborate with the persons served at Techni^lodge, using technological devices, which could be I-Pads, computer monitoring, and mobile phones. Additionally, if a case manager can leverage their knowledge and skills to engage a patient in their own care, outcomes will improve. The case manager may believe they are doing this, but the probability is that the case manager is "telling" their patients rather than asking them what their goals are. By shifting the ownership to the patient and helping them refine their goals into smaller, achievable, and sustainable steps, the patient realizes their health is improving, thus paving the path for a behavior model of change.

Target Market

MI Choice participants for whom in-home direct care is not available or minimally available and they would otherwise be at risk for homelessness.

Additionally:

> "Extremely low income, i.e., 30% area median income or below; and household must include at least one individual with a disability who is 18 years of age or older and less than 62 years of age at the time of admission into the property, and
>
> Persons with disabilities: " The term "person with disabilities" means a household composed of one or more persons who is 18 years of age or older and less than 62 years of age, and who has a disability. A person shall be considered to have a disability if such person is determined, pursuant to regulations issued by the Secretary to have a physical, mental, or emotional impairment which is expected to be of long continued and indefinite duration, substantially impedes his or her ability to live independently, and is of such a nature that such ability could be improved by more suitable housing conditions."

Mission Objectives

Objective: To address the direct care workforce shortage using technological advancements in lieu of human resources
Objective: To address the barrier of affordable housing shortage for the elderly and disabled, especially in rural Michigan
Objective: To provide effective complex case management, via virtual engagement
Objective: To expand NLCMHA/Northern Health Care Managements LTSS services
Objective: To allow elderly and disabled who need NFLOC lead self-determined living which results in better health outcomes
Objective: To allow NLCMHA/NHCM to develop contracting opportunities with corporate health care providers
Objective: To demonstrate the use of technology to extend service options to a growing population of elderly
Objective: To create a training program to certify and qualify case management staff on-site
Objective: To provide a platform to increase community involvement of NHCM

Costs/Sustainability

Projected costs to initialize the program/project are utilizing the property purchased on Seneca Place in Cadillac, Michigan. The proposed plan would be to build two structures that would allow sixteen individuals to live independently in their own dwelling space. Building sixteen spaces is the basis for the probable costs identified below.

Acquisition:

- Land has been purchased in Wexford County for development and building the sixteen units. Specifically, the property adjacent to the NLCMHA operated Seneca Home. The property has good access to municipal utilities, shopping, health care facilities and on a designated bus route. The property totals 2.66 acres and purchase price was $113,500. NHCM/NLCMHA is a governmental unit exempt from taxes, including property taxes.
- Timeframe for erecting such a building is estimated to be 9 months from start to completion. Expected occupancy would be within one month following occupancy permits. Additional costs would be to enhance the technology that best supports independent living.
- A bid proposal has been received for a 16-unit apartment complex in two buildings situated in an L shape manner with ten units in one building and six units in the other building. The buildings would situate in a manner allowing for one driveway easily accessible to all units. Building one would include 5,190 square feet with six units and building two would be 9,098 square feet with ten units. Each unit would total 825 square feet each with one office in building two to accommodate a community room and workspace.
- The opinion of probable costs for the build is $5,509,452. The proposal for construction manager as adviser totals $630,810. The cost per square foot totals $386 for the build and $44 for the construction manager. As stated above, NHCM is a governmental unit exempt from taxes including sales tax for the purchase of goods and materials.
- Build would include site development, conventional wood framing, single story, decorative, and embedded technology infrastructure.

Sustainability:

- The capital investment would be paid for with the accumulated fund balance of NHCM, a short-term line of credit, and a 5-year mortgage. Accumulated fund balance of NHCM is represented here:

Year		Amount
Estimated 2023		*$ 1,200,000*
Estimated 2022		*$ 1,400,000*
2021		$ 1,333,633
2020		$ 320,253
2019		$ 6,661
2018		$ 384,889
2017		$ (68,198)
		$ 4,577,238

- The resident would pay rent to provide income to sustain the facility and to allow for building enhancement/maintenance. The proposed rate would be consistent with low-income housing; however, the resident would be required to pay based on income, approximately $850 per month. This would be the residents share to pay, but NHCM would anticipate that these residents would qualify for supplemental housing support, such as MSHDA, or HUD funding. This would allow the agency to generate consistent rental income. Currently, NHCM holds 8 MSHDA vouchers that could be assigned to residents of the Techni^lodge. This could pay for a portion, or all the residents rent for the year. Considering eleven units will be NHCM enrolled participants and five units would meet criteria but may not be enrolled participants it is expected $172,200 will be collected in rent. This is calculated based on eleven rental agreements at $850 per month and five rental agreements at $1,000 per month.
- Utilities will be provided per apartment with the expectation each resident would pay for their utilities.
- On-going maintenance of the property is estimated at $5 per square foot and includes grounds keeping and snow removal. It is intended to share groundskeeping, maintenance and trash removal with the Seneca Place home situated on the same campus.
- The depreciation expense associated with the build is estimated at $153,497 per year over 40 years. Interest expense considering approximately $2.5M in a line of credit and mortgage is estimated at $150,000 per year for no more than 5 years.
- The average capitation of an enrolled participant meeting significant support criteria is $3,800 per month. Significant supports include Adult Foster Care or Adult Living Facility criteria with 50% of capitation used to provide comprehensive community supports. Available capitation for eleven participants in residence at Techni^lodge estimated at 50% is approximately $257,400.

- Annual sustainability of the project is summarized below:

Revenue		
Rent	$	172,200
Capitation	$	257,400
Annuallized revenue projection	$	429,600
Expense		
Annual Depreciation Expense	$	153,497
Interest expense	$	150,000
Trash Collection	$	4,200
Maintenance and groundskeeping		
@ $5 per Square Foot Annual Estimate	$	42,864
Annuallized direct expense	$	350,561
Surplus/(deficit)	$	79,039

- NHCM is a pilot project for presumptive eligibility. In 2023 NHCM entered a contract with MDHHS to enroll participants while in the waiting period for Medicaid enrollment. The contract allows for 90% of service provision to be billed to MDHHS directly during the waiting period. The contract is for $204,875 and will support full residency at Techni^lodge.
- It is the desire of NHCM to promote community living, provide alternatives to the residents and participants of the program, and to reinvest the accumulated fund balance of the program for the benefit of the communities we serve.

Darryl Washington
Director
Northern Health Care Management

Lauri Fischer
Chief Financial Officer
Northern Health Care Management

[i] John Carter, Taylor
[ii] Joanne Campbell, Westland
[iii] Cathy Sheets, MSHDA 8.11 Project-Based Rental Assistance
[iv] Tamera Kiger, TSA
[v] Henry J Kaiser Family Foundation (KFF) *Key State Policy Choices About Medicaid Home and Community-Based Services; February 2020 Issue Brief; source*: (KFF) HCBS Medicaid Waiver Survey, FY 2018includes both 1915 (c) and 1115 waivers.
[vi] Ibid, pg. 20
[vii] Ibid, pg. 28 citing 42 CFR 441.301 (c) (4) – (6)
[viii] www.cshp.rutgers.edu/publications/medicaid-demonstration-waivers-with-housing-supports-an-interim-assessment (Aug. 2020)

Additional Reference:
How States Improve Housing Stability through Medicaid Managed Care Contracts; Ariella Levisohn; National Academy for State Health Policy (NASHP); Feb. 2021