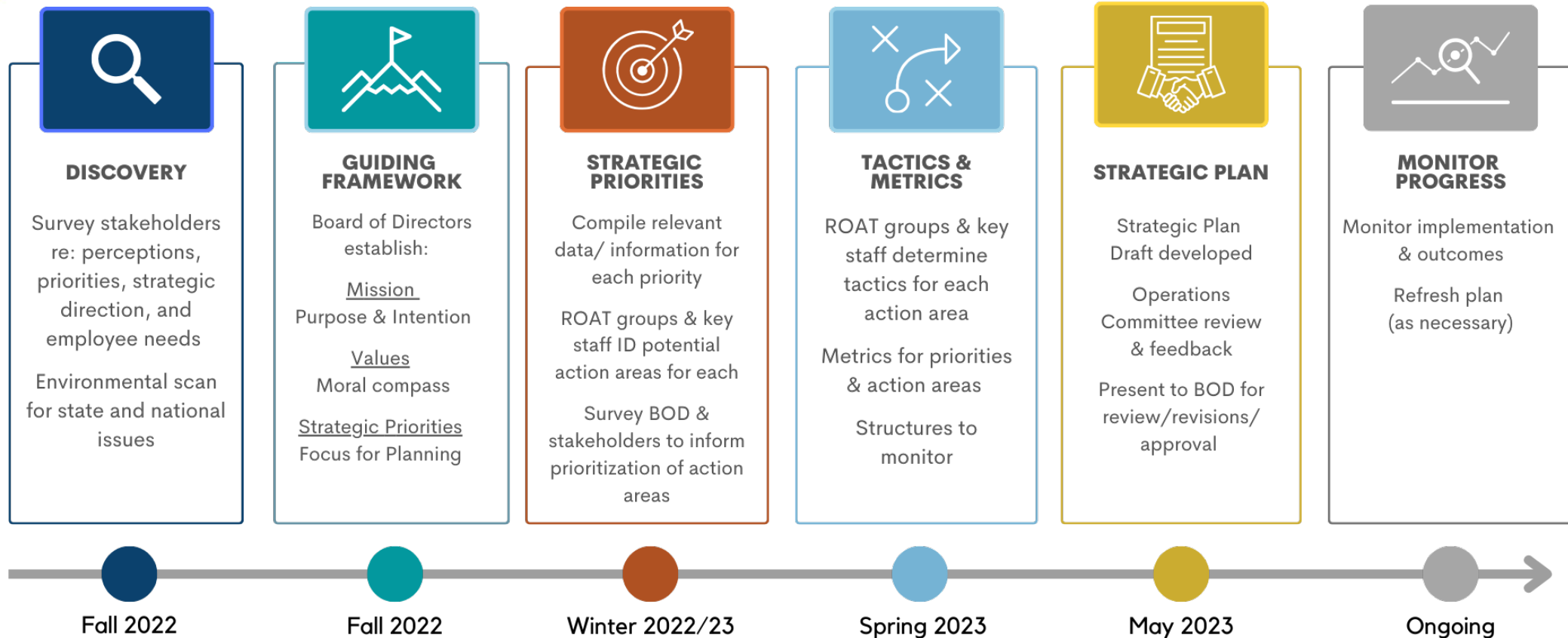Board of Directors Work Session Agenda
February 26, 2025, 11:00 AM
GVSU Muskegon Innovation Hub 200
Viridian Dr, Muskegon, MI 49440

1. Welcome and Opening Comments – Ms. Gardner
2. Public Comment
3. LRE Strategic Plan Update
4. LRE Utilization Management (UM) Plan
5. Public Comment
6. Adjourn

Strategic **Planning** Updates
FY24 **Year End**

LRE Strategic Planning Timeline

DISCOVERY

Survey stakeholders re: perceptions, priorities, strategic direction, and employee needs

Environmental scan for state and national issues

GUIDING FRAMEWORK

Board of Directors establish:

Mission
Purpose & Intention

Values
Moral compass

Strategic Priorities
Focus for Planning

STRATEGIC PRIORITIES

Compile relevant data/ information for each priority

ROAT groups & key staff ID potential action areas for each

Survey BOD & stakeholders to inform prioritization of action areas

TACTICS & METRICS

ROAT groups & key staff determine tactics for each action area

Metrics for priorities & action areas

Structures to monitor

STRATEGIC PLAN

Strategic Plan Draft developed

Operations Committee review & feedback

Present to BOD for review/revisions/ approval

MONITOR PROGRESS

Monitor implementation & outcomes

Refresh plan (as necessary)

Fall 2022 — Fall 2022 — Winter 2022/23 — Spring 2023 — May 2023 — Ongoing

Strategic Plan Metrics Tracking

LAKESHORE REGIONAL ENTITY

Support Local Service Quality

Support Local Service Quality	Status
Proactively identify and address constituent concerns	⟳
Data & performance trends drive development & improvement	⟳
Consistent access to services for all eligible individuals	⟳
Support local implementation of consistent utilization management procedures	⟳

Metrics:
- In October 2024, 56% of ROAT members agreed their team effectively uses data to inform service improvement.
- FY23 - 6 substantial gaps identified in PN Adequacy Report (Goal: None by FY26)

Collaborative Relationships

Collaborative Relationships	Status
Support & coordinate efforts with local Member CMHSPs	⟳
ROAT Teams support local efforts & foster regional coordination	⟳
Support effective engagement of the Board of Directors	⟳
Support staff engagement & retention	⚙

Metrics:
Among respondents In October 2024:
- 33% OAC members agreed the LRE effectively coordinates advocacy for the region.
- 68% of ROAT members will agreed their team effectively support local efforts and fosters regional coordination.
- 63% of members agreed the board functions effectively.
- LRE staff retention in FY24 was 89% (Goal:90%)

Innovative Service Development

Innovative Service Development	Status
Elevate and support opportunities for local solutions	⟳
Increase coordination to identify and respond to threats	⟳
Maintain adequate financial reserves	⟳

Metrics:
In October 2024:
- 33% of OAC respondents agreed the LRE supports regional coordination in response to threats.
- 33% of OAC respondents agreed the LRE fosters regional discussion to explore potential innovations
- 68% of ROAT members agreed the team provides opportunities to explore innovation.

Fiscal Responsibility

Fiscal Responsibility	Status
Advocate for appropriate actuary rate	⟳
Improve region's ability to accurately project expenses	⚙
Improve region's ability to manage within projected revenue levels	⚙
Maintain adequate financial reserves	⚙

Metrics:
- FY23 spending was 0.79% below budget.* FY24 not avail. (Goal: spending ≤ revenue by FY26)
- 7.5% ISF balance at close of FY23 with +$1.9M*; FY24 not avail. (Goal: ISF Fund 5% pts closer to min.by FY26 closeout)

*FY23 not fully audited or cost settled with MDHHS as of 11/6/2024.

Legend:
- ✓ Complete
- ⟳ On track & ongoing
- ⚙ Underway
- ⏸ Future work
- ⏰ Behind schedule

LAKESHORE REGIONAL ENTITY

Strategic Plan Metrics Tracking

Innovative Service Development	Goal	2024	2025	2026
% of OAC members who agree the LRE fosters regional discussion to explore potential innovation.	>50% by FY24 end & annual	33%		
% of OAC members who agree the LRE supports regional coordination in response to emerging threats.	>50% by FY24 end & annual	33%		
% of ROAT members who agree that the ROATs provide opportunities to explore innovation.	>50% by FY24 end & annual	68%		

Fiscal Responsibility	Goal	2024	2025	2026
Region Spending % over/under revenue	0% by FY26	N/A		
By close of FY26, the ISF fund will be 5% points closer to goal established in 2023.	Goal TBD FY23, 5% points closer by FY26.	N/A		

Support Local Service Quality	Goal	2024	2025	2026
% of ROAT members who agree that the Regional Operations Advisory Teams effectively use data to inform service improvements efforts	>50% by FY24 end & annual	56%		
# of substantial gaps in service availability ID'd in Provider Network Adequacy report.	None by FY26	6 gaps		

Collaborative Relationships	Goal	2024	2025	2026
% of OAC members who agree the LRE effectively coordinates advocacy for the region.	>50% by FY24 end & annual	33%		
% of ROAT members who agree that the team is an effective tool to support local efforts and foster regional coordination.	>50% by FY24 end & annual	67%		
% of Board Directors who agree that board functions effective-ly.	>50% by FY24 end & annual	63%		
LRE annual staff retention rate.	90%	89%		

Support *Local Service Quality* * Denotes New Info

LAKESHORE REGIONAL ENTITY

Goals

- Data and performance trends drive development and improvement.

Actions Taken

Conduct ongoing meaningful data reviews for each service area.

Improve Data accuracy by encouraging timely reporting by Members and providers.

Improve reconciliation process for Members to review submitted encounter data and make corrections.

Progress Update (November 2024)

LRE Data Analytics Steering Committee (DASC) **DASC reviews a master list of dashboards on a monthly basis to help steer the ROAT's.**

CMHSP's have access to the BH TEDS/Rate Setting Factors Monitoring Dashboard allowing clean up of their data. (i.e. Missing LOCUS score, HSW Payments)

An Autism data collection system was created to supply the Autism team and CMHSP's with accurate Autism data due to the sunsetting of the WSA.

Met with several CMHSPs to clean and correct data.

Monthly monitoring processes were put in place to support Member improvement for BH TEDS completion rates. **Every contract has a newly created report due date schedule to ensure compliance with MDHHS requirements.**

A report, **LRE EQI Encounters Summary vs CMHSP EQI Comparison** has been developed to identify encounters submitted by each Member that are not complete enough to be reimbursed. Training **and support has been provided during and will continue.**

Support *Local Service* Quality

Goals

- **Consistent access to services for all eligible individuals**

Actions Taken

Ensure service provider network (PN) adequacy by monitoring critical providers to identify those that lack financial stability; establish special arrangements as necessary to support continuation of services

Support local implementation of consistent utilization management procedures.

Develop LRE's regional standardized levels of care and eligibility criteria process

Progress Update (November 2024)

The Network Adequacy Report includes data for FY23 and provides a comprehensive evaluation of the LRE network. It also highlights the deficiencies and proactive measures being implemented to address gaps in network adequacy.

A UM process for staff who use medical necessity criteria, called Milliman Care Guidelines (MCG), was developed and implemented this fiscal year.

ReFocus LLC has been hired to start this process for FY24.

Developed the preadmission process and procedure and it is being used amongst the region.

Regionally over 90% of clinical staff who took the MCG passed.

MichiCANS, LRE is waiting for MDHHS to finalize the process for using this standardized tool.

Several UM/Clinical dashboards have been created and the data is reviewed regionally.

Fiscal Responsibility

Goals

Actions Taken

Progress Update (November 2024)

♦ **Improve the region's ability to manage within projected revenue levels.**

Annually review the state actuarial rate certification letter and work with an actuarial firm to conduct local review if state rates seem inaccurate.

In August of 2024 Wakley presented Financial and BHTEDS data to the LRE Board of Directors (BOD). LRE continues to urge the CMHSPs and providers to complete BH TEDS accurately and timely.

The LRE received 47 additional HSW slots, LRE continues to advocate for additional slots.

Work with Finance ROAT to increase predictability of services expenditures.

We are pursuing offering Opioid Health/Substance Use Disorder Health Homes benefits in the region starting in FY25.

FY24 Quarter 4 rate adjustment from MDHHS.

♦ **Improve the regions ability to develop accurate expense projections.**

Implement improved financial procedures to ensure consistency of cash flow and payment timing.

FY24 Period 1 EQI was shared at the July Finance ROAT meeting. FY24 Period 2 EQI was shared at the November Finance ROAT.

For FY24 Finance is projecting an overall deficit of $18.8 million.

♦ **Maintain adequate financial reserves.**

Determine appropriate level of Internal Service Fund (ISF) balance (within state defined standards).

Direct funds to the ISF as available until target is achieved.

The LRE continues to advocate at the state level for additional funding. The LRE also continues to encourage participation at the CMH level for Health Homes.

Collaborative Relationships

Goals

- ◆ **Support & Coordinate efforts with local CMH programs**

Actions Taken

Develop timely and compelling analysis and communications to support advocating with one voice regarding the impact of new or proposed unfunded mandates or legislation.

Establish key metrics and acceptable parameters for monitoring financial and service delivery standards for CMH's.

Progress Update (November 2024)

COO has compiled monthly legislative Advocacy Reports and shared with the BOD regarding advocacy related issues.

April CEO/COO met with all local legislators

BOD adopted the Resolution opposing Conflict Free Access and Planning at the June meeting.

The LRE IT team has reversed a multiyear negative BHTEDS trend on Full Record Exemptions with each CMHSP.

Advocated for more HSW slots in this region.

Hired Wakley an actuarial firm to review an analyze this regions finances.

Wakley findings were presented to the BOD.

LRE will participate in Substance Use Disorder Health Homes (SUDHH) beginning October 1, 2024.

Data dashboards have been created for each ROAT and are shared on a regular basis.

Collaborative Relationships

Goals	Actions Taken	Progress Update (November 2024)
◆ **Regional Operation Advisory Teams (ROAT's) support local efforts & foster regional coordination**	Reduce duplicative planning among ROAT groups and ensure information is shared effectively with other ROAT's as appropriate.	A grid of the priority focus areas was developed for each ROAT. The COO attends ROATs to assist with identification of duplicative work and cross communication amongst ROAT's. **Strategic plan has been placed as a permanent standing agenda item on all ROATs.**
	Each ROAT will identify priorities for their work annually.	**Survey Monkey was distributed in September to help prioritize FY25 and evaluate FY24 progress.**
	Provide opportunities for CMH ROAT members to support their peers.	Each ROAT group has also created a standing agenda item to allow CMH members to share and discuss local challenges unique to their CMH.
	Support lead staff for each ROAT in planning and facilitating effective team meetings.	The COO has provided effective facilitation training to all ROAT leads.
	LRE staff attending state workgroups will provide updates to relevant ROAT's.	LRE staff who attend state workgroups are provided time to discuss topics during the ROAT meeting. Minutes from each ROAT are also posted in ROAT specific Teams channels.

Collaborative Relationships (continued)

Goals	Actions Taken	Progress Update (November 2024)
	Ensure new members receive information necessary to fulfill their role effectively.	LRE has developed an orientation packed for all new board members. LRE CEO has engaged in meetings with board members to help with their onboarding both in groups and one and one.
Enhance engagement of the LRE Board of Directors	Foster positive working relationships among BOD members.	**Have added Member CEOs to the executive committee of BOD so they are aware of the agenda, and able to share thoughts during meetings rather than relying on public comment to provide input.**
	Identify opportunities to improve effectiveness of board operations and provide support as indicated.	The Board Governance Policies have been updated, the board packet has been restructured to size of board packet. **The board was surveyed to improve work sessions.**
	Facilitate meaningful discussions and exploration of key issues.	**BOD passed resolutions relating to Conflict Free Access & Planning as well as the ISF.**
Support staff engagement and retention	Promote meaningful training opportunities for staff and provide additional reimbursement for participation.	**Staff engage in regular training opportunities through a three-year federal staff retention grant. Completion of trainings result in additional compensation to staff.**
	Assess leadership qualities and skills to identify strengths and deficits for members of the Executive Team; develop skill building and growth.	Ongoing review of staffing structure and roles to distribute the workload appropriately.

Innovative Service Development

Goals

- ♦ **Identify & explore innovations throughout the region.**

Actions Taken

Work with CMHSP members to identify areas of concern and develop plans of action.

Monitor implementation of strategic plan and adjust as necessary to achieve AIM's.

Progress Update (November 2024)

Clinical & Provider Network ROAT groups have reviewed their priorities resulting in sharing of resources and regional Evidence-based practices.

Operations Advisory Council has added a standing agenda item.

IT Subgroup on Security Operations ("Sec Ops") was created to reduce data breaches improve cybersecurity.

Dashboard " Rate Setting Factors Monitoring" has been developed to showcase BHTEDS that are missing or perceived as missing in the rate setting.

A dashboard was created for CMHSP's which identifies overdue BHTEDS. This dashboard assists CMHSPs to determine any missing BHTEDS/no encounters.

Quarterly meetings are conducted with each department lead to help them populate the strategic plan and remind them of their task and what is forthcoming.

Strategic planning review and updates are included at appropriate ROAT agendas monthly.

Autism Strategic Plan

Goals

Actions Taken

Progress Update (November 2024)

♦ **Develop Comprehensive UM Policy**

We continue to work with the CMH's to insure our utilization is being monitored and services are being delivered appropriately.

Collaboration between LRE and CMH's to ensure that utilization is continuously being monitored. LRE has developed an authorization/ utilization form.

Due to changes at the state level we are continuing to adjust our overall work on the comprehensive UM policy.

Bringing the new authorization/utilization form to Autism Roat. Met with Roat to establish projected release/start date.

♦ **Develop Consistency for ABA Medical Necessity Determination**

The LRE created 3 documents for CMH staff use to build better consistency in Autism Services. We have also held two trainings on the documents. One for CMH staff and one for Providers.

The LRE created a Level of Care workgroup to help determine how services should be implemented based on the level of care.

Started a Person-Centered Plan (PCP) workgroup for goal writing.

Starting a Workgroup to establish expectations, and clinical necessity around CPT code usage.

The ABA Parent Handbook, Participation Agreement and the Transition & Discharge Guidelines document are discussed during Autism ROAT and the ABA Regional Provider meeting to discuss their effectiveness and continued usage.

Establish who is in CPT Codes expectation work group and set start date for meeting.

Share PCP goal writing training with Roat and Schedule training.

Autism Strategic Plan

Goals	Actions Taken	Progress Update (November 2024)
• **Manage List of Individuals waiting for ABA Services**	The LRE has developed a process for CMH's in our region to submit Autism file data monthly. This allows us to monitor a variety of data, including the ABA Services Waitlist data accurately. **IT Created Data submission to track those waiting for ABA services in our region.**	Having more accurate date in relation to the waitlist for services helps us develop strategies to help reduce the number of kids on the list **Continuing to look for ways to track waitlist data across multiple waitlists (Waiting for initial evaluations)**
• **Support CMH's in Strengthening the ABA Provider Network**	The LRE continues to develop new ABA dashboards to share with CMH staff to help them better monitor their services. The LRE has also stood up an Autism Rate Group to discuss Autism rates for FY25 to potentially adjust rates to help with staff retention or hiring. **LRE has started Quarterly Provider Meetings to increase the collaboration with providers in the region.** **LRE had a discussion during the ABA provider meeting about Tech retention, and strategies to increase retention across providers.**	During Autism ROAT as well as the regional ABA Provider meeting the information from the new dashboards allows us to discuss provider capacity and identify providers who may be available for contracting with other CMH's, to better help all our CMH's with their network capacity. The development of competitive Autism rates will help current providers as well as help onboard new providers. **Continuing to increase collaboration with provider network.** **Launch Person Centered Planning Goal writing Training.** **Continue to establish ways to do community outreach for CMH's and Providers to build a rapport with the schools in the region.**

Substance Use Disorder Treatment: Evaluation Update FY24

Substance Use Disorder Prevention:
Summary of Activities FY24

UTILIZATION MANAGEMENT PLAN
FY2025

LAKESHORE REGIONAL ENTITY
FY2025 UTILIZATION MANAGEMENT PLAN

Lakeshore Regional Entity (LRE) is the public behavioral health plan for individuals with mental illness, intellectual/developmental disability (I/DD), and substance use disorders (SUD) in Allegan, Kent, Lake, Mason, Muskegon, Oceana and Ottawa counties. As one of 10 Prepaid Inpatient Health Plans (PIHP) in Michigan, LRE manages the Medicaid and Block Grant services provided under a contract with the State of Michigan's Department of Health and Human Services (MDHHS) to residents in the region.

LRE's Utilization Management (UM) Program is designed to detect and correct under-and over-utilization of services as well as implement procedures for conducting prospective, concurrent and retrospective reviews. LRE's UM Program must ensure the delivery of high quality, medically necessary care through appropriate utilization of resources in a cost effective and timely manner. The UM program provides the framework for the region to ensure services and UM activities are conducted in compliance with federal law and MDHHS contract requirements.

LRE has adopted Utilization Management and Service Delivery Policies and Procedures that guide regional UM functions and effective oversight. The policies and procedures comply with 42 CFR 441.301(c)(4) requirements for home and community-based settings. These policies and procedures are found on Lakeshore Regional Entity's website at:

Policies and Procedures - Lakeshore Regional Entity (lsre.org)

UM PROGRAM OVERVIEW
LRE must ensure regional access to public behavioral health services in accordance with its contract with MDHHS while adhering to relevant Michigan Medicaid Provider Manual (MMPM) and Michigan Mental Health Code (MMHC) requirements and applicable federal rules and regulations. LRE has adopted the American Psychiatric Association Clinical Practice Guidelines as the established practice guideline for all Medicaid covered services. In addition, Milliman Care Guidelines (MCG) were implemented within the region in 2020 and are utilized as an additional factor/criterion for decision-making and service authorization/denial for inpatient, partial hospitalization, and crisis residential determinations.

LRE currently provides oversight and monitoring of delegated regional UM functions. LRE continues to redesign the UM program the UM program to improve uniformity and consistency across the region. Some processes include
- Standardization of access to higher levels of care, including psychiatric inpatient, crisis residential, and partial hospitalization treatment.
  - Developed a regional procedure to standardize continued stay reviews.
  - Development of a regional process for preadmission screening.
  - Standardized report sharing for higher level of care initial authorizations, continuing stay reviews, discharge reporting, multi-morbidity/high complexity case identification, and high-cost service reviews.
- Methodologies to improve processes and reporting that assists Member Community Mental Health Service Programs (CMHSPs) with service eligibility determinations.

- Developed a regional auditing process to ensure Inter-Rater Reliability (IRR) along with dashboard reports.
  - Annual training and testing of clinical staff responsible for determining medical necessity to ensure regional adherence to current MCG criteria.
- Created utilization dashboards for higher level of care, for example:
  - Psychiatric Inpatient Average Length of Stay (ALOS)
  - Crisis Residential ALOS/Units
  - Partial Inpatient ALOS
  - Inpatient Admits/1000 and Inpatient Days/1000
  - Readmission Rates – 7/30 Days

LRE will continue to focus on standardization of utilization management activities. Regardless of where these activities and functions occur, LRE retains responsibility to recommend and ensure improvement strategies across its service delivery network, particularly if adverse utilization trends are detected within the region.

There will be continued efforts toward data integrity processes including identification of overlapping services and coding errors. LRE and Member CMHSPs continue collaborative work on authorizations to provide greater visibility into real time medical expense via reporting tools and improved claims data exports/extracts to LRE from Member CMHSPs.

Exceptions to UM Plan: Certified Community Behavioral Health Center (CCBHC) Services.

The State of Michigan was granted approval by the Centers for Medicare & Medicaid Services (CMS) for participation in the federal Certified Community Behavioral Health Center (CCBHC) Demonstration. All five CMHSPs within the LRE are also CCBHCs. Eligibility requirements to receive CCBHC services differ significantly from eligibility requirements previously established for those seeking CMH services. CCBHC services are not subject to all of the same population eligibility guidelines or service utilization guidelines as described in the LRE UM Plan. The CMS CCBHC Demonstration sites within LRE will adhere to the eligibility and service provision requirements as outlined in the MDHHS CCBHC Handbook.

OVERSIGHT STRUCTURE

LRE's UM Program operates under the oversight of LRE's CEO, Regional Operations Council, and LRE UM Regional Operations Advisory Team (ROAT) and Clinical ROAT.

LRE delegates UM related activities to Member CMHSPs. LRE staff manage the overall UM Plan as well as the direction and focus through UM and Clinical ROATs to achieve the strategic outcomes in the region. Collaboratively, LRE and Member CMHSP designated staff are responsible to:

- Provide oversight to ensure that each Member CMHSP has policies and procedures that comply with State and federal requirements related to UM.
- Develop, monitor and track key performance indicators to include identification of over/under utilization patterns and/or deviation from expected results across the region
- Implement policies and systems to ensure consistency with the Mental Health Parity and Addiction Equity Act of 2008
- Engage in studies of specific populations or sets of services based on identified factors or criteria. These may include populations or services with high risk, high costs, and

presence of negative outliers or outcomes, or significant variance in utilization patterns

- Act as the representative for the region on any Utilization Management initiatives across the state

LRE ROAT is the primary body responsible for evaluating services and making UM recommendations to the Operations Council. The UM ROAT is comprised of one Subject Matter Expert (SME) from each Member CMHSP, LRE's UM Coordinator and Clinical Manager. Other SME's may be invited for a specific agenda topic.

The responsibilities and duties of the UM ROAT include the following:
- Develop and monitor a regional Utilization Management Plan.
- Set utilization management priorities based on LRE's strategic plan and/or contractual/public policy expectations.
- Recommend policy and practices for access, authorization and utilization management standards that are consistent with requirements and represent best practices.
- Participate in the development of access, authorization and utilization management monitoring criteria and tools to assure regional compliance with approved policies and standards.
- Support development of materials and proofs for external quality review activities.
- Establish improvement priorities based on results of external quality review activities.
- Recommend regional medical necessity and level of care criteria.
- Perform utilization management functions sufficient to analyze and make recommendations relating to controlling costs, mitigating risk and assuring quality of care; review and monitor utilization patterns and analysis to detect and recommend remediation of over/under or inappropriate utilization.
- Recommend improvement strategies where adverse utilization trends are detected.
- Implement policies, procedures and systems to ensure consistency with the Mental Health Parity and Addiction Equity Act of 2008 (MHPAEA).
- Ensure UM ROAT coordination and information sharing to address continuity and efficiency of PIHP processes.

PROGRAM STRUCTURE
The UM Program includes the following:
- Adoption of consistent regional access policies and procedures to assure compliance with LRE, MDHHS and federal standards related to service eligibility and crisis response capacity.
- Mechanisms to identify and correct under and/or over utilization.
    a. LRE UM ROAT is responsible for reviewing aggregated and trend data related to services delivered across the region.
    b. LRE UM ROAT is responsible for identification of over- and under-utilization trends and identifying opportunities/interventions to correct significant variances.
- Procedures to outline utilization review work including UM authorization and denial decisions made by qualified and credentialed professionals and are completed in ways to mitigate conflict of interest.

- Efforts to obtain all necessary clinical information to render a decision. The rationale for all utilization review decisions are clearly documented and available to LRE, Member CMHSP, Network Provider, or the individual.
- Well publicized and accessible appeal mechanisms are available for both Network Providers and individuals receiving services. Notification of denials should include a copy of how to file an appeal.
- Appeals and Fair Hearing decisions will be made in a timely manner as required by the MDHHS contract.

SERVICE ACCESS AND ELIGIBILITY DETERMINATION

CMHSPs have delegated responsibility to provide screening and authorization for medically necessary services. Services may be provided by the CMHSP or contractual community providers. Initial service eligibility, continued stay review activities and ongoing utilization management for all mental health and substance use disorder services must be based on common standardized screening and assessment protocols consistent with the Medicaid Provider Manual and criteria/service selection guidelines specified by the MDHHS contract. LRE has delegated these activities to the five Member CMHSPs.

The determination of medically necessary supports, services and/or treatments must be delivered through person-centered planning:
- Based on information provided by the individual, the individual's family, and/or others who know the individual; and based on clinical information from the individual's primary care physician or health care professional who have evaluated the individuals; and
- Made by appropriately trained and credentialed mental health and/or substance use disorder professionals;
- Made within federal and state standards for timeliness;
- Sufficient in amount, scope and duration to reasonably achieve its purpose;
- Documented in the individual's record.

Intake assessments have an established uniformity across the region using common screening and assessment tools that are validated and standardized per the Michigan Medicaid Provider Manual (MMPM). LRE and Member CMHSPs have implemented Milliman Care Guidelines (MCG) medical necessity criteria for psychiatric inpatient, crisis residential and partial hospitalization levels of care. MCG criteria does not replace the Michigan Medicaid Provider Manual, rather it is supplemental criteria used to support the level of care determinations.

Eligibility for services will be documented in the clinical record and specific data elements submitted to the LRE as required by the LRE/CMHSP sub-contract.

All screening decisions will be documented and shall include:
- Presenting problem and need for service and supports;
- Initial identification of the population group that qualified the person for services and supports;
- Legal eligibility and priority criteria (where applicable);
- Urgent and emergent needs including linkages to crisis services;

- Screening disposition;
- Rationale for admission or denial; and
- Ongoing service(s) required.

LRE retains responsibility to ensure that screening and eligibility determinations are consistently made across the region.

AUTHORIZATION/UTILIZATION REVIEW

LRE and Member CMHSPs shall establish guidelines and utilization monitoring procedures in accordance with the Michigan Medicaid Provider Manual. LRE shall not use any medical necessity criteria that are more restrictive than those specified by MDHHS and/or the Medicaid Provider Manual to place appropriate limits on any service.

Level of care criteria shall be sufficient to address the severity of illness and intensity of services required by the individual. Some services that fall within established parameters may be "presumptively authorized" to expedite care (i.e., initial assessment).

LRE, Member CMHSPs and Network Providers shall not deny services based solely on preset limits of the cost, amount, scope, or duration of services. Instead, determination of the need for services shall be conducted on an individualized basis using established medical necessity criteria. LRE, Member CMHSPs and Network Providers must assure that compensation to individuals or entities that conduct utilization management activities is not structured to provide incentives for the individual or entity to deny, limit, or discontinue medically necessary services to any individual.

Decisions regarding the type, scope, duration and intensity of services to authorize or deny must be:
- Accurate and consistent with medical necessity criteria
- Consistent with established guidelines (ie: Michigan Medicaid Provider Manual, MDHHS contract)
- Adjusted appropriately as beneficiary's needs, status, and/or service requests change
- Timely
- Provided to the consumer in writing
- Accompanied by the appropriate notice to the beneficiary regarding their appeal rights.

Crisis services including pre-admission screening for and/or diversion from intensive services (Inpatient psychiatric, crisis residential, partial hospitalization services, SUD detox) and/or crisis stabilization services remain the responsibility of the Member CMHSP.

DATA REPORTING AND ANALYSIS

UM activities delegated to Member CMHSPs, as contracted entities, collect, aggregate, and analyze data related to service utilization, costs, timeliness, and outcomes for all delegated UM activities. Data collected includes, but is not limited to:
- Service utilization and costs by service code
- Over / under utilization trends
- Denials of authorization

- Access and availability of services
- Population trends
- Penetration rates
- Readmission rates

LRE continues to develop, redesign and review reporting mechanisms via Power BI Dashboards.

OPERATIONAL GOALS
The activities described below identify how Lakeshore Regional Entity will achieve its Utilization Management Program goals.

1. Continue to develop standardized utilization management protocols & functions across the region. This can include reviews of the following functions.
   - Access and service eligibility determination
   - Authorization for services
   - Re-authorizations
   - Admissions and continuing stay reviews for intensive services.

2. Continue with development and review of a regional Utilization Management framework that includes common screening and assessment, UM procedures (where appropriate) as well as continued development of enhanced data reporting (Power BI Reports) which will be reviewed for trends and potential areas of growth.

3. Continue development and implementation of regionally uniform, standard processes across the region for determining service eligibility, level of care guidelines, standard assessment protocols, and regular monitoring and oversight to assure ensure effective use of resources.

   Michigan Department of Health and Human Services (MDHHS) requires the use of standardized assessments or level of care determination tools during the initial assessment phase for specific clinical populations. Minimally, the tools are used to inform, and in some instances, guide decision making regarding the appropriate level of care. No one assessment shall be used to determine the care an individual receives, rather it is part of a set of assessments, clinical judgment, and individual input that determine level of care. In accordance with MDHHS contractual requirements, the following assessments/tools must be utilized in the Lakeshore region:

   Substance Use Disorder Services:
   - ASAM (American Society of Addiction Medicine) Continuum Assessment for adults (18 and older)
   - ASAM Patient Placement Criteria (ASAM-PPC) for level of care determination

   Children and Adolescents with Serious Emotional Disturbance
   - DECA (Devereaux Early Childhood Assessment, ages birth-47 months)
   - MichiCANS (Michigan Child and Adolescent Needs and Strengths, ages 0-21)

- CAFAS (Child and Adolescent Functional Assessment Scale (for ages 7-17) for applicable waiver and iSPA programs
- PECFAS (Preschool and Early Childhood Functional Assessment Scale (for ages 4-6) for applicable waiver and iSPA programs
- GAIN (Global Appraisal of Individual Needs) comprehensive biopsychosocial assessment for adolescents (17 and under)

Adults with Mental Illness
- LOCUS (Level of Care Utilization System) for Psychiatric and Addiction

Adults with Intellectual/Developmental Disabilities
- WHODAS (World Health Organization Disability Assessment Schedule) -yet to be implemented.

4. At least annually, conduct a review (including an onsite monitoring) with each Member CMHSP to ensure Members are compliant with MDHHS and Balanced Budget Act (BBA) requirements related to utilization management.

5. Analyze regional ability to increase authorization process consistency to monitor over/under utilization of services.

6. Analyze regional ability to apply Interrater Reliability processes to specialized residential/CLS medical necessity criteria.

7. Identify high risk populations for focused analysis (e.g. using MDHHS data extract, Care Connect 360 or local data) and ongoing monitoring toward improved coordination of care.

8. Based on review of regional utilization data or results of oversight and monitoring activities, determine specific areas or services for focused review or improvement. This may include monitoring and trending of regional claims and encounters.

9. Participate with statewide work groups related to UM functions and share relevant information with LRE UM & Clinical ROATs and Operations Council.

10. Ensure LRE and Member CMHSPs are represented on cross regional UM related work groups.

APPENDIX I: DEFINITIONS
These terms have the following meaning throughout this Utilization Management Plan:

Appeal: A review of an adverse benefit determination. A process to have an authorization decision that adversely affects services provided to an individual or a denial of services to an individual reviewed by a licensed professional, not involved in the original decision, to evaluate the medical needs of the individual for possible decision reversal.

Authorization: Approval of level of care and/or specific services.

CCBHC: Certified Community Behavioral Health Center; CCBHCs are considered a new Medicaid provider type and are designed to provide a comprehensive range of mental health and substance use disorder services to vulnerable individuals.

Continued Stay Review: During the course of service delivery (i.e. point of care), ensuring an appropriate combination of services is authorized; concurrent review occurs within the context of philosophical frameworks governing decision making regarding services (e.g., consumer self-determination, person centered planning and trauma informed and recovery oriented care); may include re-measurement(s) of need utilizing standardized assessment tools; for Medicaid enrollees, concurrent UM decision making includes Advance Notice to the consumer.

Denial: A determination that a specific service is not medically / clinically appropriate, necessary to meet needs, consistent with the individual's diagnosis, symptoms and functional impairments, the most cost-effective option in the least restrictive environment, and/or consistent with clinical standards of care.

Intellectual/Developmental Disability (I/DD): : Is defined in the Michigan Mental Health Code as a condition showing before the age of 18 years that is characterized by significantly subaverage intellectual functioning and related limitations in 2 or more adaptive skills and that is diagnosed based on the following assumptions: (a) Valid assessment considers cultural and linguistic diversity, as well as differences in communication and behavioral factors. (b) The existence of limitation in adaptive skills occurs within the context of community environments typical of the individual's age peers and is indexed to the individual's particular needs for support. (c) Specific adaptive skill limitations often coexist with strengths in other adaptive skills or other personal capabilities. (d) With appropriate supports over a sustained period, the life functioning of the individual with an intellectual disability will generally improve. If applied to a minor from birth to 5 years of age, a substantial developmental delay or a specific congenital or acquired condition with a high probability of resulting in developmental disability.

Medicaid Long-Term Supports and Services (MLTSS/LTSS): Care provided in the home, in community-based settings, or in facilities, such as nursing homes for older adults and individuals with disabilities who need support because of age; physical, cognitive, developmental, or chronic health conditions; or other functional limitations that restrict their ability to care for themselves. They are a range of services to help individuals live more independently by assisting with personal and healthcare needs and activities of daily living, such as eating, taking baths, managing medication, grooming, walking, getting up and down

from a seated position, using the toilet, cooking, driving, getting dressed, and managing money.

LTSS programs provide service needs from complex-care to assistance with everyday activities of daily living. The following are some of the services provided under Medicaid long-term services and supports:

Care Coordination

Chore Services (services to maintain a clean-living environment)

Community Living Supports (promote participation in the community)

Home Delivered Meals

Home Modifications

Nursing Services

Personal Emergency Response Systems

Respite Services

Medically Necessary: A term used to describe one of the criteria that must be met for a beneficiary to receive Medicaid services. It means that the specific service is expected to help the beneficiary with his or her mental health, intellectual/developmental disability, substance use, or any other medical condition. Some services assess needs, and some services help maintain or improve functioning. PIHPs are unable to authorize (pay for) or provide services that are not determined as medically necessary for you.

Medically Necessary Services: The PIHP and designated CMHSPs are responsible for providing services that are no more restrictive than that used in the State Medicaid program, including quantitative and non-quantitative treatment limits, as indicated in State statutes and regulations, the State Plan, and other State policy and procedures; and the prevention, diagnosis, and treatment of an enrollee's disease, condition, and/or disorder that results in health impairments and/or disability. These services must promote the ability for an enrollee to achieve age-appropriate growth and development; the ability for an enrollee to attain, maintain, or regain functional capacity; and the opportunity for an enrollee receiving long-term services and supports to have access to the benefits of community living, to achieve person-centered goals, and live and work in the setting of their choice.

Medical Necessity Criteria: Criteria used to determine which services, equipment, and/or treatment protocols are required for the diagnosis or severity of illness that meets accepted standard of practice.

Member CMHSP: refers to one of the five-member Community Mental Health Services Program (CMHSP) participants in the Lakeshore Region.

Network Provider: Any provider, group of providers, or entity that has a provider agreement with LRE or Member CMHSP that receives funding directly or indirectly to order, refer or render covered services as a result. May also be referred to as CMH.

Preadmission Screen: Determination of the appropriateness of a level of care or service setting before services are initiated; associated with admission to a program, agency or facility and the application of medical necessity, benefit eligibility or access/admission criteria; may include baseline measurements of need utilizing standardized assessment

tools; for Medicaid enrollees, prospective UM decision making includes Adequate Notice to the consumer.

Retrospective Review: After service delivery, evaluation of whether the scope, duration and frequency of services received met consumer need; includes determination of whether or not intended outcomes were achieved; may include post-discharge measurement of health outcomes or re-measurement of need utilizing standardized assessment tools; retrospective review may occur specific to a service, program or facility.

Serious Emotional Disturbance (SED): As described in Section 330.1100c of the Michigan Mental Health Code, a serious emotional disturbance is a diagnosable mental, behavioral, or emotional disorder affecting a minor that exists or has existed during the past year for a period of time sufficient to meet diagnostic criteria specified in the most recent diagnostic and statistical manual of mental disorders published by the American Psychiatric Association and approved by the MDHHS, and that has resulted in functional impairment that substantially interferes with or limits the minor's role or functioning in family, school, or community activities.

Serious Mental Illness (SMI): Is defined by the Michigan Mental Health Code to mean a diagnosable mental, behavioral, or emotional disorder affecting an adult that exists or has existed during the past year for a period of time sufficient to meet diagnostic criteria specified in the most recent Diagnostic and Statistical Manual of Mental Disorders; and that has resulted in function impairment that substantially interferes with or limits one or more major life activities.

Staff: Refers to an individual directly employed and/or contracted with LRE, Member CMHSP or Network Provider.

Substance Use Disorder (SUD): As defined in MCL 330.1100d(11) of the Michigan Mental Health Code: The taking of alcohol or other drugs as dosages that place an individual's social, economic, psychological, and physical welfare in potential hazard or to the extent that an individual loses the power of self-control as a result of the use of alcohol or drugs, or while habitually under the influence of alcohol or drugs, endangers public health, morals, safety, or welfare, or a combination thereof.

Utilization Management: LRE's managed care system that ensures eligible recipients receive clinically appropriate / medically necessary, high quality, and cost-effective services.

Utilization Review: LRE's review process established to ensure that the UM Program's service standards, protocols, practice guidelines, and documentation standards are adhered to by all Member CMHSP's.