



## **Detroit Wayne Integrated Health Network**

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**Finance Committee Meeting  
Hotel St. Regis 3071 W. Grand Blvd.  
Detroit, MI 48202  
Wednesday, November 1, 2023  
1:00 p.m.  
**AGENDA****

- I. Call to Order**
- II. Roll Call**
- III. Committee Member Remarks**
- IV. Approval of Agenda**
- V. Follow-Up Items**
- VI. Approval of Minutes – October 4, 2023**
- VII. Presentation of the Monthly Finance Report**
- VIII. Unfinished Business:**
  - Staff Recommendations:
    - a. Board Action #23-60(Revised) – Sterling Security
- IX. New Business:**
  - Staff Recommendations:
    - a. Board Action #24-38 – ECHO Survey – Adults & Children
    - b. Board Action #24-39 – Employee Healthcare FY 23/24
- X. Good and Welfare/Public Comment**

Members of the public are welcome to address the Board during this time for no more than two minutes. (The Board Liaison will notify the Chair when the time limit has been met.) Individuals are encouraged to identify themselves and fill out a comment card to leave with the Board liaison; however, those individuals that do not want to identify themselves may still address the Board. Issues raised during Good and Welfare/Public Comment that are of concern to the general public and may initiate an inquiry and follow-up will be responded to and may be posted to the website. Feedback will be posted within a reasonable timeframe (information that is HIPAA related or of a confidential nature will not be posted but rather responded to on an individual basis).
- XI. Adjournment**

### **Board of Directors**

Kenya Ruth, Chairperson  
Karima Bentounsi  
Angelo Glenn

Dr. Cynthia Tauег, Vice Chairperson  
Angela Bullock  
Jonathan C. Kinloch

Dora Brown, Treasurer  
Lynne F. Carter, M.D.  
Kevin McNamara

William Phillips, Secretary  
Eva Garza Dewaelache  
Bernard Parker

**Eric W. Doeh, President and CEO**



# FINANCE COMMITTEE

**MINUTES**

**OCTOBER 4, 2023**

**1:00 P.M.**

**3071 W. GRAND BLVD.  
DETROIT, MI 48202  
(HYBRID/ZOOM)**

<b>MEETING CALLED BY</b>	I. Ms. Dora Brown, Chair, called the meeting to order at 1:05 p.m.
<b>TYPE OF MEETING</b>	Finance Committee Meeting
<b>FACILITATOR</b>	Ms. Dora Brown, Committee Chair
<b>NOTE TAKER</b>	Ms. Nicole Smith, Finance Management Assistant
<b>ATTENDEES</b>	<p><b>Finance Committee Members Present:</b> Ms. Dora Brown, Chair Mr. Kevin McNamara, Vice Chair Ms. Eva Garza Dewaelsche Mr. Angelo Glenn</p> <p><b>Committee Members Excused:</b> Ms. Karima Bentounsi</p> <p><b>Board Members Present:</b> Ms. Kenya Ruth, Board Chair and Commissioner Jonathan C. Kinloch</p> <p><b>Board Members Excused:</b> None</p> <p><b>Staff:</b> Ms. Stacie Durant, VP of Finance; Mr. Eric Doeh, President; Mr. Manny Singla, Executive VP of Operations; Dr. Shama Faheem, Chief Medical Officer; Ms. Monifa Gray, Associate VP of Legal Affairs; Ms. Sheree Jackson, VP of Corporate Compliance; Ms. Brooke Blackwell, VP of Governmental Affairs and Chief of Staff; Mr. Keith Frambro, Associate VP of IT Services; Mr. Jody Connally, VP of Human Resources, and Ms. Tiffany Devon, Director of Communications</p> <p><b>Staff Attending Virtually:</b> None</p> <p><b>Guests:</b> None</p>

**AGENDA TOPICS**

**I. Roll Call**            Ms. Lillian Blackshire, Board Liaison

<b>II. Roll Call</b>	
Roll Call was taken by Ms. Lillian M. Blackshire, Board Liaison and a quorum was present.	
<b>III. Committee Member Remarks</b>	
Ms. Brown, The Chair called for Committee member remarks. There were no committee remarks.	

#### **IV. Approval of Agenda**

The Chair, Ms. Brown called for a motion on the agenda. There were no changes or modifications requested to the agenda. **Motion:** It was moved by Mr. Glenn and supported by Ms. Garza Dewaelsche approval of the agenda. **Motion carried.**

#### **V. Follow-up Items:**

The Chair called for any follow-up items It was noted by the Board Liaison Ms. Blackshire that there was one follow-up item. Mr. Connally, VP of Human Resources was to provide information on healthcare prevention Wellness Program and information on brokerage services; negotiation of rates such as prescriptions including the use of certain pharmacies. The item is to be covered when the Healthcare Board action is presented.

#### **VI. Approval of the Meeting Minutes**

The Chair called for a motion on the Finance Committee minutes from the meeting of Wednesday, September 6, 2023. **Motion:** It was moved by Ms. Garza Dewaelsche and supported by Mr. Glenn approval of the Finance Committee minutes from the meeting of Wednesday, September 6, 2023. There were no corrections to the minutes. **Motion carried.** Minutes accepted as presented.

The record reflects that Commissioner Kinloch joined the meeting at 1:12 p.m.

#### **VII. Presentation of the Monthly Finance Report**

S. Durant, VP of Finance presented the Monthly Finance report. A written report for the eleven months ended August 31, 2023, was provided for the record. The DWIHN Finance accomplishments and noteworthy items to report were:

DWIHN analyzed data to determine which providers will receive provider stability letters. A total of twenty (20) providers across children, adults, substance use disorders, and clubhouses lines of business will receive a letter. Effective October 1, 2022, DWIHN provided a \$1/00/hr. rate increase (\$18 million) to residential providers in addition to the 3% one-time rate increase (\$10.5 million). Therefore, residential providers will not receive letters as they already received an additional \$30 million during the fiscal year.

Cash and Investments – comprise of funds held by three (3) investment manager, First Independence CDARS, Comerica, and Flagstar accounts. This amount includes the \$21.3 million cash held in collateral for the two building loans.

Due from other governments – comprise various local, state and federal amounts due to DWIHN. Approximately \$4.9 million in SUD and MH block grant due from MDHHS. Approximately \$5.1 million for July and August 2023 pass through HRA revenue. Approximately \$2.9 million due from MDHHS related to FY22 CCBHC cost settlement.

Accounts receivable/Allowance - Accounts receivable consist of approximately \$2.1 million due from Wayne County for actual 3<sup>rd</sup> quarter PA2. Finally, Team Wellness \$.6 million related to prior year receivable outstanding and approximately \$.7 million from various other providers. DWIHN recorded \$.5 million in an allowance for two SUD providers due to length of amount owed and likelihood of collections.

Prepayments and deposits – DWIHN provided The Children’s Center an early provider stability payment totaling \$3.5 million. TCC expressed concerns regarding its ability to meet cash flow needs. Additionally, DWIHN issued \$1.6 million in stability payments to skilled building and a SUD provider. In addition, DWIHN advanced City Connect \$560,000 for the summer youth program. Finally, last fiscal year, DWIHN advanced several providers

\$370,000 for transportation costs. DWIHN will collect the advance at the end of fiscal year 2024.

IBNR Payable – represents incurred but not reported (IBNR) claims from the provider network; historical average claims incurred through August 31, 2023 was approximately \$779.7 million however actual payments were approximately \$715.9 million. The difference represents claims incurred but not reported and paid of \$63.8 million.

Due to other governments – includes \$8 million due to MDHHS for death recoupment; \$1.8 million due to MDHHS for FY20 general fund carryover in excess of 5%. In addition, there is approximately \$4.7 million payable to MDHHS for state hospitals and July and August 2023 IPA tax payment.

Federal grants and contracts– The \$5.8 million variance is primary due to two fold: (1) timing of several SUD grants and a year-end reclassification entry to move 18% of revenue to state grants; and (2) approximately \$3.6 million relates to the mobile crisis grant whereby DWIHN has incurred \$.4 million of expenses to date.

SUD, Children, Adults and IDD services - \$22 million variance to timing and reduction in expenses. DWIHN anticipates providing stability payments in October/November 2023.

There was no further discussion. The Chair, Ms. Brown noted the Finance Monthly Report ending August 31, 2023, was received, and filed by the committee.

#### **VIII. Unfinished Business – Staff Recommendations:**

**Board Action #23-18 (Revised) – Global Solutions Group Inc.** Presented by K. Frambro, Associate VP of IT Services. DWIHN is requesting approval to exercise the first of three annual renewal options with Global Solutions Group, Inc. to retain a Virtual Chief Information Security Officer, to develop a complete set of information technology and security policies adequate to meet audit requirements, along with delivering a comprehensive risk assessment to identify gaps in physical, technical and administrative controls and provide recommendations for remediation, actions or plans to eliminate or prevent further occurrences. This renewal will extend the contract an additional year through September 30, 2024, with a FY 2024 cost not to exceed \$124,888 and a total contract cost not to exceed \$249,776. The Chair called for a motion. **Motion:** It was moved by Mr. McNamara and supported by Ms. Garza Dewaelsche approval of BA #23-18 (Revised) to Full Board. Discussion ensued regarding DWIHN’s satisfaction with the contract. There was no further discussion. **Motion carried.**

**b. Board Action #23-25(Revised) – Westcomm** Presented by T. Devon, Director of Communications. DWIHN Administration is requesting approval to exercise the first of three one-year renewal options under existing contract with Westcomm, Inc., to provide Social Media Management Services for an amount not to exceed \$98,700, for the period October 1, 2023-September 30, 2024. The new contract total is \$197,000. The contract was originally awarded in October 2022, for one year with three one-year renewal options, for a total amount not to exceed \$98,700 annually. The Chair called for a motion. **Motion:** It was moved by Ms. Garza Dewaelsche and supported by Mr. Glenn approval of BA #23-25 (Revised) to Full Board. Discussion ensued regarding contract year; extension of the renewal and timing of the Board action. There was no further Discussion **Motion carried with Ms. Ruth voting Nay.**

**c. Board Action #24-07(Revision1) – DWIHN FY 2023/2024 Operating Budget.** Ms. S. Durant VP of Finance reporting. The revised FY24 Operating Budget of \$1,027,699,074 consists of the following revenue: \$21,629,681 (State General Funds, CCBHC General Funds); \$767,370,355 (Medicaid, DHS Incentive, Medicaid-Autism, Children's/SED Waiver, HAB, CCBHC Supplemental); \$12,289,936 (MI Health Link); \$154,399,894 (Healthy MI - Mental Health and Substance Abuse); \$23,486,447 (Wayne County Local Match Funds); \$4,723,521 (PA2 Funds); \$6,203,009 (State Grant Portion of OBRA, SUD); \$32,256,232 (Federal Grants/Federal Block Grants/SUD); \$300,000 (Local Grants);

\$5,000,000 (Interest Income); and \$40,000 (Miscellaneous Revenue). The Chair called for a motion. **Motion:** It was moved by Mr. Glenn and supported by Ms. Ruth approval of BA #24-07 (Revision 1) to Full Board. Discussion ensued regarding items not being included in the budget and that the rate information was received after the Budget was approved; the amounts provided were estimations and were based on past utilization; and the backlog of assessments with OBRA was estimated to be completed by January 31, 2024. There was also discussion regarding the CCBHC and how it impacts DWIHN. Mr. Doeh to bring proposal when DWIHN will begin to provide clinical services. There was no further discussion. **Motion carried.**

**IX. New Business – Staff Recommendations:**

**a. Board Action #24-27 Joseph J. Barr-Business Intelligence (BI) Solutions** Presented by K. Frambro, Associate VP of IT Services. DWIHN is requesting approval to contract with Joseph J. Barr, a Business Intelligence (BI) Developer, to perform BI services as described below. The vendor responded to and was selected under RFP #2023-011. The BI Developer will be responsible for delivering business intelligence services for the development and maintenance services of DWIHN’s HEDIS measures, dashboards, and reports required for NCQA compliance and other compliance requirements. The contract is for a 3-year term beginning October 1, 2023 and ending September 30, 2026, with a total not-to-exceed amount of \$264,050.80. Annual not-to-exceed amounts, based on a maximum 29-hour work week, are as follows: Year 1, \$56.65 per hour, \$1,642.85/week = \$85,428.20; Year 2, \$58.35 per hour, \$1,692.15/week = \$87,991.80; Year 3 - \$60.10/per hour, \$1,742.90/week = \$90,630.80, Contract Total= \$264,050.80. The Chair called for a motion. **Motion:** It was moved by Mr. Glenn and supported by Mr. McNamara approval of BA #24-27 to Full Board. There was no further discussion. **Motion carried.**

**b. Board Action #24-28 – PA 152 Waiver** Presented by S. Durant, VP of Finance. DWIHN presents this board action to request an exemption from PA 152 of 2011 (the “Act”) to permit DWIHN to subsidize the healthcare coverage for the upcoming 2024 plan year for an estimated amount of \$1,200,000 based on 351 employees, which represents an estimated 90% DWIHN employer and 10% employee contribution. The amount will vary depending on the number of staff and benefits selected. The percentages are consistent with prior year board recommendation. The board approved a contribution of \$558,315 for the plan 2023 plan year based on 351 employees. DWIHN’s administration has worked closely with Lockton, our benefits broker, to secure quality and low-cost health care for staff. The broker requested quotes from two other health plans however they refused to submit an offer due to lack of a competitive rate compared to the current carrier. Therefore, despite our best efforts, the cost of medical healthcare coverage for the staff under Blue Cross Blue Shield/BCN represents the most competitive rates available. Due to restrictions under the Act, 100% of the 17% increase must be borne by employees. Approval of the board action would allow a waiver of the hard cap provision and permit DWIHN to fund the aforementioned amount above hard cap. This board action must come before the Board each year prior to the open enrollment period and is not automatically extended beyond the date indicated (12/31/24) The Chair called for a motion. **Motion:** It was moved by Mr. Glenn and supported by Ms. Dewaelsche approval of BA #24-28 to Full Board. No further discussion. **Motion carried.**

**c. Board Action #24-31 – Accuform Printing & Graphics Inc.** Presented by M. Vasconcellous, Director of Customer Service. DWIHN Administration is requesting Board approval to enter into a three-year contract with Accuform Printing and Graphics, Inc. to perform printing and mailing services (including postage). Accuform was competitively selected under RFP 2024-001. The contract terms are as follows, start and end date November 1, 2023 through October 31, 2026; total contract amount not to exceed over the 3year period: \$1,950,000; annual amount not to exceed \$650,000 per year and renewal option one two-year renewal option. Over the past two years, at the direction of HSAG and NCQA, mandatory printing of member materials and their timely mailings has been invoked. This has resulted in a significant increase for printing and mailing demands. DWIHN is now

expected to print and mail out to new enrollees Member Rights Flyers with a repeat mailing to be conducted annually. Monthly member Explanation of Benefits (EOBs) and Privacy Practice Guidelines are to be provided also to new enrollees and to all members annually thereafter. It is also mandated that member provider directories, handbooks and brochures are to be printed on a quarterly basis and/or more frequently should there be significant changes. The Chair called for a motion. **Motion:** It was moved by Mr. Glenn and supported by Mr. McNamara. approval of BA #24-31 to Full Board. Discussion ensued and the Committee requested confirmation prior to the Full Board meeting that the amount of \$707,348.51 reported for previous fiscal year in the board action is for multiple years. **Motion carried.**

**XI. Good and Welfare/Public Comment** – The Chair read the Good and Welfare/Public Comment statement. There were no members of the public requesting to address the committee.

**XII. Adjournment** – There being no further business; The Chair, Ms. Brown called for a motion to adjourn. **Motion:** It was moved by Ms. Garza Dewaelsche and supported by Mr. McNamara to adjourn the meeting. **Motion carried.** The meeting was adjourned at 1:58 p.m.

**FOLLOW-UP ITEMS**

1. Mr. Connally to provide information on Healthcare prevention and Wellness Programs and information on brokerage services – negotiation of rates such as prescriptions or the use of certain pharmacies.
2. Committee requested confirmation prior to the Full Board meeting that the amount of \$707, 348.51 reported for previous fiscal year in the board action is for multiple years.

**DWIHN Division of Management and Budget  
Monthly Finance Report  
For the twelve months ended September 30, 2023**

**DWIHN Finance accomplishments and noteworthy items:**

1. DWIHN analyzed data to determine which providers will receive provider stability letters. A total of twenty (20) providers across children, adults, substance use disorders, and clubhouses lines of business received a letter. DWIHN will issue \$16.6 million in provider stability payments to sixteen (16) providers. This amount includes \$5.2 million previously paid to several providers earlier in the year.
2. Due to Section 236 transfer request made to MDHHS for fiscal year 2023, DWIHN will receive \$1,275,000 in additional General Fund to cover a projected deficit for the fiscal year 2023.
3. Consistent with prior years, Finance will present financial statements through November 30, 2023, at the January 2024 board meeting. No financial statements will be available in December 2023 as staff will be preparing for the annual audit.

	Bank Balance @ 9/30/23
Huntington Bank	\$ 5,010,905
Comerica Bank	\$ 1,040,685
Flagstar	\$ 179,705,356
Investment Managers	\$ 80,792,121
First Independence Bank	\$ 20,254,989
	<b>\$ 286,804,056</b>

**DETROIT WAYNE INTEGRATED HEALTH NETWORK  
BOARD ACTION**

Board Action Number: 23-60R Revised: Y Requisition Number:

Presented to Full Board at its Meeting on: 11/1/2023

Name of Provider: Sterling Security LLC

Contract Title: Security Services at 707 W. Milwaukee

Address where services are provided: None

Presented to Finance Committee at its meeting on: 11/1/2023

Proposed Contract Term: 10/1/2023 to 1/31/2024

Amount of Contract: \$ 148,022.00 Previous Fiscal Year: \$ 68,022.00

Program Type: Modification

Projected Number Served- Year 1:    Persons Served (previous fiscal year):

Date Contract First Initiated: 2/1/2023

Provider Impaneled (Y/N)?

Program Description Summary: Provide brief description of services provided and target population. If propose contract is a modification, state reason and impact of change (positive and/or negative).

DWIHN Facilities is requesting board approval to modify a previously approved contract with Sterling Security, LLC to provide additional security services at 707 W. Milwaukee in preparation for DWIHN's Mobile Crisis services. Sterling will be required to provide security services on a 24-hr/7 day per week basis to ensure the safety and well-being of our staff as they will be operating temporarily out of the mobile offices. In addition, their security services will expand to DWIHN's Woodward facility for December's anticipated opening.

Once the Milwaukee Care Center construction is complete, these services will fall under a forthcoming RFP for permanent security services. Facilities is recommending an additional \$80,000, with a (3) month extension ending January 31, 2024.

This contract total is not to exceed \$148,022.00.

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Outstanding Quality Issues (Y/N)?    If yes, please describe:

Source of Funds: Multiple



Fee for Service (Y/N):

Revenue	FY 23/24	Annualized
Multiple	\$ 148,022.00	\$ 148,022.00
	\$	\$
<b>Total Revenue</b>	\$	\$

Recommendation for contract (Continue/Modify/Discontinue): Modify

Type of contract (Business/Clinical): Business

ACCOUNT NUMBER: 64922.817040.00000

In Budget (Y/N)? Y

Approved for Submittal to Board:

Eric Doeh, President/CEO

Stacie Durant, Vice President of Finance

Signature/Date:

Signature/Date:

*Eric Doeh*

*Stacie Durant*

Signed: Friday, October 27, 2023

Signed: Thursday, October 26, 2023

**DETROIT WAYNE INTEGRATED HEALTH NETWORK  
BOARD ACTION**

Board Action Number: 24-38 Revised: N Requisition Number:

Presented to Full Board at its Meeting on: 11/15/2023

Name of Provider: Wayne State University

Contract Title: ECHO Survey- Adults & Children

Address where services are provided: None

Presented to Finance Committee at its meeting on: 11/1/2023

Proposed Contract Term: 12/1/2023 to 7/31/2024

Amount of Contract: \$ 162,764.00 Previous Fiscal Year: \$ 121,074.00

Program Type: Continuation

Projected Number Served- Year 1:    Persons Served (previous fiscal year):

Date Contract First Initiated: 12/1/2023

Provider Impaneled (Y/N)?

Program Description Summary: Provide brief description of services provided and target population. If propose contract is a modification, state reason and impact of change (positive and/or negative).

The Detroit Wayne Integrated Health Network (DWIHN) is requesting to contract with Wayne State University (WSU) Center for Urban Studies to administer two ECHO® Surveys, one for adults and one for children, at a total cost not to exceed \$162,764 for the term December 1, 2023 through July 31, 2024.

The Customer Service unit is responsible for measuring various satisfaction and member experience, particularly related to NCQA requirements. It has been established and accepted by NCQA that the ECHO® Survey (developed with support from the Agency for Healthcare Research and Quality (AHRQ)), is fully recognized as an acceptable tool for measuring the experience of care and outcomes for Managed Behavioral Healthcare Organizations. In an effort to reduce cost in the future DWIHN is investigating the ability to work with WSU to further assist us in developing a tool that will combine both the adult and children's survey, through guidelines acceptable by NCQA and the ECHO® requirements. Since we have previously worked with WSU Center for Urban Studies and because they are a not-for-profit organization we are asking for a Comparable Source contract for the continued purchase of services for FY 23/24.

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Outstanding Quality Issues (Y/N)?    If yes, please describe:

Source of Funds: Multiple

Fee for Service (Y/N):

Revenue	FY 23/24	Annualized
Multiple	\$ 162,764.00	\$ 162,764.00
	\$	\$
<b>Total Revenue</b>	\$	\$

Recommendation for contract (Continue/Modify/Discontinue): Continue

Type of contract (Business/Clinical): Business

ACCOUNT NUMBER: 64914.817000.00000

In Budget (Y/N)? Y

Approved for Submittal to Board:

Eric Doeh, President/CEO

Stacie Durant, Vice President of Finance

Signature/Date:

Signature/Date:

*Eric Doeh*

*Stacie Durant*

Signed: Friday, October 27, 2023

Signed: Friday, October 27, 2023

**DETROIT WAYNE INTEGRATED HEALTH NETWORK  
BOARD ACTION**

Board Action Number: 24-39 Revised: N Requisition Number:

Presented to Full Board at its Meeting on: 11/15/2023

Name of Provider: Blue Cross Blue Shield of Michigan

Contract Title: Employee Healthcare FY 24

Address where services are provided: None

Presented to Finance Committee at its meeting on: 11/1/2023

Proposed Contract Term: 1/1/2024 to 12/31/2024

Amount of Contract: \$ 6,949,404.00 Previous Fiscal Year: \$ 5,998,658.00

Program Type: Continuation

Projected Number Served- Year 1:    Persons Served (previous fiscal year):

Date Contract First Initiated: 1/1/2021

Provider Impaneled (Y/N)?

Program Description Summary: Provide brief description of services provided and target population. If propose contract is a modification, state reason and impact of change (positive and/or negative).

DWIHN Administration is requesting approval of a one-year contract, effective January 1, 2024 through December 31, 2024, for an estimated amount of \$6,949,404 for the provision of comprehensive health benefits (medical – BCBS \$6,548,181, dental - Delta Dental \$318,630/Golden Dental \$51,153, and optical - EyeMed \$31,440) for three hundred fifty-one (351) enrolled DWIHN employees. The amount will vary based on the number of enrolled employees and their plan selections.

This amount includes a 17% increase in BCBS, with no increase in Delta Dental or Golden Dental. The employee/employer contribution is in accordance with the PA152 waiver approved by the board of directors and represents 90/10 allocation of premiums, consistent with prior year.

Current labor agreements require that DWIHN provide healthcare coverage to all of its qualifying, active employees. Providers were selected through a bid process conducted by Lockton. The amount is estimated based on the staff count of approximately three hundred fifty-one (351) employees.

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Outstanding Quality Issues (Y/N)?    If yes, please describe:

Source of Funds: Multiple

Fee for Service (Y/N):

Revenue	FY 23/24	Annualized
Multiple	\$ 6,949,404.00	\$ 6,949,404.00
	\$	\$
<b>Total Revenue</b>	\$	\$

Recommendation for contract (Continue/Modify/Discontinue): Continue

Type of contract (Business/Clinical): Business

ACCOUNT NUMBER: Multiple

In Budget (Y/N)? Y

Approved for Submittal to Board:

Eric Doeh, President/CEO

Stacie Durant, Vice President of Finance

Signature/Date:

Signature/Date:

*Eric Doeh*

*Stacie Durant*

Signed: Friday, October 27, 2023

Signed: Thursday, October 26, 2023