

Northeast Michigan Community Mental Health Authority Board

Board Meeting

September 8, 2011

I. Call to Order

Chair Gary Nowak called the meeting to order in the Board Room at 3:00 p.m.

II. Roll Call and Determination of a Quorum

Present: Richard Anderson, Maggie Clay, Linda Canfield, Virginia DeRosia, Judy Hutchins, Marie LaLonde, Terry Larson, Gary Nowak, Tom Young

Absent: Tom Mullaney (excused), Pat Przeslawski (excused), Alan Fischer

Staff & Guests: Lisa Anderson, Lee Ann Bushey, Ruth Hewett, Cheryl Jaworowski, Ed LaFramboise, Mary Mingus, Tony White

III. Information and/or Comments from the Public

Richard Anderson informed the Board he has accepted a position (99% sure) in the Detroit area and will most likely be relocating in mid-October. He will submit his letter of resignation when all is confirmed.

IV. Educational Session – MI Employment Services

Mary Mingus, Employment Coordinator, provided the Board with information related to the new Employment Program for consumers with Mental Illness based upon an Evidence-Based Practice. The federal government, through SAMSHA, encouraged the states to adopt this practice. Ms. Mingus reviewed the seven principles of the evidence-based practice. She reported eligibility is based on consumer choice. Any consumer with a desire to work will be assisted to secure employment opportunities. Supported employment is integrated with treatment. She reports employers are contacted and encouraged to provide opportunities for the consumer before they aggressively advertise. The employment must pay at least minimum wage. A job coach works with the consumer to assure the job is done properly and the employer is satisfied with the work performed. Once the consumer is oriented to the job and is able to perform the job successfully, there will be follow along services provided to assure success is maintained.

Judy Hutchins inquired about the loss of Medicaid for consumers when they earn too much. Ms. Mingus noted that often consumers' greatest fear in securing work is the fear of losing their current benefits. She reports her program works closely with the Social Security Administration to assure the consumers are well educated as to the effect their income would have on their benefits.

Tom Young inquired about the liability should a consumer have an incident while on the job. Mary Mingus reported there should be no liability on the agency as the consumer is hired as an employee of that business. She notes there are 40 consumers in the program at this point. Richard Anderson inquired about the reaction the employers in the community have when approached to consider employing consumers with mental illness; she notes they are met with mixed responses. Consumers fill such positions as clerical, janitorial, stocking shelves and other such jobs.

Gary Nowak reported he witnessed a job coach and consumer cleaning at a grocery store in Onaway. He noted he inquired of the consumer as to when he wanted to retire and the response was "never."

V. **Consent Agenda**
A. **Approval of Minutes**
B. **Contracts**

1. **Supportive Housing Program**
2. **Supportive Housing Program – Chronic Homeless**
3. **NEMCSA Early Head Start Agreement**
4. **LARA-MRS Cash Match Agreement**
5. **Thunder Bay Transportation Authority**

Moved by Richard Anderson, supported by Linda Canfield, to approve the Consent Agenda as presented. Roll call vote: Ayes: Richard Anderson, Linda Canfield, Maggie Clay, Virginia DeRosia, Judy Hutchins, Marie LaLonde, Terry Larson, Gary Nowak, Tom Young; Nays: None; Absent: Alan Fischer, Tom Mullaney, Pat Przeslawski. Motion carried.

VI. **FY11-12 Public Hearing Budget**

Cheryl Jaworowski reported the revenue budget is a projection budget. She notes there are no expansion dollars included in the dollar amounts in the worksheet. Tony White reported the Affiliation will be receiving additional Medicaid dollars based on a resetting of Medicaid rates. He reports the General Fund allocation from the state will be reduced; however, we do not know the specific amount at this time. Cheryl Jaworowski reported the Internal Service Fund (ISF) identified for State Facility Risk is being removed from the budget for the future as the State no longer recognizes ISFs for that purpose. Tom Young inquired about the change in the county allocations. Cheryl Jaworowski reported the new rates have been adjusted based on the census and include the revised shares of state facility costs.

Cheryl Jaworowski reviewed the Expenditure Budget with Board members. She notes there is no wage increase included in this budget. She reports a group home closure along with full year impact of the recent positions added amounts to an approximate \$144,000 decrease. Cheryl Jaworowski reported all debt has been paid off in the last fiscal year. She reports the variance in our property and staff liability insurance is due to an asset allocation distribution we received this fiscal year from the carrier, MMRMA. Richard Anderson inquired as to the increase in health insurance. Tony White reported this is due to the expected increases in health care costs along with the additional positions added. Tom Young inquired as to whether the Fletcher Paper Company office expenses are included in this budget and Cheryl Jaworowski reported there are no expansion dollars in this budget and that would require a budget amendment.

The Expense by Program budget was reviewed.

The Capital Purchase budget was reviewed. Cheryl Jaworowski notes this is less than previous years due to the purchases made in FY10-11 in advance. Cheryl requested the Board consider if there are lapsing funds this fiscal year, to purchase some capital items requested for next fiscal year in the current year which could total approximately \$50,000. Marie LaLonde suggested any extra funds this current year be utilized. Cheryl Jaworowski reported she believes it would total about \$50,000.

Moved by Terry Larson, supported by Linda Canfield, to allow lapsing funds for FY10-11 to be used to purchase capital items from the FY11-12 budget. Roll call vote: Ayes: Richard Anderson, Linda Canfield, Maggie Clay, Virginia DeRosia, Judy Hutchins, Marie LaLonde, Terry Larson, Gary Nowak, Tom Young; Nays: None; Absent: Alan Fischer, Tom Mullaney, Pat Przeslawski. Motion carried.

Cheryl Jaworowski reviewed the requested staffing increases for next fiscal year.

Moved by Marie LaLonde, supported by Virginia DeRosia, to approve the FY11-12 Public Hearing Budget as presented. Roll call vote: Ayes: Linda Canfield, Maggie Clay, Virginia DeRosia, Judy Hutchins, Marie LaLonde, Terry Larson, Gary Nowak, Tom Young; Nays: None; Absent: Richard Anderson, Alan Fischer, Tom Mullaney, Pat Przeslawski. Motion carried.

VII. September Monitoring Reports

A. Budgeting 01-004

Cheryl Jaworowski reviewed the financial report for the month ending July 31, 2011. She noted this is an improvement over last month's budget report. Tony White reported some of lapsing dollars were due to the unknown budget details in the early part of the fiscal year. Once the revenue was known, the Department advised to plan for current year reductions in the range of 20%; therefore, expenditures were restrained though those cuts never materialized. Next year's revenue for the Northern Affiliation appears to be slightly improved over FY 2011.

Moved by Marie LaLonde, supported by Linda Canfield, to accept the September monitoring reports as presented. Motion carried.

VIII. FY11-12 DCH Contract

Tony White reported this contract is the General Fund contract we hold with the Department. He reported the revenue is unknown and the contract stipulates the allocation will be based on legislative appropriations. We are expecting there will be a cut of approximately \$60,000.

Moved by Virginia DeRosia, supported by Judy Hutchins, to approve the FY11-12 DCH Contract as presented. Roll call vote: Ayes: Linda Canfield, Maggie Clay, Virginia DeRosia, Judy Hutchins, Marie LaLonde, Terry Larson, Gary Nowak, Tom Young; Nays: None; Absent: Richard Anderson, Alan Fischer, Tom Mullaney, Pat Przeslawski. Motion carried.

IX. Board Policy Review and Self Evaluation

A. General Executive Constraint 01-001

The Board reviewed the policy. Board members indicated no changes were needed.

B. Compensation & Benefits 01-008

The Board reviewed the policy. There were no changes recommended.

C. Board Committee Structure 02-006

The Board reviewed the policy. Gary Nowak reported this is a policy needing discussion for self-evaluation. Linda Canfield noted the policy is clearly written.

X. Linkage Reports

A. MACMHB

1. Dues Assessment

The FY11/12 Michigan Association Dues invoice has been received. The dues are the same amount as the previous year \$9,644.

Moved by Linda Canfield, supported by Virginia DeRosia, to approve the Michigan Association of Community Mental Health Board Dues Assessment for \$9,644.00 as presented. Roll call vote: Ayes: Richard Anderson, Linda Canfield, Maggie Clay, Virginia DeRosia, Judy Hutchins, Marie LaLonde, Terry Larson, Gary Nowak, Tom Young; Nays: None; Absent: Alan Fischer, Tom Mullaney, Pat Przeslawski. Motion carried.

2. Fall Board Conference [October 17 & 18 Grand Traverse Resort]

Gary Nowak requested Board members notify Diane Hayka by September 30 if they plan to attend the conference.

B. Legislative Event

Tony White reported the date has been set for Monday, September 26 at 11:30 a.m. at the Light of Hope Clubhouse. He has confirmed Senator Moolenaar and Representative Petalia and an invitation has been sent to Senator Walker. A notice will be sent out to Board members and Consumer Advisory Council members.

XI. Chair's Report

A. Annual Planning Cycle Review

This month is a review only for the Annual Planning Calendar. Proposed language for the Ends 04-001 review in August will be moved to under Other and noted to be reviewed when the Strategic Plan is adopted. This will be incorporated and approval will be sought at the October meeting.

B. Finalize Self-Evaluation of Board

Last month the Board reviewed the excerpts from the minutes related to self-evaluation. Board members had no concerns related to the self-evaluation process.

XII. Director's Report

1. Strategic Planning Recommendation

Tony White noted version three of the Strategic Plan was distributed along with a memo related to Issue #2 which addressed potential merger or consolidation opportunities. He noted that he and Alexis Kaczynski of North Country had an opportunity to discuss these and related issues with Lynda Zeller of the Department. With so many potential issues facing the public mental health system at this time and the near future, now would not be a time to be distracted by the intense work a merger would require unless there were obvious and immediate financial savings achieved through a merger.

Tony White reported Ends are still being developed for the mental illness side of the agency. He reviewed the proposed measures suggested for the mental illness. He also reported the children services will be adjusted to make the measure in a more useful method. The DD Ends have been identified and are recommend 5% increases for both supported employment and supported independent living.

2. Fletcher Street Office Space

Tony White reported last month this topic was broached about possible relocation of administration to the Fletcher Street Office. After further review, it was determined that it would be more effective to move other programs to that location. Discussion ensued related to costs associated with the lease of another facility versus new construction. Gary Nowak requested getting a quote from a contractor. Cheryl reported this facility is about 5,800 to 6,200 square feet. This facility could also be ready for occupancy in 90 days. Discussions with the owner are continuing.

Moved by Terry Larson, supported by Linda Canfield, to authorize the Executive Committee to convene to take action if necessary to finalize the Fletcher Office space lease. Roll call vote: Ayes: Richard Anderson, Linda Canfield, Maggie Clay, Virginia DeRosia, Judy Hutchins, Marie LaLonde, Terry Larson, Gary Nowak, Tom Young; Nays: None; Absent: Alan Fischer, Tom Mullaney, Pat Przeslawski. Motion carried.

3. Senate Bill 7

Tony White reported Senate Bill 7 was passed in Lansing and this agency will be subject to the guidelines of that bill. He reports this is the "Hard Cap" or "80/20" Bill. There are specific tier dollar amount caps identifying a maximum a public employer can pay toward healthcare insurance for employees. The Board has the option elect a 80%/20% employer/employee share of costs as an alternative cap. Under 80/20, Tony White believes with the co-payments and deductibles required by employees our Agency would be close to those mandates. More review is necessary to verify how this bill will affect this agency and its employees.

XIII. Information and/or Comments from the Public

There were no comments presented.

XIV. Next Meeting

The next regularly scheduled meeting of Northeast Michigan Community Mental Health Authority Board will be held Thursday, October 13, 2011 at 3:00 p.m.

A. Set October Agenda

The October schedule was reviewed. Gary Nowak inquired about an educational session on the qualifying for Medicare and Medicaid and how someone could be enrolled in both plans. Cheryl Jaworowski reported it is a coordinated benefit.

B. Evaluation of Meeting

Linda Canfield reported the educational session was informative and it was a good meeting.

XV. Adjournment

Moved by Virginia DeRosia, supported by Tom Young, to adjourn the meeting. Motion carried. This meeting adjourned at 4:35 p.m.

{signed on October 13, 2011}
Virginia DeRosia, Secretary

{signed on October 13, 2011}
Gary Nowak, Chair

Diane Hayka
Recorder