

Northeast Michigan Community Mental Health Authority Board

Board Meeting

February 14, 2013

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: Virginia DeRosia, Alan Fischer, Judy Hutchins, Terry Larson, Tom Mullaney, Gary Nowak, Pat Przeslawski, Tom Young

Absent: Richard Anderson, Linda Canfield (excused), Roger Frye (excused), Marie LaLonde (excused)

Staff & Guests: Mike Dunham, Trina Edwards, Lynne Fredlund, Ruth Hewett, Cheryl Jaworowski, Ed LaFramboise, Kim Lancaster, Cathy Meske, Mary Mingus, and @ 4:30 p.m. Jacqueline Fitzgerald and Jennifer Styma

III. Information and/or Comments from the Public

There was no information or comments presented.

IV. Consent Agenda

1. **Approval of Minutes**
2. **Contracts**
 - a. **SelectRite Pre-Employment Screening Service Agreement**
 - b. **Employee Assistance Center Program Agreement**
 - c. **Blue Horizons Management Agreement**
3. **Proclamation – April 2013 Is Social Host Awareness Month**

**PROCLAMATION
APRIL 2013 IS SOCIAL HOST AWARENESS MONTH**

WHEREAS, adults who provide alcohol to those below the legal drinking age of 21 are placing those youth at risk for health, safety and legal problems, and

WHEREAS, alcohol kills 6.5 times more young people than ALL other illicit drugs combined, and usage among teens often accompanies traffic fatalities, suicides, unprotected sex, drug use, and other high risk behaviors and illegal activity, and alcohol is a factor in the four leading causes of death among persons ages 10-24: motor vehicle crashes, unintentional injuries, homicide and suicide; and

WHEREAS, alcohol use by young people is dangerous, not only because of the risks associated with acute impairment, but also because of the threat to their long-term development and well-being, including damage to the memory and learning centers of the brain, which does not stop developing until the age of 25, and

WHEREAS, Michigan ranked 16th in the percentage of alcohol consumed by underage youth (with one being the highest), and

WHEREAS, in Michigan, it is estimated that underage alcohol use costs the citizens of Michigan \$2.1 billion, translating to a cost of \$2,084 per year for each youth or \$3.18 per drink consumed underage, and underage drinkers consumed 16.5% of all alcohol sold in Michigan, and

WHEREAS, one-hundred percent of any alcohol consumed by a minor came from an adult. At one time, an adult over the age of 21 was in control of the alcohol and a minor gained access to it, and

WHEREAS, it is illegal for adults to knowingly allow their child's friends to drink alcohol in their home, even with the permission of the friends' parents, and adults have the authority and should have the responsibility to take steps to reduce the likelihood that their homes will become venues for underage drinking, and

NOW, THEREFORE BE IT RESOLVED, we, the Northeast Michigan Community Mental Health Board, serving Alcona, Alpena, Montmorency and Presque Isle counties, do hereby proclaim that April 2013 is Social Host Awareness Month. We also call upon all parents, citizens, homeowners and property owners to host gatherings responsibly and take measures to eliminate access of alcohol to persons under the age of 21.

Dated this 14th day of February, 2013

Gary Nowak, Board Chair

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

V. FY11-12 Audit Presentation [Financial Audit / Compliance Audit]

Trina Edwards, Auditor from Dennis, Gartland & Neigarth was introduced. She noted the auditor from Straley, Ilesley and Lamp had a scheduling conflict and would not assist in the audit presentation this afternoon. Ms. Edwards reviewed the financial audit results with Board members. The audit had an unqualified opinion which is the highest level in opinions, meaning it was a clean audit. She reviewed the table of net assets comparing FY10-11 to FY11-12. She notes the unrestricted funds consist of a reserved amount to pay staff their earned leave and an unrestricted amount used to finance day-to-day operations. The total net assets decreased 1.3% from a year ago. This reduction is mainly due to depreciation of assets/capital equipment.

Ms. Edwards reviewed the revenue and expenses noting Medicaid expenditures were \$1,062,095 less than allocated and the General Fund expenditures were \$120,906 more than allocated. The excess Medicaid dollars will be returned to the Northern Affiliation for future use as allowed by contract. The General Fund over expenditure was covered by using the unrestricted fund balance to cover this overage.

Trina Edwards presented the compliance audit to Board members. She reported the State has changed their requirement for this audit; thus allowing them to complete this portion in conjunction with the financial audit.

Trina Edwards reviewed the Audit-Related Communication letter with the Board. She reported this addresses observations related to policies, accounting practices, misstatements, or disagreements. She reviewed the new reporting requirements that will be put in place next fiscal year. She noted the balance sheet title will change for next year and include deferred outflows and deferred inflows. It is not believed that will affect this Agency.

Tom Young questioned general fund usage. Cheryl Jaworowski reported Medicaid dollars cannot be moved to General Funds. The Affiliation holds the Medicaid dollars and to covert those dollars into General Fund and they would need to be the party requesting the Department to convert Medicaid dollars into General Fund dollars and because of the exchange ratio it would not be feasible.

Gary Nowak thanked Cheryl Jaworowski and the accounting staff for their hard work in preparation for the audit. This was a very good report.

Moved by Tom Young, supported by Virginia DeRosia, to accept and file the audit reports as presented. Motion carried.

VI. Educational Session – MI Supported Employment

Mary Mingus and Mike Dunham provided the Board with an overview of MI Supported Employment. A grant was received through the Michigan Department of Community for the Evidence-Based Practice related to Supported Employment. The grant was used to produce a video related to supported employment in partnership with North County and Northeast Michigan CMH. Board members watched the video.

Mike reported supported employment specialists work closely with the consumer's case managers and doctors. He also noted the support continues as long as the consumer needs it whereas some of the employment services only provide support for 60 to 90 days.

Mary Mingus reported this is a Medicaid program and during the Plan of Service development, if the consumer is interested in employment, there is a referral. There can also be self-referrals to this program. It just takes the consumer wanting to pursue employment and the employment specialists will work to identify the strengths of the consumer and help in determining the right fit so the employer gets the employee that wants the job. The consumer is provided help with developing a resume and refining their interview skills to prepare them for the competitive procurement of a job.

VII. Educational Session – CARF Update

Lynne Fredlund provided the Board with an overview of CARF. Ed LaFramboise reported CARF will be on site next week beginning Wednesday.

The accreditation process is important as it eliminates the lengthy process the Department of Community Health would require if the agency is not accredited. CARF accreditation is a triennial process. She reports CARF will meet with Board members during the review process. The exit will be on the last day of the survey. If Board members are interested in attending, they should contact either Lynne Fredlund or Diane Hayka to get the firm time of this exit conference.

Lynne Fredlund reviewed the standards required to be accredited in Board Governance. Ed LaFramboise reported he has reviewed these standards. He will be addressing the areas not currently focused on with the reviewers to see what boards might already be accredited in this program. The self-assessment and assessment of individual Board members would be the areas we would need to focus on. If we could get some of the assessment tools other Boards are using, we could implement that process here.

Lynne Fredlund reviewed the standards related to strategic planning. Board members were invited to the entrance conference at 8:30 a.m. on Wednesday morning.

VIII. February Monitoring Reports

1. Treatment of Consumer 01-002

Board members received the recipient rights notes in the mailing and had no questions. The notes covered the meeting held on January 8th. The quarterly report reviewed by this committee was for the 1st quarter of fiscal year 2012-2013.

2. Staff Treatment 01-003

Ed LaFramboise reviewed the turnover report with Board members. The overall turnover for Northeast for those employees actually leaving the agency was 12% compared the national average of 24% for employees in the classification of "Healthcare and Social Assistance."

3. Budgeting 01-004

Cheryl Jaworowski reviewed the Statement of Revenue with Board members noting there is a net loss of \$197,449, which is attributed to General Fund over expenditure. This is mainly attributed to state hospital inpatient costs. She anticipates a budget amendment in April or May to address the over expenditures in the various line items. She reports there will be some adjustment to this when the Department of Human Services inputs claims for those consumers who have spend-downs. Ed LaFramboise reported this over expenditure has caused us to be over spent by more than 105% of the budget requiring notification to the Board by policy.

4. Financial Condition 01-005

Cheryl Jaworowski reviewed the Statement of Net Assets and Change in Net Assets. She reports there is a loss here as well and the number of operational days which could be covered with the unrestricted net asset balance has decreased.

5. Asset Protection 01-007

This monitoring report was addressed in audit presentation.

Moved by Tom Young, supported by Virginia DeRosia, to accept the February monitoring reports as presented. Motion carried.

IX. Board Policies Review and Self Evaluation

1. Asset Protection 01-007

There were no comments from Board members or recommendations for any revisions.

2. Board Committee Principles 02-005

This policy was reviewed. Tom Young noted this policy contains good language and there are no revisions needed.

3. Delegation to the Chief Executive 03-002

There were no comments. Tom Young reported he does not believe there needs to be revisions on this policy.

IX. Linkage Reports

1. MACMHB – Winter Conference Update

Tom Mullaney reported he attended a couple of trainings related to mental health court services. He notes a grant was received to provide those services in some counties. Cathy Meske reported Judge LaCross opted to focus on developing processes to make the court system better and working to make the Mental Health Code address outpatient services versus inpatient services.

Cathy Meske reported she attended a session on Veteran's services. She notes there is an effort to change the Mental Health Code to address veteran's with post-traumatic stress as a priority population.

Tom Young left the meeting at 4:05 p.m.

Kim Lancaster reported the veterans with post-traumatic stress can receive services at the local VA clinic.

Judy Hutchins reported she attended a session on integrated health services and community inclusion opportunities that offer creative methods to provide individualized connections.

Gary Nowak reported a plenary session presented by Al Condeluci provided good information.

2. Northern Affiliation – Comprehensive Specialty Services Network (CSSN) Contract Approval

Ed LaFramboise reported the Comprehensive Specialty Services Network Contract is the Medicaid contract with the Northern Affiliation. The total of the contract this fiscal year is \$23,853,619, which is \$1,153,092 more than last year's contract. Approval of this contract is recommended.

Moved by Terry Larson, supported by Pat Przeslawski, to approve the Comprehensive Specialty Services Network Contract as presented. Roll call vote: Ayes: Virginia DeRosia, Alan Fischer, Judy Hutchins, Terry Larson, Tom Mullaney, Gary Nowak, Pat Przeslawski; Nays: None; Absent: Richard Anderson, Linda Canfield, Roger Frye, Marie LaLonde, Tom Young. Motion carried.

3. Northern Regional Entity Update

a. AFP Review

Ed LaFramboise addressed the Application for Participation. He reports Karl Kovacs and Dave Schneider have been assigned the role of completing this application on behalf of the Regional Entity. This application must be submitted by April 1. There is a tentative meeting scheduled among the five boards and the future board representatives on March 28th. He noted this document will not be finished for the Board to review by their March meeting. He requested input as to whether this Board felt they would need to meet prior to submission of this document. Terry Larson reported the three board members appointed to the Regional Entity should be the ones to review. Our Board Chair and Director would then be authorized to execute the document.

Moved by Judy Hutchins supported by Pat Przeslawski, to have Northeast's appointees to the Northern Regional Entity review the Application for Participation and authorized the Board Chair and Director to sign the document for submission. Motion carried.

4. Clinical Services and Support Report

Cathy Meske reviewed the report for month ending December 31, 2012. She reports there is a shift in PSR Clubhouse and the numbers are dropping. This program has a population that is getting older as well as shifting some members to groups and supported employment services. This may be a program requiring further examination.

3. Northern Regional Entity Update (continued)

b. By-Law Approval

Ed LaFramboise noted the Board reviewed a draft of the by-laws sent to the attorney at the January meeting. He reports the document distributed this evening is the final product as drafted by the attorney. He reviewed some of the changes from the previous version. All member boards will be reviewing the by-laws and adopting support of the by-laws at their Board meetings this month. Centra Wellness (fka Manistee-Benzie CMH) was the first Board to review and adopt the presented by-laws. The by-laws are the first step in the Northern Regional Entity and the operational agreement is under development by the Board Directors and will be available for review once fully established.

Moved by Terry Larson, supported by Pat Przeslawski, to approve the Northern Michigan Regional Entity by-laws as presented and authorize the Board Chair to execute the by-laws. Motion carried.

5. Legislative Event Planning

Ed LaFramboise reported Friday, March 1 is the date of the Legislative Event. Senator Moolenaar and Representative Pettalia have accepted the invitation. Representative MacMaster and Senator Walker have not responded to our invitation. This will be held in the Board Room.

Ed LaFramboise reported Alan Bolter sent an e-mail earlier today offering to provide the Board with an educational session by either attending one of our meetings or via video-conference. He will follow-up with Mr. Bolter.

Judy Hutchins suggested support letters be sent regarding Excellence in Mental Health as sponsored by Senator Stabenow. In addition, Governor Snyder's support for Medicaid expansion should be noted. By consensus, Board members will submit these letter personally should they feel the need to.

VIII. Nomination's Committee Report

Pat Przeslawski noted this Committee met earlier today and recommends the officers be kept "status quo" with all the changes coming later this year the committee felt they should maintain consistency.

IX. Chair's Report

1. CMH PAC Campaign

Gary Nowak reported it is recommended the equivalent of one per diem be contributed as a PAC donation. A reminder will be sent in the March Board packet.

Jacqueline Fitzgerald and Jennifer Styma arrived at 4:30 p.m.

A thank you card was received from Sue Barsen, who retired from the agency on February 8th.

Included in the mailing was the posted for "A Call for Art." Diane Hayka reported this year the Board Association is requesting each CMHSP Board provide one piece for the traveling art show. This show will travel the state for two years with the pieces auctioned off at the end of that time.

X. Director's Report

1. Quest Laboratories

Ed LaFramboise reported the medical staff have requested Quest Laboratories be allowed to provide some lab services within our offices. Quest will provide this service right at our offices and assist those consumers who have financial difficulties in paying for these services through the hospital. Quest works with consumers on a sliding fee scale. The agreement is not a contractual arrangement. The employee performing the blood draws will be paid by Quest. Either party can terminate the agreement with a 30 day notice. Quest carries its own liability insurance.

2. Public Hearing Update

Ed LaFramboise reported the Public Hearing was held on January 31 and there was good discussion. This will be compiled and submitted as part of the Needs Assessment. The submitted documents will be reviewed with the Board at the March meeting. The minutes of the Public Hearing were distributed to Board members.

