

Northeast Michigan Community Mental Health Authority Board

Board Meeting

May 9, 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: Linda Canfield, Virginia DeRosia, Roger Frye, Judy Hutchins, Judy Jones, Marie LaLonde, Terry Larson, Tom Mullaney, Gary Nowak, Pat Przeslawski, Tom Young

Absent: Alan Fischer

Staff & Guests: Lisa Anderson, Carolyn Bruning, LeeAnn Bushey, Lynne Fredlund, Cheryl Jaworowski, Ed LaFramboise, Margie Hale-Manley, Cathy Meske, Joe Spigelmyre, Randy Thiem, Carolyn Thiem

III. Consent Agenda

1. Approval of Minutes

2. Contracts

- a. Evergreen Recycling Contract Termination
- b. Greenways Fuels LLC Contract

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

IV. Information and/or Comments from the Public

There were no comments presented.

V. Educational Session – Microenterprise Success

Ed LaFramboise introduced Margie Hale-Manley, Joe Spigelmyre, and Randy Thiem. Margie Hale-Manley reported there are now 22 microenterprises established. A brochure highlighting Randy Thiem's microenterprise, "Randy's Candy," was distributed to Board members. Randy is a distributor for Spencer's Candy. Spencer's Candy supplies the product of various candies and nuts in bulk to ROOC, which are then repackaged in the smaller plastic packages for individual sale and distribution. Randy purchases products wholesale from ROOC. He then sells the candy to businesses for a profit. Randy covers Alpena and Alcona counties. Mr. Spigelmyre reports that Randy goes above and beyond to help his customers. Another individual covers the area for Montmorency and Presque Isle Counties. Randy has several businesses on his route that he visits weekly such as Crackerbarrel, Campers Cover, Jimmy Garant's Party Store, Rylies Café and others. The duties he performs are purchasing, inventory control, making business contacts and everything involved in running his own business. Randy reports he is making money and paying taxes and feels good about his business and enjoys his work.

VI. Budget Amendment

Cheryl Jaworowski introduced the Budget Amendment #1 for this fiscal year. Cheryl reviewed the line items with the largest adjustments, which includes an adjustment to the Center for Positive Living to reflect the discontinuance of a contract, an adjustment to implement the Autism services

with a contractual arrangement with AuSable Valley to provide that service for them, and adjustments to the Medicaid revenue and General Fund revenue.

Cheryl Jaworowski reported the Agency had a big push to get those consumers using General Fund dollars enrolled in the Adult Benefit Waiver program and hopefully this will ease the draw on those funds.

Cheryl Jaworowski reviewed the Expenditure Budget by line item. Cheryl Jaworowski reported this budget was not able to be completely balanced and there is anticipation of lapsed funds in salaries due to vacant positions in the amount of \$283,606. Cheryl Jaworowski reported the health insurance claims have also spiked causing an increase in expenses. She reports the liability insurance company has informed the agency they will be doing another net asset distribution and she anticipates a refund of approximately \$78,000. She also reported the vehicle bids came in under what was anticipated by about \$79,000. Cheryl Jaworowski reported the Self-Determination budget will be increased and the funds for this increase come from other budgets that included community living services or other similar services. The Capital Purchases spreadsheet and the FTE spreadsheet were also reviewed.

Tom Young inquired about the number of anticipated consumers for the Autism Program. Cathy Meske reported there are four consumers scheduled for testing next week and it is anticipated there might be as many as 16 children from this area. Ed LaFramboise reported the AMA-ESD and COP school districts have provided the Agency with estimated numbers for this program.

Moved by Linda Canfield, supported by, to approve the Budget Amendment #1 as presented. Roll call vote: Ayes: Linda Canfield, Virginia DeRosia, Roger Frye, Judy Hutchins, Judy Jones, Marie LaLonde, Terry Larson, Tom Mullaney, Gary Nowak, Pat Przeslawski, Tom Young; Nays: None; Absent: Alan Fischer. Motion carried.

VII. June Monitoring Reports [Due to Postponement of Strategic Planning, June's Monitoring Reports were done in May.]

1. Treatment of Consumers 1-003

The quarterly monitoring report for "Treatment of Consumers" includes the recipient rights notes and reports for the 2nd quarter of the fiscal year. This information was included in the mailing and Board members had no questions or comments related to this report.

2. Budgeting 01-004

Cheryl Jaworowski reviewed the Statement of Revenue and Expense for month ending March 31, 2013. At this point in the year, Medicaid funds are underspent by \$436,591 and General funds are overspent by \$241,805.

3. Financial Condition 01-005

Cheryl Jaworowski reported the cash on the balance sheet has decreased significantly due to the Medicaid pay back to the Northern Affiliation from last fiscal year. She reports the unrestricted net cash would cover 29 days of operation. She also addressed the cash settlement for FY10 just received from the Michigan Department of Community Health, which will have a positive effect on unrestricted net position. The cash settlement includes an adjustment which provided for an exchange of monies paid to us from insurance providers and individuals into allowable local matching funds for state contracting purposes. This adjustment will improve the unrestricted net position by \$103,900 and bring the percentage of unrestricted net position to 8.4% of projected expenditures (31 days of operation). This prior year correction will impact current year revenues by adding \$103,900.

Moved by Roger Frye, supported by Terry Larson, to accept the June monitoring reports as presented. Motion carried.

VIII. DCH Contract Amendment #1

Ed LaFramboise reported the signature page of this contract amendment was included in the mailing. The contract amendment addresses revisions to reporting requirements and due dates. There is no money involved in this amendment.

Moved by Pat Przeslawski, supported by Linda Canfield, to approve the DCH Contract Amendment #1 as presented. Motion carried.

IX. Board Policy Review and Self Evaluation

1. Board Job Description 02-003

There were no comments or recommendations for this policy.

2. Board Core Values 02-014

There were no recommendations for this policy. Linda Canfield felt this policy was well written.

X. Linkage Reports

1. Northern Michigan Regional Entity Update

The first organizational meeting of the Northern Michigan Regional Entity was held on April 23rd and officers were elected: Joe Stone [AuSable Valley CMH] – Chair, Dennis Priess [North Country CMH] – Vice Chair, and Randy Kamps [Northern Lakes CMH] – Secretary. Gary Nowak [Northeast Michigan CMH] and Don Tanner [Centra Wellness] are also representatives on the Executive Committee assuring each of the member boards have equal representation.

Gary Nowak reported the Executive Board will meet on Monday, May 13th and the whole Board will meet Wednesday, May 15th in Gaylord.

The operating agreement was approved by all five boards, signed and submitted. This, along with the by-laws filings, makes the Northern Michigan Regional Entity a legal entity. Ed LaFramboise reported Northeast has advertised for the CEO of the entity using Lisa Anderson's talent in job description development.

Gary Nowak reports that, after discussion with other board members from other regions, our entity is further ahead in the process than most. One particular board member indicated their board had not begun the process of organizing as an entity.

2. Northern Affiliation Update

Ed LaFramboise reported the Northern Affiliation will continue until January 1, 2014. He notes the Ops Committee met recently. He notes the Northern Affiliation is in good financial shape.

3. Board Association

a. Board Member Forum Update

Ed LaFramboise reports Northeast represented well at the Regional Forum as there were 15 board members in attendance and 8 were Northeast's members. Gary Nowak reported these sessions are always informative. Judy Hutchins reported the session she attended was presented by Dave Beck, AuSable Valley CMH Director.

b. Spring Board Conference Update

Ed LaFramboise reported the Spring Conference was held last week at the Amway Grand Plaza in Grand Rapids. One of the highlights at the conference was Dave Schaedig's recognition receiving the Partner's in Excellence award for the northern region. Dave uses self-determination to support his life and provides fiscal intermediary services for consumers in the self-determination program.

Gary Nowak reported he attended a teen suicide presentation. He reports the board should discuss this further at the June Strategic Planning Session. Munger High School students provided the presentation.

Judy Hutchins reported she attended a session to train consumers to be leaders. She also attended a Peer Delivered Services session addressing methods to help in crisis situations to avert hospitalizations. She notes a new group "Hub" provides some of those services.

4. Clinical Services and Support Report

Cathy Meske reviewed the report for month ending March 31, 2013 with Board members. She notes the Doctor's Services numbers for those with other insurance have dropped because we have needed to restrict services provided to consumers with general funds basing appointments on insurance coverage. Cathy Meske clarified how treating consumers with private insurance affect the general fund budget. Ed LaFramboise noted each case will be reviewed and there will be some consumers that will need greater support. Cathy Meske reported the waiting list will need to be reinstated. Consumers with insurance having an impact on the General Fund budget will have limited benefits.

Cheryl Jaworowski reported the Adult Benefit Waiver program opened enrollment for one month and this should provide some additional coverage for some consumers. Cheryl Jaworowski reported the Adult Benefit reimbursement is a capitated program and the rates are less than the Medicaid capitated rates. Cathy Meske reported the waiting list will be continually monitored and if the budget improves, the waiting list will be acted upon.

XI. Chair's Report

1. Strategic Planning Discussion

June 13 the Strategic Planning Session will be held at the Roostertail Restaurant in Rogers City. Ed LaFramboise reported there will be a presentation by Lisa Anderson on the Affordable Care Act and the impact on the agency as it relates to insurance coverage. The Ends monitoring report, Mission and Vision and current Strategic Plan will be reviewed.

2. Customer Satisfaction Survey Reports

Diane Hayka reported the Treatment of Consumer monitoring report as it relates to satisfaction survey was presented to the Board at the March meeting. The summaries of the satisfaction survey were addressed at that time. Since then, the final reports have been received. Copies of those surveys are available for those interested and can be picked up at this meeting.

3. Northern Regional Entity Board Member Terms

Gary Nowak reported the Regional Entity Board members were assigned terms as follows: Terry Larson - 3 years, Roger Frye - 2 years, and Gary Nowak - 1 year.

4. Medicaid Expansion Resolution Follow-Up

Diane Hayka reported the Resolution passed by this board back in March related to Medicaid Expansion was e-mailed to Senator Moolenaar and the letter included in the mailing was in response to that communication.

Ed LaFramboise reported the House introduced proposals that are rekindling the push for the Medicaid Expansion. He distributed the report from MLive to board members. He notes the push needs to continue and suggested Board members continue with contacts to the legislators to encourage support of the Medicaid Expansion. He notes Director Jim Haveman is working with Senator John Moolenaar to repackage Medicaid Expansion as "Healthy Michigan" to try to

gain support of this program. Gary Nowak reported there was a lot of talk at the conference related to the Medicaid Expansion.

XII. Director's Report

1. General Fund Issues

Ed LaFramboise reviewed the General Fund shortage with Board members. He notes some of the General Fund shortage is due to the contract buy-out we had with a psychiatrist. The projection for year-end shortage in the General Fund line is approximately \$250,000. Gary Nowak inquired as to whether that can come from the fund balance and it was noted that is the fund that would cover the shortage.

2. QI Council Update

Ed LaFramboise reported the minutes were included in the mailing for this Committee and there were no questions related to the report.

3. CARF Update

Ed LaFramboise reported the CARF report was received earlier this week. The agency received a three-year accreditation. There are some recommendations that will require a plan of correction. Ed LaFramboise informed the Board that Lynne Fredlund coordinates our accreditation surveys and thanked her for the coordination efforts on her part as well as staff efforts. Lynne reported there are about 1,400 standards and there are only a few standards that need attention.

Moved by Roger Frye, supported by Marie LaLonde, to congratulate Lynne Fredlund and staff for all their efforts. Motion carried.

Ed LaFramboise reported he had communicated this to staff on Tuesday including the Board as well.

Moved by Tom Young, supported Virginia DeRosia, to adjourn to closed session to discuss real estate options.

Roll call vote: Ayes: Linda Canfield, Virginia DeRosia, Roger Frye, Judy Hutchins, Judy Jones, Marie LaLonde, Terry Larson, Tom Mullaney, Gary Nowak, Pat Przeslawski, Tom Young
Absent: Alan Fischer

Motion carried. Meeting adjourned to closed session at 4:30 p.m.

Moved by Roger Frye, supported by Linda Canfield to return to full session. Meeting resumed at 4:50 p.m.

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, June 13, 2013 at 3:00 p.m. at the Roostertail Restaurant in Rogers City.

A. Set June Agenda

The June meeting will consist of Strategic Planning which will include a brief presentation by Dave Schneider and a review of the current Strategic Plan, Mission Statement, Vision Statement

and Ends. Board members wishing to carpool from Alpena should contact Diane Hayka to arrange the transportation.

XV. Evaluation of Meeting

Tom Young reported this was a positive meeting and the Board accomplished their work.

Ed LaFramboise reported the Report to Community will be in the May 18th edition of the Alpena News. He was hoping to have a draft copy available for review at this meeting.

Ed LaFramboise reported Ashley Potrykus's article will be carried in a future edition of the Board Association's *Connection Newsletter*.

XVI. Adjournment

Moved by Pat Przeslawski, supported by Virginia DeRosia, to adjourn the meeting.

Motion carried. This meeting adjourned at 5:00 p.m.

_____ [signed by Alan Fischer on 6/13/13]
Alan Fischer, Secretary

_____ [signed by Gary Nowak on 6/13/13]
Gary Nowak, Chair

Diane Hayka
Recorder