

Northeast Michigan Community Mental Health Authority Board

Board Meeting

September 12, 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, Alan Fischer, Roger Frye, Judy Hutchins, Marie LaLonde, Terry Larson, Gary Nowak, Pat Przeslawski

Absent: Judy Jones (excused), Tom Mullaney (excused), Tom Young (excused)

Staff & Guests: Dayna Barbeau, Carolyn Bruning, LeeAnn Bushey, Deb Hemgesberg, Ruth Hewett, Cheryl Jaworowski, Ed LaFramboise, Cathy Meske, Donna Roussin

III. Information and/or Comments from the Public

There were no comments presented.

IV. Consent Agenda

1. Approval of Minutes

2. Contracts

- a. **NEMCSA – Early Head Start Agreement**
- b. **Thunder Bay Transportation Authority**
- c. **MRS Cash Match Agreement**

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

V. Educational Session – Medicaid Services

Ed LaFramboise reported this educational session is based upon the request of the Board last month related to "What Services Medicaid Buys." The Medicaid Manual is 1,700+ pages long. Provided in the mailing is an Overview of the Chapters in the Manual along with an index of the various programs with services covered under Medicaid for Mental Health/Substance Abuse services. Mr. LaFramboise focused on the elements of Medicaid addressing services in the mental health field. This chapter has 130+ pages. The updates can occur every 90 days. Cathy Meske reported draft revisions are sent in advance allowing for input to the proposed revisions before final adoption of new requirement, etc.

The Table of Contents for the Mental Health/Substance Abuse services was reviewed. Mr. LaFramboise reported having Medicaid does not necessarily make you eligible for all services identified in the Medicaid Manual. There must be a medical necessity to receive the services. Cathy Meske reported after assessment to determine diagnosis eligibility such as intellectual disability, serious and persistent mental illness or serious emotional disturbance, the assessment addresses the services available to assist an individual. The authorized services must fix, improve, or sustain the individual's capacity.

Marie LaLonde inquired as to whether the Medicaid Manual is available online for public viewing. This is available on the Department's website; however, if downloading is required it would take some time to download.

There are waivers within the Medicaid Manual such as Children's Home- and Community-Based Services Waivers, and Habilitation Supports Waiver for Persons with Developmental Disabilities. Mr. LaFramboise notes Northeast does not have any individuals on the Children's Waiver. There are about 171 persons on a Habilitation Supports Waiver for Persons with Intellectual Disabilities. Waivers provide for services not otherwise authorized under traditional Medicaid to allow for needed services. Cathy Meske reported Carolyn Bruning and Deb Hemgesberg are the managers of the waiver services. There are only so many slots allocated to Northeast and in order to get a new individual enrolled one must leave. This attrition usually occurs with a death of an individual.

Ed LaFramboise reported Chapter 17 includes additional Mental Health Services (B3s) for those individuals with a need and only available to those individuals with a mental health diagnosis. In addition, he reported Cheryl Jaworowski has a manual to address how the services get billed and under which chapter they get billed. In areas where it is unclear, we consult with the Northern Affiliation or Lansing if necessary.

Cathy Meske reported Medicaid is an ever-changing process that is constantly trying to improve. The intent is to improve the individual's quality of life in the least restrictive environment.

Ed LaFramboise reported last week a conference call with the Department addressed the possibility of getting out of the 1915(c) or 1915(b3) waivers and going with a 1915(I) waiver which could affect the funding currently in place.

Pat Przeslawski reported she was under the impression those with Medicaid were not restricted to their services and knowing service must be medically necessary to be covered was beneficial. Marie LaLonde noted this would be difficult to keep up with all the changes. Terry Larson thanked staff for the job done to interpret the Medicaid rules.

VI. FY 13-14 Budget Hearing

Cheryl Jaworowski presented the proposed budget for FY14 noting it is a preliminary budget due to funding unknowns in the budget. The budget was drafted using many assumptions. Cheryl Jaworowski reviewed the Revenue Budget. She notes to keep services status quo it is anticipated we would need an additional \$481,082 in Medicaid dollars. The General Funds are based on this year's receipts. Ed LaFramboise reported the Medicaid Expansion was passed by the legislators and this most likely will have an impact on General Fund dollars as the Governor has indicated General Funds will be reduced to sustain Medicaid Expansion in the future. At this point, the reduction to those funds is unknown.

Linda Canfield inquired about the reduction in Third Party Reimbursement identified in the proposed budget. Cheryl Jaworowski responded the reduction is due to the limited benefit available to those targeted individuals as the costs paid by third party payors needs to be augmented by General Funds as the reimbursements received do not cover the cost of services.

Cheryl Jaworowski reports next year's revenue budget shows an increase of \$487,163 of which \$481,082 is Medicaid dollars.

Cheryl Jaworowski reviewed the Expenditure Budget noting there are no wage increases included in this budget. The only increases in the budget address utility increases, etc. She notes the largest increase is in the Contracted Employees/Services line, which covers an increase in Self-Determination and Residential Placements.

Cheryl Jaworowski reviewed the Expenditure Budget by program. She also reviewed the Capital Purchase items requested for next fiscal year. The vehicles are replacement vehicles only and not additional vehicles to the fleet. The Staffing of Full-Time Equivalent (FTEs) by program was reviewed.

Linda Canfield inquired about the motorized commode/shower bed/chair purchases for some of the group homes and questioned whether this is covered under an individual's Medicaid. Ed LaFramboise reported in a residential setting this costs becomes part of the per diem not an individual expense.

Moved by Terry Larson, supported by Linda Canfield, to approve the FY 13-14 Budget as presented. Roll call vote: Ayes: Linda Canfield, Virginia DeRosia, Alan Fischer, Roger Frye, Judy Hutchins, Marie LaLonde, Terry Larson, Gary Nowak, Pat Przeslawski; Nays: None; Absent: Judy Jones, Tom Mullaney, Tom Young. Motion carried.

VII. September Monitoring Reports

1. Budgeting 01-004

Cheryl Jaworowski reviewed the Statement of Revenue and Expense for month ending July 31, 2013. She notes this is an improvement of \$66,000+ from last month's report. She notes General Funds are still overspent by \$289,198.

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

Ed LaFramboise reported the Department has established a 236 Transfer to allow community mental health boards to transfer unspent General Funds to another community mental health board in need. AuSable Valley has graciously requested the Department to approve a transfer to Northeast for \$75,000.

VIII. General Fund Update

Cheryl Jaworowski provided a breakdown of where General Funds have been spent this fiscal year. The waiting list imposed is in the areas where benefits have been limited to individuals costing General Funds.

IX. Accelerated Purchase Medicaid Billable Items

Cheryl Jaworowski reported we are under spending our Medicaid budget. She requests consideration to purchase some items intended to be purchased in FY14 to be purchased in FY13. The shower carts would reduce employee injuries, which will also aid in keeping costs down. The total cost of these purchases should not exceed \$60,000.

Moved by Judy Hutchins, supported by Pat Przeslawski, to approve the accelerated purchase of Medicaid billable items up to \$60,000 as presented. Roll call vote: Ayes: Linda Canfield, Virginia DeRosia, Alan Fischer, Roger Frye, Judy Hutchins, Marie LaLonde, Terry Larson, Gary Nowak, Pat Przeslawski; Nays: None; Absent: Judy Jones, Tom Mullaney, Tom Young. Motion carried.

X. Board Policy Review and Self Evaluation

1. General Executive Constraint 01-001

There were no comments or recommendations for this policy.

2. Compensation and Benefits 01-008

There were no comments or recommendations for this policy.

3. Board Committee Structure 02-006

There were no comments or recommendations for this policy. This policy did not generate any self-evaluation discussion.

XI. Linkage Reports

1. Northern Michigan Regional Entity (NMRE) Update

Gary Nowak reported Dave Schneider was confirmed as the CEO at the August NMRE Board meeting. At this point, his time will be shared between the Northern Affiliation and the NMRE Board until the Northern Affiliation dissolves on January 1, 2014.

Ed LaFramboise reported Board members at NMRE are working together very well. They all realize the importance to assure this works to sustain the local community mental health programs. Gary Nowak reports under the NMRE the Board members have more control and are not controlled by one Board.

2. Northern Affiliation Update

Gary Nowak reported this Board met September 4. Many reports were presented. Ed LaFramboise reported the OPS Committee of the Northern Affiliation met to discuss budgets for next fiscal year. An invitation was made to determine the costs of step increases, a cost of living increase and a limited part-time benefit package as identified in the ACA that was to be effective on January 1, 2014. Cheryl Jaworowski will be developing a revised budget to include these costs to submit to the Northern Affiliation. Ed LaFramboise noted we will be developing the limited benefit package for all part-time staff to eliminate the need to keep the administrative records associated with assuring those part-time staff working an average of 30 hours are provided coverage. The individual mandate goes into effect on January 1 requiring all individuals to be covered by insurance; however, the employers have been given a one-year waiver to provide such coverage.

Linda Canfield complimented the management staff for taking this route rather than reducing hours to avoid the requirement as many of the community employers have chosen to do.

3. Board Association

a. Fall Board Conference – October 20 & 21 – Mt. Pleasant

Gary Nowak reported the Fall Board Conference will be held at the Soaring Eagle Resort in Mt. Pleasant. Board members were requested to notify Diane Hayka of their intent as the early bird deadline will be prior to the October meeting. Linda Canfield, Roger Frye, Judy Hutchins, Terry Larson, and Gary Nowak plan to attend. Diane Hayka informed the Board of Tom Mullaney's intent to attend as well.

Gary Nowak appointed Judy Hutchins and Terry Larson as voting delegates for this conference.

b. Annual Dues Assessment

The dues assessment was received from the Michigan Association of Community Mental Health Boards for next fiscal year and for Northeast the dues are set at \$9,632.00.

Moved by Marie LaLonde, supported by Linda Canfield, to approve the Annual Dues Assessment in the amount of \$9,632.00 as presented. Roll call vote: Ayes: Linda Canfield, Virginia DeRosia, Alan Fischer, Roger Frye, Judy Hutchins, Marie LaLonde, Terry Larson, Gary Nowak, Pat Przeslawski; Nays: None; Absent: Judy Jones, Tom Mullaney, Tom Young. Motion carried.

4. Clinical Services and Support Report

Cathy Meske noted the "Other Insurance" decreases are due to the limited benefits put in place to control the General Fund shortage. She noted there are some adjustments to be done on residential services due to this including some contracted numbers included in this report.

Linda Canfield inquired whether the inpatient admissions have increased. Cathy Meske reported the length of stays might have increased due to current practitioner's methodology in providing services. Cathy Meske introduced Donna Roussin, IT Tech, who is assisting in pulling the data for this report.

XII. Chair's Report

1. Setting Perpetual Calendar

The Strategic Planning Session is proposed to move from May to June as indicated in the draft of the Perpetual Calendar due to this being a timing issue most years.

XIII. Director's Report

1. County Commissions Update

Ed LaFramboise reported he has now attended all the Commissioner meetings and they were very interested in the Northern Michigan Regional Entity. He notes the commissioners were very interested in the NMSAS transition and the makeup of the NMRE Board to include equal representation at the regional level.

Terry Larson reported there is a requirement to have an Advisory Board for Substance Abuse and the SUD Transition Committee will be requesting the Commissioners appoint the current representatives that are currently on the NMSAS Board to this Advisory Board.

Ed LaFramboise reported the commissioners were happy to hear this would not be another layer of administration.

2. Endowment Fund Grant Awards

Ed LaFramboise reviewed the grants awarded through the Endowment Fund since the last report. This is a semi-annual report. He noted MCTI is an acronym for Michigan Career Technical Institute in Plainwell, MI.

3. QI Council Update

The minutes were distributed and Board members had no questions.

XIV. Information and/or Comments from the Public

There were no comments presented.

XV. Next Meeting

The next regularly scheduled meeting of Northeast Michigan Community Mental Health Authority Board will be held Thursday, October 10, 2013 at 3:00 p.m.

A. Set October Agenda

Gary Nowak inquired about whether Board members have any suggestions for educational session. Cheryl Jaworowski reported she will provide a "How Insurance Works & How Services are Paid" discussion at the October meeting.

XVI. Evaluation of Meeting

Linda Canfield noted it was a very informative meeting and benefited from the educational session.

XVII. Adjournment

Moved by Terry Larson, supported by Marie LaLonde, to adjourn the meeting. Motion carried. This meeting adjourned at 4:37 p.m.

[signed by Alan Fischer on 10/10/13] _____

Alan Fischer, Secretary

[signed by Gary Nowak on 10/10/13] _____

Gary Nowak, Chair

Diane Hayka
Recorder