

Northeast Michigan Community Mental Health Authority Board

Board Meeting

February 12, 2015

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, Roger Frye, Judy Hutchins, Marie LaLonde, Terry Larson, Eric Lawson, Gary Nowak, Pat Przeslawski

Absent: Linda Canfield (excused), Judy Jones, Albert LaFleche (excused)

Staff & Guests: Lisa Anderson, Dayna Barbeau, Carolyn Bruning, LeeAnn Bushey, Lynne Fredlund, Ruth Hewett, Cheryl Jaworowski, Jim Kraenzlein, Ed LaFramboise, Cathy Meske

III. Information and/or Comments from the Public

There were no comments presented.

IV. Consent Agenda

1. Approval of Minutes

2. Proclamation

a. April 2015 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 is the drug of choice among America's adolescents and is used by more young people than tobacco or illicit drugs. More than one fifth of youth begin drinking before age 13; and

WHEREAS, underage drinking contributed to a wide range of costly health and social problems, including motor vehicle crashes (the greatest single mortality risk for underage drinkers); suicide; interpersonal violence (e.g., homicides, assaults, rapes); unintentional injuries such as burns, falls, and drowning; brain impairment; alcohol dependence; risky sexual activity; academic problems; and alcohol and drug poisoning; and

WHEREAS, on average, alcohol is a factor in the deaths of approximately 4,700 young people in the United States per year, shortening their lives by an average of 60 years; and

WHEREAS, research shows that young people's brains keep developing well into their 20s. Alcohol can alter this development, potentially affecting both brain structure and function. This may cause cognitive or learning problems and/or make the brain more prone to alcohol dependence. This is especially a risk when people start drinking young and drink heavily; and

WHEREAS, according to the 2014 Michigan Profile for Healthy Youth report, of 14 counties of northern Michigan who participated, an average of 23.8% of 9th grader and 49.6% of 11th graders have been drunk in their lifetime. Of these reporting students,

who drank recently, 58.9% reported that they usually drank alcohol at another person's home during the past 30 days.

WHEREAS, one-hundred percent of any alcohol consumed by a minor came for 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 2015 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.

Moved by Roger Frye, supported by Terry Larson, to approve the Consent Agenda as presented. Motion carried.

V. Audit Report

Gary Nowak introduced Jim Kraenzlein, auditor from Straley Lamp & Kraenzlein PC. Mr. Kraenzlein reviewed the Independent Auditor's Report with Board members. He reports it is important the auditors understand the internal controls in place when conducting the audit.

Judy Jones arrived at 3:05 p.m.

He reported this is a clean audit and this is the highest level awarded for audit reports. There were no internal deficiencies identified during the audit. He reported the compliance audit is still not finalized as the State has continually changed the format for reporting. At this point, there are no deficiencies identified in the compliance report.

Mr. Kraenzlein reported the current assets increased by approximately \$800,000. Total liabilities were \$615,000 higher than last year. The net position includes net assets which are buildings, etc. and unrestricted net assets. The equity for the Authority is \$5,144,421. He notes there is \$1,885,986 in unreserved funds to finance day-to-day operations. This is an increase of 1.4% as compared to last fiscal year and would fund the Agency for 37 days.

The net income for the year was \$171,312. He reports the notes to the financial statement are similar to those reported in past years.

Gary Nowak inquired about the \$615,000 higher in liabilities and Mr. Kraenzlein noted some of those were due to accrued payroll (\$200,000), increased costs to the Affiliation (\$200,000) and other increases on the various line items.

Mr. Kraenzlein noted Cheryl Jaworowski and her staff are very good to work with and very knowledgeable. Ed LaFramboise reports it is very important for Board members to understand the audit. He provided information related to Calhoun County's dilemma with the salaries and benefits of their management staff.

Cheryl Jaworowski reported the fee for the audit this year was less as we did not have to work with the auditing firm at the Entity level as in past years.

Moved by Judy Hutchins, supported by Eric Lawson, to accept and file the FY14 Audit.
Motion carried.

Gary Nowak requested a brief silence to honor the memory of Roger Frye's brother, Wayne Morgan who passed away last Saturday. He also recognized two birthdays – Terry Larson and Judy Hutchins.

VI. February Monitoring Reports

1. Treatment of Consumers 01-002

This report is not available due to meeting reschedule. The Recipient Rights Committee will meet at their next regularly scheduled meeting in April and will provide their report at that time.

2. Staff Treatment 01-003

Lisa Anderson addressed the Turnover Report with Board members noting some of the movement was due to the closure of one of our group homes. The overall agency turnover rate was 22%. This was higher than last year due to the early retirement packages offered and the closure of the group home.

(Monitoring reports continued after policy review)

VII. Board Policy Review and Self Evaluation

1. Asset Protection 01-007

There were no recommended changes to this policy.

2. Board Committee Principles 02-005

There were no recommended changes or discussion on this policy.

3. Delegation to the Executive Director 03-002

There were no recommended changes. Ed LaFramboise reported this policy may be the policy which got away in Calhoun County which has placed them on the radar with the Attorney General's Office, etc. Ed provided a brief update related to Summit Pointe's Director's status.

VI. Monitoring Reports (Continued)

3. Budgeting 01-004

Cheryl Jaworowski reviewed the Statement of Revenue and Expense report for period ending December 31, 2014. She noted the expenses related to the food line item is due to the change in the food stamp program and the reduction in food stamps allocated to each resident results in an increase in food expenses.

Eric Lawson inquired about the Miscellaneous Expense line item and Cheryl Jaworowski reported the MRS Cash Match agreement has been paid already this year and other items requiring local funds are included in this item such as staffing at ARMC when one of our individuals are inpatient.

4. Financial Condition 01-005

Cheryl Jaworowski reviewed the Statement of Net Position and Change in Net Position for month ended December 31, 2014. She noted the cash will be going down soon as she needs to send \$1+ million back to the Regional Entity to settle out last year.

5. Asset Protection 01-007

This was addressed in the Audit report.

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

VIII. Linkage Reports

1. MACMHB

a. **Winter Conference (Feb 10 & 11 – Radisson Hotel – Kalamazoo)**

Gary Nowak reported the Conference was good and he attended many good segments. Linda Rosenberg from the National Council provided a good presentation on issues being addressed at the national level.

He reports he attended a "Fundamental of Boards" segment and many of those in attendance operate on a committee structure basis and he did not agree with some of their views. Judy Jones noted she attended a segment on ALICE. Ed LaFramboise reported he also attended the ALICE module which was interesting as it looked at poverty issues within communities. He reports the poverty level in our four-county area is significant. He reports the poverty levels in this area indicate 40% of the families are at or below poverty levels. This study was conducted in 2012. Ed LaFramboise reported he will print the Alcona, Alpena, Montmorency and Presque Isle county data sheets for distribution next month. He also notes this might be good information to distribute at each county's HSCCs. Ed LaFramboise suggested members Google ALICE reports-Michigan to bring up a welcome page and retrieve the information.

Judy Jones reported she attended the "Developing Mental Health/Criminal Justice Collaborative Programs" workshop and the services provided to the jail population in the Kalamazoo area were highlighted. Ed LaFramboise reported this type of service is funded with General Funds. He noted we do not have the funds to support providing similar services. He reports he and Cheryl Jaworowski are on a workgroup to address the inequity of General Fund distribution.

Alan Fischer reported he attended a module entitled "The Internet of Health: Wearables, Apps, Engagement and Population Health" addressing the latest wearable electronic devices used to monitor the person's medical conditions and the various "apps" used in consumer engagement in their health. He also reported there are new medications available to assist in substance use and/or addictive treatments.

Judy Hutchins reported PIER is an early intervention program with good outcomes. It assists in the assessment of young adults to determine when a person could have a psychotic incident and allows for preventative treatment. Judy Hutchins also reported there is a new NAMI group forming locally with young people having the energies to get it up and going.

Ed LaFramboise noted he has spoken with all the MI Supervisors related to the PIER study. The evidence and educational efforts done in Massachusetts was very impressive.

Ed LaFramboise reported the Governor addressed the funding shortage in Michigan and noted the State plans to review State Police, Corrections and health funding in rural hospitals. He reports the Governor has also signed an Executive Order which will merge the Department of Community Health and the Department of Human Services. This merger will most likely take two years to complete. In 2016, the two departments will operate separately fiscally and then 2017 will operate under one accounting system.

b. White Paper

Gary Nowak requested Board members review the document sent to them entitled "Community Mental Health in Michigan: Evidence and Innovation" and come prepared to discuss this document at the next meeting. Ed LaFramboise noted he will be contacting the legislative representatives and address the importance of the safety net as identified in the paper. He reports there will also be another paper published to address these issues at the federal level. A campaign will occur to help educate the new representatives in the House and Senate. This paper was created by a Republican "Think Tank" consulting firm.

c. Boardworks 3.0 Proposal

Ed LaFramboise reported the Boardworks modules will be updated to 3.0. There will be two new segments added – one for children's services and one for substance use disorders. The Board Association will be contracting with Bill Davies to complete this project.

2. Northern Michigan Regional Entity (NMRE) Update

a. January 28th Board Meeting Report

The minutes of the last NMRE Board meeting were distributed. Terry Larson and Roger Frye reported there is nothing new to report related to the SUD Advisory Board. Terry Larson reported our new Board member, Eric Lawson, is also on the SUD Advisory Board. Ed LaFramboise reported Kara Steinke provided a presentation to the NMRE Board and noted the fears for the transition from NMSAS to NMRE were not realized. The transition was a very seamless transition.

b. December 23rd Meeting

The minutes of this meeting were included in the mailing.

c. NMRE Planning Session

The NMRE Planning Session will be held on February 21 at 9:00 a.m. at the Hampton Inn in Gaylord. The future of the PIHP will be discussed at this planning session. The prosperity regions most likely will be a discussion item. The Medicaid Health Plans will be rebidding the regions and must bid on Region #2 and Region #3 as a total which is the region of our current PIHP. The Medicaid Health Plans provide the coverage for those with a mild to moderate mental illness and contract with agencies such as Alcona Health Centers, Thunder Bay Community Health Services or Behavioral Health Services to provide services.

3. Clinical Services and Support Report

Marie LaLonde left the meeting 4:10 p.m.

Cathy Meske reviewed the data with Board members. She notes the biggest change during this 12-month period depicts the drop in services to Medicare only patients in doctor's services due to the General Fund cuts and cuts to services we had to make to address those cuts. Cathy Meske reports over the next 12 months, these numbers will most likely remain steady. The graph entitled "Consumers Served in Past 12 Months" addresses all population groups.

4. Consumer Advisory Council

Ed LaFramboise reported the Consumer Advisory Council meeting was moved to Thursday and included the Public Hearing due to the Board Winter Conference.

Gary Nowak informed Board members individuals can call the main agency number anytime and the call gets transferred to Third Level if it is after hours. Third Level then will screen the call and if needed contact the agency on-call worker for further assistance.

IX. Chair's Report

1. CMH PAC Campaign

Gary Nowak reported the CMH PAC campaign is underway. Ed LaFramboise has agreed to match funds again this year. Gary Nowak challenged Board members to issue their pledge and he will match \$5 for each pledge made by Board members.

X. Director's Report

1. Budget Update

Ed LaFramboise noted last month the Board heard a doom and gloom speech related to the budget. He is happy to report this month some of the gloom disappeared. The Finance Directors made a recommendation to use some of the NMRE's Risk Reserve funds to smooth the budget deficits. Cheryl Jaworowski reviewed a handout itemizing the Medicaid funding by member Board and provided an explanation of the deficits and the need to use the risk funds to smooth. Ed LaFramboise reports Northeast will need to reduce its current budget to get to the PMPM; but it does not have to be fully attainable until October 2016. Ed LaFramboise reviewed some of the cost-savings measures we have already completed during the last fiscal year. We will need to continue with cuts this year. Cheryl Jaworowski reported the administrative cost for this Board is at 9.3% at this point. Ed LaFramboise reports our residential homes have an aged population and mortality will provide some cost savings as eventually another home will be able to be closed with a full-year cost of running a home at about \$500,000.

2. Public Hearing / Annual Assessment

Last Thursday a public hearing was held to receive input for our annual assessment. This input will be used in identifying priorities which will lead up to our budget process next fall. Ed LaFramboise notes one area of priorities will be the Autism program. Present needs were reviewed noting it is difficult to get enough staffing to provide the necessary services. Children's foster care in the community also needs to be developed. The annual assessment will be submitted to the state shortly. Ed LaFramboise reports this information must also be provided to the county commissioners as a mandate of the Mental Health Code. He reported one attendee identified areas of concern when bringing a family member in. This type of information is a valuable tool for use as improvement projects.

3. MDCH + MDHS = Michigan Department of Health & Human Services

This topic was addressed previously in this meeting. When more details are released, John Keller may be invited to this meeting to provide Board members with more information on the impact of the proposed merger. Judy Hutchins inquired as to the food stamp cuts and whether this was due to federal or state mandates. Ed LaFramboise will check with John Keller to provide her with an answer.

4. OPS Meeting Update (Lynda Zeller's visit)

Ed LaFramboise reported Lynda Zeller attended the last OPS committee meeting. He reported the directors were able to voice their concerns related to the General Fund cuts and the issues associated with changed directives. It is difficult to run a business when each year you are closing out to a \$0 balance. Ed LaFramboise also reported he discussed the Olmstead Act and the issues related to some areas not complying with the Act. He reported there are still some Boards operating under old methods and operating large group homes or segregated day programs. He reports managing outcomes versus evidence-based practices could also save dollars as it is costly to maintain all the elements to keep the evidence-based practice fidelity. He reports an average evidence-based practice takes about 18 years to get to practice. He believes the outcomes related to the treatments are more important than how to get there. A clinical leadership meeting will be set up at the State level to address these concerns.

5. Endowment Fund Grant Awards

A memo was included in the mailing related to the grant awarded in the past six months.

XI. Information and/or Comments from the Public

Roger Frye reported Chuck Collier, State Police Trooper, had approached him and indicated he would like to attend a future meeting and provide an observation of mental illness by the trooper's perspective.

XII. Next Meeting

The next regularly scheduled meeting of Northeast Michigan Community Mental Health Authority Board will be held Thursday, March 12, 2015 at 3:00 p.m. in the Board Room at the Alpena Office.

1. Set March Agenda

The March agenda items were reviewed. The Compliance Audit will be presented at the March meeting as well as Board member recognition.

XIII. Evaluation of Meeting

Terry Larson indicated it was a very good meeting. Roger Frye congratulated staff for doing a marvelous job in the audit preparation.

XIV. Adjournment

Moved by Terry Larson, supported by Judy Hutchins to adjourn. Motion carried. This meeting adjourned at 4:58 p.m.

[signed by Virginia DeRosia on March 9, 2015] _____
Virginia DeRosia, Secretary

[signed by Gary Nowak on March 9, 2015] _____
Gary Nowak, Chair

Diane Hayka
Recorder