

Northeast Michigan Community Mental Health Authority Board

Board Meeting

August 13, 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: Linda Canfield, Bonnie Cornelius, Roger Frye, Marie LaLonde, Terry Larson, Eric Lawson, Gary Nowak, Pat Przeslawski

Absent: Alan Fischer (excused), Albert LaFleche (excused), Judy Hutchins, Judy Jones

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

III. Consent Agenda

1. Approval of Minutes

2. Contracts

a. Great Lakes Health Connect

b. Network Penetration and Security Test Consultant

Moved by Linda Canfield, supported Marie LaLonde, to approve the Consent Agenda as presented. Roll call vote: Ayes: Linda Canfield, Bonnie Cornelius, Roger Frye, Marie LaLonde, Terry Larson, Eric Lawson, Gary Nowak, Pat Przeslawski; Nays: None; Absent: Alan Fischer, Judy Hutchins, Judy Jones, Albert LaFleche. Motion carried.

IV. Information and/or Comments from the Public

There was no information or comments presented.

V. Educational Session – CARF and Policy Governance Accreditation

Lynne Fredlund, Quality Improvement Coordinator, was introduced. Ed LaFramboise provided a brief overview of the CARF accreditation process. One area this Board has not sought accreditation in the past is Board Governance. Ms. Fredlund reviewed the areas of accreditation available in CARF, noting by achieving accreditation by a national body eliminates the need for the Department to conduct a full certification review as well.

Judy Hutchins and Judy Jones arrived at 3:05 p.m.

Lynne Fredlund reported the Aspire to Excellence section is the area defining the standards for leadership, strategic planning, risk, health and safety and Board Governance. She reports the process is consultative in nature and is not a typical survey. They conduct a review of practices and provide suggestions or accolades for the various standards identified for each category sought. Board Governance standards help to ensure the governing board is providing effective and ethical governance leadership ensuring the executive leadership is also managing the organization effectively, efficiently and ethically.

The Governance standards were reviewed with Board members. Lynne noted continued education so the Board is ultimately speaking in “one voice” is very important.

Lynne identified three items to focus on should accreditation be sought and offered to work with Board members to develop a process to assure the standards are met in all areas.

Roger Frye suggested Pat Przeslawski be the leader to extract meeting evaluation discussion.

Board members determined it would be good to seek accreditation.

Gary Nowak appointed Pat Przeslawski and Linda Canfield to the CARF adhoc committee. Pat Przeslawski and Linda Canfield will assist Lynne Fredlund in reviewing the standards in more depth and suggesting revisions if needed. Lynne Fredlund will arrange the meeting.

VI. August Monitoring Reports

1. Treatment of Consumers 01-002

The monitoring report was included in the mailing and Board members had no questions. Ruth Hewett was available to answer any concerns.

2. Staff Treatment 01-003

The staff turnover report was reviewed. Ed LaFramboise noted an overall turnover of 9% is good for our comparative industries. He reports some entities running residential facilities have a turnover rate of up to 75%. Pat Przeslawski reported at the Employee Recognition luncheon, employees seemed pleased with their jobs and enjoyed their roles within the agency.

3. Budgeting 01-004

Cheryl Jaworowski reviewed the Statement of Revenue and Expenses for months ending June 30, 2015. There is a net income of \$157,299. She reports the Medicaid contract is underspent by \$406,745, General Funds underspent by \$294,236, Health Michigan underspent by \$452,844 and MI Child Funds underspent by \$100.

Cheryl Jaworowski reports the Property and Liability Insurance variance is due to a refund from MMRMA.

4. Financial Condition 01-005

Cheryl Jaworowski reviewed the Statement of Net Position and Change in Net Position for month ending June 30, 2014. She provided detail related to the changes in cash and cash equivalents and accounts receivable.

Moved by Roger Frye, supported by Marie LaLonde, to accept the August monitoring reports as presented. Motion carried.

VII. Financial and Compliance Audit Bids

Cheryl Jaworowski provided the Board with information related to sealed bids received for the financial and compliance audit. The bids were received from four audit firms. Cheryl Jaworowski reported the hope is for all member Boards of the Entity to utilize one firm for the audits. She reported the low bid was from a firm Northeast had dismissed several years ago. Due to the size of the Roslund Prestage and Company from Alma, MI, the Finance Directors felt it would be difficult to conduct the audits within a five-week timeframe. If one member board's audit put the auditing firm off schedule, it would have an effect on the other member boards.

Moved by Linda Canfield, supported by Pat Przeslawski, to approve awarding the bid for the Financial and Compliance Audit to Dennis, Gartland, & Niergarth with a subcontractor of Straley, Lamp & Kraenzlein PC. Roll call vote: Ayes: Linda Canfield, Bonnie Cornelius, Roger Frye, Judy Hutchins, Judy Jones, Marie LaLonde, Terry Larson, Eric Lawson, Gary Nowak, Pat Przeslawski; Nays: None; Absent: Alan Fischer, Albert LaFleche. Motion carried.

Cheryl Jaworowski reported the VFW in Alcona County has disbanded and they are the leaseholder for our office space in that county. As a result, there will need to be a new lease executed to allow for continuation as the building will revert back to Alcona County. The new lease will be with Alcona County. The transfer of property will most likely take effect prior to the September Board meeting.

Moved by Judy Hutchins, supported by Terry Larson, to authorize the Director to sign a lease with Alcona County to continue our current arrangements for space in the current VFW building.

Cheryl Jaworowski reported the public hearing for the budget will be held in September. Board members were requested to report any needs or concerns to Ed LaFramboise or Diane Hayka.

VIII. Board Policy Review and Self Evaluation

1. Chairperson's Role 02-004

The policy was reviewed and Pat Przeslawski reported this policy is rather thorough. It does identify the issue related to communication to outside organizations, etc.

Ed LaFramboise reported the Calhoun County situation related to their Director and the publicity it has attracted would be a good example of the need to have one voice speaking on the Board's behalf. Having several board members speak can cloud any issue.

Pat Przeslawski reported this policy is very thorough and to the point.

Eric Lawson requested clarification related to delegation of authority. He also suggested the policies be gender neutral. The policy will be updated to include the suggestion.

Moved by Eric Lawson, supported by Linda Canfield, to make the language in Chairperson's Role, Policy 02-004, gender neutral. Motion carried.

2. Board Member Per Diem 02-009

Board members reviewed the policy. The rates for per diems and meal allowances were reviewed. Linda Canfield reported financially the Board is in a good position and this policy addresses adequate reimbursements.

3. Board Self-Evaluation 02-012

Eric Lawson noted this policy has a grammatical error, missing an apostrophe. After discussion, Board members requested the sentence be revised from "...individual board members performance can be evaluated." to ...performance of the individual board members can be evaluated."

Moved by Pat Przeslawski, supported by Linda Canfield, to revise Policy 02-012 as discussed. Motion carried.

IX. Linkage Reports

1. Northern Michigan Regional Entity (NMRE) Update

a. Regional Board Meetings

i. July 29, 2015

Gary Nowak noted the minutes were not yet available. Ed LaFramboise reports the impact on the budget the waivers could have was discussed. This will be addressed later in this meeting under the Director's Report.

2. Department of Health and Human Services

a. Contract Amendment #1

Ed LaFramboise reports there are some language revisions related to compliance examination guidelines for the Children's Habilitation Waiver and the SED Waiver programs in this Amendment; noting it is a non-issue for Northeast.

Moved by Terry Larson, supported by Eric Lawson, to authorize the Director to sign the FY15 Contract Amendment #1 as presented. Roll call vote: Ayes: Linda Canfield, Bonnie Cornelius, Roger Frye, Judy Hutchins, Judy Jones, Marie LaLonde, Terry Larson, Eric Lawson, Gary Nowak, Pat Przeslawski; Nays: None; Absent: Alan Fischer, Albert LaFleche. Motion carried.

b. FY16 Contract

Ed LaFramboise reports this contract was received yesterday and needs to be signed and returned by September 4. He requested Board approval to execute the FY16 Contract pending review of the contract as it was just received.

Moved by Marie LaLonde, supported by Pat Przeslawski, to authorize the Director to execute the FY16 Contract as presented. Motion carried.

3. Clinical Services and Supports Report

Ed LaFramboise reports there are still some blanks in the report. The report writer is back to work and there is still some data needing input to complete the report. Cathy Meske reported the ABA program is not represented in the current table and this might be a program we would like to trend. She also noted of the individuals open to supported employment, 50% are working 20 hours.

4. Consumer Advisory Council Update

Ed LaFramboise reported Cathy Meske and Diane Hayka conducted the meeting. The group watched a video related to Stigma Reduction. This video was developed by Detroit Wayne CMH under a grant from the Flinn Foundation.

Copies will be made available.

X. Chair's Report

1. CEO Evaluation

This evaluation is prepared based on the monitoring reports provided over the course of this past year. It was noted all monitoring reports were presented timely.

2. CEO Performance Survey

Ed LaFramboise reported included in the packet was a survey to gather information related to the CEO Performance. Board members were requested to complete the survey and return it to Diane Hayka so results can be compiled.

3. Board Self-Evaluation

Board members received a survey related to self-evaluation. Board members were requested to complete the survey and return it to Diane Hayka. She will compile the results and the Board can review the responses at the September meeting.

XI. **Director's Report**

1. **Director's Update**

Department of Health and Human Services (DHHS) – Changes to Medicaid Waivers

Ed LaFramboise reports the Department of Health and Human Services had reported they were intending to combine all the waivers (Habilitation Supports Waiver (161), Children's Waiver (0), and SED Waiver(0)) under an option entitled the 1115 Waiver. This could save some administrative reporting requirement; however, if this was rolled into the PMPM the reduction to Northeast would be \$3.2M effective January 1, 2016. He reports after hearing that information, he sent an email to Eric Kurtz and Tom Renwick and has not received a written response from either individual. Ed LaFramboise noted he also shared his communication with other Directors. Some sent their concerns to Lynda Zeller. Since that time, it was indicated the dollars will continue for the individuals currently using waiver dollars; however, nothing has been received in writing related to this most recent news.

If the elimination of waiver funding would occur, North Country CMH could lose \$2.2M, Centra-Wellness could lose \$1.5M, and Northeast could lose \$3.2M with AuSable Valley gaining \$1.8M and Northern Lakes gaining \$4.9M. This would be based on each Board's percentage of Medicaid distributed on a population based methodology.

Ed LaFramboise reports budget development is proceeding based on the revenue target as initially identified prior to the waiver scare. Cheryl Jaworowski is currently developing the budget and Northeast will be at the PMPM by October 1 of this year, one year earlier than the target. He reports negotiations will continue under the basis the cut will not be implemented as well.

Ed LaFramboise provided a history of the waiver management and the stance CMS has taken on the renewal of the waivers. He reports at this point four of the five member Boards will be at the PMPM or close to it and one member Board is still \$2.5M over budget.

Ed LaFramboise reported any GF dollars underspent will most likely be proposed to transfer at the September Board meeting.

Budget Development

Addressed above.

Atlanta Office

Ed LaFramboise reported the former Thunder Bay Community Health Services building located at the south end of the Montmorency County fairgrounds is available for lease. The total lease is \$5,000 per year plus utilities and snow removal. This space would provide office space to keep DHHS services in the county and also to use the office space for outpatient services. This would be a shared arrangement.

He reports in Presque Isle County, the DHHS office has not had success in located office space yet. He noted this Agency had offered some shared space in the Rogers City office but the state indicated it was too costly as we would need to charge the cost of space according to what we pay.

He reports the lease for the Atlanta office might be on the consent agenda at the September meeting.

Triennial Rights Review

As indicated in the memo included in the Board packet, the triennial Recipient Rights Review will be conducted August 18-20. Board members on the Recipient Rights Committee may be contacted for input.

Union Negotiations

This topic was addressed under Budget development noting the negotiations continue.

Psychiatric Recruitment

Ed LaFramboise reports there is some movement on psychiatric recruitment. Dr. Arora, Lisa Anderson and Cathy Meske will be meeting with a potential candidate later this month. Mr. LaFramboise reports this individual is in the country on a J1 Visa and it is possible this person would be eligible for a waiver as Alpena County is underserved in psychiatry. He reports to apply for the J1 Waiver, legal counsel will be needed and the costs could be around \$15,000. The waiver would be good for three years and the individual must stay with the facility for the three-year period.

Ed LaFramboise also reported meeting with Dr. Hartzler, currently completing his residency in psychiatry. He currently is a D.O. The doctor does have family ties to Alpena.

2. Dewar Home

Ed LaFramboise reported the Dewar Home is one of our directly operated homes located in Alcona County. Currently there are four residents at that location. Mortality has created some vacancies. Recruitment for staff has been difficult. This home will be targeted for closure the end of September, mid-October. The lease was recently renewed and there is a break clause in the lease.

Ed LaFramboise reported management will be discussing, through negotiations, potential wage adjustments to assure our positions are not competing with other positions such as Meijer and Walmart.

The closure of this home will bring our directly operated homes to eight from the 21 home operation in the 1980s.

3. Endowment Fund Grant Awards

The Community Foundation Mental Health Fund routinely awards grants for individuals served by this Agency not having other means to fund. Ed LaFramboise reviewed the seven awards made during the past six months.

XII. Information and/or Comments from the Public

There was no other information presented.

XIII. Next Meeting

The next regularly scheduled meeting of Northeast Michigan Community Mental Health Authority Board will be held Thursday, September 10, 2015 at 3:00 p.m. in the Board Room at the Alpena Office.

1. Set September Agenda

The September agenda was reviewed. CARF ad hoc committee will be presenting recommendations to address issues identified to be compliant in Policy Governance CARF standards.

2. Evaluation of Meeting

Pat Przeslawski thought the meeting contained both good items and frightening items. All Board members were very attentive and all participated. She notes it is very important Board members prepare for the meeting. Roger Frye reported Ed LaFramboise does a good job of explaining the services and funding.

XIV. Adjournment

Moved by Judy Hutchins, supported by Pat Przeslawski, to adjourn the meeting. Motion carried. This meeting adjourned at 4:50 p.m.

[signed by Alan Fischer on 9/10/2015]
Alan Fischer, Secretary

[signed by Gary Nowak on 9/10/2015]
Gary Nowak, Chair

Diane Hayka
Recorder