

MINUTES OF THE BOARD

July 21, 2011

North Country Community Mental Health

Board Room

One MacDonald Drive

Petoskey, Michigan

BOARD MEMBERS PRESENT: Debra Kimball, Louis Scholl, Jane Dunaway,
Karla Sherman, Sue Allor, Paul Liss,
Sr. Augusta Stratz, Ed Ginop, Dan Plasencia,
Joel Evans, Bob Boyd

BOARD MEMBERS ABSENT: Brenda Ricksgers, Ann Smith

STAFF: Alexis Kaczynski, Christine Gebhard, Mary Marlatt,
Joan Booth

Ms. Dunaway called the meeting to order at 4:35 p.m.

ROLL CALL

Ms. Dunaway welcomed the Board members and staff to the meeting

PUBLIC COMMENT

There was no public comment.

CONSENT AGENDA

Financial Statement – Provider Operations - North Country CMH:

Balance on Hand, May 31, 2011	\$ 6,962,805.78
Receipts, Adjustments & Transfers, June	\$ 7,334,140.52
Total Disbursements & Adjustments, June	\$ 2,450,690.07
Increase in Cash Balance	\$ 3,883,450.45
Balance, June 30, 2011	\$10,846,256.23

*Approximately \$4,261,152 has been advanced from the State of Michigan and has been encumbered for outstanding bills.

Financial Statement – Managed Care Operations - North Country CMH:

Balance on Hand, June 30, 2011	\$5,750,707.12
Receipts, Adjustments & Transfers, June	\$6,422,426.50
Total Disbursements & Transfers, June	\$6,552,043.12
Decrease in Cash Balance	\$ 129,616.62
Balance, June, 30, 2011	\$5,621,090.50

*Included in the balance is the Medicaid Internal Service Fund balance of \$3,316,736.

**MOTION BY ED GINOP, SECOND BY SR. AUGUSTA STRATZ, TO APPROVE THE
CONSENT AGENDA. MOTION CARRIED.**

Information (I) Items from Committee Reports

Information items were included in the committee minutes.

Privileging Recommendations

There were no privileging recommendations this month.

COMMITTEE RECOMMENDATIONS – BOARD ACTION

Finance Committee

Mr. Plasencia reviewed the Statement of Cash on Deposit and Bills for North Country CMH.

MOTION BY DAN PLASENCIA TO APPROVE THE CASH ON DEPOSIT AND BILLS FOR NORTH COUNTRY CMH. MOTION CARRIED.

Mr. Plasencia reviewed Budget Amendment #2, FY 10-11.

MOTION BY DAN PLASENCIA TO APPROVE BUDGET AMENDMENT #2, FY 10-11. MOTION CARRIED.

Mr. Plasencia reviewed the Budgeting Policy word change.

MOTION BY DAN PLASENCIA TO APPROVE THE REVISED BUDGETING POLICY. MOTION CARRIED.

Mr. Plasencia reviewed the request to purchase two new vehicles to be used by the Infant Mental Health staff. One vehicle will be used in Charlevoix and one in Bellaire.

MOTION BY DAN PLASENCIA TO APPROVE THE PURCHASE OF TWO NEW FORD FUSIONS NOT TO EXCEED \$36,810.00. MOTION CARRIED.

Mr. Plasencia reported on the 236 Transfer which is a one-time transfer of GF funding to AuSable Valley CMH of \$200,000. Discussion ensued.

MOTION BY DAN PLASENCIA TO APPROVE THE 236 TRANSFER OF \$200,000 TO AUSABLE VALLEY CMH. MOTION CARRIED.

ACTION ITEMS – WITHOUT COMMITTEE REVIEW

There were no actions items this month.

PRESENTATION

Northern Affiliation Quality Assessment Performance Improvement Program

Mary Marlatt introduced herself and explained that her area is quality improvement and innovation management. She reviewed the satisfaction survey and indicated that this is completed once a year. The Access Center had 204 individuals contact them between March 28 and April 8, 2011. Individuals were contacted by phone and asked ten qualitative questions that she reviewed for the Board members. She then reviewed the three narrative comments. Ms. Marlatt provided a chart showing the results and there was one individual who was unhappy with the process and marked all ones. She explained what was done and why in the second survey and indicated the programs surveyed. There were some additional program specific questions added where appropriate. There was room for comments and the individuals are given a self-addressed envelope to return the survey. The surveys are done to receive customer input.

Ms. Marlatt reported that dignity and respect received the highest score and progress toward goals was the lowest score. She provided results by board. North Country CMH does very well on dignity and respect. The average satisfaction range is 3.37 – 3.73. A weakness is that consumers of mental health services tend to report higher than actual satisfaction. Comments are addressed. Results have been shared with each Board through the QOC. Results have also gone to the Operations Committee and the PICC. A simple one or two page summary of the results will be placed in waiting rooms and at other program sites.

Ms. Marlatt discussed evidenced based practices. The Northern Affiliation has implement treatment for co-occurring disorders and family psycho-education. An individual from Dartmouth College was brought in to offer training and 28 staff members were trained. Staff developed a work plan and all three CMHSP's agreed to have at least one group up and running by Sept. 30th. The second round of training is scheduled for later this fall.

Ms. Marlatt explained evidenced based supported employment. It is a model for individuals with mental illness not developmental disabilities. There was a kick off training and 125 staff attended the two one-day sessions. There were other training events and three staff attended Allen Anderson's four-day training. Technical assistance is being offered to all three boards and is tailored to each board's needs and is provided at each board's site.

OLD BUSINESS

Ms. Kaczynski reported that the agency has closed on the new building. She explained that she and Ms. Dunaway were at the Title Company yesterday but the closing could not be completed because of last minute wording changes by the bank. This was resolved and NCCMH closed on a 20 year loan with the bank and 10 year subordinate loans with two other parties. There is a design-build agreement in place to renovate and add to the building. There is a lease termination agreement in place with the remaining tenant and approval from the Architectural Control Committee of the condo association.

Ms. Kaczynski met with Reezie DeVet last week to inform the hospital that North Country CMH would not be able to vacate by the deadline given by the hospital. Ms. DeVet indicated that she would need to talk to Terry Bennett in Facilities & Maintenance to be sure that this will not be a problem. Ms. Kaczynski and Joan Booth were at the new building for four hours the other

afternoon taking inventory of available cabinetry and the builder plans to begin work on Monday.

She reported that a sticking point in the project was the remaining tenant who wanted to negotiate a lease amendment agreement that compensated him for releasing his rights to tenancy. The lease he held was for five years of which only three had been used. This situation restricted progress in the building project for a number of weeks while the building owner attempted to facilitate a relocation and requisite build out. Eventually, a cash settlement was negotiated that all parties participated in, including the owner, North Country CMH and the builder. This was accomplished through an increase in the purchase price of the building by \$40,000, from \$1,435,000 to \$1,475,000. This seemed a reasonable and permissible alternative, and the price of the building is still within market value.

Ms. Kaczynski reviewed this situation with Dan Plasencia and it was decided to proceed in this fashion. It was clear that the board had given authority to her to finalize this deal as long as the total contribution by North Country was under the authorized \$350,000 ceiling, which it was. Ms. Kaczynski referred to a bond resolution that the Board approved in June, the purpose of which was to establish the tax free nature of the financing. In the resolution, there are a number of “whereas” statements followed by the resolution statements that the board approved. One of the whereas statements references the purchase price, which was \$1,435,000 at that time. Ms. Kaczynski consulted with bond counsel to determine if the increase in the purchase price created the need for a revised bond resolution, and in his opinion it was not necessary. This was important, because a revised bond resolution would have required another special meeting of the board, which she wanted to avoid because of the inconvenience to board members. As it was not legally required, it was not pursued and the purchase price was revised. Ms. Kaczynski wanted to make it clear to the board, and have it entered into the record, that this purchase price was different than that named in the whereas statement in the bond resolution.

NEW BUSINESS

Ms. Kaczynski referred to the other two boards in the affiliation: Northeast Michigan Community Mental Health and AuSable Valley Community Mental Health. Tony White, Northeast Michigan CMH, will be retiring in a couple of years. Discussion has ensued about the potential for a merger with North Country CMH. She feels that Northeast Michigan CMH would be receptive to a merger. Ms. Kaczynski, Mr. Schneider and Mr. White met to discuss this proposal. She has talked to Mr. White about this and until the agency’s new office building is completed she could not take on this venture. As a result of the meeting, Ms. Kaczynski agreed to mention this to the Board for its consideration. There would be a proposed process for a decision of this magnitude. Northeast Michigan CMH is a four county agency and NCCMH is a six county agency and a merger would result in a 10 county board. There are no 10 county boards at this time. It would be a lot of territory. The elements of a merger like health care reform, the need to be a provider organization and the success of the previous merger would all be positives. On the negative side would be the potential for the economy of scale to be too large, necessitating intermediate layers of staff, etc. This is for information only at this time. Ms. Kaczynski would like to develop a process for looking at this. The pay levels and corporate cultures of both agencies are very similar. Northeast Michigan CMH has a friendly administration and a computer literate staff. It operates all residential services directly and has about 450 employees. North Country CMH contracts for residential services. Northeast Michigan CMH has a largely unionized staff and is financially solvent. There may not be a

benefit with this but she feels it should be explored and Mr. White will explore this on her time frame.

DIRECTOR'S REPORT/COMMUNICATIONS

Ms. Kaczynski reported that Mr. Schneider is attending Hill Day this year in Washington, D.C. She referred to his report and mentioned that the DCH site review had good results. There was a regional planning session attended by about 40 staff members from around the region. Robin Henderson from central Oregon presented, as well as Bob Sheehan, from Clinton-Eaton-Ingham CMH. A meeting was held with the federally qualified health centers in this region. The agency is trying to explore partnerships for sharing health services.

The agency closed a six bed residential home that had been at three beds for a while and there were no suitable referrals to fill the remaining beds.

AFFILIATION (MANAGED CARE OPERATIONS) REPORT

Ms. Kaczynski indicated there is no report today except the one mailed because Mr. Schneider was attending Hill Day.

LONG RANGE PLAN/QUALITY IMPROVEMENT UPDATES

Ms. Gebhard reported that the QI update this month is about three QI initiatives based on trend data and other feedback. The first addresses the number of days between the first assessment and psychiatric evaluation. She explained why this came about and that the Department of Community Health feels the agency has a wait list for psychiatric services but there is none. There are not a lot of psychiatrists in the area and the agency is going to look at this situation. The second initiative addresses the number of therapist cancellations and NCCMH's therapists cancel more than the state average. Regarding documentation timeliness (the third initiative) she explained that a lot of what the agency does is driven on data so that having data about client services entered into Avatar (the data system) is very important. As the agency moves to the electronic medical record that information will drive billing and the standard is within seven days. The agency will want to study why some staff members are not meeting the seven day requirement. She explained the benchmarking system. Ms. Gebhard explained that a big difference between Medicaid and Medicare is that the agency has a lot of quality measures that are not found in Medicare. She feels that this is a strong point in the agency's favor. She explained the composition of the QI Council and explained that it meets every other month.

MOTION BY ED GINOP, SECOND BY BOB BOYD, TO ADJOURN THE MEETING AT 5:55 P.M. MOTION CARRIED.

Jane Dunaway, Board Chair