

MINUTES OF THE BOARD

March 17, 2011

North Country Community Mental Health

Board Room

One MacDonald Drive

Petoskey, Michigan

BOARD MEMBERS PRESENT: Debra Kimball, Jane Dunaway, George Anthony, Sr. Augusta Stratz, Ann Smith, Ed Ginop, Dan Plasencia, Robert Boyd, Sue Allor, Louis Scholl, Joel Evans, Karla Sherman, Brenda Ricksgers

BOARD MEMBERS ABSENT: Paul Liss

STAFF: Alexis Kaczynski, Christine Gebhard, Donna Wheeler, Joan Booth

GUESTS: Trina Edwards, Dennis, Gartland and Niergarth
Dennis Priess, Northern Michigan Substance Abuse Services (NMSAS)

Ms. Dunaway called the meeting to order at 4:30 p.m.

ROLL CALL

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

PUBLIC COMMENT

There was no public comment.

CONSENT AGENDA

Financial Statement – Provider Operations - North Country CMH:

Balance on Hand, Jan. 31, 2011	\$6,243,752.25
Receipts, Adjustments & Transfers, Feb.	\$3,053,265.85
Total Disbursements & Adjustments, Feb.	\$3,092,445.14
Decrease in Cash Balance	\$ 38,179.29
Balance, Feb. 28, 2011	\$6,205,572.96

*Approximately \$3,878,106 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, Jan. 31, 2011	\$3,609,800.53
Receipts, Adjustments & Transfers, Feb.	\$7,974,040.91
Total Disbursements & Transfers, Feb.	\$6,489,371.75
Increase in Cash Balance	\$1,484,669.16
Balance, Feb. 28, 2011	\$5,094,469.69

Included in the balance is the Medicaid Internal Service Fund balance of \$2,664,375.

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 was one privileging recommendation this month.

COMMITTEE RECOMMENDATIONS – BOARD ACTION

Ms. Kaczynski gave a report on the new building. Dan Plasencia has been very involved and helpful in the process. Current plans for the Plaza Center site would involve the addition of approximately 4,000 sq. ft. on the west elevation. While only 15,000 square feet is rented from the hospital, the actual square footage must be much more, because 15,000 was not enough to house all staff at this site, when hallways, common areas and stairwells were taken into consideration. Ms. Kaczynski, Mr. Plasencia and staff have studied the pros and cons of both the Plaza Center building and new construction at M-119 Health Department location. The Plaza Center Building is in a good location and with the addition it will accommodate the agency's needs. It is recommended to pursue this building.

The second recommendation is about who will own the building. There are two choices: NCCMH or Emmet County. In the Emmet county scenario, the Northern Health Foundation would secure the financing and the building would revert to Emmet County at the end of the loan. The pros and cons were discussed. In both scenarios, North Country would still be obligated to the loan costs and ownership care of the building. However, if the building reverted to Emmet County, North Country would have no equity. The recommendation is that the agency buys the building for a \$2.6 million purchase price for the package including renovations and financing. In staff's examination, it has been determined that the annual occupancy cost of the new site would be almost equivalent to the agency's current occupancy cost at the Lockwood MacDonald Campus. Gerry Chase from Northwest Michigan Community Health Agency has worked with the agency in this regard and a question was asked about who Mr. Chase is. Ms. Kaczynski explained his experience and background. A question was asked about how the money used for this building affects the agency. She explained that the agency always tries to channel money toward services to clients but it is necessary to house staff as well. Maintenance costs are not included in the building cost. A question was asked, if mental health is privatized and the agency is out of business could it still be obligated to the loan. Ms. Kaczynski explained that if that happened the agency would become a provider and would still need a building. The architect who designed the building is who will be doing the renovations on the building. Mr. Plasencia explained the reasoning behind the decision to go with the Plaza Center Bldg. The cost at M-119 would not have been cheaper than the Plaza Center Bldg.

MOTION TO PROCEED WITH THE PURCHASE, RENOVATION AND EXPANSION OF THE PLAZA CENTER BUILDING WAS APPROVED ON A ROLL CALL VOTE: AYES 13 – LOUIS SCHOLL, JOEL EVANS, ED GINOP, SUE ALLOR, KARLA SHERMAN, JANE DUNAWAY, ANN SMITH, BRENDA RICKSGERS, ROBERT BOYD, DAN PLASENCIA, DEBRA KIMBALL, SR. AUGUSTA STRATZ AND GEORGE ANTHONY. NAYS NONE.

ACTION ITEMS – WITHOUT COMMITTEE REVIEW

The Breach Notification of Protected Health Information Policy was reviewed by Ms. Kaczynski.

MOTION BY DEBRA KIMBALL, SECOND BY LOUIS SCHOLL, TO APPROVE THE BREACH NOTIFICATION OF PROTECTED HEALTH INFORMATION POLICY. MOTION CARRIED.

PRESENTATIONS

FY 2010 Fiscal and Compliance Audit

Ms. Trina Edwards, with Dennis, Gartland and Niergarth, introduced herself and reviewed the Audit Report. She reviewed the financial results. Their opinion was very acceptable. They also do additional compliance procedures required by the Department of Community Health. She discussed the total assets and total liabilities and the net assets. Of the net assets some are invested in capital assets and she reviewed the unrestricted assets. \$1.7 million is left to fund day to day operations. She gave total revenues, total expenses and amount remaining. Debra Kimball asked about custodial credit risk and it was discussed and explained. She discussed the audit communications letter and as part of the audit they looked at the compliance with law and regulations. They need to do a separate compliance examination. They had no findings and they will only need to review the administrative cost report which is not due until March 31st. She talked about accounting policies and accounting estimates. There were no difficulties or audit adjustments. It was a good year and an efficient audit process. The compliance report is not due until June 30th and it will be completed after the administrative report is done. Ms. Dunaway thanked Ms. Wheeler and her staff as well as Christine Gebhard.

Substance Use Disorder Services

Dennis Priess introduced himself and offered a Power Point presentation. He discussed the strategic prevention framework developed by SAMHSA and gave the elements of the model. It is designed to prevent the onset and reduce the progression of substance abuse. He presented the logic model. The goal is prevention, misuse and illicit use of prescription drugs. Work began in FY08 and the project was implemented in FY09. It was initially in nine counties in the tip of the mitt and expanded to the 30-county region for FY11. He discussed why they prioritize prescription drugs and produced charts showing this. He reviewed the predictive trend line for opiate admissions. Opiate dependence is increasing greatly as well as has hospital admissions. They work with the drug enforcement teams and he provided anecdotal data from law enforcement, hospitals, DHS and others. Their objective was to reduce the number of unsecured

prescriptions as well as the supply of outdated and unnecessary medication. In the community they are trying to increase public awareness of risks and harm associated with misuse. They are trying to improve prescribing and dispensing practices of pharmacies.

There is a Task Force that works with a Steering Committee that is working with a community education workgroup, the medical community workgroup and a disposal work group. Environmental organizations have been a powerhouse on the task force. Dave Schneider is a part of this task force. Each work group has a charge. Some of the activities that have occurred are a media campaign, letters to the editor, website development, speakers bureau, social networking like Facebook and Twitter, reducing the supply of outdated and unnecessary medication in the community and public service announcements. They are also working on the safe and lawful disposal of controlled substances, improved prescribing and dispensing practices of scheduled pharmaceuticals, letters to prescribers as to what are best practices, enhancement of website tools for health care providers and training on prescription drug misuse in pain management. He explained dashboard indicators and that they are monitoring hospital admissions for opiate poisoning and he gave the percentage of change in admissions. They are trying to measure the impact on perceptions in the community. He discussed the Michigan Automated Prescription Drug System (MAPS). It is a way for the state to monitor the amount of controlled drugs that are actually dispensed. The Task Force worked with MDCH and he discussed the change in the number of prescriptions filled and units dispensed between 2008 and 2009. Some of the things they need to do are make changes in the DNRE regulations regarding disposal of controlled prescription drugs; work to create accessible disposal sites for controlled prescription drugs in each county; increase the use of the MAPS by pharmacists and prescribers and expand community and medical community education efforts. Discussion ensued.

Ms. Kaczynski thanked Mr. Priess for his presentation and then acknowledged his work and mentioned that he is retiring. She presented him with a plaque and a gift certificate in gratitude for his efforts over the years and that of his agency.

OLD BUSINESS

Bob Boyd attended the Policy Committee Meeting of MACMHB by phone on March 16th. Items discussed at this meeting were a report from the Guardianship Workgroup; a letter from a Livingston County CMH Board Member on Administration on Developmental Disabilities and envisioning the future; updates on performance monitoring efficiencies workgroup; Medicaid Rate-setting Workgroup; CFI follow-up Re: Technical Advisories vs. requirements and Clinical Directors Workgroup. There was also a follow up item on the TSG update.

NEW BUSINESS

Ms. Kaczynski reviewed the information from MACMHB indicating that they are considering moving to a different site for the fall Traverse City Meeting. Some members have expressed concern about the conference being held in a hotel that houses a casino. She asked the Board members their feelings about moving to the Soaring Eagle in Mt. Pleasant. Grand Traverse is very expensive compared to Mt. Pleasant. The majority of the Board members felt that they would not mind if the Association chose to move the fall conference to the Soaring Eagle in Mt. Pleasant. A straw vote was taken and three members were opposed and the rest had no reservations.

Ms. Kaczynski mentioned the death of Alice Mushlock's husband and the article that was included in the Board packet.

Mr. Boyd reported that the Consumers Council is starting back up again.

DIRECTOR'S REPORT/COMMUNICATIONS

Ms. Kaczynski referred to the report of the Legislation Committee of MACMHB and the information material on the claims tax. She reported that the Executive Budget includes a 3% cut in GF and a 1% claims tax. She explained the history of the QAAP tax and use tax. There will not need to be any layoffs with this budget if it goes through. There is a considerable amount of tension in the State capitol with groups picketing almost every day. Ms. Kaczynski reported that she is scheduled in Lansing next week for a Directors' meeting.

Ms. Dunaway appointed the Nominating Committee who will be meeting prior to the Board meeting in April: Ann Smith, Chair, Louis Scholl, Sue Allor, Karla Sherman, Sr. Augusta Stratz and Paul Liss.

AFFILIATION (MANAGED CARE OPERATIONS) REPORT

Ms. Kaczynski indicated that Mr. Schneider is on vacation this week and there will be no report.

LONG RANGE PLAN/QUALITY IMPROVEMENT UPDATES

Ms. Gebhard referred to the Quarterly Key Indicators Report in the packet. On the backside are the trend data. The overall number of consumers being seen is slightly decreasing. The community inpatient admissions trend line is going down. The first quarter always spikes up. The average length of stay has increased slightly. Emergency services were up in Charlevoix County. NCCMH is participating in a pilot project at the state for the Standards Committee on a revised needs assessment process. The work group has redesigned the process and five boards are piloting it and North Country CMH is one of those boards. In June they will report the findings and she will report them to the Board. She will not be here next month.

MOTION BY ED GINOP, SECOND BY DEBRA KIMBALL, TO ADJOURN THE MEETING AT 6:15 P.M. MOTION CARRIED.

Jane Dunaway, Board Chair