

MINUTES OF THE BOARD

March 18, 2010

North Country Community Mental Health

Board Room

One MacDonald Drive

Petoskey, Michigan

BOARD MEMBERS PRESENT: Debra Kimball, Jane Dunaway, George Anthony,
Paul Liss, Sr. Augusta Stratz, Ann Smith, Ed Ginop,
Dan Plasencia, Laura Stanek, Robert Boyd

BOARD MEMBERS ABSENT: Louis Scholl, Joel Evans, Karla Sherman, Alice Mushlock

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

GUESTS: Robert Thompson & Trina Edwards, Dennis, Gartland and
Niergarth

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

ROLL CALL

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

PUBLIC COMMENT

There was no public comment.

Ms. Kimball asked if anyone who went to the conference would like to comment. Sr. Augusta Stratz discussed the workshop she attended on recovery and reported on the presenter, Amy Long and her story. Mr. Ginop felt that it was an interesting conference and that there is controversy everywhere and not just here. Ms. Kimball talked about the suicide prevention workshop and found it to be very interesting. It helped her to understand why people reach that point in their lives.

CONSENT AGENDA

Financial Statement – Provider Operations - North Country CMH:

Balance on Hand, Jan. 31, 2010	\$4,661,991.15
Receipts, Adjustments & Transfers, Feb.	\$2,607,178.53
Total Disbursements & Adjustments, Feb.	\$2,633,612.55
Decrease in Cash Balance	\$ 26,434.02
Balance, Feb. 28, 2010	\$4,635,557.13

*Approximately \$2,307,791 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, 2010	\$ 456,663.63
Receipts, Adjustments & Transfers, Feb.	\$5,222,662.21
Total Disbursements& Transfers, Feb.	\$5,271,002.90
Decrease in Cash Balance	\$ 48,340.69
Balance, Feb. 28, 2010	\$ 408,322.94

Included in the balance is the Medicaid Internal Service Fund balance of \$327,596.

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 Financial Status Report-Spending Plan.

Mr. Plasencia reviewed the Affiliation Financial Update.

Mr. Plasencia reviewed the request for the purchase of copy machines for the Affiliation and the CSS-MI site. Ms. Wheeler indicated that the bids were only available for the Affiliation copier at this time and the other copier will be bid out next month. She indicated that she would like to examine the machines described in the three lowest bids and have the freedom to choose which one is best.

MOTION BY DAN PLASENCIA TO PURCHASE A COPIER FOR THE AFFILIATION AT A COST NOT TO EXCEED \$6,256. MOTION CARRIED.

Mr. Plasencia reviewed the information regarding leased and owned properties. This is being reviewed pursuant to the goal of anticipating major expenditures. Ms. Kaczynski will bring more information to a future meeting.

Mr. Plasencia reviewed the wall repair and door replacement for the Bay Springs Home. It was decided to use plywood reinforced with drywall.

MOTION BY DAN PLASENCIA TO ACCEPT THE LOWEST BID NOT TO EXCEED \$12,000.

ACTION ITEMS – WITHOUT COMMITTEE REVIEW

Ms. Kaczynski discussed a need to change agency personnel policies regarding the extension of health insurance. She read the new wording of the policy to allow for this and asked the Board to make this change

MOTION BY BOB BOYD, SECOND BY JANE DUNAWAY, TO ACCEPT THE CHANGE IN THE PERSONNEL POLICIES. MOTION CARRIED.

PRESENTATION

FY 2009 Fiscal and Compliance Audit

Ms. Trina Edwards and Mr. Robert Thompson, with Dennis, Gartland and Niergarth, introduced themselves and reviewed the Compliance Report. The opinion showed that everything was fairly presented and that the agency had a clean opinion. Ms. Edwards reviewed the provider fund and the affiliation fund. She gave the total assets and the amount of liabilities. She then reviewed the statement of revenues, changes and net assets. She discussed the compliance examination and there was one immaterial finding regarding one service provided that was not in the records. It was still in dictation and was actually cleared before the audit was over. She referred to the letter inside the regular audit and explained that they looked at compliance and internal controls as required by the state. They encountered no difficulties during the audit. There was a minor misstatement for advertising expenses. Overall the audit went very well. Records were very organized as was the audit process. The audits of the partner agencies went very smoothly also.

OLD BUSINESS

There was no old business.

NEW BUSINESS

Ms. Kimball indicated that a Nominating Committee needs to be appointed to meet prior to the Board Meeting in April. She nominated Jane Dunaway, Laura Stanek, Ed Ginop, George Anthony, Dan Plasencia and Karla Sherman.

Ms. Kaczynski referred to the report on the MACMHB Legislation Committee meeting and said that she serves on this committee. She felt that it would be beneficial to the Board members to be informed about pending legislation.

Mr. Boyd serves on the Policy Committee, and Ms. Kaczynski asked him if he had a report from that Committee. He reported that he had attended the Policy Committee meeting and they discussed the waiting lists at CMH for people who need services. He also referred to DCH monitoring system efficiencies and feels that more protocol is needed. Mike Head was in attendance at the meeting and Mr. Rich VandenHeuvel (co-chair of the Policy Committee) informed the group that Ms. Kaczynski did a good job of testifying at the hearing in Traverse City.

DIRECTOR'S REPORT/COMMUNICATIONS

Ms. Kaczynski referred to one of the documents distributed today and said that it is the Senate Budget proposal. She also referred to a copy of her testimony at the recent House Appropriations Sub-committee Hearing. This budget will go to a vote of the Senate next week. Ms. Kaczynski explained that both the Executive Budget and the proposed Senate budget assume that the enhanced FMAP will continue. This rate was set to end, but an extension is on its way to being approved at the national level. The Governor, in her budget, assumed revenue from several tax sources and the Senate is on a “no tax increase” platform, so they cut spending more. They called for a 20% reduction in CMH funding. They gave all physicians a Medicaid rate cut excluding some who served Medicaid clients. The funding formula was discussed and, while North Country received a modest cut in funding in FY 10, it is close to the mean level of GF funding and it is fair to assume that the formula may affect us differently in FY 11. Ms. Kaczynski reviewed some clauses in the Senate budget boilerplate. She reviewed how the agency gets its funding. She reported on a meeting where some boards were discussing not renewing their membership in the Association as a result of the funding cut formula and the strain at this time of financial duress. In Ms. Kaczynski's testimony she made a point of saying that, while the northern counties received a more modest reduction, the cut-based budget balancing strategy has the net effect of pitting CMH boards against one another for limited GF resources.

Ms. Kaczynski reported on the passing of Bill Fernandez who was the agency's Recipient Rights Officer for several years and served several counties. He died of a massive heart attack on Saturday, March 14th.

She referred to “May is Mental Health Month” and the brochure on the May 1st Walk/Run in Petoskey and invited everyone to this event.

AFFILIATION (MANAGED CARE OPERATIONS) REPORT

Mr. Schneider indicated that the 2009 rates have not been changed. The Affiliation has about \$2.5 million that is owed. It appears that many of the problems are caused by the newly implemented CHAMPS and Bridges software. He is watching cash flow closely. The “Medicaid non-pregnant childless adult waiver” was discussed and the changes were reviewed. There are a number of issues to be resolved and he reviewed them. Mr. Schneider and Ms. Kaczynski will be attending a quarterly PIHP meeting in Lansing next week and he will report on it next month.

LONG RANGE PLAN/QUALITY IMPROVEMENT UPDATES

Ms. Gebhard referred to the first quarter Key Indicators Report and indicated that in the total client census the agency is down almost 3% from last quarter, and she explained the reasons for this decrease. Hospital admissions are down about 2% but average length of stay went up 7.4%. Client satisfaction surveys have been sent out and she should have the results in May.

MOTION BY ED GINOP, SECOND BY JANE DUNAWAY, TO ADJOURN THE MEETING AT 6:05 P.M. MOTION CARRIED.