

**MINUTES OF THE BOARD**  
**October 21, 2010**  
**North Country Community Mental Health**  
**Board Room**  
**One MacDonald Drive**  
**Petoskey, Michigan**

**BOARD MEMBERS PRESENT:** Jane Dunaway, George Anthony, Alice Mushlock, Paul Liss, Louis Scholl, Ann Smith, Karla Sherman, Sr. Augusta Stratz, Ed Ginop, Dan Plasencia, Laura Stanek, Debra Kimball, Robert Boyd

**BOARD MEMBERS ABSENT:** Joel Evans

**STAFF:** Alexis Kaczynski, David Schneider, Joan Booth  
Christine Dillon Lennon

**GUESTS:** Bob Drebenstedt, Linda Oller

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, August 31, 2010	\$5,297,400.37
Receipts, Adjustments & Transfers, Sept.	\$3,117,969.81
Total Disbursements & Adjustments, Sept.	\$2,941,360.22
Increase in Cash Balance	\$ 176,609.59
Balance, Sept. 30, 2010	\$ 5,474,009.96

\*Approximately \$2,159,615 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, Aug. 31, 2010	\$3,042,978.37
Receipts, Adjustments & Transfers, Sept.	\$6,214,486.59
Total Disbursements & Transfers, Sept.	\$6,667,560.88
Decrease in Cash Balance	\$ 453,074.29
Balance, Sept. 30, 2010	\$2,589,904.08

\*Included in the balance is the Medicaid Internal Service Fund balance of \$641,321

**MOTION BY ALICE MUSHLOCK, SECOND BY KARLA SHERMAN, TO APPROVE THE CONSENT AGENDA. MOTION CARRIED.**

**Information (I) Items from Committee Reports**

There were no committee reports this month.

**Privileging Recommendations**

There was one privileging recommendation this month.

**COMMITTEE RECOMMENDATIONS – BOARD ACTION**

There were no committee meetings this month.

**ACTION ITEMS – WITHOUT COMMITTEE REVIEW**

Ms. Kaczynski discussed the need for an automatic (handicap) entry door for the Charlevoix office. The agency owns that building so this is an agency expense. Dan Plasencia shared a bid he had received from Skips Glass and Ms. Kaczynski indicated that she will approach them to give a bid on this project. It was decided to delay the decision until more bids could be sought.

**PRESENTATION**

**Gentle Teaching in Operation**

Ms. Christine Dillon Lennon introduced herself and distributed information. She is the Children's Behavioral Specialist Her job involves working with children with disabilities in one on one sessions in the homes as well as parent training and training with families. She specializes in Autism. She and two other staff are being trained in Gentle Teaching. This came about because of MDCH policy as described in the Application for Renewal and Recommitment. She explained what gentle teaching is and how her background helped prepare her for this position. Gentle teaching is based on the work of Dr. John McGee and the core principle of human interdependence. It views the caregiver role as critical and believes that establishing a deep sense of community and companionship with those served is the foundation for a meaningful life.

Ms. Lennon works with the caregivers on how to change their behaviors first. Behaviors are being viewed through the four pillars of gentle teaching, which are safe, loved, loving and engaged. The feeling of being safe vs. unsafe is the first step. The next step is feeling loved vs. unloved and she explained the behaviors that are displayed in these feelings. Next is loving vs. not loving and what can be done with caregivers and sharing kindness in small ways. Engagement is the next item and recognizes the person's boundaries, limits and needs while stretching their ability to engage with others. Using tools is the next step like the hands, words, eyes and presence and everyone possesses these tools. Next is defusing challenging interactions. Safety, security and dignity are the first considerations. Interactions to avoid are next. The last one is the slower you go the faster you get there. She gave several specific examples of gentle teaching including using this concept with her own children.

## **OLD BUSINESS**

Ms. Kaczynski referred to the three contracts the Board approved last month. The Medicaid contract had not yet been signed because of a provision that was unclear. Mike Head addressed that provision and suggested new language. That wording was acceptable and the Director did sign that contract. For the General Fund contract the letter was included in the Board packet.

Mr. Boyd reported on the Policy Committee that he attended on June 16<sup>th</sup>. He reviewed the minutes and indicated that the next meeting will be in November. He feels that this is a very busy and interesting committee.

## **NEW BUSINESS**

Ms. Kaczynski talked about the DCH budget beginning October 1<sup>st</sup>. The amount of the GF cut was \$5.4 million, of which \$3.8 million was a cut in CMH administrative services. The Medicaid actuarial increase of 3% built into the Governor's original budget was reduced to 1.4%. The budget boilerplate was discussed and Section 407 provided that CAs conduct a study on savings to be realized by a merger with a PHIP. Also it would create a requirement that CAs be incorporated into PIHPs effective April 1, 2011. Section 462 requires continued use of the funding formula used in FY10 to distribute GF cuts. It also directs DCH to convene a work group regarding the \$3.8 administrative funds reduction. Section 489 requires DCH to work with MACMHB to reduce the impact of GF reductions by seeking alternative funding sources. Section 492 permits the use of GF/GP money to fund those CMHSPs that provide mental health services to inmates of county jails. The CMH board will not be subject to audit exception if they fund services in the jails. It is not perfectly clear that there would be no audit exception if CMH funded jail services, but it is relatively safe. She feels that it is possible for CMH to continue to provide these services and makes this recommendation to the Board.

**MOTION BY PAUL LISS, SECOND BY SR. AUGUSTA STRATZ , FOR NCCMH TO PROVIDE MENTAL HEALTH SERVICES IN THE JAIL WITHOUT CHARGING THE JAILS. MOTION CARRIED.**

## **DIRECTOR'S REPORT/COMMUNICATIONS**

Ms. Kaczynski indicated that she was in a conference call regarding the budget cuts and the total cut distributed to North Country CMH is \$113,830 of this cut, \$79,055 should come from administrative services. She is concerned because they based the administration reductions on the 460 report, submitted in FY 09. Because DCH was trying to even the playing field, they described administration in a very broad manner. They said they would make no decisions based on that report and yet they did. There was a rebasing in Medicaid rates for FY 10 and NCCMH will receive increased Medicaid funding. Unfortunately, the current Medicaid federal match rate will not be there for FY12 and it is unknown if the current level of Medicaid funding can be sustained.

Ms. Kaczynski reported that David Schneider, Sr. Augusta Stratz and Bob Boyd attended the Association Fall Conference and there was a plenary meeting that she discussed and reviewed. Dale Jarvis presented on health care reform and he is an informative and thought-provoking presenter. There were workshops on recruiting peer support specialists, which can be difficult. There was a presentation by Jessica Hausler and Sandra Goodall on supportive parenting for

individuals with developmental disabilities. Ms. Kaczynski also attended a workshop on “Building and Sustaining Integrated Health Care in Your Community”.

Ms. Dunaway attended a meeting for CMH board chairpersons and there were a lot of political statements at that meeting. They talked about different methods of operating, like the “Carver Model” that uses the entire board as the committee-of-the-whole and does not use subcommittees, like Finance, etc. Some other CMH boards find this very successful. It is a governance model where the board sets “end statements” and the administrators accomplish these. This agency has always had a governance board with very productive committees. Also some of the Boards transfer their board packets electronically.

Sr. Augusta Stratz indicated that Roberts Rules of Order are being updated electronically.

Ms. Kaczynski reported on health insurance information for the agency. The agency offers four Blue Cross plans and the rates went up an average of 30%. The Blue Cross Blue Shield retention costs, i.e., their overhead, were the reason for most of this cost increase. The agency has always offered two free plans, one with Blue Cross and one with Priority Health. The BC/BS free plan probably will not be offered this year because of the huge increases. Mr. Liss talked about a PPO 15 plan that Otsego County is offering that contained their rate increase.

Ms. Kaczynski indicated that the agency provides flu shots for employees and family members if possible. She extended this to Board members and asked that they let Ms. Booth know if they wish to receive one.

Ms. Kaczynski discussed the provisions in the health care reform bill. She asked the Board members if they would like her to do a brief presentation on that bill and they indicated that they would like her to present on this next month.

## **AFFILIATION (MANAGED CARE OPERATIONS) REPORT**

Mr. Schneider indicated that the Medicaid rates have been received and they have been increased 1.4% Statewide in the rebasing. They used a new formula with more emphasis on morbidity and he explained why this was done and reviewed FY10 and FY11. Statewide, the highest increase was 4.4% and the greatest loss was 4.8%. When the rate change was compared it was a 3.4% increase. He explained how this was applied to the population. At some point the population dropped and the rates were redone in August. Trending the population data is very difficult and he thinks there will be an increase. A decrease is still expected in FY12 in Medicaid. He does not have the FY10 final numbers yet.

He discussed the PIHP quarterly meetings. There was one in September and they discussed some of the implications of the CMS (Centers for Medicare and Medicaid Services) review. The waiver renewal was only for one year with a number of conditions. The HAB waiver has been renewed. The Feds are pushing the states about how they are monitoring PIHPs which means that the PIHP will have to place more emphasis on monitoring its affiliates. They are more closely examining vulnerable populations and are adding proxy measures for developmentally disabled that will identify people most vulnerable to abuse, neglect, etc. Part of this monitoring includes a requirement that the PIHP send consumers an “Explanation of Benefits” (EOB) that describes the services that have been provided to them.

**LONG RANGE PLAN/QUALITY IMPROVEMENT UPDATES**

Ms. Kaczynski indicated that Ms. Gebhard was not here but her report was included in the Board mailing and it reviewed the claims verification audit and access timeliness.

She also referred to the agency newsletter that was included in the mailing.

**MOTION BY SR. AUGUSTA STRATZ, SECOND BY BOB BOYD, TO ADJOURN THE MEETING AT 6:05 P.M. MOTION CARRIED.**

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Jane Dunaway, Board Chair