

**MINUTES OF THE BOARD**  
**March 21, 2019**  
**North Country Community Mental Health**  
**1420 Plaza Drive Petoskey**

**BOARD MEMBERS PRESENT:** Ed Ginop, Sr. Augusta Stratz, Ron Iseler, Karla Sherman, David White, Christian Marcus, Caroline Loper, Patty Cox, Michael Newman, Paul Liss, Robert Draves, Robert Boyd, Ed Ginop

**BOARD MEMBERS ABSENT:** Louis Scholl, Dennis Priess

**STAFF:** Christine Gebhard, Brian Babbitt, Scott Shearer, Stacey Chipman, Amy Christie, Joe Balberde, Lorraine Manary

**GUESTS:** Trina Edwards, Partner with Dennis, Gartland & Niergarth

Mr. Ginop called the meeting to order at 4:00 p.m.

**ROLL CALL**

Mr. Ginop welcomed the Board members, staff and guests to the meeting.

**PUBLIC COMMENT**

There was no public comment.

**CONSENT AGENDA**

Mr. Ginop pointed out an error in the February 2019 meeting minutes, requesting his name be removed following the finance report and add Karla Sherman.

**Motion by Robert Boyd, support by Sr. Augusta Stratz, to accept the consent agenda with the meeting minutes corrected as requested. MOTION CARRIED.**

**COMMITTEE RECOMMENDATIONS – BOARD ACTION**

The Finance Committee met today at 3:00 PM. Mr. Marcus gave the following report:

Statement of Cash on Deposit and Bills through February 28, 2019

Balance on hand Jan. 31, 2019	\$3,801,292.71
Receipts through Feb. 28, 2019	\$1,613,953.39
Expenditures through Feb. 28, 2019	\$4,326,212.25
Ending Balance as of Feb. 28, 2019	\$3,801,292.71
Increase (decrease) of	(\$2,711,911.23)

Mr. Marcus reviewed the Interim Financial Statement's through January 31, 2019. Medicaid is over expended by \$359,943; HMP is under expended by \$248,598; GF is over expended by \$164,759.

**Mr. Ginop asked members if there are any questions about the report. Hearing none, Mr. Ginop directed that the report be placed on file for audit.**

Christian Marcus presented a Donated Funds Agreement between North Country CMH and Michigan Dept. of Health & Human Services (MDHHS) to secure a full time MDHHS assistance worker at the 800 Livingston NCCMH office. The agreement runs from April 1 through September 30, 2019. When asked Ms. Gebhard indicated that GF funds saved will be greater than those spent.

**Motion by Christian Marcus, to enter into a 6-month agreement for \$30,950, as recommended by Committee. MOTION CARRIED.**

Mr. Marcus also reported that Ms. Trina Edwards reviewed the 2018 Financial and Compliance Audit Reports with the Finance committee prior to the board meeting.

**ACTION ITEM(S) WITHOUT COMMITTEE REVIEW:**

There were no action items without review.

**PRESENTATION – Trina Edwards, Partner with Dennis, Gartland & Niergarth**

Ms. Edwards gave an overview of both the FY 2018 Financial and Compliance Audits. She pointed board members to the Management's Discussion and Analysis; North Country CMH is presented with an unqualified opinion, meaning the financial records provided by NCCMH are free of any mis-representations. She mentioned that this is the highest level of assurance they can provide.

Ms. Edwards then proceeded to review the revenue and expenditures and pointed out the net position at year end. Ms. Edwards noted that liquid reserves have fallen below 30 days in unrestricted fund balance, which is the target for this fund. She suggested the agency work to build it to that level.

The cash settlement in compliance audit was reported correctly. No difficulties or audit adjustments. There were no disagreements with management and no issues with performing the audit. Ms. Edwards pointed out some changes in the coming year regarding new footnote requirements that will phase in over the next three years.

There were no questions asked of Ms. Edwards by the board. Mr. Ginop thanked her for the presentation. Mr. Shearer and the finance department staff were complimented for their work.

## **CHIEF EXECUTIVE OFFICER'S REPORT/COMMUNICATIONS**

Ms. Gebhard referred to a few items from her written report: March 1 meeting with Rep. Sue Allor to discuss local match drawdown in boilerplate language (Section 928). On March 8 Ms. Gebhard and three other NCCMH staff visited Centra Wellness to learn their strategies for reducing residential costs. We are exploring service providers willing to open new placement settings to bring clients residing outside of our catchment back to this service area. There is a need for more therapeutic placements.

## **CORRESPONDENCE, ARTICLES, AND INFORMATIONAL ITEMS**

Ms. Gebhard shared several items, bringing the board's attention to the document from the National Association of Counties calling for the removal of the Medicaid exemption for persons who are incarcerated prior to adjudication. Ms. Gebhard also pointed out the proposed budget from the NMRE, the Federal match has changed, dropping by a small percentage having a big effect on our state budget. Advocacy efforts are continuing and strong. Christine is meeting with state senators and representatives on April 10. It was noted that Sue Allor was on the NCCMH board at one point and is supportive of our efforts.

Citizens research document was mentioned as a good historic document explaining general funds funding of CMH's as we entered the Managed Care.

## **QUALITY IMPROVEMENT UPDATE**

North Country met 13 of 14 performance indicators for access timeliness in the first quarter FY19. NCCMH reports data for all funding sources to MDHHS quarterly, ninety days following the end of the quarter. Ms. Gebhard noted the improvement this quarter and congratulated the teams in the field for accomplishing this.

Data for Medicaid recipients are reported through the Northern Michigan Regional Entity (NMRE). Clinical Supervisors monitor these data monthly, as provided by the CQO. When performance is below target for two consecutive quarters, a plan for corrective action is developed and sent to the NMRE. NCCMH completed a corrective action plan to the NMRE, focused on the standardization of scheduling for all populations (MI and I/DD) post intake assessment.

Lean Leader (Yellow Belt) trainees and their core teams have begun to analyze and measure stages of their projects. They are learning a lot about process system work.

## **NORTHERN MICHIGAN REGIONAL ENTITY**

The minutes of the January 23 NMRE Board meeting were distributed with the board packet. The NMRE board has decided they will share the NMRE minutes in draft form. The draft February minutes were given to board members at the meeting. Ms. Sherman mentioned the focus on addiction processes and alignment, which is in great need due to a rise in numbers. She also noted that the new Governor is in tune with what is happening, and the state is looking at more collaborations.

## **OLD BUSINESS**

Chief Executive Officer Evaluation – Ms. Cox indicated that evaluations were received and are being compiled. A personnel committee meeting is scheduled for April 3, 2019 at 3pm in the NCCMH boardroom where the evaluation will be presented to Ms. Gebhard.

## **NEW BUSINESS**

Request for Funds – Ms. Gebhard is meeting with county administrators and sheriffs to request an additional \$70,000 to support jail services. We are required to provide emergency services and to support jail diversion. We had a dedicated Jail Liaison prior to 2014, but when GF funds were cut, the position was lost. This impacted the quality of services, so in 2016 we applied for two years of block grant funding to bring the position back. Christine offered to share the comments she's prepared for the counties and will be sending it out electronically.

Advance Notices – Ms. Gebhard informed the board that, due to overspending in GF, some uninsured individuals receiving Advance Notice of Termination of services. The majority of these folks have very high Medicaid spenddowns that will be reviewed by the DHHS worker when she's on board.

Nominating Committee – Mr. Ginop appointed Louis Scholl, Dennis Priess, Michael Newman, Sr. Augusta Stratz, Karla Sherman, and Ron Iseler to the nominating committee and charged them with the task of developing a slate of officers for the coming year. The committee will present its slate at the April board meeting.

Ed Ginop has agreed to continue as an NMRE Board Member for another term; his current term ends in April.

## **ADJOURNMENT**

**There being no further business to come before the board, the meeting is adjourned by Board Chair, Ed Ginop.**

  
Edward Ginop, Board Chair