



NORTH COUNTRY

COMMUNITY MENTAL HEALTH

MINUTES OF THE BOARD

September 28, 2023 2:30 PM

1420 Plaza Drive, Petoskey, Board Room

BOARD MEMBERS ATTENDING:

Ed Ginop, Michael Newman, Jarris Rubingh, Ron Iseler, Karla Sherman, Dana Wingo, David White, Robert Boyd

MEMBERS ATTENDING VIRTUALLY: Gary Knapp, Edward Belitz (joined at 2:32 pm)

BOARD MEMBERS ABSENT: Annemarie Conway, Caroline Loper

STAFF: Brian Babbitt (Virtual) Nancy Rhue, Tim Stapp Jr., Amy Christie, Kim Rappleyea (virtual)

GUESTS:

Mr. Ginop called the meeting to order at 2:28 PM

ROLL CALL

Mr. Ginop welcomed Board members and staff to the meeting. There is a quorum present.

ACKNOWLEDGEMENT OF CONFLICT OF INTEREST: No board members expressed a conflict with any agenda item.

PUBLIC COMMENT: Bob Wiley is an Emmet County resident he states that he is new to politics and would like to get to know as much as he can. He is worried about the continued increase of government but understands that it is a very complicated chess board. He appreciates meetings that are open to the public to attend.

Mark Rybicki states that his head was swimming from the budget numbers.

CONSENT AGENDA

The consent agenda includes the agenda overview, minutes of the previous meeting, privileging recommendations and contracts signed in the past month. Items requiring approval will be placed on the meeting agenda.

MOTION BY DAVID WHITE TO APPROVE THE CONSENT AGENDA; SUPPORT BY KARLA SHERMAN.

MOTION CARRIES

COMMITTEE RECOMMENDATIONS – BOARD ACTION*

Program Committee Report: Mr. Iseler shared the Minutes of the August 24 meeting where the 2023 NMRE Customer Survey Results were discussed.

Executive Committee Report: Mr. Ginop reviewed the minutes of the August 31 and September 21 meetings, a time sensitive proposal for flooring at New Horizons Clubhouse was brought forward and approved by the committee on August 31, and a time sensitive proposal for an employee reinvestment payment was brought forward and approved by the committee on September 21.

Finance Committee Report: Mr. White reviewed the Statement of Cash on Deposit and Disbursements through August 31, 2023; Interim Financial Statements as of July 31, 2023 Revenue and Expense by Fund Source; Trending Revenue and Expenses as of July 31, 2023 and NMRE Funding Source Report, Preliminary FY24 budget, FY 24 General Funds Contract, Employee Reinvestment Proposal, and proposed Addis Road Settlement.

MOTION BY KARLA SHERMAN TO APPROVE SIGNING THE FY24 GENERAL FUNDS CONTRACT; SUPPORT BY DAVID WHITE;

ROLL CALL VOTE:

YAY: RON ISELER, DANA WINGO, MICHAEL NEWMAN, DAVID WHITE, JARRIS RUBINGH, ROBERT BOYD, KARLA SHERMAN, ED GINOP

NAY: NONE

NOT VOTING: GARY KNAPP, ED BELITZ

ABSENT: ANNEMARIE CONWAY, CAROLINE LOPER

MOTION BY DAVE WHITE TO APPROVE THE PROPOSED ADDIS ROAD SETTLEMENT IN THE AMOUNT OF \$25,000.00 (TWENTY-FIVE THOUSAND DOLLARS); SUPPORT BY KARLA SHERMAN:

ROLL CALL VOTE:

YAY: DAVID WHITE, DANA WINGO, JARRIS RUBINGH, RON ISELER, MICHAEL NEWMAN, ROBERT BOYD, KARLA SHERMAN, EDWARD GINOP

NAY: NONE

NOT VOTING: GARY KNAPP, ED BELITZ

ABSENT: ANNEMARIE CONWAY, CAROLINE LOPER

Mr. Ginop requested the financial reports be placed on file for audit.

PRESENTATIONS – Mr. Babbitt presented the preliminary FY24 budget. Budget assumptions include Medicaid/Autism and Healthy Michigan to remain at the same rate that we are currently receiving from the NMRE. NCCMH's allocation of the budget stabilization is \$4,095,691 and is

not allocated in the FY24 budget to spend. There is no budgeted lapse back to the state for FY24, no General Fund increase, an 85 cent Direct Care worker increase incorporated into the PM/PM. With the PHE Unwind risk, NCCMH's plan is to be fiscally conservative as we see how funding comes in. The projected operating revenue for FY24 is \$62,052,818. The budget includes a 3% vacancy rate and assumes a 3% growth in salary and benefit expense. Total operating expenses are projected to be \$61,783,072. NCCMH's net position is expected to increase by \$82,276.

MOTION BY ROBERT BOYD TO APPROVE THE PRELIMIARY FY24 BUDGET; SUPPORT BY DANA WINGO:

ROLL CALL VOTE:

YAY: RON ISELER, DANA WINGO, MICHAEL NEWMAN, DAVID WHITE, JARRIS RUBINGH, ROBERT BOYD, KARLA SHERMAN, EDWARD GINOP

NAY: NONE

NOT VOTING: GARY KNAPP, ED BELITZ

ABSENT: ANNEMARIE CONWAY, CAROLINE LOPER

MOTION CARRIED

ACTION ITEMS WITHOUT COMMITTEE REVIEW: None

CHIEF EXECUTIVE OFFICER'S REPORT/COMMUNICATIONS

Mr. Babbitt referred to several items in his report. He met with Rick Skendzel regarding the Cross Street building in Gaylord on August 22nd. On September 6th he attended an online compliance auditing and monitoring conference. He attended both the Charlevoix County Stepping-Up Specialty Court and Emmet County Jail Diversion Meetings. On September 15th he attended the CMHAM Finance meeting in Lansing. September 18th. He spent a day in the field with the Petoskey Outpatient office. This was the day that the Petoskey Outpatient office did their LEAN A3 training. He stated that he learned that the impacts of Covid-19 and the agency's pivot to tele-health, continued use of tele-health technology, and its unique impacts have not been fully resolved. On September 19th he was a panelist for the National Organization of State Offices of Rural Health. He states that it is important for policy to be viewed through the unique lens of rural care before it is enacted. He brought the board's attention to a letter to Detroit Wayne Integrated Health Network (DWIHN) responding in agreement to their request for a General Funds (GF) 236 transfer. Mr. Babbitt also drew attention to a communication from the CMHAM regarding the implementation of an electronic Visit Verification system. The CMHA is taking an in-depth approach to this, and it will likely be a pre-authorization vendor. If there is a glitch in the system, it can create gaps in services. Mr. Babbitt then drew the board's attention to a communication that outlines the foundational components of Michigan's public mental health system which gives a great overview of what CMHSPs and PIHPs are and what they do. He then referred to an article from Crain's Detroit Business regarding the PHE unwind and that more than 80,000 consumers have already been dropped from the Michigan Medicaid Roll. He

explained that we are seeing some of our clients be dropped from Medicaid and that several are losing Medicaid because their financial situations have changed since the last time they had to recertify. He stated that our staff are working with clients to make sure that those who still qualify will remain active on the Medicaid rolls.

QUALITY IMPROVEMENT UPDATE – No report this month

NORTHERN MICHIGAN REGIONAL ENTITY

Draft minutes of the August Board of Directors Meeting, August Operations Committee Minutes, and financials through July 31, 2023 were shared.

OLD BUSINESS – Mr. Babbitt gave an update on the Kalkaska office draft land lease for the proposed new build. We expect to have it within the next week and Ms. Rappleyea has legal lined up on our side to look at the document. Mr. Babbitt mentioned that KMHC has been more than generous with us using the current building we are in for the cost of utilities each month. Keeping on the current timeline would place us in the new building this time next year, groundbreaking is expected in the spring. The Antrim County Building has had its façade removed; the Bellaire office says it is still working well for staff. The Gaylord Cross Street building original architect was located and supplied us with a full set of drawings, the architect from KMHC did a walk through with Mr. Babbitt and building it out to suit is a viable option. Mr. Babbitt was forthcoming with the KMHC architect that if that was the direction the agency would take, the build would be bid out.

NEW BUSINESS – Mr. Babbitt discussed the CMHAM fall conference that is October 23 -24 in Traverse City. The brochure for the conference was included in the packet. He encouraged any board member who would like to attend to contact Ms. Rhue for registration and any accommodation needs.

Mr. Babbitt referred to a document handed out ahead of the meeting that he and Ms. Rhue worked on that addressed several questions that were asked surrounding board composition, quorum, and meeting location. After close study of the Michigan Mental Health Code, Administrative Rules, and consulting other CMHSPs, the bylaws could be amended to define a quorum as $\frac{1}{2} + 1$ of appointed seats. That would make a quorum 7 with our 2 current vacancies. It is believed that this would be an appropriate and beneficial change to the bylaws. It was agreed upon that at the next meeting tracked changes in the bylaws would be made addressing the proposed new quorum language and changing the meeting location to Petoskey every month. Ms. Wingo asked a question about the county commissioners having alternates appointed and asked why alternates are appointed if they do not count toward a quorum and cannot vote if the appointed commissioner to the board cannot be at the meeting. Ms. Rhue explained that it is neither the NCCMH board of directors nor the bylaws that dictate the commissioners appointing alternates, that is done at a county level by the county commissioners. She also explained that Robert's Rules of Order only provides for alternates in a convention, NCCMH's bylaws do not have a provision for alternate board members and as such they cannot be counted toward the quorum or be able to vote. Mr. Rubingh suggested that along with the proposed amendments to the bylaws surrounding the quorum and meeting location that we could add a line stating that county appointed alternates could be counted toward the quorum and allowed to vote. Mr. Ginop and Ms. Sherman both expressed the view that more research needed to be done before that was proposed and voted on to make sure an amendment like that would be compliant with the mental health code and administrative rules that NCCMH is governed by.

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BOARD & STAFF COMMENTS – Mr. Rubingh inquired about the progress made on Sweep Accounts. This is still in process as Ms. Friend and the account manager at Chase Bank are working out what funds would be best to turn to sweep accounts.

Ms. Rhue thanked the board members for coming today.

ADJOURNMENT

The meeting was adjourned at 3:48 PM by Board Chair Ed Ginop.


Ed Ginop, Board Chair