

Northeast Michigan Community Mental Health Authority Board

Board Meeting

February 13, 2020

I. Call to Order

Chair Eric Lawson called the meeting to order in the Board Room at 3:00 p.m.

II. Seating of Board member – Robert Adrian, Alpena County.

III. Roll Call and Determination of a Quorum

Present: Robert Adrian, Les Buza, Bonnie Cornelius, Roger Frye, Judy Jones, Albert LaFleche, Terry Larson, Eric Lawson, Gary Nowak, Gary Wnuk

Absent: Steve Dean (excused), Pat Przeslawski (excused)

Staff & Guests: Lisa Anderson, Dennis Bannon, Carolyn Bruning, LeeAnn Bushey, Connie Cadarette, Julie Hasse, Lynne Fredlund, Margie Hale-Manley, Ruth Hewett, Nena Sork, Jen Whyte

IV. Pledge of Allegiance

Attendees recited the Pledge of Allegiance as a group.

V. Appointment of Evaluator

Eric Lawson appointed Terry Larson as evaluator for this meeting.

VI. Acknowledgement of Conflict of Interest

Board members had no conflicts to acknowledge.

VII. Information and/or Comments from the Public/ Board Member Communication

There was no information or comments presented.

VIII. Approval of Minutes

Moved by Gary Nowak, supported by Albert LaFleche, to approve the minutes of the January 9, 2020 meeting as presented. Motion carried.

IX. Educational Session – New Website Preview

Nena Sork provided Board members with history as to why there is a need to provide a more interactive, ADA compliant website. She reports one main feature will be the ability to apply for positions and submit an employment application on line. The new website will allow job openings to be more fully advertised in hopes of enhancing recruitment. Dennis Bannon guided Board members through the website noting the website project is still under development. Lisa Anderson provided Board members with the potential involved in creating this method for filling positions.

X. February Monitoring Reports

1. Treatment of Individuals Served 01-002

Board member received the monitoring report and Eric Lawson noted there would need to be an alternate appointed to replace Steve Dean on the Recipient Rights Committee. Diane Hayka noted this is not a requirement of the Mental Health Code but the alternate fills in when one Board member cannot attend. Gary Nowak suggested the Board continue with the

alternate. This appointment will be made in April during committee appointments in the organizational meeting of the Board.

Ruth Hewett reported the number of substantiations have remained low even though the number of complaints have increased.

2. Staff Treatment 01-003

The Board received the turnover report for calendar year 2019. Eric Lawson noted there were many retirements during the last year. Nena Sork noted there were 106 individuals hired over this period as well. Most of the department's vacancies are filled. She reported retirements continue there will be another retirement later this month.

Judy Jones questioned the turnover in Cambridge. Lisa Anderson noted the home supervisor changed and this sometimes attributes to other turnover.

3. Budgeting 01-004

Nena Sork noted the reports included in the packet and reviewed at Monday's Management Team meeting would be having revisions due to a needed correction. Connie Cadarette reported she has been working with our consultant hired to assist this Agency in the transition to automation of state reporting. During the transition process, it was determined there was a misinterpretation of the data that led to errors in reporting of our revenues and financials for the FY19. This misinterpretation affect the amounts reported for Medicaid and General Funds. These numbers will be corrected and next month the final numbers from last year will be presented. Once last fiscal year is finalized, the first quarter of this fiscal year will be corrected and Board members will receive new statements for this period as well. Nena Sork reported the outcome of this correction most likely will make the year-end in a deficit.

Nena Sork informed the Board that we will be reviewing other years, at least back to FY17, to assure the previous year's reports have been correctly reported. Connie Cadarette noted she is working closely with Richard Carpenter of the Rehmann Group and other CFOs at other Boards. The everyday accounting has a clean audit it is just the reporting of the funding under which the revenues are reported. It is hopeful the reporting misinterpretation began on May 1, 2017 when this agency transitioned to PCE and was not a continued past practice.

4. Financial Condition 01-005

The Financial Condition monitoring report would also be affected by the adjustments as noted above. Connie Cadarette noted the days of operation with unrestricted funds would also be less after the potential fix.

Gary Wnuk questioned if other community mental health providers would have the same misinterpretation. Nena Sork noted she has contacted Eric Kurtz to notify him. From the CFOs contacted, it appears this was a misinterpretation of our previous CFO and would not affect other community mental health providers.

5. Asset Protection 01-007

This monitoring report is traditionally in line with the audit presentation, which should be presented at the March Board meeting.

Moved by Albert LaFleche, supported by Gary Nowak, to accept the February monitoring report as presented. Motion carried.

Gary Wnuk questioned if the monitoring report related to budgeting and financial condition should be included due to the revisions. Eric Lawson noted the reported was provided and should be included. When the revision is provided at a future meeting, it will be addressed.

XI. Board Policy Review and Self Evaluation

1. Asset Protection 01-007

The revision of this policy includes changing CEO to Executive Director.

2. Board Committee Principles 02-005

Proposed revision of this policy includes changing Chief Executive to Executive Director.

3. Delegation to the Executive Director 03-002

The revision of this policy includes changing CEO to Executive Director.

Moved by Lester Buza, supported by Gary Wnuk, to revise policies 01-007 Asset Protection, 02-005 Board Committee Principles and 03-002 Delegation to the Executive Director as presented. Motion carried.

XII. Linkage Reports

1. CMHAM (Community Mental Health Association of Michigan)

a. CMH PAC

Nena Sork noted the annual drive for the CMH PAC is underway. She reports the Association is a leader in organizing efforts to lobby for the community mental health programs. She encourages continued participation. Eric Lawson suggested consideration of the equivalent one 'per diem' to the CMH PAC be considered. The final collection of contributions will be at the May meeting. To be eligible for the Tiger Box Suite tickets, all contributions must be in by June. Checks should be made out to CMH PAC and given to Diane Hayka to send it as a group.

2. Northern Michigan Regional Entity (NMRE)

a. Board Meeting January 22, 2020

Roger Frye noted the Board had a lot of discussion about the liquor tax allocations. Many of the counties do not request to utilize the funds. Terry Larson reported in this region Catholic Human Services requests for funds. Terry Larson noted one of the last requests was for monitors in the bathrooms to curb vaping in the school restrooms. Gary Nowak suggested the PA2 Fund balances be sent to the commissioners. Bob Adrian questioned if the Health Department would be eligible to use funds. Roger Frye and Terry Larson, representatives on the SUD Advisory Board, noted the funds can only be awarded to organizations certified to provide addiction services.

It was noted in the December meeting there were several approvals for the PA2 funds. Discussion ensued related to the portion of the liquor tax the county gets.

Gary Nowak is a current representative of the NMRE with a term expiring the end of March. Eric Lawson appointed Gary Nowak to another three-year term.

b. Board Meeting December 11, 2019

The printed minutes for this meeting was included in the materials mailed.

3. Consumer Advisory Council

Lester Buza reported the Council met on Monday, February 10. Laura Gray, the current chair of the Council, announced her retirement from the Council. Lester Buza noted there was discussion related to the autism services currently offered.

He also noted there is a forum scheduled in Grayling at Kirtland Community College on February 21 from 2:00 – 4:00 p.m. related to the proposed redesign of the statewide community mental health system.

Moved by Gary Nowak, supported by Albert LaFleche, to send letters to the county to address the reform of the mental health program, signed by Eric Lawson. Nena Sork noted the Association has developed talking points and this information would be forwarded to commissioners. Motion carried.

XIII. Operational Report

Nena Sork reported Mary Crittenden is on maternity leave after giving birth to twin boys, Charlie and Kent. Nena reviewed the Operational Report for month ending January 31, 2020. She noted the report identifies the number of individuals receiving services by county.

Mr. Adrian questioned if there was potential of closing the inpatient psych unit at MidMichigan Regional Health Center. Nena Sork reported the hospital gets a higher reimbursement for the services it provides due the regional status. Should the psych unit close, the regional status would be lost.

XIV. Chair's Report

1. Executive Committee Report

a. Director's Evaluation / Amended Contract

Eric Lawson reported the Director's Evaluation was conducted which included a discussion on the contract amendment. Bonnie Cornelius noted six months have really gone by fast. ***Moved by Roger Frye, supported by Gary Nowak, to amend the Director's contract increasing the salary by \$4,446.00 as recommended by the Executive Committee.*** Roll call vote: Ayes: Robert Adrian, Les Buza, Bonnie Cornelius, Roger Frye, Judy Jones, Albert LaFleche, Terry Larson, Eric Lawson, Gary Nowak, Gary Wnuk; Nays: None; Absent: Steve Dean, Pat Przeslawski. Motion carried.

XV. Director's Report

1. Director's Report

Nena Sork reported she met with the Children's Advocacy Center a week after the last meeting and they are working on the forensic center for children of abuse. She also attended the Alcona HSCC meeting with Carolyn Bruning. She attended the CMHAM Members' Services committee as Vice Chair and is attending the Finance and Contract Negotiation committee after that meeting. She attended the Director's Forum and the new Director's roundtable. The primary focus was related to the plan MDHHS has to restructure the community mental health system. Nena Sork also participated in a conference call meeting with PCE and reported PCE has an audit module, which can check various items. Investigation will continue as to the value of using this module.

Nena Sork reported one of the meetings she attended identified that juvenile offenders with sexual conduct issues are being sent to treatment and the costs to the counties are high for residential treatment. They are working toward a grant for Alpena and Montmorency counties to assist with creating options within the county versus sending to the costly residential treatment facilities outside the region. She notes it appears Alpena and Montmorency Courts and Prosecutors offices, Alcona Health and DHHS may be the agencies to take the lead in this. Bob Adrian noted the end result is the costs come back to the local taxpayers.

Nena Sork reported she met with Community Partners to work on a Health Endowment Fund Grant.

Centria is a contract provider, which we have used to deliver services in the Agency's autism program. We informed Centria we would pay them what we receive minus the Agency's administrative cost. She reported the current contract expired December 31, 2019 and Centria is unwilling to sign the contract with the current rates. Centria did not sign last year's contract until the very end of the FY due to the same reasons. She reported 12 kids are served by this contractual arrangement and can be transferred to other contract providers for services. The cancellation will provide a 90-day transition period.

Moved by Gary Wnuk, supported by Gary Nowak to authorize the cancellation of the Centria contract as presented. Roll call vote: Ayes: Robert Adrian, Les Buza, Bonnie Cornelius, Roger Frye, Judy Jones, Albert LaFleche, Terry Larson, Eric Lawson, Gary Nowak, Gary Wnuk; Nays: None; Absent: Steve Dean, Pat Przeslawski. Motion carried.

Clubhouse property was sold to another group. The Agency has a lease in place with BMLB and we have verbal agreement to continue the lease with the new owner, TW Investments LC. The lease transfer will be effective March 1, 2020. ***Moved by Albert LaFleche, supported by Gary Wnuk, to approve lease transfer from BMLB to TW Investments LC.*** Roll call vote: Ayes: Robert Adrian, Les Buza, Bonnie Cornelius, Roger Frye, Judy Jones, Albert LaFleche, Terry Larson, Eric Lawson, Gary Nowak, Gary Wnuk; Nays: None; Absent: Steve Dean, Pat Przeslawski. ***Motion carried.***

Our initial year of contractual arrangement with Touchstone included a cost settlement at the end of the fiscal year. The Agency was aware the first year (start up) would be somewhat more expensive, but by building the clubhouse program future costs should be more cost effective. The FY 19 Touchstone contract settlement amounts to \$28,922.

Move by Terry Larson, supported by Bonnie Cornelius, to authorize the cost settlement for Touchstone of \$28,922. Roll call vote: Robert Adrian, Les Buza, Bonnie Cornelius, Roger Frye, Judy Jones, Albert LaFleche, Terry Larson, Eric Lawson, Gary Nowak, Gary Wnuk; Nays: None; Absent: Steve Dean, Pat Przeslawski. Motion carried.

NEMROC's contract was also a work in progress last year due to implementing a different funding arrangement for services provided. In May, an amendment was made to the contract to provide a cash advance, which was still within the constraints of the initial contract, and then to conduct a cost settlement at fiscal year-end. NEMROC provided the Agency with an Invoice for the additional funds needed for the cost settlement along with their audit report, which supported the charge. This was paid in last fiscal year's financial period. During the audit, it was noted this should have been presented for Board approval. ***Moved by Gary Nowak, supported by Albert LaFleche, to approve the cost settlement NEMROC contracts for FY19 in \$27,891.95 as presented.***

Robert Adrian noted he would have a conflict of interest on this item as his wife is employed at NEMROC. ***Moved by Gary Wnuk, supported by Gary Nowak, to allow Robert Adrian to abstain from voting on this contract close out.*** Motion carried.

Roll call vote to approve NEMROC contract settlement of \$27,891.95: Ayes: Les Buza, Bonnie Cornelius, Roger Frye, Judy Jones, Albert LaFleche, Terry Larson, Eric Lawson, Gary Nowak, Gary Wnuk; Nays: None; Abstain: Robert Adrian; Absent: Steve Dean, Pat Przeslawski. Motion carried.

Nena Sork provided the Board with information on the quality improvement opportunity identified to address the need to have shower facilities and a changing station for individuals receiving services. This building had a bathroom used for storage and a project was initiated to convert this space for use to meet the need. She noted the original cost of the project was proposed to be under \$5,000, which did not require specific board approval; however, plumbing issues caused the project to overrun by about \$1,400. In-house staff performed the majority of the work. ***Moved by Gary Wnuk, supported by Roger Frye to approve expenses associated with bathroom renovation.*** Roll call vote: Ayes: Robert Adrian, Les Buza, Bonnie Cornelius, Roger Frye, Judy Jones, Albert LaFleche, Terry Larson, Eric Lawson, Gary Nowak, Gary Wnuk; Nays: None; Absent: Steve Dean, Pat Przeslawski. Motion carried.

2. Endowment Fund Update

The endowment fund grant awards for the past six months were reported.

XVI. Information and/or Comments from the Public

There were no comments presented.

XVII. Information and/or Comments from the Board for the Good of the Organization

Roger Frye reported the Tootsie Roll drive by the Knights of Columbus in Montmorency County generated a check in the amount of \$498.72 to the Bay View Center

Eric Lawson requested board consideration be made during meetings to eliminate sidebar conversations during the meeting.

XVIII. Next Meeting

The next regularly scheduled meeting of Northeast Michigan Community Mental Health Authority Board will be held Thursday, March 12, 2020 at 3:00 p.m.

1. Set March Agenda

The March agenda items were reviewed.

XIX. Evaluation of Meeting

Terry Larson reported the meeting was a good meeting and answered "Yes" to all the review form questions.

XX. Adjournment

Moved by Gary Wnuk, supported by Albert LaFleche, to adjourn the meeting. Motion carried. This meeting adjourned at 4:48 p.m.

[signed by Bonnie Cornelius on 03/12/2020]
Bonnie Cornelius, Secretary

[signed by Eric Lawson on 03/12/2020]
Eric Lawson, Chair

Diane Hayka
Recorder