

**Northeast Michigan Community Mental Health Authority Board
December 9, 2021**

I. Call to Order

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

II. Roll Call and Determination of a Quorum

Present: Robert Adrian, Geyer Balog, Bonnie Cornelius, Roger Frye, Lynnette Grzeskowiak, Judy Jones, Terry Larson, Eric Lawson, Gary Nowak, Pat Przeslawski

Absent: Les Buza (excused), Terry Small (excused)

Staff & Guests: Lisa Anderson, Carolyn Bruning, Lee Ann Bushey, Connie Cadarette, Mary Crittenden, Rebekah Duhaime, Erin Fletcher, Lynne Fredlund, Ruth Hewett, Larry Patterson, Nena Sork, Jen Whyte

III. Pledge of Allegiance

Attendees recited the Pledge of Allegiance as a group.

IV. Appointment of Evaluator

Pat Przeslawski was appointed as evaluator for this meeting.

V. Acknowledgement of Conflict of Interest

There was no conflict of interest declared.

VI. Information and/or Comments from the Public

There were no comments presented.

VII. Educational Session – Compliance Update

Jen Whyte reviewed the Compliance requirements of the Agency. She reported there are seven elements required for compliance – 1) Code of Conduct Standards, Policies and Procedures; 2) Compliance Program Administration; 3) Training, Screening and Evaluation; 4) Developing Effective Lines of Communication; 5) Monitoring, Auditing and Internal Reporting; 6) Discipline and 7) Investigations, Documentation Process and Corrective Action Plans. She reviewed each of the elements with Board members. She reviewed the responsibilities of Board members related to compliance. She reports education and training are very important.

Service documentation requirements per the Medicaid provider manual were reviewed. She reported the Agency still has some paper documents and it is very important staff write legibly. Documentation requires various elements to be incorporated into the individual's record.

Jen Whyte reviewed the compliance reporting requirements with the Board. Reporting includes analysis of paid claims; audits performed; overpayments collected; identification and investigation of fraud, waste and abuse; corrective action plans implemented; provider disenrollment and contract terminations.

Jen reports the Medicaid Verification Audit was conducted by the NMRE and for the first 3 quarters our score overall was 97%.

VIII. Approval of Minutes

Moved by Gary Nowak, supported by Geyer Balog, to approve the minutes of the October 14, 2021 meeting as presented. Motion carried.

IX. Consent Agenda

A. Merit Service Agreement

B. Mill Creek Lease Agreement

Moved by Roger Frye, supported by Gary Nowak, to approve the Consent Agenda as presented. Roll call vote: Ayes: Robert Adrian, Geyer Balog, Bonnie Cornelius, Roger Frye, Lynnette Grzeskowiak, Judy Jones, Terry Larson, Eric Lawson, Gary Nowak, Pat Przeslawski; Nays: None; Absent: Les Buza, Terry Small. Motion carried.

X. FY 21-22 Budget Amendment #1

Connie Cadarette reported initially the Board approved a continuation budget and this amendment will incorporate the revenues based on information from the NMRE. She notes the revenues are projected at \$36,372,756. Connie reviewed the FTE portion of the budget amendment. She reviewed many of the changes required with the implementation of the new cost allocation methods. She noted the increase in FTEs does not mean that the positions are all filled. It is the hopes and dreams of having a full staff as needs were identified.

Larry Patterson reviewed the various increases made to the expense portion of the budget. He noted there are many line items being removed due to the cost allocation changes as well. Expenses for these line items will be incorporated in other various lines. He reported computer equipment increased. The depreciation expenses increased due to the various purchases and building improvements made during the last fiscal year.

Bob Adrian inquired about the Social Security Opt Out. The Agency contributes the same amount into a 401 account. Connie Cadarette noted some of the dollars also buys a long-term disability policy as the employees do not qualify for social security disability.

Moved by Gary Nowak, supported by Judy Jones, to approve FY 22 Budget Amendment #1 as presented. Roll call vote: Ayes: Robert Adrian, Geyer Balog, Bonnie Cornelius, Roger Frye, Lynnette Grzeskowiak, Judy Jones, Terry Larson, Eric Lawson, Gary Nowak, Pat Przeslawski; Nays: None; Absent: Les Buza, Terry Small. Motion carried.

XI. November/December Monitoring Report

1. Treatment of Individuals Served 01-002

Ruth Hewett reviewed the reports with Board members noting this report is consistent with previous reports. The annual report is included in the materials and is a draft as it is due to the state by month end. The results of the Recipient Rights audit is also included in the meeting materials.

Ruth Hewett reported on the Annual Report the Rights Committee has a portion to identify if there are any recommendations to the Board and the Committee noted there were no recommendations.

2. Budgeting 01-004

Connie Cadarette reviewed the Statement of Revenue and Expense for month ending September 30, 2021 noting it is a preliminary close or soft close. She reported we did get someone in accounts payable and got the Agency caught up so the dollar amount going back to the NMRE has significantly been reduced. She noted there will be dollars sent back to the state and most is due to the state not requiring spend-downs to be paid.

Larry Patterson reviewed the variances in the expense line items noting contract residential expenses are overspent. Capital equipment overspending is due to the extra purchases made in the last fiscal year. He notes there may still be some additional capital expenses this year as the supply chain issues impacted delivery and some items had not arrived prior to the end of the fiscal year.

3. Financial Condition 01-005

Connie Cadarette noted this report is a preliminary Statement of Net Position for month ending September 2021. She reported the Agency had a position net income of \$296,534. There are 46 days of cash on hand. Should there be no income coming in, the Agency could operate for this amount of time. Gary Nowak questioned how this Agency would shut down should the funding

stop. Nena Sork reported the programs not mandated would be the first to close. Gary Nowak stressed the importance of all to contact their legislative representatives to voice their opposition to the Bills 597 & 598 currently being considered in Lansing.

4. Grants or Contracts 01-011

Board members reviewed the monitoring report related to Grants and Contracts. Morgan Hale was not available at the meeting to provide further explanation. This report is an annual report and compares to last year's monitoring report.

5. Ends 04-001

This report addresses the Ends the Board established for fiscal year 2021. The sub-ends were reviewed.

Sub-end #1: Children with serious emotional disturbances served by Northeast will realize significant improvement in their conditions.

- A. Increase the number of children receiving home-based services, reducing the number of children receiving targeted case management services. Current percentage in each program is 33% in home-based services and 67% in targeted case management. Goal is to reach 80% in home-based services.

Status: The data related to this sub-end reflects the staff shortages experienced by the agency in the Children's Services program. The percentage was increased from the 33% to 64% by fiscal year end even with staff shortages. Nena Sork reported we would be conducting a face-to-face interview for an individual next week to fill the Children's Services Supervisor position. A telephone interview held this week with the individual was promising.

Sub-end #2: Individuals needing independent living supports will live in the least restrictive environment.

- A. Development of one additional contract residential provider within our catchment area to increase capacity for persons requiring residential placement.

Status: The Agency continues to promote development of residential facilities within the catchment area; however, due to the COVID pandemic and staff shortages we were unable to develop any new residential facilities during the 2020-2021 fiscal year. The Agency worked with Premier Care to develop a facility previously operated by Changes AFC; however, this effort fell through, in part, due to staffing needs.

- B. Development of additional supported independent services for two individuals currently living in licensed Foster Care.

Status: This part of the sub-end was met fully.

The remaining sub-ends were all met related to the Behavioral Health Home, Financial Outcomes and Community Education.

Moved by Lynnette Grzeskowiak, supported by Gary Nowak, to accept the November/December Monitoring Reports as presented. Motion carried.

XII. Board Policies Review & Self-Evaluation

1. Treatment of Individuals Served 01-002

There were no revisions or comments provided.

2. Staff Treatment 01-003

There were no revisions or recommendations for revisions.

3. Grants or Contracts 01-011

Eric Lawson reported this policy includes some language to address the need to authorize the director to execute EGrAMS through the State of Michigan with notification to the Board as the requests are made with narrow turnaround times.

Moved by Roger Frye, supported by Pat Przeslawski, to approve proposed revisions to Policy 01-011 as presented. Motion carried.

4. Board Member Recognition 02-011

Eric Lawson noted this policy was recently revised to address awards for 20+ years Board members. Board members had no recommended revisions for this policy.

5. Board Member Orientation 02-015

Board members reviewed this policy. Geyer Balog reported he felt he was oriented very well. There are many elements to the policy. Eric Lawson noted he believes multiple board members have enough knowledge in Board Governance to train new board members when the need arises.

XIII. Linkage Reports

1. Community Mental Health Association of Michigan (CMHAM)

a. Fall Board Conference Update

Bonnie Cornelius reported the fall conference was very good. Roger Frye reported there was a lot of material covered. Diane Hayka reported the budgeting for BoardWorks was very informative by Carol Mills. Lynnette Gzreskowiak reported she felt the first full day was very educational. Nena Sork noted there were some staff attending and this was very good. It is hoped more can do so in the future.

2. Northern Michigan Regional Entity (NMRE)

a. Board Meeting November 24, 2021, October 27, 2021 and September 22, 2021

Gary Nowak again stressed the importance of Board members and staff voicing concern about the Bills 597 and 598 passing. Gary Nowak and Roger Frye noted the NMRE is in good financial shape. Bob Adrian reported several counties have submitted resolutions to the Governor to oppose the bills.

Roger Frye reported the SUD Board spent a lot of the liquor tax dollars. Bob Adrian reported there is also opioid dollars coming to the counties due to the award from the recent lawsuit.

The minutes from the October 27th and September 22nd meeting were included with the materials mailed for this meeting.

3. Advisory Council Update

The minutes from the Advisory Council were distributed at this meeting.

XIV. Operations report

Mary Crittenden reviewed the data from the October and November reports, noting the month of October there were 57 routine requests for services, one emergent, one urgent, 58 crisis and 60 prescreens. November had 63 routine requests for services, 1 emergent, one urgent, 44 crisis and 63 prescreens.

Pat Przeslawski requested clarification on the number of totals for the month, year and average monthly. The total of individuals receiving services for October was 1,054 and the total for November was 1,027.

Nena Sork reported the number of services provided are great considering the staff shortage.

XV. Nomination / Board Member Composition Committee Report

Gary Nowak noted the committee met. Letters were sent to the He reported officer positions for next year were discussed. Their recommendation will be to keep the officers as they are at this time. This will result in not having to meet again in the spring.

XVI. Chair's Report

1. By-Law Review

Eric Lawson noted last year there was some revisions made to the by-laws last year. Pat Przeslawski noted last year's revision was thorough. Board members felt there was no need for further revisions.

Eric Lawson inquired about the duties of the chair indicating the chair "shall be an ex officio member of all committees" suggesting it should be changed to "may be an ex officio member of all committees" with exception of the Nomination / Board Member Composition Committee.

The Open Meetings Act (OMA) restricts action of Board members when they are participating in the meeting remotely. Board members suggested revising this section to be in concert with the Open Meetings Act mandates.

A revised by-law document to address the above concerns will be presented at the January meeting in a strike and underline format.

XVII. Director's Report

1. Director Update

Nena Sork reviewed the meetings she attended since the last meeting. She noted the NMRE Board members will get financials from the five members' boards and she is very proud of how Northeast finished.

Nena Sork reported leadership training has been provided to managers by Jackie Krawczak. The Agency will continue to focus on providing additional training to staff this fiscal year. She reported the Agency will continue to review the average salaries and will be making adjustments to assure our staff are average and comparable to the other similar agencies in the area.

She informed the Board of a change in the Agency's flexible medical provider. Currently the Agency has an agreement with Flex Administrators to provide COBRA services; BASIC provides the flexible medical benefit. Basic has changed their system processes making them a less attractive provider. She reports the services BASIC provides can also be provided by Flex Administrators. She reports Flex is less expensive per enrollee. She reports BASIC software is not very user friendly. The change BASIC imposed was to get refunds back on their card versus a check or direct deposit. She reported the Agency's benefits employee does not have access to the BASIC system any longer. It was decided to transfer the flexible medical benefit to Flex Administrators beginning January 1. This was not a new contract as we already have an agreement with the provider; it will just roll this benefit to Flex Administrator and remove it from BASIC. Nena Sork reported she did discuss this with the Board Chair prior to making this decision. Gary Nowak suggested the power of decisions such as this be incorporated into the by-laws as well as the other recommendations made earlier.

2. QI Council Update

The minutes for the October 18, 2021 meeting were included in the mailed materials for this meeting. There were no concerns or questions from Board members.

XVIII. Information and/or Comments from the Public

Geyer Balog reported he will be running for state representative for the districts this Agency currently covers.

XIX. Information and/or Comments for the Good of the Board

Eric Lawson reports the CMHA Weekly Update will no longer be mailed with Board materials. The updates are posted on the CMHAM website weekly. For members requesting hard copies of the updates, Diane will make hard copies to have at the Board meeting for members. Roger Frye and Gary Nowak requested hard copies be available for them at the meeting.

Gary Nowak wished all a Merry Christmas.

Nena Sork announced Lee Ann Bushey will be retiring before the January meeting with 42 years of service. Board members voiced their congratulations and best wishes, noting she will be sorely missed.

XX. Next Meeting

The next regularly scheduled meeting of Northeast Michigan Community Mental Health Authority Board will be held Thursday, January 13, 2022 at 3:00 p.m.

1. Set January Agenda

The January agenda items were reviewed.

XXI. Evaluation of Meeting

Pat Przeslawski reported the meeting started on time. Pat Przeslawski reported the compliance report was good. It made Board members aware of all their responsibilities and the reporting requirements related to compliance.

XXII. Adjournment

Moved by Pat Przeslawski, supported by Gary Nowak, to adjourn the meeting. Motion carried. This meeting adjourned at 4:25 p.m.

[signed by Bonnie Cornelius January 13, 2022]

Bonnie Cornelius, Secretary

[signed by Eric Lawson January 13, 2022]

Eric Lawson, Chair

Diane Hayka
Recorder