

Northeast Michigan Community Mental Health Authority (NeMCMHA)
Board Meeting – May 8, 2024

I. Call to Order

Chair Eric Lawson called the meeting to order in the Board Room at 3:01 p.m.

II. Roll Call and Determination of a Quorum

Present: Les Buza, Bob Adrian, Bonnie Cornelius, Lynnette Grzeskowiak (3:08 p.m.), Charlotte Helman, Judy Jones, Dana Labar, Eric Lawson, Kara Bauer LeMonds, Gary Nowak, Lloyd Peltier, Terry Small

Staff & Guests: Carolyn Bruning, Connie Cadarette, Mary Crittenden, Vicky DeRoven, John Galarza, Ruth Hewett, Kingsli Kraft, Eric Kurtz, Nena Sork, Brenda Stanton

III. Pledge of Allegiance

Attendees recited the Pledge of Allegiance as a group.

IV. Appointment of Evaluator

Les Buza was appointed as evaluator of the meeting.

V. Acknowledgement of Conflict of Interest

No conflicts of interest were acknowledged.

VI. Information and/or Comments from the Public

There were no comments from the public.

VII. Approval of Minutes

Moved by Gary Nowak, supported by Terry Small, to approve the minutes of the April 11, 2024 Board meeting, as presented. Motion carried.

VIII. Audit Report: Financial and Compliance

Chelsea Meeder from Straley, Lamp & Kraenzlein PC presented the FY 22-23 Financial and Compliance Audits. Though an audit is a high level of attestation, there is never a 100% guarantee of no material error. She was pleased to report there were no difficulties with management during the audit process, and they have issued an unmodified opinion. Overall assets increased by \$1.3 million and noncurrent assets and capital assets also increased. Liabilities increased by \$750,000 due to current and noncurrent liabilities. Revenue and expenses increased by \$2.6 million. The Current Ratio is a liquidity ratio which measures the ability to pay short-term obligations. Anything above one shows an ability to pay. The Agency's Current Ratio for 2023 was 1.64, meaning all current liabilities could be paid 1.6 times. The number of days of expenses in unrestricted net position was 29 for 2023. Chelsea was pleased to report they also issued an unmodified opinion over compliance, and that both audits were very clean.

IX. Environmental Scan – Eric Kurtz

Eric Kurtz, CEO of the Northern Michigan Regional Entity (NMRE), began by reviewing the basics of the NMRE. The NMRE was created in 2014 and is a prepaid inpatient health plan (PIHP) comprised of five CMHSPs covering 21 counties. It receives funding (primarily Medicaid) from the State and disperses those funds to the five CMHSPs. Their Medicaid funding, including SUD funds, totals around \$220 million. The NMRE is in sound fiscal condition and has a fully funded risk corridor.

The NMRE was the first region in the State to be awarded Behavioral Health Home (BHH) under the State Plan Amendment for Medicaid. Potential BHH enrollees are those with co-occurring mental and physical health conditions, which accounts for about 10% of the region. Opioid Health Home (OHH) began in 2019

and has 9,534 potential enrollees and 910 active enrollees. Alcohol Health Home (AHH) began in December 2022 and remains under the SUD Block Grant. MDHHS will be implementing SUD Health Home in FY 2025 for individuals with alcohol or stimulant diagnoses. The health homes are required by law to include children, and they are also a way to include the mild and moderate populations.

Looking ahead, Medicaid redeterminations should flatten out in July, though they will probably continue for the remainder of the year. Funding for the CMHSPs is based on the total number of Medicaid enrollees. About 500,000 enrollees have been lost in the Healthy MI program alone. Medicaid spenddowns are also being reinstated and those are a large cost to General Funds.

Conflict Free Access and Planning (CFAP) has a large ability to affect the individuals served by the CMHSPs. It comes from a federal requirement the State is interpreting as a structural organization separation. It would require individuals to go to one provider to get an assessment, then go elsewhere for case management and other services. This would separate the functions that a CMH can provide under one roof and would create competition for an already limited pool of providers.

Electronic Visit Verification (EVV) is a federal requirement from the CARES Act of 2020. This requires the states to have systems to electronically verify when staff are with individuals in independent settings. It is meant to be protection against fraud, waste, and abuse. Instead of keeping the scope to personal care, the State decided to include CLS and respite. This would mean families having to prove they are providing respite services in their own home. It is supposed to take effect in October, but MDHHS keeps cancelling meetings.

Some regional and environmental goals for FY24 include continuing and advancing regional marketing and advocacy efforts regarding rural initiatives, leaning heavily on rural partners to direct policy initiatives, maintaining 100% performance on MDHHS performance incentives, integrating care for children's services, and expanding crisis services on a regional basis.

Eric Kurtz left meeting at 4:13 p.m.

X. May Monitoring Reports

1. Budgeting 01-004

Connie reviewed the Statement of Expense and Change in Net Position as of March 31, 2024, with 50% of the year elapsed. Medicaid funds were underspent \$809,974 and Healthy MI funds were overspent by \$77,584, for a total underspent amount of \$732,390. General Funds are overspent \$234,709. Line items with negative variances are being monitored and any necessary budget adjustments will be made in June.

2. Treatment of Individuals Served 01-002

Ruth reported the Recipient Rights quarterly and semi-annual reports were reviewed at their meeting. The State modified the report format and created a working document that summarizes the information on one page. The percentage of allegations substantiated is a new data point and 63% of complaints were substantiated. For a complaint to be substantiated there must be a preponderance of evidence, meaning it was more likely that it happened than it didn't happen.

Moved by Gary Nowak, supported by Terry Small, to approve the May Monitoring Reports. Motion carried.

XI. Board Policy Review and Self-Evaluation

1. Board Job Description 02-003

Terry and Les Buza agreed that the Board is following the policy. Dana Labar suggested "multipurpose collaborative bodies" have their name updated to the currently used Human Services Community Collaboratives (HSCCs).

Moved by Bonnie Cornelius, supported by Lynnette Grzeskowiak, to approve the revision to the Board Job Description Policy. Motion carried.

2. Board Core Values 02-014

Les thinks the Board is following the guiding principles. There was a consensus that the Board likes the policy and follows it.

XII. Linkage Reports

1. NMRE Board Meeting – April 24

Dana and Gary reported that discussion of SUD fund utilization is ongoing. The application process has been streamlined to make it less intimidating.

XIII. Operations Report

Mary reported on operations for the month of April. There were 46 routine requests to initiate services. There were 50 crisis contacts and 60 prescreens, 22 of which were admitted to private hospitals. Employment services served 49 individuals in I/DD and 43 in MI. There are currently 91 individuals open to Light of Hope Clubhouse. Overall, 1,119 individuals were served in April. The operations report will be modified to show the breakdown of children/adults for private hospital admissions.

XIV. Board Chair's Report

1. Strategic Planning – Next Steps

Eric Kurtz's Environmental Scan is the first part of Strategic Planning. The next part will be a review of the Ends Monitoring Report and the current Strategic Plan with the Consumer Advisory Council.

2. CMHA 2024 Annual Summer Conference – June 10 – 12

Those attending the summer conference will be Judy Jones, Bonnie Cornelius, Lloyd Peltier, Dana Labar, and Gary Nowak.

3. Selection of Voting Delegates

Judy and Bonnie will be voting delegates for the Monday meeting.

XV. Executive Director's Report

Nena reported she met with all the NMRE and CMHA committees she is a part of during the last month. The Agency had an NMRE site visit/audit, and the exit interview went very well. The group home residents and staff had a Cinco de Mayo party at St. Paul Lutheran Church in Alpena. The homes crafted handmade pinatas and had a contest for the most popular. Nena commended all the staff who work together to make these events happen.

After a thorough assessment of the HR department by Rehmann, there were some major changes at the organization this week. Nena terminated the HR Manager's employment with the Agency. Rehmann will be managing the HR department, both on-site and virtually, and will be working on updating processes with current staff. Prior to today's Board meeting, Nena met with the Executive Committee to provide them with further details. If any Board members have questions, they can reach out to the Executive Committee or Nena. Eric thinks it will be a good development for the Agency. Rehmann will be building and utilizing an applicant tracking system to streamline the hiring process. The cost of the system is \$9,000. Nena received Eric's approval to begin moving forward with the system, but asked for an official Board motion, as well.

Moved by Gary Nowak, supported by Terry Small, to approve the purchase of the HR applicant tracking system. Roll Call: Ayes: Bob Adrian, Les Buza, Bonnie Cornelius, Lynnette Grzeskowiak, Charlotte Helman,

Judy Jones, Dana Labar, Eric Lawson, Kara Bauer LeMonds, Gary Nowak, Lloyd Peltier, Terry Small; Nays: None; Absent: None. Abstain: None. Motion carried.

Nena reported that she has been shocked by the level of support she has received from staff regarding recent decisions that have been made for the good of the organization. Eric has been impressed with Nena’s willingness to tackle difficult problems head on. Terry thanked her for making the hard decisions.

XVI. Information and/or Comments from the Public

None were presented.

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

None were presented.

XVIII. Next Meeting

The next meeting of the NeMCMHA Board is scheduled for Thursday, June 13 at 3:00 p.m. This meeting will include the Consumer Advisory Council.

1. June Agenda Items

The proposed June agenda items were reviewed.

XIX. Meeting Evaluation

Les reported the Board reacted very well to all items that were discussed. Eric Kurtz’s presentation was very good. He felt the meeting accomplished a lot and that the reports were very good.

XX. Adjournment

Moved by Charlotte Helman, supported by Lynnette Grzeskowiak, to adjourn the meeting. Motion carried. This meeting adjourned at 4:53 p.m.

[signed by Bonnie Cornelius June 13, 2024]
Bonnie Cornelius, Secretary

Rebekah Duhaime
Recorder

[signed by Eric Lawson July 11, 2024]
Eric Lawson, Chair