

# Northeast Michigan Community Mental Health Authority Board

## Board Meeting

March 8, 2018

### I. Call to Order

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

### II. Roll Call and Determination of a Quorum

Present: Lester Buza, Steve Dean, Alan Fischer, Roger Frye, Judy Jones, Albert LaFleche, Terry Larson, Eric Lawson, Gary Nowak, Pat Przeslawski

[Lester Buza, Terry and Gary via Tandberg videolink from Rogers City Office]

Absent: Judy Hutchins (excused), Bonnie Cornelius

Staff & Guests: Dennis Bannon, Carolyn Bruning via Tandberg videolink from Rogers City Office, Lee Ann Bushey, Connie Cadarette, Lynne Fredlund, Ruth Hewett, Cheryl Jaworowski, Jim Kraenzlein, Cathy Meske, Larry Patterson, Doreen Thomas, Kathy Piontkowski, Nena Sork, Brenda Stanton

### III. Pledge of Allegiance

Attendees recited the Pledge of Allegiance as a group.

### IV. Appointment of Evaluator

Gary Nowak appointed Roger Frye as evaluator for this meeting.

### V. Information and/or Comments from the Public

Steve Dean thanked all for the nice sympathy card, prayers and thoughts during his recent loss of his daughter.

### VI. Approval of Minutes

*Moved by Albert LaFleche, supported by Pat Przeslawski, to approve the minutes of the February 8, 2018 minutes as presented.* Motion carried.

### VII. Audit Report – Financial & Compliance

Cheryl Jaworowski introduced Jim Kraenzlein from Straley Lamp and Kraenzlein. Mr. Kraenzlein was the lead auditor in the Agency's most recent audit and compliance examinations.

#### 1. **Financial**

Mr. Kraenzlein reviewed the Independent Auditor's Report. He noted there was evidence sufficient and appropriate to provide a basis for their audit opinions. He noted during the audit there were no findings on internal controls or on compliance.

Mr. Kraenzlein reported the Agency has just under \$873,000 in unrestricted net assets. He reported the agency is in a good position. He reviewed the increases in unrestricted balances since 2013 noting this is very healthy growth. He reported revenues decreased by 0.1% while total expenses decreased by 0.2% in 2016-17 as compared to 2015-16.

#### 2. **Compliance**

Jim Kraenzlein reported the Agency has complied with all the requirements applicable to Medicaid, GF and CMHS Block Grant Programs for year ended September 30, 2017. He also noted there were no audit adjustments, what was submitted to the PIHP was accurate and no adjustments had to be made with what was reported.

Mr. Kraenzlein also noted all accounts were in great shape. This is a complex organization when it comes to the rules and the staff are very competent.

***Moved by Roger Frye, supported by Eric Lawson, to accept and file the audit and compliance report as presented.*** Roll call vote: Ayes: Lester Buza, Steve Dean, Alan Fischer, Roger Frye, Judy Jones, Albert LaFleche, Terry Larson, Eric Lawson, Gary Nowak, Pat Przeslawski; Nays: None; Absent: Bonnie Cornelius, Judy Hutchins. Motion carried.

Gary Nowak thanked staff. Cheryl Jaworowski introduced the accounting staff to Board. Gary Nowak suggested the audit reports be received in advance of the meeting in the future.

**VIII. Board Member Recognition**

Roger Frye presented Judy Jones with a certificate for five years of service. Board members were thanked for their years of service which included: Roger Frye, 24 years; Gary Nowak, 19 years; Pat Przeslawski, 18 years; Terry Larson, 17 years; Judy Hutchins, 14 years; Alan Fischer, 11 years; Albert LaFleche, 9 years; Lester Buza, 8 years; Judy Jones, 5 years; Eric Lawson, 3 years; Bonnie Cornelius, 2.75 years; and Steve Dean, 1 year, 2 months.

**Recess at 3:15 p.m.**

**Resume meeting at 3:25 p.m.**

**IX. Nomination's Committee Report**

Pat Przeslawski reported the Nomination's Committee met prior to this meeting. The recommendation of the Committee is to recommend the following:

Chair	Gary Nowak
Vice Chair	Eric Lawson
Secretary	Alan Fischer
Past Chair	Roger Frye

Pat Przeslawski noted the Committee also discussed future Nomination's Committee members be board members that are not in officer positions.

She also noted this Board is a very mature board and when vacancies occur recruitment efforts should be to try to get some younger members.

Gary Nowak noted the slate of officers is a recommendation; however, nominations can be made from the floor as well at the April meeting.

**X. March Monitoring Reports**

**1. Treatment of Consumers 01-002**

Board members reviewed the monitoring report for Treatment of Consumers. Steve Dean inquired about whether Northeast should want to be rated higher than other member Boards. Cathy Meske noted return rates differ as there is a process to follow and the individual has the right to fill out or not. Some of the Boards actively assist in the survey completion. The goal is to score at least a 3.5 satisfaction.

Steve Dean noted it would be beneficial to know how many respondents make up the average.

**2. Treatment of Staff 01-003**

The Monitoring report for Treatment of Staff is comprised of graphs related to an exit survey presented to those staff leaving the Agency. Board members had no concerns with the results of the survey.

**3. Asset Protection 01-007**

The monitoring report for Asset Protection is a component of the audit presentation which was address previously in this meeting.

*Moved by Lester Buza, supported by Eric Lawson, to accept the March monitoring reports as presented.* Motion carried.

**XI. Board Policy Review and Self Evaluation**

**1. Budgeting 01-004**

Board members reviewed this policy. Steve Dean requested clarification regarding the #4 – Reduce the current assets at any time to less than twice current liabilities (or allow cash and cash equivalents to drop below a safety reserved of less than \$2,500,000 at any time). Cheryl Jaworowski reported she has an alert mechanism in her system to trigger a warning should the Agency get close to that threshold.

**2. Board Members Code of Conduct 02-008**

Board members reviewed the policy and had no concerns. Members were requested to sign the attestation for this policy and return it to Diane Hayka.

**XII. Linkage Reports**

**1. Northern Michigan Regional Entity (NMRE)**

**a. Appointment of Board Member to NMRE**

Roger Frye's term will expire on March 31, 2018 on the NMRE Board. Gary Nowak recommends reappointment.

*Move by Alan Fischer, supported by Lester Buza to reappoint Roger Frye for a three-year term to the NMRE Board.* Motion carried.

**b. Board Meeting February 28, 2018**

The minutes from the most recent NMRE Board meeting were not yet available. Gary Nowak reported he was not at the January meeting; however the February meeting included discussions related to how mental health gets misdirected blame whenever there is a mass shooting such as in Parkland, FL.

The NMRE Board also heard a report from Eric Kurtz, CEO, about long-term services and supports from a meeting he attended in early February. There were several liquor tax requests approved. In 1998, when the waiver was initially signed, the CMHSP was able to retain 5% of unspent Medicaid dollars and those dollars would convert to non-Medicaid funds. When the PIHP was organized the interpretation at that time was the PIHP would be the one to hold these funds. A group is looking to address discrepancies from waiver language to the language included in the current State contracts. This discussion came to light as a result of the current deficit status of the Lakeshore Regional PIHP.

**c. Board Meeting January 24, 2018**

The minutes from the January meeting were included in the mailing and reported at the February meeting.

**2. Board Association**

**a. Spring Conference – May 1 & 2 – Diamond Center, Novi MI**

The Spring Conference will be held on May 1 and 2 in Novi, MI. No agenda is available at this point; however, once the hotel is opened up for reservations, rooms will go quickly. Interest of Board members wishing to attend was obtained with Steve Dean, Alan Fischer, Judy Hutchins, Judy Jones and Eric Lawson indicating they wish to attend. Voting delegates will be appointed at the April meeting.

*Moved by Roger Frye, supported by Pat Przeslawski to authorize travel expenses for Board members attending Spring Conference as per policy.* Roll call vote: Ayes: Lester Buza, Steve Dean, Alan Fischer, Roger Frye, Judy Jones, Albert LaFleche, rl, Eric Lawson, Gary Nowak, Pat Przeslawski; Nays: None; Absent: Bonnie Cornelius, Judy Hutchins. Motion carried.

### **XIII. Operational Report**

Nena Sork noted this report is still under development and noted the month on the report should be February instead of January. She reviewed the various statistics by program. Steve Dean questioned if the column to the right could be an average so it could be determined how we are comparing.

The breakdown by county was reviewed. Judy Jones inquired as to what group is included in "Other." Cathy Meske reported this could be residents of another area seeking services from us in a crisis situation or through a COFR [County of Financial Responsibility]. Cathy Meske also noted with children placed in foster care, the country the foster home is located becomes the County of Financial Responsibility.

Albert LaFleche inquired about measures this agency might have to assure we are looking to avert such situations like what happened in the school in Florida. Cathy Meske reported in that instance several systems failed. She reported last year at the public hearing, the schools voiced their concerns and this agency has implemented several things to work with the schools and other community partners to address concern of the educational system.

Cathy Meske reported she met earlier today with Partners in Prevention and the Senior Citizens Center. She notes we will be working to write a grant to assist in providing services across the generations. She notes this grant provides \$50,000 per year for two years.

Cathy Meske provided Board members with the ideal goal of "See Something, Say Something." She reported community needs to get back and take more active roles in guiding individuals. Increasing knowledge of community members will help.

Eric Lawson noted we need to keep our eye on the ball and stay away from any political bashing which deters from being proactive.

Cathy Meske provided information provided by the School Success staff within the school system. The School Success workers screen children for trauma and if the score is over a specific measure the child is brought/referred to this agency for an assessment and if appropriate the child will participate in Trauma Focused Cognitive Behavioral Therapy.

### **XIV. Chair's Report**

#### **1. CMH PAC - Reminder**

Gary Nowak reminded Board members of the CMH PAC campaign underway. Board members should have their contributions submitted to Diane Hayka by early May.

### **XV. Director's Report**

#### **1. Director's Report Items**

##### **A. Application for the Michigan Employment First Initiative Rate Restructuring Technical Assistance**

Cathy Meske reviewed the memo noting the most noteworthy is the encouragement we received to apply for a technical assistance opportunity for Michigan Employment First Initiative. This allows us to work with NEMROC to develop the process to address the 25 individuals currently employed by NEMROC in enclaves which will be disallowed under the Home- and Community-Based Services.

##### **B. Home- and Community-Based Services (HCBS) Rule Update**

Cathy Meske reported our staff is currently working with consumers and providers to develop corrective action plans as needed to address the high scrutiny citations.

##### **C. CMHAM Request for Legal Opinion Regarding Fiscal Liability of CMHs, PIHPs and MDHHS**

Cathy Meske reported the legal opinion was included in the mailing and this addresses who would be responsible should there be a deficit and resources not available to cover the deficit.

The opinion states, "The PIHP and only the PIHP, that has financial liability to MDHHS under the Master Contract." The constituent CMHSPs whether as subcontractor or otherwise, have no contractual obligations, the MDHHS should cover the shortfall. The State of Michigan is ultimately responsible to provide mental health services to the residents of the state.

#### **D. Personnel Policy Review**

Cathy Meske noted the Agency is requesting attorney assistance in reviewing the agency's current policy manual along with some of the administrative manuals. She notes there were four firms interviewed. Cathy Meske provided Board members with information related to rates charged by the current Board's attorney as well as the interviewed firms. After this many years, it would be beneficial to have our policies, employment contracts, etc. reviewed to assure we are in compliance with any legal obligations. The two firms are suggested for use as each would provide expertise for different matters. The local attorney would continue to be consulted as well.

#### **2. Annual Submission [PPGs]**

The reports were submitted by the deadline. Cathy Meske thanked all who provided the data timely. She reported the Priority Needs Update would be sent to those providing input and attending the February 2017 public hearing.

#### **3. QI Council Update**

Lynne Fredlund noted the QI Council discussed new respite provider guidelines and clinical documentation guidelines. The Safety Committee will be focusing on looking at workplace injuries and how we can improve. The new Performance Improvement Project proposed will be targeted for children and adolescents on antipsychotic medications with verification the child has first tried other options. This will assure children have received psychosocial care prior to being prescribed medication.

#### **4. Closed Session to discuss litigation**

*Moved by Albert LaFleche, supported by Pat Przeslawski, to adjourn to closed session to discuss litigation.* Roll call vote: Ayes: Lester Buza, Steve Dean, Alan Fischer, Roger Frye, Judy Jones, Albert LaFleche, Terry Larson, Eric Lawson, Gary Nowak, Pat Przeslawski; Nays: None; Absent: Bonnie Cornelius, Judy Hutchins . Motion carried.

Adjourned to closed session at 4:27 p.m.

Resumed to open session at 4:32 p.m.

Present: Lester Buza, Steve Dean, Alan Fischer, Roger Frye, Judy Jones, Albert LaFleche, Terry Larson, Eric Lawson, Gary Nowak, Pat Przeslawski  
[Lester Buza, Terry Larson, and Gary Nowak @ Rogers City Office]

Absent: Bonnie Cornelius, Judy Hutchins

Staff: Cheryl Jaworowski, Cathy Meske, Carolyn Bruning @ Rogers City Office

#### **XVI. Information and/or Comments from the Public**

There was no information or comments provided.

#### **XVII. Next Meeting**

The next regularly scheduled meeting of Northeast Michigan Community Mental Health Authority Board will be held Thursday, April 12, 2018 at 3:00 p.m.

#### **1. Set April Agenda**

The April agenda items were reviewed.

**XVIII. Evaluation of Meeting**

Roger Frye noted there was good participation among Board members. The audit presentation was well done. Future thoughts on nomination of officers were discussed. He noted it was very good discussion from all members.

**XIX. Adjournment**

*Moved by Albert LaFleche, supported by Eric Lawson, to adjourn the meeting.* Motion carried. This meeting adjourned at 4:35 p.m.

*[signed by Alan Fischer on 4/12/18]*

Alan Fischer, Secretary

*[signed by Gary Nowak on 4/12/18]*

Gary Nowak, Chair

Diane Hayka  
Recorder