

ST. CLAIR COUNTY COMMUNITY MENTAL HEALTH AUTHORITY
3111 Electric Avenue
Port Huron, Michigan 48060

GROUP MEETING: SCC Community Mental Health Board
SUBJECT: Regular Meeting
PLACE: St. Clair County Community Mental Health
3111 Electric Avenue, Port Huron
DATE: June 5, 2018
TIME: 6:00 p.m.
PRESIDING: Edwin J. Priemer, Chairman

PRESENT: L. Ames, S. Armstrong, J. Bligh, J. Jowett-Lee, M. Paulus, E. Priemer, E. Rieves,
M. Serafin (left at 7:00 pm), M. Smith (left at 6:40 pm), N. Thomson
CALL IN: No one
ABSENT: V. Lock, S. White
ALSO PRESENT: Guest(s): P. Bailey, SB&W
Staff: D. Johnson, Dr. Saeed, T Pingitore, K. Farr, K. Gallagher, M. Measel-Morris,
L. Gauthier

I. CALL TO ORDER

The meeting was called to order at 6:00 p.m. by Chairman Priemer.

II. CITIZENS WISHING TO ADDRESS THE BOARD – None

III. SPECIAL PRESENTATIONS:

A. Financial Statement, Management & Internal Control Letters, Compliance Audit

Mr. Paul Bailey from the auditing firm of Stewart, Beauvais & Whipple presented the Annual Financial Statements and the Compliance Audit for the year ending September 30, 2017. He stated that SB&W staff spent 3-4 weeks working with our staffs, which were very cooperative, in the completion of this audit.

He stated that the audit was conducted in accordance with the generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards. It is the opinion of SB&W that St. Clair County Community Mental Health Authority has an “unqualified” or “clean report” with no significant weaknesses; which means the financial reports meet government report requirements. This is the best opinion you can receive.

He advised the Board that the Management’s Discussion and Analysis is a required document and is written by the Management Team of Community Mental Health in layman’s terms, not by SB&W staff. Its purpose is to advise the reader of the type of year the Agency had and what’s in the future, especially if there are budget constraints.

In reviewing the Annual Financial Statement, Mr. Bailey highlighted the significant information in each of the following documents: Statement of Net Position; Statement of Activities,

Revenues, Expenses, and Changes in Net Position and Internal Service Funds Combining Schedule of Revenues, Expenses, and Changes in Net Position. He noted that the Total Operating Revenue for the year ending September 30, 2017 ended in a deficit of \$1,444,151. Mr. Bailey stated that this is deceiving because the State does not allow you to charge the retirement and OPEB benefit to their contract until it is actually paid over to the County fund. Once they are paid back we actually have a balance of \$133,013 which is detailed in the reconciliation statement provided by Ms. Farr.

In reviewing the Independent Auditor's Report on Internal Control Over Financial Reporting, Mr. Bailey was happy to report that they found no internal weaknesses.

The purpose of the Audit Communication Letter is to discuss any problems that the auditing firm had with Management; of which there were none.

In completing the Compliance Audit, Mr. Bailey noted that there were no compliance issues found.

B. Suicide... A Permanent Solution to a Temporary Problem

Dr. Saeed provided an overview of how we approach and serve individuals contemplating suicide. Provided was a breakdown depicting the total numbers of suicides, age groups and method of suicide for 2015 and 2016. He touched on the risk factors, protective factors, suicide prevention and opportunities for improvement.

Mr. Smith left the meeting at 6:40 pm.

IV. AGENDA CHANGES – None

V. PRESENTATION OF PREVIOUS MEETING MINUTES

It was moved by Mr. Rieves, seconded by Ms. Thompson, to approve the minutes of the May 22, 2018 CMH Board Meeting, as presented. **MOTION CARRIED**

VI. ITEMS FOR ACTION

A. Forest View Psychiatric Hospital

Ms. Measel-Morris stated that we have used this particular hospital for specific cases for approximately 10 years. It provides services for children, adolescents and adults while specializing in services for individuals with eating disorders. We have found that it is cheaper to have a contract with them as the rates are quite high. In addition, they have a tiered system of payment for inpatient level of care and accept Medicaid.

An additional service offered for patients age 21 and under, for their families, is the use of the Ronald McDonald House of Western Michigan in Grand Rapids during the individual's inpatient and partial hospitalization stay and be actively involved with the treatment of the individual.

It was moved by Ms. Jowett-Lee, seconded by Ms. Thomson, to approve the contract with Forest View Psychiatric Hospital for the period of May 14, 2018 through May 13, 2020, as presented. **MOTION CARRIED**

B. MDHHS/CMHSP Managed Mental Health Supports & Services Contract Amendment No.2

Ms. Pingitore stated that it is through this contract with the Department that we receive our General Fund payment. This is an amendment for the contract covering the period of October 1, 2017 through September 30, 2018. The changes are reflected in the areas of Person Center Planning; PASSAR Agreement, CMHSP Reporting Requirements and Employment Works! These changes have been reviewed by staff and approval of this amendment is recommended.

It was moved by Mr. Rieves, seconded by Ms. Serafin, to approve the MDHHS/CMHSP Managed Mental Health Supports & Services Contract Amendment No. 2, as presented.

MOTION CARRIED

C. July CMH Board Meeting

In light of the new scheduling, Ms. Johnson noted that the first Tuesday in July is July 3rd which is the day before the July 4th holiday. In light of holiday and potentially lack of a quorum due to Board members being on vacation, it was questioned if the date of the July meeting should be changed.

It was moved by Mr. Paulus, seconded by Mr. Rieves, to reschedule the July 3, 2018 CMH Board Meeting to **Tuesday, July 10, 2018**, as discussed. **MOTION CARRIED**

Ms. Johnson asked if Board members were interested in holding the July 10th meeting at the Marine City office. Meeting time is still 6:00 pm. Board members concurred on having the July meeting at our Marine City location. Ms. Johnson stated that potentially the September meeting will be held at the Capac office.

VII. INFORMATIONAL ITEMS

A. April YTD Funding Bucket Report & Financial Statement – K. Farr

Overall our expenditures are running approximately \$1.5 million under the revised FY 18 budget. This is mainly due to our vacant positions that are lapsing at this point. Vacant positions will be reviewed with the Program Director/Supervisors with regards to the hiring process for these vacant positions. Additionally, we are running approximately \$119,000 under budget with contract providers (largest is the Autism program - \$77,000). We are also running under budget in the Residential Provider Costs of approximately \$190,000. Contract Agencies and Community Enterprises are also running approximately \$208,000 under approximately budget, utilization is not where it was initially projected. This will continue to be monitored.

Medicaid: Expenditures are running approximately \$1.16 million under budget. The Healthy Michigan Plan is running approximately \$161,000 under budget. The Medicaid surplus includes the smoothing payment that is intended to cover the Healthy Michigan spending deficit.

At this point Ms. Farr stated that she does not have any concerns with the General Fund budget. Under consideration is the opening up of benefits to the GF Benefit Plan. This will be monitored on a monthly basis.

Financial Statement: Current assets of approximately \$14 million are sufficient to cover our current liabilities of \$7.1 million; leaving a positive total net position of just over \$7 million. When you factor in the non-current liabilities and non-current assets puts us into a deficit (due to pension and OPEB).

Ms. Farr read a “good news” e-mail received from Life Skills Center acknowledging how the funds from the direct care worker increase were utilized for their workers in St. Clair County providing them with a starting wage of \$10.19 per hour!

With regards to the General Fund, Ms. Gallagher stated that she has been working with the Supervisors on expanding our General Fund Benefit Plan. She will bring the final version back to the Board at its next meeting.

Ms. Serafin left the meeting at 7:00 pm.

B. St. Clair Operations – K. Gallagher

1. Children’s Home

Ms. Gallagher advised the Board that Ms. Johnson has been in contact with the Department with regards to the status of changing the rules for the children’s home. Unfortunately no progress has been made. Therefore we are slowing down our process as a result to ensure the safety of the children that would be placed in this home.

Ms. Johnson stated that we issued a request for a provider and received no proposals within the timeframe. One was received after the deadline. The RFP will be reissued at some point. Until the rules are changed Ms. Johnson stated that no home will be purchased. Board members were in agreement.

2. Allen Road Home

Ms. Gallagher was pleased to report that they had a successful meeting with the neighbors of the Charmwood home. The neighbors had been informed that this home was going to be utilized as a drug rehab home. Additionally, they expressed concern of the upkeep of the home, lawn maintenance and staffing. It was explained to them the purpose of the home which is to be a licensed adult foster care home. One neighbor expressed concern for the individuals in the home placing their fingers through the fence and potentially getting bitten by her dogs. Ms. Johnson advised them that a privacy fence was going to be installed. The only thing we are unable to use is the common park area because there is a rule that only single family member homes are able to utilize this area. Ms. Johnson stated that this is not a concern because of the size of the yard.

C. Region 10 PIHP Update – E. Priemer

1. Board Meeting Minutes (05/18/18)

Chairman Priemer stated that the only correction in the minutes is the location of the meeting; it was held at Sanilac CMH not Lapeer as stated. Highlighted was the formation of a Nominating Committee to create the 2018-19 Slate of Officers; Election of Officers to take place at the June meeting.

D. Community Relations/Public Education & Upcoming Trainings – D. Johnson

Provided was an overview of the activities that have taken place during the month of May as well as upcoming events and trainings for June. Ms. Johnson stated that we will once again be conducting a Staff Appreciation BBQ at all our sites. She will be “flipping burgers” and invited Board members to drop in if they are in the area.

Ms. Johnson read a “thank you” card received from Amaya Graebert, a third grader, who was one of the winners of the bookmark contest. At the Run for Recovery Ms. Johnson stated that she was stopped by a mom of a writing student stating what a nice event our Annual Recognition Event was and how informative it was, she didn’t realize all the services we provide.

E. Community Mental Health Association Business – D. Johnson

1. FridayFacts

- Ms. Johnson stated that Meridian Health Care has been bought out for \$2.5 billion by WellCare. Meridian was Michigan’s largest Medicaid health plan provider (serving 1.1 million between Michigan and Illinois). WellCare already has 4.3 million Medicaid members and the acquisition will bolster its Medicaid portfolio with new membership in two states. WellCare said it expects the deal to add 40 to 50 cents to its earnings per share in 2019.
- SAMHSA will be once again providing funding opportunities for CCBHC expansion. This opportunity is for 25 new providers providing up to \$2 million annually to increase access to and improve the quality of the community behavioral health services. Applications are due by July 9th and we are on track for our submittal.

VII. DIRECTOR’S REPORT – D. Johnson

A. Section 298 Weekly Update & Call to Action

Provided was the weekly update for the Section 298 Initiative provided by the State.

There were two (2) Calls for Action that addressed the budget. One addressed a significant reduction in Autism rates; to which we stated our opposition and encouraged others to respond as well. We already have trouble retaining providers and if they reduce the rates that means pay rates must be reduced as well. We currently have a waiting list for this service.

The second, is in regards to Senate Bill – Section 298 (2)(e) which will “allow Medicaid Health Plans to contract directly with a service provider in an effort to achieve the contract requirements with this state for managing the physical and behavioral health of Medicaid eligible individuals within the pilot region. The pilots described in this subsection shall not in any way mandate an exclusive arrangement between contracted Medical Health Plans and CMHSPs.” Previously it had been stated that they must contract with the CMH as the provider. Ms. Johnson stated that this could potentially put a CMH out of business; they don’t have the same legal responsibilities as the CMHs have. Ms. Johnson encouraged Board members to voice their opinion via the link provided or by a phone call to our legislators.

B. Rights Champion Newsletter – May Edition

Acknowledged was Board member, Lori Ames, as the 2017 Rights Champion of the Year. Our “on-site” review will be conducted June 12-14 which will complete the triennial assessment.

C. Other

Ms. Johnson will be meeting with Ms. Karen Palka of “A Beautiful Me” which is a program that addresses self-esteem for young females. She was not aware of all the services offered by CMH is hoping to work collaboratively with us. She is very interested in our Mental Health First Aid classes for her staff and we may also be involved in an initiative with them in the opening of

dress shop downtown. This shop will help low-income individuals find a dress for prom, homecoming or a special event along with accessories. The only catch is that the girl must make a donation to a charity and the charity must provide a handwritten thank you back to the individual acknowledging the donation. The donation could be as little as \$1.

We were told by a clinician that there is a 15 year-old girl that we provide services to that would like to conduct presentations with regards to her struggles (i.e. drugs, sexual abuse and parents going through divorce) and how she has overcome them. She has presented to a number of our children's staff. Ms. Johnson stated that she attended the presentation and thought she was absolutely amazing! This individual would really like to talk in schools. Ms. Johnson thought that a teaching component could be part of the presentation. Ms. Johnson asked Board members if they were interested in her presenting; Board members said yes.

IX. BOARD FORUM

Ms. Bligh questioned what constituted a quorum. Chairman Priemer replied that a quorum is 50% +1 of the number of seated positions. Even with two Board members leaving, we still have quorum. Ms. Johnson noted that Ms. Lock has expressed her intention to resign from the Board due to health reasons. We are just awaiting formal confirmation.

X. ANY OTHER BUSINESS TO PROPERLY COME BEFORE THE BOARD - None

XI. ADJOURNMENT

It was moved by Mr. Rieves, seconded by Mr. Paulus, to adjourn. **MOTION CARRIED**. With no further business to discuss the meeting was adjourned at 7:35 pm.

Respectfully submitted,

Lori Ballor-Gauthier
Recording Secretary