

MENTAL HEALTH AUTHORITY
3111 Electric Avenue
Port Huron, Michigan 48060

GROUP MEETING: SCC Community Mental Health Board
SUBJECT: Regular Session
PLACE: St. Clair County Community Mental Health
3111 Electric Avenue, Port Huron
DATE: August 6, 2019
TIME: 6:00 p.m.
PRESIDING: Nancy Thomson, Chairman

PRESENT: L. Ames, S. Armstrong (left at 7:19 pm), J. Bligh, A. Essian, J. Jowett-Lee, M. Partipilo, M. Paulus, E. Priemer, E. Rieves, M. Smith, N. Thomson, S. White
CALL IN: No one
ABSENT: No one
ALSO PRESENT: Guest(s): R. Kiehler, IHDC
Staff: D. Johnson, 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 Thomson.

II. CITIZENS WISHING TO ADDRESS THE BOARD - None

III. AGENDA CHANGES – None

IV. PRESENTATION OF PREVIOUS MEETING MINUTES

It was moved by Mr. Rieves, seconded by Mr. Priemer, to approve the minutes of the July 9, 2019 regular meeting of the CMH Board, as presented. **MOTION CARRIED**

V. PRESENTATION OF JUNE RECEIPTS/DISBURSEMENTS & ELECTRONIC TRANSFERS

It was moved by Mr. Rieves, seconded by Ms. Partipilo, to approve the June Receipts/Disbursements and Electronic Transfers, as presented. **MOTION CARRIED**

VI. PRESENTATION OF BILLS TO BE PAID

It was moved by Ms. Jowett-Lee, seconded by Ms. Ames, to approve the Bills to be Paid in the amount of \$3,536,670.78, as presented. **MOTION CARRIED**

VII. ITEMS FOR ACTION

A. 2019 Agency Mission / Vision / Values Statement

Ms. Johnson stated that the 2019 Agency Mission/Vision/Values Statement completed the review process with the Advisory Council, staff and the CMH Board with no additional feedback received. The more concise document was well received.

It was moved by Ms. Jowett-Lee, seconded by Mr. Essian, to approve the 2019 Agency Mission / Vision / Values Statement, as presented. **MOTION CARRIED**

B. LocumTenens Contract Addendum: Dr. Samaan

Presented by Ms. Pingitore was a contract addendum to bring Dr. Margaret Samaan back to work for us on a temporary basis commencing September 4, 2019 to provide additional psychiatric services. She will be full-time, on site, through the end of the calendar year; her rate remains the same. She was well received by staff and those we serve during her previous employment with us.

It was moved by Mr. Smith, seconded by Mr. Essian, to approve the LocumTenens Contract for Dr. Samaan for the period of September 4, 2019 through December 30, 2019, as presented. **MOTION CARRIED**

Ms. Pingitore stated that we do have a nurse that has gone back to school to become a psychiatric nurse practitioner. Once she is back with us this will give us additional psychiatric capacity and we may not need to continue these arrangements.

C. Purchase Agreement: Allen Road Group Home

The Board was provided the Purchase Agreement for the sale of the Allen Road Group Home located in St. Clair Township. Ms. Johnson stated that the home was shown 21 times in 3 days and we received three offers. All three offers were reviewed by Ms. Farr, Ms. Pingitore, Ms. Stacy Priehs (realtor) and Ms. Johnson. Ms. Johnson stated that she had signed the Purchase Agreement pending Board approval.

It was moved by Mr. Armstrong, seconded by Ms. Partipilo, to approve the Purchase Agreement for the sale of the Allen Road Group Home in the amount of \$230,016.00, as presented. **MOTION CARRIED**

Mr. Priemer asked what these funds will be used for. Ms. Farr replied that we are replacing this home with another home so the purpose of the use of these funds has not changed; they will be rolled into the Charmwood property. Ms. Farr stated that she will be meeting with Mr. Bailey, SB&W auditing firm, to ensure that her understanding of the disposition of these funds with regards to depreciation and interest is correct.

VIII. INFORMATIONAL ITEMS

A. Finance – K. Farr

1. June Year-to-Date Funding Bucket Report & Financial Statement

Funding Bucket Report:

Overviewed was the new structure of the Funding Bucket Report that breaks out the St. Clair Funding into three categories: Local/Other; SUD; and CCBHC.

For the Year-to-Date Expenditures we are approximately \$2.3 million under budget. Ms. Farr reminded the Board that the budget is for 12 months and a lot of the increases did not take place until April. In looking at projections, we are running close to the projected expenditures. She advised that there could be a \$490,000 surplus due to residential placements that haven't taken place.

Region 10 PIHP Contract funding: The total Year-to-Date Net Surplus due to Region 10 PIHP Funding is approximately \$1,061,000 after we cover the Healthy Michigan planned deficit.

General Fund Contract Funding surplus is approximately \$12,000 which is not going to be enough to fully fund the 5% carryforward that occurs every year. This will continue to be monitored through the end of the year.

Both the SUD and CCBHC started off slowly this year which is not unusual. The grant funding operates on a calendar year where as our fiscal year ends September 30th.

Financial Statement:

Ms. Farr stated that our current assets are sufficient to cover our current liabilities (almost \$7 million surplus). When factoring in the non-current liabilities (pension, long-term liabilities and OPEB [Other Post Employment Benefits]) this is when the deficit occurs.

In reviewing the Operating Budget and Actual Comparison ending June 30, 2019 our Total Year-to-Date Actual is \$44,625,033 compared to our budget of \$45,860,868; so our Revenues are running under which is mainly in the area of the CCBHC because we are not spending it therefore we are not getting the revenue. In looking the Expenditures, our Total Year-to-Date is \$43,329,257 compared to our budget of \$45,616,649; again we are running under in the area of the CCBHC.

In light of the embezzlement that occurred at the Blue Water Center for Independent Living, Ms. Bligh asked what checks and balances we had in place to ensure this wouldn't happen. Ms. Farr explained the internal controls that we have in place and how they balance each other as well as a two-factor authentication system.

2. Value Based Payment Training

The Michigan Practice Transformation Academy, through the CMH Association of Michigan and the National Council, is offering an opportunity for CMHs to train and coach teams of

payers and providers to develop the competencies needed to deliver value-based care and prepare alternative payment arrangements. It is an opportunity for providers to raise additional income based on measurable outcomes; instead of increasing authorizations that may not be needed. This would ensure we are paying for quality services. This system is already being used at Oakland CMHSP; Ms. Farr has attended their presentations and Board Conferences. We have applied and were accepted in this year-long training and will be working with Professional Counseling Center's Home Based Program as our pilot project. This is the way of the future and hopefully will enable us to compete with the Medicaid Health Plans.

3. Retirement and Other Post Employment Benefits (OPEB)

Ms. Farr attended the Nyhart actuarial firm presentation at the July 16th meeting of the Retirement Board. They focused on two areas: 1) Funding Valuation of the St. Clair County Employees' Retirement System; and, 2) St. Clair County Employees' Post-Employment Benefit Plan.

Ms. Farr explained how we fund the mental health portion of the Retirement and OPEB contribution. She stated that our contribution is 16% each payroll based on actively participating employees (12.75% for retirement and 3.25% for OPEB). For 2019 we are facing a shortfall of approximately \$24,000. It is Ms. Farr's recommendation that we increase the retirement to 12.95% so we meet the required funding that has been actuarially calculated.

In looking at the OPEB, substantial changes were made to the healthcare plan benefits which significantly increased our percentage of funding from last year to this year. Our funding status at the end of 2018 was 136.2% funded. Because we are overfunded our actuarial contribution is 0. However, the actuarial firm is recommending that we continue with our current contribution which would be \$211,000 for 2019 and \$138,000 for 2020. Currently we have already funded for 2019 (\$304,000) and have stopped the employer portion for OPEB for the remainder of the year. She has been in discussions with Ms. Tami Rumsey, HR County Representative, and Mr. Paul Bailey, SB&W, to see if there is a way we can move the access of \$93,000 towards 2020.

Hearing no objection from the Board, Ms. Farr stated that at this point we will be changing the retirement contribution from 12.75% to to 12.95% and reduce the OPEB contribution from 3.25% to 0%. This change is just through December and will be revisited in January.

B. Administrative Services – T. Pingitore

1. MMRMA Distribution

MMRMA (Michigan Municipal Risk Management Authority) is our insurance company and is a pool arrangement for a lot of public entities throughout Michigan. Every year we pay a premium and for the past number of years we have received distribution checks back. This year, we received for our net asset distribution a check in the amount of \$33,749.00 and for the state pool loss fund distribution our check was \$14,427.00; our overall premium paid was \$89,000.00.

2. Board By-Laws Revision

At the June Special Meeting there was discussion about being able to vote via e-mail through an electronic meeting. In reviewing the Open Meetings Act it does not appear that we are able to do because we must follow the Open Meetings Act as a public entity. It states that all meetings must be made available to the public, meetings need to be held in a public location and all decisions must be made at a meeting open to the public. These requirements cannot be met if a meeting was held electronically.

However, it states that two-way communication for voting/decision making by an absent member is permissible so long as all participating members can hear each other and communicate adequately with each other during the meeting.

The proposed change is the By-Laws is as follows:

“A member may participate in a meeting by a conference telephone or other means of remote communication by which persons in the meeting can hear each other *and have the opportunity for open discussion with other members, in accordance with the Open Meetings Act, Public Act 267 of the Public Acts of 1976.* A member participating by remote communication will be considered present for the purposes of a quorum and will entitled to vote.

Additionally, should it be deemed necessary under extraordinary circumstances a meeting may be held entirely by means of telephonic or other means of remote communication ensuring all persons participating can hear each other and communicate adequately with each other during the meeting.

3. CMH Board Policy: SCCCMHA Board Member Meeting Attendance

With the change in the Board meetings to once per month it is proposed that the SCCCMHA Board Member Meeting Attendance policy and as well as the By-Laws Section V. Term of Office; Vacancy; Compensation; Attendance, be revised to reflect the change of notification of non-attendance by a Board member.

It is proposed that the current notification of non-attendance (four consecutive meetings or six in a year) be changed to read” *The Chairman of the Board shall be notified of non-attendance by a Board member of two (2) consecutive Board meetings or four (4) Board meetings in a year.*”

It was moved by Mr. Rieves, seconded by Mr. Paulus, to move the By-Laws Revision and CMH Board Policy: SCCCMHA Board Member Meeting Attendance to an Item for Action.
MOTION CARRIED

It was moved by Mr. Essian, seconded by Ms. Partipilio, to approve the Board By-Laws Revision to Section V. Term of Office; Vacancy; Compensation; Attendance and Section XIII. Meetings D. Board Meeting Participation and the Standard Section of CMH Board Policy: SCCCMHA Board Member Meeting Attendance, as presented. **MOTION CARRIED**

C. St. Clair Operations – K. Gallagher

1. Residential Restructuring

We have been approached by Innovative Housing staff about how our residential system is setup with regards to clinical support. It has always been our intent to have 1-2 workers assigned to group homes/AFCs. However, with the changeover in staff we have found this very difficult to do. Ms. Tracy Duncan has reviewed the situation and came up with a proposal for the creation of a Residential Team (2 Clinicians/2 Case Managers/1 MH Assistant) to oversee all of the homes. This team will spend a significant amount of time in the home so they can build a rapport with staff and look at the plans to see what is working or not.

2. Outpatient Request for Proposal Review Committee Established

We received two bids to our Request for Proposal for the provision of Outpatient services. The first RFP Committee meeting will be held next week to review the proposals. The results will be shared at the next Board meetings.

3. VNA Adult Day Program Termination

We have received formal notice by the Visiting Nurse Association of their intent to no longer operate the Alzheimer Day Program. The last day of operation will be Friday, October 18th. Notification letters have been sent.

4. Other:

- *Jail Services:* On July 22nd Captain Bliss and Sheriff Donnellon met with Ms. Johnson and Ms. Gallagher at which time they were notified that they are not renewing our contract with them for mental health services effective September 1st; they will be contracting with Corizon for behavioral health and physical healthcare in an effort to save on costs. We expressed our concerns regarding psychiatric care and was told that they could not split the services therefore they went with Corizon; who has similar working situations with three other CMHSPs and the Michigan Department of Corrections. We will also be reaching out to the other CMHs asking what protocols they have in place with the coordination of care/discharge process.

The Jail also discontinued pharmacy services with Genoa and went with a mail order pharmacy. We were concerned with the turnaround time with med changes being a mail order... so far the issues have been minimal. We showed them the cost of the free samples in meds that we were giving them which saved them \$86,000 annually!

Mr. Priemer asked who pays for cost of inpatient hospitalization while the individual is incarcerated. Ms. Farr replied the cost is absorbed by the Jail. Ms. Johnson stated that once the individual is released from the hospital they go directly back to Jail.

- *Saturday Hours* have been cancelled due to the lack of demand. We had thought there would be an increase in demand with the CCBHC, this has not occurred. We will revisit this again in the future. Currently we do have two nights a week that we are open to 7 pm.

D. Contract Monitoring Reports – M. Measel-Morris

Contract Monitoring is conducted on an annual basis. There are nine domains agencies are evaluated on: Quality Management; Health Information & Data Management; Fiscal Management; Corporate Compliance; Staff Training & Other Requirements; Enrollee/Recipient Rights; Credentialing & Privileging; Utilization Management and Physical Building.

1. Visiting Nurse Association Health Services

A full on-site visit was conducted on July 16, 2019. They achieved an overall compliance score of 99% for all nine domains reviewed. A Corrective Action Plan is needed in Domain II-Health Information System and Data Management as they did not have a backup process for claim reviews. Contract renewal is recommended.

2. Port of Hopes/Project Stay

A full on-site review was conducted on July 24, 2019. They achieved an overall compliance score of 100% for all nine areas reviewed! Contract renewal is recommended.

3. All-Ways Care Services

A full on-site review was conducted on July 18, 2019. They achieved an overall compliance score of 99% for all nine areas reviewed. A Corrective Action Plan is needed in Domain II-Health Information System and Data Management due to lack of information in its Risk Management Plan. Contract renewal is recommended.

Chairman Thomson asked how long agencies had to complete their Plan of Correction. Ms. Measel-Morris replied that they to be submitted back to us within 30 days of report issuance.

E. Region 10 PIHP Update – N. Thomson

Mr. Priemer stated that the Election of Officers was conducted. Each County is represented in the Officer positions: Chairman: Laurie Curtiss; Vice Chairman: Robert Kozfkay; Secretary: Wanda Cole; Treasurer: Ed Priemer (replacing Steve Armstrong who resigned from the R10 Board). Ms. Thomson also joined the Region 10 Board. Discussed was the Lakeshore Regional Entity issue and lapsing Medicaid dollars.

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

Community Education/Public Relations Report: Each month there is a theme related to media coverage – for the month of July it was Suicide Prevention and Substance Use. Ms. Johnson addressed all the good services/programs that are out there regarding suicide prevention and substance use when speaking on the Paul Miller Show, her interview on EBW-TV, the Mental Health Minute and the FOCUS Program with Paul Dingeman. She also addressed the new Recovery Court that will be begin October 1st headed up by Judge Monaghan and the work of the Zero Suicide Workgroup.

Save the Date - on October 9th we will be hosting “Coming Up For Air” at the Krafft 8 Cinema. It is about a diver in college who struggles with depression and the impact of mental illness on the family. Seating is limited and tickets are \$5 (which includes a small popcorn and soda). There

will be a panel discussion along with the movie screening. Tickets must be purchased ahead of time!

Upcoming Trainings: Provided was a list of trainings to date through December. Board members are invited to attend any of the trainings but registration is required by contacting Ms. Tammy Lake.

B. Community Mental Health Association Business – D. Johnson

1. Weekly Update (08/02/2019)

Provided was the Weekly Update by the Board Association detailing activities taking place at the state and federal level.

2. MDHHS Proposal to Terminate LRE Contract / Resolution

As discussed at our last Board meeting, the Department has given notice to Lakeshore Regional Entity to terminate their contract effective September 30th, 2019. A summary of the MDHHS proposal to terminate the LRE contract included: being in a deficit for the past five years and failure to address the deficits; being over budget; no plan to cover the locals' portion of a projected \$16 million shortfall, etc. Lakeshore's response is the funding problem is not isolated to just them – 9 of the 10 PHIPs are projecting a deficit for FY 19 (we are the one that is not) and many of the PIHPs do not have a reserve to cover the anticipated shortfalls.

Ms. Johnson stated that Milliman, the MDHHS actuarial firm, is conducting site visits with all of the state's CMHs. The purpose of the site visits is to provide Milliman with a better understanding of the unit costing methods used for rate rebasing; they have visited 30 of the 46 CMHs thus far... we have yet to be contacted for a site visit.

The Board Association provided a generic resolution requesting CMHs to adopt a Resolution to Express Opposition to the Termination of State Contract with the Lakeshore Regional Entity. In reviewing the resolution Ms. Jowett-Lee stated that she supports the resolution but would like the following statement included from the original resolution: "*Whereas this proposal creates a dangerous precedent allowing MDHHS to contract with a private provider, achieving administratively what proponents of privatization have been unable to accomplish legislatively.*" The change will be made and if the Board is agreement we will also be asking the St. Clair County Board of Commissioners for a resolution as well.

It was move by Mr. Armstrong, seconded by Ms. Jowett-Lee to move to an Item for Action Resolution 2019-02 Resolution to Express Opposition to Termination of State Contract with the Lakeshore Regional Entity with the above addition and request the same from the St. Clair County Board of Commissioners, as presented. **MOTION CARRIED**

It was move by Mr. Armstrong, seconded by Ms. Jowett-Lee to move to adopt Resolution 2019-02 Resolution to Express Opposition to Termination of State Contract with the Lakeshore Regional Entity with the above addition and request the same from the St. Clair County Board of Commissioners, as presented. **MOTION CARRIED**

IX. DIRECTOR'S REPORT – D. Johnson

A. Psychiatric Update

Ms. Johnson was pleased to inform the Board that Dr. Ali sought us out for a position within our Agency. Both she and Dr. Saeed met with him. He is currently doing his fellowship in South Dakota until June 2020. He has family in Dearborn and a wife and two children in Toronto. We sent him an offer letter and are waiting hear back. Part of the offer includes helping him to obtain a waiver of his J1 Visa.

Mr. Armstrong left 7:19 pm

B. Habitat Build

Mr. Ernest Werth, Director of Blue Water Habitat, contacted Ms. Johnson with a unique concept of team building with a Habitat Build which could include people we provide services to. This was well received by staff and four teams were created. Prior to going a team building exercise was conducted, Mr. Werth talked about the importance of team at the site, and concluded with a debriefing. A nice thank you letter was received from Mr. Werth.

C. Children's Services Building Update

Ms. Johnson provided an update on the status of the renovations. She stated that we hope to be moving staff into the new facility in five weeks. At that time renovations will begin here at the Electric Avenue site. Kudos to our Facility Director, Mike Klemmer!

D. Annual Awards Recognition Proposal

Presented was a draft proposal to change the 2020 Annual Awards Recognition Event to a Breakfast Meeting. The date will be Friday, May 29th and will be held at the Blue Water Convention Center. Breakfast Buffet will begin at 8:00am with the Recognition Event will begin at 8:30 am with completion by 9:30-10:00 am. The Art/Writing Contest Awards will be held at School Board Meetings and the Years of Service Certificates will be presented during our Agency Staff In-Service. It was noted that the Art of Caring Awards needed to be added to the event. The Board Annual Awards Recognition Committee will still have an active role in endorsing suggested recommendations by staff.

Board members supported May 29, 2020 as the new date for the Annual Awards Recognition Event with a breakfast meeting to be held at the Blue Water Convention Center.

E. Other

- Ms. Johnson, Ms. Gallagher and Ms. Fogarty, Children's Services Director, met with Ms. Karen Palka, Director of Beautiful Me, to possibly start a self-esteem group with young girls. A survey will be conducted to determine how many girls (middle school age) from those we serve that may benefit from this group. It is a two-hour course over four weeks.
- Ms. Johnson and Ms. Gallagher met with Mr. & Mrs. Collette, founders of Special Dreams Farm and were notified that they are closing and selling the farm. They stated that the closure

is due to lack of referrals. Ms. Johnson noted that they are not certified by DHHS nor CARF accredited which prohibited us from contracting with them.

X. BOARD FORUM

A. Advisory Council Meeting Minutes (06/26/19)

The minutes from the Advisory Council Meeting Minutes are provided for information only.

XI. ANY OTHER BUSINESS TO PROPERLY COME BEFORE THE BOARD

Ms. Johnson advised the Board that Ms. Bennett has left the Mid City Nutrition Program to pursue other opportunities. MCNP is posting for a new Executive Director.

XII. ADJOURNMENT

It was moved by Mr. Paulus, seconded by Mr. Priemer, to adjourn. **MOTION CARRIED** With no further business to discuss the meeting was adjourned at 7:38 pm.

Respectfully submitted,

Lorene Ballor-Gauthier
Recording Secretary