



**Community**  
MENTAL HEALTH  
CLINTON • EATON • INGHAM

**FINANCE COMMITTEE**

**Meeting Minutes**

**Wednesday, October 9<sup>th</sup>, 2019**

**5:30 p.m.**

**812 E. Jolly Rd, Conference Room G11-C**

**Lansing, MI 48910**

**Committee Members Present:**

**Raul Gonzales, Joe Brehler, Dave Pohl, Kay Randolph-Back, Dianne Holman**

**Committee Members Absent:**

**None.**

**Staff Present:**

**Stacia Chick, Darby Vermeulen, Joanne Holland, Sara Lurie, Ericanne Spence, Karla Block, Gwenda Summers, Sharon Blizzard**

**Public Present:**

**Ed Hamm**

**Other Board Members Present:**

**None.**

**Call to Order:**

**The meeting was called to order by Chairperson Joe Brehler at 5:30 p.m.**

**Previous Meeting Minutes:**

**MOVED by Raul Gonzales and SUPPORTED by Dave Pohl to approve the meeting minutes of September 11<sup>th</sup>, 2019, with the amendments of correcting the title of 'Expense Contract Renewal: Veteran's Navigator Grant' to reflect that this is a revenue contract, as well as correcting the Rate Schedule on the 'Expense Contract Renewal: CLS & Respite Services' fact sheet to reflect that the Fiscal Intermediary T2025 code is a monthly rate, not a 15-minute unit.**

**MOTION CARRIED unanimously.**

**Adoption of Agenda:**

MOVED by Dave Pohl and SUPPORTED by Raul Gonzales to adopt the amended agenda of October 9<sup>th</sup>, 2019, with the addition of agenda items “Expense Contract: Karen and Kent Strachan”, “Expense Renewal Contract: iEval”, “Expense Renewal Contract: Rx Reins Stop Loss 2020 Plan Year” and “New Expense Contract: Oracle America, Inc. – Cloud Services Agreement” added as walk-in items 14, 15, 16 and 17. Also added was an Stacia Chick’s briefing of recent conversations with JP Morgan Chase under New Business.

MOTION CARRIED unanimously.

**Public Comment on Agenda Items:**

Ed Hamm wanted to say that he enjoyed the NAMI event he attended last week.

**BUSINESS ITEMS:**

**Expense Contract Amendment: Flatrock Manor, Inc.**

Sara Lurie presented in Shana Badgley’s absence. This amends the current contract to add an additional location.

**ACTION:**

MOVED by Dave Pohl and SUPPORTED by Raul Gonzales that the Finance Committee recommends that the Community Mental Health Authority of Clinton, Eaton, and Ingham Counties Board of Directors authorize CMHA-CEI to amend the contract with Flatrock Manor, Inc. to purchase specialized residential services, and case management services for the retroactive period of October 1, 2018 through September 30, 2019 and pay the rates listed on the below rate sheet, independent of the room and board as calculated by the consumer’s individual ability to pay. Services are to be provided pending the necessary approvals of their special certification through the Michigan Department of Licensing and Regulatory Affairs (LARA).

Flatrock Manor, Inc. Rate Sheet October 1, 2018 - September 30, 2019			
Service Description	Service Code	Unit of Service	Rate
Targeted Case Management	T1017	Per 15 minute contacts	\$ 75.00

Comprehensive Community Supports and Personal Care per diem –Standard Group Homes	H2016 / T1020	Daily	\$ 400.00
Comprehensive Community Supports and Personal Care per diem – Flatrock Manor	H2016 / T1020	Daily	\$ 400.00

**MOTION CARRIED unanimously.**

**Expense Contract Lease Renewal: 2678 Waverly Road, Delhi Township, Lansing**

Sara Lurie presented in John Peiffer’s absence. Raul asked if there would be a conflict of interest because Mr. Ahmed used to work at CEI, and Sara said this isn’t an issue since he is no longer an employee.

**ACTION:**

**MOVED** by Raul Gonzales and **SUPPORTED** by Dave Pohl that the Finance Committee recommends that the Community Mental Health Authority of Clinton, Eaton, and Ingham Counties Board of Directors authorize CMHA-CEI to renew this lease contract for the property at 2678 Waverly Road, Delhi Township, Lansing, Michigan 48911 as owned by Mr. Anis Ahmed, Ahmed Properties Inc. for the period of December 1, 2019 through November 30, 2024 and pay \$1,851.76 per month or \$22,221.11 per year.

**MOTION CARRIED unanimously.**

**Expense Contract Renewal and Amendment: Respite Services**

Karla Block presented an amendment for respite services at Camp Barakel and Camp Living Waters.

**ACTION:**

**MOVED** by Dianne Holman and **SUPPORTED** by Kay Randolph-Back that the Finance Committee recommends that the Community Mental Health Authority of Clinton, Eaton, and Ingham Counties Board of Directors authorize CMHA-CEI to renew the contracts with the providers listed below and purchase Respite Services for the retroactive period of June 1, 2019 through September 30, 2019 and pay per the rate schedule below.

**Rate Schedule:**

Name of Camp & License #	Camp Contact Info	Codes	Cost
Camp Barakel  CR680200454 and SR680200211	Camp Location: 1798 Sheer Lake Road Fairview, MI 48621  Registration/Payment: PO Box 159 Fairview, MI 48621 (989) 848-2279  <a href="mailto:info@CampBarakel.org">info@CampBarakel.org</a>	T1005 H0045 T2036 T2037	Week Rate: \$190 - \$275

Camp Living Waters  CR430200693 and SR430200114	Michigan Conference Camp Association 536 E 6 Mile Rd Luther, MI 49656 (231)797-5107  <a href="mailto:info.camplivingwaters@gmail.com">info.camplivingwaters@gmail.com</a>	T1005 H0045 T2036 T2037	Week Rates: \$350 - \$419*  *cost dependent on session attended and Level of Care.
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**MOTION CARRIED unanimously.**

**Expense Contract Renewal: Community Living Network**

**Karla Block presented the renewal for CLN. She noted this is the organization that uses the ‘Self-Determined’ approach for consumers.**

**Kay asked about a 15-minute code on a fact sheet Karla presented last month, “Expense Contract Renewal: CLS and Respite Rates”, noting the rates was quite high in comparison with the rates on the chart above. Stacia noted that the Fiscal Intermediary T20205 15-minute code on the rate sheet from last month’s CLS and Respite Services fact sheet was incorrect, and should reflect that it is a monthly rate.**

**ACTION:**

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Finance Committee Meeting (DV)  
October 9, 2019

MOVED by Raul Gonzales and SUPPORTED by Dave Pohl that the Finance Committee recommends that the Community Mental Health Authority of Clinton, Eaton, and Ingham Counties Board of Directors authorize CMHA-CEI to enter into a contract amendment with Community Living Network to purchase Fiscal Intermediary services and reimburse for CLS and Respite services for the period of October 1, 2019 through September 30, 2020, at the rates listed below.

**Rate Schedule: Fiscal Intermediary**

Service Description	Code	Fee
Enrollment Fee	T2025	\$175 one-time fee with payroll
FI services for Consumers with 1-2 employees	T2025	\$105/month
FI services for Consumers with 3-4 employees	T2025	\$120/month
FI services for Consumers with 5-6 employees	T2025	\$135/month
FI services for Consumers with 7 or more employees	T2025	\$150/month
Family Friend - Respite Only Enrollment Fee	T2025	\$10/per consumer One Time Fee
Family Friend - Respite Only Per Transaction/Check Fee	T2025	\$10/per transaction/check* Monthly fee dependent on number of checks

Service	Code & Modifier	15 Min. Unit Rate**
*CLS/Respite Level 1	H2015 T1005 TT	\$4.21
*CLS/Respite Level 2 - Specialized	H2015 T1005 TT	\$4.74
*Skill Building *Out of Home NonVocational Habilitation (HSW)	H2014 HK	\$4.21

Level 1	TT	
*Skill Building *Out of Home NonVocational Habilitation (HSW) Level 2	H2014 HK TT	\$4.74

\* Rates are dependent on the support needs of the individual served and established by the CMH Level of Care.

\*\*Budgets are created off of the standard board approved rates above, multiplied by the hours authorized. The reimbursable rate will vary based on the individual budget created through the Self-Determination Arrangement.

**MOTION CARRIED unanimously.**

**Revenue Contracts:**

**MOVED by Dave Pohl and SUPPORTED by Dianne Holman that the Finance Committee recommends that the Board of Directors of Community Mental Health Authority of Clinton, Eaton, and Ingham Counties authorize CMHA-CEI to enter into the following contract renewals based on the fact that the information has been reviewed and the proposals are in line with agency responsibilities:**

**FY20 Revenue Contract Renewal: Mid-State Health Network**

Kay asked about how the fee for service and cost reimbursement models used by SAS are working for them? Ericanne noted that fee for service model has worked very well. She noted the two programs that are not fee for service would take a lot work to transition to a fee for service model, and wouldn't work as well in that format. Joe noted fee for service only works if there is a steady stream of clients, and if the fee amount is adequate for those services. The amount of this renewal contract is \$1,012,030 for Cost Reimbursed programs: The Recovery Center and the Clinton County Counseling Center.

**Revenue Contract Amended Funding: Michigan Department of Corrections**

This contract amendment extends the existing contract dates from September 12, 2019 through March 31, 2020.

**MOTION CARRIED unanimously.**

**Contract Renewals:**

**MOVED by Dave Pohl and SUPPORTED by Raul Gonzales that the Finance Committee recommends that the Board of Directors of Community Mental Health Authority of Clinton, Eaton, and Ingham Counties authorize CMHA-CEI to enter into**

the following contract renewals based on the fact that the information has been reviewed and the proposals are in line with agency responsibilities:

**Expense Contract Renewal: Aflac Continental American Insurance Company 2020 Plan Year**

This contract renewal authorizes CMHA-CEI to purchase employee supplemental accident and critical illness insurance benefits from Aflac Continental American Insurance Company (CAIC) for the period of January 1, 2020 to December 31, 2020 and pay fees per the rate schedule below.

Accident:

**CAIC GROUP ACCIDENT ADVANTAGE - PLAN Series 7700 With High Option - 24 Hour Plan With Wellness Benefit**

Coverage	Premium
Employee	\$7.48
Employee & Spouse	\$10.69
Employee & Child	\$14.26
Family	\$17.47

Critical Illness:

**CAIC GROUP CRITICAL ILLNESS Series 2800 - Additional Benefits Rider Occupational HIV Rider Heart Event Rider UNI-TOBACCO for Employee**

Age	\$5,000	\$10,000	\$15,000	\$20,000	\$25,000	\$30,000	\$35,000	\$40,000	\$45,000	\$50,000
18-29	\$2.31	\$3.81	\$5.31	\$6.81	\$8.31	\$9.81	\$11.31	\$12.81	\$14.31	\$15.81
30-39	\$3.26	\$5.70	\$8.15	\$10.59	\$13.04	\$15.49	\$17.93	\$20.38	\$22.83	\$25.27
40-49	\$6.33	\$11.84	\$17.36	\$22.87	\$28.39	\$33.90	\$39.42	\$44.93	\$50.45	\$55.96
50-59	\$9.86	\$18.90	\$27.95	\$36.99	\$46.04	\$55.09	\$64.13	\$73.18	\$82.23	\$91.27
60-64	\$15.21	\$29.61	\$44.01	\$58.41	\$72.81	\$87.21	\$101.61	\$116.01	\$130.41	\$144.81

**CAIC GROUP CRITICAL ILLNESS Series 2800 - Additional Benefits Rider Occupational HIV Rider Heart Event Rider UNI-TOBACCO for Spouse**

Age	\$5,000	\$7,500	\$10,000	\$12,500	\$15,000	\$17,500	\$20,000	\$22,500	\$25,000
18-29	\$2.31	\$3.06	\$3.81	\$4.56	\$5.31	\$6.06	\$6.81	\$7.56	\$8.31
30-39	\$3.26	\$4.48	\$5.70	\$6.93	\$8.15	\$9.37	\$10.59	\$11.82	\$13.04
40-49	\$6.33	\$9.08	\$11.84	\$14.60	\$17.36	\$20.11	\$22.87	\$25.63	\$28.39
50-59	\$9.86	\$14.38	\$18.90	\$23.43	\$27.95	\$32.47	\$36.99	\$41.52	\$46.04
60-64	\$15.21	\$22.41	\$29.61	\$36.81	\$44.01	\$51.21	\$58.41	\$65.61	\$72.81

**Expense Contract Renewal: The Hartford Group 2020 Plan Year**

This contract renewal authorizes CMHA-CEI to enter into contract renewal with The Hartford Group to purchase retiree health benefits from The Hartford Group for the period of January 1, 2020 to December 31, 2020 and pay fees per the rate schedule below.



NOTES: \*\*Rates shown are proposed, FINAL rates are based on actual enrollment & underwriting approval. \*\*  
Rates are Medical Fully Insured/Rx Self funded Illustrative \*Taxes not included\*

Type of Group	Total Enrolled	Current Monthly Cost	Renewal Monthly Cost
65-69	10	\$351.69	\$358.69
70-74	22	\$381.04	\$388.04
75-79	6	\$411.03	\$418.03
80+	5	\$421.28	\$428.28
Total Members	43		
Monthly Total		\$16,472	\$16,773
Annual Total Cost:		\$197,668	\$201,280
Difference vs Current			\$3,612

**Expense Contract Renewal: Midwestern Dental 2020 Plan Year**

This contract renewal authorizes CMHA-CEI to enter into contract renewal with Midwestern Dental to purchase employee dental benefits from Midwestern Dental for the period of January 1, 2019 to December 31, 2019 and pay fees per the rate schedule below.

<b>MIDWESTERN</b>	
<b>Single</b>	
27.24	/MO
<b>Double</b>	
53.15	/MO
<b>Family</b>	

90.83	/MO
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**Expense Renewal Contract: Rx Reins Stop Loss 2020 Plan Year**

This contract renewal authorizes CMHA-CEI to enter into contract renewal with Rx Reins to purchase aggregate stop loss insurance for prescription drug benefits from Rx Reins for the period of January 1, 2020 to December 31, 2020 and pay fees per the rate schedule below.

**2020 Renewal**

Aggregate Coverage		
<b>Monthly Attachment Factors:</b>	<b>No. of Employees</b>	
Employee Only	245	118.25
Employee + One	109	283.75
Employee + Family	139	354.75
<b>Minimum Aggregate Attachment Point (MAAP)</b>		<b>1,310,523.00</b>
<b>Maximum Annual Benefit Amount</b>		<b>2,000,000.00</b>
<b>Aggregate Premium:</b>		
Premium (PEPM)	493	9.00
Estimated Annual Premium		53,244.00
Minimum Annual Premium		50,500.00
Semi Annual Premium		25,250.00

Included for Reference: Original 2019

<b>Monthly Attachment Factors:</b>	<b>No. of Employees</b>	<b>Option A</b>
Employee Only	220	208.50
Employee + One	82	500.00
Employee + Family	118	625.00
<b>Minimum Aggregate Attachment Point (MAAP)</b>		<b>1,912,440.00</b>
<b>Maximum Annual Benefit Amount</b>		<b>2,000,000.00</b>
<b>Aggregate Premium:</b>		
Premium (PEPM)	418	9.00
Premium % of MAAP		2.35%
Estimated Annual Premium		45,144.00
Minimum Annual Premium		43,000.00
Semi Annual Premium		21,500.00

**MOTION CARRIED unanimously.**

**Expense Renewal Contract: iEval**

Sara Lurie presented the contract with external evaluators iEval. She noted that right now, iEval is working on their portion of the report reviewing the first year of the CCBHC grant at CEI. Raul asked if there is an internal evaluator helping with this, and Sara noted that there are employees in QCSRR helping, as well as employees in IS assisting with data.

**ACTION:**

**MOVED** by Dave Pohl and **SUPPORTED** by Raul Gonzales that the Finance Committee recommends that the Community Mental Health Authority of Clinton, Eaton, and Ingham Counties Board of Directors authorize CMHA-CEI to enter into a contract renewal with iEval to provide external evaluation support to the implementation of the Certified Community Behavioral Health Clinic Grant for the grant period of September 30, 2019 – September 29, 2020 and not to exceed \$120,000.

**MOTION CARRIED** unanimously.

**Expense Contract Renewal: Karen and Kent Strachan**

Gwenda Summers presented this contract renewal to purchase TFCO services from Karen and Kent Strachan.

**ACTION:**

**MOVED BY** Kay Randolph-Back and **SUPPORTED** by Raul Gonzales that the Finance Committee recommends that the Community Mental Health Authority of Clinton, Eaton, and Ingham Counties Board of Directors authorize CMHA-CEI to enter into a contract renewal with Karen and Kent Strachan to purchase therapeutic foster care services for the period of October 1, 2019 through September 30, 2020 and pay \$92.24 per day for any placed youth.

**MOTION CARRIED** unanimously.

**New Expense Contract: Oracle America, Inc. – Cloud Services Agreement**

Stacia Chick presented the contract with Oracle for cloud services. Stacia said the agreement is still being tweaked a bit regarding the warranty in the contract, but will be finalized any day now.

**ACTION:**

MOVED by Dave Pohl and SUPPORTED by Kay Randolph-Back that the Finance Committee recommends that the Community Mental Health Authority of Clinton, Eaton, and Ingham Counties Board of Directors authorize CMHA-CEI to enter into a new contract with Metaformers, Inc. to purchase Oracle Fusion Cloud Services from Oracle America, Inc. and pay up to \$171,450 per year for a total of \$857,250 for the period of October 1, 2019 or beginning on the date of the accepted agreement and is effective for five years thereafter.

MOTION CARRIED unanimously.

**Old Business:**

None.

**New Business:**

- a. Update on JP Morgan Chase – Stacia Chick  
Stacia told the committee CEI has been given a different representative at Chase, Josh Tudor, now that Kathy Davis has retired. Stacia was told on a call on Monday that CEI is now being considered by Chase as an agency that is having financial challenges or of an on-going financial concern. Stacia was also told that JP Morgan Chase is not permitted to extend any new money to CEI at this point in time. Josh Tudor and Sharyn Bennett, a new rep who deals with credit related issues, will be visiting all CEI sites that are financed through Chase on October 23<sup>rd</sup> and 24<sup>th</sup>, with the intention of reappraising all of those sites. Stacia is unsure why this is necessary, and hasn't received any additional information. She has since then been researching other financial intuitions that other CMHs in our region use and may consider moving our banking and financing needs to another institution if necessary.

Sara sees this as a change in personnel issue, since CEI's last representative at Chase, Kathy, seemed to understand what CEI does and was more than willing to work with the agency. Joe asked who would be paying for the appraisal services, and Stacia said that since this isn't driven by CEI, she doesn't foresee CEI having to pay. Stacia noted a couple of processes that seem to have changed from what was done historically now that Josh is the representative;

these processes changed without any communication from Chase. Stacia said CEI's bank balance is anywhere from \$16M to \$22M at any given time, and is unsure why Chase would be willing to lose that business. Joe was in support of finding another bank with which to do business.

Stacia went on to mention that Josh noted the article in the LSJ about the closure of Sheltered Workshop, and he read that to mean that by closing the workshop, CEI would be losing \$9.7M in Medicaid revenue, when that is not the case. Stacia explained this to Josh. Stacia asked other CMH's what banks they use, and was told PNC and Independent Bank, as a couple of examples.

Kay Randolph-Back left the meeting at 6:04pm.

**Public Comment:**

Heather T. asked if the Chase issue was because an employee at their bank didn't do their due diligence beforehand. Stacia said this is possible, but she won't know more until the meeting with Chase at the end of the month.

**Adjournment:**

The meeting was adjourned at 6:23 p.m. The next regularly scheduled Finance Committee meeting is November 13<sup>th</sup>, 2019, 5:30 p.m., 812 E. Jolly Rd, Lansing, Conference Room G11-C.

Minutes Submitted by:

Darby Vermeulen  
Finance Secretary