



FINANCE COMMITTEE

Meeting Minutes

Wednesday, August 13, 2014, 5:30 p.m.

812 E. Jolly Road, Conference Room G11-C

Lansing, MI 48910

Committee Members Present:

Sara Clark Pierson, Joseph Brehler, Raul Gonzales, Kam Washburn, Kay Randolph-Back, Stephen Manchester, Chris Swope

Committee Members Absent:

None.

Staff Present:

Robert Sheehan, Chris McDaniel, Stacia Chick, Chelsea Christensen, Andrew Hewat, Ericanne Spence, Al Way, Toby Bayless, Mary Clissold, John Peiffer, Chuck Dougherty, Carol St. Pierre, Sharon Blizzard, Elizabeth Holcomb, Kim Zimmerman

Public Present:

None.

Call to Order:

The meeting was called to order by Chairperson Sarah Clark Pierson at 5:33 p.m.

Previous Meeting Minutes:

MOVED by Stephen Manchester and SUPPORTED by Raul Gonzales to approve the meeting minutes of July 9, 2014.

MOTION CARRIED unanimously.

Adoption of Agenda:

Agenda items 7 and 8 will be presented together and agenda items 11 through 15 will be presented together. MOVED by Stephen Manchester and SUPPORTED by Raul Gonzales to adopt the revised agenda.

MOTION CARRIED unanimously.

Public Comment on Agenda Items:

No comment.

BUSINESS ITEMS:

New Purchase: 2919-21 Aurelius Road, Lansing, MI 48910

John Peiffer presented a property purchase for 2919-21 Aurelius Road, Lansing, MI 48910. The purchase of this property will replace a rental unit currently being used by Community Services for the Developmentally Disabled (CSDD) consumers at 5640-42 Wise Road. Consumer rent revenue from 5640-42 Wise Road under the CSDD, Community Mental Health Authority of Clinton, Eaton, and Ingham Counties (CMHA-CEI) Supportive Housing Program will support the funding for the monthly mortgage payments. A new mortgage will be obtained through JP Morgan Chase Bank. Staff are in the process of getting bids for issues with heating and cooling and are participating a cost of \$12,000-\$13,000. The overall property inspection went well and it is recommended to move forward with the purchase. Plans to select a property management company were mentioned. Discussion ensued regarding real estate market, supportive housing, and fiduciary duty.

ACTION:

MOVED by Raul Gonzales 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 purchase the property in Ingham County at 2919-21 Aurelius Road, Lansing, Michigan 48910 (Legally known as: Lot 1 Green Meadows Subdivision, City of Lansing, MI: Plot Parcell# 33-01-01-26-302-001) from Eleonore S. Grieb, 2919 Aurelius Road, Lansing Michigan 48910, for the amount of \$120,000 by obtaining a new mortgage from JP Morgan Chase Bank to be funded by consumer rent revenue previously under the 5640-42 Wise Road site under the CSDD, CMHA-CEI Supportive Housing Program.

MOTION CARRIED unanimously.

JP Morgan Chase Tax Exempt Borrowing: 2919-21 Aurelius Road, Lansing, MI 48910

Stacia Chick presented a resolution which allows for tax exempt borrowing for the purchase of a duplex located at 2919-21 Aurelius Road, Lansing, MI 48910. The motion has been amended. JP Morgan Chase will fund 85% of the purchase (\$102,000). The remaining \$18,000 will be used from cash flow. The loan will have the same amortization schedule.

ACTION:

MOVED by Joe Brehler 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 adopt the revised JP Morgan Chase Bank certified resolutions regarding borrowing and tax qualifications for the mortgage loan of 2919-21 Aurelius Road, Lansing, MI 48910.

MOTION CARRIED unanimously.

Revenue Contract Renewal: Ingham County, Office of Community Corrections

Ericanne Spence presented a revenue contract renewal between CMHA-CEI and Ingham County, Office of Community Corrections. Under this contract, Community Mental Health Authority of Clinton, Eaton, and Ingham Counties (CMHA-CEI) will provide Outpatient, Substance Abuse Treatment as a follow up to residential treatment in the House of Commons Residential Treatment Program (HOC). Services are for individuals through the Circuit Court Probation Program who have completed up to 90 days of residential programming that was funded by the Office of Community Corrections. This is a long standing contract (approximately 16 years) through the office of Community Corrections, Ingham County. This contract will not adversely affect CMHA-CEI's fund balance.

ACTION:

MOVED by Chris Swope and SUPPORTED by Stephen Manchester 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 Ingham County, Office of Community Corrections to provide treatment in addition services for the period of October 1, 2014 through September 30, 2015 and receive for those services \$48,323.

MOTION CARRIED unanimously.

Revenue Contract Renewal: Capital Area Community Services, Inc. – Early Head Start Services, Lansing, MI

Al Way presented a revenue contract renewal between CMHA-CEI and Capital Area Community Services, Inc. – Early Head Start Services, Lansing, MI. Under this contract, Community Mental Health Authority of Clinton, Eaton, and Ingham Counties (CMHA-CEI) will provide Capital Area Community Services (CACS) with 20 hours per week of Early Head Start home-based services for up to 8 children and their families and will provide up to 48 hours of Reflective Supervision/Consultation

Finance Committee August 13, 2014 (jh)

MINUTES ARE DRAFT PENDING COMMITTEE APPROVAL

for Early Head Start Home Visitor staff. This is a long standing contract of approximately 7 years.

ACTION:

MOVED by Chris Swope and **SUPPORTED** by Stephen Manchester 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 a contract renewal with CACS EHS to provide home-based services for up to 8 children at a time and their families and to provide up to 48 hours of Reflective Supervision/Consultation to CACS EHS for the period of August 1, 2014 through July 31, 2015 and receive \$38,846 for those services.

MOTION CARRIED unanimously.

New Contract: Michigan State University Child Health Clinic

Al Way presented a new contract between CMHA-CEI and Michigan State University Child Health Clinic. Under this contract, Community Mental Health Authority of Clinton, Eaton, and Ingham Counties (CMHA-CEI) will place one full time equivalent/employee (FTE) licensed behavioral health therapist in the Child Health Care Clinic at Michigan State University's (MSU) Clinical Center. The therapist will perform on-site behavioral health screening, potentially leading to follow-up behavioral health consultations and referral to other community-based resources, including CMHA-CEI.

ACTION:

MOVED by Joe Brehler and **SUPPORTED** by Stephen Manchester 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 Michigan State University to co-locate a CMHA-CEI children's therapist in the Child Health Clinic at the Clinical Center for the period of July 1, 2014 through September 30, 2015.

MOTION CARRIED unanimously.

Revenue Contract: Mid-State Health Network

Toby Bayless presented a contract between CMHA-CEI and Mid-State Health Network. Under this contract, Community Mental Health Authority of Clinton, Eaton, and Ingham Counties (CMHA-CEI) will provide Coordinating Agency (CA) functions to Mid-State Health Network (MSHN). CA functions to include procuring,

maintaining, and otherwise ensuring the presence of a credentialed panel of licensed and qualified providers sufficient to administer medically necessary substance abuse, prevention, and treatment services to eligible Medicaid, Adult Benefit Waiver, Healthy Michigan, or other program beneficiaries that are the responsibility of MSHN that reside in the Counties of Clinton, Eaton, Gratiot, Hillsdale, Ingham, Ionia, Jackson, and Newaygo. Discussion ensued regarding CA status.

ACTION:

MOVED by Kam Washburn and SUPPORTED by Chris Swope that the Finance Committee recommends that the Board of Directors of Community Mental Health Authority of Clinton, Eaton, and Ingham counties, in its role as the Board of Directors of the Substance Abuse Coordinating Agency (CA), authorize CMHA-CEI to enter into a contract with the Mid-State Health Network (MSHN) for the purpose of providing CA functions on the behalf of MSHN and receive an estimated \$2,689,768 (reflective of the total PIHP payments net of PIHP administrative costs and a regional benefit stabilization payment) for the period of January 1, 2014 through September 30, 2014.

MOTION CARRIED unanimously.

Expense Contract Renewal: Ramona Spencer, Holt, MI

Mary Clissold presented a one year expense contract renewal between CMHA-CEO and Ramona Spencer. Under this contract, Community Mental Health Authority of Clinton, Eaton, and Ingham Counties (CMHA-CEI) will purchase Independent Facilitation Services from Ramona Spencer, whose address is at 2131 Adelpha Avenue, Apt. D, Holt, MI 48842. The role of an Independent Facilitator is to serve as an unbiased coordinator of the planning process and to insure the meeting remains focused on the consumer's goals and desires.

ACTION:

MOVED by Chris Swope and SUPPORTED by Joe Brehler 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 a contract renewal with Ramona Spencer, whose address is at 2131 Adelpha Avenue, Apt. D, Holt, MI 48842, for the period of October 1, 2014 through September 30, 2016 and pay \$146 for each Person Centered Plan: This rate is inclusive of all activities related to the PCP process; pre-planning meetings, telephone calls, travel, attendance at the PCP meeting, and any other follow up meetings.

MOTION CARRIED unanimously.

Expense Contract Renewals: Children’s Waivers/Community Living Support

Mary Clissold presented expense contract renewals between CMHA-CEI and the providers below:

| Agency Name | Address | Service |
|--|--|--|
| Forster Woods Adult Day Center | 4656 North Meridian Road Williamston, MI 48895 | Children’s Waivers /Hab. Waiver /B3 (CLS*/Respite) |
| Royal Care Link | 4700 Hagadorn, Ste. 107A East Lansing, MI 48823 | Children’s Waivers /Hab. Waiver /B3 (CLS*/Respite) |
| Quality Nursing Services (ABC Home Care Services) | 633 East Jolly Road, Ste. 3A Lansing, MI 48910 | Children’s Waiver /Hab. Waiver /B3 (CLS*/Respite) |
| Central State Community Services | 2603 W. Wackerly, Ste. 201 Midland, MI 48640 | Children’s Waiver /Hab. Waiver /B3 (CLS*/Respite) |

*Community Living Support (CLS)

Under these contracts, Community Mental Health Authority of Clinton, Eaton, and Ingham Counties (CMHA-CEI) will purchase Children’s Waiver and Habilitation Support Waiver /Medicaid B3 services.

ACTION:

MOVED by Chris Swope and SUPPORTED by Joseph Brehler 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 a contract renewal with: Forster Woods Adult Day Center, Royal Care Link, Quality Nursing Services, and Central State Community Services to purchase Children’s Waiver and Habilitation Support Waiver /Medicaid B3 services and pay the rates listed in the schedule below, for the period of October 1, 2014 through September 30, 2016.

| Rate Schedule | | |
|-----------------------------------|---------------------|------------------------|
| Service | Standard Rate | Holiday Rate |
| Children's Waiver CLS and Respite | \$16.28/hr. | \$24.42/hr. |
| CLS-Hab. Waiver /B3* | 14,26,or 16.28/hr.* | \$21.39 or \$24.42/hr* |

*Rate varies depending on the support needs of the individual served.

MOTION CARRIED unanimously.

Expense Contract Amendment to Existing Contract: Children's Waivers/HSW/Medicaid B3

Mary Clissold presented an expense contract amendment to an existing contract. Under this contract, Community Mental Health Authority of Clinton, Eaton, and Ingham Counties (CMHA-CEI) will amend the current contract to purchase Children's Waiver and Habilitation Support Waiver /Medicaid B3 services from Residential Options, Inc., located at 2425 E. Grand River, Lansing, MI 48912, for the period of August 5, 2014 through December 31, 2016 at an amended rate schedule as indicated below. The revised fee schedule will include an exceptions rate. This higher rate is needed for extremely complex cases where providers cannot find qualified staff at the lower rate and staff need a higher skill level to safely provide this service. This exception rate will be used when all other options have been exhausted.

| Rate Schedule | | |
|-------------------------------------|---------------------|------------------------|
| Service | Standard Rate | Holiday Rate |
| Children's Waiver, CLS, and Respite | \$16.28/hr. | \$24.42/hr. |
| CLS-Hab. Waiver /B3* | 14,26,or 16.28/hr.* | \$21.39 or \$24.42/hr* |
| CLS Exception Rate | \$20.00/hr.* | \$30.00/hr* |

*Rate varies depending on the support needs of the individual served.

ACTION:

MOVED by Chris Swope and SUPPORTED by Joe Brehler 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 a contract amendment with Residential Options, Inc., located at 2425 E. Grand River, Lansing, MI 48912, to add rates as indicated below, for the period of August 5, 2014 through December 31, 2016. The revised fee schedule will include a higher exceptions rate for specialized cases that require a higher skill level for staff to safely provide Community Living Support (CLS), and where all other options have been exhausted.

| Rate Schedule | | |
|-------------------------------------|---------------------|------------------------|
| Service | Standard Rate | Holiday Rate |
| Children’s Waiver, CLS, and Respite | \$16.28/hr. | \$24.42/hr. |
| CLS-Hab. Waiver /B3* | 14,26,or 16.28/hr.* | \$21.39 or \$24.42/hr* |
| CLS Exception Rate | \$20.00/hr.* | \$30.00/hr* |

*Rate varies depending on the support needs of the individual served.

MOTION CARRIED unanimously.

Expense Contract Renewal: Robert D. Smith, Ph.D., Okemos, MI

Chris McDaniel presented an expense contract renewal between CMHA-CEI and Robert D. Smith, Ph.D. Under this contract, Community Mental Health Authority of Clinton, Eaton, and Ingham Counties (CMHA-CEI) will purchase psychological and neuropsychological testing.

ACTION:

MOVED by Chris Swope and SUPPORTED by Joe Brehler 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 an expense contract renewal with Robert D. Smith, Ph.D., whose address is 2289 Sower Blvd., Okemos, MI 48864, to purchase psychological and neuropsychological testing and pay \$490 to \$1,500 per assessment, depending on its complexity, for the period of October 1, 2014 through September 30, 2015.

MOTION CARRIED unanimously.

Expense Contract Renewal: Michigan Department of Human Services (DHS-Ingham County) Medicaid Eligibility Specialist Designated to CEI

Stacia Chick presented an expense contract renewal between CMHA-CEI and Michigan Department of Human Services (DHS-Ingham County). Under this contract, Community Mental Health Authority of Clinton, Eaton, and Ingham Counties (CMHA-CEI) will purchase Medicaid Eligibility Specialist services.

ACTION:

MOVED by Chris Swope and SUPPORTED by Joe Brehler 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 an expense contract renewal with the Michigan Department of Human Services to purchase Medicaid Eligibility Specialist services for the period of October 1, 2014 through September 30, 2015 and pay \$56,300 for those services.

MOTION CARRIED unanimously.

Program Proposals to Balance Fiscal Year 2015 Budget

Stacia Chick presented program proposals to balance the Fiscal Year (FY) 2015. The FY 2015 Preliminary Steady State Budget variance of \$3,524,769 is offset by a 1% increase in wage, FICA, MERS, and contractor rates of (\$708,848) resulting in unallocated revenues of \$2,815,921 shared by all programs. Discussion ensued regarding AMHS funding. AMHS and CSDD were commended for successfully closing budget gaps without a loss of services. The analysis of programs with significant deficits and how each program has used their share of revenue to close the deficits was reviewed. Discussion ensued regarding rates for Healthy Michigan enrollees and waivers.

ACTION:

MOVED by Kay Randolph-Back and SUPPORTED by Stephen Manchester that the Finance Committee recommends that the Community Mental Health Authority of Clinton, Eaton, and Ingham Counties Board of Directors authorize CMHA-CEI to accept management's Fiscal Year 2015 program proposals to balance the budget and authorize management to begin implementation of the proposals.

MOTION CARRIED unanimously.

Fiscal Year 2013/2014 Amended Budget for Quarter Ended June 30, 2014 and Fiscal Year 2013/2014 Preliminary Financial Statements for the Quarter Ended June 30, 2014

Stacia Chick presented the Fiscal Year (FY) 2013/2014 Amended Budget for the quarter ended June 30, 2014, and the Quarterly Financial Statements for the same

period. Discussion ensued regarding Healthy Michigan, general fund, and budget gaps.

ACTION:

MOVED by Chris Swope and **SUPPORTED** by Kam Washburn that the Finance Committee recommends that the Community Mental Health Authority of Clinton, Eaton and Ingham Counties Board of Directors authorize CMHA-CEI to approve the FY 2013/2014 Amended Budget for the Quarter Ended June 30, 2014.

MOTION CARRIED unanimously.

Old Business:

None.

New Business:

October Provider Contract (Expense) Renewals

Andrew Hewat presented a report that includes CMHA-CEI provider/expense contract renewals anticipated for Fiscal Year 2015. Contracts are renewing on schedule and many renewals are anticipated for January.

Public Comment:

No comment.

Adjournment:

The meeting was adjourned at 6:31 p.m. The next regularly scheduled Finance Committee meeting is September 10, 2014, 5:30 p.m., 812 E. Jolly Rd, Lansing, Conference Room G11-C.

Minutes Submitted by:

Chelsea Christensen
Finance Secretary