



Community

MENTAL HEALTH
CLINTON • EATON • INGHAM

FINANCE COMMITTEE

Meeting Minutes

Wednesday, September 10, 2014, 5:30 p.m.

812 E. Jolly Road, Conference Room G11-C

Lansing, MI 48910

Committee Members Present:

Joseph Brehler, Raul Gonzales, Kam Washburn, Kay Randolph-Back, Stephen Manchester

Committee Members Absent:

Sara Clark Pierson, Chris Swope (both notified staff of absence)

Staff Present:

Robert Sheehan, Stacia Chick, Chelsea Christensen, John Peiffer, Andrew Hewat, Chris McDaniel, Ericanne Spence, Al Way, Toby Bayless, Mary Clissold, Chuck Dougherty, Elizabeth Holcomb, Ilene Jolly, Kim Zimmerman

Public Present:

None.

Call to Order:

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

Previous Meeting Minutes:

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

MOTION CARRIED unanimously.

Adoption of Agenda:

MOVED by Kam Washburn and SUPPORTED by Stephen Manchester to adopt the revised agenda with the addition of “Mailing Costs” under new business.

MOTION CARRIED unanimously.

Public Comment on Agenda Items:

No comment.

BUSINESS ITEMS:

Overview of Contracts between the Mid-State Health Network and Community Mental Health Authority of Clinton, Eaton, and Ingham Counties

Bob Sheehan presented a composite list of all of the contracts which Mid-State Health Network (MSHN) holds with vendors, with those involving Community Mental Health Authority of Clinton, Eaton, and Ingham Counties (CMHA-CEI) highlighted to provide the Board of Directors with a sense of the number and range of contracts which this organization holds with MSHN for the coming fiscal year. The contracts are renewals, with the exception of the last two, which are new. The first three highlighted contracts are fulfilling the role of PIHP. There are sizable increases in all contracts which are partly due to the fact that last year was not a full year. Discussion ensued regarding negotiations and contract duration.

For information only.

ACTION:

MOVED by Stephen Manchester and SUPPORTED by Raul Gonzales that the Finance committee recommends that the Board of Directors of the Community Mental Health Authority of Clinton, Eaton, and Ingham Counties (CMHA-CEI) authorize CMHA-CEI to enter into the following new and renewal revenue contracts with Mid-State Health Network based on the fact that the information has been reviewed and the contracts are in line with agency responsibilities:

Contract renewal to provide the full range of Medicaid behavioral health and developmental disability services, the administrative functions required supporting the provision of these Medicaid services, and those managed care functions which have been delegated, by MSHN, to CMHA-CEI, to Medicaid enrollees within the tri-county community. For the fulfillment of these responsibilities, CMHA-CEI will receive, from MSHN, for the period of October 1, 2014 through September 30, 2015, a capitated payment for each Medicaid enrollee in the tri-county community;

Contract renewal to provide Medicaid Eligibility Receipt, Dissemination, and Reporting Services for the period of October 1, 2014 through September 30, 2015 and receive revenue of \$79,976 for those services;

New contract to provide SUD Finance and Reporting Services for the period of October 1, 2014 through September 30, 2015 and receive revenue of \$81,680 for those services;

New contract to provide Coordinating Agency functions on behalf of MSHN for the period of October 1, 2014 through September 30, 2015. While the actual funding to be received by CMHA-CEI, through this contract is dependent upon the number, age, gender, and Medicaid plan of the persons enrolled in Medicaid during the month for which the payment is intended to cover, the annual revenue from this contract is expected to approximate \$15 million;

Contract renewal to provide Critical Incident Analysis and Reporting Services for the period of October 1, 2014 through September 30, 2015 and receive revenue of \$24,183 for those services;

Contract renewal to provide demographic and encounter file warehousing, processing, analytics support, reporting, and MDCH submission services for the period of October 1, 2014 through September 30, 2015 and receive \$607,289 for these services;

And a new contract to provide TEDS file acceptance, validation, and submission services for the period of October 1, 2014 through September 30, 2015 and receive \$189,000 for these services.

MOTION CARRIED unanimously.

Expense Contract Renewals: Agreements with Pine Rest Christian Mental Health/St. Mary's (Grand Rapids, MI), Forest View Hospital (Grand Rapids, MI), and Memorial Hospital (Owosso, MI)

Andrew Hewat presented expense contract renewals to purchase hospital services from the inpatient facilities identified below in accordance with the schedule of services shown. All contracts are renewals of existing agreements.

ACTION:

MOVED by Stephen Manchester and SUPPORTED by Kam Washburn that the Finance committee recommends that the Board of Directors of the Community Mental Health Authority of Clinton, Eaton, and Ingham Counties (CMHA-CEI) authorize CMHA-CEI to enter into contract renewals with Pine Rest/St. Mary's Hospital and Forest View Hospital to purchase hospital services from the hospitals at the rates indicated below for the respective agreements for FY 2015, and from Memorial Hospital of Owosso to purchase hospital services at the rates indicated below for FY 2015 and FY 2016.

Pine Rest/St. Mary's: 1 year agreement (10/1/2014 - 9/30/2015) - rates all-inclusive

Inpatient – adolescents/older adults: \$945.50 per diem (3.5% increase)

Inpatient - adults: \$911.50 per diem (3.5% increase)

Partial hospitalization: \$388 per diem (3.5% increase)

ECT: \$617 – \$821 (3.5% increase)

Total billings at these facilities in FY 2014 (through July, 2014) are as follows:

St. Mary's (adults): \$243,500

Pine Rest (children): \$78,937

Forest View: 1 year agreement (10/1/2014 - 9/30/2015) - rates all-inclusive

Inpatient - adults: \$783 per diem (0% increase)

Inpatient - children: \$830 per diem (2% increase)

Partial hospitalization –

adults and children: \$345 per diem (0% increase)

Total expenditures at Forest View in FY 2014 (through June, 2014) are as follows:

Inpatient - adults: \$317,816

Inpatient – children: \$122,914

Memorial of Owosso: 2 year agreement (10/1/2014 – 9/31/2016) – rates all-inclusive

Inpatient – adults: Year 1 - \$835 est. (3% increase)

Year 2 - \$850 est. (3% increase)

Total expenditures at Memorial of Owosso in FY 2014 (through June, 2014) are as follows:

Inpatients – adults: \$617,079

MOTION CARRIED unanimously.

ACTION:

MOVED by Stephen Manchester and SUPPORTED by Raul Gonzales that the Finance committee recommends that the Board of Directors of the Community Mental Health Authority of Clinton, Eaton, and Ingham Counties (CMHA-CEI) authorize CMHA-CEI to enter into the following lease renewals based on the fact that there are no significant changes, and the contracts are in line with agency responsibilities:

Lease renewal of property at 2678 Waverly Road, Delhi Township, Lansing, Michigan 48911 from Mr. Anis Ahmed, Ahmed Properties Inc., for the period of December 1, 2014 through November 30, 2019 at an annual cost of \$21,785.40 at the rate of \$1,815.45 per month to provide a residential home to serve consumers;

and lease renewal of property at 566 N. Cedar Street, Mason, Michigan, from Dancer Investment, a Michigan Co-Partnership, for the period of January 15, 2015 to January 14, 2020 at a cost each year as noted by the payment schedule below:

Year 1

CMH-CEI shall pay to the Lessor for the premises for the lease period of January 15, 2015 through January 14, 2016, the sum of \$45,122.28 -- per annum and payable in installments of \$3,760.19 – per month.

Year 2

CMH-CEI shall pay to the Lessor for the premises for the lease period of January 15, 2016 through January 14, 2017, the sum of \$46,024.80 -- per annum and payable in installments of \$3,835.40 – per month.

Year 3

CMH-CEI shall pay to the Lessor for the premises for the lease period of January 15, 2017 through January 14, 2018, the sum of \$46,945.32 -- per annum and payable in installments of \$3,912.11 – per month.

Year 4

CMH-CEI shall pay to the Lessor for the premises for the lease period of January 15, 2018 through January 14, 2019, the sum of \$47,884.32 -- per annum and payable in installments of \$3,990.36 – per month.

Year 5

CMH-CEI shall pay to the Lessor for the premises for the lease period of January 15, 2019 through January 14, 2020, the sum of \$48,842.04 -- per annum and payable in installments of \$4,070.17 – per month.

MOTION CARRIED unanimously.

2014/2015 Vehicle Purchase

John Peiffer presented a proposal to purchase 13 new replacement vehicles to the CMHA-CEI fleet used to transport consumers and staff. The new vehicles will replace older vehicles within the fleet ranging from model years 2000 through 2003 that are now costing more to repair than their value to the programs. The vehicles will be purchased as follows:

- From Varsity Ford, Ann Arbor, 7 2014 E350 Club Wagon Vans at \$168,950.00
- From Transportation Concepts, Custom Care Conversions, 3 Van conversions to Lift Vans at \$14,530 each for a total of \$43,590
- The remaining 6 vehicles are to be purchased under the State of Michigan purchasing plan and will be delivered by Gorno Ford, Woodhaven, Michigan for a total of \$145,638

The total amount of the purchase is \$358,178. This amount will be paid with a loan from JPMorgan Chase Bank for the purchase price.

These dollar amounts were updated with a revised fact sheet that was walked-in to the meeting. The dollar amount decreased but the quality of the vehicles remained the same. The vehicles are all new, with the same warranties, and no miles.

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 approve the purchase of 13 new

vehicles for the revised purchase price of \$358,178 and authorize staff to initiate a loan with JPMorgan Chase Bank for this amount.

MOTION CARRIED unanimously.

Fiscal Year 2015 Budget

Stacia Chick presented an explanation of changes to the fiscal year 2015 budget. The biggest change mentioned is the General Fund, which is a reduction that will hopefully be replaced with Healthy Michigan. There were no questions regarding the fiscal year 2015 budget.

ACTION:

MOVED by Kay Randolph-Back 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 adopt the Fiscal Year 2015 Operating Budget: Revenues by Major Funding Source and Expenditures by Line-Item Cost Category. By adoption, the Board of Directors recognize that the adopted budget is based on current estimates of revenues and expenditures, and that staff may find it necessary to recommend, to the Finance Committee and/or Board of Directors, amendments to the budget during the course of the fiscal year; that purchases made in this budget shall be made in conformance with the Procurement Policy; and that expenses which are supported by grant revenue, reimbursement, or other sources of outside funding are contingent upon the Community Mental Health Board Authority of Clinton, Eaton, and Ingham Counties receiving the budgeted revenues.

MOTION CARRIED unanimously.

Fiscal Year 2014 Fourth Quarter Budget Amendments

Stacia Chick presented the changes to fiscal year 2014 budget. The biggest change is the Substance Abuse budget which has increased funding.

ACTION:

MOVED by Kam Washburn 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 approve the Fiscal Year 2014 fourth quarter budget amendments.

MOTION CARRIED unanimously.

Annual Affiliate Compliance and Financial Audits of Fiscal Year 2013

Stacia Chick presented a summary of the Fiscal Year 2013 comments and recommendations from the compliance audit for Community Mental Health Authority of Clinton, Eaton, Ingham Counties (CMHA-CEI) and all affiliates and Fiscal Year 2012 Financial Audit management letters prior year recommendations for each affiliate. There were no issues or auditor comments for CMHA-CEI in the summary.

For information only.

Amendment #3: CMHA-CEI Substance Use Disorder (SUD) Provider Contracts

Toby Bayless presented an amendment to the Coordinating Agency budget to reflect funding increases for MDCH, Medicaid, Healthy Michigan, Jackson Recovery Court, and decrease to PA2 as well as the addition of a seven month Public Supportive Housing Grant from the City of Lansing. It is a sizable amendment due to Healthy Michigan. Approval was received several months ago to expand network. This is an expansion of services. This also closes the structural deficits and one time budget deficits that were justifiable. All adjustments to the budget reflect those changes. The network is financially sound. Discussion ensued regarding meeting demand easily, making care more available, and how accessible services now are. Many consumers are mandated to treatment and the focus on prevention is encouraged due to the levels of substance abuse. Provider contracts have increased (5 new), which has increased the volume and variety of services. The Finance Committee commended Toby Bayless for his hard work, negotiations, and impressive vision. Toby Bayless thanked his staff for their assistance. MSHN paid the CA for services without a contract. The CA received this contract late.

ACTION:

MOVED by Kay Randolph-Back 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, in its role as the Board of Directors of the Substance Abuse Coordinating Agency (CA), authorize CMHA-CEI to enter into the Final Amendment #3 for the SUD Providers to purchase SUD services for the period of October 1, 2013 through September 30, 2014.

MOTION CARRIED unanimously.

ACTION:

MOVED by Stephen Manchester and SUPPORTED by Raul Gonzales that the Finance Committee recommends that the Board of Directors of the Community Mental Health

Authority of Clinton, Eaton, and Ingham Counties (CMHA-CEI) authorize CMHA-CEI to enter into the following expense contract renewals based on the fact that there are no significant changes, and the contracts are in line with agency responsibilities:

Contract renewal with the Michigan Department of Energy and Labor & Economic Growth, Michigan Rehabilitation Services (DLEGMRS) to enter into a cash match agreement in the amount of \$72,823 for the period October 1, 2014 through September 30, 2015. This expenditure will produce a service fund totaling \$269,715 to provide supported employment services to CMHA-CEI consumers;

and Contract renewals with Kenneth O' Deen, Brian E. Madar, Mid-Michigan Guardianship Services, Tri-County Guardianship Services, and Carolyn Bovee to purchase guardianship services for the period of October 1, 2014 through September 30, 2017, and pay \$65.69 per month, per consumer for those services.

MOTION CARRIED unanimously.

ACTION:

MOVED by Stephen Manchester and SUPPORTED by Raul Gonzales that the Finance Committee recommends that the Board of Directors of the Community Mental Health Authority of Clinton, Eaton, and Ingham Counties (CMHA-CEI) authorize CMHA-CEI to enter into the following revenue and expense contract renewals based on the fact that there are no significant changes, and the contracts are in line with agency responsibilities:

Revenue contract renewal with the Michigan Department of Community Health to provide supportive housing services as per the direction of the Michigan Department of Community Health for the period of October 1, 2014 through September 30, 2015, and receive \$32,785;

Revenue contract renewal with the Greater Lansing Housing Coalition to provide supportive mental health services to the Greater Lansing Housing Coalition for the period of October 1, 2014 through June 30, 2015 and receive up to a total annual amount of \$37,500 for those services;

Revenue contract renewal with the 55th District Court, Mason, MI to provide the clinical team for the creation of a Mental Health Court in Ingham County for the period of October 1, 2014 through September 30, 2015 for the amount of \$185,917.40;

Revenue contract renewal with Professional Consulting Services, Jackson, MI to provide a full array of adult mental health services for the period of October 1, 2014 through September 30, 2015 and receive reimbursement for services, per the DOC schedule of fees for those services;

Expense contract renewal with Justice in Mental Health Organization, Lansing, MI to purchase Drop-In/Project Stay and Transitional Housing services for the period of October 1, 2014 through September 30, 2015 and pay \$308,410 for those services;

Expense contract renewal with Michigan Department of Community Health- Michigan Rehab Services to purchase supportive employment through this catch-match agreement for the period of October 1, 2014 through September 30, 2015, and spend \$37,811;

and Expense contract renewal with Nathaniel Asche, whose address is 16960 Black Walnut Lane, East Lansing, MI 48823, to purchase Occupational Therapy Assessments for the period of October 1, 2014 through September 30, 2015 and pay \$280 (per assessment) and \$45/hour (OT meeting with community) for those services.

MOTION CARRIED unanimously.

ACTION:

MOVED by Kam Washburn and SUPPORTED by Stephen Manchester that the Finance Committee recommends that the Board of Directors of the Community Mental Health Authority of Clinton, Eaton, and Ingham Counties (CMHA-CEI) authorize CMHA-CEI to enter into the following revenue and expense contract renewals based on the fact that there are no significant changes, and the contracts are in line with agency responsibilities:

Revenue contract renewal with Department of Community Mental Health to provide coordination services for Trauma Focused-Cognitive-Behavioral Therapy Coordination and Training for the period October 1, 2014 to September 30, 2015 and receive \$332,572 for those services provided;

Revenue contract renewal with the Department of Community Health to provide intensive home based services to up to 6 families, who have a child with SED, and are commercially insured, and receive up to \$40,800 for those services for the period October 1, 2014 through September 30, 2015;

Revenue contract renewal with the Department of Community Health to provide Parent Management Training- Oregon for the period of October 1, 2014 through September 30, 2015 and receive \$50,000 for those services;

Revenue contract renewal with the Ingham County Department of Human Services to enter into a Letter of Agreement for the period of October 1, 2014 through September 30, 2015 (revenue was received, contract was late);

Revenue contract renewal with Eaton County to provide screening, assessment, referral, and treatment services to youth and families under jurisdiction of the Eaton County Juvenile Court for the period of October 1, 2014 through September 30, 2015 and receive \$111,813 for those services;

Revenue contract renewal/partnership with the Ingham County Health Department to provide 0.5 FTE Child Psychiatry and 2.0 FTE Mental Health Therapists and provide psychiatric consultation and mental health treatment for the period of October 1, 2014 through September 30, 2015;

Expense contract renewal with Highfields, Inc., Eaton and Clinton County to provide Wraparound Services to youth and families enrolled in the Department of Human Services' SED Waiver Pilot Program from the period of October 1, 2014 through September 30, 2015 and receive \$309.71 per contact, with up to 4 contacts per month per family, for those services;

Expense contract renewal with Western Michigan University (WMU) Children's Trauma Assessment Center (CTAC), Kalamazoo, MI to provide training in the development of a trauma informed children's mental health system to Community Mental Health Service Programs (CMHSP) and pay \$71,917 for those services for the period October 1, 2014 through September 30, 2015;

Expense contract renewal with Kelly Wilson, whose place of business is located at 103 Hillcrest Drive, Clinton, MS 39056, to provide Trauma-Focused Cognitive Behavioral Therapy to CMHSP's and pay \$37,050 for those services for the period October 1, 2014 through September 30, 2015;

and expense contract renewal with Jennifer Wilgocki, whose place of business is located at 6300 University Ave.; Suite 125, Middleton, WI 53562, to provide Trauma-Focused Cognitive Behavioral Therapy to Community Mental Health Service Programs

(CMHSP) and pay \$57,100 for those services for the period October 1, 2014 through September 30, 2015.

MOTION CARRIED unanimously.

ACTION:

New Revenue Contract: Department of Community Health – Expanding Therapeutic Foster Care for Clinton and Eaton Counties

Al Way presented a new revenue contract to further expand efforts to develop therapeutic foster care homes in Clinton and Eaton counties. This grant will allow us to pursue the recruitment, licensing, and training, of up to 3 homes throughout Clinton and Eaton Counties. The implementation of our Therapeutic Foster Care model and the placement of 3 youth will be the ultimate goal to be achieved. Our therapeutic foster care model is evidenced based with intensive supports and access to 24/7 support for the foster family. In rural areas it is often difficult to regain foster parents; this allows more time to spend in other counties. Homes must be developed for children with serious emotional disturbance.

ACTION:

MOVED by Kam Washburn 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 the Department of Community Health to recruit and develop therapeutic foster care in Clinton and Eaton Counties and receive \$66,667 for that activity for the period of October 1, 2014 through September 30, 2015.

MOTION CARRIED unanimously.

Old Business:

None.

New Business:

Mailing Costs

Finance Committee members commented on the late mailing costs of the Finance Committee packet which was received yesterday afternoon via \$19.15 priority mail. Staff stated that, due the amount and importance of the information to be provided, the packet was delayed and priority mailed. Staff ensured the Finance Committee that it is not an occurrence and that they hope to have happen again.

Public Comment:

Joseph Brehler thanked CMHA-CEI staff for providing informative fact sheets for each business item before the meeting.

Kay Randolph-Back commended staff for the successful CMHA-CEI 50th Anniversary Celebration. It was a terrific and very well organized event with a great variety of individuals, including children and families.

Stacia Chick thanked Andrew Hewat and the CMHA-CEI Program Directors for successfully providing the multitude of necessary fact sheets for this month's Finance Committee.

Adjournment:

The meeting was adjourned at 6:30 p.m. The next regularly scheduled Finance Committee meeting is October 8, 2014, 5:30 p.m., 812 E. Jolly Rd, Lansing, Conference Room G11-C.

Minutes Submitted by:

Chelsea Christensen
Finance Secretary