



Community
MENTAL HEALTH
CLINTON • EATON • INGHAM

FINANCE COMMITTEE

Meeting Minutes

Wednesday, April 13, 2016, 5:30 p.m.

812 E. Jolly Road, Conference Room G11-C

Lansing, MI 48910

Committee Members Present:

Joseph Brehler, Kam Washburn, Raul Gonzales, Kay Randolph-Back, Chris Swope, Carol Koenig

Committee Members Absent:

Jim Rundborg

Staff Present:

Stacia Chick, Chelsea Christensen, Sara Lurie, Karmen Katzinger, Aimee Eisen, Donna Brower, John Peiffer, Gwenda Summers, Mary Clissold, Sharon Blizzard, Chuck Dougherty, Al Way, Chris McDaniel

Public Present:

Jeff Fleming

Call to Order:

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

Previous Meeting Minutes:

MOVED by Chris Swope and SUPPORTED by Kam Washburn to approve the meeting minutes of March 9, 2016.

MOTION CARRIED unanimously.

Adoption of Agenda:

MOVED by Kam Washburn and SUPPORTED by Kay Randolph-Back to adopt the agenda.

Finance Committee Meeting (cc)

April 13, 2016

MINUTES ARE DRAFT PENDING COMMITTEE APPROVAL

MOTION CARRIED unanimously.

Public Comment on Agenda Items:

No comment.

BUSINESS ITEMS:

Revenue Contract Amended Funding: Mid-State Health Network

Having just received this amendment from Mid-State Health Network, note that it is retroactive from March 7, 2016.

Sara Lurie presented a contract amendment for a continuation of funding from Mid-State Health Network. A request of \$127,074 was made for the House of Commons to allow for continued programmatic gains and insuring clinical stability. A request of \$45,245 was also made to stabilize nursing services at The Recovery Center. This additional funding amount of \$167,319 brings the total fiscal year 2016 budget amount for Substance Abuse Services programs to \$2,204,022.

ACTION:

MOVED by Chris Swope 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 amend the dollar amount in the original approved contract with Mid-State Health Network to reflect an additional \$167,319, bringing the total fiscal year 2016 budget amount for Substance Abuse Services programs to \$2,204,022 effective March 7, 2016 through September 30, 2016.

MOTION CARRIED unanimously.

Expense contract Renewal: AT&T Data Services

Chuck Dougherty presented an expense contract renewal with AT&T Data Services to upgrade the data/voice connection between Jolly Road campus and the Clinton County Counseling Center/Transitions - St. Johns. The upgrade will increase bandwidth and price points to save approximately \$65,000 over the life of the contract.

ACTION:

MOVED by Kam Washburn 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 a contract renewal with AT&T to upgrade communication lines at 201 W. Railroad St, St. Johns for the period of May, 1 2016 through April 30, 2019 and pay \$70,536.

MOTION CARRIED unanimously.

Expense Contract Renewal: Sparrow Behavioral Health

Karmen Katzinger presented an expense contract renewal with Sparrow Behavioral Health to purchase psychiatric inpatient services for adults. The negotiated per diem for the agreement shall be \$809 all-inclusive for the period of April 1, 2016 through September 30, 2017. Discussion ensued regarding the contract term. Moving forward CMHA-CEI staff will enter into approved agreements for one year during the fiscal year. This will enable staff to review and update old language efficiently and consistently.

ACTION:

MOVED by Chris Swope and SUPPORTED by Kay Randolph-Back 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 a contract renewal with Sparrow Behavioral Health to purchase inpatient hospitalization services paying a per diem of no more than \$809 all-inclusive from April 1, 2016 through September 30, 2017.

MOTION CARRIED unanimously.

New Expense Contract: 44North

Having just received this contract from 44North, note that it is retroactive from January 1, 2016.

Stacia Chick presented an expense contract to purchase administrative services for the CMHA-CEI Blue Care Network Health Reimbursement Arrangement (BCN HRA) plan's deductible. The Finance department presented information about services provided by 44North at the March Board of Directors meeting. The contract term is for one year, at a rate of \$17.45 per employee enrolled in the CMHA-CEI BCN HRA plans per month. Enrollment per month varies. The approximate total of this contract with 44North, Cadillac, MI for the 2016 fiscal year is \$73,028.25. CMHA-CEI has also purchased under this contract with 44North a bundled package for Teladoc, HealthE Shopper, and Claims Cleansing services. All employees enrolled in any of

the CMHA-CEI healthcare plans are eligible for these services. The contract term is for one year, at a rate of \$13.00 per employee enrolled in CMHA-CEI healthcare plans per month. The approximate total of this 44 North contract for fiscal year 2016 is \$64,116.00. CMHA-CEI staff anticipate the expense and implementation of the bundled package for Teladoc, HealthE Shopper, and Claims Cleansing services to lower health plan renewal rates. CMHA-CEI's Healthcare Committee meets monthly with 44North to closely monitor the utilization and outcome of these incentives. 44North has assured CMHA-CEI staff that the bundled package will assist in modifying employee utilization behavior and potentially increase savings next year.

ACTION:

MOVED by Kam Washburn 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 a new contract with 44North to purchase administrative services for the CMHA-CEI Blue Care Network Health Reimbursement Arrangement (BCN HRA) plan deductibles and pay \$17.45 per month per employee enrolled in CMHA-CEI BCN HRA plans for those services and to purchase a bundled package for Teladoc, HealthE Shopper, and Claims Cleansing services and pay \$13.00 per employee enrolled in CMHA-CEI healthcare plans for the services for the period of January 1, 2016 through December 31, 2016.

MOTION CARRIED unanimously.

Discussion ensued regarding the Healthcare budget.

Carol Koenig joined the meeting at 5:46 p.m.

General Fund Update

Stacia Chick provided a summary of CMHA-CEI's financial status report. CMHA-CEI is now able to report first quarter data with delays due to the electronic health record changes. The general fund analysis is projecting an annualized deficit of \$943,284. The agency fund balance is not sufficient to cover the projected deficit. Discussion ensued regarding consumer expense allocation and the intensity, number, and location of services that alter the amounts. The individuals who rely on general fund are often more severe cases. Further changes must be implemented to reduce general fund expenditures. CMHA-CEI staff shared suggestions to reduce the budget deficit and reviewed the expansive efforts that have been applied to increase Medicaid enrollment. Suggestions were made to reallocate SUD funds from Mid-

State Health Network to Crisis Services, freeze spending on general fund specific expenditures such as Special Needs, lower or terminate contracts that may not be a mandated service, reduce contracted rates that are higher than funding sources will reimburse, and reduce or eliminate services as needed. The Finance Committee would prefer to reduce intensity of service rather than eliminate service. The suggestion was made to closely review provider costs and monitor every contract that has a 1% increase or more. A summary of proposals will be brought the Board of Directors meeting for further discussion and approval.

ACTION:

MOVED by Kam Washburn and **SUPPORTED** by Carol Koenig that the Finance Committee recommends that the Board of Directors of the Community Mental Health Authority of Clinton, Eaton, and Ingham Counties (CMHA-CEI) direct CMHA-CEI staff to explore all options to reduce general fund expenditures, with the elimination of services being a last resort.

MOTION CARRIED unanimously.

Old Business:

None.

New Business:

None.

Public Comment:

None.

Adjournment:

The meeting was adjourned at 6:45 p.m. The next regularly scheduled Finance Committee meeting is May 11, 2016, 5:30 p.m., 812 E. Jolly Rd, Lansing, Conference Room G11-C.

Minutes Submitted by:

Chelsea Christensen
Finance Secretary