Call to Order

The meeting was called to order at 6:00 p.m. by Chairman Priemer who extended a warm welcome to our newest Board member, Mr. Mark Paulus.

Citizens Wishing to Address the Board - None

Agenda Changes – None

Presentation of Previous Meeting Minutes

A. Public Hearing

It was moved by Mr. Rieves, seconded by Ms. Thomson, to approve the minutes of the February 20, 2018 Public Hearing, as presented. MOTION CARRIED

B. Regular Meeting

It was moved by Mr. Rieves, seconded by Ms. Ames, to approve the minutes of the February 20, 2018 CMH Board Meeting, as presented. MOTION CARRIED

Items for Action

A. CMH Fund Addendum – E. Priemer

Chairman Priemer advised the Board that the purpose of this addendum is to formally change the name of our account with the Community Foundation of St. Clair County from “Community
Mental Health Fund" to our legal name of “St. Clair County Community Mental Health Authority” Fund.

It was moved by Mr. Armstrong, seconded by Mr. Smith, to approve the CMH Fund Addendum with the Community Foundation of St. Clair County as it relates to the name change to our legal name of St. Clair County Community Mental Health Authority Fund, as presented. **MOTION CARRIED**

VI. **INFORMATIONAL ITEMS**

A. **Financial Update – K. Farr**

1. **January Year-to-Date Funding Bucket Report and Financial Statement**

   **Funding Bucket Report:**

   *The Funding Bucket Report* covers the period of October 1, 2017 through January 31, 2018. Ms. Farr reported that the total year-to-date expenditures are approximately $225,000 under budget overall. There was approximately $268,000 in lapse vacant position costs and the external provided services are running approximately $137,000 over the current budget. We will continue to monitor the expenditures related to all funding sources and the budget will be updated. Ms. Farr stated that it is her intention to bring a revised budget back to the Board at its next meeting.

   *Autism Program Services* expenditures are starting to catch up with the new provider, Helping Hands.

   *General Fund Hospital Expenditures* are running approximately $50,000 over budget which are expected to flip to Medicaid in the future.

   *The SED Waiver and Children’s Waiver* services are running less than what we had budgeted. Revenues are still coming in from FY 17 and expenditures are running less than originally anticipated. Unless we have an influx of children we will be reducing the budget in this area.

   In *Medicaid, Healthy Michigan and Autism* Ms. Farr stated that we are running at a surplus and spending within our current allocation.

   In *General Fund* we are also running close to budget with no concerns.

   **Financial Statement:**

   Ms. Farr stated that the total current assets of $12.9 million is sufficient to cover the current liabilities of $6.4 million; leaving a positive net position of $6.5 million. However, when factoring in the Non-Current Liabilities and the Long-Term Liabilities, it brings our total Net Position to a deficit of $6.5 million. This is related to the Pension Liability and Net OPEB Obligation.

   In reviewing the Operating Budget and Actual Comparison, Ms. Farr noted that our Operating Revenues in our Original Annual Budget are $55,133,396. The YTD Budget is $18,377,796 and our YTD Actual is $18,611,194, leaving us over budget by approximately $235,000; this is mainly due to the additional allocation of the direct care worker funding that was not in the budget.
The Operating Expenses Original Annual Budget is $54,502,899. Our YTD budgeted are $18,167,631 and our YTD Actual Expenditures are $17,939,059. Ms. Farr stated that the YTD budgeted surplus is $210,165; we are currently at $672,135 and are over budget by $461,970. When other revenue and expenses are factored in we have a surplus just under $460,000.

*Follow Up on Community Foundation Statement:* Ms. Farr reported that she and Ms. Johnson met today with Ms. Jackie Hanton from the Community Foundation. Discussed was the level of revenue generated by the fund. What was discovered was that when the initial $100,000 was put into the fund, $50,000 was designated as “endowed” which went into the general pool of investments and earned 12.42% in 2017 on the investment. The remaining $50,000 designated as expendable was maintained in a more conservative bond fund account which earned just over 1%. As such, the earnings for that period were mainly on the general pool of investments ($50,000).

It is Management’s recommendation that because we don’t have an immediate need for the $50,000 currently in the conservative bond fund account it be moved into the endowed or general pool of investments so we are potentially earning a higher return. Ms. Farr explained that this account is funded by local funds, it is not Medicaid money. Chairman Priemer stated that Management will move these funds into the general pool of investments unless he hears otherwise.

Also discussed was the type of exposure the Community Foundation provides. As a sampling, Ms. Farr routed a copy of the “Giving Guide” in which we have a half page advertisement. They are also helping to promote our Run for Recovery in May as part of the proceeds will be going into our endowment account. Copies of the Giving Guides will be available here in the future; they were included in the Times Herald at Thanksgiving and distributed throughout the community.

2. FY 2017 Year End Report Summaries:

a. **St. Clair CMH Fiscal Year 2017 Funding Bucket Report & Financial Statement**

   *Funding Bucket Report:*

   Ms. Farr noted that FY 17 finished with a Medicaid surplus of $1,335,885. There were deficits in Healthy Michigan of $149,417 and in Autism of $783,962. It is the expectation of Region 10 that we would use the Medicaid surplus to cover the Healthy Michigan and Autism deficits. As such, this will leave $399,003 to be returned to the Region to help fund the Medicaid ISF and savings. The deficits in Children’s Waiver of $35,735 and $49,235 in the SED Waiver were covered with General Fund dollars. Of the remaining GF surplus of $78,058, $44,787 will be carry forward to FY 18 and $33,271 will lapse back to the State.

   *Financial Report:*

   The Local Fund balance will increase by $112,070 due to the surplus of Local and Other Revenues.

   Provided was a pie chart graph which depicts how funding is spent. The total revenues of $52,091,305 are defined by funding sources and total expenditures of $51,979,237 are
defined by department. Ms. Farr noted that 94% of our total funds were utilized to provide services to 3,840 individuals during FY 2017.

b. Fiscal Year 2017 Final Funding Source Bucket Report Summary & MDHHS Form

At the end of each fiscal year, Ms. Farr stated reports are sent to the Department with regards to the revenues received and expenditures out. The actual completed forms were e-mailed to Board members. Highlighted by Ms. Farr was the Executive Summary which detailed the status of Medicaid, Healthy Michigan Plan, Autism (including Autism MIChild), Children’s Waiver and SED Waiver, the General Fund and Local and Other Revenues.

Ms. Farr noted that in FY 2017:

• St. Clair CMH had sufficient Medicaid revenues to fund the budgeted Program Service expenditures. There was a 2.55% reduction in administrative costs in FY 17 compared to FY 16 without requiring any reduction in services.

• The Healthy Michigan Plan budgeted revenues fell just shy of our actual expenditures. Staff are investigating the impact of the potential migration of Medicaid DAB individuals to Healthy Michigan Plan over the past 3.5 years.

• Growth was anticipated in the Medicaid Autism Benefit Services Program as a result of program expansion in 2016; however, due to lack of qualified staff capacity statewide the Autism expansion did not occur as anticipated. An external provider has been contracted with for the service provision to the expansion population.

• St. Clair CMH managed to operate within the General Fund allocation without having to institute any additional service reductions.

c. Fiscal Year 2017 Utilization Net Cost Report Executive Summary & MDHHS Form

Ms. Farr stated that these reports provide the costs per service code by the total number of units or service provided along with the administration and other costs detailed.

Total Medicaid Expenditures Report: The Agency provided 2,650,866 units of service to 2,962 unique cases for total in service costs of $39,509,329. The CMH Managed Care and Delegated Administration and Other Costs totaled $783,622.

Healthy MI Cost Report: The Agency provided 89,937 units of service to 856 unique cases from the Mental Health population for a total service cost of $4,155,527. The CMH Managed Care and Delegated Admin and Other Costs totaled $42,269.

iSPA Expenditures for the Medicaid Autism Benefit: The Agency provided 17,957 units of service to 122 unique cases from the Mental Health population for total service costs of $1,521,112. CMH Managed Care and Delegated Administration and Other Costs total $61,310.

General Fund Cost Report: The Agency provided 22,441 units of service to 478 unique cases for a total service cost of $876,466. The CMH Managed Care and Delegated Administration and Other Costs totaled $330,497. Total General Fund Costs were $1,206,963. Of these costs, $1,043,907 are reported in the General Fund section of the
Non-Medicaid FSR, $84,970 are redirected GF cost of SED and GF cost of Children’s Waiver, and $78,086 are reported in the Local section of the Non-Medicaid FSR, as the GF 10% Local Match.

*Sub-Element Cost Report:* This report provides the total costs per service code by the total number of units of services provided by population type, Persons with Developmental Disabilities, Adults with Mental Illness and Children with Serious Emotional Disturbances along with the administration and other costs detailed.

The Agency provided 2,834,523 total units of service to 3,840 unique cases for a total service cost of $46,464,729. CMH Managed Care and Delegated Administration and Other Costs totaled $2,940,069. Total Sub-Element Costs were $49,404,798.

Ms. Thomson asked at what point to the vacant positions get removed from the books. Ms. Johnson stated that Ms. Farr provides a nice report to the Management Team that is reviewed monthly. Positions are not automatically backfilled. Staffing is based on program service needs. This fund is looked at in conjunction with the YTD Funding Bucket Report before spending.

**B. St. Clair Operations Update – K. Gallagher**

1. **Veteran’s Services**

   Ms. Gallagher stated that we are in the second year of our two-year grant. We have applied as a Region for an extension of the grant. Ms. Wendy Martindale is our Veteran’s Navigator. She can see any veteran in St. Clair County whether they are open for CMH services or not. In the past year she has seen 75 veterans (this is double the target number given for the grant). She helps veterans from trying to secure housing to receiving assistance for food and linking to the VA. The VA system is a very difficult system to navigate through to secure benefits. Thanks to Ms. Martindale, of the 75 veterans she has seen, 35 are now receiving CMH services because we are a Choice provider. This program was created so veterans did not have to go all the way to Detroit to receive individual therapy. Veterans are seen at CMH even if they don’t meet our severity criteria if they have the Choice voucher.

   A letter was sent from the family of a veteran who is in his 70s stating how appreciative they are to Ms. Martindale for her assistance in helping their brother to receive his Veteran’s Administration benefits; he has tried on his own since 2011. They were also appreciative to Ms. Richards for her assistance in helping their brother with his PTSD.

2. **Law Enforcement Trainings**

   Staff members Amy Smith and Adrienne Luckenbacher completed a specialized training with local law enforcement to help both mental health and law enforcement achieve a better understanding of each one’s role and what occurs. Our staff have been to the Port Huron Police Department five times to conduct trainings and have also gone to the State Police in Lapeer and provide ongoing trainings with the Sheriff Department. Their efforts have been instrumental in our relationship in bridging the gaps with law enforcement and those we serve. Both Ms. Smith and Ms. Luckenbacher have gone on ride-a-longs with the police and two Sheriff Deputies went with Ms. Luckenbacher to Kalamazoo State Hospital to see the process after someone has been petitioned.
C. **Administrative Service** – D. Hayes / T. Pingitore

1. **Security Update**

   Provided by Mr. Hayes, IT Director, was an overview of the physical building security improvements that have occurred within the building as well as upcoming enhancements which will include the monitoring of the parking lots and the refueling station.

2. **Board Statement: Addressing Behavior Concerns with Individuals Receiving CMH Services**

   Ms. Pingitore stated that the purpose of this document is to define the Agency’s protocol on responding to individuals with challenging behaviors. This document was drafted to a parent’s request that families be made aware of the Agency’s policy regarding physical management. Basically it states that the only time physical management is to be used is on an emergency basis when the situation places the individual or others at imminent risk of serious physical harm and after less restrictive techniques have been tried and failed.

   Staff and contract agencies who work directly with individuals are required to attend a two-hour training titled “Positive Behavior Supports and Prevention Strategies.” Refresher trainings will be required every two years. The training will address intervention strategies, key concepts, environment modifications and the importance of choice. This statement will be part of the other CARF statements that will be brought to the Board for action at its meeting of April 3, 2018.

   **Follow Up on the Stryker Chair:** Research was conducted on the purchase of this chair both refurbished and new. The purpose of this chair is so that should there be a time that our elevator is not operational and an individual in a wheelchair is upstairs, we would be able to use this chair to take them down the stairs. Ms. Pingitore stated that there wasn’t much difference in the cost between new and refurbished therefore one new chair with a storage box will be purchased at a cost of $3,500 for just the chair alone.

D. **Region 10 Update** – E. Priemer

   Chairman Priemer stated that the February 16, 2018 Region 10 PIHP Board Meeting was cancelled therefore no update will be provided. The next meeting is scheduled for Friday, March 16, 2018.

E. **Community Mental Health Association of Michigan** – D. Johnson

1. **FridayFacts**

   Highlighted by Ms. Johnson was the bi-partisan bill presented by the Senators regarding the opioid epidemic. She stated that an Executive Committee is in the process of being formed to address the opioid epidemic and other drugs countywide. This committee is being created out of the St. Clair County Community Services Coordinating Body (CSCB) of which Ms. Johnson is the Chairman. The current Prescription Drug Task Force Workgroup of the CSCB headed up by Dr. Mercatante, Health Department Director, has been doing a great job of education and prevention.

   Several Task Forces throughout the county started to pop up to address this issue. The faith based community called a meeting with all key stakeholders to discuss their interests in this issue and what they would like to see occur. A result of this meeting was the creation of the
Opioid and Other Drug Executive Committee of which Mr. Jim Johnson, Region 10 PIHP Director, will be the Chairman as Region 10 is the Coordinating Agency for Substance Use Disorders (SUD) services for the region. On March 26th at 6 pm EBW will be conducting a live call-in panel discussion to answer questions regarding this issue.

VII. **DIRECTOR’S REPORT – D. Johnson**

A. **Crain’s Report: Michigan Accepts Bids for Mental Health Integration Test Projects**

This article reveals who they believe has submitted pilot proposals (State officials did not release the number or whereabouts of pilot proposals to date). Suggested applicants are: Muskegon, Saginaw County, Ludington and Genesee County. The formal announcement is expected March 9th.

A Section 298 Update was issued from the Department which stated that they issued requests for proposals, the deadline for submittal was February 20th and oral presentations were given on March 2nd. However no names were provided by the Department.

B. **Board Member Self Evaluation Compilation**

Ms. Johnson stated that has met with each Board member individually to seek their feedback on how they believe the Board is functioning. Topics discussed included meeting frequency, time, day, what works, what doesn’t and trainings. A compilation of the feedback was reviewed with Chairman Priemer and is presented for Board information this evening.

In reviewing the feedback, it was noted that Board members are in agreement to moving to one meeting per month with the ability to call special meetings as needed. Ms. Johnson stated that it is her recommendation that the Board move to one meeting per month. Chairman Priemer stated that we would keep the Board meetings the first Tuesday of the month at 6 pm. This would not take effect until the first meeting in June. A revised calendar will be brought back to the Board at its next meeting for action.

C. **“In the Know” Newsletter**

This monthly newsletter is presented for information only. The Empty Bowl will be held on March 22nd. Tickets are available by contacting Ms. Johnson or Ms. Corby. Also The St. Clair County Child Abuse and Neglect “Kid’s Sake Dinner” will be held on April 11th at 6 pm at the Convention Center at a cost of $50 per person.

D. **Staff Recognition for Services Letter - Discussed under VI.B.1.**

E. **Other**

- McLaren-Port Huron Hospital has offered CMH a house which is next door to the current Lincoln House which is our Crisis Home at a very reasonable cost. Our Facility staff, under the direction of Mr. Klemmer, has looked at the home for renovations necessary to bring the home up to code and meet our needs. The estimate received is $125,000. We would use one of our staff, Mr. Larry Hyde, who is a general contractor for the renovations. Mr. Klemmer checked with the zoning and there is nothing to prohibit having two group homes side-by-side. There is an easement issue on the parking; however, we have talked with Innovative Housing who operates Lincoln House and a solution has been agreed upon. It is Ms.
Johnson’s recommendation that we move ahead with the purchase, renovations and to sole source the operation of the Crisis Home to Innovative Housing.

- Ms. Johnson stated that with the awarding of the grant to operate a children’s crisis residential home finding a home has ensued. She noted that we are still in discussions with the Department as to how soon the licensing issues may be resolved. In the meantime we are moving ahead with looking for a home. A home has been found that is on four acres located in the Deer Creek subdivision located in Clyde Township. We are looking into whether or not the Association will allow a group home. There is a clause in their restrictions that states homes may not be used for business or commercial use. The President will take the issue to the Association for approval. Ms. Johnson stated that she would keep the Board apprised and the purchase is always contingent upon Board approval.

- Board Briefing Notes have been added back in. If they are helpful to Board members we will continue, if not we will discontinue as it is additional work for staff.

VIII. Board Forum - None

IX. Any Other Business to Properly Come Before the Board - None

X. Adjournment

It was moved by Mr. Rieves, seconded by Ms. Thomson, to adjourn. **MOTION CARRIED.** With no further business to discuss, the meeting was adjourned at 7:21 pm.

Respectfully submitted,

Lori Ballor-Gauthier
Recording Secretary