

# LENAWEE COMMUNITY MENTAL HEALTH AUTHORITY BOARD MEETING

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Minutes  
June 27, 2013

**Present:** J. Ackley; D. Bills; S. Clites; H. Keller; E. Martinez; G. Miley; M. Jackson;  
C. Smith; N. Smith; R. Tillotson; J. Van Doren; R. Wilson  
**Absent:** None  
**Staff:** Andrews, Keener, Rawlings (minutes), Robb, Strayer, Szewczuk, Tripp,  
Quinlan, Webster  
**Public:** J. Durell, A. Doner, T. McCarrell

## **CALL TO ORDER**

Chairperson Bills called the meeting to order at 3:03p.m.

## **PREVIOUS MINUTES**

**MOTION** by N. Smith to approve the previous minutes dated May 30, 2013. **SUPPORTED** by C. Smith. **MOTION CARRIED.**

**MOTION** by Van Doren to approve the minutes of the Special Board Meeting held on June 19, 2013. **SUPPORTED** by C. Smith. **MOTION CARRIED.**

## **PUBLIC COMMENT**

No public comment.

## **SPECIAL PRESENTATIONS, REPORTS AND ACKNOWLEDGEMENTS**

Kathy Tripp, Meds Clinic Supervisor, was present in recognition of her retirement on June 28<sup>th</sup> from CMH after 24 years. Diana Webster was also honored for her retirement in July after 33 years. She served in various clerical positions during that time. Congratulations and best wishes to both.

Representatives from United Bank and Trust Wealth Management Group – Mr. A. Doner and Mr. T. McCarrell gave an overview of Public Act 20 which pertains to government entities. General market trends and rate fluctuations were discussed. The General Fund Account market value is \$2.5m with an estimated annual income of \$84,308, with an unrealized gain/loss of \$40,628. The Hendershot Account has a market value of \$193,000, estimated annual income of \$5,500 with an unrealized gain/loss of \$5,100.

Discussion following the presentation included questions raised about asset allocation and the high exposure in education – 43% with 23% in public schools (none locally), although if the bonds are tied to a millage they are more secure. There was also no mention of fees. Deb Strayer will follow up with the UBT Representatives to answer questions raised.

### **COMMITTEE REPORTS**

#### **A. Standing Committees**

##### **1. Consumer Advisory**

There was no Mental Health Awareness Committee Meeting in June.

##### **2. Performance Improvement**

There was no Performance Improvement Committee Meeting in June.

##### **3. Facilities Committee**

Deb Bills reported on the Facilities Committee Meeting which was held on June 21<sup>st</sup>. Medicaid savings dollars have been set aside in the budget to purchase a new agency telephone system which is obsolete. Results of the RFP were reviewed. **MOTION** by Tillotson to accept the proposal to provide and install a new telephone system by Executone Communication Systems L.L.C. **SUPPORTED** by Jackson. **MOTION CARRIED.**

The lease of the residential home at Russell Road, Tecumseh will be due for renewal in September. It is the last of the state owned homes to come back to us. The intention is to continue to lease this home due to its accessibility, location and layout. Many residents at this home are medically fragile. There was discussion regarding the fact that this is one of the highest lease costs and historically taxes and insurance has been included. A few years ago we renegotiated all of the residential home leases down and the intent is to negotiate with the current landlord by offering \$300 per month less. **MOTION** by Tillotson to begin lease negotiations with the owners of the Russell Rd home. **SUPPORTED** by C. Smith. **MOTION CARRIED.**

#### 4. Operations and Budget

Miley reported on this committee which met on June 19<sup>th</sup>.

Two Recipient Rights Policies have been updated and edited for clarity. **MOTION** by Miley to approve Recipient Rights Policies RR-624 Communication by Mail, Telephone and Visits, and RR-620 Fingerprints, Photographs, Recordings, or use of 1-Way Glass. **SUPPORTED** by Jackson. **MOTION CARRIED.**

A new LCMHA Investment Policy has been drafted following the recommendation of the auditors. It has been reviewed by our investment advisors at UBT. There was much discussion about guidelines; strategies for asset allocation; % and quality of holdings, benchmarks, expectations, oversight etc. **MOTION** by Van Doren to postpone approval of the Investment Policy until next month. **SUPPORTED** by C. Smith. **MOTION CARRIED.** N. Smith abstained. Jackson suggested that Operations & Budget Committee review the portfolio after we have received some answers to our questions from the UBT Representatives. Clites suggested looking at what our affiliate partners are doing. Tillotson would like to attend Operations & Budget Committee Meeting for information purposes.

A request to add a vendor to the list of approved vendors for voluntary contribution by payroll deduction to a tax deferred retirement account was discussed. Mike McClellan has left Edward Jones, and has asked to be added as an approved vendor at his new company, LPL Financial. There was discussion regarding cost to CMH for administration; the number of options that should be made available to employees; and whether there should be a set number of employee requests before approval. **MOTION** by Van Doren to refer this decision to Retirement Committee. **SUPPORTED** by C. Smith. **MOTION CARRIED.**

An affiliation recommendation to use unspent FY 13 Medicaid dollars on a one-time 5% claims fee adjustment to providers was discussed. The total for Lenawee is \$349,101.30. **MOTION** by Clites to approve the one-time claims fee adjustment to providers. **SUPPORTED** by C. Smith. Opposed Jackson and Ackley. **MOTION CARRIED.** Jackson objects to the fact there is no stipulation on how the money should be spent by providers. For example – one of our providers is currently on a provisional status due to under-performance. Jackson would like his objection, and the reason (no guarantee there will be any benefit to our consumers), to be conveyed to the Affiliation Finance Committee.

**Service Inquiry** – inquiries in May totaled 115. We saw 54% Medicaid (which is better than previous months) and 14% GF. 72 were scheduled for an assessment, 50 of those were eligible and are receiving series. We had 47 SUD inquiries, 24 Medicaid and 16 block grant, 6 were referred out. We are serving 37 – 22 Medicaid, 11 block grant and 4 ABW.

**State Institution** – We still have 4 people in the hospital with one expected to be discharged at the end of the month; we continue to be above budget. Keener reported that each of our affiliate partners are suffering with a GF deficit for the same reasons – state and community inpatient utilization.

**Inpatient Hospitalizations** – 22 were admitted to the community hospital, and 13 were diverted. We have started to utilize Peer Supports Specialists to connect with people in the hospital, and to stay in contact with them until their appointment. The majority of these were previously unknown to us, one was an IV heroin user, one of the readmissions was unknown.

**Finance Report** – Deb Strayer reported that at the end of May we are 67% of the way through the year, with expenses totaling 66%. One month of GF deficit reduction cuts are reflected in this report. The fringe benefit line is at 56%. The Actuarial Report for the retirement plan recommended a lesser employer contribution than had been budgeted. Only \$25,000 of the \$145,000 saving is in GF. Residential maintenance line is high due to the replacement of the roof at Green Highway – however, this will be covered by Medicaid savings dollars. State institution and community inpatient continue to be high. Revenue shows ABW picking up. We have received the first payment with new enrollees; but we will not know until next month whether the May payment included anything retro to April 1<sup>st</sup>. Contribution from the fund balance is increased by \$42,000, which is slowing down from previous months.

**Cash Balance** – There was a loss in both of the Wealth Management Investments. We have received two payments for the land contract since 5/31 – the principal remaining is \$199,198.19. The Family Medical Center will be paying off this amount. This will then be applied to the mortgage. The amortization schedule would be recalculated to include a \$150 charge. The deed will need to be released to the FMC. The existing mortgage should be paid off in approximately three years.

**MOTION** by Jackson to accept the Finance Reports and additional vouchers totaling \$ 645,541.88. **SUPPORTED** by C. Smith. **MOTION CARRIED.**

Strayer notified the Board that she had been contacted by the Auditors who had in turn been contacted by the County Auditors requesting a “Subsequent Events Report” which is as a result of a new guideline for group audits. The cost attached to this is \$750. **MOTION** by Jackson to table this request until more information is forthcoming. **SUPPORTED** by Smith. Tillotson and C. Smith abstained. **MOTION CARRIED.** Strayer will bring more information to Operations & Budget Committee next month.

A request from Mass Mutual to transfer \$145,536 from the Money Market account to the General Investment fund to cover payments for the Defined Benefit Retirement Plan for the quarter was discussed. The lack of notice, combined with the fact that this was not mentioned at the Retirement Committee Meeting this month, and then an amendment to the amount required, prompted more questions. The increased number of retirees drawing from this account has brought about this request. **MOTION** by N. Smith to authorize Mass Mutual to take the required amount from the Money Market account to meet the current payment, and to direct Retirement Committee to review going forward. **SUPPORTED** by C. Smith. **MOTION CARRIED**. Concern was expressed by board members regarding the lack of foresight. There was discussion regarding the County's experience and contentment with Mass Mutual.

**5. Personnel Committee**

There was no Personnel Committee Meeting in June.

**6. Recipient Rights Advisory Committee**

Miley reported on Recipient Rights Advisory Committee which met on June 18<sup>th</sup>. Second quarter data was reviewed.

**7. Retirement Committee**

Van Doren reported on the Retirement Committee Meeting which was held on June 18<sup>th</sup>. The contribution level has decreased this year due to the market recovery. **MOTION** by Van Doren to accept the Actuarial Report and place on file. **SUPPORTED** by Jackson. **MOTION CARRIED**. Mass Mutual provided a proposal to manage the 401A Fund currently handled by ICMA. This was taken into consideration.

**8. By-Laws**

There was no By-Laws Committee Meeting in the month of June.

**B. Ad Hoc Committees:**

No Ad Hoc Committee Meetings in the month of June.

**EXECUTIVE DIRECTOR'S REPORT**

1. We have received confirmation that the Enabling Resolution and ByLaws have been filed with the County Clerk in each of the four counties, and with the Great Seal of Michigan. The newly formed Regional Board will be meeting for the first time at the end of July.
2. The Michigan Senate adjourned without voting on Medicaid Expansion. We plan to review the characteristics of consumers currently who are not Medicaid

- eligible and receiving services. Decisions will have to be made going forward regarding reduction of service or discontinuation of services.
3. Following the departure of several staff, duties have been reassigned. However, we cannot accommodate any more staff cuts. Two administrative staff will not be replaced. Kathy Tripp – Meds Clinic Supervisor is retiring and her job description has been rewritten as “Integrated Health Supervisor” in preparation for integration of services with the Family Medical Center. Agency Nurse Job descriptions have also been updated as their roles change. Cross training is being done in preparation for their work in coaching the Case Managers to become “care managers”. No salary adjustments are recommended at this time.
  4. Land Contract – discussed in Finance Report above.
  5. Audits. We have had two audits this month. WCHO Contract Services were reviewed and we did very well. Yesterday we participated in a Federal review which also went well. We expect an unannounced Substance Abuse review soon, as the Substance Abuse license was provisional until July. SUD policies will be presented at Operations and Budget Committee next month.
  6. Christ Centered Homes. A three month interim monitoring has just been completed. Results are encouraging with all indicators improving. They are now working with a contract nursing agency which is working well.

**REPORT FROM BOARD CHAIR**

Deb Bills noted that Board Members should start thinking about the Fall Conference and whether they will be able to attend.

**BOARD MEMBER COMMENTS**

Jackson reported that Sam Pooley attended the safeTALK Training this week and was very impressed and thought it was very helpful. C. Smith also attended, Kathryn did a great job and he would recommend this training to others.

**ADJOURNMENT**

Meeting adjourned at 5:16pm.  
/klr

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Robert Wilson

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Date