

COMMUNITY MENTAL HEALTH SERVICES OF MUSKEGON COUNTY

FULL BOARD MEETING MINUTES

November 21, 2014

8 a.m.

Mental Health Center

CALL TO ORDER

The regular meeting of the Full Board was called to order by Chair Thomas at 8:00 a.m.

ROLL CALL

Members Present: Janet Thomas, Cheryl Natte, Chuck Buzzell, Coleen Davis, Bonnie Gonzalez, Susie Hughes, Ken Shelton, John Snider, Dr. Remington Sprague, Lori Wells

Members Excused: Jeff Fortenbacher, Charles Nash

Others Present: Julia Rupp, Thomas Best, Brandy Carlson, Judy Cohen, Dave Parnin, Lauren Meldrum, Margaret Tietze, Joy VanderVen

Guests: None

MINUTES

It was moved by Ms. Natte, seconded by Dr. Sprague, to approve the minutes of the October 24, 2014, meeting as written.

MOTION CARRIED.

COMMITTEE REPORTS

Program/Personnel Committee via Cheryl Natte

There were no action items to report.

Recipient Rights Advisory Committee via Ken Shelton

CMHB-015 – It was moved by Mr. Shelton, seconded by Ms. Natte, to approve the Recipient Rights Report for the month of October 2014.

MOTION CARRIED.

Recipient Rights Appeals Committee via Ken Shelton

CMHB-016 – It was moved by Mr. Shelton, seconded by Ms. Natte, to uphold the investigative findings of the office and the action taken or plan of action proposed by the respondent.

MOTION CARRIED.

Finance Committee via John Snider

CMHB-017 – It was moved by Mr. Snider, seconded by Dr. Sprague, to approve expenditures for the month ending October 31, 2014, in the total amount of \$2,205,587.16.

MOTION CARRIED.

CMHB-018 – It was moved by Mr. Snider, seconded by Dr. Sprague, to amend the Mental Health FY2015 Budget proposed to the County of Muskegon from \$63,482,803 up to \$63,551,399 for both revenues and expenditures, and to approve Community Mental Health (CMH) personnel position changes listed on the attached CMH Budget Amendment.

MOTION CARRIED.

CMHB-019 – It was moved by Mr. Snider, seconded by Dr. Sprague, to authorize the Community Mental Health (CMH) Executive Director to sign the FY 2015 contract between CMH Services of Muskegon County and the Lakeshore Regional Partners, effective October 1, 2014 through September 30, 2015 to provide the following services: Medicaid Managed Specialty Supports and Services, Concurrent 1915 (b)/(c) Waiver Program(s), The Healthy Michigan Program, and Substance Use Disorder Community Grant Programs.

MOTION CARRIED.

CMHB-020 – It was moved by Mr. Snider, seconded by Dr. Sprague, to authorize the Community Mental Health Executive Director to sign an amendment to continue the lease agreement of the Indian Bay Residence from George Dean, effective January 1, 2015 through December 31, 2015, at a monthly rent of \$2,048.36.

MOTION CARRIED.

CMHB-021 – It was moved by Mr. Snider, seconded by Dr. Sprague, to authorize the Community Mental Health Executive Director to sign an amendment to continue the lease agreement of the White Lake Community Skill Building Center with George Dean, effective January 1, 2015 through December 31, 2015, at a monthly rent of \$2,094.09.

MOTION CARRIED.

CMHB-022 – It was moved by Mr. Snider, seconded by Dr. Sprague, to authorize the Community Mental Health (CMH) Executive Director to sign the contract with Healthcare Services Group, Inc. for the provision of housekeeping services at Brinks Residential Facility located at 1890 E. Apple Avenue, Suite 2, Muskegon, MI 49442, effective November 5, 2014 at an amount not to exceed \$31,788.00 per year.

MOTION CARRIED.

CMHB-023 – It was moved by Mr. Snider, seconded by Dr. Sprague, to authorize the Community Mental Health (CMH) Executive Director to sign the extension of the FY 2014 License and Services Agreement to license software programs and purchase professional services from West Michigan Community Mental Health (WMCMH), effective October 1, 2014 through September 30, 2015, for a cost not to exceed \$270,600.00.

MOTION CARRIED.

CMHB-024 – It was moved by Mr. Snider, seconded by Dr. Sprague, to authorize the Community Mental Health Executive Director to sign contracts with those service vendors/providers listed on Attachment A: Vendor Agreement for Continuation of FY 2013/2014 Rates Through September 30, 2015, who have submitted written agreements to continue service provision at the current Fiscal Year 2013/2014 rates for the time period effective October 1, 2014 through September 30, 2015.

MOTION CARRIED.

CMHB-025 – It was moved by Mr. Snider, seconded by Dr. Sprague, to authorize the Community Mental Health Executive Director to sign contracts accepting the proposed rate changes by those vendors/providers listed in Attachment A: FY 2014/2015 Proposed Vendor Rate Changes, effective

October 1, 2014 through September 30, 2015.

MOTION CARRIED.

CMHB-026 – It was moved by Mr. Snider, seconded by Dr. Sprague, to authorize the lease of five (5) mid-size sedans from the Ford Motor Corporation as part of the state vehicle procurement list process.

MOTION CARRIED.

ITEMS FOR CONSIDERATION

Authorization to Sign Contracts to Continue Service Provision at Current Fiscal Year Rates

CMHB-027 – It was moved by Mr. Shelton, seconded by Ms. Gonzalez, to authorize the Community Mental Health Executive Director to sign contracts with those service vendors/providers listed on Attachment A: Vendor Agreement for Continuation of FY 2013/2014 Rates Through September 30, 2015, who have submitted written agreements to continue service provision at the current Fiscal Year 2013/2014 rates for the time period effective October 1, 2014 through September 30, 2015.

**MOTION CARRIED
with Dr. Sprague abstaining.**

Motion to Sign Contract with Healthcare Services Group for Dining and Food Service

CMHB-028 – It was moved by Mr. Snider, seconded by Mr. Shelton, to authorize the Community Mental Health Executive Director to sign the contract with Healthcare Services Group, Inc. for the provision of dining/food services at Brinks Residential Facility located at 1890 E. Apple Avenue, Suite 2, Muskegon, MI 49442, effective November 5, 2014 at an amount not to exceed \$60,000.00 per year.

MOTION CARRIED.

Interim Analysis of Expenditures

Mr. Best presented the expenditures for the month of October 2014, noting that Community Mental Health is 5.6% under budget.

Interim Analysis of Revenues

Mr. Best presented the Interim Analysis of Revenues through October 31, 2014. There was nothing unusual to report.

Interim Balance Sheets of October 2014

Mr. Best presented the Interim Balance Sheets of October 2014, noting that there was a negative cash balance of (\$434,455.13) with Interest Receivable of \$5,588.63 for Fund 2220. Fund 6772 has a positive cash balance of \$1,724,620.92. Fund 7930 has a positive cash balance of \$284,055.87.

CMH Expenditures Financial Statement

Mr. Best presented the CMHS Expenditure report for October 2014 which shows the estimated true

variance to date of \$94,982. Expenditures are under budget to date.

Finance Update – Interest Earnings, Fees & Inpatient Summary

The trial balance shows a cash balance of (\$434,455). The average investment rate for these funds is approximately 2.395%, per the County Treasurer’s office. However, because of the negative cash balance, we have earned no interest so far this fiscal year. This means we are a little more than \$4,200 under budget for this item in Regular Services after the first month of the fiscal year.

<u>Item</u>	<u>Regular Services</u>	
Cash Balance as of 10/31/14	\$	(434,455)
Total Interest Earned for FY2014	\$	36,226
Total Interest Budget for FY2015	\$	51,200
Interest Budget Per Month for FY2015	\$	4,267
Interest Earned October 2014	\$	0
Interest Budgeted Through October 2014	\$	4,267
Interest Earned Through October 2014	\$	0

The Fee Report has a negative total variance of (\$403,137) through the month of October 2014. The variance report is based on the budget approved by the CMH Board during the month of November 2014.

The Inpatient Summary Report indicates a Net Utilization Variance of (\$15,167) for State Inpatient and (\$30,210) for Community Inpatient, which is based on the budget approved by the CMH Board during the month of November 2014.

Budget Variance Analysis Report

Our projected budget variance, based on the budget approved by the CMH Board during the month of November 2014 is a little over (\$369,000). There are contingencies of a little over \$100,000 at this time. This would leave us with a net negative variance of approximately (\$269,000) after the first month of the fiscal year. Due to the different periods of the budget year that these variances are calculated over, this would prorate out to a negative variance of approximately (\$3,246,200) for the whole fiscal year.

However, this figure does not really give us a true picture of where we stand as we are not able to use the different funding sources (i.e., State GF and Medicaid, etc.) to offset each other’s shortfalls. Therefore, a truer picture would be as follows:

Medicaid	(2,234,700)
Healthy Michigan	(1,011,500)
State General Fund	-0-
Local Match on Above	-0-
Local Match Surplus on Everything Else	-0-

Year End Projection Trends

Mr. Best presented the year end projection trends for board member review.

OLD BUSINESS

Lakeshore Regional Partners (LRP) Update

Mr. Snider reported the LRP board meeting went well yesterday. Finances continue to be an issue due to the uncertainty of the rate rebasing being discussed at the state level. Current LRP allocations are being made as they have been in the past. LRP staff are trying to get the rate base adjusted to a level that will provide more comfort for not only the participants of the LRP, but several other regions as well.

Branding Update

Lauren Meldrum, Community Relations Manager/CMH, thanked the board for their continued support with this project and reported we are now at a point where we can start rolling out the new brand for our organization. A soft internal launch with staff will be held on December 11, 2014. We are planning to publicly launch the new name and brand on March 02, 2015.

Commissioner Hughes requested that this be presented to the county commissioners prior to the launch.

NEW BUSINESS

Mr. Best reported that he recently received communication from DCH stating that they have recouped all of our HAB waiver dollars for the month of July. While we are 99% sure that we will receive this \$750,000 back, we are unsure at this time how this will play out.

COMMUNICATION

Director's Report

Ms. Rupp stated she has met recently with Commissioner Mahoney and Doug Hughes from Corporate Council to discuss the role of the CMH board.

AUDIENCE PARTICIPATION

There was no audience participation.

ADJOURNMENT

There being no further business to come before the board, the meeting adjourned at 8:47 a.m.

Respectfully,

Bonnie Gonzalez
Board Secretary

/jv²

PRELIMINARY MINUTES
To be approved at the Full Board Meeting of December 19, 2014