

COMMUNITY MENTAL HEALTH PARTNERSHIP OF SOUTHEAST MICHIGAN  
REGULAR BOARD MEETING  
705 N. Zeeb Rd, Ann Arbor, MI  
Wednesday, February 8, 2017  
6:00 PM



Agenda

|   | <u>Guide</u> |
|---|--------------|
| I. Call to Order  | 1 min        |
| II. Roll Call   | 2 min        |
| III. Consideration to Adopt the Agenda as Presented   | 2 min        |
| IV. Consideration to Approve the Minutes of the 1-11-17 Regular Meeting and Waive the Reading Thereof (Board Action) {Attachment #1}                                  | 2 min        |
| V. Audience Participation (5 minutes per participant)   |              |
| VI. Old Business  | 20 min       |
| a. February Finance Reports {Attachment #2, 2a}   |              |
| b. Annual CEO Performance Review Update   |              |
| VII. New Business   | 15 min       |
| a. Board Action Request {Attachment #3}   |              |
| i. Consideration to approve the amendment to the Hegira contract for SBIRT case manager and peer services at Hope Clinic  |              |
| ii. Consideration to approve the amendment to the Home of New Vision Contract for the implementation of a Recovery Community Organization (RCO)                       |              |
| iii. Consideration to approve the amendment to the Catholic Charities of Southeast Michigan contract for the Enhancement Treatment Services to Pregnant Women program |              |
| VIII. PIHP CEO Report to the Board  | 15 min       |
| a. Report from the SUD Oversight Policy Board (OPB)   |              |
| IX. Adjournment   |              |

**COMMUNITY MENTAL HEALTH PARTNERSHIP OF SOUTHEAST MICHIGAN  
REGULAR BOARD MEETING MINUTES  
January 11, 2017**



**Members Present:** Charles Londo, Judy Ackley, Ralph Tillotson, Martha Bloom, Sharon Slaton, Lisa Berry-Bobovski, Sandra Libstorff

**Members Absent:** Bob Wilson, Charles Coleman, Barb Cox, Greg Lane, Kent Martinez-Kratz

**Staff Present:** Connie Conklin, Jane Terwilliger, Katherine Szewczuk , Stephannie Weary, Marci Scalera, Lisa Jennings, Suzanne Stolz, James Colaianne, Matt McDaniels

**Others Present:**

I. Call to Order  
Meeting called to order at 6:02 p.m. by Board Chair Ralph Tillotson

II. Roll Call  
A quorum of members present was confirmed.

- ) C. Coleman has resigned due to a scheduling conflict.
- ) Washtenaw has an open board member position.
- ) Sharon Slaton arrived at 6:07 p.m.

III. Consideration to Adopt the Agenda as Presented

**Motion by S. Libstorff, supported by L. Berry-Bobovski, to approve the agenda**

**Motion carried**

- ) Added to New Business: Board Request to approve the proposed engagement of services from Attorney Carol Romej for consultation on the development of the contract for the Electronic Health Record.

IV. Consideration to Approve the Minutes of the December 14, 2016 Regular Meeting and Waive the Reading Thereof

**Motion by S. Libstorff, supported by J. Ackley, to approve the minutes of December 14, 2016 Regular Meeting and waive the reading thereof**

**Motion carried**

V. Audience Participation  
None

VI. Presentation  
a. SUD Funding Overview  
    ) M. Scalera presented an overview of SUD funding streams, and why there might be a discrepancy in what's been budgeted vs. reported.

VII. Old Business  
a. January Finance Report

- ) S. Stolz presented the report. Discussion followed.
- b. Annual CEO Performance Review Update
  - ) L. Berry-Bobovski provided an update from the ad hoc evaluation committee.
  - ) The committee has requested that J. Terwilliger do a self-evaluation.
  - ) Once the self-evaluation is completed, the committee will send it out to all board members for review and rating. The committee will collect the ratings and will bring back the completed evaluation to the February board meeting.

VIII. New Business

a. Board Action Request

- i. Consideration to approve the amendment to the Lenawee CMH – ROSC Core Provider Contract for SUD Services

**Motion by L. Berry-Bobovski, supported by S. Slaton, to approve the amendment to the Lenawee CMH – ROSC Core Provider Contract for SUD Services**

**Motion carried**

- ii. Consideration to approve the new contract for American Association on Intellectual and Developmental Disabilities (AAIDD)

**Motion by M. Bloom, supported by L. Berry-Bobovski, to approve the new contract for American Association on Intellectual and Developmental Disabilities (AAIDD)**

**Motion carried**

- iii. Consideration to approve the proposed engagement of services from Attorney Carol Romej for consultation on the development of the contract for the Electronic Health Record

**Motion by L. Berry-Bobovski, supported by J. Ackley, to approve the proposed engagement of services from Attorney Carol Romej for consultation on the development of the contract for the Electronic Health Record**

**Motion carried**

IX. PIHP CEO Report to the Board

a. Report from the SUD Oversight Policy Board (OPB)

- ) OPB did not meet in December.

b. Director's Report

- ) J. Terwilliger provided an update on state activities, including Medicaid funding and the Home and Community-based waiver.

X. Adjournment

**Motion by J. Ackley, supported by S. Slaton, to adjourn the meeting**

**Motion carried**

- ) Meeting adjourned at 7:13 p.m.

**Attachment 2 - February 2017**

**Community Mental Health Partnership of Southeast Michigan  
FY 2016 Preliminary Statement of Net Position  
For the Period Ending September 30, 2016**

|  |                      |
|--|----------------------|
| <b>Assets</b>                            |                      |
| Cash and Cash Equivalents                | 25,626,242           |
| Receivables                              | <u>958,582</u>       |
| <b>Total Assets</b>                      | <b>\$ 26,584,824</b> |
| <b>Liabilities</b>                       |                      |
| Accounts Payable and Accrued Liabilities | 8,100,280            |
| Unearned Revenue                         |                      |
| Lenawee PA2                              | 1,095,072            |
| Livingston PA2                           | 2,763,737            |
| Monroe PA2                               | 495,345              |
| Washtenaw PA2                            | <u>2,757,103</u>     |
| <b>Total Liabilities</b>                 | <b>\$ 15,211,537</b> |
| <b>Net Position</b>                      |                      |
| Restricted for Risk Management           | <u>11,373,287</u>    |
| <b>Total Net Position</b>                | <b>\$ 11,373,287</b> |

**\* Information only: the unaudited financial information set forth above is preliminary and subject to adjustments and modifications.**

**Community Mental Health Partnership of Southeast Michigan  
FY 2016 Preliminary Statement of Revenues and Expenditures  
For the Period Ending September 30, 2016**

|   | FY16 Final<br>Budget  | YTD<br>Actual        | YTD Actual<br>O/(U) Budget |
|---|-----------------------|----------------------|----------------------------|
| <b>Operating Revenue</b>                |                       |                      |                            |
| Medicaid Capitation                     | \$137,613,945         | \$139,061,954        | \$1,448,010 a              |
| Medicaid Carryforward                   | 1,473,549             | 1,473,549            | 0                          |
| Healthy Michigan Plan                   | 12,188,927            | 12,148,700           | (40,228)                   |
| Healthy Michigan Carryforward           | 5,224,847             | 5,224,847            | 0                          |
| Autism                                  | 1,661,715             | 862,595              | (799,120) b                |
| Medicaid Health Home-Washtenaw Only     | 419,801               | 759,072              | 339,271 c                  |
| 10% Health Home Match Washtenaw         | 41,980                | 75,907               | 33,927 c                   |
| SUD Community Grant                     | 3,767,460             | 3,728,619            | (38,841)                   |
| SUD PA2 - Cobo Tax Revenue              | 2,105,798             | 1,850,437            | (255,361)                  |
| Local Match                             | 1,577,780             | 1,577,780            | 0                          |
| Other Revenue                           | 217,567               | 202,360              | (15,207)                   |
| <b>Total Revenue</b>                    | <b>\$166,293,369</b>  | <b>\$166,965,820</b> | <b>\$672,451</b>           |
| <b>Funding For CMHSP Partners</b>       |                       |                      |                            |
| Lenawee CMHSP                           | \$17,137,987          | \$15,548,905         | (\$1,589,082) d            |
| Livingston CMHSP                        | 23,871,599            | 24,475,631           | 604,032 d                  |
| Monroe CMHSP                            | 25,931,719            | 26,273,111           | 341,392 d                  |
| Washtenaw CMHSP                         | 65,954,549            | 65,697,897           | (256,652) d                |
| <b>Total Funding For CMHSP Partners</b> | <b>\$ 132,895,854</b> | <b>\$131,995,544</b> | <b>\$ (900,310)</b>        |
| <b>Funding For SUD Services</b>         |                       |                      |                            |
| Lenawee County                          | \$1,278,823           | \$1,475,404          | \$196,581 e                |
| Livingston County                       | 1,614,420             | 1,295,323            | (319,097) f                |
| Monroe County                           | 1,506,177             | 1,418,269            | (87,908) g                 |
| Washtenaw County                        | 4,026,893             | 4,331,096            | 304,203 h                  |
| <b>Total Funding For SUD Services</b>   | <b>\$ 8,426,313</b>   | <b>\$ 8,520,092</b>  | <b>\$93,779</b>            |
| <b>Other Contractual Obligations</b>    |                       |                      |                            |
| Hospital Rate Adjuster                  | \$2,122,900           | \$2,168,850          | \$45,950                   |
| USE and HICA Tax                        | 10,492,516            | 10,451,576           | (40,940)                   |
| Local Match                             | 1,577,780             | 1,577,780            | -                          |
| 10% Health Home Match Washtenaw         | 41,980                | 75,907               | 33,928                     |
| <b>Total Other Costs</b>                | <b>\$14,235,176</b>   | <b>\$14,274,114</b>  | <b>\$38,939</b>            |
| <b>CMHPSM Administrative Costs</b>      |                       |                      |                            |
| Salary & Fringe                         | \$1,768,037           | \$1,583,885          | (\$184,152) i              |
| Administrative Contracts                | 1,031,952             | 1,040,739            | 8,787                      |
| Board Expense                           | 12,980                | 7,848                | (5,132)                    |
| All Other Costs                         | 168,136               | 166,898              | (1,238)                    |
| <b>Total Administrative Expense</b>     | <b>\$2,981,105</b>    | <b>\$2,799,370</b>   | <b>\$ (181,735)</b>        |
| <b>Risk Reserve Provision</b>           | <b>\$2,581,623</b>    | <b>\$2,581,623</b>   | <b>-</b>                   |
| <b>Carry Forward</b>                    | <b>\$5,173,298</b>    | <b>\$9,376,701</b>   | <b>4,203,403</b>           |
| <b>Total Expense</b>                    | <b>\$166,293,369</b>  | <b>\$166,965,820</b> | <b>\$3,254,075</b>         |

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**Community Mental Health Partnership of Southeast Michigan  
FY 2016 Preliminary Statement of Revenues and Expenditures Notes  
For the Period Ending September 30, 2016**

- a - Over budget due to increased eligibles, conservative approach to trending and retroactive HSW payments.
- b - Timing difference, Autism benefit receipts delayed, final reconciliation to be completed with cost settlements and final financial status reports due to CMHPSM from the cmhsp's in February.
- c - Home Health was not anticipated to continue for the entire year, expenditures correlate with revenues.
- d - Funding of partners is on a cash basis, these amount reflect amounts reported on Interim reports submitted to the state, final reconciliation to be completed with cost settlements.
- e - ROSC over budget but is cost settled. The FY17 budget 1st amend will reflect this increase.
- f - Treatment is under budget, the majority of the unspent funding is PA2 which can be carried forward. In addition the Engagement Center opened in February 2017.
- g - Treatment is under budget, the majority of the unspent funding is PA2 which can be carried forward.
- h - Healthy Michigan treatment was over budget.
- i - Administrative expenses under budget due to vacant positions through the year.

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Financial Highlights  
For the Period Ending December 31, 2016

Statement of Revenue and Expenses:

1. Revenue

- ) Medicaid Carryforward and Healthy Michigan Plan Carryforward are under budget due to recognition at year end for the closing process for financial reporting status. Fiscal Year 2016 is being finalized.
- ) Autism Medicaid is under budget due to timing. Autism is payment delayed. Payments are five months in arrears. Fiscal Year 2016 is being finalized.
- ) SUD Block Grant and PA2 revenues are under and over budget respectively due to timing of payments. Expenditures are under due to delayed implementation of programs and over budget do to fall prevention programming. Expenditures correlate with revenues. PA2 Revenue fund distributions had not yet been released for the 1<sup>st</sup> quarter of FY17 by the State of Michigan at the time this report was prepared.

2. Expenditures

- ) SUD Expenditures are under budget and correlate with revenues.
- ) Administrative costs are under budget due to vacant positions.

CMHPSM Strategies:

1. CMHPSM will coordinate with CMHSP's to review current year budgets and actual expenditures, making amendments as needed.
2. A shared decision model will be utilized to monitor and update the fiscal year 2017 budget to be presented to the board for approval in the 2<sup>nd</sup> Quarter.
3. CMHPSM will trend traditional Medicaid Eligibles and HMP Enrollees from the most current listing to apply the rates and monitor incoming revenues.

**Community Mental Health Partnership of Southeast Michigan  
Statement of Revenues and Expenditures  
For the Period Ending December 31, 2016**

|   | FY17 Original<br>Budget | YTD<br>Actual        | YTD<br>Budget       | YTD Actual<br>O/(U) Budget |
|---|-------------------------|----------------------|---------------------|----------------------------|
| <b>Operating Revenue</b>                          |                         |                      |                     |                            |
| Medicaid Capitation                               | \$129,070,670           | \$33,071,743         | \$32,267,667        | \$804,076 a                |
| Medicaid Carryforward                             | 7,763,318               | -                    | 1,940,830           | (1,940,830) b              |
| Healthy Michigan Plan                             | 12,668,071              | 3,613,257            | 3,167,018           | 446,239 a                  |
| Healthy Michigan Carryforward                     | 2,414,927               | -                    | 603,732             | (603,732) b                |
| Autism  | 1,661,715               | -                    | 415,429             | (415,429) c                |
| SUD Community Grant                               | 3,767,460               | 941,865              | 941,865             | -                          |
| SUD PA2 - Cobo Tax Revenue                        | 1,806,604               | 451,651              | 451,651             | -                          |
| Local Match                                       | 1,577,780               | 394,445              | 394,445             | -                          |
| Other Revenue                                     | 253,225                 | 36,454               | 63,306              | (26,852)                   |
| <b>Total Revenue</b>                              | <b>\$160,983,770</b>    | <b>\$38,509,415</b>  | <b>\$40,245,942</b> | <b>\$(1,736,528)</b>       |
| <b>Funding For CMHSP Partners</b>                 |                         |                      |                     |                            |
| Lenawee CMHSP                                     | 17,898,153              | 4,474,538            | 4,474,538           | - d                        |
| Livingston CMHSP                                  | 24,926,088              | 6,231,522            | 6,231,522           | - d                        |
| Monroe CMHSP                                      | 26,589,319              | 6,647,330            | 6,647,330           | - d                        |
| Washtenaw CMHSP                                   | 67,904,980              | 16,976,245           | 16,976,245          | - d                        |
| <b>Total Funding For CMHSP Partners</b>           | <b>\$ 137,318,540</b>   | <b>\$ 34,329,635</b> | <b>\$34,329,635</b> | <b>\$ -</b>                |
| <b>Funding For SUD Services</b>                   |                         |                      |                     |                            |
| Lenawee County                                    | 1,278,823               | 271,074              | \$319,706           | (48,631) e                 |
| Livingston County                                 | 1,614,420               | 391,343              | 403,605             | (12,263) e                 |
| Monroe County                                     | 1,506,177               | 397,550              | 376,544             | 21,005 f                   |
| Washtenaw County                                  | 4,026,893               | 1,154,370            | 1,006,723           | 147,646 f                  |
| <b>Total Funding For SUD Services</b>             | <b>\$ 8,426,313</b>     | <b>\$ 2,214,336</b>  | <b>\$2,106,578</b>  | <b>\$107,758</b>           |
| <b>Other Contractual Obligations</b>              |                         |                      |                     |                            |
| Hospital Rate Adjuster                            | 2,207,816               | 530,648              | \$551,954           | (21,306)                   |
| USE and HICA Tax                                  | 4,949,850               | 1,374,753            | 1,237,463           | 137,291 g                  |
| Local Match                                       | 1,577,780               | 262,963              | 394,445             | -                          |
| <b>Total Other Costs</b>                          | <b>\$8,735,446</b>      | <b>\$2,168,364</b>   | <b>\$2,183,862</b>  | <b>\$115,985</b>           |
| <b>CMHPSM Administrative Costs</b>                |                         |                      |                     |                            |
| Salary & Fringe                                   | 2,002,998               | 443,014              | \$500,750           | (57,736) h                 |
| Administrative Contracts                          | 1,143,352               | 307,508              | 285,838             | 21,670                     |
| Board Expense                                     | 14,260                  | 2,504                | 3,565               | (1,061)                    |
| All Other Costs                                   | 203,135                 | 35,068               | 50,784              | (15,715)                   |
| <b>Total Administrative Expense</b>               | <b>\$3,363,745</b>      | <b>\$788,094</b>     | <b>\$840,936</b>    | <b>\$(52,842)</b>          |
| <b>Risk Reserve Provision</b>                     | <b>\$0</b>              |                      | -                   | -                          |
| <b>Contribution to Fund Balance/Carry Forward</b> | <b>\$3,139,726</b>      |                      | <b>784,932</b>      | <b>(784,932)</b>           |
| <b>Total Expense</b>                              | <b>\$160,983,770</b>    | <b>\$39,500,429</b>  | <b>\$40,245,943</b> | <b>\$(614,031)</b>         |
| <b>Revenues over (under) Expenditures</b>         | <b>\$ (0)</b>           | <b>\$(991,015)</b>   |                     |                            |

a - Eligibles and trending to be reviewed, 2nd quarter budget amends will be presented.

b - Timing difference, recognition will occur at year end corresponding to expenditures and close out with MDHHS.

c - Timing difference, Autism benefit receipts delayed.

d - Funding of partners is on a cash basis, these amount do not reflect the partners projected use of fund sources

e - SUD expenses are under budget, Projects awarded for engagement centers have not been fully implemented.

f - Treatment services over budget, primarily HMP, budgets to be amended in 2nd quarter

g - Timing difference, the State of Michigan use tax will conclude in December of 2016

h - Administrative expenses under budget due to vacant positions through the year.



**COMMUNITY MENTAL HEALTH PARTNERSHIP OF SOUTHEAST MICHIGAN**  
**Projected Summary by Funding Source**  
**FY 2016/2017**

|  |                       | Current Budget     | Projected Use of Funding Source | Over (Under) Final Budget to Actual |
|--|-----------------------|--------------------|---------------------------------|-------------------------------------|
| <b>M<br/>E<br/>D<br/>I<br/>C<br/>A<br/>I<br/>D</b> | Lenawee               | 16,253,000         | 16,253,000                      | -                                   |
|  | Livingston            | 22,547,500         | 22,547,500                      | -                                   |
|  | Monroe                | 24,332,600         | 24,332,600                      | -                                   |
|  | Washtenaw             | 59,950,000         | 59,950,000                      | -                                   |
|  | <b>Medicaid Total</b> | <b>123,083,100</b> | <b>123,083,100</b>              | <b>-</b>                            |
|  | <b>H<br/>M<br/>P</b>  | Lenawee            | 1,500,000                       | 1,500,000                           |
| Livingston   |                       | 1,800,000          | 1,800,000                       | -                                   |
| Monroe   |                       | 2,000,000          | 2,000,000                       | -                                   |
| Washtenaw  |                       | 5,200,000          | 5,200,000                       | -                                   |
| <b>HMP Total</b>                                   |                       | <b>10,500,000</b>  | <b>10,500,000</b>               | <b>-</b>                            |



**Regional Board Action Request – Contracts**

Board Meeting Date: February 8, 2017

Action(s) Requested: Approval of the contracts, agreements and/or amendments listed below.

| <b>Organization - Background</b>  | <b>Term</b>           | <b>Funding Amount</b>       | <b>Funding Source</b>  | <b>Agreement Type</b> |
|---|-----------------------|-----------------------------|------------------------|-----------------------|
| <b>Hegira –</b><br>SBIRT case manager and peer services at Hope Clinic: Hegira will provide a Full Time and Part Time Health Manager and a Full Time Peer Recovery Coach at HOPE Clinic, Ypsilanti  | 10/1/2016 – 9/30/2017 | Not to exceed: \$100,000.00 | <i>SUD Block Grant</i> | <i>Amend Contract</i> |
| <b>Home of New Vision –</b><br>Implement a Recovery Community Organization (RCO) WRAP will use a “network weaving” model of community organization to help build the capacity of organizations within our region (Monroe, Lenawee, Livingston and Washtenaw) supporting recovery services and recovery advocacy efforts, as evidenced by multiple goals.  | 10/1/2016 – 9/30/2017 | Not to exceed: \$64,620.00  | <i>SUD Block Grant</i> | <i>Amend Contract</i> |
| <b>Catholic Charities of Southeast Michigan –</b><br>Enhancing Treatment Services to Pregnant Women: CCSEM will provide a Case Manager and Recovery Peer to focus specifically on pregnant women who are abusing, addicted to or dependent on opiate/heroin substances. The goal is to partner with the OB/Gyn practices in Monroe County and provide outreach case management and peer services, assisting the client through the pregnancy and post-delivery. | 4/1/2016 – 9/30/2017  | Not to exceed: \$123,250    | <i>SUD Block Grant</i> | <i>Amend Contract</i> |

Recommend: Approval