

Board of Directors Meeting Minutes

October 18, 2024

1:00 p.m.

Board Members Present: Ruth Pilon, Al Cambridge, Ty Wessell, Dean Smallegan, Penny Morris, Carol Blake, Tony Lentych, Christal Frost Anderson, Dave Freedman, Greg McMorrow, Ben Townsend, Lynn Pope, Mary Marois,

Absent: Eric Ostergren, Shawn Kryacs, Tom Bratton

Others Present: Vickie McDonald, Curt Cummins, Joe Barkman, Erica Longstreet, Neil Rojas, Kevin Hartley, Brian Newcomb, Darryl Washington, Mark Crane, Kim Silbor, Becky Brown, Hilary Rappuhn, Nancy Stevenson

Others Virtual: Laura Argyle, Daniel Mauk, Ann Ketchum, Dean Baldwin, Jeremiah Williams, Kari Barker, Aimee Horton Johnson, Kendall Sidnam, Terri Henderson, Cindy Petersen, Rob Palmer, Cheryl Kuch, Lori Stendel, Carrie Hubbell, Somer Quinlan, Abby Schonfeld, Maci Boven, Jillian Smithingell, Erin Barbus, Erin Smith, Kaitlyn Reinink, Chelsea Felon, Jenna McQueer, Jordan Byington, Trapper Merz, Tiffany Fewins, Amanda Ritchie, Melissa Bentgen, Lisa Jones, Bobbi Hudson, Clarisse Hartnett-Manny, Manda Clements, Taneya Lamson, Chloressa McCuien, Kristin Page, Cassie Garland, Sara Houchin, Lena Bellemore, Liz Stier, Stacy Maiville, Pamella Petroelje, Josette Hoch, Kristina Woodworth, Mark Draeger, Shelly Schmidt, Lisa Woodcox, Kiley Fields, Treasa Cooper, Kasie Morse, Aimee Bunbury, Hunter Lumsden, Erica Smith, Heidi Niederer, Danielle Oswald, Karen Cass, Rachel Plum, April Weinrick, 10 unknown guests

Call to Order: 1:00 p.m.

Conflict of Interest: None.

Approval of Agenda:

-Add Timetable plan for CEO Search Committee

MOTION:	Approve the agenda with amendment
RESULT:	ADOPTED. [UNANIMOUS]
MOVER:	M. Marois
SECONDER	C. Blake

Consent agenda included the October 26, 2024, minutes was approved.

Public Comment: Nancy Stevenson, past Chief Clinical Officer, spoke on behalf of the current staff and concerns of complex consumers having needs above our capabilities. She urged the board to speak with the current CEO, COO, and CCO to discuss these consumers and the transference of these consumers to facilities where their needs are better met. She also stated that clinicians and case managers should be supported to close consumers when there are safety concerns, consumer does not engage, or they are not making progress/are stagnant. She encouraged support of helping the Crisis team and seeking additional employees and interns from local colleges. She also noted that the Jail Diversion program needs to be reviewed as funding comes from the general fund and pulls away from other programs. She warned of possible turnover of employees if action is not taken.

Celebrate Northern Lakes: The board recognized Kellee Hoag from Finance and Becky Brown from HR. Kellee's duties are primarily accounts payable but helps wherever is needed and was a key component of holding her department together during staffing changes. She has been an employee for over 7 years, has an excellent work ethic, and is a valued member of the team.

Becky Brown, being part of the excellent HR department, brings a smile and happy attitude to the team. She has been at NLCMH for 2 years in January. She came from a small manufacturing setting and acknowledged the difference between a smaller setting and large State agency, welcoming the new challenges. Thank you both for your excellent service.

Report of Officers:

Recipient Rights Report:

Brian Newcomb, Director of the Office of Recipient Rights, presented his report to the board which covers the full fiscal year of 2024. He noted that there were 532 investigations for the year, the department remains 100% compliant, all site visits have been completed and many cases were completed within 60 days, which is 30 days less than the state requirement. Brian feels that abuse and neglect cases have dropped due to training and more communication. He recognized the request that the number of beds for each provider be included in future reports to help clarify data and the difference in number of complaints from facility to facility. He is also updating guardian information in files and is encouraging the guardians to participate in Recipient Rights training which is not a current requirement. The ORR report was also included in the packet.

Interim Chief Executive Officer's Report: The report was included in the packet. Observations were made of the decline of the number of consumers over the months reported, the increase of cost per consumer, and over 700,000 Michiganders losing their Medicaid funding. The CEO is currently on PTO Military Orders, 13-18 October 2024 – Latvia.

Chief Financial Officer's Report: Laura Argyle, Deputy CFO, presented the finance report. She commented on the balance sheet's line item Unrestricted net position as requested. This is the "rainy day fund" or savings account and is currently \$11.3 million. This is subject to change based on the completion of the 2023 fiscal year audit. These funds can be spent on almost anything with the accumulation of these funds related primarily to the MiChoice waiver program. There is approximately \$8.1 million invested in the Savings account program with Huntington Bank. Budgetary shortfalls have been primarily contributed to the number of consumers falling off Medicaid and the loss not communicated to us in a timely manner drawing funds from the general fund as a result. Workgroups within the agency are being formed to help with consumers Medicaid qualifications. She also stated that the State of Michigan acknowledged that the rates that were initially certified were not sufficient for us to operate. The report was included in the packet.

PA 152: Kevin Hartley explained that the PA 152 limits the dollar amount that an agency can contribute towards staff health insurance premiums each year. The 2025 premium renewal increase is over 15% for most options. The request is that the Board opt out of the PA 125 restriction and keep staff contributions close to the same, having the agency absorb the increase. This increase would go into effect January 1 covering 9 months of the fiscal year 2025 and has already been figured into that budget. The finance team is working on options to bring costs of plans down in the future.

MOTION: To Opt out of the PA 125 cap.

RESULT: ADOPTED

MOVER: A. Cambridge

SECONDER: D. Smallegan

ROLL CALL VOTE: 12Y, 1N

Committee Reports:

NMRE: Ruth Pilon gave an update about the NMRE, which also focused on the Medicaid revenue gap. Rates established by the State of Michigan do not cover costs, enrollment errors were made causing some consumers to not have appropriate coverage and a section of language in the contracts between the state and PHIPs is requested to be changed for signing were highlighted by Ruth's update.

RRAC: Tony Lentych referred to the Recent Rights update as was given by Brian Newcomb and stated that the committee has received their mandatory Appeals Committee Training.

Unfinished Business:

Governance Policy: Recommendation to change policy to include several standing committees.

MOTION: Board adopts the board governance policy as presented in the October 17, 2024, Board of Directors Packet.

RESULT: Adopted [UNANIMOUS]

MOVER: B. Townsend

SECONDER: C. Blake

ROLL CALL VOTE: 13Y, 0N

MOTION: Nominating and Leadership Development (NLD) Committee will become the executive committee, consisting of the Board Chair, Vice Chair and Secretary.

RESULT: Adopted [UNANIMOUS]

MOVER: D. Freedman

SECONDER: B. Townsend

MOTION: Recipient Rights Advisory Committee and Recipient Rights Appeals Committee members, being the same members, remain on the new Recipient Rights Advisory Committee and Recipient Rights Appeals Committee.

RESULT: Adopted [UNANIMOUS]

MOVER: B. Townsend

SECONDER: L. Pope

MOTION: Ad Hoc Finance committee members become Finance Committee members.

RESULT: Adopted [UNANIMOUS]

MOVER: D Freedman

SECONDER: D. Smallegan

MOTION: Ad Hoc CEO Committee members become the new CEO Search Committee members.

RESULT: Adopted [UNANIMOUS]

MOVER: D. Freedman

SECONDER: D. Smallegan

MOTION: Ad Hoc Policy Committee members become the new Policy Committee members.

RESULT: Adopted [UNANIMOUS]

MOVER: B. Townsend

SECONDER: D. Freedman

Remaining committees' members will be tabled and discussed at next meeting.

Jail Services discussion: Penny Morris, Dr. Curtis Cummins, Medical Director, and Erica Longstreet, CCO, presented a disagreement between the 6 counties we represent and NLCMH with regards to funding and services covered by the enabling agreement for Jail Diversion Services. Agreement of the board is that the new Community Engagement and Services Committee will be able to help define responsibilities, services provided and funding. Dr. Cummins and Erica Longstreet have been working on a solution for positions to fill the gap of services.

Rehmann – Employment Engagement Results: The November 2023 Employment Engagement Survey, conducted by The Rehmann Group, was compared to Gallop's National polls of Employment Engagement. Results in three categories of Engaged, Not Engaged and Actively Disengaged employees, with a 66% response rate by Northern Lakes employees, were above the national scores. Meeting employee needs were broken down to four categories: Basic Needs, Management Support, Teamwork, and Growth and was determined that finding a mechanism to help employees feel more engaged will be needed. Confidence in supervisors and Interim CEO is high, while impact of the Board of Directors is low. The Board feels that the new governance policy will help. Employees also gave feedback in all categories with overall response of encouragement with the onboarding of Interim CEO.

Timetable – Plan for CEO Search Committee. Tabled till next meeting but is to remain until search is complete.

Public Comment: None

Announcements/Board Member Reports/Board Association: None

Next Meeting: November 21, 2024- Cadillac

Adjournment:

The meeting adjourned at 4:23 p.m.

Respectfully Submitted,

Victoria McDonald, Administrative Specialist

Greg McMorrow, Chairperson

Lynn Pope, Secretary
