

Board of Directors Meeting Minutes

March 20, 2025

1:00 p.m.

Board Members Present: Ruth Pilon, Shawn Kraycs, Penny Morris, Tom Bratton, Dave Freedman, Tony Lentych, Mary Marois, Ty Wessell, Dean Smallegan, Al Cambridge, Kim Morley, Mark Nyman, Greg McMorrow, Kathy Adams

Absent: Lynn Pope - virtual, Christal Frost Anderson

Others Present: Brian Martinus, Stacy Maiville, Mark Crane, Kim Silbor, Allie Coon, Brian Newcomb, Darryl Washington, Erica Longstreet, Curt Cummins, Dan Mauk, Cindy Petersen, Mark Crane, Carrie Hubbell, Jeremiah Williams

Others Virtual: Ann Ketchum, Laura Argyle, Neil Rojas, Vickie McDonald, Dean Baldwin, Kay Gallagher, Aimee Horton Johnson, Abby Schonfeld, Sophorn Klingelsmith, Erin Brotherton, Joe Barkman, Peter Kobs, Erica Longstreet, Becky Brown, Gina Schlegal, Somer, Cindy Evans, Lori Stendal, Erin Barbus, Anon, Karen Wiand, Teri Dougherty, Tiffany Fewins, Kellee Hoag, Amy Kotulski, Melanie Schopieray, Jessica Williams, Melissa Bentgen, Kari Barker, Josette Hoch, Melissa Trout, Anna Burns, Kayla Sklener, Caleb Gomez, Leanne Sleder, Amanda Link, Stuart Meyers, Ron Morton, Danielle, Lisa Wiesemann, Kiley Fields, Cindy, H, Rachel Harrell, Michael Corby, Kevin Tyler, 7 unknowns.

Call to Order: 1:00 p.m.

Conflict of Interest: None.

Timekeeper: Tony Lentych

Approval of Agenda:

The Board approved the agenda with an addition of an action item regarding the Meyers Group Proposal under "Unfinished Business".

MOTION: Approve the Consent Agenda (Minutes)

RESULT: ADOPTED [UNANIMOUS]

MOVER: D. Smallegan

SECONDER: D. Freedman

The consent agenda included the February 20, 2025, minutes, which were approved.

Public Comment: None

Celebrate Northern Lakes: The Board recognized Alyssa Heider, an ORR team member. Ms. Heider has been part of the ORR team for five years. She does the site visits for providers along with several other tasks. Mr. Newcomb stated that Ms. Heider has already driven over 16,000 miles this Fiscal year, she also helps with several administrative tasks and teaching. Ms. Heider was celebrated for her hard work and dedication to the agency and community.

Report of Officers:

Recipient Rights Report: Brian Newcomb; Director of the Office of Recipient Rights, gave his report to the Board. There are currently 35 open investigations. The ORR office remains 100% in compliance. The team is about to start their semi-annual report. The ORR team teaches, on average, one class a week. In response to a question, Mr. Newcomb stated that during full moons and the summer, they often see an increase in cases. The full report is in the packet.

Interim Chief Executive Officer's Report: Brian Martinus; Interim Chief Executive Officer, presented the CEO Report to the Board. Mr. Martinus' report included dates of note, the Dashboard Report, recent email blast information, press, and information regarding the NMRE financial oversight. The financial oversight plan will affect the agency and community. When the Board voted on a budget this past September, it already included a \$3.5 million overspend. By the end of the FY, they predict the agency may be \$7-8 million over budget. The Leadership team has been looking into options to help balance the budget and hopes to present three options to the board chairperson by May 1, 2025, and later to the Board. The grow back may take around 18 months, and the agency hopes to present a balanced budget for FY 26 (10/01/25). The agency will need to make some difficult decisions over the next few months to get back on track with the budget. Mr. Martinus will send out updates to the Board on the Center for Mental Wellness. Mr. McMorro stated that the Board is very aware and mindful of the seriousness of the financial situation. Mr. Dave Freedman spoke about an eight-page document that will be sent out to the Board regarding recommendations from the state.

Chief Financial Officer's Report: Laura Argyle delivered the Chief Financial Officer's Report and reviewed certain areas with the Board. The Financial Report included a Summary of Variances and Fluctuations, such as operating revenue compared to operating expenses. The report also included the revenue and expense compared to budget, contract provider activity, and trending member payment activity. The Medicaid overspend is \$2.2 million, and Healthy MI is over \$1.2 million. The general fund is also overspent by \$1 million. available. The team is hoping to balance the transactions and correct them. If the agency does nothing, there is a possibility of a \$12 million overspend by the new FY.

Quality Assurance and Improvement, Regulatory Compliance, and Customer Services Report Annual Report 2024: Kari Barker, Quality Improvement and Compliance Director, presented the Board the QI and Compliance Highlights. Ms. Barker's report touched on quality improvement, compliance, customer service, accomplishments, different waiver programs, CARF, quality indicators, and current works in progress. The ISPA waiver enrollments are going well. The team is on target for its goals. Medicaid Encounter Verification and the exclusionary reports are all on target with no negative results. 129 grievances were received in FY 2024 from consumers. There will be a DHHS audit in April. Ms. Barker praised her team and their many roles.

Committee Reports:

NMRE: Ms. Mary Marois gave an update about the recent NMRE meeting. The past meeting focused on the Dispute Resolution Committee, reminding members that the Enabling Agreement requires the Dispute

Resolution Committee to meet. There was a discussion about sending letters to Washington, D.C., to ask them not to cut services. Cost containment was also a topic the committee discussed and action is needed.

CEO Search Committee:

Mr. Tom Bratton gave an update on the CEO Search. The group received 3 proposals and recommended the Meyers Group. The Board has been given a handout of information from the Meyers Group. The Search Committee did investigative research into which firm would be the best option for the agency. The Committee determined that the Meyers Group would be the best option. The Meyers Group gave a quick overview of the process for the CEO Search and reviewed their packet with the Board. The Meyers Group does offer a 1-year warranty. If the new CEO leaves for any reason in the first year, the group will do a free replacement. It was stated that the firm has already done extensive research on NLCMHA and is familiar with current situations.

Executive Committee:

Mr. McMorrow welcomed Ms. Kathy Adams, a new Board member from Wexford County. It was requested that the Executive Committee keep minutes of their meetings moving forward.

Finance Committee: The Finance Committee recently met. Some of the items were discussed during the CFO Report. The committee spent time working on FY 25 Cost Reduction Strategies. They emphasized they don't want this to affect consumers from any mandated services and want to ensure that consumers receive appropriate services. May 1, 2025, the committee would like to send out the RFPs for the yearly audit. The Finance Committee recommended three possible audit firms: Roslund Prestage & Company (RPC), Yeo and Yeo, and Dennis, Gartland & Niergarth.

MOTION: Authorize sending out RFPs to the three firms: Roslund Prestage & Company (RPC), Yeo and Yeo, and Dennis, Gartland & Niergarth.

RESULT: ADOPTED [UNANIMOUS]

MOVER T. Lentych

SECONDER: D. Smallegan

Policy Committee: The Committee is meeting in April, along with an additional hour-long meeting. Possible meeting on April 11. CMHA of MI is currently working to educate organizations about Medicaid.

Community Engagement and Services Committee: No update this month.

Personnel Committee: Ms. Pilon stated that the committee needs to schedule a time with Human Resources, and there will be a report in April.

Unfinished Business:

- **Committee Appointments:** The Board Chairperson reviewed with the Board the different committee appointments. The Board discussed and agreed upon appointments. It was decided that the new Board member, Ms. Kim Morley, will be on both the Policy and Personnel Committees.
- **Accommodations:** It was stated that CMHAs have been approaching the state about possible virtual attendance at meetings. This is at the state level unless the accommodations are ADA or
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Military. There may be a requirement in the next few years that will require meetings to have a translator.

- **New Board Member Orientation:** The goal is to do this within the next 60 days.
- **Slate of Officers Process:** The process will be addressed over the next few months.

MOTION: Have NLCMA enter into an agreement with the Meyers Group for the CEO Search

RESULT: ADOPTED

Yes - T. Wessell, K. Morley, T. Lentych, D. Freedman, M. Nyman, D. Smallegan, R. Pilon, P. Morris, S. Kraycs, T. Bratton, M. Marois, A. Cambridge, G. McMorrow . No- K. Adams

MOVER: M.Marois

SECONDER: D. Freedman

Mr. Bratton mentioned that the firm's fee would be 27.5% of the CEO's Salary. There was discussion among the Board regarding specific points in the Meyers Group proposal. Ms. Adams expressed concern about a potential candidate relocating, the cost associated with the firm and why they have not considered the current interim CEO. Mr. McMorrow stated that he would need to go through the same interview process the other candidates would and is welcome to apply.

Public Comment: None.

Announcements/Board Member Reports/Board Association:

Next Meeting: April 17, 2025 – Traverse City

Adjournment:

Respectfully submitted,

Stacy Maiville, Executive Administrator

Greg McMorrow, Board Chairperson

Lynn Pope, Secretary
