



**BOARD OF DIRECTORS REGULAR MEETING MINUTES
October 16, 2024**

Present: Michael Humphries, Chairperson; Susan Fortney, Vice Chairperson; Catherine Bernhold, Secretary; Rebecca Pasko; John Burkardt; Pam Ray; LaMar Frederick; Becca Curley; Dawn Asper; Naomi Stoner; Ken Papenhagen; and Deb Staelgraeve

Excused:

Absent:

Staff: Lisa Graham

Guests: 5 guests were present

I. CALL TO ORDER

The Board Chair, Mike Humphries, called the meeting to order at 5:00 p.m.

II. ROLL CALL

Roll Call confirmed a quorum existed.

III. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mike Humphries.

IV. CONSIDERATION TO ADOPT THE DRAFT AGENDA AS PRESENTED

Mike Humphries requested to move item VIII. Attorney Written Opinion on Parliamentary Rule to section XI. Closed Session, and add Board Announcements prior to adjournment.

Ken Papenhagen moved to adopt the draft amended agenda as presented. Deb Staelgraeve supported. Motion carried unanimously.

V. CONSIDERATION TO APPROVE THE MINUTES FROM THE SEPTEMBER 25, 2024 BOARD MEETING AND WAIVE THE READING THEREOF

Rebecca Pasko moved to approve the minutes for the September 25, 2024 Board Meeting and waive the reading thereof. Pam supported. Motion carried unanimously.

VI. CITIZEN COMMENTS

There were no citizen comments.

VII. ITEMS FOR BOARD CONSIDERATION

a. Administrative Contracts

- i. Administrative Contracts for Iris Telehealth, ARA Family Holding LLC, and New Directions Peer Recovery Center were presented by Alicia Riggs.

- b. Service Contracts
 - i. Service Contracts for Havenwyck Hospital, Havenwyck Hospital dba Cedar Creek Hospital, A Heart that Cares LLC, Residential Opportunities, Mastrofrancesco, Macomb Residential Opportunities, Adult Learning Systems, Everest Inc., Progressive Residential Services, Lutheran Child and Family Service of Michigan dba Wellspring Lutheran Services, Moriah Incorporated dba Eisenhower Center, Guardian Trac LLC, Home Sweet Home Care Services LLC, Illuminate ABA Services LLC, Psych Resolutions LLC, and Psych Resolutions LLC – DCO were presented by Alicia Riggs.
- c. Provider Stabilization
 - i. The provider stabilization funding is for 3rd and 4th quarter and covers rate adjuster payments based upon actual services delivered between April 1, 2024 and September 30, 2024. The funding will be directed to providers to cover additional expenses related to delivering services during this period, including direct care worker overtime, retention, and recruitment costs.

Board members that asked for further information on the Administrative Contracts, Service Contracts, and Provider Stabilization funds will be addressed at the October 23, 2024 Board Meeting.

Pam Ray requested further information on the MDHHS Contract. Lisa Graham commented that we are still in negotiation and will bring the contract back to the Board when ready for consideration. Ken Melvin added that an internal candidate started on October 7, 2024 as an Eligibility Specialist. We would like this position to be a certified referral provider. We will have to go through the Lansing hub but can still get that work done. We are positioning ourselves for success.

VIII. PRESENTATIONS

- a. Attorney Written Opinion on Parliamentary Rule

This presentation was moved to Closed Session.

IX. FINANCIAL REPORTS

- a. Fiscal Finance Report: Ken Melvin presented the August financials, highlighting:
 - i. Eligibility has mostly leveled off during August of 2024. Rate adjustments are now in effect and are reflected in the charts to show increased dollars since April. Additionally, the State has indicated \$41 million in funding to be distributed state-wide sometime in 2025 for the 2024 fiscal year.
 - ii. Cash and Investments are up from prior year primarily from collection of receivables from the PIHP.
 - iii. Liabilities are also up from prior year primarily related to estimated claims incurred but not reported.
 - iv. Net income is projected to be down compared to prior year primarily due to GASB 68 & 75 adjustments that are currently unknown and will be available in early 2025 from the actuaries.
 - v. Revenue received from the PIHP exceeds expenses by \$1,279,415 this month. Part of the Medicaid and HMP surpluses are due to allowable costs being covered by GF as individuals continue to fall off Medicaid.
 - vi. The CCBHC program is showing a deficit of \$294,458 through this reporting period. We continue to work with the PIHP to accelerate the reporting of T1040s which will bring in more revenue. As we continue to look at generating more T-1040s on the revenue side, primary focus shifts to expenses. The change from the prior month's surplus is due to the extra pay period in August.
 - vii. State General Fund is showing a deficit of \$3,121,429, primarily related to spenddowns, individuals falling off Medicaid and CCBHC non-Medicaid. This deficit is covered by local funds with a reported use of fund balance through this reporting period of \$2,315,050.

Ken Melvin commented that we have tentatively agreed on settling out FY2018-2022. There has been an ongoing dialogue about their own settlement and due to that being settled they can now settle with us. Another tentative agreement, as part of the region, is to receive a keep it payment for meeting metrics at the state level. The PIHP is looking to pass this onto us, and it will go into local funds. As we finalize our numbers they will change. Ken will present the year end financials at the November 13, 2024 meeting.

Mike Humphries identified a miscalculation within the financial report and requested to update. Ken Melvin will provide an updated financial report to the Board.

LaMar Frederick shared his concerns with the General Fund (GF) budget. Ken Melvin commented that for this year's GF, the FY2024 numbers have some legacy issues with the State of Michigan. There is an eligibility issue at the State where people are being placed on the incorrect Medicaid Plan called Plan First. This is causing expenses to hit GF. We will continue to address this issue with the State.

X. NEW BUSINESS

There was no new business.

XI. CITIZEN COMMENTS

There were no citizen comments.

XII. MOTION TO GO INTO CLOSED SESSION FOR ATTORNEY WRITTEN OPINION PURSUANT TO SECTION VIII (d) OF THE OPEN MEETINGS ACT

Susan Fortney moved to go into Closed Session for Attorney Written Opinion pursuant to Section VIII (d) of the Open Meetings Act. Ken Papenhagen supported. Roll call: Staelgraeve, Papenhagen, Stoner, Asper, Pasko, Fortney, Humphries, Burkardt, Frederick, Curley, Ray, and Bernhold; opposed: none; motion carried unanimously.

The Board went into Closed Session at 7:12pm.

The Board went back into Open Session at 8:16pm.

XIII. ITEMS FOR BOARD ACTION

- a. **Motion to Approve a 10-Year Leas Agreement Between MCMHA and Monroe Center LLC for the Property Located at 393 North Telegraph Road, Monroe, MI 48162**
- b. **Motion to Approve the Purchase of Property Located at 2867 2nd Street, Monroe, MI 48162 in the Amount of \$220,000**

Ken Papenhagen moved to delay the two motions under Section XIII Items for Board Action until the next meeting. Pam Ray supported. Motion passed unanimously.

XIV. BOARD ANNOUNCEMENTS

Catherine Bernhold commented that the Bylaws & Policy Committee meet tomorrow and will review the monthly evaluation tool process. The meeting begins at 5:00pm.

Pam Ray commented that her home in Florida survived well. Pam will be attending the October 23, 2024 Board Meeting and then leaving the day after for Florida.

John Burkardt will be in attending the October 23, 2024 Board Meeting but may not make it to the Bylaws & Policy Committee tomorrow.

Susan Fortney commented on the monthly board meeting evaluation tool and asked if the evaluation will be completed following each Board Meeting.

Dawn Asper commented that Community Relations will meet tomorrow at 4:00pm.

Mike Humphries thanked everyone for sitting through a longer than had to be meeting.

XV. ADJOURNMENT

Mike Humphries adjourned the meeting at 8:20pm.

Submitted by,



Catherine Bernhold
Board Secretary

LG/dp
10/17/24