



Administrative Office, 105 Hall Street, Suite A, Traverse City, MI 49684

### Board of Director's Meeting Minutes

November 18, 2010

6:00 PM

**1. CALL TO ORDER:**

Northern Lakes Community Mental Health, 527 Cobbs Street, Cadillac, Michigan with tele conference to 105 Hall Street, Traverse City, Michigan. Melissa Fournier called the meeting to order at 6:05 p.m.

Board Members Present: Cadillac - Dave Stephenson, Melissa Fournier, Juanita Farr, Don Halvorsen, Al Cambridge, Les Barnes and Jane Whitney. Traverse City – Helen Stimson, Pat McLaughlin, Mary Lee Pakieser, Frank Tosiello, Nina Zamora, and Beth Friend.

Board Members Absent: Jack Mahank (advance notice), David Marshall (advance notice), and Bill Ancel (advance notice).

Others Present: Greg Paffhouse, Chief Executive Officer; Deb Lavender, Executive Secretary; Mary Hubbard, Chief Operations Officer for Children and Families; Dave Branding, Chief Managed Care Officer; Harold Meeuwes, Lead Maintenance Worker; Jane Swartout, Compliance Officer; Carol Sluck, Evergreen Home; Nancy Schornack, Jones Lake Home; Rosemary Pierson, Residential Services Supervisor; Bill Woodward, Residential Program Specialist; Theresa Roberts, Intern; and Laine Hilts, Home Based Therapist.

The Pledge of Allegiance was spoken. Pat McLaughlin was appointed timekeeper. Confirmation of a Quorum.

**2. APPROVAL OF AGENDA:**

<b>MOTION:</b>	<b>Approve the Agenda of November 18, 2010 as written.</b>
<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Dave Stephenson
<b>SECONDER:</b>	Les Barnes

**3. CONFLICT OF INTEREST DECLARATION:**

No Board members declared a conflict of interest for tonight's business.

**4. CONSENT AGENDAS – MANAGEMENT AND BOARD:**

*A. Consideration of Management Consent Agenda.*

<b>MOTION:</b>	<b>Approve the Management Consent Agenda of November 18, 2010.</b>
<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Juanita Farr
<b>SECONDER:</b>	Don Halvorsen

*B. Consideration of Board Consent Agenda.*

<b>MOTION:</b>	<b>Approve the Board Consent Agenda of November 18, 2010 as presented.</b>
<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Les Barnes
<b>SECONDER:</b>	Pat McLaughlin

**5. OWNERSHIP LINKAGE:**

A. *Citizen Comment*  
None.

B. *Ownership Communication*  
None.

**6. CONSIDERATION OF PIHP ITEMS:**

MDCH Site Review Plan of Correction – Greg Paffhouse referenced the corrective action plan following the Department of Community Health Site Visit which identifies how the PIHP will address the findings. Dave Branding identified that we approached the corrective action plan differently this year strictly focusing on the PIHP actions. The focus is on a process where we use desk audits for verification, of the improvement initiatives, that are done at both CMHSPs. This will allow us to use time during site visits to be more focused on preparing for DCH site priority areas for next year. The plan of correction has not yet been approved.

2009/2010 External Quality Review Technical Report – Greg identified that this is from an Executive Summary of the three External Quality Review studies that are done on an annual basis for the 18 PIHPs. There was also a comparison of how the Northwest CMH Affiliation compares to the other 17 PIHPs. Dave identified that our performance continues to improve. The greatest improvement opportunity is in the Performance Improvement Project validation process and we are expecting to have a subsequent submission after the first of the year. Dave noted that most recently we hosted the Health Services Advisory Group (HSAG) for an onsite audit for performance measures which looks at the validation of the data that the PIHP collects and submits to the state. It was very favorable and no immediate corrective actions identified. There will be some subsequent desk audits done by HSAG and we expect a full report by mid-summer.

**7. ASSURANCE OF ORGANIZATIONAL PERFORMANCE:**

A. *Receipt of CEO Monitoring Report*

Policy 1-2-04 Financial Management - Dave Stephenson referenced his comments that he made on the monitoring report relative to the letter he received from our auditing firm. In this letter some pointed questions were asked and it was difficult for him to answer. Al Cambridge identified that we could add under the CEO limitations the requirement that the CEO would report any fraud to the Board. Dave noted the question asked specifically about internal controls. He noted that he believes that we have them although doesn't know specifically or what they cover. In the process of the audit the auditors are asking whether the current system is working. Greg Paffhouse noted that we could put language in a policy and would allow it to be a part of monitoring reports or part of the 2011 Annual Calendar. Greg identified that the Board has an approved Annual Compliance Workplan and receives quarterly updates. There was discussion how to ensure internal controls are followed. Jane Swartout, Compliance Officer identified that there is an external compliance hot line that complaints are reported to an outside person and staff are aware of the reporting method. The Electronic Records Committee can also identify problems as they occur by running reports such as accessing records. Greg noted that the Board ended the Committee of the Whole meeting with some discussion about the policy governance model and in particular who develops the agenda. The Annual Planning Calendar is one way the Board gets ahead of the curve and says this is what we want to look at during the course of the year. Every month the Board has the ability to add whatever they want to the agenda. Agreed this would be discussed further when discussing 2011 planning.

<b>MOTION:</b>	<b>Approve adding to a future agenda that we get a report to examine and monitor our internal controls.</b>
<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Dave Stephenson
<b>SECONDER:</b>	Jane Whitney

<b>MOTION:</b>	<b>Approve to Receive and File the Policy 1-2-04 Financial Management Showing the Board feels the Agency is in Full Compliance.</b>
<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Mary Lee Pakieser
<b>SECONDER:</b>	Don Halvorsen

Policy 1-2-05 Asset Protection

<b>MOTION:</b>	<b>Approve to Receive and File the Policy 1-2-05 Asset Protection Showing the Agency is in Full Compliance.</b>
<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Juanita Farr
<b>SECONDER:</b>	Jane Whitney

*B. New Operational Worries*

None.

*C. November Monitoring Assignment*

Monitoring Report 1-2-00 Global Executive Limitations should be completed and turned in.

**8. BOARD MEANS SELF-ASSESSMENT:**

*A. Receipt of Board Monitoring Report*

Policy 1-3-00 Global Governance Process/Ownership Linkage

<b>MOTION:</b>	<b>Approve to Receive and File the Policy 1-3-00 Global Governance Process/Ownership Linkage Showing the Board feels the Agency is in Full Compliance.</b>
<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Pat McLaughlin
<b>SECONDER:</b>	Nina Zamora

Policy 1-4-00 Global Governance-Board/CEO Linkage

<b>MOTION:</b>	<b>Approve to Receive and File the Policy 1-4-00 Global Governance – Board/CEO Linkage Showing the Board feels the Agency is in Full Compliance.</b>
<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Mary Lee Pakieser
<b>SECONDER:</b>	Jane Whitney

*B. November Monitoring Assignment*

Monitoring Report 1-3-02 Governance Style should be completed and turned in.

Monitoring Report 1-3-04 Annual Workplan should be completed and turned in.

**9. GOVERNANCE POLICIES DISCUSSION AND ASSESSMENT:**

*A. Ends*

None.

*B. Executive Limitations*

<b>MOTION:</b>	<b>Approve to Amend the Capitalization Budget as presented.</b>
<b>RESULT:</b>	<b>ADOPTED. A ROLL CALL VOTE WAS TAKEN. VOTE: 13 YES. STEPHENSON, PAKIESER, TOSIELLO, STIMSON, FARR, HALVORSEN, BARNES, ZAMORA, CAMBRIDGE, MCLAUGHLIN, FRIEND, WHITNEY AND FOURNIER. NO: NONE.</b>
<b>MOVER:</b>	Dave Stephenson
<b>SECONDER:</b>	Les Barnes

*C. Board/CEO Linkage*

None.

D. Governance Process/Ownership Linkages  
2011 Board Meeting Schedule

**MOTION:** Approve the 2011 Board Meeting Schedule as amended.  
**RESULT:** ADOPTED [UNANIMOUS]  
**MOVER:** Les Barnes  
**SECONDER:** Don Halvorsen

**AMENDMENT TO THE ORIGINAL MOTION: TO SWITCH THE ROOC, INC. MEETING TO SEPTEMBER 2011 AND THE ELMWOOD TOWNSHIP MEETING TO OCTOBER 2011 SUBJECT TO THE AVAILABILITY OF THE FACILITIES.**

**MOVER:** Mary Lee Pakieser  
**SECONDER:** Nina Zamora

Rationale was presented for the amendment. Greg was asked whether this would create any difficulties making the switch and he indicated that he would need to check with both facilities as to availability. Will need to report back to the Board if there is any conflict.

2011 Monitoring Schedule – The schedule was placed in the packet for review and discussion for possible action next month. There was discussion where to add the additional report on internal controls. Will add internal controls to the financial management report and will add to the March and October monitoring report 1-2-04 Financial Management.

2011 Annual Planning Calendar – The calendar was presented for information and the Board will be provided with an opportunity to make changes at the December meeting before approval.

Compliance/Medicaid Service Verification

**MOTION:** Approve to Receive and File the Compliance/Medicaid Service Verification Report.  
**RESULT:** ADOPTED [UNANIMOUS]  
**MOVER:** Juanita Farr  
**SECONDER:** Les Barnes

Annual Board Member Individual Self-Evaluation and Annual Board Self-Evaluation

**MOTION:** Approve to Move Forward the Annual Board Self-Evaluation and the Annual Board Member Individual Self-Evaluation to the December meeting following the completion of the other evaluations.  
**RESULT:** ADOPTED [UNANIMOUS]  
**MOVER:** Dave Stephenson  
**SECONDER:** Don Halvorsen

**10. OWNERSHIP LINKAGE:**

A. Citizen Comment:  
None.

**11. ANNOUNCEMENTS/BOARD MEMBER REPORTS:**

- Michigan Association of CMH Boards Member Services group met and are considering expanding membership beyond the 46 Boards to other organizations such as advocacy groups. A meeting is scheduled on November 30 to discuss.
- Referenced articles in Connections newsletter.
- Referenced Senate Bill 421 with comments identified last month.
- Referenced the letter from Mark Kielhorn regarding the use of General Fund Dollars for Services to Inmates of County Jails. Greg referenced comments made in his CEO report. He identified that we have been working to schedule meetings with the County Commissions to discuss the 2010 County Commission Survey Results and to talk about jail services. Greg has been working on a draft agreement to send to the Sheriffs that would meet the requirements of the letter. The Board last month identified that at least one Board member participate from each of the counties. Dates identified were:  
Crawford – December 2 at 4:15 p.m.

Grand Traverse – December 1 at 7:30 a.m.  
 Leelanau – January 11 at 11:00 a.m.  
 Missaukee – December 14 at 10:45 a.m.  
 Roscommon – January 12 at 9:00 a.m.  
 Wexford – December 15 at 6:00 p.m.

Noted that the times are subject to change as the counties work on the agendas. Will work thru the issues as they are identified. All Board members are invited to attend.

- Proposed FY 2011 Michigan Association of CMH Boards Advocacy Plan – Board members should share any reaction to Les or Greg who will be attending a meeting on December 3. Greg referred to the information on Structural Reform and the closure of one adult state psychiatric facility. He noted, in the Board member’s folder, there was a correspondence regarding the closure of the psychiatric unit at Northern Michigan Hospital. Greg suggested that Board members consider the impact of closing another state facility. Look at where savings would come from the General Fund and is closing an adult psychiatric hospital run by the State a good way to do that? We have had some continued discussions with Munson and have no short term solutions. They will be completing a behavioral health needs process to explore adding beds. The biggest thing for us is to help people in their recovery journey so less people need to be hospitalized and to intervene quicker so that people don’t need that level of care. The reality is that some people will need that level of care. The loss of any capacity is devastating.
- Referenced an article by the New Yorker that ties to health care reform. The author compared health care to agriculture reform. Promotes the importance of health care reform.
- Note new State Senator Darwin Booher has a significant leadership post and will be important for us to remain connected.
- Noted the stigma on comments having to do with mental health issues that came up during the panel discussion earlier today. Noted the positive efforts of having the organizations in attendance today to discuss children’s service issues.

**12. MEETING EVALUATION:**

- #1- We spent our time on the most important governance topics: majority was satisfactory.
- #2- We encouraged diversity of viewpoints: majority was excellent.
- #3- Our decisions were made collectively: majority was excellent.
- #4- The Board used its time effectively: majority was excellent.
- #5- What is the most important thing the Board could do to improve our function as a Board? No comment.

**13. NEXT MEETING AGENDA:**

Agenda items for the December 16, 2010 meeting to be held at the Traverse City Office: 2011 Annual Planning Calendar, 2011 Annual Monitoring Schedule, and Board Evaluations. It was suggested the importance of continuing to invite elected officials to our meetings. Will also follow up with legislators at the Board Association Legislative Breakfast in February.

**14. ADJOURNMENT:**

<b>MOTION:</b>	<b>Adjourn the meeting.</b>
<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Les Barnes
<b>SECONDER:</b>	Pat McLaughlin

The meeting adjourned at 7:29 p.m.

Respectfully Submitted,

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Melissa Fournier, Chairperson

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Dave Stephenson, Board Secretary

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Debra Lavender, Recording Secretary