



# Northern Lakes Community Mental Health Authority

## Board of Directors Packet

October 21, 2021



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

## BOARD AGENDA

The Northern Lakes Community Mental Health Authority Board will meet on October 21, 2021 at 2:15 p.m. Northern Lakes Community Mental Health Authority, Remote Virtual Meeting, 527 Cobb Street, Cadillac Dial 1-810-258-9588 Conference ID 895 583 555#

<b><u>TIME</u></b>	<b><u>ID #</u></b>	<b><u>ITEMS</u></b>	<b><u>POLICY #</u></b>
2:15 p.m.		<b>Roll Call</b> <b>Pledge of Allegiance</b> <b>Appoint Timekeeper</b> <b>Confirmation of Quorum</b> <b>Consideration of Agenda</b> <b>Conflict of Interest Declaration</b>	
2:20 p.m.		<b>Consent Agenda - Board</b> Consideration of Board Consent Agenda* 1 Board of Directors Minutes – September 16, 2021 - <i>Approve</i> 2 Committee of the Whole Minutes – September 16, 2021 – <i>Approve</i> 3 Financial Statements – <i>Receive and File</i> 4 Contract Summary – September 2021 – <i>Approve</i>	
2:30 p.m.		<b>Ownership Linkage</b> A. Citizen Comment (May be limited to five minutes by Board Chairperson) B. Ownership Communication 5 Letter of Recommendation	1.1, 3.1
2:40 p.m.	6	<b>Chief Executive Officer's Report</b>	
2:55 p.m.	7	<b>Northern Michigan Regional Entity Report</b> NMRE Minutes	3.4
3:05 p.m.		<b>Assurance of Organizational Performance</b> A. Receipt of CEO Monitoring Reports CEO Response to Monitoring Reports 8 1.0 Consumer and Community Ends (1.0.6 – 1.0.11) (Internal Inspection)* 9 2.3 Compensation of the Employed Workforce (Internal Inspection)*  B. New Operational Worries  C. October Monitoring Assignment 10 2.4 Financial Management/Internal Controls (Internal Inspection) 11 2.5 Asset Protection (Internal Inspection)	3.0, 3.2
3:15 p.m.		<b>Board Means Self-Assessment</b> A. Receipt of Board Monitoring Report CEO Response to Monitoring Report None	3.2, 4.2

- October Monitoring Assignment
- 12 3.0 Global Governance Process/Ownership Linkage
- 13 4.0 Global Governance – Bd/CEO Linkage

- 3:25 p.m.     **Governance Policies Discussion and Assessment**     3.1
- A. Ends
- B. Executive Limitations
- C. Governance Process/Ownership Linkage     3.4
- 14     -RRAC Minutes – October 5, 2021 - *Review and Approve*\*
- D. Board/CEO Linkage
- 3:45 p.m.     **Closed Session (Open Meetings Act MCL 15.268(e))**
- Doe vs Northern Lakes CL#2003468
- 4:15 p.m.     **Ownership Linkage**     1.1, 3.1
- A. Citizen Comment
- (May be limited to five minutes by Board Chairperson)
- 4:20 p.m.     **Announcements/Board Members Reports/Board Association**
- 4:25 p.m.     **November 18, 2021 Agenda Planning**
- 4:30 p.m.     **Meeting Evaluation/Comments**
- 4:35 p.m.     **Adjournment**

**NOTICE:** If any person with a disability needs accommodations, please call the CEO's Office three days prior to the posted meeting date.

**NEXT MEETING: November 18, 2021**

\* Action Items

\*\* Action from Committee of the Whole

\*\*\* Action Other

**Northern Lakes Community Mental Health Authority  
Board of Directors Annotated Agenda  
October 21, 2021**

**2:15 p.m.                    Call to Order and Start Up**

Please note that Consideration of the Agenda has been moved to this section of the agenda and that each meeting Board Members may declare any new conflict of interest.

**2:20 P.M.                    Consent Agenda**

Board Members can request any item be removed to allow for discussion as part of the board agenda.

**2:30 p.m.                    Ownership Linkage**

**Definition - Connecting the authority and accountability to the owners.**

As shown, this includes Citizen Comments (May be limited to five minutes by the Board Chairperson) and allows time for planned Ownership Communication with other community agencies or individuals. A Letter of Recommendation was included.

**2:40 p.m.                    Chief Executive Officer's Report**

The Interim CEO Report will be reviewed with the Board.

**2:55 p.m.                    Northern Michigan Regional Entity Report**

The NMRE Board meeting minutes will be shared if available.

**3:05 p.m.                    Assurance of Organizational Performance**

**Definition – Monitoring of how NLCMHA is complying with policy.**

There are three components. 1. Receipt of CEO Monitoring Report – 1.0 Consumer and Community Ends (1.0.6 – 1.0.11) (Internal Inspection) and 2.3 Compensation of the Employed Workforce (Internal Inspection). 2. New Operational Worries – This allows time for Board Members to raise and discuss any new concerns they have that are not on the agenda and may be worries that would be added to a future agenda. 3. October 2021 Monitoring Assignment – 2.4 Financial Management/Internal Controls (Internal Inspection) and 2.5 Asset Protection (Internal Inspection).. Please complete in advance and submit to the Chairperson.

**3:15 p.m.                    Board Means Self-Assessment**

**Definition – Review of policies that the Board is responsible for.**

There are two components. 1. Receipt of Board Monitoring Report – None. 2. October 2021 Monitoring Assignment – 3.0 Global Governance Process/Ownership Linkage (Direct Inspection) and 4.0 Global Governance - Bd/CEO Linkage (Direct Inspection).

**3:25 p.m.                    Governance Policies Discussion and Assessment**

**Definition – The Board's definition of, and rules, for its own job.**

We have placed in bulleted format the four monthly standing policy topics by Policy Governance title. Board Members are encouraged to bring items they would like discussed.

- Ends
- Executive Limitations
- Governance Process/Ownership Linkage  
-RRAC Minutes – October 5, 2021 – *Review and Approve*
- Board/CEO Linkage

**3:45 p.m.                    Closed Session (Open Meetings Act MCL 15.268 (e))**  
Doe vs Northern Lakes CL # 2003468

**4:15 p.m.                    Ownership Linkage**  
**Definition - Connecting the authority and accountability to the owners.**  
This is the second opportunity for Citizen Comment. (May be limited to five minutes by the Board Chairperson)

**4:20 p.m.                    Announcements/Board Member Reports/Board Association**  
This is an opportunity for Board Members to report on Board visitations, committee meetings, conferences, meetings attended, events or other specific areas of mental health related interest.

**4:25 p.m.                    November 18, 2021 Agenda Planning**  
Board Members will discuss topics to include on next month's board meeting agenda.

**4:30 p.m.                    Meeting Evaluation/Comments**  
Time is scheduled to allow Board Members to evaluate the meeting using the meeting evaluation form.

**4:35 p.m. Adjournment**

**NEXT MEETING – November 18, 2021**



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

## Board of Directors Meeting Minutes

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September 16, 2021

2:15 p.m.

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Northern Lakes Community Mental Health Authority 527 Cobb Street Cadillac, MI 49601 and Microsoft Teams Meeting (Virtual)

Called to order at 2:41 p.m. by Rose Denny. This meeting is being held remotely due to the State of Emergency being called in the City of Cadillac which would have been the location of the meeting.

Board Members Present: Rose Denny, Al Cambridge, Ben Townsend, Mary Marois, Penny Morris, Dean Vivian, Barb Selesky, Sherry Powers, Dan DeKorse, Justin Reed

Virtual – Greg McMorrow, Ty Wessell, Nicole Miller, Angela Griffis

Board Members Absent: Randy Kamps (advance notice) and Pam Babcock (advance notice)

Others Present: Joanie Blamer, Interim Chief Executive Officer; Lauri Fischer, Chief Financial Officer; Matt Leiter, Director of Human Resources; Tracy Andrews, Director of Integrated and Managed Health Services; Brian Newcomb, Director of Recipient Rights; Deb Lavender, Executive Secretary; Aaron Fader, Executive Administrative Specialist

Virtual – Kari Barker, Director of Quality and Compliance; Darryl Washington, Director of Long-Term Care and Support Services; Brie Molaison, Customer Services Specialist; Dr. Curt Cummins, Medical Director; Jessica Williams, Quality and Compliance Specialist; Unknown ROOC Member on Phone

Confirmation of a Quorum – yes

Timekeeper – none

### 1. CALL TO ORDER:

### 2. AGENDA:

A discussion of Board Member per diem and the Board Ad Hoc Committee were added

### 3. CONFLICT OF INTEREST DECLARATION:

No conflict of interest was declared.

### 4. CONSENT AGENDA:

*Consideration of the Consent Agenda*

<b>MOTION:</b>	<b>Accept the Consent Agenda for September 16, 2021</b>
<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	<b>Al Cambridge</b>
<b>SECONDER:</b>	<b>Sherry Powers</b>

## 5. OWNERSHIP LINKAGE:

- A. *Citizen Comment* – none
- B. *Ownership Communication* – none

## 6. CHIEF EXECUTIVE OFFICER'S REPORT:

The NLD thought it would be a good idea for Joanie to begin sharing consumer success stories, which she will begin doing at the next meeting. Joanie and Pam met with Frank Vanderwal, the Missaukee County Commission Chair who told them that he thinks he will have an appointee for the Board very soon. Joanie met with Kate D. after her citizen comment last meeting. Joanie will begin meeting with Kate and another NAMI member every other week to discuss rules, regulations, visions, services, etc. Alan Bolter is strongly encouraging testimony to the State about bills in the House and Senate. The meeting with Representative Mary Whiteford was yesterday. Joanie plans to continue to meet with her to highlight a couple topics such as identifying details on the bill before it is passed and the value of PIHPs. Mary noted that the bills have a lot of big ideas but is not sure where the funding will come from. Justin also mentioned the importance of the difference of southern and northern ASOs. Whiteford did listen to the idea of a northern exemption and Joanie will talk more with her about that. Joanie will continue to update the Board on the situation and will invite Representative Whiteford to a meeting if the Board so desires.

## 7. NORTHERN MICHIGAN REGIONAL ENTITY REPORT:

No minutes provided.

## 8. ASSURANCE OF ORGANIZATIONAL PERFORMANCE:

- A. *Receipt of CEO Response to Monitoring Report – 2.1 Consumer Services (Internal Inspection)*

<b>MOTION:</b>	<b>The Board finds the organization 100% in compliance with Policy 2.1 Consumer Services (Internal Inspection)</b>
<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	<b>Dean Vivian</b>
<b>SECONDER:</b>	<b>Ben Townsend</b>

- B. *New Operational Worries* – None.

- C. *September Monitoring Assignment*

1.0 Consumer and Community Ends (1.0.6 – 1.0.11) (Internal Inspection) and 2.3 Compensation of the Employed Workforce (Internal Inspection). Please complete and turn in.

## 9. BOARD MEANS SELF-ASSESSMENT

- A. *Receipt of CEO Response to Monitoring Report – 4.2 Accountability (Direct Inspection)*

<b>MOTION:</b>	<b>The Board finds the organization 100% in compliance with Policy 4.2 Accountability (Direct Inspection)</b>
<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	<b>Sherry Powers</b>
<b>SECONDER:</b>	<b>Barb Selesky</b>

*B. September Monitoring Assignment*

None.

*C. Ad Hoc Committee*

Mary spoke about the CEO Search Committee and the need for more membership. Sherry noted that she would be able to join as long as the meetings take place after 5:30 PM. Rose noted that she would be able to join. Dean explained that this is a very big commitment with a lot of

homework. Mary originally wanted to hire a consultant to aid them in this process but found that the manual that Dean put together when he chaired this committee in the past is extremely helpful – she feels that this manual will provide the support needed. She is asking for a \$10,000 budget for lunches, advertising, and other ad hoc expenses.

Matt spoke about a recommended range for the Search Committee meeting to consider. Included CEO benefits are an agency vehicle, Agency credit card, short/long term disability, 401 MERS.

<b>MOTION:</b>	<b>Approve the NLCMHA Board Ad Hoc Search Committee budget of \$10,000</b>
<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	<b>Mary Marois</b>
<b>SECONDER:</b>	<b>Dean Vivian</b>

## **10. GOVERNANCE POLICIES DISCUSSION AND ASSESSMENT:**

*A. Ends – None.*

*B. Executive Limitations – None.*

*C. Governance Process/Ownership Linkages*

NLD Minutes – September 1, 2021

<b>MOTION:</b>	<b>Approve NLD Minutes – September 1, 2021</b>
<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	<b>Barb Selesky</b>
<b>SECONDER:</b>	<b>Sherry Powers</b>

The NLD covered many topics including keeping our agenda structure the same, not limiting the COW to a time limit since it is a work group, developing Board Member biographies to include which category they represent and committees they serve on. The NLD wanted Deb Freed to come to the next meeting to talk about marketing, however Deb noted she could not make that meeting so there was an agreement that she could provide a report to the CEO for review at the next NLD meeting. There will be a generic “NLCMHA Board” email address that will be monitored by Joanie, Deb, and Aaron to forward to Board Members. This will be added to the NLCMHA website. Full COW and Board packets will also be added to the NLCMHA website the Friday after packets are distributed to Board Members. Another topic was for Board Members to update which categories of representation (professional, community member, consumer, etc.) they categorize themselves into – some Board Members will fit into multiple categories of representation.

<b>MOTION:</b>	<b>To develop and post a generic “NLCMHA Board” email on the NLCMHA website for community members to reach out to.</b>
<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	<b>AI Cambridge</b>
<b>SECONDER:</b>	<b>Barb Selesky</b>



<b>MOTION:</b>	To post NLCMGH COW packets and Board packets on the NLCMHA website for the Friday after packets are distributed to Board Members
<b>RESULT:</b>	ADOPTED [UNANIMOUS]
<b>MOVER:</b>	Barb Selesky
<b>SECONDER:</b>	Ben Townsend

*D. Board/CEO Linkage*

<b>MOTION:</b>	To keep NLCMHA Board Member per diem rate as it is
<b>RESULT:</b>	ADOPTED [UNANIMOUS]
<b>MOVER:</b>	Mary Marois
<b>SECONDER:</b>	Dean Vivian

**11. OWNERSHIP LINKAGE:** None.

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

Barb recommended that there be some system in place to track if members of the public are joining the meeting to make comment. There is a system that Dan Mauk has in mind that will address this in the future.

**13. October 21, 2021 AGENDA PLANNING:**

Reviewed agenda items.

**14. MEETING EVALUATION:**

Comments – Ty mentioned that Rose did a good job running the Board Meeting.

**15. ADJOURNMENT:**

The meeting adjourned at 3:48 p.m.

Respectfully Submitted,

Randy Kamps, Chairperson

Sherry Powers, Board Secretary

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Aaron Fader, Recording Secretary

**Committee of the Whole Meeting**  
**Minutes**

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**September 16, 2021**

**12:30 PM**

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**1. ATTENDANCE:**

Northern Lakes Community Mental Health Authority, 527 Cobb Street, Cadillac and remote virtual meeting.

Rose Denny called the meeting to order at 12:44 p.m. This meeting is being held remotely due to the State of Emergency being called in the City of Cadillac.

Board Members Present: Cadillac - Ben Townsend, Al Cambridge, Dean Vivian, Mary Marois, Penny Morris, Rose Denny, Sherry Powers, Ty Wessell, Barb Selesky, Dan Dekorse, and Justin Reed. Virtual - Greg McMorro, Nicole Miller and Angela Griffis.

Board Members Absent: Pam Babcock (advance notice) and Randy Kamps (advance notice).

Others Present: Cadillac – Joanie Blamer, Acting Chief Executive Officer; Lauri Fischer, Chief Financial Officer; Matt Leiter, Director of Human Resources; Tracy Andrews, Director of Integrated and Managed Health Services; Brian Newcomb, Director of Recipient Rights; Aaron Fader, Executive Administrative Specialist; Deb Lavender, Executive Secretary. Virtual - Kari Barker, Director of Quality and Compliance; Darryl Washington, Director of Long Term Care and Support Services; Carrie Gray, Chief Population Officer for Individuals with IDD; Curt Cummins, Medical Director.

**2. RECEIVE AND REVIEW AUGUST 19, 2021 MINUTES:**

Moved to Board meeting.

**3. PUBLIC COMMENT:**

None.

**4. UPDATE ON RIGHTS:**

Brian referenced the monthly report with the updated numbers. An audit was completed on the psychiatric providers out of catchment for 2021 and noticed some concerns that were not completed in 2021. They were able to use some reviews from other rights offices which allowed us to do a desk inspection. They are completing inspections on others to get us caught up.

They have completed their first round of interviews for the Rights Advisor position and are ongoing and have a few candidates to schedule second interviews.

On September 10 they completed the six week transition process with Brian working with Tracy working on the Director's responsibilities and job functions. He thanked Tracy for spending the additional time, being very open, was very helpful in turning the rights office around and pointing him in the right direction.

They implemented a peer review for advisors. The advisors send all of their reports to him for review for edits and ensure they match the Mental Health Code and are finalized before sending to the CEO. He is encouraging his staff to do a peer review so that they learn their writing styles to make it more consistent and all have the same flow.

Brian met with Beth Burke to move all of our ORR New Hire training on line through the State for training which will free up our office and the training office. This will allow us to spend more time with our providers, our homes and more specific training for our area and will start October 1.

## **5. BOARD MEMBER PER DIEM/COST OF GOVERNANCE:**

Lauri noted that according to policy we do need to know what the per diem is for each of the counties. According to the poll we are not less than the highest county. There are differences between greater than four or less hours. Lauri noted that the NMRE policy language for per diem is the same as Northern Lakes policy.

<b>MOTION:</b>	<b>Leave the policy the same and move to the Board for approval.</b>
<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Dean Vivian
<b>SECONDER:</b>	Justin Reed

## **6. SELF DETERMINATION PRESENTATION:**

Lauri provided a summary of the self-determination statistics identifying we have 126 self-directed arrangements within behavioral health with two fiscal intermediaries and is \$1,891,000. Variability between respite only and nursing services is \$15,000 and \$130,000 in one budget. Northern Health Care Management has 324 in their program and of that 26% or 84 are in self-determination arrangements. Lauri reviewed the process for self-determination.

Lauri introduced Erin Harris and her mother Lauri Becker who will be speaking about their experiences with self-determination. Erin introduced her mother who is assisting with her grandson's care. Erin explained the challenges they have faced with her son who was diagnosed on the Autism Spectrum at the age of three. It came to her attention that children at the age of six were cut off from the Autism Spectrum of resources. Having the self-directed services she is able to monitor them and have control. It was wonderful to have expectations and the IPOS and to be able to choose self-directed services. It has benefited their family to give her child 24/7 services and have the resources provided at home. It is important to have a healthy relationship with your family. She noted that they are able to get 30 hours a week of services, had an assessment, wanting to create the best potential for your child, attends the Autism Center to help with structure and was able to help with his social skills. She related how his skills have developed, how he socializes and attends other activities and is able to function. Erin was appreciative of GT Independence and was very fortunate to have respite care. Her mother received the training so that she can provide the respite care. She noted that GT Independence sent a package during Covid that cost about \$250 and other items that would help protect him and keep him safe. She referenced the services that her son is receiving since Covid and she is very grateful for that.

Lauri Becker related her background as a parent educator and also her experience working with impaired individuals. She noted they are teaming together with Acorn and in a year's time her grandson has the ability to communicate. It has taken a while to get him figured out. They never give up and it is our job. They have been teaming together to get her grandson at his full potential. His progress is getting better because of the teamwork. The case workers, specialists are continuing to work together. GT Independence is a great resource and they are doing the best for the kids. Lauri noted it has been a great opportunity.

Erin shared her experience with her son's case worker and her contact with the staff in Access.

## **7. PERSON CENTERED PLANNING TRAINING:**

Kari Barker reviewed the PowerPoint presentation on Person Centered Planning. The process was reviewed – pre-planning to identify hopes and dreams, who to invite, location, questions, goals and objectives, outcomes, and whether they are attainable, etc. The IPOS will be reviewed annually, when there are significant changes made, quarterly review for specific programs and when requested by the individual. The plan should be reviewed with the individual and then signed.

## **8. COMPLIANCE, QUALITY, CUSTOMER SERVICES REPORT:**

Kari Barker reported on Quality Improvement FY 21 for Quarter Three. She reviewed the risk events, critical incidents, sentinel events and deaths. Quarter Two Performance Indicators there were no measurement standard imposed by MDHHS. There were ten Clinical Record Reviews completed and the areas of concern were identified. The average score was 81.17%. Kari reviewed the Other Agency Quality Projects – preparing for CARF Accreditation, the Performance Improvement Programs. Kari reviewed Compliance for Quarter Three. She noted that there were eight compliance inquiries made. Status of Outcomes reviewed – Privacy and Security; Unauthorized Access; and Medicaid Encounter Verification.

## **9. ANNUAL COMPLIANCE TRAINING:**

Kari referenced the regulatory compliance plan. We have to be in good standing with Medicaid to be available for those families and the people that we serve. We are required to have a written plan and it is reviewed annually. Our plan mirrors the NMRE regulatory plan in the region. We are required to have a Compliance Officer to oversee the plan, make sure it is up to date and ensure it is implemented. It is important we practice a culture of compliance of integrity. It is about doing the right thing. There are rules and regulations in place if we are a Medicaid provider that we have to follow. We have to inform staff and be in compliance. Making sure that everything we do as professionals we do according to the rules of our agency. We do annual training at hire, have posters, extra training throughout the year, newsletter on a monthly basis, and have an ethics hotline. Building a culture of integrity. Identified the process when a complaint is filed with the hotline. Kari noted that we ensure that our operational practices follow current requirements. We discuss at our Performance Improvement Quality Improvement meetings to discuss how we are doing and finding solutions.

Kari reviewed the compliance training document – What is Compliance; the Seven Elements of an Effective Compliance Program; NMRE Standards of Conduct; Organizational Ethics; Deficit Reduction Act; Federal False Claims Act; Michigan False Claims Act; Other Applicable Laws; Whistleblower Protection; Fraud; Waste & Abuse; Governing Rules; Substance Use Disorder Records; Mental Health Records – HIPAA; Mental Health Code; HIV/Aids Information; Breach Notification; and Reporting Requirements. Kari identified the Attestation, Acknowledgement and Disclosure of Ownership forms need to be completed.

## **10. AGENDA PLANNING OPTIONS:**

Agenda topics for the October 21, 2021 meeting: Update on Recipient Rights; Presentation – Human Resources; Presentation – Children with Serious Emotional Disturbance; Distribute Individual and Board Member Self-Assessments; and Board Leadership Journal.

## **11. MEETING EVALUATION/COMMENTS:**

#1 – We spent our time on the most important governance topics – excellent

#2 – We encouraged diversity of viewpoints – good

#3 – Our decisions were made collectively – good

#4 – The Board used it's time effectively – good

#5 – What is the most important thing the Board could do to improve our function as a Board?

Al identified that he raised his hand noting that our time was used poorly. 1) The reason we were not prepared technically and we need to test it before hand and make sure it is working properly, 2) The presenters need to know the time frame and to allow within that time frame questions..

## **12. OTHER/ADJOURN:**

Meeting adjourned at 2:33 p.m.

Respectfully Submitted,

Deb Lavender  
Executive Secretary

dsl (10/1/2021)

DRAFT

**Northern Lakes Community Mental Health Authority  
Financial Reporting for 9/30/2021**

**Overview:**

At the end of September, the Governor and Legislatures came together on a budget that included a direct care worker wage premium of \$2.35 from \$2.25 per hour. NLCMHA is waiting for the Medicaid provider letter supporting the premium pay and the amount that will be included for employer side taxes and fees. Milliman has certified capitation rates for FY 2022 inclusive of the \$2.00 (\$2.24 with employer taxes and fees) wage premium and neither \$2.25 nor \$2.35.

The Michigan Department of Health and Human Services (MDHHS) has made significant changes to the service codes and modifiers used by behavioral health beginning 10/1/2021 for the FY 2022 fiscal year. One area focused on by MDHHS and Milliman Actuaries is provider credentialing. There are now requirements to report the education level of individuals providing services. For example, a person may have a bachelor's or master's level education but providing a case management service. A different modifier signifying the master's degree education level must be submitted on the claim. Most providers submitting claims in NoLa now require a license number, education level, and any other certifications they may have reported in modifiers. It is believed MDHHS is beginning the process of collecting all indication of information that may have an impact on a fee schedule or affect rate setting in the future.

The accrual process so far this year has been one of the smoothest I have experienced. NoLa and its interface with Intacct has sped up the process of claims management and adjudication. It takes a full cycle of a fiscal year to appreciate the efficiencies finance staff have implemented and the provider network have embraced. I appreciate NoLa and Intacct more and more every year.

**Medicaid Spending as compared to Regional Funding Advances:**

Services provided to individuals with traditional Medicaid coverage will be reported at \$57,389,741 with \$504,381 available in coordination of benefit reimbursements. This is \$6,777,475 below capitated advances provided by the NMRE.

Services provided to individuals with Healthy Michigan Plan coverage will be reported at \$6,527,044. This is \$605,647 below capitated advances provided by the NMRE.

Services which must be paid for by General Funds total \$1,801,867. This is \$868,837 below the year's allocation including the general funds carryforward earned in FY 2020. It is estimated \$130,000 of General Funds will be carryforward to FY 2022 and the difference of about \$750,000 will lapse to the State of Michigan, MDHHS.

**Residential/Inpatient Usage:**

At the end of September, it is expected there were 253 people in contractual specialized residential placements and semi-independent homes representing no change. The average SRS per diem increased \$0.78 to \$181.36. This does not include the direct care wage premium pass-through funds. It is expected to incorporate the direct care worker premiums into daily per diems on October 1<sup>st</sup>.

The amount paid to community inpatient hospitals, on a cash basis, was \$802,021 for the month of September.

**Revenues and Spending:**

Revenues exceed expenses by \$1,193,196 on a year-to-date basis. The reinvestment line of expenses is accounting for Northern Health Care Management, Local Funds, and Behavioral Health Home (CHAT). Expenses will be reconciled to funding source in the next few months. The revenues over expenses value consists of the estimated unspent General Funds.

Cash on hand increased by \$5,888,832 in September. NMRE paid August and September capitation in September.

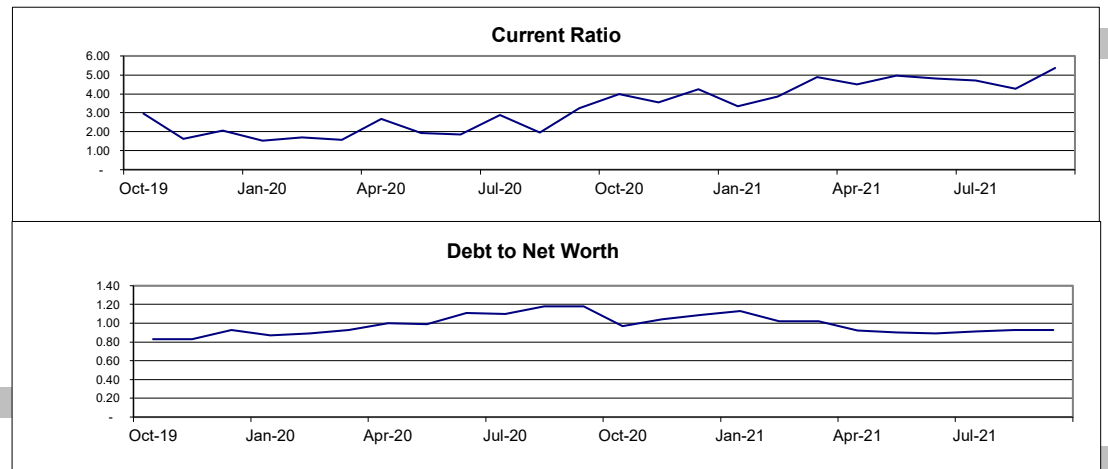
Northern Lakes Community Mental Health Authority  
Finance Report As of 9/30/2021  
Fiscal Year Ending September 30, 2021

	2021-#2	2021-#2	Actual	Actual	Percentage		(Expenses)		
Revenues	Total Budget	YTD Budget	YTD Revenues	Over/(Under)	YTD	Capitated Category	Provided Advances	Earned Revenues	Worries (Over)/Under
State Sources	\$ 4,162,802	4,162,802	4,151,256	(11,546)	100%				
Local Sources	\$ 1,901,352	1,901,352	1,876,800	(24,552)	99%	General Funds	2,670,704	1,801,867	868,837
Medicaid Sources	\$ 62,649,694	62,649,694	64,083,846	1,434,152	102%	Medicaid	63,662,834	56,885,360	6,777,475
Reimbursements	\$ 991,561	991,561	988,929	(2,632)	100%	Healthy Michigan	7,132,690	6,527,044	605,647
MI Choice HCBW	\$ 10,652,959	10,652,959	10,856,869	203,910	102%	Behavioral Health Home	153,374	97,854	55,520
Total Revenues	\$ 80,358,368	80,358,368	81,957,699	1,599,331	102%	Northern Health Care Mgmt	10,856,869	9,516,869	1,340,000
						Local Requirements	1,876,800	935,748	941,052
							86,353,271	75,764,742	10,588,529
Expenditures	Total Budget	YTD Budget	Actual YTD Expenses	Actual (Over)/Under	Percentage YTD				
Personnel	\$ 26,057,867	26,057,867	26,118,014	(60,147)	100%				
Direct Operations	\$ 2,087,696	2,087,696	2,043,099	44,597	98%				
Contractual Services	\$ 10,382,332	10,382,332	10,327,435	54,897	99%				
Contract Agencies	\$ 7,259,889	7,259,889	7,690,735	(430,846)	106%				
Residential Contracts	\$ 23,605,227	23,605,227	23,566,845	38,382	100%				
Inpatient Services	\$ 5,980,912	5,980,912	5,948,172	32,740	99%				
Transportation	\$ 994,864	994,864	1,022,915	(28,051)	103%				
Occupied Space	\$ 1,449,307	1,449,307	1,507,014	(57,707)	104%				
Reinvestment	\$ 2,540,275	2,540,275	2,540,275	(0)	100%				
Total Expenses	\$ 80,358,368	\$ 80,358,368	\$ 80,764,503	\$ (406,135)	101%				
Net Revenues over Expenditures			\$ 1,193,196						

Medicaid and Healthy Michigan Plan expenses are expected to be covered by Medicaid savings and internal service fund dollars from the NMRE.

General Funds spent on services to individuals without insurance coverage must be covered by excess local funds or NLCMHA Fund Balance

Monthly Indicators	Previous Month	Current Month
Current Ratio	4.27	5.37
Cash on Hand	\$ 22,789,010	\$ 28,677,842
Short Term Liabilities	\$ 5,332,701	\$ 5,344,582
According to Financial Performance Indicators the goal is greater than 2.		
Debt to Net Worth	0.93	0.93
Short Term Liabilities	\$ 5,332,701	\$ 5,344,582
Long Term Liabilities	\$ 6,070,615	\$ 6,070,615
Compensated Absences	\$ 1,341,519	\$ 1,341,519
Net Pension Liability	\$ 4,729,096	\$ 4,729,096
Unrestricted Fund Balance	\$ 5,021,992	\$ 5,021,992
Net Assets (Undepreciated Val)	\$ 7,257,546	\$ 7,257,546
According to Financial Performance Indicators the goal is less than 2.5.		
Directly provided services	39.2%	37.9%
Contractually provided services	60.8%	62.1%



Northern Lakes Community Mental Health Authority		
List of Contracts and Agreements Entered Into		
For the Month of September 2021		
	Vendor by Category	Estimated Annual Financial Value
1	Specialized Residential Services and Community Living Supports	
*		
2	Inpatient and Hospital Contracts Including Single Case Agreements	
*	Harbor Oaks Hospital Inpatient Psychiatric Contract (amended to reflect one year only)	\$ 120,000
*	University of Michigan SCA	\$ 10,000
*	McLaren - Bay SCA (2 SCA's)	\$ 20,000
*	McLaren - Flint SCA (2 SCA's)	\$ 20,000
*	Havenwyck Hospital Inpatient Psychiatric Contract	\$ 320,000
3	County of Financial Responsibility (COFR) - Provider (Purchase of Services)	
*		
4	Independent Contractors and Leases	
*		
5	Northern Health Care Management	
*	Footprints In Time	\$ 210,000
*	Friends Who Care - Manistee LLC	\$ 72,000
*	GA Business Purchaser LLC/ Guardian Medical Monitoring	\$ 6,000
*	Given Hope Home Services	\$ 170,000
*	Hidden Acres	\$ 12,000
*	Joy Givers, Inc.	\$ 78,000
*	LaJoy FI, LLC	\$ 96,000
*	Manistee County Council on Aging	\$ 1,500
*	Maple Ridge Living Center, LLC Lake City location	\$ 72,000
*	Maple Ridge Living Center, LLC Cadillac location	\$ 48,000
*	MedScope America, Corp.	\$ 50,000
*	MI Life Transport LLC	\$ 145,000
*	Missaukee County Commission On Aging	\$ 36,000
*	Munson Home Services	\$ 180,000
*	Ohana AFC Home	\$ 435,000
*	Pleasant Lake Lodge, Inc.	\$ 120,000
*	Quiet Creek AFC	\$ 170,000
*	Real Life Living Services, Inc.	\$ 420,000
*	Retirement Living Management of Cadillac, d/b/a Green Acres	\$ 120,000
*	Seasons of Life AFC	\$ 60,000
*	Serenity Home Care	\$ 132,000
*	Sweet Riders Express, LLC	\$ 15,000
*	Traverse Victorian Assisted Living	\$ 650,000
6	Grants-Revenue Contracts	
*	MDHHS Comprehensive Services for Behavioral Health-Covid 19 - FY 2021 Amendments	\$ 614,069
*	MDHHS Evidence Based Services for Youth in Juvenile Justice System - FY 2022	\$ 274,287
*	MDHHS Pre-Admission Screening Annual Resident Reviews (OBRA PASARR) - FY 2021 Amendment	\$ 366,000
*	MDHHS Nursing Facility Transition - FY 2022	\$ 215,000
*	MDHHS Covid-19 Comprehensive Services for Behavioral Health FY 2022 (Engagement Center and Childrens Workers)	\$ 1,655,316
*	MDHHS General Funds Allocation for CMHSP Programs FY 2022	\$ 2,728,716



Stacey Kaminski LPC

October 7, 2021

NLCMHA Board Members and the Hiring Committee,

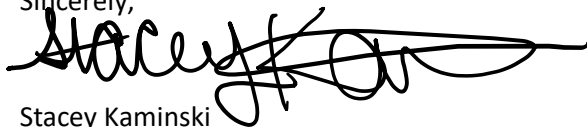
I highly recommend Joanie Blamer to be the next CEO for NLCMHA. She has been my supervisor for majority of the time I have worked at NLCMHA (10 ½ years). I consider her a mentor and a true leader and I am truly grateful for her knowledge and insight. Under her supervision I have grown as a clinician and a supervisor. In addition to this, she guides staff in making sure NLCMHA programs are in compliance and promotes the NLCMHA Mission.

Joanie is extremely passionate and dedicated to those NLCMHA serves and the agency. She is the true image of NLCMHA. Joanie works very hard to make sure those we served are cared for. She has implemented new programs, as well as written grants to fund those programs.

Joanie is a dedicated, hard working individual who certainly goes above and beyond what is expected of her. She takes on extra work with grace and is able to manage many projects at once.

Please consider her for the next CEO. She IS NLCMHA and the best candidate for this agency.

Sincerely,

A handwritten signature in black ink, appearing to read 'Stacey Kaminski', with a long horizontal flourish extending to the right.

Stacey Kaminski  
Operations Manager for Crisis Services  
Northern Lakes Community Mental Health

Chief Executive Officer's Report  
To the Northern Lakes' Board of Directors  
October 21, 2021

**Board and Operational Items**

**Citizen Comments:** No citizen's comment at the last meeting. Follow up relating to Kate's comments in August. Mary and I met with Kate on September 29<sup>th</sup>. As discussed at the Board Meeting last month an email link, Contact the NLCMHA Board of Directors, has been added to our website for people to contact the Board.

**Community Connections/Meetings:**

- Al and I met with Shawn Petri, Superintendent of COOR Intermediate School District, and Somer Quinlan, Executive Director of R.O.O.C. on September 17<sup>th</sup>. We discussed the current Senate legislation and the Whiteford Proposal in addition to speaking about collaborative opportunities.
- I met with the Cadillac Chamber of Commerce, Caitlyn Berard, via phone to answer questions and educate her on the legislative bills. We agreed to have regular meetings moving forward.
- I met with Dr. Margaret, Rise Center, and discussed the information she shared at our Annual Meeting in July.
- I have scheduled bi-weekly meetings with NAMI, unfortunately they couldn't meet on the 6<sup>th</sup> so I have rescheduled.
- NLCMHA staff had an informational table and participation in the NAMI Walk on September 25<sup>th</sup>.
- NLCMHA staff and people served participated in the Walk-a-Mile in My Shoes event in Lansing on the 29<sup>th</sup>. New Board Member, Justin Reed, was able to attend and represent NLCMHA.
- Nate Alger, GT County Administrator, and I met on Oct. 7<sup>th</sup> and are scheduled to meet again later this month.
- On the 12<sup>th</sup> I met with representatives from Blue Cross Blue Shield Network, Dr. Beecroft and Bill Pompos, to review new service codes for mobile crisis services and crisis stabilization services. We discussed ways in which we could collaborate on behavioral health needs in our communities. We plan to meet again and expand our group to include Lauri Fischer and Clinical Managers from NLCMHA and BCBS's provider consultant team for the northern region.
- Met with Kristen Kenny of NAMI Cadillac on October 11.

**Crisis Center Development:** NLCMHA was not selected for the SAMHSA Grant we wrote in May. We have not heard back on the request for congressional dollars. MDHHS has announced they will send out an RFP for the development of a Crisis Stabilization Units (CSU) in Michigan and we will work with Munson to apply for those dollars.

**Meeting with County Commissions:** I am presenting our Annual Report to County Commissions as follows:

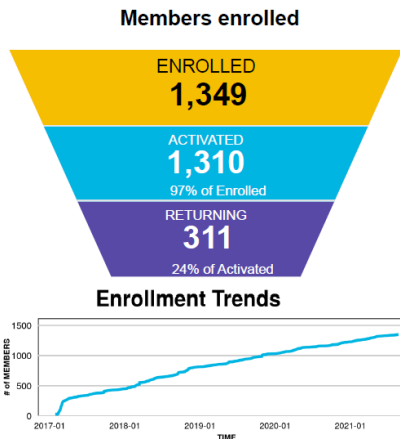
-Leelanau 10/12 at 7 pm	-Crawford 10/14 at 10 am	-Wexford 10/20 at 4 pm
-Grand Traverse 11/3 at 8 am	-Missaukee 11/9 at 4 pm	-Roscommon 11/10 at 9 am

## Update on myStrength:

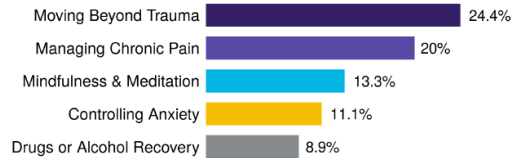
### myStrength Scorecard - Northern Lakes Community Mental Health

Data Thru: 2021-08-31

Program Launch: 2017-01-27

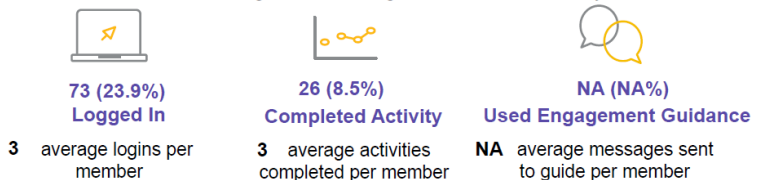


#### Top 5 Digital Recommendations



#### Program engagement

% of returning members using feature in the last 90 days



**Media Coverage:** Nothing new to report.

#### Community Mental Health Association, Michigan (CMHAM)

- I attended the Director's Forum on September 21 and 22.
- I will attend the CMHAM Conference later this month.

#### Success Story:

**Ashley's Story:** I began using drugs at the age of 12 when my friend's mom would leave pills and a note telling me and my friends to "have a fun weekend". The pills made me feel less anxious and more confident so I would use whatever I could get my hands on, and my parents had no idea. Before dropping out of high school I was able to get my nursing assistant license. I moved out of my parent's home and in with my friend who supplied the pills.

It wasn't long before I found myself expecting my first child, and in a relationship where I was being mentally, physically, and sexually abused. I was isolated from my family and friends. I was able to refrain from using drugs while pregnant with both my children, but after the birth of my son, I began using every day and was introduced to heroin and meth. I lost my job at the nursing home where I was employed for 10 years because I called in sick too many times. When the heroin ran out, I found myself extremely ill from withdrawals. I began dealing drugs in addition to working at an assisted living facility. I got involved with some shady people.

One day, I was so ill I couldn't leave my house. I thought it was withdrawal. I arranged to take my kids to my cousin's house so I could get some drugs and feel better. I didn't make it very far before blacking out and rolling my car. Thank goodness my kids were okay. During my hospital stay I learned I had an infection in my blood and was septic. If I had used heroin that day the doctor said my children would have found me dead the next morning. I was an IV user for 3 years and never shared needles. I did, however, reuse my own dirty needles repeatedly and that is what caused the infection that caused holes on my mitral and aortic valves. My past was catching up with me.

I was arrested and sentenced to 9 months in jail, which was a huge devastation to me. I felt depressed and hopeless. While in jail I requested services from CMH. The worker gave me a few ideas on how to manage my anxiety, and I expressed by desire to change. A month later I was moved to the CMH cell, and this is what quite literally saved my life. We had group twice a day and learned coping skills that I continue to use. I discovered that a lot of my drug use was to self-medicate. I also learned setting goals such as getting a job, keeping appointments, attending to my medical conditions and being dependable would help me be successful when I was discharged from the jail. The peer in the jail helped me develop a resume and set up necessary appointments before I left the jail and gave me hope that even though I had a felony on my record, I could still be successful in life.

After I left the jail, I began working at a tanning salon and became an employee they could depend on. I started making and keeping up on my child support payments so my kids could depend on me too. I started adult education classes and earned my high school diploma. I am in a relationship now and have had another child! I have stress in my life now, but I am able to manage by continuing to use the skills I learned from CMH. I set attainable goals every single day, I reach out for help when I need it, and I remind myself the others do not define my recovery. I am now employed as a Peer Support Specialist and am forever filled with appreciation and gratitude. As we say in Narcotics Anonymous, "We can only keep what we have by giving it away."

I am humbled by the experiences and triumphs the people we serve experience every day. I am thankful to be able to help and witness the joy of their successes!

Sincerely,

Joanie Blamer, LMSW, CAADC  
Interim CEO

**CEO Response to September 16, 2021 Board Monitoring Report Evaluation  
October 21, 2021**

**Policy 1.0 – Consumer and Community Ends – Internal Inspection - CEO**

Fourteen (14) Board Members completed and submitted the monitoring report. There were fourteen (14) Board Members attending:

Question 1 - Was this report submitted when due? – 14 Yes

Question 2 - Did the report lay out the CEO's interpretation of the request? –14 Yes

Question 3 - Was I convinced that the interpretation is justified and reasonable? – 14 Yes

Question 4 - Did the interpretation address all aspects of the subject? -14 Yes

Question 5 - Does the information show compliance with Board direction/policy? –14 Yes

Comments:

Question 6 – no comments

**CEO Response 2021:**

I appreciate the Board's assessment that we are in 100% compliance with this policy.

Respectfully Submitted,  
Joanie Blamer  
Interim CEO

**CEO Response to September 16, 2021 Board Monitoring Report Evaluation  
October 21, 2021**

**Policy 2.3 – Compensation of the Employed Workforce – Internal Inspection - CEO**

Fourteen (14) Board Members completed and submitted the monitoring report. There were fourteen (14) Board Members attending:

Question 1 - Was this report submitted when due? – 14 Yes

Question 2 - Did the report lay out the CEO's interpretation of the request? –14 Yes

Question 3 - Was I convinced that the interpretation is justified and reasonable? – 14 Yes

Question 4 - Did the interpretation address all aspects of the subject? -14 Yes

Question 5 - Does the information show compliance with Board direction/policy? –14 Yes

Comments:

Question 6 – no comments

**CEO Response 2021:**

I appreciate the Board's assessment that we are in 100% compliance with this policy.

Respectfully Submitted,  
Joanie Blamer  
Interim CEO

**ASSURANCE OF ORGANIZATIONAL PERFORMANCE  
POLICY 2.4 FINANCIAL MANAGEMENT / INTERNAL CONTROLS  
INTERNAL REPORT - CEO  
October 21, 2021**

**2.4 Financial Management**

**Type of Report:      Internal Report**

The CEO shall not by omission or commission render the Authority insolvent or permit the expenditure of funds except in accordance with and in furtherance of the Board Governance Policies. Authority finances shall be managed in accordance with applicable laws, regulations, contract obligations and sound financial practices. Budgets prepared under the direction of the CEO shall be predicated upon an annual assessment of need and shall be consistent with a multi-year strategic plan approved by the Board. In managing the financial affairs of the Board, the CEO shall honor priorities formally adopted by the Board:

- 2.4.1 Clinical and administrative services;
- 2.4.2 Internal service fund; and
- 2.4.3 Existing unfunded liabilities.

With respect to the preparation of budgets the CEO shall not:

- 2.4.4 Fail to include a projection of revenues and expenses based on the most current and accurate data available;
- 2.4.5 Fail to identify and distinguish capital and operating expenditures;
- 2.4.6 Fail to project or account for cash flow; or
- 2.4.7 Fail to disclose assumptions upon which the budget is predicated.

With respect to the operations of the Authority, the CEO shall not:

- 2.4.8 Receive, process or disburse funds except in accordance with standards and controls satisfactory to the Authority's outside auditor and comply with generally accepted governmental accounting principles;
- 2.4.9 Take any action or fail to advise the Board of any event or projected event that the CEO, in the exercise of sound business judgment, believes will result in liabilities exceeding assets or the need to use internal service fund resources;
- 2.4.10 Provide less for Board prerogatives during the year than is set forth in the Costs of Governance Policy;
- 2.4.11 Conduct inter-fund shifting;
- 2.4.12 Absent good cause communicated to the Board, fail to settle payroll and other financial obligations of the Board when due;
- 2.4.13 Fail to timely and accurately file documents or make disclosures required by federal or state laws or regulations or contract obligations;
- 2.4.14 Allow records to be retained in violation of the Record Retention & Disposal Policy according to state and federal laws;
- 2.4.15 Fail to instruct the Board selected auditor to provide the copy of the audit to the Board at the same time as made available to the CEO;
- 2.4.16 Commit the Authority to any unbudgeted financial obligation or series of obligations with a value in excess of \$15,000 for any purpose other than the provision of direct consumer services;
- 2.4.17 Enter into contracts or other binding obligation that is inconsistent with governance policies;

- 2.4.18 Enter into contracts without sufficient assurance that the contractor is qualified and eligible to furnish the goods and services covered by the contract.
- 2.4.19 Acquire, encumber or dispose of real property [Does not apply to leaseholds to be used as housing for individual consumers];
- 2.4.20 Fail to exercise reasonable diligence in the collection of delinquent financial or contractual obligations to the Authority; or
- 2.4.21 Fail to place cash in interest-bearing accounts in accordance with P.A. 196 of 1997 as amended.
- 2.4.22 Fail to report dollar amounts on the Administrative Consent Agenda when identifying expense contracts exceeding \$15,000.
- 2.4.23 Fail to continually seek out and/or be open to securing opportunities/avenues for revenue enhancements that fits our mission.

### **CEO Interpretation October 2021**

The table below is a percentage of funding sources by year using the initial approved budget by the NLCMHA Board of Directors. For the fourth year in a row Medicaid has increased as an overall percentage. State Sources will grow each of the next five years as MDHHS rolls out the redistribution of General Funds. Although Northern Health Care Management continues to grow in dollars it has not grown as quickly in comparison to the other funding sources. Local sources increased with the budgeting of the performance based incentive program which allows for the program funds to become local the following year for which performance indicators are met.

Initial Budget FY 2022  
Annual Percentage by Source

Source	FY18	FY19	FY20	FY21	FY22
State Sources	4.89%	4.99%	5.17%	5.00%	5.18%
Local Sources	2.18%	2.05%	1.98%	1.85%	2.37%
Medicaid	73.11%	74.04%	75.80%	75.99%	77.96%
Reimbursements	2.62%	2.23%	1.90%	1.78%	1.23%
Reinvestment Dollars	0.00%	0.00%	0.00%	0.00%	0.00%
Northern Health Care Management	17.20%	16.68%	15.15%	15.38%	13.26%
	100.00%	100.00%	100.00%	100.00%	100.00%

**In managing the financial affairs of the Board, the CEO shall honor priorities formally adopted by the Board:**

- **2.4.1 Clinical and administrative services;**

**October 2021 Update:**



The fiscal year ended 9/30/2022 budget was formally adopted by the Board in August. All financial reports beginning in November 2021 for October operations will be compared to that budget. Opportunities for enhancements to funding through grants or awards are investigated every time an opportunity arises.

- **2.4.2 Internal service fund; and**

#### **October 2021 Update**

NLCMHA holds no internal service funds for Medicaid. The final transfer of dollars occurred in February of 2015.

NLCMHA operates an internal service fund for employee self-funded health insurance. That fund balance has declined four years in a row. Public Act 152 limits the amount that can be charged to State funded employers. The limits are not keeping up with health care cost increases. The fund does allow NLCMHA to soften the highs and lows of health care expenses experienced by staff and family members of staff insured under NLCMHA available health plans. The majority of staff are covered under the high deductible health plan which has not changed in maximum deductibles in eight years. There is also a requirement to have a minimum amount of prepaid cash on hand at Blue Cross Blue Shield which increased from \$362,305 in 2019 to \$477,330 in 2020. The prepay value remained the same in 2021 and will grow to \$488,158 in 2022.

- **2.4.3 Existing unfunded liabilities.**

NLCMHA's unfunded liability is within the defined benefit plan inherited from Grand Traverse County by the former Great Lakes CMH. The pension plan as of the last report date is summarized in the following chart.

Summary of MERS Defined Benefit Pension by Year:	2019	2020
Valuation Assets	\$21,603,495	\$21,832,999
PV of Accrued Benefits	\$25,550,537	\$26,132,222
Actuarial Surplus (Deficit)	(\$4,947,042)	(\$5,299,223)
Market Value of Assets Invested with MERS	\$20,335,495	\$21,425,257
Market Value (Shortfall) or Surplus	(\$268,000)	\$592,258
Combined (Liability)/Surplus from Market & Actuarial	(\$5,215,042)	(\$4,706,965)

Percentage (Liability) Surplus to Accrued Benefit	(20.4%)	(18.0%)
---	---------	---------

#### **October 2021 Update**

The MERS actuarial report received in June of 2021 had a 1.1% increase in valuation assets and a 2.28% increase in the present value of accrued benefits. This caused a \$352,181 increase in the actuarial deficit. The good news was the market value of assets as of December 31<sup>st</sup>, 2020 was greater than the actuarially expected asset value. The actuarial value of assets was \$20,832,999 and the true market value was \$21,425,257. A difference of \$592,258. A market value surplus has not occurred since 2007. A one-day snapshot of market value can be deceiving but none the less, good news.

**With respect to the preparation of budgets the CEO shall not:**

- **2.4.4 Fail to include a projection of revenues and expenses based on the most current and accurate data available;**
- **2.4.5 Fail to identify and distinguish capital and operating expenditures;**
- **2.4.6 Fail to project or account for cash flow; or**
- **2.4.7 Fail to disclose assumptions upon which the budget is predicated.**

**October 2021 Update:**

The initial budget for fiscal year 2022 was based on the most up to date data available from NMRE, MDHHS, and the actuarial firm, Milliman. The budget forecast was based on capitation received in FY 2021 with no change. The risk to this assumption is the redetermination process and deductibles that will be reinstated for Medicaid coverage as of 1/1/2022. NMRE forecasted revenues exceed the CMH's combined requests and provide a level of funding well within the CMHSP's requests. All expenses were budgeted with zero vacancy rates in personnel and continuation of the direct care wage premium of \$2.25, \$2.52 inclusive of employer expenses.

**With respect to the operations of the Authority, the CEO shall not:**

- **2.4.8 Receive, process or disburse funds except in accordance with standards and controls satisfactory to the Authority's outside auditor and that accord with generally accepted governmental accounting principles;**

**October 2021 Update:**

The NLCMHA Board of Directors has chosen Roslund Prestage & Co as the outside auditing firm for the three years ending in 2021, 2022, and 2023. Each of the CMH's and the NMRE are all using the same auditor at this time. Roslund Prestage will perform a financial audit, compliance audit, and a single audit for federal funds. As part of all the audits, internal control reviews occur. NLCMHA will review every recommendation that is made and implement each one that can be satisfactorily carried out with the resources available.

- **2.4.9 Take any action or fail to advise the Board of any event or projected event that the CEO, in the exercise of sound business judgment, believes will result in liabilities exceeding assets or the need to use internal service fund resources;**

**October 2021 Update:**

NLCMHA and Finance staff believe the revenues for which the budget has been predicated will occur.

- **2.4.10 Provide less for Board prerogatives during the year than is set forth in the Costs of Governance Policy;**

**October 2021 Update:**

The budget has not changed for FY 2022 Board Governance and prerogatives.

- **2.4.11 Conduct inter-fund**
- **2.4.12 Absent good cause communicated to the Board, fail to settle payroll and other financial obligations of the Board when due;**

- **2.4.13 Fail to timely and accurately file documents or make disclosures required by federal or state laws or regulations or contract obligations;**
- **2.4.14 Allow records to be retained in violation of the Record Retention & Disposal Policy.**

**October 2021 Update:**

It is believed that none of the above has occurred.

- **2.4.15 Fail to instruct the Board selected auditor to provide the copy of the audit to the Board at the same time as made available to the CEO;**

**October 2021 Update:**

Roslund Prestage, the auditors engaged for the next three fiscal years financial, compliance, and single audits will present the audits directly to the Board of Directors.

- **2.4.16 Commit the Authority to any unbudgeted financial obligation or series of obligations with a value in excess of \$15,000 for any purpose other than the provision of direct consumer services;**

**October 2021 Update:**

It is believed this has not occurred without authorization from the Board.

- **2.4.17 Enter into contracts or other binding obligation that is inconsistent with governance policies;**
- **2.4.18 Enter into contracts without sufficient assurance that the contractor is qualified and eligible to furnish the goods and services covered by the contract.**

**October 2021 Update:**

It is believed this has not occurred.

- **2.4.19 Acquire, encumber or dispose of real property [Does not apply to leaseholds to be used as housing for individual consumers];**
- **2.4.20 Fail to exercise reasonable diligence in the collection of delinquent financial or contractual obligations to the Authority; or**
- **2.4.21 Fail to place cash in interest-bearing accounts in accordance with P.A. 196 of 1997 as amended.**
- **2.4.22 fail to report dollar amounts on the Administrative Consent Agenda when identifying expense contracts exceeding \$15,000.**
- **2.4.23 Fail to continually seek out and/or be open to securing opportunities/avenues for revenue enhancements that fits our mission.**

**October 2021 Update:**

It is believed this has not occurred.

Respectfully Submitted,

Joanie Blamer (Assisted by Lauri Fischer)

**Board Policy being monitored:**  
**2.4 Financial Management – Internal Report**  
**October 21, 2021**

1. Was this report submitted when due?  
Yes                      No (requires comment)

Comment:

2. Did the report lay out the CEO's interpretation of the request?  
Yes                      No (requires comment)

Comment:

3. Was I convinced that the interpretation is justified and reasonable?  
Yes                      No (requires comment)

Comment:

4. Did the interpretation address all aspects of the subject?  
Yes                      No (requires comment)

Comment:

5. Does the information show compliance with board direction/policy?  
Yes                      No (requires comment)

Comment:

6. Other Comment: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**ASSURANCE OF ORGANIZATIONAL PERFORMANCE  
POLICY 2.5 ASSET PROTECTION  
INTERNAL REPORT - CEO  
October 21, 2021**

**2.5 Asset Protection**

**Type of Report: Internal Report**

The Chief Executive Officer shall not permit any tangible or intangible asset in which the Authority has a financial or other interest to suffer waste, exposure to unacceptable risk or other improper diminution in value. By way of example and not limitation, the CEO shall not:

- 2.5.1 Fail to insure against property and casualty losses to at least replacement value and against liability losses in an amount that is commercially reasonable in view of the risk;
- 2.5.2 Fail to acquire and maintain a fidelity bond protecting the Authority against theft, conversion or embezzlement of Authority assets by employed Workforce members with access to funds of the Authority;
- 2.5.3 Fail to take reasonable steps to reduce the risk of theft of Authority assets;
- 2.5.4 Fail to take reasonable steps to protect the condition of Authority property through appropriate maintenance;
- 2.5.5 Fail to engage in risk management designed to minimize exposure to claims and damages;
- 2.5.6 In the selection of providers and vendors, fail to comply with applicable federal and state laws and regulations and sound business practice respecting procurement of goods and services; or
- 2.5.7 Endanger the Authority's public image or credibility in ways that would hinder the accomplishment of its mission.

**CEO Interpretation October 2021**

Asset protection, risk management and public integrity is extremely important. The CEO has a relationship with two local attorneys and one labor relations attorney to review risk management issues as they occur. Performance Management and Quality Improvement Committee (PMQI) continues to review critical incidents and risk events as a standing agenda item.

- **2.5.1 Fail to insure against property and casualty losses to at least replacement value and against liability losses in an amount that is commercially reasonable in view of the risk;**

**October 2021 Update:**

NLCMHA is insured by the Michigan Municipal Risk Management Authority (MMRMA). This organization provides comprehensive insurance protection for buildings, vehicles, equipment, personnel, Board, liability, data breach, etc. MMRMA is a risk pool so changes in assets do not result in immediate increases to premiums. MMRMA has contracted with CBiz to assess property replacement values to insure adequate insurance coverage. CBiz appraises all owned property once every five – six years and is expected in 2022.

Premium Cost for the last fourteen years were:

2009 \$130,285

2010	\$131,032
2011	\$124,588
2012	\$104,103
2013	\$101,071
2014	\$108,678
2015	\$108,694
2016	\$116,132
2017	\$135,625
2018	\$161,934
2019	\$172,595
2020	\$185,858
2021	\$200,405
2022	\$213,919

Additionally, there will be a net asset and state pool loss fund distribution to NLCMHA from MMRMA for the 2022 year of \$ 23,530.

Losses Reimbursed for the last thirteen years were:

2009	\$ 5,443	These were for totaled and repaired vehicles.
2010	\$20,968	These were for totaled and repaired vehicles.
2011	\$21,521	These were for totaled and repaired vehicles.
2012	\$13,973	These were repaired vehicles, damaged laptops and buildings.
2013	\$21,342	These were for repaired vehicles and damaged laptops.
2014	\$19,597	These were for totaled and repaired vehicles.
2015	\$20,586	These were for totaled and repaired vehicles, and repairs to buildings.
2016	\$36,983	These were for totaled and repaired vehicles, and repairs to buildings.
2017	\$ 4,963	These were for totaled and repaired vehicles, and repairs to buildings.
2018	\$ 1,058	There were 2 claims for repaired vehicles.
2019	\$ 4,152	There were 2 claims for repaired vehicles.
2020	\$13,050	There was a claim for a totaled van.
2021	\$ 0	There were no vehicle or building claims in 2021.

See attached coverage overview document from MMRMA.

- **2.5.2 Fail to acquire and maintain a fidelity bond protecting the Authority against theft, conversion or embezzlement of Authority assets by employed Workforce members with access to funds of the Authority;**
- **2.5.3 Fail to take reasonable steps to reduce the risk of theft of Authority assets;**

#### **October 2021 Update:**

All property with a value greater than \$500 is assigned a tag and accounted for through an inventory system. Property assigned to individual staff by the information technology department, such as computers, are logged and tracked. Cars are logged with each and every usage as to purpose, staff, and number of individuals in every ride. Finance staff implemented an electronic method of travel recording for both personal car usage and agency car logging in April of 2021. Sure Mobile is the tool used through Company Mileage. Cars are protected in Cadillac and Houghton Lake by on-site garages. All office sites have video surveillance cameras to help deter parking lot vandalism. On-site medications are locked including a medication vault in our Traverse City office where our largest amount of medication is maintained. We do not have an on-site pharmacy but do maintain sample medications and hold some consumer

medications; both of which create some risk. MMRMA conducts an annual on-site inspection of all buildings and provides recommendations for increased safety and security.

- **2.5.4 Fail to take reasonable steps to protect the condition of Authority property through appropriate maintenance;**

**October 2021 Update:**

NLCMHA maintains a Facilities Committee that is assigned the responsibility of maintaining facilities and the use of the facilities to insure the best possible use and supports to the persons served. The capital plan approved by the Board each year guides annual depreciable capital expenditures, but the day-to-day use and maintenance is organized and disseminated through committee. The individuals on the committee are the 2 CPOs, the lead maintenance worker, residential manager, CIO, CEO, Administrative Supervisor, Director of Managed and Integrated Care, Human Resource Officer, and CFO as Facilitator.

- **2.5.5 Fail to engage in risk management designed to minimize exposure to claims and damages;**

**October 2021 Update:**

NLCMHA has a Safety committee that has the responsibility of reviewing all incident reports filed by staff. These reports can be everything from slips and falls, vehicle damage, security, maintenance, and safety concerns. Incident reports filed by the provider network are electronically submitted through the provider portal in NoLa as well as critical incidents which are reviewed by the Director of Quality and Compliance.

- **2.5.6 In the selection of providers and vendors, fail to comply with applicable federal and state laws and regulations and sound business practice respecting procurement of goods and services; or**

**October 2021 Update:**

NLCMHA has established business practices regarding procurement of goods and services. The following list of items is required from an Agency to contract with NLCMHA.

- ☐ Application for Provider Network Membership
- ☐ IRS Form W-9 Form
- ☐ Independent Contractor Statement if applicable
- ☐ NPI Enumerator Letter if applicable
- ☐ Regulatory Compliance Plan
  - ☐ Regulatory Compliance Plan Attestation – Attachment B
  - ☐ Regulatory Compliance Plan Acknowledgement Form – Attachment C
- ☐ Disclosure of Ownership, Controlling Interest and Management Statement Form
- ☐ Provider Training Update Form
- ☐ Background Investigation Consent
- ☐ House Rules (SRS Only)
- ☐ Signature pages of contract
- ☐ General Liability Insurance and Professional Liability Insurance - \$1,000,000/\$3,000,000
- ☐ Automobile Insurance (if transporting consumers) - \$1,000,000
- ☐ Worker's Compensation Insurance if applicable - \$500,000
- ☐ Staffing Schedule(s) for a two-week period
- ☐ Copy of CARF, JCAHO, COA Accreditations if applicable

- ☐ Financial Report or Consolidated Financial Statement or Statement of Fiscal Solvency from accountant
- ☐ Copy of Home/Facility License
- ☐ Plan of Succession if Sole Proprietor

All documents are required at time of established contract and renewal. Most contracts are renewed every two years.

- **2.5.7 Endanger the Authority's public image or credibility in ways that would hinder the accomplishment of its mission.**

**October 2021 Update:**

Public image and credibility are very important to NLCMHA. Control of NLCMHA information and messaging is achieved through the (Interim) CEO as the only staff member to communicate to the media. There are situations in which specific clinical or administrative expertise is requested by the media and where the CEO will designate an NLCMHA staff member to be interviewed. MMRMA has increased coverage in the area of Breach of Data. An extensive self-assessment is required by the CIO as part of the annual application process.

Respectfully Submitted,

Joanie Blamer (Lauri Fischer)



**Board Policy being monitored:**  
**2.5 Asset Protection**  
**October 21, 2021**

1. Was this report submitted when due?  
Yes                      No (requires comment)

Comment:

2. Did the report lay out the CEO's interpretation of the request?  
Yes                      No (requires comment)

Comment:

3. Was I convinced that the interpretation is justified and reasonable?  
Yes                      No (requires comment)

Comment:

4. Did the interpretation address all aspects of the subject?  
Yes                      No (requires comment)

Comment:

5. Does the information show compliance with board direction/policy?  
Yes                      No (requires comment)

Comment:

6. Other Comment: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## MICHIGAN MUNICIPAL RISK MANAGEMENT AUTHORITY COVERAGE PROPOSAL

<b>Member:</b>	Northern Lakes Community Mental Health DBA Northern Health Care Management DBA N	<b>Proposal No:</b> Q000013226
<b>Date of Original Membership:</b>	January 1, 2004	
<b>Proposal Effective Dates:</b>	October 01, 2021 To October 01, 2022	
<b>Member Representative:</b>	Lauri Fischer	<b>Telephone #:</b> (231) 922-4850
<b>Regional Risk Manager:</b>	Lighthouse Group, an Alera Group Agency, LLC	<b>Telephone #:</b> (616) 698-7373

### A. Introduction

The Michigan Municipal Risk Management Authority (hereinafter "MMRMA") is created by authority granted by the laws of the State of Michigan to provide risk financing and risk management services to eligible Michigan local governments. MMRMA is a separate legal and administrative entity as permitted by Michigan laws. **Northern Lakes Community Mental Health DBA Northern Health Care Management DBA N** (hereinafter "Member") is eligible to be a Member of MMRMA. **Northern Lakes Community Mental Health DBA Northern Health Care Management DBA N** agrees to be a Member of MMRMA and to avail itself of the benefits of membership.

**Northern Lakes Community Mental Health DBA Northern Health Care Management DBA N** is aware of and agrees that it will be bound by all of the provisions of the Joint Powers Agreement, Coverage Documents, MMRMA rules, regulations, and administrative procedures.

This Coverage Proposal summarizes certain obligations of MMRMA and the Member. Except for specific coverage limits, attached addenda, and the Member's Self Insured Retention (SIR) and deductibles contained in this Coverage Proposal, the provisions of the Joint Powers Agreement, Coverage Documents, reinsurance agreements, MMRMA rules, regulations, and administrative procedures shall prevail in any dispute. The Member agrees that any dispute between the Member and MMRMA will be resolved in the manner stated in the Joint Powers Agreement and MMRMA rules.

### B. Member Obligation - Deductibles and Self Insured Retentions

**Northern Lakes Community Mental Health DBA Northern Health Care Management DBA N** is responsible to pay all costs, including damages, indemnification, and allocated loss adjustment expenses for each occurrence that is within the Member's Self Insured Retention (hereinafter the "SIR"). **Northern Lakes Community Mental Health DBA Northern Health Care Management DBA N's** SIR and deductibles are as follows:

**Table I**

N

**Member Deductibles and Self Insured Retentions**

COVERAGE	DEDUCTIBLE	SELF INSURED RETENTION
Liability	N/A	State Pool Member
Vehicle Physical Damage	\$250 Per Vehicle	State Pool Member
Fire/EMS Replacement Cost	N/A	N/A
Property and Crime	\$1,000 Per Occurrence	N/A
Sewage System Overflow	N/A	N/A

The member must satisfy all deductibles before any payments are made from the Member's SIR or by MMRMA.

The **Northern Lakes Community Mental Health DBA Northern Health Care Management DBA N** is afforded all coverages provided by MMRMA, except as listed below:

1. Sewage System Overflow
2. Specialized Emergency Response Expense Recovery Coverage
- 3.
- 4.

All costs including damages and allocated loss adjustment expenses are on an occurrence basis and must be paid first from the Member's SIR. The Member's SIR and deductibles must be satisfied fully before MMRMA will be responsible for any payments. The most MMRMA will pay is the difference between the Member's SIR and the Limits of Coverage stated in the Coverage Overview.

**Northern Lakes Community Mental Health DBA Northern Health Care Management DBA N** agrees to maintain the Required Minimum Balance as defined in the Member Financial Responsibilities section of the MMRMA Governance Manual. The Member agrees to abide by all MMRMA rules, regulations, and administrative procedures pertaining to the Member's SIR.

### **C. MMRMA Obligations - Payments and Limits of Coverage**

After the Member's SIR and deductibles have been satisfied, MMRMA will be responsible for paying all remaining costs, including damages, indemnification, and allocated loss adjustment expenses to the Limits of Coverage stated in Table II. The Limits of Coverage include the Member's SIR payments.

The most MMRMA will pay, under any circumstances, which includes payments from the Member's SIR, per occurrence, is shown in the Limits of Coverage column in Table II. The Limits of Coverage includes allocated loss adjustment expenses.



**Table II**  
**Limits of Coverage**

Liability and Motor Vehicle Physical Damage	Limits of Coverage Per Occurrence		Annual Aggregate	
	Member	All Members	Member	All Members
1 Liability	15,000,000	N/A	N/A	N/A
2 Judicial Tenure	N/A	N/A	N/A	N/A
3 Sewage System Overflows	0	N/A	0	N/A
4 Volunteer Medical Payments	25,000	N/A	N/A	N/A
5 First Aid	2,000	N/A	N/A	N/A
6 Vehicle Physical Damage	1,500,000	N/A	N/A	N/A
7 Uninsured/Underinsured Motorist Coverage (per person)	100,000	N/A	N/A	N/A
Uninsured/Underinsured Motorist Coverage (per occurrence)	250,000	N/A	N/A	N/A
8 Michigan No-Fault	Per Statute	N/A	N/A	N/A
9 Terrorism	5,000,000	N/A	N/A	5,000,000

Property and Crime	Limits of Coverage Per Occurrence		Annual Aggregate	
	Member	All Members	Member	All Members
1 Buildings and Personal Property	23,580,436	350,000,000	N/A	N/A
2 Personal Property in Transit	2,000,000	N/A	N/A	N/A
3 Unreported Property	5,000,000	N/A	N/A	N/A
4 Member's Newly Acquired or Constructed Property	10,000,000	N/A	N/A	N/A
5 Fine Arts	2,000,000	N/A	N/A	N/A
6 Debris Removal (25% of Insured direct loss plus)	25,000	N/A	N/A	N/A
7 Money and Securities	1,000,000	N/A	N/A	N/A
8 Accounts Receivable	2,000,000	N/A	N/A	N/A
9 Fire Protection Vehicles, Emergency Vehicles, and Mobile Equipment (Per Unit)	5,000,000	10,000,000	N/A	N/A
10 Fire and Emergency Vehicle Rental (12 week limit)	1,000 per week	N/A	N/A	N/A
11 Structures Other Than a Building	15,000,000	N/A	N/A	N/A
12 Dam/Dam Structures/Lake Level Controls	0	N/A	N/A	N/A
13 Transformers	0	N/A	N/A	N/A
14 Storm or Sanitary Sewer Back-Up	1,000,000	N/A	N/A	N/A
15 Marine Property	1,000,000	N/A	N/A	N/A
16 Other Covered Property	10,000	N/A	N/A	N/A
17 Income and Extra Expense	5,000,000	N/A	N/A	N/A
18 Blanket Employee Fidelity	1,000,000	N/A	N/A	N/A
19 Faithful Performance	Per Statute	N/A	N/A	N/A
20 Earthquake	5,000,000	N/A	5,000,000	100,000,000
21 Flood	5,000,000	N/A	5,000,000	100,000,000
22 Terrorism	50,000,000	50,000,000	N/A	N/A

Table III

Network and Information Security Liability, Media Injury Liability, Network Security Loss, Breach Mitigation Expense, PCI Assessments, Social Engineering Loss, Reward Coverage, Telecommunications Fraud Reimbursement.			
	Limits of Coverage Per Occurrence/Claim	Deductible Per Occurrence/Claim	Retroactive Date
	\$5,000,000		
<b>Coverage A</b> Network and Information Security Liability: Regulatory Fines:	Each Claim Included in limit above  Each Claim Included in limit above	\$25,000 Each Claim	7/1/2013
<b>Coverage B</b> Media Injury Liability	Each Claim Included in limit above	\$25,000 Each Claim	7/1/2013
<b>Coverage C</b> Network Security Loss  Network Security Business Interruption Loss:	Each Unauthorized Access Included in limit above  Each Business Interruption Loss Included in limit above	\$25,000 Each Unauthorized Access  Retention Period of 72 hours of Business Interruption Loss	Occurrence
<b>Coverage D</b> Breach Mitigation Expense:	Each Unintentional Data Compromise Included in limit above	\$25,000 Each Unintentional Data Compromise	Occurrence
<b>Coverage E</b> PCI Assessments:	Each Payment Card Breach \$1,000,000 Occ./\$1,000,000 Agg. Included in limit above	\$25,000 Each Payment Card Breach	Occurrence
<b>Coverage F</b> Social Engineering Loss:	Each Social Engineering Incident \$100,000 Occ./\$100,000 Agg. Included in limit above	\$25,000 Each Social Engineering Incident	Occurrence
<b>Coverage G</b> Reward Coverage	Maximum of 50% of the Covered Claim or Loss; up to \$25,000 Included in Limit above	Not Applicable	Occurrence
<b>Coverage H</b> Telecommunications Fraud Reimbursement	\$25,000 Included in limit above	Not Applicable	Occurrence

## Annual Aggregate Limit of Liability

Member Aggregate	All Members Aggregate
\$5,000,000	\$25,000,000

The total liability of MMRMA shall not exceed \$5,000,000 per Member Aggregate Limit of Liability for coverages A, B, C, D, E, F, G, and H, in any Coverage Period.

The total Liability of MMRMA and MCCRMA shall not exceed \$25,000,000 for All Members Combined Aggregate Limit of Liability for coverages A, B, C, D, E, F, G, and H, in any Coverage Period.

It is the intent of MMRMA that the coverage afforded under the Subjects of Coverage be mutually exclusive. If however, it is determined that more than one Subject of Coverage applies to one coverage event ensuing from a common nexus of fact, circumstance, situation, event, transaction, or cause, then the largest of the applicable Deductibles for the Subjects of Coverage will apply.



**Table IV**  
**Specialized Emergency Response Expense Recovery Coverage**  
**Limits of Coverage**

Specialized Emergency Response Expense Recovery	Limits of Coverage per Occurrence		Annual Aggregate	
	Member	All Members	Member	All Members
	N/A	N/A	N/A	N/A

**Table V**  
**Specialized Emergency Response Expense Recovery Coverage**  
**Deductibles**

Specialized Emergency Response Expense Recovery	Deductible per Occurrence	
	Member	
	N/A	

## D. Contribution for MMRMA Participation

Northern Lakes Community Mental Health  
DBA Northern Health Care Management DBA  
N

Period: October 01, 2021 To October 01, 2022

Coverages per Member Coverage Overview: \$213,919

TOTAL ANNUAL CONTRIBUTIONS: \$213,919

## E. List of Addenda

This document is for the purpose of quotation only and does not bind coverage in the Michigan Municipal Risk Management Authority, unless accepted and signed by both the authorized Member Representative and MMRMA Representative below.

Accepted By:

Proposal No:

Northern Lakes Community Mental Health  
DBA Northern Health Care Management DBA

Q000013226

DocuSigned by:



2EC884A716944EC...  
Member Representative

9/17/2021 | 10:29 AM EDT

Date

MMRMA

DocuSigned by:



2F3D6DFE76B34F2...  
MMRMA Representative

9/16/2021 | 3:15 PM EDT

Date



# MICHIGAN MUNICIPAL RISK MANAGEMENT AUTHORITY

Northern Lakes Community Mental Health DBA Northern Health Care Management DBA N  
 QUOTE NUMBER Q000013226  
 SUMMARY OF MOTOR VEHICLE TYPES  
 EFFECTIVE 10/1/2021 - 10/1/2022

<u>Type of Vehicle</u>	<u>Liability Coverage</u> <u>Renewal Exposure</u>		<u>ACV</u>	<u>Physical Damage Coverage</u> <u>Renewal Exposure Data</u>			<u>Total</u>
	<u>Units</u>	<u>Contribution</u>		<u>Replacement</u>	<u>Agreed</u>	<u>Contribution</u>	
All Other Vehicles	0	0	0	0	0	0	0
Buses	0	0	0	0	0	0	0
Commercial - Historical	0	0	0	0	0	0	0
EMS/Ambulance	0	0	0	0	0	0	0
Fire Vehicles - Large	0	0	0	0	0	0	0
Fire Vehicles - Other	0	0	0	0	0	0	0
Garbage Trucks	0	0	0	0	0	0	0
Motorcycles	0	0	0	0	0	0	0
Motorcycles - Historical	0	0	0	0	0	0	0
Police - All Other	0	0	0	0	0	0	0
Police PPT	0	0	0	0	0	0	0
Private Passenger	33	14,540	825,000	0	0	7,171	21,711
Private Passenger - Historical	0	0	0	0	0	0	0
Service Trucks	2	793	60,000	0	0	130	923
Vans	0	0	0	0	0	0	0
<b>Totals</b>	<b>35</b>	<b>15,333</b>	<b>885,000</b>	<b>0</b>	<b>0</b>	<b>7,301</b>	<b>22,634</b>

# MICHIGAN MUNICIPAL RISK MANAGEMENT AUTHORITY

**Northern Lakes Community Mental Health DBA Northern Health Care Management DBA N**

**QUOTE NUMBER Q000013226**

**SUMMARY**

**EFFECTIVE 10/1/2021 - 10/1/2022**

DS  
LF

<u>Coverage</u>	<u>Expiring Annual Exposure</u>	<u>Proposed Annual Exposure</u>	<u>Limits of Liability</u>	<u>SIR/ Deductible</u>	<u>Expiring Contribution</u>	<u>Proposed Contribution</u>
Automobile Liability	35 Total Vehicles	35 Total Vehicles	15,000,000	50,000	14,532	15,333
Automobile Physical Damage	\$885,000 ACV	\$885,000 ACV		15,000	6,424	7,301
Fire/EMS Replacement Cost	\$0 Replacement Cost	\$0 Replacement Cost		N/A	0	0
General Liability	14,088 Outpatients	14,088 Outpatients	15,000,000	50,000	62,452	74,721
Law Enforcement Liability	N/A	N/A	N/A	N/A	0	0
Public Officials' Liability	14,088 Outpatients	14,088 Outpatients	15,000,000	50,000	24,731	25,427
Property	\$22,118,083	\$22,580,436		1,000	34,766	33,637
Data Breach and Privacy Liability			5,000,000	25,000 See Table IV	0	0
Specialized Emergency Response Expense Recovery Coverage	N/A	N/A	N/A	N/A	0	0
Sewers	N/A	N/A	N/A	N/A	0	0
<b>Subtotal</b>					142,905	156,419
MCCA Assessment	35 Total Vehicles	35 Total Vehicles			0	7,700
MCCA Assessment Discount					0	-7,700
<b>Total</b>					142,905	156,419
Stop Loss Charge	\$0 Stop Loss entry point	\$0 Stop Loss entry point			0	0
<b>Total Contribution without Retention Fund Allocation</b>					142,905	156,419
<b>Retention Fund Allocation</b>					57,500	57,500
<b>Total Contribution including Retention Fund Allocation</b>					200,405	213,919



# MICHIGAN MUNICIPAL RISK MANAGEMENT AUTHORITY

**Member: Northern Lakes Community Mental Health DBA Northern Health Care Management DBA N**

**QUOTE NUMBER Q000013226**

**QUOTE PROPERTY LIST REPORT**

**EFFECTIVE DATES 10/1/2021 To 10/1/2022**

DS  
LF

Location Address		Location Description		
1.	105 Hall Street, Traverse City, MI 49684	Hall Street		
	Building Description	Building Value	Contents Value	Total Value
	Office Building	\$7,218,000	\$1,415,000	\$8,633,000
Location Totals		\$7,218,000	\$1,415,000	\$8,633,000
Location Address		Location Description		
2.	2715 South Townline Road, Houghton Lake, MI 48629	Townline Road		
	Building Description	Building Value	Contents Value	Total Value
	Medical Office Building	\$1,422,000	\$344,000	\$1,766,000
	Garage	\$54,500	\$8,000	\$62,500
Location Totals		\$1,476,500	\$352,000	\$1,828,500
Location Address		Location Description		
3.	527 Cobbs Street, Cadillac, MI 49601	Cobbs Street		
	Building Description	Building Value	Contents Value	Total Value
	Medical Office Building	\$3,668,000	\$1,748,000	\$5,416,000
	Storage Garage	\$178,000	\$17,000	\$195,000
Location Totals		\$3,846,000	\$1,765,000	\$5,611,000
Location Address		Location Description		
4.	204 Meadows Drive, Grayling, MI 49738	Meadows Drive		
	Building Description	Building Value	Contents Value	Total Value
	Medical Office Building	\$2,014,000	\$357,000	\$2,371,000
Location Totals		\$2,014,000	\$357,000	\$2,371,000
Location Address		Location Description		
5.	2105 6th Avenue, Cadillac, MI 49601	6th Avenue		
	Building Description	Building Value	Contents Value	Total Value
	Group Residence	\$564,000	\$35,000	\$599,000
Location Totals		\$564,000	\$35,000	\$599,000
Location Address		Location Description		
6.	1620 Wright Street, Cadillac, MI 49601	Wright Street		
	Building Description	Building Value	Contents Value	Total Value
	Group Residence	\$602,000	\$33,000	\$635,000
Location Totals		\$602,000	\$33,000	\$635,000



Location Address		Location Description		
7.	200 Toepher Road, Houghton Lake, MI 48629	Toepher Road		
	Building Description	Building Value	Contents Value	Total Value
	Multi Family Residence	\$277,500	\$6,000	\$283,500
Location Totals		\$277,500	\$6,000	\$283,500
Location Address		Location Description		
8.	1265 Harvest West, Traverse City, MI 49685	Harvest West		
	Building Description	Building Value	Contents Value	Total Value
	Group Residence	\$401,000	\$0	\$401,000
Location Totals		\$401,000	\$0	\$401,000
Location Address		Location Description		
9.	3137 Cedar Valley Drive, Traverse City, MI 49684	Cedar Valley		
	Building Description	Building Value	Contents Value	Total Value
	Group Residence	\$258,000	\$0	\$258,000
Location Totals		\$258,000	\$0	\$258,000
Location Address		Location Description		
10.	1855 Carlisle Road, Traverse City, MI 49686	Carlisle Road		
	Building Description	Building Value	Contents Value	Total Value
	Group Residence	\$488,500	\$39,000	\$527,500
Location Totals		\$488,500	\$39,000	\$527,500
Location Address		Location Description		
11.	5861 Tilton Road, Traverse City, MI 49684	Tilton Road		
	Building Description	Building Value	Contents Value	Total Value
	Group Residence	\$427,000	\$31,000	\$458,000
Location Totals		\$427,000	\$31,000	\$458,000
Location Address		Location Description		
12.	232 Pearl Street, Cadillac, MI 49601	Pearl Street Home		
	Building Description	Building Value	Contents Value	Total Value
	Pearl Street Home	\$0	\$40,219	\$40,219
Location Totals		\$0	\$40,219	\$40,219
Location Address		Location Description		
13.	440 Seneca Place, Cadillac, MI 49601	Seneca Place		
	Building Description	Building Value	Contents Value	Total Value
	Seneca Place	\$0	\$45,318	\$45,318
Location Totals		\$0	\$45,318	\$45,318
Location Address		Location Description		
14.	110 Charlene Drive, Traverse City, MI 49684	Evergreen		
	Building Description	Building Value	Contents Value	Total Value
	Evergreen	\$0	\$36,256	\$36,256
Location Totals		\$0	\$36,256	\$36,256



Location Address		Location Description		
15.	3464 Jones Lake Drive, Grayling, MI 49738	Jones		
	Building Description	Building Value	Contents Value	Total Value
	Jones	\$0	\$54,382	\$54,382
Location Totals		\$0	\$54,382	\$54,382

Location Address		Location Description		
16.	3374 Houghton Lake Drive, Houghton Lake, MI 48629	Woodland		
	Building Description	Building Value	Contents Value	Total Value
	Woodland	\$0	\$36,256	\$36,256
Location Totals		\$0	\$36,256	\$36,256

Location Address		Location Description		
17.	3003 Garfield, Traverse City, MI 49686-4	Garfield		
	Building Description	Building Value	Contents Value	Total Value
	Unit B	\$0	\$45,318	\$45,318
	Unit C	\$0	\$46,187	\$46,187
Location Totals		\$0	\$91,505	\$91,505

Location Address		Location Description		
18.	201 Toepher Road, Houghton Lake, MI 48629	Toepher Road		
	Building Description	Building Value	Contents Value	Total Value
	201 Toepher Road	\$277,500	\$6,000	\$283,500
Location Totals		\$277,500	\$6,000	\$283,500

Location Address		Location Description		
19.	612 Woodland Drive, Traverse City, MI 49686	Residential House		
	Building Description	Building Value	Contents Value	Total Value
	Woodland Ave. TVC	\$381,500	\$6,000	\$387,500
Location Totals		\$381,500	\$6,000	\$387,500

Grand Totals			
Building Value	Contents Value	Total Value	
\$18,231,500	\$4,348,936	\$22,580,436	

**BOARD MEANS SELF-ASSESSMENT  
POLICY 3.0 GLOBAL GOVERNANCE PROCESS/OWNERSHIP LINKAGE  
DIRECT INSPECTION  
OCTOBER 21, 2021**

**3.0 Global Governance Process/Ownership Linkage**

**Type of Report: Direct Inspection**

The purpose of the Board, on behalf of Northern Lakes Community Mental Health Authority, is to assure that the Authority (a) achieves appropriate results for appropriate persons at an appropriate cost, and (b) avoids unacceptable actions and situations.

**Board Means Policy Being Monitored:**

**3.0 Global Governance Process/Ownership Linkage – Direct Inspection**

**October 21, 2021**

*Review all sections of the policy listed and evaluate our compliance with policy.*

1. Do you believe we are in strict compliance with the policy as stated for each provision?

Yes

No (requires comment)

2. If you indicated that the Board is not in full compliance with the policy as stated, please indicate what areas and what you notice that gives evidence that we are *not* in compliance?

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3. How do you think we could improve our process to be in full compliance?

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4. What do we need to learn or discuss in order to live by this policy more completely?

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5. Does this policy remain in compliance with the Policy Governance model in terms of content and format?      Yes      No (requires comment)

**BOARD MEANS SELF-ASSESSMENT  
POLICY 4.0 GLOBAL GOVERNANCE – BOARD/CEO LINKAGE  
DIRECT INSPECTION  
OCTOBER 21, 2021**

**4.0 Global Board/Chief Executive Officer Linkage**

**Type of Report: Direct Inspection**

The Board's sole official connection to the operational organization, its achievements and conduct will be through a Chief Executive Officer.



**Board Means Policy Being Monitored:**

**4.0 Global Board/Chief Executive Officer Linkage – Direct Inspection**

**October 21, 2021**

*Review all sections of the policy listed and evaluate our compliance with policy.*

1. Do you believe we are in strict compliance with the policy as stated for each provision?

Yes

No (requires comment)

2. If you indicated that the Board is not in full compliance with the policy as stated, please indicate what areas and what you notice that gives evidence that we are *not* in compliance?

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4. What do we need to learn or discuss in order to live by this policy more completely?

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5. Does this policy remain in compliance with the Policy Governance model in terms of content and format?    Yes                      No (requires comment)



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

## Recipient Rights Advisory Committee Meeting Minutes

October 5, 2021

1:30 PM

### 1. CALL TO ORDER/ROLL CALL:

Northern Lakes Community Mental Health Authority with a Virtual Remote Meeting. Nicole called to order at 1:30 p.m. The RRAC is following the practice of the Northern Lakes Board of Directors of meeting virtually or in person.

Recipient Rights Advisory Committee Members Present: Nicole Miller, Marleen Cassidy, Rose Denny and Carol Oldenburg.

Recipient Rights Advisory Committee Member Absent: Charles Corwin (advance notice).

Others Present: Joanie Blamer, Interim Chief Executive Officer; Tracy Andrews, Director of Integrated and Managed Health Services; Brian Newcomb, Director of Recipient Rights; Deb Lavender, Executive Secretary; Aaron Fader, Executive Administrative Specialist; Lisa Jones, Recipient Rights Advisor.

Conflict of Interest Declaration – None.

### 2. REVIEWED AND APPROVED AGENDA:

<b>MOTION:</b>	<b>The RRAC Approved the October 5, 2021 Meeting Agenda as presented.</b>
<b>RESULT:</b>	<b>ADOPTED; (MOTION APPROVED)</b>
<b>MOVER:</b>	Rose Denny
<b>SECONDER:</b>	Marleen Cassidy

### 3. RECEIVE AND FILE AUGUST 3, 2021 MEETING MINUTES:

<b>MOTION:</b>	<b>The RRAC Received and Filed the August 3, 2021 Meeting Minutes.</b>
<b>RESULT:</b>	<b>ADOPTED; (MOTION APPROVED)</b>
<b>MOVER:</b>	Rose Denny
<b>SECONDER:</b>	Marleen Cassidy

### 4. PUBLIC COMMENT:

None.

### 5. RECIPIENT RIGHTS DIRECTOR'S REPORT:

Brian Newcomb reviewed the statistical data noting that there are 15 extra cases since the report was completed. There has been a few more interventions, pending is the same, the RIF Timeframe Compliance remains at 85%, Summary Report Timeframe Compliance is 97%, Substantiated Allegations against NLCMHA staff are at 43 and 4 within one year. The audit of provider files is mostly completed and are a work in progress. They have interviewed and offered the vacant Recipient Rights Advisor position. The individual will be starting on October 25 and Brian feels that he will fit in within our team very well.

Tracy and Brian completed the six week transition. He thanked her for setting him in the right path, guidance and advice.

Last week they implemented a peer review program for the advisors and himself. This will allow their reports to be similar and more consistent.

The ORR New Hire training was changed to online through the State ORR Office. This allows them additional time for other things. Input has been good.

## **6. REQUIRED PROTECTIONS OF THE ORR:**

No requests were identified.

<b>MOTION:</b>	<b>The RRAC has counseled with the Director of the ORR and there is no need for additional protection for the ORR at this time.</b>
<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Rose Denny
<b>SECONDER:</b>	Marleen Cassidy

## **7. GUARDIANSHIP RIGHTS AND ALTERNATIVES:**

Brian reviewed the PowerPoint identifying the definition of guardianship and what guardianship is; responsibilities; alternatives to guardianship – family and friends, an advocate, durable power of attorney, designation of patient advocate or designation of patient advocate for mental health care, trusts, representative payee, supported decision making (SDM). Nicole noted she appreciates Tracy's efforts in the past and with her position. She noted that Tracy had presented on this topic previously. Tracy noted that one of the most important things to remember that all of these things need to be implemented before guardianship can take place before guardianship proceedings.

## **8. APPEALS REFRESHER:**

Brian provided the flowchart on Appeals and reviewed the PowerPoint: Mental Health Code; requirements; evidence; circumstantial or direct; standard of proof – preponderance of the evidence; documents for review; Appeals Committee Upholds findings and actions and return to ORR for reinvestigation and investigation by MDHHS ORR and uphold findings – different/additional remedies; remedial action requirements.

## **9. PUBLIC COMMENT:**

None.

Vacancies on the RRAC – Joanie identified that she talked with Nina and she noted that she would be willing to serve on the RRAC. Marleen and Carol's terms expired in May 2021. They both identified they are interested. They will all need to complete an application. The Nominating Leadership Development Committee would ensure that all are given the same amount of inquiry. There are currently two vacancies. Joanie and Brian will speak to Traverse House members. The individuals need to be from Grand Traverse County and could also be a family member.

## **10. MEETING AGENDA – DECEMBER 7, 2021:**

The December 7 meeting is scheduled for Traverse City or meeting virtually will depend on whether the Board is meeting in person. Agenda Topics – Finalize Recommendations for Annual Report; ORR Budget; MDHHS Guidance and MDDA and how that Affects ORR Team; and Develop 2021/2022 Agenda Plan.

## **11. MEETING EVALUATION:**

Comments – Brian thanked Deb for her assistance in pulling together the agenda and the process.

## **12. OTHER/ADJOURN:**

None.

Adjourned at 2:15 p.m.

Respectfully Submitted,

Deb Lavender  
Executive Secretary

dsl (10/7/2021)