



**Northern Lakes
Community Mental
Health Authority**

**Board of Directors
Packet**

April 18, 2024



The Northern Lakes Community Mental Health Authority Board will meet on April 18, 2024
At 105 Hall Street, Traverse City, MI 49684 – 3rd Floor Board Room & Virtual Meeting: 1-810-
258-9588 ID: 364 573 74#

- | Time | Item # | |
|-------------|---------------|---|
| 1:00 p.m. | 1 | Opening: <ul style="list-style-type: none">• Confirm Quorum and Pledge of Allegiance• Approval of Agenda• Conflict of Interest• Consent Agenda (Minutes) |
| 1:05 p.m. | 2 | Public Comment (May be limited to three minutes by Board Chair) |
| 1:15 p.m. | 3 | Report of Officers: <ul style="list-style-type: none">• Recipient Rights Director<ul style="list-style-type: none">○ Brian Newcomb, Director of the Office of Recipient Rights• Chief Executive Officer Report<ul style="list-style-type: none">○ Brian Martinus, Interim Chief Executive Officer• Chief Financial Officer Report<ul style="list-style-type: none">○ Laura Argyle, Deputy Chief Financial Officer |
| 1:40 p.m. | 4 | Committee Reports: <ul style="list-style-type: none">• RRAC Update & Minutes*<ul style="list-style-type: none">○ -Tony Lentych• NMRE Update<ul style="list-style-type: none">○ Ruth Pilon• Ad Hoc Budget Committee<ul style="list-style-type: none">○ Al Cambridge, Ben Townsend |
| 1:55 p.m. | 5 | Unfinished Business: <ul style="list-style-type: none">• Monitoring Reports<ul style="list-style-type: none">○ CEO Response to Monitoring Reports*<ul style="list-style-type: none">▪ Policy 1.0, 3.3, 3.6• Monitoring Assignments<ul style="list-style-type: none">○ Policy 2.8, 3.7, 3.7A, 3.7B• Further Bylaws Discussion & Vote* |
| 2:15 p.m. | | Recess – 10 minutes |

2:25 p.m. 6 New Business:

- RRAC Protections Vote*

2:35 p.m. 7 Education:

- IT & Security Update
 - Dan Mauk, Chief Information Officer
- Human Resources Update
 - Neil Rojas, Chief Human Resource Officer

3:15 p.m. 8 Public Comment

3:25 p.m. 9 Announcements/Board Comments/Presentations

3:30 p.m. 10 Adjourn

NEXT MEETING: May 16, 2024 Houghton Lake

* Action Items

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



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

Board of Directors Meeting Minutes

March 21, 2024

2:20 p.m.

Board Members Present: Ben Townsend, Greg McMorrow, Mary Marois, Al Cambridge, Ruth Pilon, Tom Bratton, Ty Wessell, Dean Smallegan, Penny Morris, Sherry Powers, Dave Freedman, Carol Blake, Tony Lentych, Pam Babcock, Kate Dahlstrom, Eric Ostergren

Others Present: Brian Martinus, Stacy Maiville, Jeremiah Williams, Kim Silbor, Kari Barker, Mark Crane, Brian Newcomb, Dave Simpson, Haider Kazim, Andrew Berge, Richard Carpenter, Laura Argyle, Darryl Washington, Nancy Stevenson, Neil Rojas, Dan Mauk, Vickie McDonald, Hilary Rappuhn, Amy Kotulski, Justin Reed, Randy Kamps, Cheryl M, Allison Zimpfer, Courtney Wiggins, Pamela Kaiser,

Virtual: Aimee Horton Johnson, Terri Henderson, Lisa Holmes, Amanda Ritchie, Alyssa Heider, Melanie Schopieray, Tiffany Fewins, Lynn Pope, Mark Draeger, Melissa Bentgen, Rob Palmer, Erica Smith, Kellee Hoag, Pamella Petroelje, Abby Schonfeld, Becky Brown, Deb Freed, Ann Ketchum, Teresa Cooper, Robert Sheehan, Amanda Taylor, Lisa Jones, Rob Veale, Kasie Morse, Melissa Trout, Jennifer Wisniewski, Travis Merz, Jan Pytlowany, Curt Cummins, Carlton Ketchum, Dean Baldwin, Mardi Link, Lori Barnard, Mats Andtbacka, Cindy Petersen, Eric Kurtz, Aaron Fader, Jessica Williams, Judi Crane, Kristine Rigling, Sophorn Klingelsmith, April Weinrick, Heather Sleight, Lori Stendel, Keli Macintosh, Kathy Sanders, Angie Schroeder, Manda Clements, Pat MacIntosh, A. Wagner, Barbara Conley, Karen Cass, Kiley Fields, Cindy Evans, Roxanne Bott, Sharon Mikowski, Ceciley Thomason-Murphy, Kevin Hartley, Guest (1), Anonymous (8)

Call to Order: Mr. Ben Townsend called the meeting to order at 2:20 p.m.

Timekeeper: Sherry Powers

Approval of the Agenda:

- Remove the Bylaws vote from the agenda
- Add discussion of opioid and/or contact settlement funds
- Add review North Hope CRU Closure

MOTION:	Approve agenda as amended
RESULT:	ADOPTED.
MOVER:	D. Freedman
SECONDER	T. Lentych

Consent agenda items:

February 15, 2024 Committee of the Whole Meeting minutes

February 15, 2024 Board of Directors Meeting minutes

The consent agenda was approved with the following changes to the Board of Directors meeting minutes:

Mr. Freedman commented that he would like his citizen comment to say that the parity discussion is going to come up again and remove that it is “going down a little”.

Ms. Dahlstrom would like her citizen comment to be changed from “within a month or two of signing” to say “before a month or two of signing.”

MOTION:	Accept consent agenda with amendments
RESULT:	ADOPTED. [UNANIMOUS]
MOVER:	K. Dahlstrom
SECONDER	D. Freedman

Conflict of Interest Declaration: None.

Citizen Comment:

Courtney Wiggins (Buckley) and Allison Zimper (Leelanau County) residents—These citizen members gave public comments regarding concern for their friend. They emphasized the time, energy, and money spent on this friend and their frustration with NLCMHA. They complained that NLCMHA has not been funding the friend's stay at a certain facility in southern Michigan. They asked that the Board review why the CRU failed.

Justin Reed, Traverse City resident- Would like it to be stated in the Bylaws that the Board members are responsible for reporting information back to their County Commissioners.

Carlton Ketchum, Traverse City resident- Would like the Board to consider treating all committee meetings as open meetings, including ad hoc committee meetings. He also wants to know when the Board will see the written HR assessment. Expressed his support for the comment made by Courtney and Allison. Mr. Ketchum’s comments are attached.

Chief Executive Report- The Chief Executive Officer’s Report was included in the packet. Brian Martinus discussed items, such as numbers in the Dashboard Report, and answered questions. The Board expressed concern about the percentage of no-shows and what can be done to resolve that. They have requested Mr. Martinus to look into this and find solutions.

Chief Financial Report—Laura Argyle presented the Chief Financial Officer Report, which was included in the packet. Ms. Argyle’s report included information on assets, operating revenue, operating expenses,

contracts, and grants, as well as a summary of statements of net position, revenue, and expenses compared to the budget.

The Board asked Richard Carpenter for clarification regarding the Executive Summary he presented during the Committee of the Whole. Mr. Carpenter clarified which matter was more urgent.

According to Mr. Carpenter, the IHC needs to move quickly but could wait a few weeks.

The MI Choice Waiver program is more urgent. It is approximately \$10 million, and the financial scope is significant, along with the planning and care it would take to transition the individuals served.

Mr. Carpenter Strongly encourages the Board to act today or as quickly as reasonably possible.

MOTION: Following the recommendation, Divest the MI Choice Waiver Program, notify MDHHS of the intent to divest from the MI Choice Waiver Program subject to legal review and due diligence.

RESULT: ADOPTED. [UNANIMOUS]

MOVER: T. Lentych

SECONDER: M. Marois

MOTION: Instruct Executive staff to report back to the Board in 30 days, a plan to divest from the Integrated Health Clinic program.

RESULT: ADOPTED. 15 – Y, 1 -N (D. Freedman)

MOVER: T. Lentych

SECONDER: D. Smallegan

ORR Report:

Brian Newcomb, Director of the Office of Recipient Rights, gave the ORR Report, which was included in the packet. There are 87 open investigations. The department is still 100% compliant. Recipient Rights registration is now available digitally. Site visits are 67% completed for the year.

Northern Michigan Regional Entity Report: Executive budget proposal for 2025. The budget is getting smaller. The NMRE does not advocate for CCBHC in our area. Expect a resolution soon of what this region is advocating for.

Assurance Of Organizational Performance:

Receipt of Board Monitoring Report & CEO Response to Monitoring Report.

MOTION:	Receive the findings that Board is 67% in compliance of Policy 2.2 Treatment of Employed Workforce .
RESULT:	ADOPTED. [UNANIMOUS]
MOVER:	P. Morris
SECONDER:	R. Pilon

New operational worries:

Board Means Self-Assessment:

MOTION	Receive the findings that the Board is 87% in compliance of Policy 3.5 Meeting Agendas and Schedule.
RESULT:	ADOPTED. [UNANIMOUS]
MOVER:	S. Powers
SECONDER	P. Morris

March Monitoring Assignment:

- 1.0 Consumer and Community Ends
- 3.3 Board Member Code of Conduct
- 3.6 Board Chair Functions

Governance Policies Discussion and Assessment:

Ends - None

NLD Minutes & Update—Mr. McMorrow gave an update on the recent NLD Meeting. The meeting discussed the Bylaws and the Dashboard Report. They identified that they found the data in the Dashboard Report helpful. There was also a discussion of the slate of officers. Ben Townsend and Penny Morris were nominated for Chair, Greg McMorrow for Vice Chair, and Lynn Pope for Secretary. Board members may also express their interest during the Board meeting.

MOTION	Eliminate the COW as a standing meeting prior to all board meetings.
RESULT:	ADOPTED. [UNANIMOUS]
MOVER:	T. Lentych
SECONDER	M. Marois

Staff Reimbursement Policy

MOTION	Approve \$15 for breakfast, \$20 for lunch, and \$30 for dinner. Standard cost for zip co
RESULT:	ADOPTED. [UNANIMOUS]
MOVER:	M. Marois
SECONDER	K. Dahlstrom

Review North Hope CRU Closure – deferred.

Discussion Opioid settlement funds:

Ms. Dahlstrom mentioned that Grand Traverse County receives money from the marijuana tax. She believes that people should advocate for some of those funds and the opioid funds to be given to NLCMHA. Ms. Penny Morris stated that they had a study session on this topic last week. She suggested that if Kate wants there to be action, then she should show up to the Board of Commissioners meeting and advocate.

Citizen Comment:

Pam Harris Kaiser—She stated her support for an earlier citizen comment and urged NLCMHA to partner with Rose Hill. Ms. Kaiser expressed concern about the discussion held earlier regarding the IHC and the staff affected by it. She also referred to the Crisis Welcoming Center, commenting that poor planning for staff safety is not an acceptable reason why the center should not be open 24-7.

Justin Reed – Commented that the building is not equipped with security measures for a 24/7 crisis center, which is not the fault of NLCMHA, and the new Center for Wellness will be fulfilling this need. He stated that we cannot compare ourselves to other CMHS, they have different circumstances.

The Board moved to enter a closed session with the Interim CEO, HR Manager, Executive Secretary, and attorneys present.

MOTION:	Enter closed session pursuant to MCL 15.268(1)(e) to discuss settlement and/or trial strategy in the matter of Blamer v Northern Lakes, et al, et al; Case No. 23-0368777-CD, pending in the Grand Traverse County Circuit Court, because discussion in the open session will be detrimental to the Authority’s financial and/or settlement position; and pursuant to MCL 15.268(1)(h), to consider material exempt from disclosure by statute, more particularly a written legal opinion from Counsel for the Board protected by attorney-client privilege, which is specifically exempted under MCL 15.243(1)(g).
RESULT:	ADOPTED - Roll Call Vote [UNANIMOUS]
MOVER:	B. Townsend
SECONDER	T. Lentych

Closed Session MCL 15.268(1)(e)

The Board came out of closed session.

MOTION	Follow the advice and recommendation of counsel.
RESULT:	ADOPTED. [UNANIMOUS]
MOVER:	M. Marois
SECONDER	C. Blake

Announcements/Board Member Reports/Board Association:

The Board Chairperson, Ben Townsend, recognized the service of Sherry Powers and Pam Babcock as they are departing from the Board.

Mr. Townsend commented that he would work on the new agenda with the Interim CEO.

Agenda Planning April 18, 2024 – Traverse City:

Review North Hope CRU closure – request from Ms. Dahlstrom

Vote on Bylaw revisions

Adjournment: The meeting adjourned at 4:40 pm

Respectfully Submitted,

Ben Townsend, Chairperson

Sherry Powers, Board Secretary

Stacy Maiville, Executive Secretary

Carlton Ketchum Comments, NLCMH BOD Meeting 3/21/24

In the February Board meeting, I asked the board to consider "treating all committee meetings as open meetings and that the date, time and location (of the committee meetings) be posted on the NLCMH website. In reading the proposed by-laws, I noted that Article 7, Section 1 specifies that "Committee meetings will also be posted as required by the Open Meetings Act." As there is no differentiation between Committee and Ad-hoc Committee meetings either in the by-laws or the Open Meetings Act itself, I'm reminding the Board the obligation to post and conduct committee and ad-hoc committee meetings under the provisions of their bylaws and the Open Meetings act."

Additionally, The January 30 minutes said Rehman would distribute its written Human Resources report at the February meeting. This has not occurred, not has any reference to it been made in the March agenda. My question to the board and CEO is when will this be released?



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

Committee of the Whole Meeting Minutes

03/21/24

12:30 p.m.

Board Members Present: Ben Townsend, Greg McMorrow, Mary Marois, Al Cambridge, Ruth Pilon, Tom Bratton, Ty Wessell, Dean Smallegan, Penny Morris, Sherry Powers, Dave Freedman, Carol Blake, Tony Lentych, Pam Babcock, Kate Dahlstrom, Eric Ostergren

Others Present: Brian Martinus, Stacy Maiville, Jeremiah Williams, Kim Silbor, Kari Barker, Mark Crane, Brian Newcomb, Dave Simpson, Haider Kazim, Andrew Berge, Richard Carpenter, Laura Argyle, Darryl Washington, Nancy Stevenson, Neil Rojas, Dan Mauk, Vickie McDonald, Hilary Rappuhn, Any Kotulski, Justin Reed, Randy Kamps, Cheryl M, Allison Zimpfer, Courtney Wiggins, Pamela Kaiser

Virtual: Aimee Horton Johnson, Terri Henderson, Lisa Holmes, Amanda Ritchie, Alyssa Heider, Melanie Schopieray, Tiffany Fewins, Lynn Pope, Mark Draeger, Melissa Bentgen, Rob Palmer, Erica Smith, Kellee Hoag, Pamella Petroelje, Abby Schonfeld, Becky Brown, Deb Freed, Ann Ketchum, Teresa Cooper, Robert Sheehan, Amanda Taylor, Lisa Jones, Rob Veale, Kasie Morse, Melissa Trout, Jennifer Wisnieski, Travis Merz, Jan Pytlowany, Curt Cummins, Carlton Ketchum, Dean Baldwin, Mardi Link, Lori Barnard, Mats Andtbacka, Cindy Petersen, Eric Kurtz, Aaron Fader, Jessica Williams, Judi Crane, Kristine Rigling, Sophorn Klingelsmith, April Weinrick, Heather Sleight, Lori Stendel, Keli Macintosh, Kathy Sanders, Angie Schroeder, Manda Clements, Pat MacIntosh, A. Wagner, Barbara Conley, Karen Cass, Kiley Fields, Cindy Evans, Roxanne Bott, Sharon Mikowski, Ceciley Thomason-Murphy, Kevin Hartley, Guest (1), Anonymous (8)

Greg McMorrow called the meeting to order at 12:30 p.m.

Public Comment:

Amy Kotulski, NLCMHA Director of Cadillac Clubhouse – Ms. Kotulski shared updates regarding different projects and partnerships Club Cadillac is currently involved in. She explained the Club Cadillac Growing Dreams project and that they are currently fundraising for it. This year marks the 30th anniversary of Club Cadillac and there will be an open house to celebrate. There will also be many events happening for May is Mental Health Month. The Clubhouse is looking for employment partners for their transition program. State Representative Joseph Fox will do a tour of the Clubhouse and learn more about their program.

Justin Reed, Grand Traverse County – Mr. Reed spoke about Traverse Clubhouse and acknowledged a recent positive article about the Clubhouse. Mr. Reed would like more clarification about the criteria for Board membership, how to define primary and secondary consumers, how many of these are on the Board, and whether a County Commissioner has to be assigned to the Board in each county.

NLCMHA Board Bylaws-

The Board of Directors reviewed and discussed the revision of the Board Bylaws. Different sections were addressed, and some were identified as possibly needing further revision.

Article 8, Section 2. Mr. Lentych is concerned that the line is too prescriptive. It was requested to strike all references to the “super-majority”.

Mr. Cambridge recommends that the Board change the amount of super-majority from ten to eleven.

Article 15, Section 1 – The suggestion was made that any changes to the Bylaws should be made over two meetings. Possible written notice be provided for members no less than 30 days prior and voted on at the next meeting.

Article 4, Section 1 (Page 12) Change from: “expires will remain” to be changed to “may or can remain seated until a new member is appointed.”

Article 4, Section 4 Qualifications of Board Members:
Change the first line from “primary **or** secondary” to “primary **and** secondary”.
Mr. Kazim clarified that this language is taken from the Enabling Agreement.

Ms. Dahlstrom suggested an addition about the process of the Board firing a CEO near Article 14. Mr. McMorrow clarified that the termination of a CEO is typically addressed in the CEO’s contract.

Article 7, Section 6 – Change to “as soon as possible and no later than 30 days.”

Due to time constraints and the need for additional discussion, Mr. McMorrow recommended that the Board table the discussion for the next board meeting.

Rehmann Group Executive Summary -

Richard Carpenter of the Rehmann Group presented the “Financial Assessment Preliminary Report.” The recommendation of the Rehmann Group is that the agency divest from the MIChoice Waiver program as soon as possible while ensuring the continuity of services during a planned transition period.

It is also the recommendation of the Rehmann Group that the agency should divest from the Integrated Health Clinic as soon as possible.

The report is attached for more details.

Agenda Planning- April 18, 2024, in Traverse City

Bylaws discussion

Other/Adjourn: Meeting adjourned at 2:10 p.m.

Respectfully submitted,

Stacy Maiville, Executive Secretary



Financial Assessment Preliminary Report

Northern Michigan Regional Entity Assessment of Northern Lakes CMHA

Submitted by:
Richard L Carpenter, CPA, CGFM, CGMA, Principal

Executive Summary

Northern Michigan Regional Entity (NMRE) engaged Rehmann Robson LLC to perform an assessment for the Northern Lakes Community Mental Health Authority (NLCMH) in the fall of 2023. The assessment includes evaluation and recommendations related to both the financial and human resource operations of the organization.

Disclosures:

- After being engaged by the NMRE, the NLCMH Board hired Rehmann in the capacity of Interim CFO. Both parties, as represented by their respective CEOs, have acknowledged the roles held simultaneously and have concluded that this does not represent a conflict of interest, as both parties are interested in identifying and correcting any errors and/or omissions in the accounting record and resulting reports.
- During the course of this assessment, it came to our attention that the previous CFO and Finance Manager may have been colluding to manipulate or conceal information from us. Upon discovery of this, we immediately halted the finance portion of the assessment and recommended a forensic investigation of financial transactions as we can no longer rely on internal controls due to the risk of management override.

Report Limitations:

- This report does not include any results or recommendations related to the Human Resources portion of the assessment. Those results are published in a separate standalone report.
- This report is being released at the request of the NMRE CEO given the nature of the recommendations and the urgency of action required by the NMRE Board of Directors. This is only a partial report, limited to the MIChoice and Integrated Health Clinic (IHC) programs, a comprehensive report related to finance is expected to supersede this report.

MIChoice Concerns/Recommendations:

- MIChoice Waiver is not a typical program run by a CMHSP nor is it contemplated in the Michigan Mental Health Code or the NLCMH enabling agreements.
- There is no evidence that administrative cost reports have ever been completed/submitted; neither is there any evidence that administrative costs in 2023 had been allocated to the program as required by MDHHS contracts, 2 CFR 200 or the required MDHHS Standard Cost Allocation Method.
- Failure to allocate administration in accordance with regulations results in an overallocation of administration to NMRE's Behavioral Health Medicaid programs.
- The financial sustainability of MIChoice after allocation of administration is questionable and puts NLCMH at risk of being unable to fulfill its purpose as a CMHSP.
- **RECOMMENDATION:** NLCMH should divest from the MIChoice Waiver program as soon as possible, while ensuring continuity of service during a planned transition period.

Integrated Health Clinic (IHC) Concerns/Recommendations:

- IHCs are not typical programs run by a CMHSP.
- There is no evidence that administrative costs in 2023 had been allocated to the IHC, understating the actual operating cost of the program.
- The IHC is not financially sustainable; after allocation of administration, approximately \$250,000 of local funds are required to supplement medical billing and grant revenues.
- **RECOMMENDATION:** NLCMH should divest from the Integrated Health Clinic as soon as possible.

**NORTHERN MICHIGAN REGIONAL ENTITY
BOARD EXECUTIVE COMMITTEE
12:00PM – MARCH 20, 2024
GAYLORD CONFERENCE ROOM & MICROSOFT TEAMS**

GAYLORD ATTENDEES: Ed Ginop, Gary Nowak, Don Tanner

VIRTUAL ATTENDEES: Jay O’Farrell

GUESTS: Stave Burnham, Richard Carpenter, Brian Martinus

Rehmann’s “Financial Assessment Preliminary Report of Northern Lakes CMHA” was provided to Executive Committee members prior to the meeting. Mr. Carpenter clarified that the report is currently privileged and confidential and was produced as part of the management assessment of Northern Lakes CMHA (versus the forensic investigation).

Mr. Carpenter reviewed the **Report Disclosures**.

- It was recognized that both the NMRE and Northern Lakes CMHA have current, separate involvements with Rehmann. It was concluded that this does not represent a conflict of interest.
- During the performance of the management review, Rehmann staff were made aware of possible collusion by previous Northern Lakes CMHA finance staff to conceal information. The finance portion of the management review immediately halted, and a forensic investigation was recommended.

Mr. Carpenter reviewed the **Report Limitations**:

- The report does not include any results or recommendations related to the Human Resources portion of the management review. Those results will be furnished in a separate standalone report.
- The report is being released at the request of Mr. Kurtz given the nature of the recommendations and the urgency of action required by the NMRE Board of Directors. Only a partial report has been produced, limited to the MI-Choice and Integrated Health Clinic programs operating as Northern Healthcare Management. A comprehensive report on the finance portion of the management review will follow.

Mr. Carpenter reviewed the concerns and recommendations related to the **MIChoice Waiver Program**:

- The MIChoice Waiver is not a typical program run by a CMHSP nor is it contemplated in the Michigan Mental Health Code or the NLCMHA Enabling Agreements.
- There is no evidence that administrative cost reports have ever been completed/submitted; nor is there any evidence that administrative costs in 2023 were allocated to the program as required by MDHHS contracts, 2 CFR 200, or the required MDHHS Standard Cost Allocation Method.
- Failure to allocate administration in accordance with regulations results in an overallocation of administration to NMRE’s Behavior Health Medicaid programs.
- The financial sustainability of MI-Choice after the allocation of administration is questionable and puts NLCMHA at risk of being able to fulfill its purpose as a CMHSP.

- **RECOMMENDATION:** NLCMHA should divest from the MI-Choice Waiver program as soon as possible, while ensuring continuity of service during a planned transition period.

Mr. Carpenter said that the best time to transition would be the beginning of the next fiscal year. This allows six months to work toward a transition. Only certain organizations can take over the MI-Choice Waiver, including the Area Agency on Aging, or the Program of All-Inclusive Care for the Elderly (PACE) Program. Details will be gathered over the next 6 months that will need to be addressed.

Mr. Martinus noted that Northern Healthcare Management, a program of NLCMHA that runs the MI-Choice Waiver Program, operates in 22 counties.

Mr. Carpenter reviewed the concerns and recommendations related to the **Integrated Health Clinic (IHC):**

- IHCs are not typical programs run by a CMHSP.
- There is no evidence that administrative costs in 2023 were allocated to the IHC, understating the actual operating cost of the program.
- The IHC is not financially sustainable; after allocation of administration, approximately \$250,000 of local funds are required to supplement medical billing and grant revenues.
- **RECOMMENDATION:** NLCMHA should divest from the Integrated Health Clinic as soon as possible.

Mr. Carpenter acknowledged that the recommendation for both programs is very similar, but for different reasons. The IHC initially had partnered with a physical healthcare provider. At some point, that provider pulled out of the project. It is Mr. Carpenter's opinion that the IHC should have dissolved at that time.

Executive Committee members agreed that NLCMHA should focus its funding on core CMHSP business. Mr. Kurtz asked that Mr. Carpenter stress to the NLCMHA Board that these programs could put the core CMHSP services in jeopardy as the financial review continues.

NMRE Legal Counsel, Steve Burnham, verified that the NMRE is taking the right steps, in the right order, at the right pace. Mr. Burnham stressed that the investigation of Northern Lakes CMHA is ongoing.

Mr. O'Farrell suggested that there be one person appointed to speak to the media.

MOTION BY GARY NOWAK TO ACCEPT THE RECOMMENDATIONS FROM REHMANN AS CONTAINED IN THE "FINANCIAL ASSESSMENT PRELIMINARY REPORT OF NORTHERN LAKES CMHA" AND TO ALLOW THE REPORT TO BE PRESENTED TO THE NORTHERN LAKES CMHA BOARD OF DIRECTORS ON MARCH 21, 2024; SUPPORT BY ED GINOP. MOTION CARRIED.

The meeting adjourned at 12:37PM.

Office of Recipient Rights Director's Report
April 2024

Dates represented	10/01/21-04/08/22	10/1/22-04/08/23	10/1/23-04/08/24
Complaints	297	184	289
OJ, No Right Inv.	40	22	50
Interventions	13	7	23
Investigations	245	155	217
Investigations Comp	245	155	129
Investigations open	0	0	88
Inv > 90 days	0	0	0
Inv < 90 days	245/245(100%)	155/155 (100%)	129/129(100%)
Summary Report Avg	243/246(98.8%)	158/158(100%)	128/128 (100%)
NLCMHA staff alleg.	45	37	43
NLCMHA Staff W/I 1 yr	6	14	10

Complaint Source

Complaint Source	Count
Anonymous	12
Community/General Public	18
Guardian/Family	16
ORR	75
Recipient	52
Staff	116
Total	289

Complaints Per Provider:

October 1, 2023- April 8, 2024

See attached chart. (all NLCMHA areas have been added to report)

Notes:

Current Substantiation rate is 50%

Respectfully submitted,

Brian Newcomb

Director of Recipient Rights

Provider report October 1, 2023- April 8, 2024

Program	Substantiated	Pending	Not Substantiated	NA
Access	0	0	1	0
Beacon Home at Clarkston	0	1	0	0
Beacon Home at Washburn	3	0	1	1
Cornerstone AFC, LLC	1	0	0	0
Elmwood AFC	3	2	1	0
Frances Specialized Residential	2	0	2	0
Hope Network Neo Grand Rapids - Bristol	0	3	0	0
Premier Care Assisted Living 4	0	0	1	0
Seasons of Life AFC Home, LLC	2	0	1	1
Traverse House	0	1	0	0
Wright Street AFC Home	1	1	0	0
Beacon Home at Goodrich	2	0	0	0
Beacon Silverview	0	1	0	0
Bell Oaks at Ionia	2	0	0	0
Covenant to Care	2	0	2	0
Danes AFC	5	2	4	0
Eden Prairie Residential Care Services, LLC	1	0	0	0
Glen Oaks Home	1	0	0	0
Grand Traverse Industries, Inc.	0	1	1	0
Grayling Office/Crawford County	1	0	0	1
IDD Adult Case Management	1	2	5	1
Magnolia Care AFC West	1	0	0	0
MIA Case Management	4	1	3	1
Mid-Michigan Specialized Residential	0	0	1	0
Munson Medical Center	0	1	0	0
NLCMHA_TEST	0	0	1	0
North Arrow ABA	0	0	0	1
Pearl Street Home	8	2	1	1
Peer Support	3	0	1	0

Premier Care Assisted Living 3	0	0	2	0
Summerfield AFC	5	0	6	0
TLK AFC Home, Inc.	0	1	0	0
Assertive Community Treatment	0	0	3	0
Beacon Fife Lake	1	0	0	0
Beacon Home at Blue Lake	1	0	2	0
Beacon Home at Cogswell	1	1	0	0
Beacon Home At Ludington	6	0	0	0
Beacon Mission Point	2	8	4	1
Beacon Wave Crest	0	0	1	0
Crisis Services	2	0	3	0
Evergreen Home	1	1	3	0
Fort Road Residence, LLC	1	0	0	0
Heart and Soul Living LLC	2	1	0	1
Hillcrest AFC	1	0	0	0
Jacquelyn Street	0	1	0	0
North Hope Crisis	1	0	0	0
Northern Lakes CMH Authority	9	11	6	7
Ohana AFC	0	0	1	1
Seneca Place Home	2	1	0	0
Spectrum Community Services SIP - Bremmer	2	0	0	0
Spectrum Community Services SIP - Kentucky	0	0	1	0
Sunrise AFC Home	0	0	1	0
Westwood Specialized Residential	0	5	0	0
Woodland AFC Home	2	0	0	0
AuSable In Home Care, LLC	1	0	0	0
Beacon Home at Miller	0	1	0	0
Beacon Home at Trolley Center	2	0	0	0
Brightside Living - Whispering Oaks	3	0	1	0
Cedar Valley AFC	2	7	0	0
Club Cadillac	0	1	0	1
Crisis Welcoming Center	0	0	2	0
Great lakes Center for Autism	0	1	0	0
GT Street Flint Home SIP	0	0	0	3

Hickory Hill AFC LLC	2	0	2	0
IDD Children's Case Management	0	0	1	0
Jones Lake AFC Home	6	0	0	0
Kennedy House West, LLC	0	0	1	0
North Arrow ABA, LLC	0	0	0	1
Outpatient Services	1	0	1	0
Packard Specialized Residential	1	0	1	0
Premier Care Assisted Living 1	0	6	0	0
Psychiatric Services	1	0	5	0
Real Life Living Services	5	6	5	0
Shepler AFC Home	0	0	1	0
Shepler's AFC Home, LLC	1	0	0	0
ShurCare AFC Home LLC	0	2	0	0
TC Office/Grand Traverse County	1	32	1	0
Zenith Home	4	0	1	0

Interim Chief Executive Officer's

Report to the Board

April 18, 2024

Citizen Comment: None.

Grants of Significant Value: No new grants of significant value.

Contracts: No new contracts.

Dashboard Report: The NLD has requested a monthly Dashboard Report. See attached.

KPI Monthly Report: See desk packet.

Center for Mental Wellness Update: Phase #2 is underway. Construction has started and is on schedule to open December 2024.

Requests from the Board: The Board expressed concern about the percentage of no-shows and what could be done to resolve that. Request to look for a solution. – Response from CEO: I have required that all access appointments have a phone call and text message reminders sent out three times. After notifications are sent out, I have instructed Access move forward with clients who are responsive.

Community Connections/Meetings:

- April 2nd, GTCMW Team Meeting
- April 3rd, KPI Meeting Grand Traverse, CO
- April 4th, RRAC Meeting
- April 8th, CMH/DHHS – 6 County Collaborative Meeting
- April 10th, CMHA North Region Special Meeting
- April 16th, NMRE Operations Meeting
- April 18th, NLCMHA Board Meeting
- April 24th, NMRE Board Meeting
- April 26th, Monthly Rural and Frontier Caucus Meeting
- May 1st, NLD Meeting – 10:00-11:30
- May 4th, GTCMW Team Meeting
- May 6th, NMRE SUD Meeting
- May 7-9, PTO Military Orders, PEC Arkansas
- May 13th, CMH/DHHS – 6 County Collaborative Meeting
- May 16th, NLCMHA Board Meeting
- May 17th, NLCMHA All Managers Meeting
- May 20th, NLCHMA All Staff Training Event

- May 21st, NMRE Operations Committee Meeting
- May 22nd, NMRE Board Meeting
- May 24th, Monthly Rural and Frontier Caucus Meeting
- June 4th, GTCMW Team Meeting
- June 6th, RRAC Meeting
- June 10th, CMH/DHHS – 6 County Collaborative Meeting
- June 18th, NMRE Operations Committee Meeting
- June 20th, NLCMHA Board Meeting
- June 26th, NMRE Board Meeting
- June 28th, Monthly Rural and Frontier Caucus Meeting

NLCMHA Staff Email Blast: In our most recent email blast we shared information on the following topics:

- Staff updates & anniversaries
- Eap reminder
- FIKA event recap
- Northern Healthcare Management – A Day Out in the Community
- Humility Is Not Easily Acquired – Article by Dr. Darryl Washington
- RCA Spotlight
- UpNorth Live Digital Studio

Media Coverage: There were some articles in the last month. I am attaching a Word document of that article to this report, and links are included below should you want to access them yourselves.

Respectfully submitted,
Brian Martinus, Interim CEO

https://www.record-eagle.com/news/local_news/northern-lakes-to-exit-10-million-medicaid-waiver-program/article_17cd391e-e7c8-11ee-b1c0-d31635934f06.html

https://www.record-eagle.com/news/business/ed-ness-the-first-six-months-of-regional-care-transformation/article_6d3395b8-e06d-11ee-b146-1b8ed68eb026.html

https://www.record-eagle.com/news/local_news/the-first-stab-at-accountability-northern-lakes-leader-gives-status-update-to-county-commissioners/article_86fea07a-f1f5-11ee-8288-6fb47ed1508b.html

<https://www.traverseticker.com/>

https://www.record-eagle.com/news/local_news/team-effort-strategy-inspires-growth-of-services-for-citys-most-vulnerable/article_c808ad3e-f616-11ee-b9c4-7bc94300c1e6.html

FY2024 Monthly Access Timeliness, Request to Assessment						
	October	November	December	January	February	
Within 14 days	71	60	48	79	101	
Outside 14 days	20	7	2	9	6	
Consumer Cancelled/Rescheduled	17	6	7	5	5	
Consumer Requested outside 14 days	13	1	4	1	3	
Consumer No Showed	47	38	30	38	37	
Consumer Chose to Not Pursue Svcs	22	25	30	36	31	
Other (denial, no follow up)	21	5	23	19	14	
FY2024 Monthly Access Timeliness, Assessment to Service						
	October	November	December	January	February	
Within 14 days	54	55	34	57	66	
Outside 14 days	8	8	1	2	1	
Consumer Cancelled/Rescheduled	5	6	2	6	4	
Consumer Requested outside 14 days	9	2	2	2	6	
Consumer No Showed	30	16	21	18	19	
Consumer Chose to Not Pursue Svcs	11	1	5	1	2	
Other (denial, no follow up)	4	5	14	7	8	
Monthly % seen in 14 Days	87.1%	87.3%	97.1%	96.6%	98.5%	
Referrals for Denied Initial Clinical Assessments						
	October	November	December	January	February	March
External Mental Health Provider	15	9	6	6	8	6
External SUD Provider	2	0	0	0	0	0
No Referral	0	1	1	1	1	1
Other Community Services	6	4	2	3	3	3
FY2024 Mobile Crisis Response Times, Monthly						
	October	November	December	January	February	March
30 Minutes or Less	46	65	49	51	62	23
31 Minutes to 1 Hour	5	5	5	1	6	9
Over 1 Hour	1	1	0	0	0	0
FY2024 Monthly Team Efficiency						
	Expected	October	November	December	January	February
ACT	35%	18.19%	18.51%	18.99%	20.85%	14.20%
CPSS	30%	15.76%	19.46%	16.43%	22.86%	21.22%
ES	30%	5.81%	5.89%	7.43%	6.40%	8.48%
IDD Adult	30%	11.18%	11.82%	11.30%	11.52%	12.51%
IDD Child	30%	15.93%	15.05%	18.97%	18.67%	28.89%

MIA CSM	30%	20.28%	19.64%	21.94%	25.55%	20.58%
MIA OP	50%	37.24%	39.71%	41.30%	44.69%	29.00%
SED HB	30%	18.73%	27.60%	23.11%	29.48%	23.75%
SED OP CSM	35%	36.23%	39.12%	36.68%	41.30%	37.52%
SED PTP	30%	42.43%	44.75%	43.46%	44.87%	49.09%

FY2024 Monthly Service Information for Crawford County					
Area of Service	October	November	December	January	February
Additional Supports (Homebased, Respite, Residential, Clubhouse and Nursing)	\$ 29,773.17	\$ 34,788.76	\$ 24,764.40	\$ 29,466.12	\$ 27,770.78
Autism Services	\$ 35,175.31	\$ 24,854.90	\$ 26,345.85	\$ 24,346.39	\$ 26,090.05
Case Management, ACT and Treatment Planning	\$ 47,503.55	\$ 52,898.88	\$ 53,351.30	\$ 57,091.25	\$ 55,841.00
Community Living Supports	\$ 264,551.39	\$ 243,435.54	\$ 243,975.56	\$ 254,314.56	\$ 241,649.74
Crisis Services, Assessments and Testing	\$ 27,395.64	\$ 33,928.20	\$ 23,662.20	\$ 26,248.00	\$ 31,066.75
Evaluation and Management Physician Level	\$ 29,026.17	\$ 24,669.98	\$ 17,323.83	\$ 22,404.45	\$ 15,914.00
Psychiatric Inpatient	\$ 54,372.35	\$ 28,767.00	\$ 69,178.83	\$ 21,220.44	\$ 16,159.20
Psychotherapy and Outpatient Services	\$ 32,355.12	\$ 23,808.00	\$ 24,060.00	\$ 30,661.14	\$ 26,558.00
Vocational & Skills Building, Family and Health Services	\$ 3,547.20	\$ 2,670.91	\$ 2,490.81	\$ 4,356.30	\$ 3,297.31
Other	\$ 936.00	\$ 1,248.00	\$ 312.00	\$ 936.00	\$ 1,685.00
Total	\$ 524,635.90	\$ 471,070.17	\$ 485,464.78	\$ 471,044.65	\$ 446,031.83
Number of Registered People Receiving Services	225	216	210	220	198
Average Cost per Registered Person Served	\$ 2,331.72	\$ 2,180.88	\$ 2,311.74	\$ 2,141.11	\$ 2,252.69
Service Transactions Provided	19,010	17,719	16,523	18,442	17,939
Average Cost per Transaction	\$ 28	\$ 27	\$ 29	\$ 26	\$ 25
Count of Adult IDD	39	41	37	43	37
Count of Child IDD	14	16	15	11	15
Count of Adult SMI	142	126	127	133	116
Count of Child SED	30	33	31	33	30
Total	225	216	210	220	198
IDD Adult Cost	\$ 217,704.81	\$ 208,253.29	\$ 197,796.92	\$ 214,194.61	\$ 201,889.97
IDD Child Cost	\$ 86,946.46	\$ 58,193.81	\$ 61,179.33	\$ 58,260.11	\$ 59,958.24
Adult SMI Cost	\$ 181,494.13	\$ 149,910.79	\$ 162,529.53	\$ 155,646.93	\$ 137,122.62
Child SED Cost	\$ 38,490.50	\$ 54,712.28	\$ 63,959.00	\$ 42,943.00	\$ 45,376.00
Total	\$ 524,635.90	\$ 471,070.17	\$ 485,464.78	\$ 471,044.65	\$ 444,346.83
Adult IDD Cost per consumer	\$ 5,582.17	\$ 5,079.35	\$ 5,345.86	\$ 4,981.27	\$ 5,456.49
Child IDD Cost per consumer	\$ 6,210.46	\$ 3,637.11	\$ 4,078.62	\$ 5,296.37	\$ 3,997.22
Adult SMI Cost per consumer	\$ 1,278.13	\$ 1,189.77	\$ 1,279.76	\$ 1,170.28	\$ 1,182.09
Child SED Cost per consumer	\$ 1,283.02	\$ 1,657.95	\$ 2,063.19	\$ 1,301.30	\$ 1,512.53
Total	\$ 2,331.72	\$ 2,180.88	\$ 2,311.74	\$ 2,141.11	\$ 2,244.18

FY2024 Service Information For Grand Traverse County					
Area of Service	October	November	December	January	February
Additional Supports (Homebased, Respite, Residential, Clubhouse and Nursing)	\$ 204,602.77	\$ 192,962.99	\$ 207,339.43	\$ 201,301.57	\$ 116,227.90
Autism Services	\$ 134,087.85	\$ 136,262.96	\$ 133,832.50	\$ 160,667.68	\$ 151,726.12
Case Management, ACT and Treatment Planning	\$ 229,135.79	\$ 222,724.97	\$ 200,474.48	\$ 241,444.54	\$ 208,711.62
Community Living Supports	\$ 1,147,917.28	\$ 1,118,437.18	\$ 1,158,861.52	\$ 1,222,731.59	\$ 1,086,687.88
Crisis Services, Assessments and Testing	\$ 188,315.23	\$ 178,455.40	\$ 177,023.60	\$ 155,706.03	\$ 156,177.20
Evaluation and Management Physician Level	\$ 99,268.85	\$ 99,932.28	\$ 84,979.21	\$ 91,087.02	\$ 65,032.60
Psychiatric Inpatient	\$ 292,616.21	\$ 472,454.44	\$ 302,347.56	\$ 175,772.37	\$ 52,632.85
Psychotherapy and Outpatient Services	\$ 140,052.36	\$ 143,215.72	\$ 129,071.08	\$ 161,387.06	\$ 131,655.19
Vocational & Skills Building, Family and Health Services	\$ 79,763.09	\$ 76,696.81	\$ 63,012.28	\$ 78,343.93	\$ 74,973.85
Other	\$ 5,317.66	\$ 6,178.43	\$ 5,357.54	\$ 8,204.85	\$ 5,903.92
Total	\$ 2,521,077.09	\$ 2,647,321.18	\$ 2,462,299.20	\$ 2,496,646.64	\$ 2,049,729.13
Number of Registered People Receiving Services	1,072	1,101	1,011	1,031	977
Average Cost per Registered Person Served	\$ 2,351.75	\$ 2,404.47	\$ 2,435.51	\$ 2,421.58	\$ 2,097.98
Service Transactions Provided	104,536	97,368	94,488	105,915	88,180
Average Cost per Transaction	\$ 24	\$ 27	\$ 26	\$ 24	\$ 23
Count of Adult IDD	244	260	244	249	233
Count of Child IDD	80	76	76	77	78
Count of Adult SMI	583	608	548	567	509
Count of Child SED	165	157	143	138	157
Total	1,072	1,101	1,011	1,031	977
IDD Adult Cost	\$ 1,114,503.44	\$ 1,062,213.32	\$ 1,051,400.70	\$ 1,095,829.32	\$ 972,239.13
IDD Child Cost	\$ 191,983.71	\$ 216,422.00	\$ 219,595.33	\$ 246,584.22	\$ 228,280.48
Adult SMI Cost	\$ 998,386.01	\$ 1,127,752.42	\$ 995,092.36	\$ 959,363.23	\$ 676,170.52
Child SED Cost	\$ 216,203.93	\$ 240,933.44	\$ 196,210.81	\$ 194,869.87	\$ 173,039.00
Total	\$ 2,521,077.09	\$ 2,647,321.18	\$ 2,462,299.20	\$ 2,496,646.64	\$ 2,049,729.13
Adult IDD Cost per consumer	\$ 4,567.64	\$ 4,085.44	\$ 4,309.02	\$ 4,400.92	\$ 4,172.70
Child IDD Cost per consumer	\$ 2,399.80	\$ 2,847.66	\$ 2,889.41	\$ 3,202.39	\$ 2,926.67
Adult SMI Cost per consumer	\$ 1,712.50	\$ 1,854.86	\$ 1,815.86	\$ 1,692.00	\$ 1,328.43
Child SED Cost per consumer	\$ 1,310.33	\$ 1,534.61	\$ 1,372.10	\$ 1,412.10	\$ 1,102.16
Total	\$ 2,351.75	\$ 2,404.47	\$ 2,435.51	\$ 2,421.58	\$ 2,097.98

FY2024 Service Information For Leelanau County					
Area of Service	October	November	December	January	February
Additional Supports (Homebased, Respite, Residential, Clubhouse and Nursing)	\$ 10,803.23	\$ 16,352.56	\$ 16,933.43	\$ 30,451.37	\$ 25,242.60
Autism Services	\$ 10,027.05	\$ 9,953.17	\$ 7,473.01	\$ 11,479.99	\$ 16,360.18
Case Management, ACT and Treatment Planning	\$ 22,412.71	\$ 23,540.52	\$ 14,673.31	\$ 19,289.96	\$ 15,989.98
Community Living Supports	\$ 177,198.55	\$ 163,081.47	\$ 157,303.69	\$ 169,124.21	\$ 158,417.80
Crisis Services, Assessments and Testing	\$ 9,343.00	\$ 12,478.20	\$ 13,576.00	\$ 6,324.00	\$ 10,247.00
Evaluation and Management Physician Level	\$ 12,363.57	\$ 7,682.87	\$ 5,784.37	\$ 5,737.80	\$ 5,448.94
Psychiatric Inpatient	\$ 15,476.46	\$ 29,982.54	\$ 13,287.66	\$ 21,195.00	\$ 5,495.00
Psychotherapy and Outpatient Services	\$ 16,191.52	\$ 18,462.00	\$ 16,071.71	\$ 24,044.23	\$ 18,654.00
Vocational & Skills Building, Family and Health Services	\$ 8,734.78	\$ 7,504.21	\$ 6,117.09	\$ 7,612.93	\$ 7,845.65
Total	\$ 282,550.87	\$ 289,037.54	\$ 251,220.27	\$ 295,259.49	\$ 263,701.15
Number of Registered People Receiving Services	114	105	102	105	104
Average Cost per Registered Person Served	\$ 2,478.52	\$ 2,752.74	\$ 2,462.94	\$ 2,812.00	\$ 2,535.59
Service Transactions Provided	12,719	11,433	10,007	11,372	\$ 10,544
Average Cost per Transaction	\$ 22	\$ 25	\$ 25	\$ 26	\$ 25
Count of Adult IDD	41	37	36	37	36
Count of Child IDD	5	4	4	4	5
Count of Adult SMI	48	44	42	43	42
Count of Child SED	20	20	20	21	21
Total	114	105	102	105	104
IDD Adult Cost	\$ 194,723.34	\$ 178,243.70	\$ 167,351.01	\$ 182,989.58	\$ 171,825.41
IDD Child Cost	\$ 13,207.05	\$ 13,409.97	\$ 10,420.01	\$ 13,997.99	\$ 17,941.18
Adult SMI Cost	\$ 51,431.08	\$ 74,171.27	\$ 50,119.25	\$ 65,398.12	\$ 39,021.76
Child SED Cost	\$ 23,189.40	\$ 23,212.60	\$ 23,330.00	\$ 32,873.80	\$ 34,912.80
Total	\$ 282,550.87	\$ 289,037.54	\$ 251,220.27	\$ 295,259.49	\$ 263,701.15
Adult IDD Cost per consumer	\$ 4,749.35	\$ 4,817.40	\$ 4,648.64	\$ 4,945.66	\$ 4,772.93
Child IDD Cost per consumer	\$ 2,641.41	\$ 3,352.49	\$ 2,605.00	\$ 3,499.50	\$ 3,588.24
Adult SMI Cost per consumer	\$ 1,071.48	\$ 1,685.71	\$ 1,193.32	\$ 1,520.89	\$ 929.09
Child SED Cost per consumer	\$ 1,159.47	\$ 1,160.63	\$ 1,166.50	\$ 1,565.42	\$ 1,662.51
Total	\$ 2,478.52	\$ 2,752.74	\$ 2,462.94	\$ 2,812.00	\$ 2,535.59

FY2024 Service Information For Missaukee County					
Area of Service	October	November	December	January	February
Additional Supports (Homebased, Respite, Residential, Clubhouse and Nursing)	\$ 29,136.42	\$ 28,262.87	\$ 24,411.71	\$ 25,662.54	\$ 22,875.12
Autism Services	\$ 8,869.24	\$ 7,646.52	\$ 8,801.07	\$ 9,515.16	\$ 9,576.37
Case Management, ACT and Treatment Planning	\$ 30,570.07	\$ 31,897.23	\$ 28,578.77	\$ 34,721.42	\$ 22,640.30
Community Living Supports	\$ 350,214.72	\$336,646.52	\$ 349,117.57	\$395,826.40	\$377,928.41
Crisis Services, Assessments and Testing	\$ 11,511.60	\$ 13,856.00	\$ 11,205.00	\$ 15,629.00	\$ 23,225.00
Evaluation and Management Physician Level	\$ 17,126.53	\$ 17,065.24	\$ 15,922.16	\$ 16,290.44	\$ 16,426.00
Psychiatric Inpatient	\$ 29,978.45	\$ 16,003.52	\$ 29,330.51	\$ 28,971.00	\$ 7,440.00
Psychotherapy and Outpatient Services	\$ 41,073.10	\$ 35,684.69	\$ 28,534.63	\$ 35,696.99	\$ 30,104.00
Vocational & Skills Building, Family and Health Services	\$ 21,315.43	\$ 19,329.81	\$ 17,643.78	\$ 17,152.75	\$ 18,247.71
Other	\$ -	\$ 624.00	\$ 156.00	\$ -	\$ -
Total	\$ 539,795.56	\$507,016.40	\$ 513,701.20	\$579,465.70	\$528,462.91
Number of Registered People Receiving Services	167	173	161	166	159
Average Cost per Registered Person Served	\$ 3,232.31	\$ 2,930.73	\$ 3,190.69	\$ 3,490.76	\$ 3,323.67
Service Transactions Provided	20,812	21,251	20,976	24,005	23,620
Average Cost per Transaction	\$ 26	\$ 24	\$ 24	\$ 24	\$ 22
Count of Adult IDD	42	42	43	39	41
Count of Child IDD	13	10	11	13	11
Count of Adult SMI	71	85	71	72	69
Count of Child SED	41	36	36	42	38
Total	167	173	161	166	159
IDD Adult Cost	\$ 323,142.99	\$322,317.93	\$ 351,848.24	\$362,745.17	\$342,471.13
IDD Child Cost	\$ 16,940.22	\$ 14,852.18	\$ 17,760.89	\$ 27,134.25	\$ 27,731.42
Adult SMI Cost	\$ 155,020.90	\$120,348.42	\$ 105,602.07	\$150,901.28	\$124,829.36
Child SED Cost	\$ 44,691.45	\$ 49,497.87	\$ 38,490.00	\$ 38,685.00	\$ 33,431.00
Total	\$ 539,795.56	\$507,016.40	\$ 513,701.20	\$579,465.70	\$528,462.91
Adult IDD Cost per consumer	\$ 7,693.88	\$ 7,674.24	\$ 8,182.52	\$ 9,301.16	\$ 8,352.95
Child IDD Cost per consumer	\$ 1,303.09	\$ 1,485.22	\$ 1,614.63	\$ 2,087.25	\$ 2,521.04
Adult SMI Cost per consumer	\$ 2,183.39	\$ 1,415.86	\$ 1,487.35	\$ 2,095.85	\$ 1,809.12
Child SED Cost per consumer	\$ 1,090.04	\$ 1,374.94	\$ 1,069.17	\$ 921.07	\$ 879.76
Total	\$ 3,232.31	\$ 2,930.73	\$ 3,190.69	\$ 3,490.76	\$ 3,323.67

FY2024 Service Information for Roscommon County					
Area of Service	October	November	December	January	February
Additional Supports (Homebased, Respite, Residential, Clubhouse and Nursing)	\$ 42,137.23	\$ 52,750.41	\$ 32,576.89	\$ 58,652.39	\$ 40,135.94
Autism Services	\$ 19,319.38	\$ 12,910.65	\$ 15,818.36	\$ 18,417.34	\$ 16,300.59
Case Management, ACT and Treatment Planning	\$ 96,719.25	\$ 89,291.77	\$ 75,212.12	\$ 97,415.41	\$ 94,327.78
Community Living Supports	\$ 420,053.38	\$404,006.48	\$ 413,497.71	\$422,962.98	\$422,375.77
Crisis Services, Assessments and Testing	\$ 23,509.20	\$ 27,183.55	\$ 19,055.20	\$ 37,233.00	\$ 44,034.20
Evaluation and Management Physician Level	\$ 44,517.55	\$ 43,592.74	\$ 29,193.78	\$ 38,076.81	\$ 30,072.71
Psychiatric Inpatient	\$ 68,196.74	\$ 41,874.95	\$ 43,038.32	\$ 73,878.46	\$ 28,971.00
Psychotherapy and Outpatient Services	\$ 63,383.74	\$ 68,027.66	\$ 63,864.76	\$ 68,164.94	\$ 63,148.00
Vocational & Skills Building, Family and Health Services	\$ 10,412.35	\$ 9,804.16	\$ 11,755.52	\$ 14,977.85	\$ 13,910.26
Other	\$ 716.67	240.83	\$ 338.53	\$ 607.20	\$ 1,388.65
Total	\$ 788,965.49	\$ 749,683.20	\$ 704,351.19	\$ 830,386.38	\$ 754,664.90
Number of Registered People Receiving Services	353	348	331	351	350
Average Cost per Registered Person Served	\$ 2,235.03	\$ 2,154.26	\$ 2,127.95	\$ 2,365.77	\$ 2,156.19
Service Transactions Provided	24,157	23,154	21,820	24,015	22,400
Average Cost per Transaction	\$ 33	\$ 32	\$ 32	\$ 35	\$ 34
Count of Adult IDD	68	72	71	68	70
Count of Child IDD	22	18	17	18	17
Count of Adult SMI	185	189	181	201	201
Count of Child SED	78	69	62	64	62
Total	353	348	331	351	350
IDD Adult Cost	\$ 368,131.55	\$350,116.52	\$ 354,007.90	\$390,383.36	\$363,659.80
IDD Child Cost	\$ 30,602.64	\$ 23,013.99	\$ 20,565.35	\$ 30,052.74	\$ 34,599.79
Adult SMI Cost	\$ 280,627.07	\$275,862.48	\$ 270,704.33	\$325,483.02	\$279,537.71
Child SED Cost	\$ 109,604.23	\$100,690.21	\$ 59,073.61	\$ 84,467.26	\$ 76,867.60
Total	\$ 788,965.49	\$ 749,683.20	\$ 704,351.19	\$ 830,386.38	\$ 754,664.90
Adult IDD Cost per consumer	\$ 5,413.70	\$ 4,862.73	\$ 4,986.03	\$ 5,740.93	\$ 5,195.14
Child IDD Cost per consumer	\$ 1,391.03	\$ 1,278.56	\$ 1,209.73	\$ 1,669.60	\$ 2,035.28
Adult SMI Cost per consumer	\$ 1,516.90	\$ 1,459.59	\$ 1,495.60	\$ 1,619.32	\$ 1,390.73
Child SED Cost per consumer	\$ 1,405.18	\$ 1,459.28	\$ 952.80	\$ 1,319.80	\$ 1,239.80
Total	\$ 2,235.03	\$ 2,154.26	\$ 2,127.95	\$ 2,365.77	\$ 2,156.19

FY2024 Service Information for Wexford County					
Area of Service	October	November	December	January	February
Additional Supports (Homebased, Respite, Residential, Clubhouse and Nursing)	\$ 126,493.88	\$ 119,808.61	\$ 117,632.28	\$ 143,432.14	\$ 115,800.78
Autism Services	\$ 90,741.79	\$ 79,847.93	\$ 72,775.37	\$ 73,168.05	\$ 53,544.26
Case Management, ACT and Treatment Planning	\$ 150,194.25	\$ 131,894.57	\$ 114,737.20	\$ 135,701.05	\$ 117,484.65
Community Living Supports	\$ 627,544.93	\$ 617,410.05	\$ 645,866.54	\$ 702,525.47	\$ 639,966.28
Crisis Services, Assessments and Testing	\$ 99,308.40	\$ 66,334.98	\$ 80,126.56	\$ 58,967.59	\$ 58,652.10
Evaluation and Management Physician Level	\$ 79,499.35	\$ 69,754.66	\$ 53,725.09	\$ 66,619.18	\$ 52,081.71
Psychiatric Inpatient	\$ 153,559.95	\$ 106,050.44	\$ 84,694.25	\$ 138,510.02	\$ 97,643.40
Psychotherapy and Outpatient Services	\$ 107,790.79	\$ 100,317.28	\$ 94,206.50	\$ 106,336.24	\$ 90,254.84
Vocational & Skills Building, Family and Health Services	\$ 65,839.58	\$ 55,193.05	\$ 52,321.39	\$ 54,779.67	\$ 58,343.39
Other	\$ 12,088.40	\$ 9,660.36	\$ 7,497.45	\$ 11,459.77	\$ 8,929.20
Total	\$ 1,513,061.32	\$ 1,356,271.93	\$ 1,323,582.63	\$ 1,491,499.18	\$ 1,292,700.61
Number of Registered People Receiving Services	605	570	559	581	540
Average Cost per Registered Person Served	\$ 2,500.93	\$ 2,379.42	\$ 2,367.77	\$ 2,567.12	\$ 2,393.89
Service Transactions Provided	52,579	48,728	47,464	52,318	47,482
Average Cost per Transaction	\$ 29	\$ 28	\$ 28	\$ 29	\$ 27
Count of Adult IDD	111	110	107	112	112
Count of Child IDD	57	54	45	56	42
Count of Adult SMI	328	310	316	320	281
Count of Child SED	109	96	91	93	105
Total	605	570	559	581	540
IDD Adult Cost	\$ 644,003.04	\$ 631,613.78	\$ 634,188.32	\$ 690,047.24	\$ 627,445.71
IDD Child Cost	\$ 134,200.79	\$ 121,738.56	\$ 115,843.77	\$ 122,706.03	\$ 81,903.28
Adult SMI Cost	\$ 610,567.47	\$ 486,320.24	\$ 467,919.94	\$ 570,434.67	\$ 434,176.92
Child SED Cost	\$ 124,290.02	\$ 116,599.35	\$ 105,630.60	\$ 108,311.24	\$ 149,174.70
Total	\$ 1,513,061.32	\$ 1,356,271.93	\$ 1,323,582.63	\$ 1,491,499.18	\$ 1,292,700.61
Adult IDD Cost per consumer	\$ 5,801.83	\$ 5,741.94	\$ 5,926.99	\$ 6,161.14	\$ 5,602.19
Child IDD Cost per consumer	\$ 2,354.40	\$ 2,254.42	\$ 2,574.31	\$ 2,191.18	\$ 1,950.08
Adult SMI Cost per consumer	\$ 1,861.49	\$ 1,568.77	\$ 1,480.76	\$ 1,782.61	\$ 1,545.11
Child SED Cost per consumer	\$ 1,140.28	\$ 1,214.58	\$ 1,160.78	\$ 1,164.64	\$ 1,420.71
Total	\$ 2,500.93	\$ 2,379.42	\$ 2,367.77	\$ 2,567.12	\$ 2,393.89

https://www.record-eagle.com/news/local_news/northern-lakes-to-exit-10-million-medicaid-waiver-program/article_17cd391e-e7c8-11ee-b1c0-d31635934f06.html

Northern Lakes to exit \$10 million Medicaid waiver program

- [By Mardi Link mlink@record-eagle.com](#)
- Mar 23, 2024

TRAVERSE CITY — Board members of the region’s largest mental health organization voted unanimously to notify the state they plan to exit a \$10 million Medicaid program, following an urgent recommendation by an outside consultant.

Richard Carpenter of the Rehmann Group said the Mi Choice Waiver Program, which aims to help older or disabled people care for themselves in their own homes, is not central to the mission of Northern Lakes Community Mental Health Authority.

Northern Lakes runs the waiver program as a so-called “waiver agent” via its Northern Healthcare Management, which some board members have privately said could be separated off as a non-profit, though there was no public discussion about this.

The \$10 million is somewhat separated from Northern Lakes’ approximately \$90 million annual budget – although, while most of the CMH’s programs serve residents in six counties, the Mi Choice Waiver program covers a lot more ground.

“There’s 22 counties involved,” said Al Cambridge Jr., a longtime board member from Roscommon. “That’s 22 agencies (the organization will need to inform). This isn’t going to be easy.”

Carpenter said, once notified, it would be the Michigan Department of Health and Human Services’ responsibility to seek a replacement — perhaps PACE North or the Area Agency on Aging — to make sure participants were not left without services.

“Northern Lakes is the only CMH that runs a Mi Choice program in the State of Michigan,” Carpenter said, adding he had concerns about how administrative costs for the program had been allocated and reported.

Carpenter’s report was not on the regular board meeting agenda, but provided during a lengthy, and public, pre-meeting, called the Committee of the Whole, where board members discuss issues but make no decisions.

Board members acted quickly, however, once the regular board meeting got underway to unanimously pass a motion to notify the state’s DHHS, they plan to end the Mi Choice Waiver contract, hopefully within six months.

Board members did not appear to be caught off-guard by the first of Carpenter’s two recommendations, but they did have questions.

“Why would this have been done?” asked Mary Marois, a Grand Traverse County board member. “Would it be done in order to show profitability in the program?”

“That could be one reason,” Carpenter said.

“Does that turn into local money that doesn’t have strings?”

“Correct,” Carpenter said.

He went on to explain how some Medicaid-funded programs require organizations to return funds they don’t use, while others, like Mi Choice Waiver, reward “efficiencies” and allow organizations to keep unspent funds, which then are available for general use.

Carpenter said his recommendation, provided in a brief written summary, was not the result of the findings in the ongoing forensic audit, but rather from his assessment of the organization’s finance department.

A full human resources report, initially promised last month and yet to be delivered, as well as results of the ongoing forensic audit, are yet to come, he said.

Board member Ty Wessell, of Leelanau County, said he’d appreciated Carpenter’s work, but expected to receive something more complete.

“It’s been a long time and a lot of money with very little information,” Wessell said. “I was anticipating a lot more.”

Carpenter reminded Wessel and the full board that Northern Michigan Regional Entity (NMRE) was in charge of deciding what information was released and when.

Years of turmoil at the organization precipitated the funder’s involvement last fall as a kind of interim overseer and board members confirmed the NMRE is also paying Interim CEO Brian Martinus’ salary.

Problems surfaced in earnest in 2021, when some elected officials said they’d tried working with a Northern Lakes’ top executive — now on paid administrative leave — and were met with a “my-way-or-the-highway” attitude.

Northern Lakes Board members last year began asking for more detailed financial reports at monthly meetings and, ultimately, in August agreed to pay Rehmann \$45,000 a month for an assessment.

Carpenter and another Rehmann staffer, Kereen Conley, have since confirmed multiple systemic financial and human resources failings.

“The environment that they were working in was one of fear, retaliation and a lack of trust,” Rehmann Group consultant Kerreen Conley previously told Northern Lakes’ board, echoing what several employees told the Record-Eagle.

“There are pages and pages of employee comments that were very honest and brutal,” Conley said. “Ultimately, there’s a lot to overcome from the past.”

Carpenter said finance department policies were ineffective, and evidence may point to intentional accounting errors, collusion and other inappropriate activity — the catalyst for the now ongoing forensic audit.

In September, an email hacker netted \$283,000 in Medicaid reimbursement funds — a probable scam later investigated by local law enforcement and an agent with the U.S. Department of Homeland Security.

Shortly thereafter, Joanie Blamer, chief operations officer, and Lauri Fischer, chief financial officer, were placed on paid leave, pending an unspecified investigation, although interim CEO Martinus previously said these decisions were unrelated to the email hack.

Fischer no longer works for Northern Lakes; in December, Blamer and Fischer filed “whistleblower” lawsuits against the organization and Martinus in 13th Circuit Court.

Blamer and Fischer, in court documents, state that while employed by Northern Lakes, they engaged in protected “whistleblowing” activities, such as reporting sex discrimination, reporting financial waste and misuse of public funds, deletion of data, union contract violations and failure to properly manage the organization.

The paid administrative leave for Blamer and Fischer, and the subsequent termination of Fischer, the lawsuit states, were retaliatory in nature and both plaintiffs are seeking financial damages and attorney fees.

Board members at Northern Lakes’ regular meeting Thursday went into closed session to discuss the litigation and trial strategy, later agreeing, in open session, to approve attorney Haider Kazim’s recommendation.

But the recommendation itself was not stated or described.

Kazim did not return calls seeking comment; attorney Jay Zelenock, who represents Blamer and Fischer, confirmed there had been discussions about the 13th Circuit Court whistleblower suits.

“I strongly believe in my clients’ cases and we hope to bring them to a resolution,” Zelenock said.

Board members at their meeting Thursday also agreed to get rid of Committee of the Whole meetings and fold them into regular meetings and table a discussion on amending the organization’s by-laws.

Carpenter’s second recommendation — to seek a partner for the organization’s integrated health clinic, which Martinus said has 559 people enrolled — also garnered board approval.

The clinic had a physician partner at one time, Marois said, but they exited in 2015 and the organization continued to run the program on their own, a situation Carpenter said was unusual.

https://www.record-eagle.com/news/business/ed-ness-the-first-six-months-of-regional-care-transformation/article_6d3395b8-e06d-11ee-b146-1b8ed68eb026.html

Ed Ness: The first six months of Regional Care Transformation

- BY ED NESS
- Mar 13, 2024

Munson Healthcare is now nearly six months into a three-year Regional Care Transformation Plan and already it is coming to life in many ways across the region.

Back in September, we introduced the plan which is designed to expand access to the primary, outpatient and specialty care services that are needed in the communities we serve. One priority is to make it easier to find a doctor and more convenient to schedule timely appointments.

We're making strides in Traverse City. The Foster Family Primary Care clinic, located at 550 Munson Ave. within the Foster Family Community Health Center (FFCHC), opened in late-November with Thomas Yax, M.D.; Joanna Heindl, D.O.; Sarah Shepler, P.A. and Susan Cogswell, P.A. accepting new patients. The clinic's location in FFCHC also gives patients greater access to services located within the building, including laboratory, radiology and pharmacy services.

On March 18, Munson Healthcare Elmwood Primary Care and Munson Healthcare Cedarwoods Internal and Geriatric Medicine will open in Traverse City. These new locations increase patient access and build upon the need that was previously served by Milliken Medical Group. Each practice moves into a newly renovated facility with Elmwood Primary Care located at 921 West Front St. and Cedarwoods Internal and Geriatric Medicine located at 5041 North Royal Drive.

Munson Medical Center (MMC) continues to make advancements as the region's high-level specialty care hospital. Earlier this week, a former stroke patient, Richard Witham, and his family were honored after making a generous \$2.5 million donation to what is now The Witham Family Comprehensive Stroke Center. MMC took an historic step in December when it became the first and only comprehensive stroke center in northern Michigan and this most recent gift will build on that momentum that is impacting hundreds of lives each year. This summer, we will welcome five new neurologists which will fill a significant gap in patient access to this specialty service in our region.

Entering the New Year, Cowell Family Cancer Center began providing its first Theranostic cancer treatments and welcomed a visiting professor from the Mayo Clinic this past month in working toward offering Bispecific T-cell Therapy. The addition of this specialty care for rare

cancers means patients who may have previously deferred treatment due to the long travel required to receive care can now get what they need much closer to home.

This is also true with orthopedic care and surgical robotics. We continue to expand our robotic surgery capabilities, which includes new robots in Charlevoix, Cadillac and Traverse City. The roster of fellowship trained sub-specialty surgeons at the Munson Orthopedic Institute (MOI) has doubled over the last six months. We're also now providing orthopedic trauma coverage 24/7 in Traverse City.

Perhaps the most exciting expansion project, and one that will be impactful in addressing the greatest need identified in our most recent Community Needs Health Assessment, is taking form on the MMC campus at 420 West Brook St. In partnership with Northern Lakes Community Mental Health Authority, construction is currently underway on the Grand Traverse Center for Mental Wellness. The building that previously housed outpatient behavioral health services (now located at Copper Ridge) is undergoing a complete renovation, which is anticipated to be finished by the end of the year.

The construction being done right now will help bring much needed mental health services to adults, youth and children of our region.

This first phase includes bringing existing crisis services under one roof, expands psychiatric urgent care and includes additional crisis residential beds. The second phase will be focused on expanding mental health services for our youth population.

In just a short time, we've begun to see substantive change and are building momentum toward a new model for the delivery of care to serve our communities and strengthen our health system.

But there is still much work to be done and we will continue to provide updates as we transform for the future.

https://www.record-eagle.com/news/local_news/the-first-stab-at-accountability-northern-lakes-leader-gives-status-update-to-county-commissioners/article_86fea07a-f1f5-11ee-8288-6fb47ed1508b.html

'The first stab at accountability:' Northern Lakes leader gives status update to county commissioners

- [By Mardi Link mlink@record-eagle.com](#)
- Apr 5, 2024

TRAVERSE CITY — Northern Lakes Community Mental Health Authority’s interim CEO credited a former law enforcement officer with cleaning up the organization’s recipient rights department, while acknowledging the number of substantiated complaints exceed a goal set last year for the authority.

A former Grand Traverse County Sheriff’s Office sergeant, Brian Newcomb, was hired in 2021 to direct the department and has since brought the complaint investigation timeline into compliance, Brian Martinus said.

“That’s one of the highlights, we have a really good, strong recipient rights department,” Martinus said. “I’m really proud of the work they do and the professionalism that they have.”

Michigan’s mental health code requires those providing community mental health services to ensure the rights of people receiving those services are protected and complaints investigated.

In October, November and December, data Martinus provided Wednesday to Grand Traverse County commissioners showed recipient rights department staff substantiated 38 complaints filed against the organization’s employees or contracted service providers.

The goal, set last year when representatives from the six counties Northern Lakes serves began negotiating a new enabling agreement, is five or fewer.

“You’re going to have more than five,” Martinus said, adding that data is publicly available on how many complaints are filed, whether they were substantiated and if they were internal or external to the organization.

Northern Lakes contracts with dozens of outside providers, such as staffing organizations and operators of adult foster care homes, and a number of the complaints were filed against these providers, records show.

Complaints also vary in severity and harm, with some accusing a provider of a dignity violation, which might mean falling asleep on the job, and others accusing someone of neglect or abuse.

Martinus on Wednesday gave an update to county commissioners, the first since the enabling agreement was signed last summer and new accountability goals for the troubled organization — called “key performance indicators” in the agreement — were agreed upon.

Some of those indicators, such as the fewer than five recipient rights complaints, may be unnecessarily arbitrary.

“It’s been a year now,” said Commissioner TJ Andrews, who asked substantive questions of Martinus at the board’s meeting. “Should these be updated? Sounds like some of these might need some tailoring.”

“I would say yes, but that’s my opinion,” Martinus said. “This was the first stab at accountability for the agency.”

County Administrator Nate Alger recommended contacting Sarah Bannon, a Grand Ledge consultant who assisted with the enabling agreement, to get clarification on whether a change in key performance indicators might be needed.

“Admittedly, during that discussion period we didn’t take what CMH was saying as gospel,” Alger said. “Because we were like, ‘Listen, the system is broken, we’re trying to fix it, how do we do that, we rely on outside counsel.’”

“I think we all appreciate that hindsight is a lot different than foresight,” Andrews said, advocating for taking the opportunity to make necessary modifications.

The indicators came about after years of turmoil at the organization precipitated a takeover by the Northern Michigan Regional Entity last fall as a kind of interim overseer and the NMRE, which controls Medicaid funding, is paying Martinus’ salary.

Family members and friends of people diagnosed with or reporting symptoms of mental illness have attended board meetings to ask why their loved one isn’t receiving or doesn’t qualify for services.

Problems first surfaced in earnest in 2021, when some elected officials said they’d tried working with Northern Lakes’ previous top executive Joanie Blamer, who is now on paid administrative leave, and were met with a “my-way-or-the-highway” attitude.

Northern Lakes board members last year began asking for more detailed financial reports at monthly meetings and, ultimately, in August agreed to pay Rehmann Group consultants \$45,000 a month for an assessment.

The consultants last year confirmed multiple human resources failings and the accounting assessment morphed into a forensic investigation, paid for by the NMRE.

“The environment that they were working in was one of fear, retaliation and a lack of trust,” Rehmann consultant Kerreen Conley previously told Northern Lakes’ board, echoing what several employees told the Record-Eagle.

Blamer, who for a time served as interim CEO and had sought the permanent position, was later placed on paid administrative leave as was the organization’s former chief financial officer, Lauri Fischer, though she no longer works for the organization.

In December, Blamer and Fischer filed “whistleblower” lawsuits in 13th Circuit Court against Northern Lakes and Martinus.

On Monday, a settlement conference was scheduled for July 31, and a notice of jury trial, if necessary, was scheduled for Aug. 27 in front of Judge Charles Hamlyn.

Blamer and Fischer, in court documents, state that while employed by Northern Lakes, they engaged in protected “whistleblowing” activities, such as reporting sex discrimination, reporting financial waste and misuse of public funds, deletion of data, union contract violations and failure to properly manage the organization.

The paid administrative leave for Blamer and Fischer, and the subsequent termination of Fischer, the lawsuit states, were retaliatory in nature and both plaintiffs are seeking financial damages and attorney fees.

Martinus at Wednesday’s meeting credited Northern Lakes’ longtime staff and new hires, whose focus, he said, is on community needs.

Other data shared by Martinus included crisis team response numbers, which skyrocketed from 178 in a previous quarter to 429 in October, November and December due to increased need.

“They actually trust us now, we’re actually doing what we said we were going to do, we’re partnering,” Martinus said of Northern Lakes staff’s improved relationship with law enforcement.

“It’s developing relationships, mending relationships that might have been broken in the past. We’re all trying to do the same thing and that’s to serve people.”

Martinus said he’ll again compile quarterly numbers April 15, and the organization’s board, and the county board, will be able to compare the two quarters to see how the organization is doing.

Commissioner Darryl Nelson took a moment to recognize Martinus’ efforts.

“It’s been a tough two or three years at Northern Lakes,” Nelson said.

“You guys have had a lot on your plate,” he added, “you’ve received a lot of tough love from this body, and I just want to recognize you and your team ... good things have happened and good things are people being served.”

<https://www.traverseticker.com/>

What's Next for the Pines?

By Beth Milligan

April 10, 2024

With plans to extend Safe Harbor into a year-round shelter [off the table for 2024](#), community leaders are gearing up for another busy summer season at the Pines, the burgeoning homeless encampment off Eleventh Street. Traverse City Manager Liz Vogel briefed commissioners Monday on recommendations she'll make in her upcoming budget to help address the situation, while numerous community leaders shared updates about the city's Quick Response Team and other local agencies partnering to provide solutions.

Vogel said she'll include several items in her draft budget – which will be presented to commissioners on May 6 – to “strengthen the city’s response to homelessness.” Those will include adding a second community police officer and a second social worker on staff at the Traverse City Police Department (TCPD). The North Boardman Lake District (NoBo) – the neighborhood in which Safe Harbor is located – has also requested more garbage cans throughout the district, which Vogel says she'll include in the budget.

“Additionally, City Attorney Lauren Tribble-Laucht has taken the initiative to bring back the community court, which provides a pathway to housing,” Vogel said in her update, adding that evidence shows community court “works” and “helps with recidivism.” Vogel told commissioners she'll be presenting a “more complete picture on efforts underway with respect to our response to homelessness” in the coming weeks.

TCPD Chief Matt Richmond said 35 volunteers showed up each day on both Saturday and Monday to help in a major clean-up effort at the Pines, collecting three garbage trucks' worth of trash from abandoned campsites and gear ahead of the upcoming season. “Hopefully this is a good start going forward into the summer, that we can keep tabs on the Pines, regulate behavior, enforce some of those ordinances we've agreed upon...so we that we can keep this in an orderly fashion,” Richmond said.

The police chief outlined [other efforts the city has made](#) to alleviate issues at the Pines. Those include creating a fire lane into the center of the Pines to provide for emergency access, installing GPS wayfinding signs to help quickly pinpoint someone's location, adding fences and no parking signs by the paved dumpster area, trimming low-hanging branches and overgrown vegetation, and installing street lights and cameras. TCPD will soon be installing signs warning Pines residents about the city ordinances that will be enforced at the Pines this summer. As with speeding and other laws, police officers have discretion in how they enforce ordinances – such as the alcohol ban on the Men's Trail – and can either issue a warning to bring about compliance or escalate enforcement if behavior isn't stopping or is out of control, according to Richmond. “City staff has worked very hard on (the Pines) over the last two years,” he added.

Representatives from among 50 agencies that partner with the TCPD's Quick Response Team (QRT) also detailed their efforts to help individuals at the Pines in an extended discussion at Monday's commission meeting. The QRT is a grant-funded program that was initially designed to provide an overdose response team on the TCPD and get Naloxone (Narcan) into the community, said TCPD Social Worker Coordinator Jenn Holm. However, “it's blossomed into something much bigger than that,” she said. “We have a prevention focus with our program, and individuals can actually be a part of it before they ever overdose.”

The QRT now partners with dozens of agencies to provide a “huge supportive web” for program participants, many of whom come from the Pines, Holm said. To be eligible, individuals must meet two of three criteria of experiencing homelessness, substance misuse, and mental health issues. [Anyone can refer anyone else within city limits](#) to receive help from the program, which is voluntary for participants. Holm said the QRT has received 275 referrals for service to date, with 205 of those individuals eligible to participate. Of those, 88 percent – or 180 – have been individuals experiencing homelessness. The 205 eligible individuals represent 8,238 law enforcement reports, Holm said, including arrests, trespassing, and other responses. “We are definitely targeting some of the most vulnerable people in our community,” she said.

One hundred and forty-six individuals have elected to participate in the QRT program so far. Holm says partner agencies tailor help to whatever each individual’s needs are – from treatment to harm reduction to employment to housing, when possible. The goal is “interrupting the cycle of arrest and addiction,” Holm said. She noted the program is successful because of [how many local agencies are involved in coordinating care and sharing information](#), including primary partners like Addiction Treatment Services, Goodwill Northern Michigan, Northern Lakes Community Mental Health & Jail Diversion, Northwest Michigan Supportive Housing, Safe Harbor, and Traverse Health Clinic. Dozens of secondary partners are also involved, from Father Fred to Jubilee House to Harm Reduction Michigan to Munson Medical Center.

Several of those partners shared their experiences Monday working in the Pines. Roger Gerstle is with Street Medicine, a full-equipped mobile medical unit [that helps bring healthcare to unhoused individuals](#). Starting next month, that will include weekly Friday visits to the Pines for the duration of the warm-weather season. “We can do most of what the Traverse Health Clinic does out of that van,” Gerstle said, including distributing vaccinations, splints, medications, and more. “Part of the power, I think, of what we do is we are there regularly there every Friday for five or so months every summer. People can count on it, and they come to trust us.”

Paula Lipinski of Addiction Treatment Services said the QRT has been responsible for bringing what were previously siloed services together to better serve people at the Pines and elsewhere. “You have an abundance of amazing service providers in this community, and so many people don’t know what we do,” she said. “Jenn and the city police department got us all together and really started the process of getting it melding and getting the services for people throughout the whole community to be better serviced. The people who reside in the Pines are the primary focus.” Lipinski added that criminalizing individuals experiencing homelessness – or who struggle with mental illness or substance abuse disorder – is not the answer, a belief she said was echoed by TCPD leaders. “I think they’re looking for other options, and the creation of this team was their first step,” she said.

Community leaders continue to acknowledge that the Pines is not a long-term solution. Multiple neighbors from both NoBo and the Commons shared frustrations Monday with the city’s lack of enforcement against unhoused individuals and illegal behaviors they sometimes witness in that group. Some suggested the city was content to concentrate the problem in those neighborhoods rather than look for other solutions. Operating Safe Harbor year-round in the future could help alleviate issues at the Pines, but [Vogel previously told The Ticker](#) even that isn’t a silver bullet solution but one of many options that should be explored as part of a coalition of community partners.

Director Ashley Halladay-Schmandt of the Northwest Michigan Coalition to End Homelessness reminded audiences Monday that the region’s homelessness issue is one faced by “almost every major city across this country” and ultimately has its roots in the nation’s housing crisis. She warned that “we have not seen a community successfully manage large encampments, ever. Like it has not been done.” What has worked, she said, is prioritizing “emergency shelter while at the same time investing in the housing that will reduce homelessness. These are concrete investments we as a city

can make and as a region to dramatically reduce the number of people experiencing homelessness – not only manage it.”

https://www.record-eagle.com/news/local_news/team-effort-strategy-inspires-growth-of-services-for-citys-most-vulnerable/article_c808ad3e-f616-11ee-b9c4-7bc94300c1e6.html

TEAM EFFORT: Strategy inspires growth of services for city's most vulnerable

By Elizabeth Brewer ebrewer@record-eagle.com Apr 9, 2024

TRAVERSE CITY — A successful strategy to help the community's most vulnerable people will likely lead to the addition of another police officer and social worker, Traverse City officials say.

At the heart of the effort is the police department's Quick Response Team and Police Social Worker Jennifer Holm.

Since the program developed by Holm began almost two years ago, she said, she has had 150 program participants – and a caseload that averages 110 people at a time.

The Record-Eagle's continuing coverage of homelessness in the Grand Traverse area and its effects:

Of those participants, 88 percent were homeless at the time of their entry into the program. The goal of the program is to interrupt the cycle of arrest and addiction for program participants through coordinating their care and reducing barriers to care providers.

Their aim, Holm said, is to divert people suffering from mental illness, homelessness and substance use disorder from the criminal justice system by coordinating resources through a range of nonprofit and government-funded programs.

Currently, she's working with 50 partners to streamline services for participants.

Holm said she wants to follow up with her clients every two months, but the high volume of people precludes that. She can only manage to have contact with clients every three months. That volume is why Holm and Police Chief Matthew Richmond are asking city commissioners to fund another social worker position in next year's city budget.

And the program's effectiveness in addressing the city's homelessness crisis, as was confirmed by several speakers at a city commission study session this week, make it fairly certain that an additional community police officer and social worker will be included in the city's next budget. Holm spoke alongside representatives from her program's "primary partners," including Goodwill Northern Michigan's Street Outreach Team, Street Medicine, Addiction Treatment Services, Traverse Health Clinic and Northern Lakes Community Mental Health's Crisis Team.

“I am working on some solutions through the budgeting process,” City Manager Liz Vogel said. “I think these are things that are working.”

Although homelessness is not a mandatory requirement to receive services through the Quick Response Team, Street Medicine Dr. Roger Gerstle said it’s a focus. “Outreach is almost all about homeless care,” he said.

Fellow partner and Addiction Treatment Services Chief Executive Office Paula Lipinski said she sees the Quick Response Team “as more of a stir-fry, and [Holm] is the chef.”

“To get this many providers together and [have] providers not make it about themselves and make it about truly helping is something she has done,” Lipinski told city commissioners.

The study session did not include estimates for how much the two new positions would cost, but Vogel said those numbers will be forthcoming by May 9 as part of next year’s proposed budget. Holm and newly-assigned North Boardman police officer Krista Fryczynski’s positions are currently funded by the federal Comprehensive Opioid, Stimulant, and Substance Abuse Program, sponsored by the Bureau of Justice Assistance within the U.S. Department of Justice. Fryczynski took over the role from previous NoBo officer Justin Nowland, who now works as a school resource officer at Traverse City Central High School.

Former chief Jeffrey O’Brien first applied for, and was awarded, \$211,000 on Oct. 1, 2022, to use over two years. A no-cost option to renew the grant would provide for a third year. Holm said Monday that any additional funds from this grant could be applied to hiring an additional social worker and community police officer.

“We’re probably adding another officer,” Mayor Amy Shamroe said at the conclusion of the study session, noting that homelessness “is a bigger problem with a bigger solution.”

Northern Lakes CMH

February 2024

Preliminary
Board Report

Northern Lakes CMH

Summary of Variances and Fluctuations

October 1, 2023 through February 29, 2024

I. Assets

- **Balance Sheet amounts presented represent the amounts rolled forward from FY 23. However, neither a financial close nor audit has been conducted at this time. Therefore, amounts should be considered preliminary and subject to adjustment.**
- While the cash and investment balances on the balance sheet show a \$5.6 million decrease, there has been an increase in amounts due from NMRE and Investments of \$3.6 million and a reduction in amounts payable to NMRE of \$4.8 million. Therefore an overall improvement of \$2.7 million has been achieved for cash related resources.

II. Operating revenue

- **Amounts presented as FY 24 revenues and expenses are based upon MODIFIED ACCRUAL activities incurred during the period. At this time full accrual has not yet been achieved pending the discovery of additional financial practices that have historically been in place.**
- **Medicaid Capitation** - Estimated Medicaid expenses through February are approximately \$588K **LESS** than the capitated payments received from NMRE resulting in a current **UNDERSPEND**. The estimated revenue needed to cover expenses is about \$401K **LESS** than forecasted in the FY 24 budget. ** Certified rates include amounts to cover the direct care wage increase passed through on 10/1/23, however the rates do not factor in any overtime premium that may be required to be paid. A State rate setting meeting is scheduled for March 21st and it is expected current rates will be adjusted for the missing overtime payments as well as an adjustment for the significant difference of expected individuals losing Medicaid to the actual patterns. The outcome is expected to be positive, but is unknown at this*
- **Healthy Michigan Capitation** - Estimated healthy Michigan expenses through February are approximately \$1M **GREATER** than the capitated payments received from NMRE resulting in an **OVERSPEND**. The estimate revenue needed to cover expense is about \$267K less than forecasted in the
- **General Fund Capitation** - Estimated expenses through February are approximately \$380K **MORE** than the capitated payments received and the prior year carryforward resulting in a year to date **OVERSPEND**. Due to the end of the Public Health Emergency, consumers on spend down has required the use of \$254K of General Fund before their Medicaid kicks in which has not be experienced over the last couple of fiscal years. The reported numbers will likely fluctuate some as some retro Medicaid applications will be made for some of the activity (mostly crisis services for individual who are new to the system). The trends described for General Fund are not unexpected following the end of the Public Health Emergency; however require efforts to forecast and manage the general fund spend that hasn't been in place in a few years.
- **MI Choice Waiver Capitated Revenue** - Amounts are based upon the capitation payments received. January represented a decrease of \$60K from previous months this year, but overall the revenues are consistent with the prior year to date.
- **Grant Revenues** - Adjustments to the cash basis activities have been estimated for grant revenues to match revenues and expenses. A summary of grant activity has been included.

IV. Operating expenses

- **Salaries, wages and fringes** - Salaries and fringes are tracking right around \$2.1M per month and have been consistent each month. The actual balance is quite a bit less than budgeted; however, the budget methodology was to include 100% of the cost of vacant positions which has overstated the payroll related budget figures. This has created a cushion as it is not realistic that vacant positions will be filled at 100% of cost.
- **CMH Provider Network Contractual Services** - YTD Contracted Provider expenses for CMH services are approximately \$608K less than the established budget. Funding for an increase in Direct Care Wages was passed along to all residential providers as of 10/1/2023 and some inflationary increases were provided. See attached Contracted Claims Detail for additional comparative figures.
- **Northern Health Care Management Contractual Services** - The \$2.1M balance reported represents the cash basis expenses associated contractual services. Costs associated with internal staff and other related activities total \$1M resulting in year to date expenses of \$3.17M. There is a year to date surplus of \$226M.

Prepared by Laura Argyle, Deputy CFO on 4/11/2024

Northern Lakes CMH

Statement of Net Position

February 29, 2024

	(Unaudited) February 29 2024	(Unaudited) February 29 2023	Favorable (Unfavorable)
ASSETS & DEFERRED OUTFLOWS			
Current:			
Cash and cash equivalents	\$ 13,378,966	\$ 19,051,145	\$ (5,672,179)
Investments	8,126,301	5,833,353	2,292,948
Due from other governmental units	1,531,722	265,336	1,266,386
Prepaid items	445,380	287,276	158,104
Total current	<u>23,482,369</u>	<u>25,437,109</u>	<u>(1,954,740)</u>
Noncurrent:			
Capital assets not being depreciated	1,870,395	1,860,835	9,560
Capital assets being depreciated, net	5,564,138	5,566,477	(2,339)
Deferred outflows - Pension	2,033,495	537,475	1,496,020
Total noncurrent	<u>9,468,028</u>	<u>7,964,787</u>	<u>1,503,241</u>
Total assets and deferred outflows	<u>32,950,397</u>	<u>33,401,896</u>	<u>(451,499)</u>
LIABILITIES & DEFERRED INFLOWS			
Current			
Accounts payable	4,700,012	2,224,032	(2,475,980)
Accrued wages and related liabilities	133,605	8,693	(124,912)
Due to other governmental units	1,742,135	6,565,304	4,823,169
Self-funded insurance claims payable	234,522	15,474	(219,048)
Unearned revenue	-	-	-
Other current liabilities	77,962	76,455	(1,507)
Compensated absences, due within one year	1,433,707	1,386,866	(46,841)
Lease liability, due within one year	772,823	878,840	106,017
Total current liabilities	<u>9,094,766</u>	<u>11,155,665</u>	<u>2,060,899</u>
Noncurrent			
Compensated absences, due beyond one year			-
Lease liability, due beyond one year			-
Net pension liability	5,188,225	1,581,749	(3,606,476)
Deferred inflows - Pension	-	1,696,876	1,696,876
Total noncurrent liabilities	<u>5,188,225</u>	<u>3,278,625</u>	<u>(1,909,600)</u>
Total liabilities and deferred inflows	<u>14,282,991</u>	<u>14,434,290</u>	<u>151,299</u>
NET POSITION			
Net investment in capital assets	6,375,206	6,375,206	0
Current Year to date Revenue over Expenses	188,085	901,018	
Unrestricted	<u>12,104,114</u>	<u>11,691,383</u>	<u>(412,731)</u>
Total net position	<u>\$ 18,667,405</u>	<u>\$ 18,967,607</u>	<u>\$ (300,202)</u>

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Northern Lakes CMH

Statement of Revenues, Expenses compared to Budget

October 1, 2023 through February 29, 2024

	(Unaudited) February 29 2024	YTD Budget February 29 2024	Favorable (Unfavorable)
Revenues			
Medicaid Sources			
Medicaid	\$ 26,645,577	\$ 26,458,402	\$ 187,175
Medicaid - Settlement	(588,703)	-	(588,703)
Healthy Michigan	2,215,142	3,510,178	(1,295,036)
Healthy Michigan - Settlement	1,027,811	-	1,027,811
State General Fund	1,397,056	1,271,150	125,906
Grants	1,273,718	1,040,142	233,576
County appropriations	506,992	427,808	79,184
Northern Healthcare Management	3,406,131	5,220,823	(1,814,692)
Other revenue	973,273	911,395	61,878
Total operating revenue	<u>36,856,997</u>	<u>38,839,898</u>	<u>(1,982,901)</u>
Employed Workforce and Agency Expenditures			
Personnel	11,296,651	13,151,249	(1,854,598)
Admin Contracts	616,777	521,450	95,327
Direct Operations	1,046,810	1,137,992	(91,182)
Contractual Services	440,733	-	440,733
Transportation	210,093	310,057	(99,964)
Occupied Space	777,531	830,523	(52,992)
Total Directly Provided & Agency Oversight	<u>14,388,595</u>	<u>15,951,271</u>	<u>(1,562,676)</u>
Contracted Provider Expenditures			
Autism Services Providers	1,650,670	1,598,742	51,928
Clinical Contract Providers	891,197	1,632,603	(741,406)
Daytime Activities Contract Providers	2,814,709	2,127,119	687,590
FI Provided Self Determination	754,856	610,303	144,553
Inpatient Services	3,262,366	2,856,250	406,116
Therapeutic Contract Providers	203,641	253,907	(50,266)
Residential Contracts	9,545,313	8,223,728	1,321,586
CLS Providers	514,167	1,314,033	(799,866)
Northern Health Care Mgt Services	2,185,979	3,866,802	(1,680,823)
Northern Health Care Mgt Respite	25,242	33,515	(8,273)
Client Transportation Providers	432,177	371,625	60,552
Total Contracted Provider Expenditure:	<u>22,280,317</u>	<u>22,888,627</u>	<u>(608,310)</u>
Total operating expenses	<u>36,668,912</u>	<u>38,839,898</u>	<u>(2,170,986)</u>
Change in net position	<u>188,085</u>	<u>0</u>	<u>188,085</u>

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Northern Lakes CMH

Summary of Provider Network Contract Activity

October 1, 2023 through February 29, 2024

Provider Network Category	YTD Budget 2/29/2024	YTD 2/29/2024	Budget to Actual Inc/(Dec)	YTD 2/29/2023	Variance from PY Inc/(Dec)	% Change
Houghton Lake Drop In - Drop In Centers		\$ 43,587		\$ 32,917	\$ 10,670	32.42 %
Kandu Island - Drop In Centers		\$ 65,266		\$ 51,601	\$ 13,666	26.48 %
Contracted Clinical Services - OBRA Screening		\$ 51,290		\$ 80,784	\$ (29,494)	(36.51)%
Contracted Clinical Services - Behavior Treatment		\$ 65,381		\$ 62,007	\$ 3,374	5.44 %
Client Specific Contract - Partial Day		\$ 79,692		\$ 93,895	\$ (14,203)	(15.13)%
Client Specific Contract - Residential		\$ 81,447		\$ 30,770	\$ 50,677	164.70 %
Client Specific Contract - MCTT & ACT Teams		\$ 14,275		\$ 9,879	\$ 4,396	44.49 %
Client Specific Contract - Emgcy Serv/Outpatient		\$ -		\$ 5,678	\$ (5,678)	(100.00)%
Client Specific Contract - DD CSM Team		\$ -		\$ 25,047	\$ (25,047)	(100.00)%
Client Specific Contract - Managed Care		\$ 88		\$ -	\$ 88	100.00 %
Client Specific Contract - Club Cadillac		\$ -		\$ -	\$ -	100.00 %
Contr Psych's - Med Clinic		\$ 391,998		\$ 421,088	\$ (29,090)	(6.91)%
Client Transportation - Partial Day		\$ 424,276		\$ 280,860	\$ 143,416	51.06 %
Total Clinical Contract Providers (less grant activity)	\$ 371,625	\$ 1,217,300	\$ (845,675)	\$ 1,094,526	\$ 122,774	11.22 %
Autism Services - Partial Day		\$ 1,310,357		\$ 1,156,948	\$ 153,409	13.26 %
Autism Services - Residential		\$ 113,322		\$ 182,736	\$ (69,414)	(37.99)%
Autism Services - Emgcy Serv/Outpatient		\$ 3,978		\$ 1,193	\$ 2,785	233.33 %
Autism Services - DD CSM Team		\$ 25,366		\$ 9,677	\$ 15,689	162.13 %
Total Autism Providers	\$ 1,598,742	\$ 1,453,023	\$ 145,719	\$ 1,350,554	\$ 102,469	370.74 %
Hope Network - Partial Day		\$ 332,776		\$ 301,447	\$ 31,329	10.39 %
Hope Network - Residential		\$ 1,024,065		\$ 544,555	\$ 479,510	88.06 %
Hope Network - MCTT & ACT Teams		\$ 4,825		\$ 2,809	\$ 2,016	71.76 %
Hope Network - Emgcy Serv/Outpatient		\$ 971		\$ 124	\$ 847	682.75 %
Hope Network - DD CSM Team		\$ 487		\$ -	\$ 487	100.00 %
Hope Network - PT/OT/ST Only		\$ 303		\$ 564	\$ (261)	100.00 %
R.O.O.C. Inc - Partial Day		\$ 17,965		\$ 30,540	\$ (12,575)	(41.18)%
R.O.O.C. Inc - Residential		\$ 190,044		\$ 163,254	\$ 26,790	16.41 %
Grand Traverse Industries - Partial Day		\$ 327,768		\$ 334,468	\$ (6,700)	(2.00)%
Grand Traverse Industries - Residential		\$ 583,507		\$ 395,201	\$ 188,306	47.65 %
Total Daytime Providers	\$ 2,127,119	\$ 2,482,711	\$ (355,592)	\$ 1,772,961	\$ 709,750	20.88 %
Community Inpatient Hospital - Inpatient		\$ 2,357,024		\$ 2,843,657	\$ (486,633)	(17.11)%
Crisis Residential - Residential		\$ 56,450		\$ 120,115	\$ (63,665)	(53.00)%
County - State Fac - Inpatient - State		\$ 91,817		\$ 122,193	\$ (30,376)	(24.86)%
County - Forensic Ctr - Inpatient - State		\$ 42,817		\$ 122,428	\$ (79,611)	(65.03)%
Total Inpatient Providers / State Hospital Inpatient	\$ 2,856,250	\$ 2,548,108	\$ 308,142	\$ 3,208,393	\$ (660,285)	(160.00)%
Self Determination - Residential		\$ 608,526		\$ 440,284	\$ 168,242	38.21 %
Self Determination - DD CSM Team		\$ -		\$ 37,917	\$ (37,917)	(100.00)%
Total Fiscal Intermediary Providers	\$ 610,303	\$ 608,526	\$ 1,777	\$ 478,201	\$ 130,325	(221.79)%
Child and Family Services - MIC Client Support Service		\$ 103,394		\$ 77,770	\$ 25,624	32.95 %
Child and Family Services - Residential		\$ 592		\$ -	\$ 592	100.00 %
Child and Family Services - Mobile Crisis		\$ 80,385		\$ 74,032	\$ 6,353	8.58 %
Total Fiscal Intermediary Providers	\$ 253,907	\$ 184,371	\$ 69,536	\$ 151,802	\$ 32,569	141.53 %
Community Living Supports - Partial Day		\$ 28,098		\$ 26,051	\$ 2,047	7.86 %
Community Living Supports - Residential		\$ 543,894		\$ 444,822	\$ 99,072	22.27 %
Community Living Supports - MCTT & ACT Teams		\$ 405		\$ 60	\$ 345	575.00 %
M.I. Residential Contracts - Residential		\$ 492,005		\$ 548,451	\$ (56,446)	(10.29)%
Residential Contracts - Residential		\$ 3,700,082		\$ 2,612,753	\$ 1,087,329	41.62 %
Beacon Specialized Living Center - Residential		\$ 1,188,073		\$ 1,190,590	\$ (2,517)	(0.21)%
Beacon Specialized Living Center - MCTT & ACT Teams		\$ 4,128		\$ 4,337	\$ (209)	(4.81)%
Beacon Specialized Living Center - Emgcy Serv/Outpatient		\$ 1,555		\$ 2,203	\$ (648)	(29.42)%
Beacon Specialized Living Center - Behavior Treatment		\$ 540		\$ 490	\$ 50	10.29 %
Lake Shore - Residential		\$ 219,500		\$ 328,237	\$ (108,737)	(33.13)%
Summerfield - Residential		\$ 193,959		\$ 174,488	\$ 19,471	11.16 %
East Bay - Residential		\$ 135,862		\$ 129,722	\$ 6,140	4.73 %
Lincoln House - Residential		\$ 143,535		\$ 140,213	\$ 3,322	2.37 %
Fort Road - Residential		\$ 115,890		\$ 126,506	\$ (10,616)	(8.39)%
New Horizons - Residential		\$ 190,584		\$ 180,115	\$ 10,469	5.81 %
Elmwood - Residential		\$ 160,658		\$ 155,015	\$ 5,643	3.64 %
Cedar Valley Home - Residential		\$ 108,714		\$ 120,489	\$ (11,775)	(9.77)%
Hab Waiver Supports - Residential		\$ 338,615		\$ 331,914	\$ 6,702	2.02 %
Hab Waiver Supports - SIP Homes		\$ 42,804		\$ 35,896	\$ 6,908	19.24 %
Total Residential Providers	\$ 8,223,728	\$ 7,608,901	\$ 614,827	\$ 6,552,349	\$ 1,056,552	16.12 %
MI Independent SIP - SIP Homes		\$ 48,629		\$ 47,842	\$ 787	505 %
MI Independent SIP - SIP Homes		\$ 54,082		\$ 44,840	\$ 9,242	20.61 %

Northern Lakes CMH

Summary of Provider Network Contract Activity

October 1, 2023 through February 29, 2024

Provider Network Category	YTD Budget 2/29/2024	YTD 2/29/2024	Budget to Actual Inc/(Dec)	YTD 2/29/2023	Variance from PY Inc/(Dec)	% Change
MI Independent SIP - SIP Homes	\$	32,376		\$ 43,512	\$ (11,136)	(25.59)%
Spectrum SIP - SIP Homes	\$	62,655		\$ 69,495	\$ (6,840)	(9.84)%
Spectrum SIP - SIP Homes	\$	64,987		\$ 71,600	\$ (6,613)	(9.24)%
Spectrum SIP - SIP Homes	\$	69,554		\$ 68,039	\$ 1,515	2.23 %
Woodland TC Home - SIP Homes	\$	47,792		\$ 54,769	\$ (6,977)	(12.74)%
Brickways - Residential	\$	49,289		\$ 72,036	\$ (22,747)	(31.58)%
Total CLS Providers	\$ 1,314,033	\$ 429,364	\$ 884,669	\$ 472,133	\$ (42,769)	(9.06)%
	\$ 17,101,800	\$ 16,428,318	\$ 753,867	\$ 15,003,149	\$ 1,425,169	9.50 %

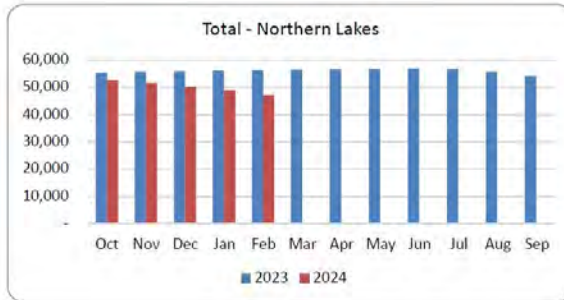
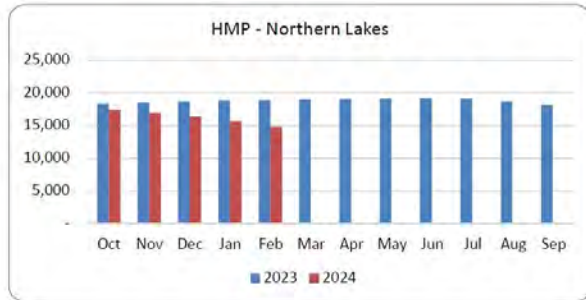
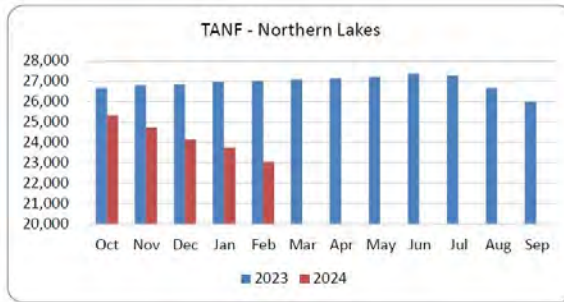
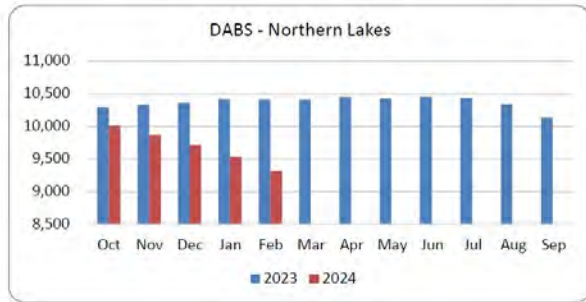
FY 23 Activity is report on cash basis and FY 24 activity is reported on accrual basis.

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Narrative

October 1, 2023 through February 29, 2024

Northern Lakes Eligible Members Trending - based on payment files





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

**Recipient Rights Advisory Committee Meeting
Minutes**

April 4, 2024

1:30 PM

Northern Lakes Community Mental Health Authority is located at 527 Cobb Street, Cadillac. The meeting is also virtual.

Attendance:

Recipient Rights Advisory Committee Members Present: Tony Lentych, Rudy Wright, Rose Denny, Marleen Cassidy, Al Cambridge, Chuck Corwin

Others Present: Brian Martinus, Interim CEO; Stacy Maiville, Executive Secretary; Brian Newcomb, Director of Recipient Rights; Alyssa Heider, Recipient Rights Specialist; Erica Smith, Recipient Rights Advisor; Lisa Jones, Recipient Rights Advisor; Mark Draeger, Recipient Rights Advisor

Tony Lentych called the meeting to order at 1:30 p.m.

Conflict of Interest Declaration: None.

Review and Approve Agenda:

MOTION:	Accept the agenda
RESULT:	ADOPTED [UNANIMOUS]
MOVER:	C. Corwin
SECONDER:	R. Denny

Receive and Review February 1, 2024, Meeting Minutes:

The minutes were reviewed and included in the packet.

MOTION:	Approve February 1, 2024, Meeting Minutes
RESULT:	ADOPTED [UNANIMOUS]
MOVER:	R. Denny
SECONDER:	A. Cambridge

Public Comment: None.

Recipient Rights Director’s Report:

Brian Newcomb, Director of the Office of Recipient Rights, presented his report. The report was included in the packet. Mr. Newcomb highlighted some of the areas on his report. There are currently 90 open investigations. The agency is 100% in compliance. Training has been moved to all in-person; as of 4/1/24, attendees can register and receive their certificate online. Site visits are coming along well. The office is functioning at a high level. Mr. Newcomb answered questions regarding the provider report.

Required Protections of the ORR: Brian Martinus, The Interim CEO, requested protections for the Recipient Rights department.

MOTION:	Elevate required protections of the ORR to the Board.
RESULT:	ADOPTED [UNANIMOUS]
MOVER:	R. Wright
SECONDER:	C. Corwin

Site Review Process of the ORR

Alyssa Heider presented the site review process. Her presentation included: Typical timeline of site visits and the coordinating behind it, where the department visits, what they monitor, areas of focus, and the review tools. Ms. Heider answered the committees’ questions regarding the process.

RRAC self-evaluations & Policies - The members of the committee received the self-evaluations to complete and turn in at the next meeting and the policies of the Office of the Recipient Rights to review.

At future meetings, it was decided that the committee would formally accept the staff report with a motion noting whether or not NLCMH is in full compliance with the State law - as it currently is.

Public Comment: None.

Next Meeting:

- Recipient Rights Refresher Training

MOTION:	Recommend to the Board to take up the full Recipient Rights Refresher training at some point in the future.
RESULT:	ADOPTED [UNANIMOUS]
MOVER:	A. Cambridge
SECONDER:	C. Corwin

The meeting adjourned at 2:00 p.m.

Respectfully Submitted,

Stacy Maiville
Executive Secretary

**CEO Response to March 21, 2024 Board Monitoring Report Evaluation
April 18, 2024**

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

Ten (10) Board members completed the report. There are sixteen (16) Board members.

Question 1 - Was this report submitted when due? – 10 Yes

Question 2 - Did the report lay out the CEO's interpretation of the request? – 10 Yes

Question 3 - Was I convinced that the interpretation is justified and reasonable? – 10 Yes

Question 4 - Did the interpretation address all aspects of the subject? – 10 Yes

Question 5 - Does the information show compliance with Board direction/policy?- 10 Yes

Other Comment: “The new dashboard data has been helpful when discussing ends. Appreciate the variety of ways to get the public & consumer feedback about services”.

CEO Response: 2024

I appreciate the Board's assessment that we are 100 % compliant with this policy.
Respectfully Submitted

Brian Martinus
Interim CEO

**CEO Response to March 21, 2024 Board Means Self-Assessment
Board Monitoring Report Evaluation
April 18, 2024**

Policy 3.3 - Board Member Code of Conduct - Direct Inspection

Nine (9) Board members completed the report. There are sixteen (16) Board members.

For Question One: Do you believe we are in strict compliance with the policy as stated for each provision? 8- Yes, 1 No

For Question Two: 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?

Comments:

1. "Some members have dual loyalties."

For Question Three: How do you think we could improve our process to be in full compliance?

Comments:

1. "Address issues of loyalty."

For Question Four: What do we need to learn or discuss in order to live by this policy more completely?

Comments:

1. "Address the loyalty issues early."

For Question Five: Does this policy remain in compliance with the Policy Governance model in annual terms of content and format? 8- Yes, 1 No

CEO Response 2024:

The Board's direct inspection assessment indicates that we are in 90 % compliance with this policy.

Respectfully Submitted,

Brian Martinus
Interim CEO

**CEO Response to March 21, 2024, Board Means Monitoring Report Evaluation
April 18, 2024**

Policy 3.6 - Board Chair Functions - Direct Inspection

Nine (9) Board members completed the report. There are sixteen (16) Board members.

Question One (Do you believe we are in strict compliance with the policy as stated for each provision?) 8- Yes, 1- Maybe

Question Two (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?)

Comments:

1. "Tough job to have, but chair seems to take some items personally."

Question Three (How do you think we could improve our process to be in full compliance?)

Comments:

Question Four (What do we need to learn or discuss in order to live by this policy more completely?)

Comments:

1. "Examples of delegation?"
2. "Wondering how we are to respond to public comment, especially when the same people come to comment on the same issue several times".

Question Five (Does this policy remain in compliance with the Policy Governance model in annual terms of content and format?) 8- Yes, 1 – No

Other Comment: "This seems to be in transition."

CEO Response 2024:

The Board's direct inspection assessment indicates that we are in 90% in compliance with this policy.

Respectfully Submitted

Brian Martinus
Interim CEO

**ASSURANCE OF ORGANIZATIONAL PERFORMANCE
POLICY 2.8 COMMUNICATION AND SUPPORT TO THE BOARD
INTERNAL REPORT - CEO
April 18, 2024**

2.8 Communication and Support to the Board

The CEO shall not withhold information or data that the CEO knows, or in the exercise of sound business judgment should know, is necessary for the Board to make informed decisions and to carry out its obligations properly. By way of example and not by way of limitation, the CEO shall not:

- 2.8.1 Fail to submit monitoring data required by the Board in a timely, accurate and understandable fashion directly addressing provisions of Board Governance Policies being monitored.
- 2.8.2 Fail to advise the Board of anticipated adverse media coverage, threatened or pending lawsuits, material changes in federal and state laws or regulation, material changes in the terms of MDHHS and NLCMHA provider contracts and material changes in assumptions upon which existing Board Governance Policies are predicated.
- 2.8.3 Fail to advise the Board if, in the opinion of the CEO or the Compliance Officer, the Board is not in compliance with Board Governance Policies or is in violation of laws and regulations applicable to the governing body of a governmental entity constituted as an Authority under the Michigan Mental Health Code.
- 2.8.4 Fail to advise the Board if, in the opinion of the CEO, the Authority is or may become noncompliant with a Board Governance Policy.
- 2.8.5 Fail to advise the Board if, in the opinion of the CEO or the Compliance Officer, a compliance violation has been substantiated and the violation, if and when disclosed to regulators or law enforcement, may subject the Authority to criminal, civil or administrative liability or sanction.
- 2.8.6 Fail to advise the Board Chairperson if one or more members of the Board engages in conduct that is or may be detrimental to the working relationship of the Board and the CEO.
- 2.8.7 Fail to present information and data to the Board in clear and concise format that identifies the relevance of the information to discrete Board obligations such as monitoring and decision preparation.
- 2.8.8 Fail to deal with the Board as a single unified whole by communicating with individual Board members outside of established formal channels. [A request by an individual Board member to the CEO for facts or data is not subject to this prohibition.].
- 2.8.9 Fail to provide a mechanism for official Board, officer or committee communications.
- 2.8.10 Fail to supply for the consent agenda all items delegated to the CEO that are subject to Board Approval.
- 2.8.11 Failure to maintain official minutes of Board committees and meetings.

CEO Interpretation - 2024

The monitoring of Board Policy follows the Governance Policy Monitoring Schedule. There is a plethora of information to review and analyze, including monitoring data, media coverage, lawsuits, rules and regulations, and federal and state laws. I work diligently to provide updates to assist the Board in making informed decisions and properly carry out its obligations.

Information and data are submitted in a variety of forms. Some monthly monitoring reports contains data points. Financial Statements are presented each month for the Board. Our formal financial audit findings are typically provided in April of each year has been put on hold by the MDHHS because of our ongoing forensic investigation. Clinical, operational, and administrative information is provided in my CEO report each month. Additionally, the FY 2023 Annual Review Report was provided in January 2024, and the Agency Performance Assessment for 2023 was provided in February 2024.

Each month I share any media coverage that I am aware of with the Board via email and in my monthly report. I have made Board members aware of pending lawsuits and significant compliance concerns. NLCMHA continues to use an anonymous compliance hotline and I work closely with our Director of Quality and Compliance to ensure we remain in compliance with Board Governance Policies and do not violate laws and regulations applicable to our governing of a governmental entity. I am not aware of any violations or non-compliance by the Board regarding laws or regulations pertaining to Mental Health Authorities. Thus far this year we have not experienced any material changes in the terms of MDHHS and NLCMHA provider contracts.

I appreciate the Board's willingness to work with myself and staff in meeting the requirements of this policy.

I appreciate any receiving any suggestions from the Board to improve my compliance in meeting expectations.

Respectfully Submitted,

Brian Martinus
Interim CEO

Board Policy being monitored

2.8 Communications & Support to the Board

April 18, 2024

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: _____

BOARD MEANS SELF-ASSESSMENT
SUMMARY OF BOARD COMPLIANCE MONITORING EVALUATION
3.7 GOVERNANCE COMMITTEES – DIRECT INSPECTION – BOARD
April 18, 2024

3.7 Governance Committees

This Policy shall not apply to committees appointed by the CEO.

Subject to Board bylaws, the Chair of the Board shall have exclusive authority to determine the size, membership, duration, authority and jurisdiction and charge of all Board committees, all of which information shall be recorded in Board minutes. No Board committee shall have or exercise authority or jurisdiction exceeding that granted at the time of its creation without further action by the Chair of the Board, and no Board committee may exercise authority or jurisdiction inconsistent with Board Governance Policies.

Standing Committees. The Board shall have only those standing committees established herein. The membership and chair shall serve at the pleasure of the Board Chair. Membership on standing committees, other than the Recipient Rights Advisory Committee, or other Board created advisory committees, is limited to members of the Board.

Committee of the Whole. The Committee of the Whole is charged with:

- 3.7.1 Receipt and consideration of monitoring reports and data;
- 3.7.2 Consideration of the need for new or amended Governance Policies and formulating substantive recommendations to the Board concerning same;
- 3.7.3 Formulation of recommendations to the Board Chair for items to be included on the Board Consent Agenda;
- 3.7.4 Hosting joint activities with the governing bodies of other public and private entities;
- 3.7.5 Provision of a forum for the presentation of the views and concerns of stakeholders in the mental health system;
- 3.7.6 Provision of a forum for Board development programs not included as part of the Annual Work Plan; and
- 3.7.7 Provision of a forum for the consideration of legislative, political, and regulatory changes on the delivery of mental health services
- 3.7.8 The Committee of the Whole shall serve as the CEO Compensation Committee.

Nominating & Leadership Development Committee. The Nominating and Leadership Development Committee is charged with:

- 3.7.9 Assisting the counties as needed in identifying potential board members. Screening shall be completed not later than 60 days before the terms opens up;
- 3.7.10 Planning Board training and education; and
- 3.7.11 Assuring ongoing orientation regarding the Board Governance Policies.

Recipient Rights Advisory Committee. The Board shall appoint a Recipient Rights Advisory Committee, which shall have and exercise those powers granted to such committees by the Michigan Mental Health Code. The Recipient Rights Advisory Committee shall hold its meetings in accordance with the Michigan Open Meetings Act. See also Policy 3.7A Recipient Rights Advisory Committee.

Recipient Rights Appeals Committee. The Board designates the Recipient Rights Advisory Committee as the Recipient Rights Appeals Committee, which shall have and exercise those powers granted to such committees by the Michigan Mental Health Code. Recipient Rights Appeals Committee meetings are confidential, privileged, and separate from the Recipient Rights Advisory Committee and are not subject to the Michigan Open Meetings Act. See also 3.7B Recipient Rights Appeals Committee.

Audit Committee. The Audit Committee is charged with:

- 3.7.12 Presenting a selection of at least two independent outside auditors at least once every five years. Ensure that lead auditor Rotation will occur if the present auditor is one of the firms selected.
- 3.7.13 Receiving and reviewing copies of the annual Management Representation Letter(s).
- 3.7.14 Ensuring that results of the Annual Audit and Management Letter are reviewed with the Independent Auditor by the Committee of the Whole.
- 3.7.15 Ensuring that the scope of an outside audit is sufficient to meet the legal obligations of the Authority and the responsibilities of the Board with respect to CMHSP financial matters; and
- 3.7.16 Ensuring that outside audits are conducted in a timely manner;

Ad Hoc committees shall be appointed only to the extent and only for so long as necessary to assist the Board in carrying out its governance responsibilities.

The Board Chair may from time to time appoint ad hoc committees. Membership in an ad hoc committee is not limited to members of the Board. Where the membership of an ad hoc committee includes individuals that are not members of the Board, the minutes of the committee shall separately show the votes of each committee member.

A Board ad hoc committee whose work product includes recommendations later adopted in whole or in part by the Board shall not thereafter be charged with monitoring the recommendations as adopted and implemented.

BOARD MEANS SELF-ASSESSMENT
Board Means Policy Being Monitored:

3.7 Governance Committees

April 18, 2024

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?

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

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

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
SUMMARY OF BOARD COMPLIANCE MONITORING EVALUATION
3.7A RECIPIENT RIGHTS ADVISORY COMMITTEE – DIRECT INSPECTION-BOARD
APRIL 18, 2024

3.7A Recipient Rights Advisory Committee

The Recipient Rights Advisory Committee, defined by the Michigan Mental Health Code as “a committee of a community mental health program services board” (sec. 330.110c) is a committee of the Northern Lakes Community Mental Health Authority, appointed by the Board of the Authority in accordance with section 757 of the Michigan Mental Health Code. The Recipient Rights Advisory Committee shall hold its meetings in accordance with the Michigan Open Meetings Act, and shall act in accordance with the policies and by-laws of the Northern Lakes Community Mental Health Board Authority. Meetings shall be held according to the latest edition of Robert’s Rules of Order, Newly Revised. A simple majority of the members must be present to conduct a meeting. An annual list of meetings shall be presented to the Northern Lakes Community Mental Health Authority Board of Directors and be made available to individuals upon request. Northern Lakes Community Mental Health Authority Board policies and by-laws supersede Robert’s Rules of Order. A simple majority of the members must be present in person or by other visual electronic means to conduct a meeting”.

FUNCTIONS:

The Recipient Rights Advisory Committee (RRAC) is granted the authority, in accordance with sections 755, 757, and 774 of the Michigan Mental Health Code, to carry out the following functions:

- 3.7A.1 Meet at least semiannually or as necessary to carry out its responsibilities.
- 3.7A.2 Maintain a current list of members’ names to be made available to individuals upon request.
- 3.7A.3 Maintain a current list of categories represented to be made available to individuals upon request.
- 3.7A.4 Keep the NLCMH Board of Directors informed of RRAC membership needs.
- 3.7A.5 Protect the Office of Recipient Rights from pressures that could interfere with the impartial, even-handed, and thorough performance of its functions.
- 3.7A.6 Recommend candidates for Recipient Rights Director to the Chief Executive Officer, and consult with the Chief Executive Officer regarding any proposed dismissal of the Recipient Rights Director.
- 3.7A.7 Serve in an advisory capacity to the Chief Executive Officer and the Recipient Rights Director.
- 3.7A.8 Review and provide comments on the report submitted by the Chief Executive Officer to the Northern Lakes Community Mental Health Authority under section 755.
- 3.7A.9 Review the process for funding the office of recipient’s rights and make recommendations concerning resources.
- 3.7A.10 Receive education and training in recipient’s rights policies and procedures.
- 3.7A.11 As designated by the Northern Lakes Community Mental Health Authority, serve as the Appeals Committee for a recipient’s appeal under section 784.

MEMBERSHIP CRITERIA:

In accordance with section 757 of the Michigan Mental Health Code, membership of the committee shall be broadly based so as to best represent the varied perspectives of the community mental health services program's geographic area. At least 1/3 of the membership shall be primary consumers or family members, and of that 1/3, at least 1/2 shall be primary consumers.

3.7A.12 For the purpose of consistency with the Michigan Mental Health Code, RRAC shall consist of a minimum of 7 members and a maximum of 9 members as the Board determines: at least 2 of which are primary consumers (currently receiving or have previously received services provided by or under contract with Northern Lakes Community Mental Health Authority), at least 1 of which is a family member of a consumer, 2 of which are Northern Lakes Community Mental Health Authority Board members

3.7A.13 With the intent of best representing the varied perspectives of the Northern Lakes Community Mental Health Authority's geographic area, of the 5 to 7 non-board members appointed to the committee, at least: member shall reside in Wexford/Missaukee counties, one member shall reside in Grand Traverse/Leelanau counties, AND one member shall reside in Roscommon/Crawford counties.

3.7A.14 None of the members shall be employed by the Michigan Department of Health and Human Services (DHHS), Northern Lakes Community Mental Health Authority, another community mental health services program, or a provider under contract with DHHS.

APPOINTMENTS:

Board members appointed to RRAC shall be appointed for 1-year terms by the Chairperson of the Northern Lakes Community Mental Health Authority, with appointments occurring each year at the May Board meeting. The Chairperson of the Board shall appoint one of the Board members as the Chairperson of RRAC. Non-board members appointed to RRAC shall be appointed for 3-year staggering terms. Committee members may reapply for multiple terms. The appointment process for non-board members shall occur as follows:

3.7A.15 Board approved RRAC applications can be obtained at any time by verbal or written request to the NLCMH Executive Office or the Office of Recipient Rights.

3.7A.16 If there is a vacant seat on the committee, either because a member's term will/has expired or due to a member's resignation or dismissal, the Northern Lakes Community Mental Health Authority will assure, via the Chief Executive Officer, that the vacancy is advertised in a timely and public manner.

3.7A.17 All applications shall be turned in to the Executive Office. At the end of the posting period, the Executive Office shall forward all applications to the Chairperson of the Northern Lakes Community Mental Health Authority Nominating & Leadership Development Committee.

3.7A.18 At the end of the posting period, the NLD Committee shall review all applications received and interview eligible applicants in a meeting or meetings held in accordance with the Open Meetings Act. The NLD Committee will provide a recommendation of candidates to the Northern Lakes Community Mental Health Authority for consideration of appointment to RRAC. Candidates will be invited to attend the Board meeting and will be recognized by and given an opportunity to address the Board prior to the Board's decision for appointment.

MEMBER EXPECTATIONS

- 3.7A.19 Members are expected to attend all committee meetings or give notice in advance if an absence is unavoidable.
- 3.7A.20 Three consecutive absences without notice will be considered resignation.
- 3.7A.21 Members are expected to read all materials sent in advance of meetings and to be actively engaged in discussions at meetings.
- 3.7A.22 Committee members will be paid per diem and mileage reimbursement in accordance with Board policy and procedure.

BOARD MEANS SELF-ASSESSMENT
Board Means Policy Being Monitored:

3.7A Recipient Rights Advisory Committee

April 18, 2024

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?

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

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

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
SUMMARY OF BOARD COMPLIANCE MONITORING EVALUATION
3.7B RECIPIENT RIGHTS APPEALS COMMITTEE – DIRECT INSPECTION-BOARD
APRIL 18, 2024

3.7B Recipient Rights Appeals Committee

The Northern Lakes Community Mental Health Authority Board of Directors has designated the Recipient Rights Advisory Committee as its Recipient Rights Appeals Committee, consistent with the Mental Health Code (PA 258 of 1974, MCL 330.1774). The Northern Lakes Community Mental Health Authority Office of Recipient Rights shall provide education and training in recipient rights policies and procedures to the Appeals Committee. The Appeals Committee may request consultation and technical assistance from the Michigan Department of Community Health Office of Recipient Rights. A simple majority of the members must be present in person or by other visual electronic means to conduct a meeting”.

The Recipient Rights Appeals Committee shall do all of the following:

- 3.7B.1 Review appeals in accordance with Northern Lakes Community Mental Health Authority Policy 105.106 Complaint, Investigation, and Appeal.
- 3.7B.2 Ensure that any member who has a personal or professional relationship with an individual involved in an appeal shall abstain from participating in that appeal as a member of the committee.
- 3.7B.3 Ensure that Appeals Reviews, as well as all documentation resulting from Appeals Reviews, are confidential and shall not be open to public disclosure or inspection, except as allowed by law.

BOARD MEANS SELF-ASSESSMENT
Board Means Policy Being Monitored:

3.7B Recipient Rights Appeals Committee

April 18, 2024

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?

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

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

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

Security Report

Northern Lakes CMH Authority March 2024
Daniel Mauk, Chief information Officer | HIPAA Security Officer

Introduction

The Health Insurance Portability and Accountability Act (HIPAA) Security Rule mandates that all covered entities must implement appropriate administrative, physical, and technical safeguards to ensure the confidentiality, integrity, and availability of protected health information (PHI). This report focuses on evaluating the effectiveness of the security measures in place to protect PHI in compliance with HIPAA regulations.

This report is focused on evaluating the effectiveness of administrative, physical, and technical safeguards in place to protect PHI at Northern Lakes CMH Authority (NLCMHA) facilities and on all devices.

Administrative Safeguards

1. Security Management Process: NLCMHA has implemented security policies and procedures that comply with HIPAA regulations. The security management process is up-to-date, and regularly reviewed to identify potential risks and vulnerabilities.
2. Workforce Security: NLCMHA has implemented appropriate workforce security policies and procedures, including workforce clearance and termination procedures. All employees receive regular HIPAA training to maintain awareness of security policies and procedures.
3. Security Incident Procedures: NLCMHA has established a security incident response plan, which is tested and updated regularly to ensure that it is effective in the event of a security breach.

Physical Safeguards

1. NLCMHA Access Controls: NLCMHA has implemented physical access controls, including access badges and locked doors. Access to areas with PHI is limited to authorized personnel only.
2. Workstation Security: All workstations containing PHI are secure, and access to them is limited to authorized personnel only.
 - a. All devices that have access to PHI have encrypted storage.
 - b. All devices are protected with advanced anti-virus tools and firewalls.
 - c. Real-time risk management tools monitor all devices and network traffic.
 - d. Remote management tools monitor usage, manage patching, and provide access for support.
3. Device and Media Controls: NLCMHA has implemented policies and procedures to manage and dispose of PHI-containing devices and media appropriately.

Technical Safeguards

1. Access Controls: The Authority has implemented appropriate access controls, including password policies, to ensure that only authorized personnel can access PHI. All access controls are regularly reviewed and updated.
 - a. Wherever possible NLCMHA has implemented two factor authentication.
 - b. The medical record is setup to encourage staff to use a Virtual Private Network (VPN) to connect when they outside the protections of our internal network.

2. Audit Controls: The Authority has implemented audit controls to monitor access to PHI and detect any unauthorized access or disclosure.
 - a. The compliance team receives regular reports on “break the glass” incidents, where staff members access the records of a person served that is not on their caseload.
 - b. We continue to develop and publish reporting tools that identify irregular record access.
 - c. Several layers of reporting identify hardware risks and provide steps to remediate those risks.
 - d. The Authority utilizes Data Loss Prevention (DLP) tools that identify potential exposure of PHI and nonadherence to best practices.
3. Transmission Security: All PHI transmitted electronically is encrypted, and appropriate security protocols are in place to protect PHI during transmission.
 - a. NLCMHA has adopted the Teams collaboration platform which ensures encrypted data transmission between staff members regardless of their location.
 - b. Our Electronic Health Record system, NoLa, has an incorporated messaging system that enforces encrypted communications between staff and contracted providers outside NLCMHA.
 - c. Our email system has incorporated encryption tools that provide many layers of encryption.
4. Staff security training: Staff are provided security training.
 - a. Security training is required at staff onboarding.
 - b. Staff are required to complete computer security training annually.
 - c. Monthly we run social engineering exercises through email.
 - d. During monthly staff meetings we discuss computer security and any current threats.

Two security incidents

Over the past year, we encountered two noteworthy security incidents, each presenting unique challenges and valuable lessons. The first incident involved a breach of a contracted provider’s email system, which was subsequently used to send a fraudulent request to our finance department, seeking a change in bank routing information. Unfortunately, staff did not verify the legitimacy of this request with the contracted provider. As a result of this incident, we have implemented a new policy to enhance communication and verification protocols between departments, significantly reducing the risk of similar deception in the future.

In the second incident, a deceptive email, from a legitimate mental health agency, was received by one of our users. Again, the sender’s email account had been compromised by cybercriminals. A staff member unwittingly clicked on a link in the email, resulting in their login credentials being stolen.

Unfortunately, the user did not report the breach to our IT department, leaving a critical security vulnerability unaddressed. Fortunately, Arctic Wolf was able to identify the intrusion and we were able to stop the access quickly. The breach exposed sensitive consumer information, including names, Medicaid numbers, and addresses.

These incidents emphasize the need for ongoing staff training and awareness when it comes to recognizing and reporting phishing attacks. Quick reporting is essential to mitigate damage and ensure an effective response.

Our security and privacy officers worked together in line with HIPAA guidelines to inform the affected individuals about the breach and its potential consequences.

Conclusion:

NLCMHA has implemented appropriate administrative, physical, and technical safeguards to protect PHI in compliance with HIPAA regulations. The security management process is up to date, all employees receive regular HIPAA training, and all access controls are regularly reviewed and updated. The Agency has established a security incident response plan, and appropriate physical and technical safeguards are in place to protect PHI. We strive to make continual improvements and are in the process of migrating to a new platform for our hardware devices to improve patch management. The two reportable incidents in 2023 were related to other agencies being compromised and bad actors using their legitimate emails to implement simple socially engineered attacks. To address this, we have completely redesigned our Security Awareness training and have stepped up our outreach to staff to reinforce the need to be mindful of these types of attacks. We continue to monitor and update our security measures to ensure the confidentiality, integrity, and availability of PHI.

Respectfully,

Daniel Mauk
Chief Information Officer | HIPAA Security Officer
Northern Lakes CMH Authority



**TEAM HUMAN
RESOURCES**



AGENDA

HR Team:

- **HR Org Structure**

Where we are and season of change:

- **Trust and how HR was viewed in the past**
- **We own the past mistakes**
- **Hired in 2023**
- **We say, “So long.” To our Training Team veterans**

Where we are going

- **Employees express contentment with current HR Team**
- **Teamwork and collaboration**
- **HR supports the workforce**
- **Build back great relationships**
- **Process Improvement:**
 - 1) **Work Injury**
 - 2) **ADA**
 - 3) **Hiring/Retention**
 - 4) **Training and Development**
 - 5) **Employee Handbook (Status)**



HR DEPT. ORGANIZATIONAL STRUCTURE

HR Specialist:

- Becky Brown
- Kris Rigling

HR Coordinator:

- Amanda Taylor

Training Coordinator:

- Beth Burke (30 years of service)

Training Specialist:

- Clarisse Hartnett-Manny (28 years of service)

Chief Human Resources Officer:

- Neil Rojas, MBAHRM, PHR

ONE TEAM, ONE PURPOSE

WHERE WE ARE

Season of change:

- Trust and how HR was viewed in the past.
- We own the past mistakes (Accepting of the HR Audit Results).
- Hired in 2023.
- We say, “So long.” To our Training Team veterans.

WHERE WE ARE GOING

We will take it from Here:

- Employees express contentment with current HR Team
- Teamwork and collaboration
- HR Supports the workforce
- Employee Handbook first draft complete and going through several edits. **Projected rollout 1/2025**
- Built back great relationships
- Reduced labor relations legal assistance
- Process Improvement:
 - 1) Work Injury
 - 2) ADA
 - 3) Hiring/Retention
 - 4) Training and Development
 - 5) Employee Handbook (Update)

WORKERS' COMP- WORK INJURY REPORTING ADA WORKPLACE ACCOMMODATION PROCESS

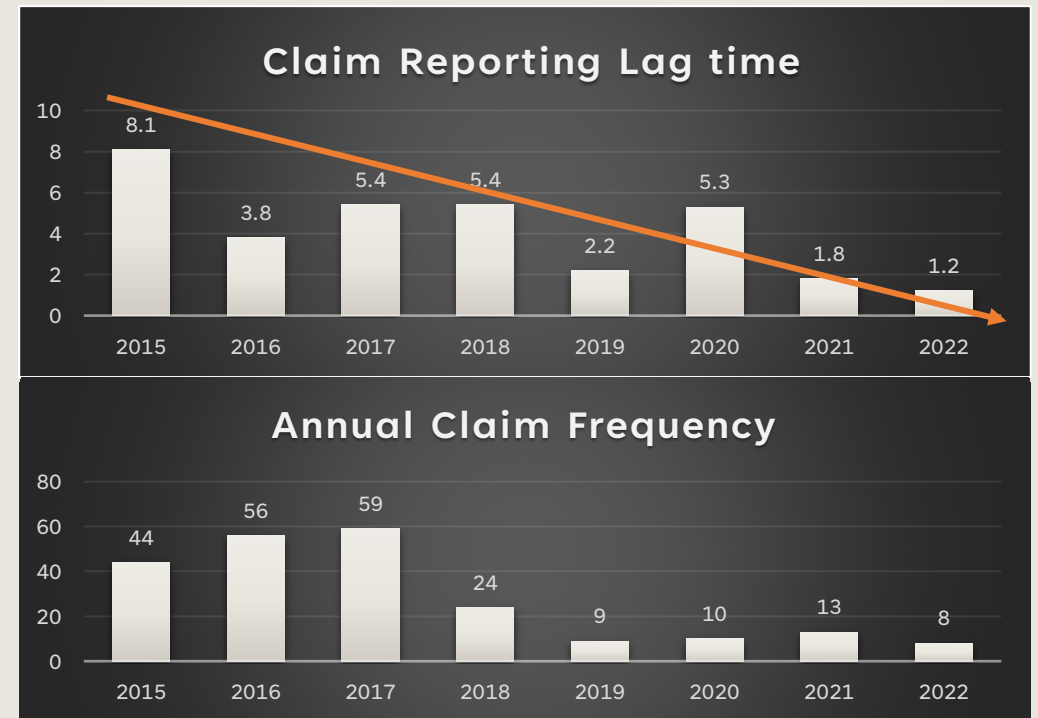
WORKERS' COMP PROCESS IMPROVEMENT:

- 2023 claims we had 4 recordable claims, and so far in 2024 we've had 2 recordable claims. (Recordable injuries are any injuries requiring treatment beyond 1st Aid)
- Recently Improved injury reporting process and accessibility of reporting documentation and instructions.
- Injury Reporting Form and Instructions can be found on the employee PayChex homepage under documents tab and in Microsoft Teams for easy accessibility.
- Time from injury to reporting in 2022 was 1.2 days and in 2023 dropped to 1 day in lag time reporting of injury.
- TELECOMP care program through Accident Fund has been implemented to aid in the work injury reporting process helping reduce time between injury and receiving care.
- NEW ID Badges with TELECOMP CARE contact information with step-by-step instructions on injury reporting process on back of ID Badge
- Works' Comp Policy updated to reflect new standards in reporting

ADA PROCESS IMPROVEMENT:

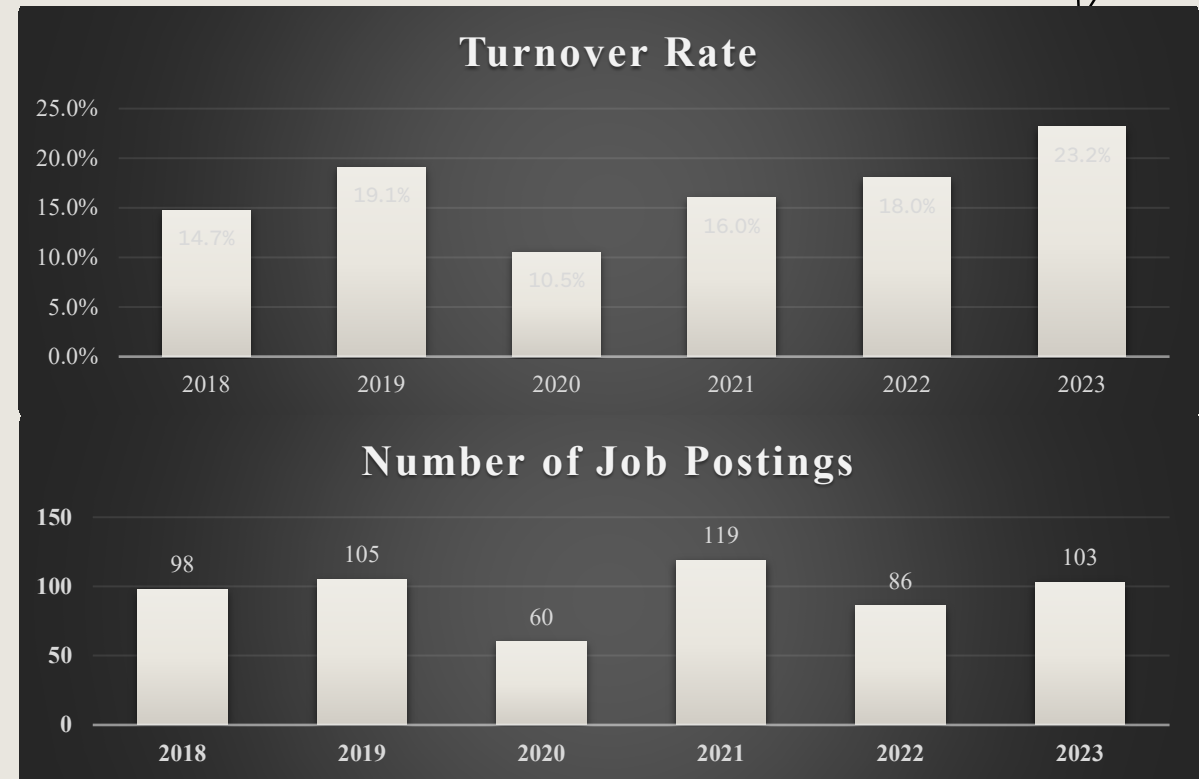
- ADA process improvement.
- Interactive process with employee improved and standardized

Lag time



HIRING AND RETENTION

- Addition of an HR Coordinator to focus on the hiring process.
- New HR Coordinator has significantly been able to reduce the amount of vacancies Agency wide; down to 11 current openings and 9 being vacancies requiring Masters Degree level candidates.
- Board Operated homes are at 83% staffing level with 11% vacancy factor as of 4/3/2024.
- New HR Coordinator has been creative in filling the remaining vacancies by expanding the Agencies' footprint in online platforms such as LinkedIn as well as working hard to develop meaningful relationships with organizations such as the University of Michigan School in Social Work to aid as a prime source of Masters level candidates.
- Current turnover rate as of April 2024 is at 8.7%.
- Exit Interviews-Looking at trends with "Exit Interview Data Capture".



TRAINING AND DEVELOPMENT DEPARTMENT

- Staff Development and Training Committee.
- Required Training and Educational Opportunities policy.
- SDR(Staff Development Request) process updated and streamlined.
- Hiring for replacement of retiring Training staff.
- Updated Training Job Descriptions.
- Using IT to assist Training.
- ORR taking over all training-related preparation, registration, testing, and delivery of certificates via online process.
- Training taking over Important audit process.

EXAMPLES OF TRAINING OFFERINGS

- Coordinated MDHHS Ethics & Boundaries training for NLCMHA staff (SW CEU's provided).
- Coordinated LGBTQ+ training for NLCMHA clinical staff (SW CEU's provided).
- Coordinated Mental Health First Aid training (SW CEU's provided) for community and NLCMHA staff.
- Coordinated Crisis Prevention Intervention (CPI) certification training (CEU's available) for NLCMHA staff.
- Coordinated Quarterly Compliance & Ethics NLMCHA staff training (SW CEU's provided).
- Coordinated Community Health Worker 120 certification training for all Residential Care Aids and CHW's.

EMPLOYEE HANDBOOK ROLLOUT
1/2025!!!

“If you tell the truth, you don’t have to remember anything.”

~Mark Twain~

STRENGTH IN UNITY!