

Board of Directors Meeting Minutes

Special Meeting

June 9, 20251:00 p.m.

Board Members Present: Ruth Pilon, Shawn Kraycs, Penny Morris, Tom Bratton, Ben Townsend, Mary Marois, Ty Wessell, Dean Smallegan, Al Cambridge, Kim Morley, Mark Nyman, Greg McMorrow, Lynn Pope, Vince Cornellier

Absent: Christal Frost Anderson, Dave Freedman

Others Present: Stacy Maiville, Kim Silbor, Brian Newcomb, Darryl Washington, Erica Longstreet, Jeremiah Williams, Kevin Hartley, Amy Kotulski, Hannah Driver, April Weinrick, Michael Lowry, Breana Demaray, Carrie Rutter, Betsy Zeeryp, Jayna Emerson, Lizzy White, Rene Guajardo, Cheryl Askwith, Rose G, Doug Belanger, Justin Reed, Ryan Hannon, Sara Nelson, Ashley Cross, Sammy Pace, Marleen Cassidy, Mitchell, David Shinderf, Brian Sloan, Amy Kotulski, Kelley Samuels, Charlotte Totton, Darcy Smith, Marissa Oritz, Marsha Brown, April Weinrick, Lauren Barnard, Jennifer Schultz, Nicole Leemaster, Jessica Taylor, Cynthia Petersen, Several other “unknown” names.

Virtual Attendees: 33 unknown, Abby Schonfeld, Aimee Horton Johnson, Alexandra Coon, Alexis Alexander, Amanda Ritchie, Amy Trumbull, Alyssa Heider, Alyssa Withun, Amanda Clark, Amanda Link, Andrea Weiss, Angela Taylor, Angie Schroeder, Ann Ketchum, Ann Purleski, Alexander Zeits, Ashley Thompson, Barb McNitt, Beckie Wing, Becky Brown, Briana Hayes, Bobbi Hudson, Brianna Savoie, Nicole Bosscher, Brian Martinus, Caleb Gomez, Cassandra Beard, Candace Kauska-Dietrich, Cathleen Pierson, Cassie Garland, Carrie Hubbell, Chloressa McCuien, Chelsea Fenlon, Christina Budzynski, Christina Hasty, Christina VanHouten, Cindy Evans, Cindy Petersen, Cynthia OConnel, Courtney Gilbert, Courtney Spence, Daniel Mauk, Daniel Mauk, Danielle Oswalt, Dawn Ross, Danna Hendrickson, Dean Baldwin, Denise Leaym, Deb Freed, Donna St. Germain, Dylan Thayer, Emily Friske, Erika Solomonson, Erica Smith, Erin Brotherton, Erin Barbus, Gina Schlegel, Haylea Campbell, Heather Sleight, Heather Maguire, Heidi Niederer, Jaclyn Dugan-Roof, Jacqueline Paulosky, Jason Bont, Janet Graham, Janell Briggs, Jason Bont, Jenna McQueer, Jennifer Lewis, Jennifer Edwards, Jennifer Hemmes, Jennifer Schiltz, Jeremiah Williams, Jeff Kaiser, Jeremiah Williams, Jessica Williams, Jessica Riddle, Jilian Smithingell, Jill Rountree, Jordan Byington, Josette Hoch, Judi Crane, Kaitlin Merritt, Karen Cass, Kari Barker, Karla Eisner, Karen Cass, Katharene Bopry, Katherine Cutright, Kayla Sklener, Kellee Hoag, Kendall Sidnam, Kenneth Watson, Kevin Hartley, Kevin Tyler – The Meyers Group, Kelly Christian, Kim Rappleyea, Kristen Stillwell, Kristina Miller, Kristina Raymer, Kristina Woodworth, Kristin Page, Kiley Fields, Laura Argyle, Lauren Barnard, Laurie Steere, Leane Letts, Logan Hutek, Linnzi Hubble, Lisa Holmes, Lisa Jones, Lisa Wiesemann, Lisa Woodcox, Lori Stendel, Mackenzie Desmond, Marie Jones, Madison Junttila, Martha Falk, Mats Andtbacka, Manda Clements, Marybeth Kyro, Matthew McRoberts, Matthew Abend, Mark Draeger, Melanie Ochoa, Melanie Schopieray, Melissa Bentgen, Melissa Michael, Meryah Martin, Michelle Mendelsohn, Molly Caminata, Melissa Trout, Michelle Ingersoll, Michelle Mendelsohn, Nicole Leemaster, Nathan Silveus, Neil Rojas, Olivia Scott, Patricia Mahon, Pamella Petroelje, Pamela Sparks, Paul Compo, Rachael Harrell, Rebecca Waddell, Rob Palmer, Richard Carpenter, Ron Morton, Robert Ordiway, Ryan McDonald, Sara Houchin, Sarah Majerczyk, Sophorn Klingelsmith, Season Longoria, Sue Hammel, Suzanne Hamel, Somer Quinlan, Taylor Momsen, Tamara Stanfield, Trapper Merz, Terri Pontz, Terri Townsend, Teri Henderson, Tina Burgess, Teri Dougherty, Tiffany Fewins, Tracy Brown, Treasa Cooper, Trevor Cressman, Victoria McDonald, Windy Near.

Call to Order: 1:00 p.m.

Conflict of Interest: None.

Timekeeper: V. Cornellier

Approval of Agenda: Approved.

Mr. McMorrow pointed out that a month ago, the State of Michigan sent out detailed cuts to the Medicaid budget. There will be 46 CMHs, 443 nursing homes, 49 rural community hospitals, and several hundred high schools throughout the state where there will be cuts; NLCMHA is no exception.

Review Proposed Spending Plan, Cost Containment and Budget:

The interim CEO, Brian Martinus, reviewed the cost containment plan that was presented to the Board in April and May 2025.

In March the NMRE asked their five regional CMHs to come up with a cost-containment plan. The plan the agency came up with was presented to the Board in April as an 18-month strategy which addresses the sixteen areas that are currently overspent. In May the Board asked the agency through the utilization process to bring consumers back into the catchment. There are currently consumers placed around the entire state, outside of the catchment area. Bringing the consumers back into the catchment area would help reduce the overspend and still give the consumers the same quality of care.

Mr. Martinus addressed a news article that gave false information to the public. There was recently an article in the paper that gave the impression that the crisis services will be cut; this is not true. On-call crisis will be available, but through the new crisis center as it was originally planned to be.

The agency has identified 41 positions that could potentially be cut or consolidated which will result in a cost savings of 2.6 million dollars. 30 of these positions would be layoffs. These changes will not affect the consumers.

There may be a change to the residential homes that would include contracting out those services. This change could potentially result in a cost savings of 2.4 million dollars. RFIs have been sent out for contracting services. Several of those contractors said they would keep the current staff, so staff in those homes would not lose their jobs, but work for another agency. The agency would look closely into the providers and the RFIs they propose. The agency would do site reviews and research to see that the new contractors meet the criteria and standards that NLCMHA requires of the AFC homes.

Some of the agencies' contracts may be reduced, renegotiated, or terminated upon expiration of the contract, which would be a cost savings.

There may be a consolidation of the Grayling office and Houghton Lake office. There could be a 3:2 split along with a reduction of staffing in those offices. The consolidation of the two offices would result in a \$750,000 cost savings. There may be a redistribution of the caseloads as another cost savings method.

Within the timeline that has been proposed, the leadership team will continue with utilization management. It will be 4-6 months before the agency sees some of these savings. The agency is looking at everything they can to get back on track, and at the same time, not discontinue services to consumers.

The employees who will be laid off will have a 30-day notice and there is a seniority process that will be followed. The process will go through the necessary channels and work with the unions.

The Clubhouse may have some changes as part as the cost savings. The Clubhouse does take out of the agency's general fund, which is an area the agency is overspent. If members of the Clubhouse no longer receive services, they can no longer be members of the Clubhouse, which is the same precedent set by other CMHs in the region. This change will result in a half million-dollar cost savings.

Mr. Wessell suggested the Board table this discussion and wait on approving. Mr. Martinus noted that the board can always add or subtract from the plan. Mr. Cambridge requested a schedule with the numbers and have that in front of them before approving.

Ms. Pilon expressed that the Board could vote on this process and they can deal with more of the specific budget issues along the way. Mr. McMorrow viewed the plan as a very workable plan. He encouraged the Board to approve the plan with the hope that the agency will provide a more detailed schedule, as indicated by Mr. Cambridge.

To avoid confusion, the board voted on changing the wording on the agenda for today's meeting to be cost reduction process and remove the word budget.

MOTION: Change wording on agenda from budget to cost reduction process

RESULT: Unanimous, Adopted

MOVER: S. Kraycs

SECONDER: K. Morely

MOTION: Accept the cost reduction process as presented

RESULT: Roll call vote, Unanimous, Adopted

MOVER: D. Smallegan

SECONDER: S. Kraycs

The Board asked to add to the next Board meeting agenda a discussion of consumer classification. The Board asked the CFO to provide a schedule with more figures at the next board meeting.

MOTION: Ask the CEO to present the process to the Board of Commissioners for the six counties and have the schedule available to the Board by the next Board meeting on June 20, 2025.

RESULT: Unanimous, Adopted

MOVER: M. Nyman

SECONDER: T. Bratton

The Board would like Brian to meet with the counties before August 1, 2025.

Public Comment:

Betsy Zeeryp, Traverse City – Member of the Traverse City Clubhouse for thirteen years. She has seen members better themselves through the Clubhouse and call each other family. The staff is the foundation to this program. She would like the Board to take into consideration that they are ruining the foundation by taking away the staff.

Janna Emerson, Traverse City – Commented that she is disappointed with the Board for not visiting the clubhouses. The elimination of any staff would be detrimental. The staff are the true anchors of the Clubhouse. The Clubhouses are proven to prevent hospitalization, keep members out of jail, decrease homelessness, increase employment, and save lives. By cutting any staff, it would break up their family. She thanked the Clubhouse for saving her life. She remarked on her achievements that have been possible through the Clubhouse.

Elizabeth White, Traverse City – Commented that she is scared about her services being cut or interrupted. She has been involved with Clubhouse since she was 19 years old. She loves Clubhouse and the people there, along with the staff. Stated that she wouldn't be able to speak in front of a group today if it wasn't for Clubhouse.

Justin Reed, Traverse City – Is a Clubhouse member, believes the board has stonewalled things and there is a dispute process that should be involved.

Marie, Traverse City - Clubhouse member, moved up here with no family or house. Urges the Board to consider those without Medicaid, and the support they need.

Marisa Ortiz, Club Cadillac – Spoke about her conditions and stated that the Clubhouse expanded her horizons. She stated that the staff at the Clubhouse speaks their language and understands them.

Marleen Cassidy, Cadillac – Member of Club Cadillac and receives services from CMH. She stated that she is devastated that the Board would cut jobs or services. The services the Clubhouse has provided has helped her on many levels. Please do not take the staff away.

Darcy Step, Cadillac – Clubhouse member, completely devastated that the Board would consider cutting the staff of Clubhouse. Begs the Board to reconsider.

Charlotte Totten, Cadillac - Clubhouse member. Has been involved with CMH since she was 14. It has helped her tremendously, to be more social. Would like the Board to know that any cuts would hurt everyone.

TJ Andrews, Traverse City – Member of Grand Traverse County Board of Commissioners. Appreciates the work that the Board is doing. She read the motion that the Board of Commissioners passed on the May 7th meeting, to invite Brian Martinus to a meeting to present a plan to the Board of Commissioners. She stated that she still does not understand the plan or understand the difference between a process and a plan. It seems that many in the room today think there is a plan to cut Clubhouse in half and a reduction in services. If this is the plan, the Board of Commissioners needs to hear it, and who will be impacted and what the plan is.

Brian Hanning, Traverse City - Longtime time advisory Board member of Traverse Clubhouse. Specializes in advocacy for the homeless, and part of that is meaningful daily activity. The Clubhouse helps provide this. Would like the Board to consider the fidelity of the Clubhouse, he does not see the cost savings and how much of the general fund goes towards Clubhouse.

Breana Demaray, Traverse City – Understands that Northern Lakes is under a large amount of debt and with this the CMH plans to implement cuts to services for consumers and staff, including Clubhouse. Clubhouse has been the

only consistent service she has been provided by CMH. There has been so much research of the impact Clubhouse has on those who have experienced mental illness through a clubhouse.

Aaron Cox, Traverse City - Clubhouse member, first came to CMH when he was sixteen years old; now older, he is learning skills that he has not before, and thanks the Clubhouse for that. In hopes he will continue the positive road he is now experiencing and hates to think of Clubhouse being cut or any staff member.

Mary Sport, Traverse City – Clubhouse advisory board member. Expressed how much her sister has blossomed through the services with the clubhouse and with the staff. Her sister is a success story. She knows how difficult these decisions about budget cuts must be. Before the Clubhouse her sister lived in an AFC home and just stared out the window. Now with the help of the Clubhouse, she has a job. The Clubhouse helps citizens to become productive. Hopes the Board will think hard about the Clubhouse.

Amy Kotulski, Cadillac – Clubhouse Director of Club Cadillac. Understands and appreciates the support of the Board. Spoke about the accreditation the Clubhouse needs. She clarified that day programs are different than Clubhouse programs. Would like more information as to how the Clubhouse is lumped together with day programs.

Cindy Petersen, Traverse City, NLCMHA staff member – Ms. Petersen is the union representative for the Teamsters. They work very closely with HR and the labor attorney, while negotiating contracts. They are working through this and would like to reassure employees that the Teamsters are here. The staff really wants to make a difference.

Tallie Samuels, Cadillac – Social worker, Club Cadillac - Used to be a case worker and the caseloads are too high already, and to cut more positions would result in higher caseloads. When Clubhouses are lumped in with day programs, it looks like the Board knows nothing about the Clubhouse.

Jeremiah Williams, Traverse City – NLCMHA employee, stated that care is not going to stay the same if the agency contracts the board homes out. Wonders if there something the agency can do to generate revenue. Feels bad for everyone that might lose their jobs. Curious if there anything the agency can do to generate funds. Acknowledged that the agency cannot co-mingle funds, so there needs to be a solution; the agency should fight for it.

Adjournment: 2:52 p.m.

Next Meeting: June 20, 2025 – Cadillac

Respectfully submitted,

Stacy Maiville, Executive Administrator

Greg McMorrow, Board Chairperson

Lynn Pope, Secretary
