

**NORTHPOINTE HEALTHCARE SYSTEMS BOARD OF DIRECTORS**  
**Regular Monthly Meeting**  
**MINUTES**  
**715 Pyle Drive, Kingsford, Michigan**  
**January 21, 2010 - 4:00 p.m.**

**CALL TO ORDER/ROLL CALL:**

Karen Raether, Board Chairperson, called the meeting to order at 4:00 p.m. Mary Wendt, Board Secretary, conducted the roll call.

<u>MEMBERS</u>	<u>Present</u>	<u>Excused</u> <u>Absent</u>	<u>Absent</u>	<u>MEMBERS</u>	<u>Present</u>	<u>Excused</u> <u>Absent</u>	<u>Absent</u>
Connors, Peggy	X			Luhtanen, Joan	X		
DeDie, William	X			Martin, Ann	X		
DeGrave, Marylee	X			Pomeroy, Judy	X		
Farragh, Elizabeth	X			Raether, Karen	X		
Hofer, Millie		X		Plumley, Robert	X		
Lang, Bernie	X			Spence, Christine	X		

**REPRESENTING ADMINISTRATION:** K. Thekan, B. Adrian, T. Wendt, L. Dionne, M. Wendt

**PLEDGE OF ALLEGIANCE** - The Pledge of Allegiance to the Flag was recited by all

**PUBLIC COMMENTS** - No public comments

**APPROVAL OF THE AGENDA:** There were no additions to the agenda.

**ACTION:** Moved to approve the agenda as presented.

**Motion by:** P. Connors; supported by J. Luhtanen. **Motion carried unanimously**

**APPROVAL OF THE MINUTES:**

There were no additions or corrections to the minutes from the Regular Board of Directors meeting on December 17, 2009.

**ACTION:** A motion was made to dispense with reading the minutes from the December 17, 2009 Regular Board of Directors meeting and approve as written.

**Motion by:** M. DeGrave; supported by P. Connors. **Motion carried unanimously.**

**PRESENTATION:** Finance Overview-Bill Adrian

Bill Adrian, Northpointe Chief Financial Officer, stated that at tonight's meeting he will be presenting on the revenue side of Northpointe and at a later time expenses and how to look at a balance sheet will be presented. Mr. Adrian reviewed each of the revenue line items that are provided in the monthly financial statement as to what they are, where they come from, and what they are used for. Board members expressed their appreciation on the information presented by Mr. Adrian and provided that it was very informative. Miscellaneous questions were addressed by Mr. Adrian.

**FINANCE COMMITTEE REPORT** – J. Pomeroy

Ms. Pomeroy highlighted the following from the Finance Committee meeting minutes:

1. **ISSUE:** Review Bills

Bills and payroll in the amount of \$1,204,037.02 were reviewed, discussed, and recommended for Board approval.

**ACTION:** A motion was made by J. Pomeroy, supported by P. Connors to approve bills in the amount of \$1,204,037.02 as presented.

**ROLL CALL VOTE:**

<u>MEMBERS</u>	<u>YES</u>	<u>NO</u>	<u>MEMBERS</u>	<u>YES</u>	<u>NO</u>
Connors, Peggy	X		Luhtanen, Joan	X	
DeDie, William	X		Martin, Ann	X	
DeGrave, Marylee	X		Pomeroy, Judy	X	
Farragh, Elizabeth	X		Raether, Karen	X	
Hofer, Millie			Plumley, Robert	X	
Lang, Bernie	X		Spence, Christine	X	

**Motion carried unanimously.**

2. **ISSUE:** Review Financial Statements – September 2009 & December 2009

Bill Adrian stated that the final September 2009 financial statement for Fiscal Year (FY) 2009 would be tabled for now due to a few adjustments that need to be made and will be presented for approval at the February Board meeting.

The committee reviewed December 2009 financial statement and recommended for Board approval.

**ACTION:** A motion was made by J. Pomeroy, supported by M. DeGrave to approve the December 2009 financial statement.

**ROLL CALL VOTE:**

<u>MEMBERS</u>	<u>YES</u>	<u>NO</u>	<u>MEMBERS</u>	<u>YES</u>	<u>NO</u>
Connors, Peggy	X		Luhtanen, Joan	X	
DeDie, William	X		Martin, Ann	X	
DeGrave, Marylee	X		Pomeroy, Judy	X	
Farragh, Elizabeth	X		Raether, Karen	X	
Hofer, Millie			Plumley, Robert	X	
Lang, Bernie	X		Spence, Christine	X	

**Motion carried unanimously.**

3. **ISSUE:** Contract(s)/Agreement(s)

a.	Schlaud AFC	Specialized Residential	\$70.00/day	This is an addendum to the Schlaud agreement for specialized residential services for one consumer.
b.	Beacon Residential Services	Specialized Community Living Support Program	\$125/day	This is an additional program added to the current contract. This is a step down training program for an individual who lives at HomeLife. This is a training apartment program with the intent of community independent living in the future. (Contract with HomeLife will be discontinued upon moving).
c.	Case Management of Michigan	Case Management Services	Cost varies due to services	NBHS contracts with this organization to provide case management and psychiatric services to two consumers placed down state.
d.	Consumer	Self Determination	\$16,537.60/year No change	This is a renewal of a self determination agreement for an individual to continue employing staff of their choice to care for them in the family home.

**ACTION:** A motion was made by J. Pomeroy, supported by C. Spence to approve all contracts/agreements as noted above. Miscellaneous questions were addressed by Bill Adrian.

**ROLL CALL VOTE:**

<u>MEMBERS</u>	<u>YES</u>	<u>NO</u>	<u>MEMBERS</u>	<u>YES</u>	<u>NO</u>
Connors, Peggy	X		Luhtanen, Joan	X	
DeDie, William	X		Martin, Ann	X	
DeGrave, Marylee	X		Pomeroy, Judy	X	
Farragh, Elizabeth	X		Raether, Karen	X	
Hofer, Millie			Plumley, Robert	X	
Lang, Bernie	X		Spence, Christine	X	

**Motion carried unanimously.**

4. Miscellaneous

- The auditors are in the process of conducting Northpointe’s FY2009 audit. A final audit report will be presented to the Board in March or April.

**RECIPIENT RIGHTS COMMITTEE REPORT – M. DeGrave**

Ms. DeGrave highlighted the following from the Recipient Rights committee meeting minutes:

- Appoint Ad Hoc Committee to Review Applications for Current Vacancies on the Recipient Rights Advisory Committee

An Ad Hoc Committee was appointed to review applications for two vacancies on the Recipient Rights Committee as two members resigned from the committee in October 2009. An ad was placed in the local

newspapers advertising for the above two vacancies. The Ad Hoc committee will submit the names they recommend to the Northpointe Board of Directors at the January 21, 2010 Board meeting for approval.

2. Appoint Ad Hoc Committee to Review Application for Upcoming Vacancies on the Recipient Rights Advisory Committee

The following Recipient Rights Advisory Committee members' terms expire on March 31, 2010:

Myra Christophersen, Gail Dixon, and Carol Thomas. If any of these members wish to reapply; a letter of application should be submitted to Mary Wendt by February 19, 2010. An ad will be placed in the local newspapers advertising for the above upcoming vacancies plus an additional vacancy on the committee from October 2008 that was not filled due to lack of applicants.

Debbie Eichhorn and William Bouchard were appointed to an Ad Hoc Committee to review applications for current vacancies on the Recipient Rights Advisory Committee Appoint and also review applications for upcoming vacancies on the Recipient Rights Advisory Committee.

3. Appeals

The Recipient Rights Appeals Committee met on December 7, 2009 and reviewed 13 of 29 appeals that were received. Mr. Veaser, Recipient Rights Chair, and Debbie Eichhorn, Recipient Rights Co-Chair, initially reviewed the 29 appeals received and were told that they could decide which ones to appeal. After they reviewed the 29 appeals, 13 of them were brought to the Recipient Rights Appeals Committee for review and then submitted with the committee decisions made for each appeal. Mr. Veaser was then contacted regarding the other 16 appeals and the State of Michigan is requiring that these 16 appeals also be reviewed. A Recipient Rights Appeals meeting will be scheduled for Thursday, January 28, 2010 at 9:00 a.m. to review the 16 appeals.

4. Review of Recipient Rights Operating Budget

The Operating Budget for the Rights Office was reviewed by Bill Adrian.

5. Quarterly Rights Office Report

The Quarterly Rights Office Report for October, November, and December 2009 was reviewed by Kevin Newlin.

6. Nominations – Chairperson & Vice Chairperson

Marylee DeGrave and Lois Tovar were appointed to the nomination committee to recommend a chairperson and vice-chairperson for election on the Recipient Rights committee with elections taking place for these positions at the April 22, 2010 Recipient Rights Committee meeting.

**PLANNING COMMITTEE REPORT** – J. Luhtanen

Ms. Luhtanen highlighted the following from the Planning Committee meeting minutes:

1. **ISSUE:** Consumer Satisfaction Data for FY2009

The Consumer Satisfaction Data and comments for FY2009 was reviewed by Lisa Dionne. All surveys received over the past year were separated into Dickinson, Iron and Menominee counties and then by clinician. Joan Luhtanen stated that many positive comments were received in regards to staff through the surveys. One area in the data that does not meet a high passing grade is individuals being dissatisfied with the after hour crisis services. Karen Thekan stated that she has asked that the after hour crisis services be an agenda item for discussion at the regional directors' meeting on February 2 to see if the other U.P. regional Community Mental Health (CMH) agencies are experiencing the same problems as Northpointe is with the after hour crisis services. Ms. Thekan further stated that Pathways is the holder of the contract for the after hour crisis services and this is they why it will be discussed at the regional directors' meeting. **ACTION:** Information

2. **ISSUE:** FY2009 Annual Report

Northpointe's Annual Report calendar was provided to Board members for review. Joan Luhtanen stated that the calendar has proved to be a great format to use for the annual report. **ACTION:** Information

3. **ISSUE:** Changes to Community Stakeholder Satisfaction & Needs Survey FY2009

The same Community Stakeholder Satisfaction & Needs Survey has been sent out to the community for a number of years and Lisa Dionne asked for input on changes to the survey. Joan Luhtanen reviewed the changes made by Planning Committee members. Ms. Luhtanen stated that this survey is sent out to the community, i.e., schools, doctor offices, hospitals, etc. **ACTION:** If anyone has further input regarding changes to the Community Stakeholder Satisfaction & Needs Survey they can contact Ms. Dionne.

4. **ISSUE:** Endowment Committee

The Endowment Committee has not met in awhile as there has not been enough funds in the Northpointe Endowment available for disbursement. Karen Thekan stated that Northpointe's Endowment is a fund in the Dickinson Community Foundation and the Endowment committee had decided not to disburse funds until they reached \$5,000 which they have not. Ms. Thekan asked if the Endowment Committee should be put on hold for

now until the fund reaches \$5,000 and the committee would then regroup when funds became sufficient for disbursement. Ms. Thekan stated that she does review Northpointe's Endowment fund on a regular basis. Discussion ensued and miscellaneous questions were addressed by Ms. Thekan.

**ACTION:** A motion was made by J. Luhtanen, supported by A. Martin that the Endowment Committee be temporarily suspended until such time that the balance available for disbursement reaches \$5,000.00. **Motion carried unanimously.**

5. **ISSUE:** Plans for Budget Cuts & "What If" Exercise if Northpointe were to take a 20% Budget Cut  
Karen Thekan stated that NorthCare had asked all the CMH agencies to do a "What If" exercise" if a 20% budget cut across the board would need to be done. Ms. Thekan further stated that the revenue estimating conference was held last week and as of now there will not be an Executive Order in February as originally stated. Ms. Thekan stated she feels that Northpointe is still in jeopardy of a General Fund (GF) cut because the State of Michigan still looks at Northpointe as being rich in GF as Northpointe is above the state average. Ms. Thekan stated that instead of doing a formalized "What If" exercise that as an organization Northpointe will still be proactive/smart in how the organization is run but it does not hurt to have a "What If" plan in place. General ideas were shared on how maybe Northpointe could be save money to prepare for budget cuts; i.e., freezing salary increases, number of Northpointe owned vehicles, and health insurance. Ms. Thekan stated that there is enough federal stimulus money to get the State of Michigan through this fiscal year which was not anticipated and FY2011 will be the tough year. Miscellaneous questions were addressed by Ms. Thekan. **ACTION:** Discussion only at this time regarding a "What If" in regards to budget cuts.
6. **Miscellaneous**
  - Karen Raether stated that the Recipient Rights Advisory Ad Hoc committee met on January 18, 2010 and reviewed applications for two vacancies on the Recipient Rights Committee as two members resigned from the committee in October 2009. Ms. Raether reviewed the recommendations that were made by the Recipient Rights Advisory Ad Hoc committee. Board members then reviewed all applications received to fill the two vacancies. Ms. Raether stated that there will also be an additional four vacancies on the committee from terms that are expiring in March 2010 which will be advertised for. Mary Wendt will contact the applicants that were not appointed to fill the two vacancies stated above to see if they are interested in applying for the four upcoming vacancies from committee members' term expiring. Miscellaneous questions were addressed by Ms. Raether.  
**ACTION:** A motion was made by B. Lang, supported by C. Spence to approve the Recipient Rights Advisory Ad Hoc recommendations of Rich Legeret and Anita Phillips each to a three year term to fill the current vacancies on the Stakeholder Advisory Committee. **Motion carried unanimously.**
  - Joan Luhtanen stated that a mother attended January committee meetings regarding concerns for Northpointe services for her adult son. Karen Thekan stated that this mother will meet with Laurie Whear, DD Supervisor, on January 19 to discuss her concerns.

#### **CHAIRPERSONS REPORT** – K. Raether

- The winter Michigan Association of Community Mental Health Board (MACMHB) winter conference will be held in Lansing from February 22-24. If anyone would like to attend it they should contact Mary Wendt as soon as possible.
- The following Board members' terms on Northpointe's Board expire in March 2010: Millie Hofer, Karen Raether, Marylee DeGrave, Judy Pomeroy from Menominee County and Bill DeDie from Dickinson County. If these members wish to reapply they should send their letter of application to their county commissioners' office.
- There will be a Personnel Committee meeting scheduled for Thursday, February 18, 2010 at 3:00 p.m.
- There will be a NorthCare Advisory Council meeting on Thursday, January 28 at 9:00 a.m. All Board members are welcome to attend this meeting via VTC from the Northpointe Kingsford office.

Peggy Connors excused at 5:55 p.m.

#### **CEO REPORT**

Ms. Thekan stated that her January 2010 CEO report was in Board packets; she provided the following updates and highlights:

##### **Federal Activity:**

- Ms. Thekan stated that she will continue to e-mail "The Friday Fax" from the Board Association to Board members for their information as it contains good information in regards to what is happening with the state budget. The last "Friday Fax" listed five areas that spend the most GF money in the State of Michigan with the Department of Community Health (DCH) being #1, the department of corrections being #2, and colleges and

universities being #3 so when GF cuts are made DCH will most likely be looked to receive cuts. The last data received in regards to GF listed Northpointe at 112% above the state GF average.

- The budget for FY2011, at the state level, is looking at possible cuts of 5%, pay cuts for all public servants, eliminating life time health insurance benefits for the legislators, and reducing state departments to 9 or 11.

**Regional Activity:**

- At the January 28 Regional Advisory meeting, Ms. Thekan will discuss with the other regional CMH boards the “Excluded Party Checklist” for Board members to sign as to how they are implementing this. The “Excluded Party Checklist” is a federal requirement to check that Board members have not committed Medicaid fraud. Ann Martin stated that she does object to the Excluded Party Checklist and considers it an unwarranted intrusion by federal government into the private lives of Board members. Karen Thekan stated that her only concern with an individual not signing the “Excluded Party Checklist” is that a Board member would then not be able to be on Northpointe’s Board. Ms. Thekan further stated that this is why she will be discussing this at the Regional Advisory meeting for clarification as to what other Boards are doing regarding the “Excluded Party Checklist”.
- The regional directors’ meeting is scheduled for February 2. The after hour crisis services line and the continuation of DIVER data will be discussed.

**Local Activity:**

- Terri Wendt and Karen Thekan meet on a quarterly basis with Northpointe physicians and nurse practitioners to touch base and discuss any concerns they may have.

**OLD BUSINESS** – No old business

**NEW BUSINESS** – No new business

**BOARD PREROGATIVE**

- Marylee DeGrave stated her dissatisfaction with Marquette General Hospital (MGH) regarding an individual she transported there for inpatient treatment and that it took two days for MGH to get things in order to admit this individual who needed immediate care. Karen Thekan stated that she will discuss this issue further with Ms DeGrave after today’s meeting for additional information.

**PUBLIC COMMENTS** – No public comments

**ADJOURNMENT**

Chairperson Rather stated the meeting adjourned. Meeting adjourned at 6:10 p.m.

The next regular monthly Board meeting is scheduled for February 18, 2010, in **Kingsford, Michigan beginning at 4:00 p.m.**

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Karen Raether, Chairperson

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Peggy Connors, Secretary

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Mary Wendt, Board Secretary