

**NORTHPOINTE HEALTHCARE SYSTEMS BOARD OF DIRECTORS**

**Regular Monthly Meeting**

**MINUTES**

**715 Pyle Drive; Kingsford, Michigan**

**November 17, 2011 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.

<b><u>MEMBERS</u></b>	<b><u>Present</u></b>	<b><u>Excused</u></b> <b><u>Absent</u></b>	<b><u>Absent</u></b>	<b><u>MEMBERS</u></b>	<b><u>Present</u></b>	<b><u>Excused</u></b> <b><u>Absent</u></b>	<b><u>Absent</u></b>
Connors, Peggy	X			Luhtanen, Joan	X		
DeDie, William	X			Martin, Ann	X		
DeGrave, Marylee	X			Negro, Mari		X	
Erickson, Peggy	X			Raether, Karen	X		
Hofer, Millie	X			Plumley, Robert	X		
Lang, Bernie	X			Spence, Christine		X	

**REPRESENTING ADMINISTRATION:** K. Thekan, B. Adrian, T. Wendt, 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:** Karen Raether stated the agenda would be amended as the Board presentation by Alan Bolter was rescheduled to January 2012 and Jill Doll would be presenting on jail diversion.

**ACTION:** Moved to approve the amended agenda as stated above.

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

**APPROVAL OF THE MINUTES:**

Karen Raether stated that the October 27, 2011 Board of Director minutes would be corrected as follows: A motion was made by M. Negro, supported by P. Connors to approve the Board Policies with the stated changes. There were no other additions or corrections to the minutes from the Regular Board of Directors meeting on October 27, 2011.

**ACTION:** A motion was made to dispense with reading the minutes from the October 27, 2011 Regular Board of Directors meeting and approve as corrected stated above.

**Motion by:** M. DeGrave; supported by P. Connors. **Motion carried; 9 ayes; 1 abstain-A. Martin.**

**PRESENTATION:** Jill Doll-Jail Diversion

Karen Thekan introduced Jill Doll, Dickinson County Site Director, and stated that Ms. Doll is also the regional representative on the NorthCare level for jail diversion. Ms. Doll stated that jail diversion has been around since 2002 and work has been done over the years in developing the jail diversion process. Ms. Doll reviewed the general purpose and the pre/post-booking procedures for jail diversion. Miscellaneous questions were addressed by Ms. Doll.

**CEO REPORT**

Karen Thekan stated that her November 2011 CEO report was in Board packets; she provided the following updates and highlights:

**Federal/State Activity:**

- Northpointe took an \$80,831.00 reduction in General Fund (GF) which was the largest cut of the U.P. Community Mental Health (CMH) agencies. Directions on how to report the GF reduction to the State have not yet been received.
- There are two models that the State of Michigan is looking at in terms of preparing for healthcare reform and the integration of behavioral healthcare and primary care. Ms. Thekan has attended one workshop, "The Pennsylvania Model", and will be attending the second workshop "The Missouri Model" in December.
- Bill Slavin, NorthCare Chief Operating Officer, was selected to participate on the State workgroup, "Performance Measurement and Quality Management".

**Regional Activity:**

- The U.P. directors recently met and issues discussed were: GF reductions, the end of year close-out for each U.P. CMH, and the regional finance group will begin discussing reallocating Medicaid to the U.P. CMHs.

**Local Activity:**

- Information was provided on a scenario with Michigan Protection & Advocacy.
- The Lane Street Home, which Northpointe contracts with, is in the process of changing. There are a few consumers who are transitioning out of Lane Street and this home will become a Culture of Gentleness home.
- Northpointe recently received their annual end of year report from the Community Foundation. An Endowment Committee meeting will be scheduled on January 16, 2012 to review this report.

**FINANCE COMMITTEE REPORT** – P. Connors

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

**1. ISSUE:** Review Check Disbursement Report

The check disbursement report in the amount of \$1,238,725.99 was reviewed and recommended for Board approval.

**ACTION:** A motion was made by P. Connors, supported by M. DeGrave to approve the check disbursement report for bills paid in the amount of \$1,238,725.99 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		Negro, Mari		
Erickson, Peggy	X		Raether, Karen	X	
Hofer, Millie	X		Plumley, Robert	X	
Lang, Bernie	X		Spence, Christine		

**Motion carried unanimously.**

**2. ISSUE:** Review Financial Reports – Preliminary Year End September 2011 and October 2011

The committee reviewed the preliminary year end September 2011 financial report.

**ACTION:** Information

The committee reviewed the October 2011 financial report and recommended for Board approval.

**ACTION:** A motion was made by P. Connors, supported by M. Hofer to approve the October 2011 financial report.

**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		Negro, Mari		
Erickson, Peggy	X		Raether, Karen	X	
Hofer, Millie	X		Plumley, Robert	X	
Lang, Bernie	X		Spence, Christine		

**Motion carried unanimously.**

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

The committee reviewed the following contracts and recommended for Board approval.

#	Name of Contract	Purpose of Contract	Date of Contract	Old Rate	New Rate	Change
A.	Michael Meyer	Snow Removal	11/1/11-4/30/12	n/a	\$10/hr	n/a
This is a new contract for a person to assist with snow removal (i.e.: shoveling and snow blowing, etc.) in the Kingsford area on a call in basis.						
B.	Birchwood AFC	Specialized Residential	1/1/12-12/31/12	\$125.80/day	\$122.10/day	Decrease-\$3.70/day
This is a renewal agreement for specialized residential services. NBHS contract for 3 residents at this home. Rates are based on consumer need.						
C.	Catholic Social Services	Outpatient Therapy	11/9/11-5/31/12	\$68.27/session	n/a	n/a
This is a new single case agreement for outpatient therapy services for one consumer.						

D.	Ihander AFC	Specialized Residential	1/1/12-12/31/12	\$122.53/day	\$119.60/day	Decrease-\$2.93/day
This is a renewal agreement for specialized residential services. NBHS contract for 2 residents at this home. Rates are based on consumer need.						
E.	Kutha AFC	Specialized Residential	1/1/12-12/31/12	\$343.15	\$322.89	Decrease-\$20.26/day
This is a renewal agreement for specialized residential services. NBHS contract for 7 residents at this home. Rates are based on consumer need.						
F.	Schlaud AFC	Specialized Residential	1/1/12-12/31/12	\$347.35/day	\$338.77/day	Decrease-\$8.58/day
This is a renewal agreement for specialized residential services. NBHS contract for 6 residents at this home. Rates are based on consumer need.						

**ACTION:** A motion was made by P. Connors, supported by M. Hofer to approve all contracts as noted above.

**ROLL CALL**

<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		Negro, Mari		
Erickson, Peggy	X		Raether, Karen	X	
Hofer, Millie	X		Plumley, Robert	X	
Lang, Bernie	X		Spence, Christine		

**Motion carried unanimously.**

4. Miscellaneous

- The law firm of Nantz, Litowich, Smith & Girard where Northpointe's current attorney, Mr. Steve Girard, was employed has dissolved. Mr. Girard has now joined the law firm of Clark-Hill and this will need Board approval to retain Mr. Girard and the law firm of Clark-Hill as Northpointe's attorney and new law firm. Miscellaneous questions were addressed by Ms. Thekan.

**Action:** A motion was made by M. DeGrave, supported by M. Hofer to approve that Mr. Steve Girard and the law firm of Clark and Hill be retained as Northpointe's attorney and law firm.

**ROLL CALL**

<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		Negro, Mari		
Erickson, Peggy	X		Raether, Karen	X	
Hofer, Millie	X		Plumley, Robert	X	
Lang, Bernie	X		Spence, Christine		

**Motion carried unanimously.**

**PERSONNEL COMMITTEE REPORT** - B. Lang

Mr. Lang highlighted the following from the Personnel Committee meeting that was held on November 17, 2011:

**ISSUE:** Employee Health Insurance

Bernie Lang stated that there was quite a lengthy discussion at the Personnel Committee meeting regarding Northpointe employee health insurance costs. Mr. Lang further stated that Northpointe does not have the option to opt out of the legislative action of the 80/20 health insurance split. At this point in time, Northpointe employees pay 15% of their health insurance cost and if the motion is passed they will be responsible for paying 20%.

**ACTION:** A motion was made by P. Erickson, supported by M. Hofer to approve the recommendation of health insurance rates to be in compliance with the health insurance legislative action of the 80/20 split.

**DISCUSSION:** Joan Luhtanen stated that she does not agree with the 80/20 health insurance split as this will be a big hardship on employees and at this time there is too much vagueness to the 80/20 split. Ms. Luhtanen stated that this issue should be looked at as the year goes on to see if other organizations are falling in line and enforcing the 80/20 split and if there are penalties provided to them if they do not comply with it. Ms. Luhtanen stated that based on principal she is against the above. Karen Thekan stated that Governor Snyder passed the law that all public employees, including authorities, have to contribute 20% towards their health care costs or there are cap amounts that can be an alternative and an organization can then opt out of the 80/20 split if they fall under the cap amount.

Northpointe does not fall under the cap amount so there is no choice for Northpointe but to comply with the 80/20 split. Ms. Thekan stated that since Northpointe is self-funded and if the legislative law changes in a few months regarding the 80/20 split this issue can be revisited. Discussion ensued and miscellaneous questions were addressed by Ms. Thekan.

**ROLL CALL**

<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		Negro, Mari		
Erickson, Peggy	X		Raether, Karen	X	
Hofer, Millie	X		Plumley, Robert	X	
Lang, Bernie		X	Spence, Christine		

**Motion carried: 8 ayes; 2 nays.**

2. **ISSUE:** Replacing Longevity with Other Option for Staff at Top of Pay Scale

Bernie Lang stated that it was noted that over 50% of staff who received a longevity payment are at the top of their pay scale. Millie Hofer stated that she feels that for an employee to be at the top of their pay scale, receive their evaluation, and have no financial incentive is depressing. Ms. Hofer stated that by loosening the top of the pay scale or providing some type of financial reward will promote incentive for work performance. Ms. Hofer stated that a performance increase can be used as a payment benefit for performance and does not need to be put on the pay scale to make an individual's salary look high. Discussion ensued.

**ACTION:** This issue is an ongoing discussion at future Personnel Committee meetings.

**CHAIRPERSONS REPORT** - K. Raether

- A Northpointe Board holiday get-together will be held after the December 15 Board meeting.

**OLD BUSINESS**

- Approve Northpointe By-Laws

Karen Raether stated that the Northpointe By-Laws were reviewed, changes made to them at the October Board meeting, and are now ready for Board approval.

**ACTION:** A motion was made by P. Connors, supported by M. DeGrave to approve the Northpointe By-Laws.

**NEW BUSINESS** - No new business

**BOARD PREROGATIVE/AMBASSADOR MOMENT**

- Bernie Lang and Peggy Connors each provided information on how they promoted/supported/advocated for community mental health.

**PUBLIC COMMENTS** – No public comments

**ADJOURNMENT**

Chairperson Raether stated the meeting adjourned. Meeting adjourned at 5:18 p.m.

The next regular monthly Board meeting is scheduled for December 15, 2011 in Kingsford, Michigan 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