

**NORTHPOINTE HEALTHCARE SYSTEMS BOARD OF DIRECTORS**

**Regular Meeting**

**MINUTES**

**715 Pyle Drive, Kingsford, MI**

**February 26, 2015 - 4:00 p.m.**

**CALL TO ORDER/ROLL CALL:**

Karen Rather, 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			Martin, Ann	X		
DeDie, William		X		Negro, Mari	X		
Dehn, Janet		X		Nelson, John	X		
Freeman, Peggy	X			Raether, Karen	X		
Hofer, Millie	X(4:05 pm)			Spence, Christine	X (phone)		
Luhtanen, Joan	X			Zevitz, Michael, Dr.	X		

**REPRESENTING ADMINISTRATION:** K. Thekan, B. Adrian, 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:** A. Martin, supported by P. Connors to approve the agenda. **Motion carried unanimously**

**APPROVAL OF PREVIOUS BOARD MEETING MINUTES**

There were no additions to the February 12, 2015 Board meeting minutes.

**ACTION:** Moved to approve the February 12, 2015 Board meeting minutes as presented.

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

**PRESENTATION** - No presentation

**ACTION ITEMS**

• **Finance**

- a) Check Disbursement Report-Period ending February 5, 2015

**ACTION:** A motion was made by M. Negro, supported by J. Nelson to approve the check disbursement report period ending February 5, 2015. No discussion.

**ROLL CALL VOTE:**

MEMBERS	YES	NO	MEMBERS	YES	NO
Connors, Peggy	X		Martin, Ann	X	
DeDie, William			Negro, Mari	X	
Dehn, Janet			Nelson, John	X	
Freeman, Peggy	X		Raether, Karen	X	
Hofer, Millie			Spence, Christine	X	
Luhtanen, Joan	X		Zevitz, Michael, Dr.	X	

**Motion carried unanimously.**

M. Hofer - present at 4:05 p.m.

b) Contract-February 12, 2015

#	Name of Contract	Contract Type	Date of Contract	Old Rate	New Rate	Change
A.	Self Determination Contract	Self Determination	3/3/15-3/2/16	\$53,330.08	\$53,450.08	\$120.00

This increase is due to a change in the cost of the Fiscal Intermediary from \$180/month to \$190/month.

**ACTION:** A motion was made by P. Connors, supported by J. Luhtanen to approve the above contract. No discussion.

**ROLL CALL VOTE:**

MEMBERS	YES	NO	MEMBERS	YES	NO
Connors, Peggy	X		Martin, Ann	X	
DeDie, William			Negro, Mari	X	
Dehn, Janet			Nelson, John	X	
Freeman, Peggy	X		Raether, Karen	X	
Hofer, Millie	X		Spence, Christine	X	
Luhtanen, Joan	X		Zevitz, Michael, Dr.	X	

**Motion carried unanimously.**

- Northpointe Annual Submission to Michigan Department of Community Health (MDCH)

**ACTION:** A motion was made by P. Connors, supported by J. Luhtanen to approve the Northpointe Annual Submission to MDCH. No discussion. **Motion carried unanimously.**

Karen Thekan conducted New Business as follows:

**NEW BUSINESS (Discussion only)**

- **Finance**

- a) Check Disbursement Report-through February 19, 2015

Karen Thekan asked if there were any questions regarding the check disbursement report. Bill Adrian reviewed the following item in the check disbursement report: UMR-Health & Dental Expenses: \$131,860.97 which is below projected monthly costs. Consensus of the Board is that this item will move forward to the next meeting for approval.

- b) January 2015 Financial Report

Karen Thekan stated that as of January 2015 there is \$231,366.09 of revenue over expense. Ms. Thekan asked if there were any questions regarding the January 2015 financial report. Ms. Thekan stated that Northpointe is looking fairly well for the 1st quarter regarding General Fund (GF). Miscellaneous questions were addressed by Ms. Thekan. Consensus of the Board is that this item will move forward to the next meeting for approval.

- **Personnel**

- a) Annual Review of Step wage Scales-Wage Scales Policy

Karen Thekan stated that the Wage Scales Policy states that annually the Board will review wage scales and last year this was not done due to the GF reduction. Ms. Thekan further stated that this may be a good task for an Ad Hoc Committee to begin reviewing this issue and bring back a recommendation to the Board. John Nelson stated that forming an Ad Hoc Committee is the way to go. Discussion ensued and an Ad Hoc Committee was formed consisting of Peggy Freeman, Millie Hofer, and John Nelson. Ms. Thekan stated that Terri Wendt can be a resource to this group. Miscellaneous questions were addressed by Ms. Thekan.

- **CEO-Search/Measurable Outcome Goals/Contract**

Karen Thekan stated that this above issue has changed due to her recent resignation. At a previous meeting it was discussed to have Ms. Thekan present measurable outcome goals and review her contract. Even though she tendered her resignation she did work on some goals which were provided for review. Ms. Thekan stated that she knew she was not going to renew her contract when it expired in November 2015 but since a job opportunity presented itself to her at this time her resignation came sooner than what she had personally planned. Ms. Thekan also stated at this point in time the measureable outcome goals she provided can be kept to review at a later time to maybe use in the hiring process of a new CEO. Ms. Thekan stated that for tonight's discussion a conversation needs to take place on how the Board would like to proceed; should there be a search committee or another Ad Hoc Committee formed to being the process of hiring a CEO. Ms. Thekan stated that conversations

should also include should the CEO position be a clinical or financial position. Discussion ensued and the Ad Hoc Committee that was formed for reviewing wage scales will be also be the same committee to hire a CEO and will now include Joan Luhtanen. Ms. Thekan stated that an interim CEO will need to be appointed until a new CEO is hired and this will need Board action which can be done at the next Board meeting. Miscellaneous questions were addressed by Ms. Thekan.

**ACTION:** A motion was made by A. Martin, supported by M. Negro to appoint an Ad Hoc Committee consisting of John Nelson, Millie Hofer, Peggy Freeman, and Joan Luhtanen to consider both the Wage Scales Policy and CEO search for Northpointe. **Motion carried unanimously.**

Karen Raether, Chairperson, assumed the Chairperson position

### **MISCELLANEOUS BOARD/COMMITTEE REPORTS**

No reports. Mari Negro asked why there was not a NorthCare report. Karen Thekan stated the minutes from the January 14, 2015 NorthCare meeting were provided to the Board at their last meeting and it was thought with the new Board meeting format that the minutes from the NorthCare meeting would be the report. Discussion ensued and consensus is that the minutes from the NorthCare meeting will be the meeting report and placed on file. Mari Negro stated that if anyone does have questions that they would like to discuss from a board/committee report they can do so. Ms. Negro asked if everyone on the Board was receiving the NorthCare Board meeting packets as she was previously e-mailing this information to the Board but stopped when Ms. Thekan also was e-mailing this information out. Ms. Thekan stated that now with her leaving she will ask that this information be provided to Mary Wendt who will forward the information to the full Board.

**PUBLIC COMMENTS** - No public comments

### **BOARD COMMENT**

- Peggy Connors stated that she would like the following in the Board minutes: "It is with mixed emotion that I am resigning from the Northpointe Board. I feel I have been an effective Board member, maintained professionalism for all of the many changes and transitions over the past 16 years, but in recent months I have questioned the direction some of the Board members choose to take and feel we have stepped away from our primary goal of a policy making Board. I can't say for certain, but expect that perhaps the decision of our CEO to resign may be the added stress that has been put on her and the staff that may have led to her decision. I applaud the Board on many occasions for digging a little deeper with positive results, but I also question the reasoning behind them, when directives are handed down from State and county government and not locally, frustrating as that can be. In my tenure, we have had three directors and in my view, Karen has gone beyond all of our expectations as a leader coming from a clinical background and I can only hope a suitable replacement can be found. My hope is that the Board will step away from being a pulpit for personal viewpoints which hinders the business at hand from being done. I want to remind everyone that we can't and shouldn't be controlled by a collective group which is not only unethical but also violates the Open Meetings Act and I even still question the validity of these round robin emails. I want to thank you for the opportunity to serve and especially thank the hard working staff and Karen for the many years of service. I have enjoyed the relationship I have had with Board members past and present."
- Karen Raether stated that she would like to direct the following comments to the Northpointe Board members, Karen Thekan and Administrative and all other staff who are present tonight: "Several years ago I realized I had become entirely too busy and needed more personal time. When I became chairperson of NorthCare, as well as Northpointe and Great Lakes, it became even more evident. Since my term of appointment to Northpointe expires this year, I had decided long ago to retire after 35 years of service. I had always said that I would retire when I was still physically and mentally healthy and would do so on my own terms. I would like to thank all of you on the Board who have supported me. Thank you also to Karen Thekan, Mary, Bill, Terri, Lisa and other administrative staff who were so helpful, courteous, and kind. I appreciate not only your support and helpfulness but your friendship. Northpointe is so fortunate to have all of you. I have enjoyed my years on the Board and feel I have contributed to improving the lives of our consumers. I have several concerns I would like to share: 1) I have studied our current Board meeting schedule now that we have had some experience with it. It appears to me it is not necessary to have 2 Board meetings a month. That has nearly doubled our Board cost and is using some GF dollars which would be better used in other areas. The word from Lansing is that GF money is drying up. I see no reason why the business can't be conducted in 1 meeting a month even without committee meetings. Two meetings a month seems to me a waste of time and money; 2) The Board seems to be more concerned with how we function than how we can make life better for our consumers. The Board needs to make consumers our

#1 priority again; 3) It has become evident in the past few years that there is a poor relationship between some Board members. It is so important that the Board work in a cohesive and cooperative manner. I hope this will happen in the future; and 4) This Board has not been kind to our faithful and hardworking staff. We depend on them to provide care for our consumers in whatever position they are in. They deserve recognition for their work as well as regular raises as the money is available. Our staff are deserving of a raise and we have had some excess Medicaid money which would cover most of that cost. Yet we have sent thousands of dollars back to Marquette rather than using it for our local employees. My question is why? I hope you will accept my concerns in the spirit they are being given. I want Northpointe to succeed and for the Board members to once again come together as a team and deal rationally and intelligently with the business at hand. I wish you all well in the future. If I can be helpful to Northpointe and the mental health cause in the community, I will not hesitate to do whatever I can. Thank you".

- Ann Martin stated that it is sobering to be losing so much experience and knowledge. Ms. Martin further stated that it has been a very sobering meeting for her to think that Karen Raether, Peggy Connors, and Karen Thekan will all be leaving and was very sorry to hear this.

A. Martin excused at 4:46 p.m.

- Peggy Freeman stated that she would like to echo what Ann Martin stated above. Ms. Freeman stated that she feels incredibly sad and wanted to wish everyone well in their future endeavors. Ms. Freeman thanked everyone from the bottom of her heart for all of their help and expertise and most importantly for their friendship over the years. Ms. Freeman stated that she came onto the Board not really knowing very much about mental health and knew that she wanted to give back to the community. She has been so blessed to know all of the Board members and work with them over the years. Ms. Freeman stated she will personally miss everyone tremendously and huge void will be left on the Board with their leaving. Also, a huge legacy will be left that the Board will need to aspire to carry on into the future with decisions.
- Mari Negro stated that she would also like to say thank you to everyone as well. Ms. Negro further stated that she is stunned and never saw any of this coming.
- Millie Hofer stated that she would also like to say thank you and just because there sometimes was a difference of opinion does not mean that there wasn't respect. Ms. Hofer further wished everyone well.

### **ADJOURN**

Karen Raether, Chairperson, stated the meeting adjourned. Meeting adjourned at 4:49 p.m.

The next regular Board meeting is scheduled for **March 12, 2015 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