

NORTHPOINTE HEALTHCARE SYSTEMS BOARD OF DIRECTORS

Regular Monthly Meeting

MINUTES

715 Pyle Drive, Kingsford, MI

July 19, 2012 - 4:00 p.m.

CALL TO ORDER/ROLL CALL:

Karen Raether, Board Chairperson, called the meeting to order at 4:00p.m. Ms. Raether introduced new Board member, Dr. Michael Zevitz, to the Northpointe Board with introductions then made by Board members. 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(vtc)			Luhtanen, Joan	*X(vtc)		
DeDie, William	X			Martin, Ann	X		
DeGrave, Marylee	X			Negro, Mari	X		
Erickson, Peggy	X			Raether, Karen	X		
Hofer, Millie		X		Spence, Christine	X		
Lang, Bernie	X			Zevitz, Michael, Dr.	X		

*(VTC-Video Television Conference from the Northpointe Iron River Office)

REPRESENTING ADMINISTRATION: B. Adrian, K. Thekan, T. Wendt, J. Pelc, 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: M. DeGrave; supported by C. Spence. **Motion carried unanimously**

APPROVAL OF THE MINUTES:

There were no additions or corrections to the minutes from the Regular Board of Directors meeting on June 21, 2012.

ACTION: A motion was made to dispense with reading the minutes from the June 21, 2012 Regular Board of Directors meeting and approve as written.

Motion by: B. Lang; supported by C. Spence. **Motion carried unanimously.**

PRESENTATION: No presentation

CEO REPORT

Karen Thekan stated that her July 2012 CEO Report was in Board packets; she provided the following updates and highlights:

Federal/State Activity:

- The Supreme Court upheld the Affordable Care Act and the State of Michigan is moving forward with the Medicaid expansion piece. An issue that is still “up in the air” is the health insurance exchange piece and there is debate at the State level whether this will move forward or not. As of July 1 the State of Michigan implemented incentive payments for providing services to children who are part of the Department of Health Services, children in foster care, and children in Child Protective Services (CPS). There will be an increase in money for this population of children and Northpointe serves approximately 50 children in foster care and CPS. The bulk of these children are from Dickinson County and a posting for another home-based position (a master level social worker) was done for Dickinson County to add to the home-based team as typically these children have a higher, intense level of service. The added incentive dollars will help finance this position as these children have Medicaid.
- The Leadership/Visioning workgroup will meet on July 20 and the focus has been on the new governance structure of the regional entities. The Poleski Bills started as a focus of consolidating the substance abuse coordinating agencies with the community mental health agencies. The Michigan Association of Counties has now recommended language to look at the governance structure of the regional entities so these bills have expanded. There has not been much further information on the Dual Eligibles Plan and the only item shared was that the Center for Medicare/Medicaid at the Federal level did not like the Care Bridge.

Regional Activity:

- Dr. Joe Cools, Medical Director for Pathways/NorthCare, has taken a 2 month leave of absence and a new medical director is being looked at to hire.
- A new regional work group is being formed to look at residential needs. Luanne Guiliani, Northpointe Contract Manager, will be the Northpointe representative on this work group.

Local Activity:

- Bill Reid, Northpointe Prevention Coordinator, will be retiring on September 30. Mr. Reid has worked for Northpointe for 24 years and his position will not be replaced. The Prevention Coordinator position was funded 100% by General Fund (GF) dollars. At the end of September a luncheon will be held for Mr. Reid.
- The Recipient Rights audit was recently conducted. This audit is conducted by the State every 3 years to certify the Recipient Rights Department. Northpointe received a score of 268.5 out 277 and was in substantial compliance.

PERSONNEL COMMITTEE REPORT- P. Erickson

Ms. Erickson highlighted the following from the Personnel Committee meeting minutes:

1. **ISSUE:** Top of Pay Scale Proposal

Ms. Erickson stated the Personnel Committee reviewed the top of the pay scale proposal as follows: full-time salary individuals at the top of the pay scale will receive a \$1,000 bonus and all eligible hourly staff will receive 2% of their wages earned during the previous 26 pay periods provided that both salary and hourly staff achieve a performance rating of 80% or higher. Ms. Erickson further stated that at the time of this proposal there were 8 salary staff at the top of the pay scale for a total of \$8,000 and 6 hourly staff for a total of \$3,000 which equals a total cost of approximately \$11,000. Ms. Erickson stated that the Personnel Committee thought this would be a good recognition for staff performing at a high level but are maxed out at the top of their pay scale.

ACTION: A motion was made by P. Erickson, supported by C. Spence to approve a \$1,000 payment for salary staff and 2% of wages for hourly staff at the top of the pay scale effective July 29, 2012.

DISCUSSION: Karen Thekan stated that salary staff are a mix of either GF dollars or Medicaid dollars depending on their position. Mari Negro asked why this is being done in the form of a bonus rather than pay raise. Ms. Thekan stated that this is being done as a performance payment which will be based on a staff's performance review at the time of the annual review and will be given as a lump sum but not put into a staff's base pay. Ms. Thekan stated that this proposal is for staff at the top of the pay scale and pay scales will be looked at as a separate item. When the pay scales are looked and, maybe adjusted, a staff would not receive the above. Ann Martin stated that she felt this was a conservative proposal that recognizes staff, in some concrete way, without adjusting the base pay scale. Discussion ensued and miscellaneous questions were addressed by Ms. Thekan.

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		X
Erickson, Peggy	X		Raether, Karen	X	
Hofer, Millie			Spence, Christine	X	
Lang, Bernie	X		Zevitz, Michael, Dr.		X

Motion carried: 9 ayes; 2 nays.

2. **ISSUE:** Clinical Staff Salary

Ms. Erickson stated that the Personnel Committee reviewed the clinical staff salary pay scale for Master Level Social Workers (MSW). Northpointe has been having a difficult time recruiting for MSW positions, especially in the Menominee office. Ms. Erickson further stated that it is being proposed to change the MSW/behavioral psychologist/occupational therapy pay scale range effective July 29, 2012 from a base of \$38,168 to a base of \$43,000 and a top of the pay scale range from \$51,771 to \$58,000. It is also being proposed to change the ACT Team Leader position from a base of \$45,110 to \$49,942 and a top of the pay scale range from \$58,771 to \$64,942. Ms. Erickson stated that the MSW positions at the VA Hospital, the school systems, and Marinette County are an outlier on the wage scale as they are much higher than other social workers in the communities. There are 8 staff below base and to move them to the new base rate would amount to approximately an expenditure of \$30,000 of which approximately 70% would come from Medicaid funds and 30% from GF. The last pay scale adjustment for the above job category was in 2008. Ms. Erickson stated that it is felt this will help with recruitment and will bring the pay scale to what the market is bearing other than the VA Hospital, schools, and Marinette County. At some point in the future it hopefully will be considered for base pay scales to be tied into some index to keep up with the market.

ACTION: A motion was made by M. DeGrave, supported by C. Spence to approve the pay scale for the MSW/behavioral psychologist/occupational therapist to the range of \$43,000 to \$58,000 and the ACT Team leader to the range of \$49,942 to \$64,942 effective July 29,2012.

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		X
Erickson, Peggy	X		Raether, Karen	X	
Hofer, Millie			Spence, Christine	X	
Lang, Bernie	X		Zevitz, Michael, Dr.	X	

Motion carried: 10 ayes; 1 nay.

3. Miscellaneous

- Ms. Erickson stated that Karen Thekan’s annual CEO evaluation will need to be returned by August 8 to Mary Wendt.
- A Personnel Committee meeting will be scheduled in September.
- Mari Negro asked if the same information that Personnel Committee members receive is also sent to the other Board members not on the committee. Karen Thekan stated that every Board member receives the same information. Ms. Negro stated then that Personnel Committee members’ decisions are based on what is given to them but feels that not being part of the Personnel Committee and not privy to their conversations makes it difficult for her to make decisions as she does not receive all the information that is being asked at one time. Karen Raether stated that Board members need to trust the committee structure.

RECIPIENT RIGHTS ADVISORY COMMITTEE REPORT- M. DeGrave

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

- Recipient Rights Committee members met with Angie O’Dowd, the State Recipient Rights auditor.
- Loren Veaser asked if there was a limit on how many missed meetings a committee member could have before they were contacted. Mary Wendt will review the by-laws regarding how many meetings can be missed by a committee member.
- The Recipient Rights Office operating budget was reviewed.
- The Recipient Rights quarterly report was reviewed.
- An Appeals and Rights Advisory trainings will be held for committee members on August 30.

FINANCE COMMITTEE REPORT- C. Spence

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

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

The check disbursement report in the amount of \$1,393,917.28 was reviewed and recommended for Board approval.

ACTION: A motion was made by C. Spence, supported by to approve the check disbursement report for bills paid in the amount of \$1,393,917.28as presented. Miscellaneous questions were addressed by Karen Thekan.

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	X	
Erickson, Peggy	X		Raether, Karen	X	
Hofer, Millie			Spence, Christine	X	
Lang, Bernie	X		Zevitz, Michael, Dr.	X	

Motion carried unanimously.

2.ISSUE: Review Financial Report – June2012

The committee reviewed the June 2012 financial report and recommended for Board approval.

ACTION: A motion was made by C. Spence, supported by M. Negroto approve the June2012 financial report. Miscellaneous questions were addressed by Bill Adrian and Karen Thekan.

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	X	
Erickson, Peggy	X		Raether, Karen	X	
Hofer, Millie			Spence, Christine	X	
Lang, Bernie	X		Zevitz, Michael, Dr.	X	

Motion carried unanimously.

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

#	Name of Contract	Purpose of Contract	Date of Contract	Old Rate	New Rate	Change
A.	Birchwood AFC	Specialized Residential	6/21/12 - 12/31/12	n/a	\$60/day	n/a
This is an addendum to the current contract for the addition of one additional person. This person left 7/3/12.						
B.	NorthCare Network	PIHP Master Contract	10/1/11 - 9/30/12			
Renewal with NorthCare for Medicaid funds.						
C.	SDI Consumer	Self-Determination Supports	6/1/12 – 7/31/12	\$14,220/yr.	\$21,288/yr.	Inc. of \$7,068
This is a budget agreement with one consumer who employs staff through a fiscal intermediary.						
D.	Stuart Wilson	Fiscal Intermediary	7/1/12 – 6/30/13	\$135/mo.if they employ staff. \$35/mo. if no staff		
This is a renewal agreement for Stuart T. Wilson, CPA, PC to preform fiscal intermediary services for our consumers. Currently we have two consumers that have chosen his firm.						
E.	Newlin AFC	Specialized residential	8/18/12 – 8/17/13	\$236.60/day	\$233.04/day	Decrease of \$3.56/day
This is a renewal agreement for residential services for 4 residents. The daily amount represents the total for the 4 residents.						
F.	Whispering Pines South AFC	Specialized residential	8/1/12 – 7/31/13	\$129.05	\$129.05	n/a
This is a renewal agreement for residential services for 6 residents.						
G.	Whispering Pines South AFC	Lease agreement	8/1/12 – 7/31/13	\$850.00	\$850.00	n/a
WPS rents the Carney home from NBHS for the 6 residents.						

ACTION: A motion was made by C. Spence, supported by M. DeGraveto approve contracts A, B, C, E, and G as noted above, table Contract D, and vote separately on Contract F.

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	X	

Erickson, Peggy	X	Raether, Karen	X
Hofer, Millie		Spence, Christine	X
Lang, Bernie	X	Zevitz, Michael, Dr.	X

Motion carried unanimously.

ACTION: A motion was made by C. Spence, supported by B. Lang to approve contract F 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		X
Erickson, Peggy	X		Raether, Karen	X	
Hofer, Millie			Spence, Christine	X	
Lang, Bernie	X		Zevitz, Michael, Dr.	X	

Motion carried: 10 ayes; 1 nay.

4. Miscellaneous

- Request for Proposals (RFPs)

RFPs were done to look at refinancing both the Iron River Boyington Home and the Menominee office.

The RFPs were reviewed and the amount owed for both of these properties is approximately \$750,000.

The consensus of the Finance Committee was for Bill Adrian to contact each RFP for updated rates.

Mr. Adrian stated that he did contact each RFP and they are as follows: The First National came back at 3.2 for 5 years, a 20 year amortization, and no extra costs; Range came back at 3.14 for 5 years, a 20 year amortization, and \$925 documentation costs and title insurance; and Citizens provided the same information as previously submitted. Discussion ensued and miscellaneous questions were addressed by Mr. Adrian.

ACTION: A motion was made by C. Spence, supported by M. Negro to approve to refinance the loan with First National.

ROLL CALL

<u>MEMBERS</u>	<u>YES</u>	<u>NO</u>	<u>MEMBERS</u>	<u>YES</u>	<u>NO</u>
Connors, Peggy- ABSTAIN			Luhtanen, Joan	X	
DeDie, William	X		Martin, Ann	X	
DeGrave, Marylee	X		Negro, Mari	X	
Erickson, Peggy	X		Raether, Karen	X	
Hofer, Millie			Spence, Christine	X	
Lang, Bernie	X		Zevitz, Michael, Dr.	X	

Motion carried: 10 ayes; 1 abstain.

- There was no additional information regarding the issue of Board per diems to provide at this time

CHAIRPERSONS REPORT - K. Raether

- The NorthCare Advisory Committee met on June 25 and Ms. Raether highlighted the following from the meeting: the NorthCare payroll and percent allocations to staff was discussed; an update from Mike Vizenawas reviewed; a letter drafted from NorthCare to Lynda Zeller regarding that the NorthCare Advisory Committee being in favor of the U.P. remaining as a region was reviewed; and the NorthCare by-laws were discussed and will remain as is for now. Ms. Raether stated that three individuals can represent Northpointe on the NorthCare Advisory Committee and asked if there was another Board member that would like to be on this committee with herself and Mari Negro. The next NorthCare Advisory Committee meeting is scheduled for July 30 and Ms. Raether stated that a Board member can join the committee at any time. Discussion ensued and miscellaneous questions were addressed by Ms. Raether and Karen Thekan.
- Ms. Raether was in attendance at the July 11 Recipient Rights Advisory Committee meeting when the committee met with the Recipient Rights State auditor and also attended the July 16 Board orientation for Dr. Zevitz. Ms. Raether stated that Dr. Zevitz will be a member on the Board Planning Committee.
- An updated Board roster and updated Board committee roster was provided to Board members for their information.
- The Great Lakes Fall conference will be held at the Kewadin Casino in Sault St. Marie from September 9-11.

UNFINISHED BUSINESS– No unfinished business

NEW BUSINESS- No new business

BOARD PREROGATIVE/AMBASSADOR MOMENT

- Karen Raether shared information on how successful an individual has done under Dr. Razdan's excellent care.

PUBLIC COMMENTS

- Bill DeDie stated that the NAMI picnic is scheduled for July 26 at Runkle Lake in Crystal Falls and everyone is invited to attend this event.

ADJOURNMENT

Chairperson Raether stated the meeting adjourned. Meeting adjourned at 5:26 p.m.

The next regular monthly Board meeting is scheduled for August 23, 2012 in Kingsford, Michigan at 4:00 p.m.

Karen Raether, Chairperson

Peggy Connors, Secretary

Mary Wendt, Board Secretary