

NORTHPOINTE HEALTHCARE SYSTEMS BOARD OF DIRECTORS

Regular Monthly Meeting

MINUTES

Oak Crest Golf Course - 1478 US 8 - Norway, Michigan

August 17, 2007 - 2:00 p.m.

CALL TO ORDER/ROLL CALL:

Karen Raether, Chairperson, called the meeting to order at 2:00 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>
Babladelis, Ann		X		Luhtanen, Joan	X		
Benson, Lloyd	X			Martin, Ann	X		
Berger, Floyd		X		Pomeroy, Judy	X		
Connors, Peggy	X			Raether, Karen	X		
DeDie, William	X			Plumley, Robert	X		
Hofer, Millie	X			Spence, Christine	X		

REPRESENTING ADMINISTRATION: K. Thekan, B. Adrian, T. Wendt, J. Pelc, 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: L. Benson; supported by P. Connors. **Motion carried unanimously.**

APPROVAL OF THE MINUTES:

There were no additions or corrections to the minutes from the Regular Board of Directors meeting on July 19, 2007.

ACTION: A motion was made to dispense with reading the minutes from the July 19, 2007 Regular Board of Directors meeting and approve as written.

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

PRESENTATION: No presentation as the Board Planning meeting was held before the Board meeting.

FINANCE COMMITTEE REPORT - L. Benson

Mr. Benson highlighted the following from the Finance Committee Meeting Minutes:

1. **ISSUE:** Bills and Payroll

Bills and payroll in the amount \$1,168,765.14 were reviewed, discussed, and recommended for approval.

ACTION: A motion was made by L. Benson, supported by P. Connors to approve bills as presented.

ROLL CALL VOTE:

<u>MEMBERS</u>	<u>YES</u>	<u>NO</u>	<u>MEMBERS</u>	<u>YES</u>	<u>NO</u>
Babladelis, Anastasia			Luhtanen, Joan	X	
Benson, Lloyd	X		Martin, Ann	X	
Berger, Floyd			Pomeroy, Judy	X	
Connors, Peggy	X		Raether, Karen	X	
DeDie, William	X		Plumley, Robert	X	
Hofer, Millie	X		Spence, Christine	X	

Motion carried unanimously.

2. **ISSUE:** Financial Statement – July 2007

The committee reviewed July 2007 financial statement and recommended for approval.

ACTION: A motion was made by L. Benson, supported by J. Luhtanen to approve financial statement ending July 2007 as presented.

ROLL CALL VOTE:

<u>MEMBERS</u>	<u>YES</u>	<u>NO</u>	<u>MEMBERS</u>	<u>YES</u>	<u>NO</u>
Babladelis, Anastasia			Luhtanen, Joan	X	
Benson, Lloyd	X		Martin, Ann	X	
Berger, Floyd			Pomeroy, Judy	X	
Connors, Peggy	X		Raether, Karen	X	
DeDie, William	X		Plumley, Robert	X	
Hofer, Millie	X		Spence, Christine	X	

Motion carried unanimously.

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

The following contract(s)/agreement(s) were reviewed and recommend for renewal/approval:

- a) Kutha AFC - This is an addendum to the agreement for one person moving from a NBHS home to Kutha's. The rate will be \$55.16/day for personal care and community living supports.
- b) Anderson, Tackman and Co. - This is a new agreement for fiscal intermediary services for one Self Determination consumer. The rate is \$150.00 per month.
- c) Menominee Probate Court - This is a new agreement for Wraparound, Diversion and Screenings in Menominee County. The cost is \$36,000 per year.
- d) Dr. Lynn Vice, PsyD - This is a new agreement for counseling services for a young person in the Milwaukee Burn Unit. This is time limited and the rate is \$180.00/hour.

ACTION: A motion was made by L. Benson, supported by J. Pomeroy to approve contracts/agreements a) through d) 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>
Babladelis, Anastasia			Luhtanen, Joan	X	
Benson, Lloyd	X		Martin, Ann	X	
Berger, Floyd			Pomeroy, Judy	X	
Connors, Peggy	X		Raether, Karen	X	
DeDie, William	X		Plumley, Robert	X	
Hofer, Millie	X		Spence, Christine	X	

Motion carried unanimously.

- e) Mortgage-Boyington Home-Iron River - The previous mortgage on Boyington Home from Wells Fargo was up in June. This is a new 5 year mortgage from Wells Fargo with an increase from 5.05 to 5.25 and a monthly a payment of \$2,050.00.

ACTION: A motion was made by L. Benson, supported by J. Luhtanen to approve for Bill Adrian to sign the new 5 year mortgage at 5.25 through Wells Fargo for Boyington Home.

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>
Babladelis, Anastasia			Luhtanen, Joan	X	
Benson, Lloyd	X		Martin, Ann	X	
Berger, Floyd			Pomeroy, Judy	X	
Connors, Peggy	X		Raether, Karen	X	
DeDie, William	X		Plumley, Robert	X	
Hofer, Millie	X		Spence, Christine	X	

Motion carried unanimously.

- f) Wells Fargo Resolution - Bill Adrian provided that there needs to be Board approval regarding a resolution to sign the above 5 year mortgage from Wells Fargo.

ACTION: A motion was made by L. Benson; supported by P. Connors to approve that Bill Adrian sign a resolution from Wells Fargo for a 5 year mortgage for Boyington Home.

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>
Babladelis, Anastasia			Luhtanen, Joan	X	
Benson, Lloyd	X		Martin, Ann	X	
Berger, Floyd			Pomeroy, Judy	X	
Connors, Peggy	X		Raether, Karen	X	

DeDie, William	X	Plumley, Robert	X
Hofer, Millie	X	Spence, Christine	X

Motion carried unanimously.

g) Resolution: Mr. Adrian requested a Board resolution that would authorize him to sign leases and purchase contracts after Board approval.

ACTION: A motion was made by L. Benson, supported by J. Pomeroy to approve that a resolution be signed that Mr. Adrian is authorized to sign leases and purchase contracts after Board approval.

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>
Babladelis, Anastasia			Luhtanen, Joan	X	
Benson, Lloyd	X		Martin, Ann	X	
Berger, Floyd			Pomeroy, Judy	X	
Connors, Peggy	X		Raether, Karen	X	
DeDie, William	X		Plumley, Robert	X	
Hofer, Millie	X		Spence, Christine	X	

Motion carried unanimously

4. Miscellaneous

- Microsoft Software Assurance (Licensing) Renewal

Josef Pelc reviewed the summary of costs/options for an IS proposal regarding 2007-2010 Microsoft Software Assurance (Licensing) Program Renewal.

ACTION: A motion was made by L. Benson, supported by J. Pomeroy to renew the 2007-2010 Microsoft Software Assurance (Licensing) at a cost of \$37,763.00 over a 3 year period for a total of \$121,039.0.

Miscellaneous questions were addressed by Mr. Pelc.

ROLL CALL VOTE:

<u>MEMBERS</u>	<u>YES</u>	<u>NO</u>	<u>MEMBERS</u>	<u>YES</u>	<u>NO</u>
Babladelis, Anastasia			Luhtanen, Joan	X	
Benson, Lloyd	X		Martin, Ann	X	
Berger, Floyd			Pomeroy, Judy	X	
Connors, Peggy	X		Raether, Karen	X	
DeDie, William	X		Plumley, Robert	X	
Hofer, Millie	X		Spence, Christine	X	

Motion carried unanimously.

- Bill Adrian provided information from a meeting that was recently held with the regional finance directors and CEOs regarding the Internal Service Fund (ISF) fund that NorthCare was proposing. After this meeting, everyone was in agreement as to how the ISF should be funded. As of Friday, August 3, 2007, an e-mail was received from NorthCare which stated that everything that had been agreed to at the meeting with the finance directors and CEOs regarding the ISF was not adhered to by Pathways. Miscellaneous questions were addressed by Mr. Adrian and Karen Thekan.

ACTION: A motion was made by A. Martin, supported by L. Benson that a letter be sent from the Northpointe Board of Directors to NorthCare expressing their displeasure regarding how the decision was made to fund the ISF. A copy of this letter will also be sent to all the U.P. regional CEO's and their board chairpersons. **Motion carried unanimously.**

PERSONNEL COMMITTEE REPORT – J. Luhtanen

Ms. Luhtanen highlighted the following from the Personnel Committee Meeting Minutes:

1. **ISSUE:** Quarterly Reports

Joan Luhtanen provided that quarterly reports were reviewed at the Personnel Committee meeting and highlighted some areas in the reports: Employee Injury/Accidents; Separated Employees; and Wage Increases. **ACTION:** Information

2. **ISSUE:** Longevity Pay

Joan Luhtanen stated that longevity pay was discussed in June as possibly not being paid this year in regards to possible budget cuts and would only be paid out dependent on how Northpointe was doing financially and if funds were available. At the August 13 Personnel Committee meeting, longevity pay for staff was discussed. There are funds available this year for longevity pay and it was recommended that longevity pay be paid to staff this year at an approximate cost of \$62,000.00.

ACTION: A motion was made by J. Luhtanen, supported by L. Benson to approve that staff receive longevity pay for this year.

ROLL CALL VOTE:

<u>MEMBERS</u>	<u>YES</u>	<u>NO</u>	<u>MEMBERS</u>	<u>YES</u>	<u>NO</u>
Babladelis, Anastasia			Luhtanen, Joan	X	
Benson, Lloyd	X		Martin, Ann	X	
Berger, Floyd			Pomeroy, Judy	X	
Connors, Peggy	X		Raether, Karen	X	
DeDie, William	X		Plumley, Robert	X	
Hofer, Millie	X		Spence, Christine	X	

Motion carried unanimously.

3. **ISSUE:** Wage Pass Through

Joan Luhtanen stated that 2% wage pass through money, which the State of Michigan was proposing for direct care staff, has been previously discussed several times over the past year. The 2% wage pass through money has now been approved by the State of Michigan and governor for direct care staff. It is not known though if the wage pass through money will be available for the next fiscal year. At the August 13 personnel committee meeting it was discussed to not only pay Northpointe's direct care staff the 2% increase, but also pay a 2% increase to all Northpointe staff. This will be paid out to all staff as a one time payment for this year that are in active status as of September 29, 2007. Bill Adrian provided that there is money available in this year's fiscal budget to provide the above 2% payment to all staff.

ACTION: A motion was made by J. Luhtanen, supported by L. Benson to approve a 2% wage pass through increase, for this fiscal year only, to all Northpointe staff in active status as of September 29, 2007.

DISCUSSION: Ann Martin stated that she did vote for the above when it was presented at the August 13 Personnel Committee meeting and now regrets voting for it. Ms. Martin further stated that she feels the governor meant for the 2% wage pass through money to be provided only to direct care staff and it now has become an issue that all Northpointe staff will receive this 2% increase. Discussion ensued and questions were addressed by Mr. Adrian, Karen Thekan, and Ms. T. Wendt.

ROLL CALL VOTE:

<u>MEMBERS</u>	<u>YES</u>	<u>NO</u>	<u>MEMBERS</u>	<u>YES</u>	<u>NO</u>
Babladelis, Anastasia			Luhtanen, Joan	X	
Benson, Lloyd	X		Martin, Ann		X
Berger, Floyd			Pomeroy, Judy	X	
Connors, Peggy		X	Raether, Karen	X	
DeDie, William	X		Plumley, Robert	X	
Hofer, Millie		X	Spence, Christine	X	

7 Ayes; 3 Nays; Motion carried.

4. **ISSUE:** Wage Administration Policy

The proposed changes to the Wage Administration Policy were reviewed by Joan Luhtanen: the addition of compensation for after hours emergency work includes the current practice of payment for beeper and preadmission screenings and the recommendation of compensation for back-up supervision. Also discussed was changing longevity pay to be paid at the time of an employee's annual performance review. Consensus of personnel committee members regarding the policy change for longevity pay was to keep longevity pay as it is currently stated in the policy; "on the last pay day in September for all employees having at least 5 years of continuous service on September 1st of each year" will receive longevity pay if funds are available.

ACTION: A motion was made by J. Luhtanen, supported by L. Benson to approve the changes to the Wage Administration Policy with longevity pay kept as is, to be effective October 1, 2007.

ROLL CALL VOTE:

<u>MEMBERS</u>	<u>YES</u>	<u>NO</u>	<u>MEMBERS</u>	<u>YES</u>	<u>NO</u>
Babladelis, Anastasia			Luhtanen, Joan	X	
Benson, Lloyd	X		Martin, Ann	X	
Berger, Floyd			Pomeroy, Judy	X	
Connors, Peggy	X		Raether, Karen	X	
DeDie, William	X		Plumley, Robert	X	
Hofer, Millie	X		Spence, Christine	X	

Motion carried unanimously.

5. **ISSUE:** MERS-Application for Additional Credited Service

Joan Luhtanen stated that Patti Webber, Northpointe’s nurse practitioner, application for additional credit services with the Municipal Employee’s Retirement System of Michigan (MERS) was reviewed at the Personnel Committee meeting. Ms. Luhtanen stated that Ms. Webber will be paying for the extra years.

ACTION: A motion was made by J. Luhtanen, supported by J. Pomeroy to approve the resolution for Ms. Webber’s application for additional credit services with MERS.

ROLL CALL VOTE:

<u>MEMBERS</u>	<u>YES</u>	<u>NO</u>	<u>MEMBERS</u>	<u>YES</u>	<u>NO</u>
Babladelis, Anastasia			Luhtanen, Joan	X	
Benson, Lloyd	X		Martin, Ann	X	
Berger, Floyd			Pomeroy, Judy	X	
Connors, Peggy	X		Raether, Karen	X	
DeDie, William	X		Plumley, Robert	X	
Hofer, Millie	X		Spence, Christine	X	

Motion carried unanimously.

6. **ISSUE:** Boards’ Annual CEO Evaluation

The Boards’ annual CEO evaluation results were reviewed by the Personnel Committee with Karen Thekan. Joan Luhtanen stated that Ms. Thekan received a very high rating and at the September Personnel Committee meeting a new contract will be discussed with Ms. Thekan.

7. Committee Member Prerogative

- A Personnel committee meeting is scheduled for Thursday, September 20 at 3:00 p.m.
- Ann Martin provided that she recently reviewed Northpointe’s efforts on cutting expenses at a Board of Commissioners meeting. However, at the personnel committee meeting Northpointe recommended to approve longevity pay this year for staff and a 2% wage pass through increase for all staff.

PLANNING COMMITTEE REPORT – R. Plumley

Mr. Plumley highlighted the following from the Planning Committee Meeting Minutes:

1. **ISSUE:** NorthCare Site Review and Chart Audit Results

Lisa Dionne provided that NorthCare conducted their site review and chart audit for Northpointe in May. Results from the chart audit were received with results from the site review not yet received. On the chart audit, Northpointe received an overall percentage of 93% accuracy. Northpointe felt that there were quite a few items that NorthCare marked Northpointe down for incorrectly. A plan of correction for the chart review will be submitted to NorthCare and data will also be provided showing that information was in the charts that Northpointe was marked down incorrectly for. The Department of Community Health will be conducting their audit at Northpointe on August 28. Miscellaneous questions were addressed by Ms. Dionne. **ACTION:** Information

2. **ISSUE:** Annual Review of Board Policies and Board By-Laws

Karen Thekan provided that by CARF standards, Board Policies and Board By-Laws, need to be reviewed on an annual basis. Board Policies were reviewed by Planning Committee members and they recommended that Board member per diem and travel reimbursement expenses should be reviewed. Ms. Thekan provided that travel reimbursement expenses is an agency wide policy and would have to first be reviewed at a Finance Committee meeting. Board By-Laws were also reviewed and consensus of Planning Committee members is that they should remain as is and recommended for Board approval. Finance Committee members will review the travel reimbursement expense policy at their September committee meeting. Board Policies will then be further reviewed and recommended for approval at the September Planning Committee meeting.

ACTION: A motion was made by R. Plumley, supported by J. Luhtanen to approve Board By-Laws. **Motion carried unanimously.**

3. **ISSUE:** QI Outcomes Report-3rd Quarter

Lisa Dionne provided that some data for 3rd Quarter QI Outcomes report needed to be verified so this will be tabled until the September Planning Committee meeting.

4. **Miscellaneous**

- Karen Thekan provided that the plans for the Transitional AFC Home that will be built in Norway have now been submitted to the State for approval.
- Karen Thekan provided that the Menominee ACT team will be back up and running by the beginning of September. Staff have been hired and are in the process of being trained. The team will consist of a master level social worker, a part-time nurse who will be a case manager, and a full-time nurse.

- Karen Thekan provided that George Wiedenhoft, Kingsford Site Director, will be retiring from Northpointe on August 31. A staff luncheon will be held for him on August 29 and Board members are welcome to attend his luncheon. Jill Doll, Northpointe's OAS Director, has accepted the position of Kingsford Site Director.
- Northpointe's annual bocce tournament will be held at the City Park in Iron Mountain on Sunday, August 19 at 1:00 p.m. If anyone is interested in being on a bocce team, contact Bill Reid at Northpointe.

CHAIRPERSONS REPORT - K. Raether

- The Fall Great Lakes Rural Mental Health Conference will be held September 10-12 at the Four Seasons.
- The Michigan Association of Community Mental Health Boards Fall conference will be held in Traverse City, Michigan on October 21-23. If any Board member would like to attend this conference, they will need to let Mary Wendt know by the September Board meeting.

CEO REPORT

Ms. Thekan stated that her August 2007 CEO report was in Board packets; she provided the following updates and highlights:

State Activity:

- The state directors' forum meeting will be held on September 24 in Lansing with a separate meeting then held with Patrick Barrie regarding smoothing General Fund dollars.

Regional Activity:

- A copy of NorthCare's quarterly meeting agenda, the Chief Operating Officer's quarterly report, and Dr. Cool's power point presentation on access and eligibility was provided for Board members' information.
- Josef Pelc provided information on the grant for regional health information that Marquette General Hospital received. Mr. Pelc stated that this is part of a national down to a state program of creating a unified information exchange between all health care providers and is just in the beginning stages.

Peggy Connors excused at 3:35 p.m.

OLD BUSINESS - No old business

NEW BUSINESS - No new business

BOARD PREROGATIVE

- Ann Martin stated that since extra funds are available this year, it maybe should be considered to provide a rebate to Dickinson County. Bill Adrian stated that this is not permitted by the state. Mr. Adrian also stated that in the past, Northpointe reduced all three counties match dollars to the lowest level allowed.
- Lloyd Benson stated that the director for the Menominee-Delta Public Health Department is no longer employed there.

PUBLIC COMMENTS - No public comments

ADJOURNMENT

Chairperson Rather stated the meeting adjourned. Meeting adjourned at 3:40 p.m.

The next regular monthly board meeting is scheduled for September 20, 2007 in **Kingsford, Michigan** beginning at 4:00 p.m.

Karen Raether, Chairperson

Ann Babladelis, Secretary

Mary Wendt, Board Secretary