

Minutes
Community Mental Health of Ottawa County – Finance Committee Meeting
CMH Board Room
12265 James Street, Holland, Michigan 49424
Thursday, January 11, 2007

PRESENT: Rita Bird, Mark Bombara, Keith Van Zoeren, Ed Berghorst

ABSENT: Joyce Kortman

STAFF: Gerry Cyranowski, Patricia Genesky, June Hagan

CALL TO ORDER

Keith Van Zoeren, Chairperson, called the January 11, 2007 Finance Committee meeting to order at 12:15 p.m.

MISSION STATEMENT

Mr. Van Zoeren noted the mission statement

APPROVAL OF MINUTES

CMH 06-001 Motion: To approve the minutes of the December 14, 2006 meeting.

Moved by: Bird

Supported by: Berghorst

MOTION CARRIED

APPROVAL OF AGENDA

CMH 06-002 Motion: To approve the agenda of the January 11, 2007 meeting.

Moved by: Bird

Supported by: Berghorst

MOTION CARRIED

Mr. Cyranowski requested that the topic of requests by contract providers to amend the terms of a contract within the contract period be added to the agenda.

REGULAR COMMITTEE BUSINESS:

a. Review of monthly service contracts

CMH 06-003 Motion: To approve the service contracts as presented

Moved by: Bird

Supported by: Bombara

MOTION CARRIED

Mr. Cyranowski noted that both contracts presented are renewals. Regarding the contract with Clubhouse Transportation, he indicated that a six-month contract is being proposed. The purpose of this contract is to work with the vendor to ensure that services are being provided according to the contract and to provide support to the owner, a consumer of mental health services, to manage the business and remain financially solvent. Mr. Van Zoeren expressed concerns about lapse in service if the contract is not renewed. Mr. Cyranowski noted that a back-up plan is in process in the event that the business is not successful. Regular updates will be provided.

b. Review and approval of financial statements

CMH 06-004 Motion: To forward the financial statements as presented to the Board of Directors for approval.

Moved by: Berghorst

Supported by: Bombara

MOTION CARRIED

Ms. Hagan provided general information pertaining to the financial statements and answered questions. She noted that the agency is just below 25% of the annual budget after the first quarter.

Ms. Hagan also provided a report that is regularly presented to the Board of Commissioners quarterly outlining revenue and expenses by department. The Committee asked that this information continue to be provided.

c. Lakeshore Behavioral Health Alliance

Direct Care Worker Wage Increase status report – G. Cyranowski

Mr. Cyranowski indicated that the State failed to appropriate enough funds for the full 2% increase to direct care workers. The amount has been reduced to 1.3%. These funds were distributed to Muskegon on 10/1/06. It has been reported that the full 2% has subsequently been funded, however, the Affiliation has been directed by the State to wait for further instruction before distributing the funds, and no additional funds have been received. Mr. Cyranowski noted that some of these funds have already been passed through to contract providers, but there are still providers who have not yet received any increase.

Review of Financial Worksheets Provided by Muskegon CMH – G. Cyranowski

Mr. Cyranowski reviewed the information provided. He noted a meeting with Muskegon CMH will take place later in the month. They will be looking at all areas to explore ways of reducing expenses and increase efficiencies. The ad hoc committee of both boards has not yet met. Mr. Cyranowski noted that this committee would be an ideal opportunity to open a dialogue to start working toward processes to achieve functional consolidation within the Affiliation.

Muskegon CMH Services Finance Committee Minutes – G. Cyranowski

Mr. Cyranowski noted that the minutes from the Muskegon Finance Committee will be provided regularly for the Committee's information.

d. MDCH Finance

State General Fund Contract – G. Cyranowski

Mr. Cyranowski noted that the contract has not yet been received, but has been settled. Of note is the change in the Internal Service Fund. Effective 10/1/2007 this reserve is being eliminated. DCH will determine a "catastrophic amount" that each CMH can have in reserve. This amount will most likely be based on the amount of a State inpatient placement. The State will allow CMH'S to spend down to the ceiling in FY 2006/2007.

DCH Plan to Discount 2007 State Facility Rates – G. Cyranowski

Mr. Cyranowski noted that the amount that will be allotted to CMH's in 2007 to fund placements at State facilities will be reduced.

- e. Future Finance
None

OLD BUSINESS

Utilization Management Committee Quarterly Report - G. Cyranowski

Mr. Cyranowski reviewed this information, which was originally distributed at the December Finance Committee meeting.

NEW BUSINESS

Medicare Billable Services – G. Cyranowski

Mr. Cyranowski provided this information for review, focusing on billing for Occupational Therapy, Physical Therapy, and Speech Therapy Services. He noted that Medicare specifically excludes these services from being billed by CMH's. He noted that because Medicaid is always the payor of last resort, commercial insurance, including Medicare, must always be billed before billing Medicaid.

Requests by Contract Providers to Amend an Existing Contract During the Contract Period – G. Cyranowski

Mr. Cyranowski stated that he was looking for some direction from the Committee and Board of Directors regarding this issue. He noted that there are occasions on which a contract provider will approach CMH for an adjustment to the terms of the contract prior to the expiration. It was recommended that individual incidents be brought to the Board for review and approval. A protocol should be developed to determine what steps need to be taken prior to bringing such a request to the Finance Committee or full Board.

ADJOURNMENT

Mr. Van Zoeren adjourned the January 11, 2007 Finance Committee Meeting at 1:52 p.m.

Keith Van Zoeren, Chair