

North Sound Mental Health Administration

BOARD OF DIRECTORS MEETING

January 13, 2004
Skagit Casino Resort
Bow, WA

1:30 PM

Agenda

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- 1. Call to Order; Introductions – Mike Shelton, Chair
2. Revisions to Agenda – Chair
3. Approval of November Minutes – Chair.....3-8
4. Comments & Announcements from the Chair
5. Reports from Board Members
6. Comments from Public
7. Report from Advisory Board – Marie Jubie, Chair
8. Report from Executive/Personnel Committee – Dave Gossett, Chair
9. Report from QMOC – Gary Williams, Chair
10. Report from Planning Committee – Dave Gossett, Chair
11. Report from Executive Director – Chuck Benjamin, Executive Director
12. Report from Finance Officer – Bill Whitlock, Fiscal Officer
13. Report from Finance Committee – Kirke Sievers, Chair
14. Consent Agenda – Chair .....(Tab 1)

Motion # 05-001 To review and approve North Sound Mental Health Administration’s claims paid from December 1, 2004 to December 31, 2004 in the amount of \$(will be available at the meeting). Payroll for the month of November in the amount of \$(will be available at the meeting) and associated employer paid benefits in the amount of \$(will be available at the meeting).

All matters listed with the Consent Agenda have been distributed to each Board Member for reading and study, are considered to be routine, and will be enacted by one motion of the Board of Directors with no separate discussion. If separate discussion is desired, that item may be removed from the Consent Agenda and placed on the Regular Agenda by request of a Board Member.

## 15. Action Items

**Motion 05-002 (Tab 2)** To approve the NSMHA-COMPASS-PATH, Amendment 1 to include approved language privacy protection as required by law.

## 16. Action Items Not Yet Reviewed by the Board

None.

## 17. Introduction Items

**Motion 05-003** To approve the revised contract #NSMHA-APN-04-05, Amendment 1. The NSMHA Board of Directors originally approved the amendment in September 2004 by Motion # 04-032.

## 18. Adjournment – Chair

NOTE: The next Board of Directors meeting February 10, 2005, at 1:30 p.m. in the NSMHA Conference Room, 117 N. 1<sup>st</sup> Street, Suite 8, Mount Vernon, WA

**North Sound Mental Health Administration**

**BOARD OF DIRECTORS MEETING**

NSMHA Conference Room

117 N First Street, Suite 8

Mount Vernon

December 9, 2004

1:30 PM

**MINUTES**

**Members Present:**

Mike Shelton, Island County Commissioner, NSMHA Board of Directors Chair  
 Rhea Miller, San Juan County Commissioner  
 Dave Gossett, Snohomish County Council  
 Ward Nelson, Whatcom County Council  
 Janelle Sgrignoli, designated alternate for Snohomish County Executive, Aaron Reardon  
 Ken Dahlstedt, Skagit County Commissioner  
 June LaMarr, The Tulalip Tribes  
 Julia Gibb, designated alternate for Snohomish County Council member, Kirke Sievers  
 Marie Jubie, NSMHA Advisory Board  
 Regina Delahunt, designated alternate for Whatcom County Executive, Pete Kremen

**Staff Present:**

Chuck Benjamin, Greg Long, Bill Whitlock, Annette Calder, Deirdre Ridgway, Debra Jaccard, Sandy Whitcutt, Wendy Klamp

**Guests:**

Nancy Jones, Mike Manley, Andy Byrne, Joan Dudley, Susan Ramaglia, Chuck Roxin, Maile Acoba, David Asia, Chris Tobey, Gary Williams, Joan Lubbe, Jess Jamieson, Jackie Karsh, Robbie McManus, Barbara LaBrash, Jim Shieffler, Kristine Clement, Teresa Ackerlund, Elizabeth Turnbon, Bonnie Edwards, Sue Boyle, Terry Clark

**1. Call to Order; Introductions – Mike Shelton, Chair**

Chair Shelton opened the meeting at 1:30 and welcomed everyone; introductions were made.

**2. Revisions to Agenda – Chair**

None.

**3. Approval of October Regular and Special Meeting Minutes – Chair**

Mr. Gossett moved approval of both sets of minutes, seconded by Mr. Nelson, all in favor, **motion carried.**

**4. Comments & Announcements from the Chair**

Chair Shelton presented a plaque to Ward Nelson for his service as Chair of the North Sound Mental Health Administration's Board of Directors.

Chair Shelton reminded everyone about the Recovery Conference being held on January 12, 2005 at the Skagit Casino Resort and encouraged all to attend.

Chair Shelton addressed the group about his service on the Washington State Mental Health Task Force and reported progress made to date. He said mental health would be a significant issue for this legislative session. He encouraged everyone to talk to their legislators regarding mental health and the need for increased funding. A brief discussion period followed. Marie Jubie stated she attended every Mental Health Task Force meeting and that she really appreciated Mike being on that committee and the good work he did.

## **5. Reports from Board Members**

Rhea Miller reported Compass Health and San Juan Recovery have moved into a good, new facility. She said that San Juan County just went through their budget process and provided an overview for the group. She said she felt a lot of good work and collaboration went into that process. She said that she really appreciated the involvement and dedication shown by all involved.

## **6. Comments from Public**

Jess Jamieson addressed the group about Mike Shelton's participation on the Mental Health Task Force and said that he was addressed by people at many of the meetings noting the good work and leadership he provided at those meetings.

David Asia addressed the group stating his involvement with NSMHA now is in collaboration with Skagit County Human Services Substance Abuse around a triage center for mental health and substance abuse. He discussed the Budget Reduction Workgroup meeting that was held on December 6, 2004, and the grave concerns that were expressed at that meeting regarding cutting services and programs, and how to move forward in a positive, collaborative way. He feels that the Board of Directors should ask the RSN to look further at the budget to see if cuts can be made in the NSMHA budget for non-direct services and staff. He feels it would better serve the system to cut administrative costs and staff at the administrative level rather than at agencies and in crisis system. He said his proposal is on behalf of the Skagit County Substance Abuse Board. David suggested that the Board of Directors consider this proposal before passing the budget. Bonnie Edwards, staff member of Compass Health, echoed David's comments.

## **7. Report from Advisory Board – Marie Jubie, Chair**

Marie Jubie reported:

- The Advisory Board met on December 7<sup>th</sup> and had their annual potluck celebration.
- She addressed the Advisory Board regarding appropriate conduct at meetings.
- Heard reports from the public.
- Approved motions and action items before the Board.
- Discussed the WMIP.
- Discussed budget reduction proposals; and the Advisory Board is looking at cutting their own budget.
- The agenda committee met and will be nominating people for officers of the board.
- Advisory Board may attend the State NAMI.
- Heard county advisory board reports.
- Heard County Coordinator reports.
- Advisory Board took 17 people to the legislative Mental Health Task Force meeting on Wednesday.

## **8. Report from Executive/Personnel Committee – Dave Gossett, Chair**

Dave Gossett reported the Executive/Personnel Committee met today and have one item to bring forward. The Executive/Personnel committee is recommending payback to the Mental Health Division for the

overpayment of funds. It is the recommendation of the Executive/Personnel Committee to pay the entire balance of the payback from the Risk Reserve Fund and recoup from providers over a 30-month period. Moved by Dave Gossett, seconded by Rhea Miller, to payback the entire balance out of the Risk Reserve Fund and the balance due from the Capital Fund, with a payback period from the providers to take place over a 30-month period. Discussion followed and Chair Shelton called for the vote, all in favor, **motion carried (Motion 04-067)**.

#### **9. Report from QMOC – Gary Williams, Chair**

Gary Williams reported QMOC met on November 24<sup>th</sup>:

- Received a report on the monthly quality management department activities
- Quality in Action presentation by Compass Health
- Quality Education presentation by Wendy Klamp
- Presentation on the APN Audit
- Draft EQRO (External Quality Review Organization) Report distributed and reviewed
- Discussed encounter validation data and the new requirement on the NSMHA
- QMOC reviewing its processes and looking for ways to improve regional quality efforts and concerns

#### **10. Report from Planning Committee – Dave Gossett, Chair**

Dave Gossett reported:

- The Planning Committee met on November 5<sup>th</sup> to review the progress towards bringing our Regional System into alignment with the new interpretations by CMS of Medicaid rules and the need for further funding reductions. The major outcome of the meeting was the decision to request budget reduction proposals of 5%, 10% and 20% from all groups using NSMHA funds.
- A Planning Committee workgroup of advocates, county coordinators, providers, and RSN staff met on December 6<sup>th</sup>. Provider proposals were presented. There were intense discussions regarding the proposed reductions, but no consensus was reached on what areas of the budget should be reduced. RSN staff, county coordinators, and the NSMHA Planning Committee will review these and other reduction options on January 7<sup>th</sup>. Proposals for reducing funding will be presented to the Board of Directors for action at the January meeting.

#### **11. Report from Executive Director – Chuck Benjamin, Executive Director**

Chuck Benjamin stated Wendy Klamp would be addressing the Board of Directors regarding the External Quality Review Organization (EQRO) report on NSMHA. Rhea Miller stated that everyone should know that the EQRO has cost the state over two million dollars. This is an un-funded mandate put on us by the federal government. Wendy addressed the group regarding the review process and presented the draft final EQRO report to the State. Wendy noted that many other RSN's are calling NSMHA because the EQRO told them our RSN had best practice and they should get information from us. Wendy said the EQRO would be an annual process.

Chuck said the 2005 proposed budget that the Board will be acting on today already includes a \$2.1 million dollar reduction. Chuck said that the funding formula is not fair to all RSNs and hopes the legislature would address the funding formula during this session to make it fair and equitable to all RSNs. Chuck discussed the state de-matching federal funds, State-only funds, etc. He said with the way the funding formula is 10 RSNs lose money and 4 RSNs gain money by the State doing it this way. Chuck encouraged everyone to talk to their legislators about mental health funding and the funding formula used. Chuck said an amended contract from the Mental Health Division is before the Board around the increase in State-only dollars.

Chuck also addressed the group about the Mental Health Task Force and Mike Shelton's involvement on the Task Force. Chuck said that Mike deserves a lot of accolades for his involvement and dedication to the Task Force.

## 12. Report from Finance Officer – Bill Whitlock, Fiscal Officer

Bill Whitlock reported:

- The revenues are close to budget. Federal grants and the DDD are on the budget for the year because we have not accrued last months revenue. The PHP revenue is close and will reach the budgeted amount in December. The administrative expenditures are within the budget except for small tools. Small tools will need a budget adjustment. Overall, the administrative expenses are under budget. NSMHA will let the Board know if we need to adjust the budget.
- We have received our retroactive adjustment in the amount of negative (\$52,410.28) for our last contract amendment. This is a total of five separate adjustments.
- The North Sound is facing reductions in funding for the next year January 2005 to December 2005. Our best guess is we will receive around \$2.3 million less than we have been receiving in the current year. Our calculations are based on accurate information for the first six months. We have no information on the second half of the year. That still has to be determined by the legislature. So we estimated the continued reductions into the second half of the year to come up with our estimated \$2.3 million deduction.
- NSMHA will be visited by the federal Center for Medicare and Medicaid Services (CMS) Auditors onsite the week of December 13<sup>th</sup>. They are auditing to ensure we are complying with all the federal mandates.

## 13. Report from Finance Committee – Ken Dahlstedt, member

Mr. Whitlock reported that the finance committee met today prior to this meeting.

## 14. Consent Agenda – Chair

Mr. Nelson moved approval the consent agenda approving claims paid, as well as payroll and associated benefits for September, October and November, seconded by Ms. Miller, all in favor, **motion carried**.

**Motion # 04-062** To review and approve North Sound Mental Health Administration's claims paid from September 1, 2004 to September 30, 2004 in the amount of \$3,714,738.90. Payroll for the month of September in the amount of \$64,635.45 and associated employer paid benefits in the amount of \$19,032.78.

**Motion # 04-063** To review and approve North Sound Mental Health Administration's claims paid from October 1, 2004 to October 31, 2004 in the amount of \$3,772,976.68. Payroll for the month of October in the amount of \$65,338.54 and associated employer paid benefits in the amount of \$24,488.87.

**Motion # 04-064** To review and approve North Sound Mental Health Administration's claims paid from November 1, 2004 to November 30, 2004 in the amount of \$3,545,215.49. Payroll for the month of November in the amount of \$73,732.20 and associated employer paid benefits in the amount of \$23,035.38.

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## 15. Action Items

**Motion 04-054 (Tab 2)** To approve the North Sound Mental Health Administration's budget for 2005  
Motion 04-054 moved approval by Ms. Miller, seconded by Mr. Nelson, and opened for discussion.

Ms. Miller wanted all to know that this Board takes this seriously and will cut the budget, and has progressively cut the budget for a number of years now. She wants everyone to know that any cuts necessary will be made. She said that she appreciated the dedication and involvement of all around this.

Mr. Dahlstedt said that he heard from many stakeholders and other systems and wants to make sure that we maintain ongoing care for those in the system. He read a resolution adopted by the Skagit County Substance Abuse Board today regarding the NSMHA reducing its budget before cutting the budget of crisis services.

Chair Shelton called for the vote, all in favor, **motion carried.**

## 16. Action Items Not Yet Reviewed by the Board

**Motion 04-056 (Tab 3)** To approve the contract between North Sound Mental Health Administration and Sam Magill, Inc. contract # NSMHA-MAGILL-PSC-05.

Moved approval by Mr. Nelson, seconded by Mr. Gossett, all in favor, **motion carried.**

**Motion 04-058 (Tab 4)** To review and approve the NSMHA Code of Conduct to be adopted in accordance with the NSMHA Business Ethics and Compliance Program.

Moved approval by Mr. Gossett, seconded by Ms. Miller, all in favor, **motion carried.**

**Motion 04-059 (Tab 5)** To review and approve the Second Lease Addendum, NSMHA, Carnation Building for a 5 year term starting February 1, 2005, 5100 sq. ft. at \$14.75 per square foot with 3% annual increase, plus initial \$18,000 for refurbishment.

Moved approval by Ms. Miller, seconded by Mr. Gossett, and opened for discussion. Chair Shelton called for the vote, all in favor, **motion carried.**

**Motion 04-060** To review and approve policy # 2001, Business Ethics and Regulatory Compliance Program as amended to change the Compliance Officer from the Contracts Manager to the Executive Director.

Moved approval by Ms. Miller, seconded by Mr. Dahlstedt, and opened for discussion. Chair Shelton called for the vote, all in favor, **motion carried.**

**Motion 04-061 (Tab 6)** To review and approve North Sound Mental Health Administration – Mental Health Division contract #0369-23150, Amendment 2.

Moved approval by Ms. Miller, seconded by Mr. Nelson, all in favor, **motion carried.**

**Substitute Motion 04-039 (In front pocket of binder)** To approve the North Sound Mental Health Administration's contract # NSMHA-Snohomish-04-05, Amendment 1. This amendment replaces the current pages 1-31 with revised language and replaces Attachments XI and XX with revised Attachments XI and XX. The purpose of the amendment is to bring the contract into compliance with the Balanced Budget Act regulatory requirements and to adopt changes imposed by the Center for Medicare and Medicaid Services through the State Medicaid Plan Waiver approval process. The motion was removed from the agenda at the September 9, 2004 Board of Directors meeting and Amendment 1 has since been modified.

Moved approval by Mr. Gossett, seconded by Ms. Miller, all in favor, **motion carried.**

## 17. Introduction Items

Chuck Benjamin informed the Board of Directors that the NSMHA Advisory Board reviewed and recommended approval of the introduction items as they saw the importance of moving forward on these two items. He requested that the Board of Directors also take action on these items today and the Board agreed to do so.

**Motion IN-25 (Tab 7)** To introduce Interlocal Agreement #0469-56334 Projects for Assistance in Transition From Homelessness (PATH) contract, amendment 1, between North Sound Mental Health Administration and Department of Social and Health Services.

**Motion 04-065** moved by Ms. Miller, seconded by Mr. Gossett, and opened for discussion. Chair Shelton called for the vote, all in favor, **motion carried.**

**Motion IN-26 (Tab 8)** To introduce NSMHA-COMPASS Projects for Assistance in Transition from Homelessness (PATH) Contract, contract # NSMHA-CH-PATH 04-05.

**Motion 04-066** moved approval by Mr. Nelson, seconded by Mr. Gossett, all in favor, **motion carried.**

## 18. Adjournment – Chair

Chair Shelton adjourned the meeting at 2:57 p.m.

Respectfully submitted,

Annette Calder  
Administrative Coordinator

NOTE: The next Board of Directors meeting January 13, 2005, at 1:30 p.m. in the Skagit Casino Resort, Bow, Washington.