

**NORTH SOUND MENTAL HEALTH ADMINISTRATION
BOARD OF DIRECTORS MEETING
NSMHA Conference Room
Mount Vernon, WA
May 12, 2005
1:30 PM

AGENDA**

Page #

1. **Call to Order; Introductions – Chair**
2. **Revisions to Agenda – Chair**
3. **Approval of March Minutes – Chair**
4. **Comments & Announcements from the Chair**
5. **Reports from Board Members**
6. **Comments from Public**
 - Molina Presentation on WMIP
7. **Report from Advisory Board – Marie Jubie, Chair**
8. **Report from Executive/Personnel Committee**
9. **Report from QMOC – Gary Williams, Chair**
10. **Report from Planning Committee**
11. **Report from Executive Director – Chuck Benjamin, Executive Director**
12. **Report from Finance Officer – Bill Whitlock, Fiscal Officer**
13. **Report from Finance Committee**
14. **Consent Agenda – Chair**

<p>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 action 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.</p>

Motion # 05-026 To review and approve North Sound Mental Health Administration's claims paid from February 1, 2005 to February 28, 2005 in the amount of \$(*will be available at the meeting*). Payroll for the month of February 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*).

Motion #05-027 – To review and approve North Sound Mental Health Administration's claims paid from March 1, 2005 to March 31, 2005 in the amount of \$(*will be available at the meeting*). Payroll for the month of March 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*).

Motion #05-028 - To approve the NSMHA-APN-04-05 contract, Amendment 2. The purpose of the amendment is to reflect changes made to NSMHA's contract with the state, including providing updated funding information.

Motion #05-029 – To increase the 2004 operating budget PHP (Prepaid Health Plan) revenue by \$100,000 and Agency/County/Other Services Expenses by \$100,000.

Motion #05-030 – To review and approve the North Sound Mental Health Administration's proposed operating budget reduction total of \$66,000. {Note: This totals an 8.45% budget reduction for the NSMHA's 2005 operating budget.}

Motion #05-031 - To approve the payment of \$9,000 to Whatcom Counseling and Psychiatric Clinic for Board education and training. {Note: This is the final payment from the 2003 sanction in the amount of \$20,000. \$7,891.47 was already paid to a consultant to help resolve sanction issues. The payment of \$9,000 covers education and training for WCPC Board members.}

Motion #05-032 - To approve a transfer of \$366,073.32 from the Capital Reserve to Unreserved Fund Balance. Transfer \$339,497.38 from Risk Reserve to Unreserved Fund Balance.

15. Action Items Not Yet Reviewed by the Board

None.

16. Introduction Items

None.

17. Adjournment – Chair

NOTE: The next Board of Directors meeting June 9, 2005, at 1:30 p.m. in the NSMHA Conference Room, 117 N. 1st Street, Suite 8, Mount Vernon, WA

**NORTH SOUND MENTAL HEALTH ADMINISTRATION
BOARD OF DIRECTORS MEETING
NSMHA Conference Room
Mount Vernon, WA
March 10, 2005
1:30 PM**

MINUTES

Members Present:

Ward Nelson, Whatcom County Council member

Rhea Miller, San Juan County Commissioner

Janelle Sgrignoli, designated alternate for Snohomish County Executive, Aaron Reardon

Mary Good, designated alternate for NSMHA Advisory Board Chair, Marie Jubie

June LaMarr, The Tulalip Tribes

Chris Tobey, designated alternate for Skagit County Commissioner, Ken Dahlstedt (joined in session by Ken Dahlstedt)

Regina Delahunt, designated alternate for Whatcom County Executive, Pete Kremen

Staff Present:

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

Guests:

Terry Clark, Sue Boyle, John Manning, Chris Tobey, Tom Robinson, Karen Kipling, Mike Manley, Tom Sebastian, Tom MacIntyre, Andy Byrne, Marti Wall, Karl Brimner, Chris Imhoff, Dave Mancuso, Brett Lawton, Ed Hidano, Tim Brown

Pre-meeting Presentation on the automation of the Access Line

Terry Clark of Compass Health made a presentation on the automation of the Access Line. She provided some background information on this process and then did a live demonstration of the automated line. Terry was thanked for her presentation.

1. Call to Order; Introductions

Rhea Miller opened the meeting at 1:45 p.m. and welcomed those present.

2. Revisions to Agenda

None.

3. Approval of January Minutes

Motion to approve the minutes of January 13, 2005 as written by Mr. Nelson, seconded by Ms. Sgrignoli, all in favor, **motion carried.**

4. Comments & Announcements from the Chair

No comments or announcements at this time.

5. Reports from Board Members

No reports at this time.

6. Comments from Public

None.

7. Report from Advisory Board

Mary Good informed the Board of Directors of action taken and reports received at the March meeting of the NSMHA Advisory Board. The Advisory Board had a presentation on the automation of the Access Line. The Advisory Board recommended approval of all claims and motions before the Board of Directors today. Mary was thanked for her report.

8. Report from Executive/Personnel Committee

Rhea Miller asked Chuck Benjamin to report on the Executive/Personnel Committee meeting today. Chuck stated that all providers and NSMHA have gone through budget reductions and NSMHA is also looking at streamlining the personnel FTE's at NSMHA. NSMHA is proposing the Consumer Affair Manager/Tribal Liaison position would be eliminated and replaced by a Consumer Affairs Coordinator. Chuck will take on the role of Tribal Liaison. The Ombuds 1 upgrade would be upgraded to Ombuds Lead, along with hiring a combined position of Ombuds/Quality Review Team (QRT) the workload of complaints and grievances across the Region. This would decrease the amount of trips with the Advisory Board and conferences attended. NSMHA would also eliminate Administrative Coordinator and replace with Executive Assistant. At this time, NSMHA is proposing that the QRT position not be filled at this time and wait to see about future cuts. Chuck said he feels the NSMHA could still function with the proposed re-organization but may have trouble meeting all the requirements of the Balanced Budget Act and the External Quality Review, but will do the best we can with what we have. Chuck said NSMHA would still do the \$66,000 budget reduction approved by the Board of Directors at their January meeting and a line item budget would be submitted next month. A brief question and answer period followed.

Mr. Nelson noted that this is a hard time for the Board of Directors, NSMHA, consumers and advocates, stating that more will be required with less and we are all trying our best to make our way through this very trying time. Mr. Nelson said we are doing this with diminishing revenues and would like to ensure the same level of service to our consumers in the future that the community has come to know and respect. Ms. Miller added that the reputation of the NSMHA has come a long way over the last few years and has provided some leadership with the Tribes that is exciting and something to be proud of. It was hard to make these decisions today. It will be impossible to pick up all the pieces here. She stated she appreciates that the staff are willing to take on these changes and additional responsibilities.

Mr. Nelson moved approval (motion # **05-023**) of the staffing recommendations, seconded by Ms. Sgrignoli, all in favor, **motion carried**.

9. Report from QMOC – Gary Williams, Chair

- Quality Management Oversight Committee Report
Gary Williams reported on the activities of the Quality Management Oversight Committee for January and February 2005, copy included in the meeting packet.
- NSMHA Integrated Report – A copy included in the meeting packet. QMOC received a presentation on the 2nd Biennial Quarterly Report and recommends approval to the Board of Directors.

Mr. Nelson moved approval (motion # **05-024**) of the 2nd Biennial Quarter 2004-2005 Quality Management Department Integrated Report, seconded by Ms. Sgrignoli, opened for discussion. Chair Miller called for the vote, all in favor, **motion carried**. Gary was thanked for his report.

10. Report from the Planning Committee

Greg Long reported the Planning Committee met in January and established a workgroup to map the mental health services for our Region. The second meeting of that workgroup will take place on Friday, March 11. The Planning Committee will meet again on March 31st.

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

Chuck Benjamin reported that Governor Gregoire signed Substitute House Bill 1154 into law yesterday. This makes mental health parity a law now. He suggested sending thank you letters to our legislators and governor.

The 5th annual Recovery Conference is scheduled for December 7th, 2005 and followed by the Board of Directors Retreat on December 8, 2005. Hoping to have a presentation there by Peter Fiegel, a consumer who has multiple sclerosis and is also blind. Both Chuck and Rhea have had the opportunity to speak with Mr. Fiegel and feel he would be a phenomenal speaker to have at the conference.

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

Bill Whitlock reported:

- The December 2004 revenues are close to budget. Federal grants and the ECS (Enhanced Community Services) revenue are on budget for the year. The PHP (Prepaid Health Plan) revenue was close to projection in December until we paid \$1.13 million back to DSHS. The administrative expenditures are within the budget except for small tools and repairs. Overall, the administrative expenses are under budget. The agency services need a budget adjustment. We will bring the motion to the Board of Directors next month.
- The biennial quarterly report has been filed with the state. No major problems were found. Except not having enough funding to cover what we spent on the non-Medicaid clients.
- The unit cost surveys are due to the state on March 15, 2005. This is a part of the actuarial process for rate setting. We are required to rebuild a fee for service system and compare it to what we did under managed care in calendar year 2004. It is a lot of additional work for the Region and the providers.

Discussion followed on encounter data, unit cost surveys, fee-for-service and managed care, future rates, Medicaid expenditures, etc.

13. Report from Finance Committee

Mr. Nelson moved approval of the consent agenda (**motions 05-007 through 05-016**), seconded by Mr. Tobey, all in favor, **motion carried**.

After members had reviewed the proposed job descriptions and staff reclassifications, Chair Miller asked if the Board of Directors was ready to revisit the recommendation for approval of the job descriptions and staff reclassifications. A couple of brief questions were asked and answered. Mr. Nelson moved approval (motion # **05-025**) of the job descriptions and staff reclassifications, seconded by Ms. Sgrignoli, all in favor, **motion carried**.

14. Consent Agenda – Chair

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 action 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.

Motion # 05-007 To review and approve North Sound Mental Health Administration’s claims paid from January 1, 2005 to January 31, 2005 in the amount of \$3,606,455.46. Payroll for the month of January in the amount of \$74,492.40 and associated employer paid benefits in the amount of \$22,159.39.

Motion #05-008 – To approve the NSMHA-Sea Mar-04-05 contract, Amendment 2. The purpose of the amendment is to reflect changes made to NSMHA’s contract with the state, including providing updated funding information based on decisions of the NSMHA Board.

Motion #05-009 – To approve the NSMHA-VOA-04-05 contract, Amendment 2. The purpose of the amendment is to reflect changes made to NSMHA’s contract with the state, including providing updated funding information based on decisions of the NSMHA Board.

Motion #05-010 – To approve the NSMHA-Snohomish-04-05 contract, Amendment 2. The purpose of the amendment is to reflect changes made to NSMHA’s contract with the state, including providing updated funding information based on decisions of the NSMHA Board.

Motion #05-011 – To approve the NSMHA-San Juan-04-05 contract, Amendment 2. The purpose of the amendment is to reflect changes made to NSMHA’s contract with the state, including providing updated funding information based on decisions of the NSMHA Board.

Motion #05-012 – To approve the NSMHA-Skagit-04-05 contract, Amendment 3. The purpose of the amendment is to reflect changes made to NSMHA’s contract with the state, including providing updated funding information based on decisions of the NSMHA Board.

Motion #05-013 – To approve the NSMHA-Island-04-05 contract, Amendment 3. The purpose of the amendment is to reflect changes made to NSMHA’s contract with the state, including providing updated funding information based on decisions of the NSMHA Board.

Motion #05-014 – To approve the NSMHA-Whatcom-04-05 contract, Amendment 3. The purpose of the amendment is to reflect changes made to NSMHA’s contract with the state, including providing updated funding information based on decisions of the NSMHA Board.

Motion #05-015 – To name authorized signatures on the NSMHA’s account at Skagit County effective March 11, 2005 as follows:

Whatcom County Council member	L. Ward Nelson
Skagit County Commissioner	Kenneth Dahlstedt
Snohomish County Council member	Kirke Sievers
NSMHA Executive Director	Charles R. Benjamin
NSMHA Deputy Director	Greg C. Long
NSMHA Quality Manager	Wendy Klamp

The authorized signors shall have the authorization privileges for disbursements over petty cash accounts, vouchers and payroll.

Motion #05-016 – To approve NSMHA-MHD-FBG #0469-59965, Amendment 1. The purpose of the amendment is to clarify the federal grant number associated with the contract.

15. Action Items Not Yet Reviewed by the Board

Motion #05-017– To approve the NSMHA-MHD-PATH Contract #0569-69142. The contract provides a grant award of \$32,386 to provide services to the homeless in Whatcom County.

Motion #05-018 – To approve the NSMHA-WCPC-04-05 (PATH) contract. The contract provides grant funding to Whatcom Counseling to provide services to the homeless in Whatcom County.

(Joined in session by Ken Dahlstedt, replacing Chris Tobey at the table.)

Motion by Mr. Nelson, seconded by Ms. Sgrignoli to approve motions **05-017** and **05-018**, all in favor, **motion carried.**

Motion #05-019 – To approve NSMHA-Siniard-04-05 PSC contract. The contract allows for a payment of \$487.50 for services provided in January 2005. This is the amount over the \$5,000 limit that can be authorized by the Executive Director.

Motion by Mr. Nelson, seconded by Mr. Dahlstedt, all in favor, **motion carried.**

Motion #05-020 – To approve NSMHA-HR Balance-2005-PSC contract. The contract establishes NSMHA’s Human Resources consulting services for the remainder of 2005.

Motion by Mr. Nelson, seconded by Ms. Delahunt, all in favor, **motion carried.**

Motion #05-021 - To be introduced by Finance Committee: To approve the NSMHA budget reduction. The purpose of this reduction is to meet CMS, BBA rules, and our limited available State-only funds.

Motion 05-021 was addressed under agenda item 8, Report from the Executive/Personnel Committee where it was explained that the Finance Committee met with the Executive/Personnel Committee to review recommendations on the budget reduction and staffing proposals. Motion 05-021 was not acted on but motion 05-023 covers its content and purpose.

16. Introduction Items

None.

Introductions of the Board of Directors, NSMHA staff and guests were made at this time.

17. Whatcom Integration Network presentation as requested by the Board of Directors

Gary Williams made a PowerPoint presentation to the Board of Directions regarding a pilot program in Whatcom County called the Whatcom County Integration Network (WIN), an alternative to the Washington Medicaid Integration Project (WMIP); stating that this stemmed from a motion made at the Board of Directors January meeting. Gary stated in February community stakeholders met to discuss the possibilities of an integrated pilot program in Whatcom County. A copy of the presentation included in

the Board of Directors meeting packet along with a copy of the Memorandum of Interest and Understanding. A brief discussion followed and the Board of Directors expressed that this project shows a great collaboration amongst the providers and stakeholders in Whatcom County. Gary was thanked for his report.

18. DSHS – Washington Medicaid Integration Project

Chuck Benjamin stated he wanted to recognize and welcome Tim Brown, Ed Hidano, Karl Brimner, Brett Lawton, David Mancuso and Chris Imhoff, from DSHS/MHD, thanking them for coming here to make a presentation on the Washington Medicaid Integration Project (WMIP).

Tim Brown, Assistant Secretary of DSHS, led the presentation thanking the NSMHA Board of Directors for the opportunity to make this presentation, and distributed handouts (attached to the file copy as part of the official record) as well as provided a verbal overview of the presentation. He said the goal is to provide a much improved service system to Snohomish County. Tim Brown said that DSHS is doing this on a pilot basis to see if it works, and after careful evaluation DSHS will decide if the project will be implemented elsewhere in the State.

David Mancuso addressed the group regarding the data and reviewed handouts with the group. David Mancuso summarized his presentation stating he would be providing background information as to why DSHS wants to make these changes in the way the aged, blind and disabled populations are cared for. Fundamentally, the reason DSHS is interested in looking at the way these populations are cared for is due to their complex needs. One consequence to the level of care these clients need is that the services are extremely expensive. When looking at the clients that are the target population for this integration project in Snohomish County, approximately 7,151 clients (FY2002) approximately \$96.6 million was spent on services for these populations (or \$13,500 per client, per year). These costs are based on data from 3 years ago, so it is known that the costs are higher now.

Karl Brimner thanked the Board of Directors for the opportunity to present the WMIP project to them today. He said there are some good points to be made on issues of concern that we need to concentrate on not only now, but also in the future. He addressed the group regarding changes in the Medicaid Integration Project and the goals of the pilot project, WMIP services, care coordination team, what the care team does, continuity of care, outcomes, authorization information, what WMIP does for enrollees, and the community advisory board. The timelines for aging, mental health and long-term care phase-in are estimated for October 2005.

A question and answer period followed. Ward Nelson asked about the care coordination and asked if Molina had any of these teams set up yet. Ward stated that he was a pharmacist and is seeing many problems with patients trying to fill prescriptions that they have been on for years and Molina is denying the prescriptions. Karl Brimner said that this project has provisions for people to maintain their medications. Ward Nelson, Rhea Miller and June LaMarr all stated that Molina would not maintain the medications that clients are on and have been taking for years. Discussion touched on medication management, case management, continuity of care, having access to a medical physician (either through Molina or by contract), anticipated/projected savings from this project, etc. It was stated by DSHS that Molina has contracted with physicians for to be the primary care providers for people on Medicaid without a current primary care provider.

Chuck Benjamin said at the WMIP advisory board meeting last week, Molina stated that many people are opting out due to the fact that Molina doesn't have a contract with the primary care physicians or

pharmacies. Tim Brown said there are contracts with physicians and pharmacies in Snohomish County but that they cannot have a contract with every physician in Snohomish County. Tim Brown said the people who already have a primary care physician that they want to stay with and doesn't have a contract with Molina are opting out; the ones without a primary care physician are the ones who are opting in. Chuck said it was his understanding that before DSHS let the RFP and prior to signing a contract, DSHS would evaluate the capacity of the provider network. Tim Brown said there is the capacity in Snohomish County for physicians' services to serve everyone.

Chuck said he was concerned about ER use by people who are having a mental health crisis. He asked if there was a break out of ER visits between medical emergency or mental health crisis emergency. David Mancuso said it was going to be a small percentage. The data was evaluated for several years and about 5% of the ER visits are primarily mental health related. Chuck said that is different than the information that has been previously shared. Chuck said that Judy Hall of the Mental Health Division made a presentation yesterday to the statewide Mental Health Planning and Advisory Council on Performance Indicators. In that presentation Ms. Hall noted one of the performance indicators that CMS was concerned about was about primary care physicians. In the North Sound 88% of the people that the North Sound RSN serves have a primary care physician. David Mancuso responded that 25% of the MIP target population is the North Sound mental health consumers. He said that 14% of the money spent is on mental health clients. Chuck said about 50% of the people going into the MIP are already in service. Mr. Mancuso replied that the data reported by the RSN to MHD is 25%. Discussion continued on percentages for mental health, medical, substance abuse, long-term care, aging, etc. noted on the handouts.

Ward Nelson asked how the projected savings were calculated. David Mancuso said it is on the expected fee-for-service expenditures; and that is how the budget numbers were projected. Savings are by less ER visits, prescriptions drugs, and non-psychiatric medical hospitalizations. Tim Brown said that they are not expecting to save Mental Health dollars or Substance Abuse dollars; he said the savings would come from the medical side over the long term. Ward Nelson noted that unless Molina places somebody at the ER door and also changes the formularies, the savings would not be realized; this is what he knows from 15 years of reimbursement services. Tim Brown replied that we would find out if what Ward said is right or if what DSHS predicts will be right because what DSHS is looking for here is to collect the data and see what happens.

Rhea Miller added that what it really comes down to here is DSHS might save some money but are the people going to be better served? Are they going to get the medications they need? Do they really get the supervision they need? Are they going to be taking medications that work for them? Karl Brimmer said the real outcomes would show the quality of life is improved and the consumers can experience recovery and manage their lives better that is what DSHS wants. Tim Brown stated that he believes the cost savings and outcomes are there, it is clear from his vantage point, the only way we will know is to try. If the outcomes and cost savings are not there, then we should not proceed with the program. Tim Brown said you don't tear apart the entire system because something sounds good. You try a pilot project like this one. He said if the savings are predicted, then Snohomish County will realize these savings 3 or 4 years before any other county will.

Gary Williams asked about different models of integrated plans with similar outcomes. Tim Brown said DSHS is open to looking at other models besides MIP, like the one proposed by Whatcom County and are currently looking at other models to the WMIP now. Gary Williams noted that Molina does not have the connections to housing systems, the criminal justice system, etc. Janelle Sgrignoli said to Tim Brown that

she is glad to hear that DSHS is open to other models because when Snohomish County offered a different model DSHS did not extend that offer to them.

Chuck Davis addressed DSHS regarding clients coming through the Ombuds due to Molina and the way they have enrolled clients and the way they treat clients; explaining one particular case that has come to him. Tim Brown stated that cases like this one would definitely come up, and tried to explain the timelines involved with this project and why the client experienced what happened.

Bill Whitlock asked what factor was used for medical demand to calculate the numbers. David Mancuso said from an evaluation perspective, they are comparing differences in changes over time to clients still in the existing RSN system, to show trends and percentages, etc. Tim Brown said that the costs would be less because more people will be seen in the doctors' office rather than in the ER and get to the appropriate provider and service faster.

Chuck Benjamin asked if the problem was really the system or is the problem due to inadequate funding and Access to Care Standards? David Mancuso said that Molina has incentive to get people into treatment and shift funding where necessary; Chuck noted that Molina has a monetary incentive. Chuck said there isn't a provider in this room or in this Region who doesn't want to serve everyone who has a need for help. Chuck said we (RSN and providers) have an incentive to do the referrals and get the help. Chuck said he couldn't live with David's explanation that Molina has the incentive and the RSN's don't. He said Molina has the monetary incentive. David said that this project integrates the funding streams and that is an innovative aspect of this project that makes it possible for that money which came through existing systems to be readily shifted from Medicaid/medical to chemical dependency treatment, with blended funding it is now possible in the context of this project. Chuck said if DSHS really wanted to do an integrated model and they picked Snohomish County and designed it from the bottom up, leaving all the community safety networks in place, DSHS would have realized the savings from the medical side, DSHS could have done that from the state level, we don't need a for-profit agency to come in and do that for us.

Tim Brown replied that the management of the physical health side of it would be a brand-new thing for county government. Chuck Benjamin said that he wasn't proposing that the county would do that part of it. He referenced the proposed pilot project for Whatcom County and said it is the hope that they can pursue the integration of medical/physical care and have those providers at the table. Medical would have its own risk areas and the RSN/county would have separate risk areas, but would integrate services and show good outcomes. Tim Brown said that one of the advantages to the WMIP for DSHS is that there is anonymity and decisions are made in one place, they do not get separated out. Chuck said he believes that is the basic framework where this RSN disagrees with DSHS; it doesn't need to be a single entity that is a for-profit HMO who needs to make those decisions for us.

Rhea Miller said DSHS is hearing this frustration from us because we have worked so closely with our consumers and have seen the need for integration for a long time; and have tried presenting various way to do this. Rhea said we have a big frustration with the silo-mentality around funding, but it is our experience on the ground that taking it to a for-profit like Molina is very scary for all of our consumers. Snohomish County was not offered to blend funding streams in order to try and achieve these savings. Chuck said DSHS did not need to bring in a for-profit HMO to try and make this work. Rhea Miller thanked DSHS for coming and making the presentation. Rhea said that we would be watching DSHS and this project very carefully, because we are watched very carefully and presented the DSHS representatives with the latest NSMHA poster.

19. Adjournment – Chair

Chair Miller adjourned the meeting at 3:35 p.m.

Respectfully Submitted:

Annette Calder
Executive Assistant

NOTE: The next Board of Directors meeting May 12, 2005, at 1:30 p.m. in the NSMHA Conference Room, 117 N. 1st Street, Suite 8, Mount Vernon, WA