

NORTH SOUND MENTAL HEALTH ADMINISTRATION
BOARD OF DIRECTORS MEETING
 NSMHA Conference Room
 Mount Vernon, WA
 June 9, 2005
 1:30 PM

AGENDA

Page #

1. **Call to Order; Introductions – Chair**
2. **Revisions to Agenda – Chair 1-2**
3. **Approval of May 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**
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**

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 # 05-039 To review and approve North Sound Mental Health Administration’s claims paid from May 1, 2005 through May 31, 2005 in the amount of \$(amount will be available at the meeting). Payroll

for the month of May in the amount of \$(amount will be available at the meeting) and associated employer paid benefits in the amount of \$(amount will be available at the meeting).

Motion # 05-040 To review and approve NSMHA-Tulalip Contract #TT-FBG-03, Amendment 1, extending the term of the contract through 12/31/05 and continuing funding.

Motion # 05-041 To review and approve NSMHA-DDD Contract #0369-29684, Amendment 1, extending the term of the contract through 9/30/05 and continuing funding.

Motion # 05-042 To review and approve NSRSN-APN DD CRISIS-02, Amendment 5, extending the term of the contract through 9/30/05 and continuing funding.

Motion # 05-043 To review and approve NSRSN-VOA-DD-Crisis-02, Amendment 3, extending the term of the contract through 9/30/05 and continuing funding.

15. Action Items Not Yet Reviewed by the Board

Motion # 05-044 To review and approve the NSMHA-MHD Contract #0369-23150, Amendment 4, extending the term of the contract through 8/31/05, limiting the use of Medicaid savings and modifying financial terms, including those related to ECS and MPC.

16. Introduction Items

To review NSMHA's revised Ombuds, QRT, Functional Independence and Anti-Retaliation policies. The policies have been updated to reflect current practices and procedures, including assuring compliance with applicable laws and regulations.

To review the NSMHA's updated Tribal 7.01 Plan. The plan has been updated to continue to be in compliance with regulations and there are two new Tribal requests.

17. Adjournment – Chair

NOTE: The next Board of Directors meeting July 14, 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
May 12, 2005
1:30 PM**

MINUTES

Members Present:

Mike Shelton, Island County Commissioner
Dave Gossett, Snohomish County Council Member
Ward Nelson, Whatcom County Council Member
Rhea Miller, San Juan County Commissioner
Marie Jubie, NSMHA Advisory Board Chair
Janelle Sgrignoli, designated alternate for Snohomish County Executive, Aaron Reardon
Maile Acoba, designated alternate for Skagit County Commissioner, Kenneth Dahlstedt
Regina Delahunt, designated alternate for Whatcom County Executive, Pete Kremen
Kirke Sievers, Snohomish County Council Member

Staff Present:

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

Guests:

Joan Lubbe, Mike Manley, Nancy Jones, Andy Byrne, Jamie Stephens, Ed Hidano, Dr. Dan Kent, Jan Cunningham, Robin McIlvaine, Steve Reinig, Lisa Zurda, Barb Johansson, Debra Horowski

1. Call to Order; Introductions

Chair Shelton called the meeting to order at 1:30 p.m. and introductions were made.

2. Revisions to Agenda

None.

3. Approval of March Minutes

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

4. Comments & Announcements from the Chair

Chair Shelton noted there would be an executive session at the end of today's meeting and appropriate announcements will be made at that time.

5. Reports from Board Members

Rhea Miller addressed the Board regarding the 5th annual NSMHA Tribal Conference. She stated that board members and staff represented the region and it was a great conference. Ms. Miller informed the Board that San Juan County received a grant for mental health and recovery services.

Mr. Sievers informed the Board that Julia Gibb is no longer with Snohomish County. He also noted being in Anchorage, Alaska and visiting a healthcare center that has integrated traditional healing with modern medical services.

6. Comments from Public

Joan Lubbe addressed the Board of Directors reflecting on her involvement with this system, the Evaluation and Treatment Center (E&T) and the proposal to close one E&T. She is asking that one of our E&Ts not be closed due to the great need and the State's support for opening two more E&Ts in this state. Ms. Lubbe thanked the Board for the opportunity to present her concerns.

Dr. Dan Kent from Molina Healthcare introduced himself and other Molina staff. He made a comprehensive presentation on Washington Medicaid Integration Partnership (WMIP) in Snohomish County. Questions and answers took place during and after the presentation. He noted that there were 3,477 enrollees as of January 1, 2005, and now with many opting out enrollment totals 2,298 as of May 1, 2005. He said primary reason for people opting out is that their primary care provider was not in the network. He said some have re-enrolled.

Ms. Miller asked how Molina will try and bring enrollment up to the 6,000 that they contracted with DSHS for. Dr. Kent said Molina will try and bring non-participating primary care physicians into their network to help increase enrollment. Ms. Miller asked about medications and stated that some medications that work for people are being changed because they are not on the formulary. Dr. Kent said that Molina's process is set up to allow authorizing non-formulary drugs when the prescribing doctor can document the history for the patient and state why the non-formulary should be prescribed; a brief discussion took place. Dr. Kent said this may be from the frame of reference; Ms. Miller's being just mental health and his being mental health and primary care.

Marie Jubie asked about the mental health benefit and Dr. Kent said Molina offers 12 visits for mental health issues. Ms. Jubie also asked about medications and not disrupting a medication that is working for an individual.

Ward Nelson addressed Dr. Kent about his experiences as a pharmacist with Molina regarding prescriptions, authorizations, etc. He said that he finds that Molina doesn't have a lot of experience in the mental health field. Mr. Nelson said that he is reluctant and uncomfortable with Molina performing this function and feels that Molina has a long way to go before he would feel comfortable with Molina working with the RSN's client population.

Mike Shelton stated if we are going to do a managed mental health care system we need to have the numbers and the people to make this work. He said that all RSNs in this state are struggling to do what needs to be done without adequate resources to do so. Mr. Shelton said he struggles with how DSHS chose our RSN to be the guinea pig for this project and expecting this RSN to continue on and provide services while taking some of our resources. He said it leaves us in a position to be much less effective than we are today. He said this Board has supported integration for a long time, however the way this integration project is being implemented is going to damage our system. Mr. Shelton said his comments were not against Molina, but a statement regarding the system. He thanked Molina for coming and making the presentation to the Board of Directors.

Dr. Kent asked that if anyone had any further problems with people not getting medications and other problems to please call him and let him know. He distributed his number to the Board members.

7. Report from the Advisory Board

Marie Jubie reported that the Advisory Board met on May 3rd and approved the minutes from the April meeting of the Advisory Board. Ms. Jubie noted that she and Chuck Benjamin made trips to Olympia and is glad about the changes made to the bills before being passed by the legislature. Ms. Jubie stated she was also glad that the legislature approved the \$80 million backfill. She stated that she had participated in the NSMHA Tribal Conference and that it was a big success. She said she touched base with Tribes and provided information on our Advisory Board in an effort to get tribal representation on the Advisory Board. Ms. Jubie stated the Behavioral Healthcare Conference is taking place in June and the Advisory Board has paid for 12 people to attend.

8. Report from the Executive/Personnel Committee

Dave Gossett reported two housekeeping items that need to be address. He said in March two reclassifications of positions were approved but the Personnel Committee neglected to note effective dates. Motion to amend motion **05-023** approved 3-10-05, Lead Ombuds reclassification to be effective 1-17-05 and Executive Assistant reclassification to be effective 1-18-05, moved by Mr. Gossett, seconded by Ms. Miller, all in favor, **motion carried. Motion number 05-035 modifies 05-023.**

Mr. Gossett made a motion (**#05-036**) to confirm the NSMHA Board of Directors wishes to continue to remain a Regional Support Network and will respond to the Request For Qualifications (RFQ) that will be released by the Department of Social and Health Services Mental Health Division, seconded, opened for discussion, Chair Shelton called for the vote, all in favor, **motion carried.**

9. Report from the QMOC

Wendy Klamp addressed the Board regarding the Quality Management Oversight Committee (QMOC) stating that QMOC met on April 27th and had presentations on quality in motion, critical incidents and statistics, preliminary discussion on performance indicators, and postponed a discussion on the Telesage project.

10. Report from the Planning Committee

Dave Gossett reported the Planning Committee met on April 29th to review the Service Reduction Options and said the NSMHA staff had a very nicely put together packet for the Planning Committee. Mr. Gossett reviewed the packet with the group. Given that the North Sound Region is facing a dramatic shortage of State-only funding, the Planning Committee recommended immediately sending a letter outlining our situation and requesting a meeting with the Secretary of DSHS. This letter and a similar letter by the Snohomish County Mental Health Advisory Board to Governor Gregoire are in the meeting packet. Mr. Gossett stated that we are the only RSN that funds our E&T's from the money we receive for our rates. Particularly irritating about this is that the state is proposing to fund two new E&T's from capital funds. Our E&T should be funded like the others, not from within our existing funding. Chuck Benjamin noted that none of the service reductions that we are considering is due to future funding cuts; we will have to look at further cuts once we know our new funding level.

Mr. Gossett made a motion (**#05-037**) to adopt Service Reduction Options list, seconded by Mr. Nelson, opened for discussion, Chair Shelton called for the vote, all in favor, **motion carried.**

11. Report from the Executive Director

Chuck Benjamin reported that we are trying to stay upbeat and focused considering what we are facing. He said CMS has issued an extension and a bridge contract is expected. He explained how the funding and rates are rolling out. We are still waiting on information from the State regarding ECS funding. He said we are supposed to get the final contract tomorrow with the State-only money in it and will have to be returned by June 29th. He said he would provide a synopsis at the June meeting. Regarding HB1290, we have to add law enforcement representation to our Advisory Board. He stated our Advisory Board is very active and feels adding law enforcement representation would be good. Mr. Benjamin is hoping that Board Members can help facilitate this. Mr. Benjamin said June 6th and 7th MHD will be here auditing NSMHA. Mr. Benjamin echoed Ms. Miller's and Ms. Jubie's comments about the 5th annual NSMHA Tribal Conference and added a thank you to all the hard work put in by staff members Shannon Solar and Rebecca Pate helping to make it such a success. Mr. Benjamin thanked Annette Calder for being his assistant, stating this is a new position and it is working out well. Mr. Benjamin introduced Margaret Rojas, NSMHA's new Consumer Affairs Coordinator.

12. Report from the Finance Officer

Bill Whitlock reported that the December 2005 revenues are close to budget. Federal grants and the Enhanced Community Services (ECS) revenue are on budget for the year. The Prepaid Health Plan (PHP) revenue was close to projection in December until we paid back \$1.13 million 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. There will be a motion to increase the budget by \$100,000. Brief discussion followed.

The Finance Committee will ask for a transfer in the Reserve Funds to cover a negative Unreserved Fund balance of \$660,717. The March 2005 Financial Statements show we are in line with the budget. The NSMHA operating budget is within budget except for miscellaneous expenditures, over by \$13,269.

The State budget proviso increasing the inpatient non-Medicaid hospital rate to \$400 per day will add an additional \$516,065 a year in non-Medicaid inpatient costs per year. NSMHA is still working on the other budget issues but do not have enough information at this time. NSMHA should have received the final fiscal impact by May 2, 2005, 60 days before the start of the biennium, however we are still waiting. NSMHA will be audited by DSHS/MHD the first week of June for our Federal Block Grant and compliance.

Mr. Whitlock reviewed the amended budget with the Board of Directors. Chuck Benjamin noted NSMHA's original budget was only 4.75% of our funding to begin with. The first cut NSMHA took totaled 5.11% and this second budget cut totals an 8.45% reduction from the NSMHA 2005 approved budget. Budget cuts by providers amount to a total of a 4.7% decrease. Mr. Whitlock was thanked for his report.

13. Report from the Finance Committee

Mr. Nelson moved approval of the Consent Agenda (**motions 05-026 through 05-034**), seconded by Ms. Miller, chair called for the vote, all in favor, **motion carried**.

14. Consent Agenda

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 # 05-026 To review and approve North Sound Mental Health Administration's claims paid from February 1, 2005 to February 28, 2005 in the amount of \$3,688,582.72. Payroll for the month of February in the amount of \$63,373.88 and associated employer paid benefits in the amount of \$21,113.71.

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 \$3,386,803.23. Payroll for the month of March in the amount of \$68,728.49 and associated employer paid benefits in the amount of \$20,100.15.

Motion #05-028 – To review and approve North Sound Mental Health Administration's claims paid from April 1, 2005 to April 30, 2005 in the amount of \$3,586,345.35. Payroll for the month of March in the amount of \$66,934.48 and associated employer paid benefits in the amount of \$28,740.62.

Motion #05-029 – 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 #05-030 – To increase the 2004 operating budget PHP (Prepaid Health Plan) revenue by \$100,000 and Agency/County/Other Services Expenses by \$100,000.

Motion #05-031 – 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 #05-032 – 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 #05-033 – To approve a transfer of \$366,073.32 from the Capital Reserve to Unreserved Fund Balance. Transfer \$344,644.00 from Risk Reserve to Unreserved Fund Balance.

Motion #05-034 – To review and approve NSMHA-MHD-FBG #0469-59965, Amendment 2. The purpose of this amendment is to modify the statement of work to reflect a revised use of funds allocated to Snohomish County.

15. Action Items Not Yet Reviewed by the Board

None.

16. Introduction Items

None.

17. Executive Session

Chair Shelton announced that the Board of Directors would go into Executive Session to discuss potential litigation for approximately 30 minutes with an announcement expected at the end. Executive Session convened at 3:15 p.m.

18. Reconvene

Chair Shelton reconvened the meeting at 3:30 p.m. A motion (#05-038) was made by Mr. Gossett, to authorize the Executive Director to proceed with litigation against the State of Washington regarding the Medicaid Integration Project (MIP) in the event that the budget is signed in a manner which includes public mental health services with the implementation of MIP in Snohomish County that includes the mental health component, seconded by Mr. Sievers, all in favor, **motion carried**.

19. Adjournment – Chair

The meeting was adjourned at 3:33 p.m.

Respectfully submitted:

Annette Calder
Executive Assistant

NOTE: The next Board of Directors meeting July 14, 2005, at 1:30 p.m. in the NSMHA Conference Room, 117 N. 1st Street, Suite 8, Mount Vernon, WA