

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

AGENDA**

Page #/Tab

1. **Call to Order; Introductions – Chair Gossett**
2. **Revisions to Agenda – Chair Gossett..... 1-2**
3. **Approval of Minutes– Chair Gossett 3-13**
Minutes of the Special Meeting of the Board of Directors, January 24, 2006
Minutes of the Regular Monthly Meeting of the Board, February 9, 2006
Motion # 06-020
4. **Comments & Announcements from the Chair**
5. **Reports from Board Members**
6. **Comments from the Public**
7. **Report from the Advisory Board – Charles Albertson, Chair**
8. **Report from the Executive/Personnel Committee – Dave Gossett, Chair**
9. **Report from the Quality Management Oversight Committee – Gary Williams, Chair**
10. **Report from the Planning Committee – Dave Gossett, Chair**
11. **Report from the Executive Director – Chuck Benjamin, Executive Director**
12. **Report from the Finance Officer – Bill Whitlock, Fiscal Officer..... Tab 1**
13. **Report from the Finance Committee – Kirke Sievers, Chair**
14. **Consent Agenda – Dave Gossett, 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 # 06-021

To review and approve North Sound Mental Health Administration's claims paid from February 1, 2006 through February 28, 2006 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).

15. Action Items

Motion #06-016

To review and approve the NSMHA revised 2006 Budget.

Motion #06- 018

To review the draft contract for the Integrated Crisis Response Pilot. This contract will transfer money from one line item to another and fund chemical dependency case management services.

16. Introduction Items

Motion # 06-022

To introduce the NSMHA-VOA-Medicaid-2006, Amendment 1. This amendment is for adding the delegated Access Line function. Financial information will be available at the meeting.

Motion #06-023

To introduce the NSMHA-VOA-SMH-2006, Amendment 1. This amendment is for adding the delegated Access Line function. Financial information will be available at the meeting.

Motion#06-024

To introduce the NSMHA-APN-Medicaid-2006, Amendment 1. This amendment removes the delegated Access Line function. Financial information will be available at the meeting.

Motion # 06-025

To introduce the NSMHA-APN-SMH-2006, Amendment 1. This amendment removes the delegated Access Line function. Financial information will be available at the meeting.

Motion # 06-026

To introduce that NSMHA will be contracting in April with Skagit County for ITA court services and related cost for involuntary commitment/chemical dependency pilot project.

17. Adjournment – Chair

NOTE: The next Board of Directors meeting April 13, 2005, at 1:30 p.m. in the NSMHA Conference Room

NORTH SOUND MENTAL HEALTH ADMINISTRATION
Special Meeting of the
BOARD OF DIRECTORS MEETING
NSMHA Conference Room
Mount Vernon, WA
January 24, 2005
8:30 AM

MINUTES

Board Members Present:

Chris Tobey, designated alternate for Skagit County Commissioner, Ken Dahlstedt

Board Members Via Telephone:

Dave Gossett, Snohomish County Council, NSMHA Board Chair

Mike Shelton, Island County Commissioner

June LaMarr, The Tulalip Tribes

Kirke Sievers, Snohomish County Council

Gary Williams, designated alternate for Whatcom County Executive, Pete Kremen

Sharie Freemantle, designated alternate for Snohomish County Council member John Koster

Barbara LaBrash, designated alternate for San Juan County Council member, Bob Myhr

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

Ward Nelson, Whatcom County Council

Staff Present:

Bill Whitlock, Greg Long, Annette Calder

Guests:

None

1. Open the Meeting and state the purpose of this Special Meeting

Dave Gossett opened the meeting at 8:38 a.m., and introductions were made. Chair Gossett stated the purpose of the Special Meeting is to review and approved amended State Mental Health and Medicaid contracts from DSHS adjusting the rates for the Medicaid Integration Partnership. Chair Gossett asked Bill Whitlock to briefly describe the motions before the Board.

Bill Whitlock said the State is changing our Actuarial Rates by changing the rates that the Washington Medicaid Integration Partnership (WMIP) contractor has and increasing them. The state wants to change Molina's rates to \$98.44 for disabled client and \$11.88 for a non-disabled client. This would leave the North Sound \$1.48 for a WMIP disabled Medicaid client and \$.17 for a WMIP non-disabled Medicaid client.

Our current per member per month rate is \$99.92 for a disabled client. Molina takes \$93.04 leaving \$6.88. The current rate for a non-disabled client is \$12.05. Molina takes \$11.31 leaving \$.74. The \$1.48 and \$.17 represent the amount of funding for crisis outreach and the crisis line. The monthly reduction is \$8,748.15 based on the December WMIP population. The contract amendments will be retroactive to October 1, 2005.

Chair Gossett asked if the State expressed any rationale for why the rates were being changed. Mr. Whitlock shared the State said they had miscalculated the rates from the very beginning. NSMHA has asked for more detailed information on that but have not received it to date. NSMHA plans on reviewing the rates with the State in the future. Chair Gossett asked what happens if the Board did not approve the amendments. Mr. Whitlock replied that NSMHA would lose the contract.

Mr. Nelson asked Mr. Whitlock for further explanation on the amendments. Mr. Whitlock said the monthly fiscal impact is our Medicaid payment will be decreased by \$8,748.15; state funds will increase by \$4,962; for a net loss of \$3,786.15 per month. Mr. Nelson asked if the WMIP clients are transferring to NSMHA services. Mr. Whitlock stated only if those clients dis-enroll from Molina, then NSMHA receives 100% of their funding. Mr. Whitlock said there are still approximately 1,800 clients that are enrolled in WMIP. Mr. Whitlock said that everyone is covered for crisis line and crisis outreach services through NSMHA funding. Mr. Nelson asked if people dis-enroll from Molina if they come back to NSMHA for services, Mr. Whitlock said yes, 100%.

2. Action Items

Motion #06-010

To review and approve **DSHS Medicaid Contract #0569-79567 Amendment No. 2**. The state is increasing Molina's monthly Medicaid rates and decreasing the North Sounds Medicaid rate for the Washington Medicaid Integration Partnership (WMIP) clients. The reason for the change is the state miscalculated the original rates.

A motion to approve by Mr. Shelton, seconded by Ms. Sgrignoli, all in favor, **motion carried**.

Motion #06-011

To review and approve **DSHS State Mental Health Contract #0569-79682, Amendment No. 2**. The number of WMIP clients has gone down from the original state estimates. So the state will reduce the monthly WMIP deduction from \$23,818 to \$18,856. This will increase the state funds by \$4,962 per month.

Motion Mr. Shelton, seconded by Mr. Tobey, all in favor, **motion carried**.

3. Adjourn

Chair Gossett asked if there was any other business to be conducted; there was none. Chair Gossett thanked everyone for participating and adjourned at 8:44 a.m.

Respectfully submitted,

Annette Calder
Executive Assistant

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

MINUTES

Members Present:

Dave Gossett, Snohomish County Council, NSMHA Board Chair
Chris Tobey, designated alternate for Skagit County Commissioner Ken Dahlstedt
Ward Nelson, Whatcom County Council
Mike Shelton, Island County Commissioner
Kirke Sievers, Snohomish County Council
Janelle Sgrignoli, designated alternate for Snohomish County Executive, Aaron Reardon
Regina Delahunt, designated alternate for Whatcom County Executive, Pete Kremen
Marie Jubie, NSMHA Advisory Board representative
Bob Myhr, San Juan County Council
June LaMarr, The Tulalip Tribes

Staff Present:

Chuck Benjamin, Greg Long, Bill Whitlock, Annette Calder, Wendy Klamp, Margaret Rojas, Michael White, Shari Downing, Debra Jaccard, Julie de Losada

Guests:

Tom MacIntyre, Janice George, Mike Watson, Deborah Moskowitz, Donna Konicki, Jess Jamieson, Jackie Henderson, Mike Manley, Gary Williams, Chuck Davis, Andy Byrne

1. Call to Order; Introductions – Chair Gossett,

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

2. Revisions to Agenda – Chair Gossett

Chair Gossett asked if there were any revisions to the agenda; there were none.

3. Approval of January 2006 – Chair Gossett

Chair Gossett asked if there were any additions or changes to the minutes; there were none. Mr. Nelson moved approval of the January minutes, seconded by Mr. Shelton, all in favor, **motion carried. (Motion # 06-014)**

4. Comments & Announcements from the Chair

Chair Gossett said he would be announcing via email committee appointments next week. He also said that an email would be coming out regarding the evaluation of Executive Director, Chuck Benjamin.

5. Reports from Board Members

Chair Gossett asked if there were any reports from Board Members; there were none.

6. Comments from the Public

Andy Byrne, Executive Director of Whatcom Counseling and Psychiatric Clinic (WCPC) as well as a member of the Associated Provider Network (APN), said he was here representing the APN and its member agencies and wanted to address the Board. He said the APN believes in themselves as sympathetic partners to NSMHA in that they help the NSMHA to meet contractual obligations for administration and service throughout the Region. He said, later on today, with motion 06-016 the Board will be faced with requested action for a budget modification, based on the last information he received to be in excess of \$500,000 for 7.5 FTE positions. As a group, we (APN) want to commend your (NSMHA's) Executive Director; we've (APN) heard his presentation on that and seen the rationale, and has more than adequately spelled out the necessity of increasing your (NSMHA's) staff in order to meet increased contractual obligations.

I've said the word that we're sympathetic once or twice, and would like to graphically illustrate that. At least three times since July of 2004, and then again, assuming this budget modification would pass, APN and other providers would be faced with a very similar decision; which is and have been faced with it, which is: How do we meet increased contractual obligations? Ours (APN's) has gone a little further as, how do we meet contractual obligations with fewer resources? Today, we're sympathetic to your decision which is how to meet vastly increased contractual obligations? But not with fewer resources, not even with the same resources, but with the budget modification request in excess of \$500,000. We (APN) are asking you to, you have a very, very difficult decision, we're not asking you to do that, but what we're asking you to do is to consider that while you look at that and you find yourselves literally and possibly able to meet these increased obligations with your current level of funds. We're very sympathetic with that and again, we've had to do that three times with fewer funds. So what we're asking you to do as sympathetic partners as you deliberate is first to have additional information to you that you may not have had the opportunity to have as in terms of an Impact Statement. Should you decide to pass the budget modification then the other contractors in the Region, APN representing probably 90% of the funds, I'm not exactly sure of that figure, we'd be asked to take a look at our increased obligations and the increased service requirements we have with additional people, but with fewer dollars, so what we'd ask is that you delay your decision until we are able to provide to you, which we'll do by the end of February, along with our other information, an Impact Statement.

Should you indeed divert in excess of \$500,000 from services, what impact that would have; we can't talk on what impact that would have on the other contractors, but we'd be glad to talk to you about what impact that would have at APN. Should you not be able to, or choose not to delay, I understand there's an urgency that you feel. I'd simply ask the impossible, which is that you approach this task in the same way providers do; how do you meet additional obligations in this case, with the same amount of money and you'd say, that's physically impossible, what would we not do? And in that decision you'd be forced to decide well we can't meet all of our administrative and service obligations, what would fall by the wayside? And we would only hope if you can't delay that you'd remember something has to fall by the wayside, would it be services or would it be the administrative obligations?

Anyhow again, let me reiterate we're sympathetic with your plight, I've very, very relieved that I'm not sitting on that side of the table with you now, and that I know you'll take due consideration. Finally again, we do request that you do delay your decision so that we can provide you with an Impact Statement. Thank you.

Chair Gossett thanked Mr. Byrne for his comments and asked if there were any other public comments; there were none. Mr. Byrne asked if there would be a discussion of that item when we get to that point on the agenda, Chair Gossett said indeed.

Report from the Advisory Board skipped at this time.

7. Report from the Executive/Personnel Committee – Dave Gossett, Chair

Chair Gossett reported there was one item that he wanted to mention. He said it has been discussed before but didn't believe it had been quite so formalized. NSMHA has received a bill from Skagit County for prosecuting services for the E&T (Evaluation and Treatment center). What NSMHA has done with that has set it aside and it will be studied and discussed some more. Chair Gossett said he would like to remind everybody that historically the RSN has not paid either Skagit or Snohomish counties for those services. The rationale has always been that both counties very strongly wanted the facility in their county so that it would be more convenient for their citizens and that the trade off was that there would be costs associated with that. Chair Gossett just wanted to let everyone know that NSMHA has received a bill at this point.

8. Report from the Quality Management Oversight Committee – Gary Williams, Chair

Gary Williams reported:

The QMOC met on January 25th, and the only issue that Mr. Williams is bringing forward is a recommendation that as the RSN looks at reviewing, with the provider network, policies and procedures and whether they are state or federal requirements and whether the exceeding the requirements if there is any changes or modifications to the current policies and procedures that those be returned for review to the Quality Management Oversight Committee because their responsibility as a Board committee is to have a thorough discussion and review of those policies and provide feedback to the Board as to what the committee sees as impacts. As Chair of the QMOC, Mr. Williams respectfully asked that if there are going to be modifications to policies and procedures that they be routed through QMOC so that the committee can provide their due diligence regarding changes and the impacts of those changes. Chair Gossett thanked Mr. Williams for his report.

9. Report from the Planning Committee – Dave Gossett, Chair

Chair Gossett reported:

The Planning Committee has not met since the last meeting of the Board of Directors but it anticipated the Planning Committee will meet in March. The major focus in planning is currently around the implementation of the Involuntary Commitment Process for people who are dangerous to themselves or others or in imminent danger due to their grave disabilities. The implementation of this project has been delayed until April 15 for the Secure Detoxification Facility has had delays in permitting and construction, but the project continues to move forward.

Chair Gossett said if there is no objection from the Board is hold agenda item 11, move on with items 12, 13, and 14, then do item 11 immediately before the Board takes action so we can combine the presentation and discussion prior to action.

10. Report from the Finance Officer – Bill Whitlock, Fiscal Officer

Bill Whitlock reported:

No financial reports at this time. December 2005 is not final and we do not have the information for January yet.

The Governor's office has proposed a new budget called "95% stabilization of 2006 funds." This proposal would reduce North Sound Mental health Administrations state funds by \$2,503,576. It would also increase estimated Medicaid eligible population to 124,454. This is 2,621 higher than we currently have (this does not include the WMIP clients). The total projected for North Sound went from 13.47% to 12.94 % of the total funding. The RSN's that received increases in the Governor's proposal are King, Pierce, Spokane and Thurston-Mason. King went from 27.06% to 28.41% (\$9,086,055) of the total funding. Pierce went from 13.01% to 13.69% (\$4,277,989) of the total funding. Spokane increased .12% (\$1,840,478) and Thurston-

Mason increased .11% (\$897,056). The ten other RSN's lost funding. This seems a little strange since the state increased total funding by \$13,877,762.

This month's contract change revolves around the monthly estimated inpatient deduction and the inter RSN inpatient dispute process. The contract amendment changes the way MHD calculates the monthly estimated inpatient deduction. The deduction is calculated using the actual claims paid in the prior 10th to 15th month and it is calculated each month. The prior method used the 12th to 18th month was only calculated twice a year. The inter-RSN inpatient dispute process has been changed to not exceed 17 months 24 days. Any claims that do not get resolved within that time will not go through the MHD process.

Brief discussion followed on the Governor's proposed budget changes and Ms. Delahunt recommended that this Board develop a legislative strategy to ward off funding cuts. Mike Shelton motion for Mr. Benjamin to compose a letter for Chair Gossett's signature to be sent to every legislator in the North Sound Region explaining the consequences of going along with the Governor's proposal and instead to support the Medicaid funding upgrade in terms of the \$25 million dollars, seconded by Mr. Tobey, all in favor, **motion carried.**

Mr. Whitlock was thanked for his report.

11. Report from the Finance Committee – Kirke Sievers, Chair

Kirke Sievers reported the Finance Committee met today and reviewed all the bills noting that Mr. Whitlock did a good job. Mr. Sievers moved approval of the consent agenda (motion **06-015**), seconded by Mr. Shelton, all in favor, **motion carried.**

12. 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 # 06-015

To review and approve North Sound Mental Health Administration's claims paid from January 1, 2006 through January 31, 2006 in the amount of \$3,324,107.97. Payroll for the month of January in the amount of \$71,181.58 and associated employer paid benefits in the amount of \$22,308.40.

13. Report from the Executive Director – Chuck Benjamin, Executive Director

Brief presentation on Action Item 06-016

Chuck Benjamin provided a brief PowerPoint presentation on the NSMHA revised 2006 budget. Mr. Benjamin started by acknowledging Vision of Hope and Paths to Recovery, noting the Vision of Hope is becoming a bit dimmer but that he is not giving up on Paths to Recovery and said the only way we are going to recover is to work together. Mr. Benjamin stated everyone had the materials that were distributed over the last couple weeks and the presentation today would mainly focus on staffing needs as well as a brief comment on service trends. He also noted the increased workloads on RSN, counties and providers due to fiscal monitoring and reporting. Mr. Benjamin discussed the increased needs for additional staff being a .5 FTE fiscal staff, .5 FTE information systems staff, .5 FTE Allied Systems Planner, 1 FTE support staff and 5 FTEs in Quality Management. Questions and answers took place during and after the presentation.

Mr. Shelton said in terms of the staff that would be overseeing the high-risk children and adults, it seems to him it would make more sense that those requirements be done by agency staff, so then agencies would have the staffing resources for that population. He said the RFQ/RFP would have made more sense to do it at the agency level. Chuck said that if viewed in terms of the Balanced Budget Act (BBA) and the Center for Medicaid and Medicare Services (CMS) that would be seen as a conflict of interest. Mr. Benjamin also referenced critical incidents, results of reviews and consumer outcomes that all show consumer needs are not met. Mr. Shelton said on the Mental Health Task Force he has heard testimony from Mr. Benjamin and Mr. Jamieson as well as other testimony all saying if the system doesn't get proper funding these bad things are going to happen. Now that it is happening we shouldn't be surprised that it is happening. Mr. Shelton also said that he believes the critical incidents are happening because we don't have enough clinicians to take care of the people who are in service. Mr. Benjamin invited Mr. Shelton to attend a Critical Incidents Review Committee meeting and Mr. Shelton said he would like to attend. Mr. Shelton said the point is once we have had a critical incident it is like anything else in life, when looking backwards it is always easy to define what should have been done. When you are looking forward and a clinician has many patients on his/her caseload and one of them ends up dead it is easy to say I should have spent more time with that client so this didn't happen. Mr. Benjamin said his bottom line is consumer outcomes and Mr. Shelton agreed and said that is all of our bottom line, he is just not sure this is the way to go about it. Mr. Benjamin said he believes some of the requirements are good but also that some of the requirements of the RFQ simply take money away from services, put it in administration and are of no benefit to the consumer.

Mr. Nelson said Mr. Shelton brings up some strong concerns about clinicians, and in some way Mr. Nelson views himself as a clinician of sorts being a pharmacist, he sees patients and receives reimbursement for the services he provides and is monitored. When he looks at what healthcare has done in the last 10 – 15 years in pharmacy, the mental health system is just starting to feel it. Mr. Nelson said based on the changes in healthcare requirements, this is one reason he believes the State is convinced that more monitoring will improve services, service delivery and get more bang for the buck. Mr. Nelson said he agreed with Mr. Shelton about putting the money into services. Some of these changes are making sure that we can document and he doesn't believe we have the capacity to do that now, and neither do the clinics. He does see the ability to do it and is supportive of some of these changes. He said the key in the medical profession is to document. The point is to make sure we can support and document what we are doing. Need to have the documentation to back-up what we're doing, have a better analysis of what we are doing, consumer outcomes, etc. Mr. Nelson stated he was concerned about the consumers and we need to be sure they are getting the services that they need.

Mr. Tobey said Commissioner Dahlstedt is very concerned that we are doing our best and that we are efficient. He said Commissioner Dahlstedt was a strong advocate for the increase of Skagit County sales tax by 1/10 of 1% to help support mental health services. He wants to make sure we are doing the best we can with the money we have. Mr. Tobey said from the information he received from Mr. Whitlock, it costs \$205 for one hour of outpatient services, with \$115 of that being labor and \$90 being administrative costs. He said that is very high, and if we add this the cost is going to go up even further. He said he didn't know what the answer is but when we're approaching 45% in administrative costs that is very high.

Ms. Delahunt stated she agrees with Mr. Nelson, doesn't know number of FTEs we need, feels Mr. Benjamin did a good job putting this information together for the Board. She said she hasn't read the RFP and she doesn't know what the specific language is. Ms. Delahunt asked is this proposal overkill for what we need to do for the RFQ? She said regarding the language around the need to high risk consumers said we need to deliver services appropriately and that could mean a lot of things. She believes that is what NSMHA has

been trying to do. She stated that she had discussions with the Whatcom County Executive and he wants us to be as conservative as possible in the increase of any administrative expenses.

Mr. Myhr asked if there is any way some of the Quality Management issues could be handled by way of certification at the APN level that the service has been provided appropriately? Mr. Benjamin said BBA and RFQ really require the NSMHA or any other RSN to do the work themselves. Mr. Benjamin said last year or year before MHD did allow deeming for those agencies that were able to certify, but has stopped doing that. Even with NCQA certification it didn't cover everything that the Mental Health Division was interested in seeing.

Chair Gossett said a proposal was made earlier in the meeting to delay approval of the modified budget request in order to get the Impact Statement from APN. Chair Gossett asked how urgent is this, will there be a problem if this is delayed? Mr. Shelton said Senator Hargrove has introduced legislation for those RSN's who failed the RFQ to give them six months to rectify issues that made them fail; and asked if during this six month period when the failing RSN's try to rectify the situation they are dealing with does that give us any room as an RSN who passed the RFQ process? Will all implementation of RFQ requirements be delayed when failing RSN's are trying to be compliant? Mr. Benjamin said he and Ms. Jubie attended the Senate's Human Services and Corrections Committee to provide testimony on the bill discussing the RFQ. Mr. Benjamin said he submitted testimony supporting the extension for RFQ's who didn't make it but also notified the committee that there is also a burden for those RSN's that passed the RFQ. He said even though we have passed, it is not over. MHD is still going to come in and say that we need more in certain areas. It is not the fact that we passed and we're ok. We still have work to do to remain an RSN. Mr. Benjamin told the Human Services and Corrections Committee what our FTE proposal was to meet requirements and how much it would cost. Senator Brandland asked other RSN's after Mr. Benjamin's testimony if they would have to increase staff and resources to meet the requirement and all said yes. Mr. Benjamin also spoke to other Senators after the hearing and asked about relief from the RFQ and the Senators said that they don't believe that they can pass legislation for relief on those who did pass, only for those who didn't make it. Mr. Benjamin said sure the Board can delay this a month, but at some point in time a decision will have to be made. MHD will be coming to audit us on the RFQ and there will be a bigger issue if we are found not in compliance.

Chair Gossett said he would like to suggest two things:

- 1) table this motion until next meeting and ask for Impact Statement from APN within two weeks, A motion to table this was made by Mr. Sievers and seconded by Ms. Delahunt, table the motion, 9 yes, 1 no, **motion carried (motion #06-019)**. Jess Jamieson committed that the Impact Statement will be submitted within two weeks.
- 2) Asked Mr. Benjamin to prepare a letter for Chair Gossett's signature to MHD with copies to the Legislature that basically says here is what we think it will take to implement the RFQ with costs that will ultimately come out of direct services, is this what you expect us to do? If it isn't, what do you expect us to do. It is hoped that we will receive a response back

Mr. Benjamin will prepare a letter to MHD and cc the legislature regarding what it will take to implement the RFQ requirements noting that money will ultimately come out of direct services, is this what you (MHD) expect us to do? If not, then what? It may be that we are providing adequate monitoring or they could state that is what they want us to do and they don't care the money is taking away from services. Mr. Shelton added that there is another proposal out there for an addition \$2.5 million dollar reduction. Mr. Nelson said he is concerned that the clients are really losing here. He said we'll never know until we have proper monitoring and he has always been a proponent for having the lowest administrative costs we can, however

the bar has been raised at the State and this Board has to come to terms with that. We have to gather better information. He doesn't believe MHD will provide any better information than they already have on this issue. It is a reality of today that we have to do better monitoring. He said there are HMO's out there chomping at the bit to get these State contracts to provide the same services and he'll be damned if he is going to have an HMO taking care of his clients. It would cause more work at his pharmacy with less reimbursement

Mr. Shelton said the problem with Mr. Nelson's analysis from his perspective is that he doesn't presume to know the financial capability of the agencies, but at some point in time his assumption is that agencies will say we cannot do what you want us to do with the amount of money that you are willing to give us. He believes we came close to that with the current contract. The potential for this RFP is now will go back at the end of August saying want you (providers) to do more with less money. Mr. Shelton said what providers told Executive Committee don't have enough money now to do what is required and how do you expect us to do more? When NSMHA staff goes to agencies and assist the clinicians with audits, etc., one has to remember during that time, the clinician is not able to do anything else at that time they are working with RSN staff. This is squeezing the agencies. He said at this point in time he does not see a way out of this mess and doesn't know what to do about it, he doesn't know what the answer is. Mr. Shelton said he appreciates Chuck's presentation and doesn't believe that the RSN is trying to take away direct services money. Mr. Shelton we have to recognize that the community mental health system really consists of NSMHA and the providers and if half of the equation cannot continue to operate, then someone is going to have to figure the way out of this, and that probably would not include NSMHA. He thinks there are Legislators that want to do away with the RSN system and try something else. Mr. Shelton said he has never felt this frustrated with the mental health system and is not sure that we can do what the state wants us to do.

Mr. Byrne said WCPC has a Board meeting a week from today and feels they run a tight ship and has been able to contribute to reserves over the years as is required. At the next WCPC Board meeting the WCPC Board will be faced with the decision to take money out of reserves to continue paying staff or lay off clinicians and thereby not be able to meet obligations. He said it is an issue that needs to be dealt with soon, cannot be carried out too long.

Mr. Sievers said what would help him is to have staffing requests prioritized in the event that they only authorizing 3 positions, he wants to know which three and the associated costs. Need to do this for all proposed positions.

Chair Gossett said one thing he wants to be very clear is that at the next meeting he does not want to have a bunch of new information requests then. He said it is very important if any Board member wants any information or feels there is something they want known by the next meeting to please let Chuck know in the next few days so it can be prepared in a timely manner for review prior to the meeting. Chair Gossett said just speaking for himself; he will not look favorably upon requests at next meeting as a tactic to stall making a decision.

Mr. Nelson said he would like to know from the APN why if over the last few years they have received a greater percentage of the distribution of dollars then why are we seeing a lower percentage of clients serviced? He wants to know why our clients aren't getting service when APN is getting more money based on the overall funding. Jess said APN will answer that in their Impact Statement. Chair Gossett said it didn't need to be answered today; he just wanted it known that if people had questions they needed to be asked so the information could be provided in a timely manner.

Mr. Manley said any decisions made here need to factor in the Governor's proposal.

Mr. Nelson said priorities is one thing, what he would also like to see the RSN priorities be on the areas of highest concern. Mr. Benjamin said he would like to make the priorities in the areas that would impact the consumers the most.

Mr. Jamieson said APN will prepare Impact Statement, and if they come up with questions should they be submitted to Mr. Benjamin? Chair Gossett said questions need to be submitted to Chuck ASAP, sooner rather than later. Mr. Byrne asked if the Impact Statement should be based on the 7.5 FTE's, Chair Gossett said yes.

Mr. Sievers said Mr. Benjamin needs to prioritize those people because there might be a staff person that NSMHA prioritizes that providers agree with that NSMHA should have to help providers do their jobs and felt that as soon as NSMHA could get this out would be a help to the providers; Mr. Jamieson said it would be helpful to the APN formulating their response.

14. Action Items

Motion #06-016

To review and approve the NSMHA revised 2006 Budget. Delayed until March meeting by motion # 06-019

Motion #06-017

To review and approve the MHD PIHP Contract 0569-79567 Amendment Number 3. This amendment deals with changes to Exhibits D and K. Exhibit D limits the time to go back and dispute claims. Claims older than 17 months, 24 days will not be eligible for dispute between RSN's. Exhibit K is changing the method for estimating initial Inpatient Utilization agreed upon by most fiscal staff at an RSN/MHD fiscal meeting in October 2005. A motion was made by Mr. Sievers to sign the amendment, seconded by Ms. Sgrignoli, all in favor, **motion carried.**

15. Introduction Items

Motion # 06-018

To review the draft contract for the Integrated Crisis Response Pilot. This contract will transfer money from one line item to another and fund chemical dependency case management services.

16. Report from the Advisory Board – Marie Jubie

Marie Jubie reported the Advisory Board met on Feb 7th and:

- Approved the January minutes,
- James Mead objected to how the APN contract was concluded and felt that we had negotiated in good faith and APN's was a little slippery in the way they handled the contracts and Ms. Jubie agreed,
- Whatcom County Advisory Board recommended that at the end of this contracting cycle in August 2006, that NSMHA no longer contract with APN after August 2006. The NSMHA Advisory Board recommends that the NSMHA Board of Directors end the longstanding presumptive contracting with APN.
- Chris Walsh stated he was unimpressed with Board of Directors Retreat due to participants,
- Chuck Benjamin announced Fairfax Hospital was closing their adolescent beds and wants more, funding from the RSN's. Additional funding from RSN's is not available,
- The Advisory Board recommended approval of the expenditures before this Board today,

- The Advisory Board approved a motion that recommends the Board of Directors ensure QMOC is included in any policy review and revisions prior to any policies being adopted by the Board of Directors,
- The Advisory Board scheduled a Retreat for Tuesday, March 14th at the Skagit Resort,
- Mary Good reported on the last QMOC meeting,
- Individual county representatives gave reports, and
- Maile Acoba gave the County Coordinators report.

Ms. Jubie was thanked for her report.

17. Adjournment – Chair

Chair Gossett adjourned the meeting at 2:40 p.m.

Respectfully submitted:

Annette Calder
Executive Assistant

NOTE: The next Board of Directors meeting March 9, 2005, at 1:30 p.m. in the NSMHA Conference Room