

**NORTH SOUND MENTAL HEALTH ADMINISTRATION
BOARD OF DIRECTORS MEETING**

December 12, 2013
1:30 PM

AGENDA

	Page/Tab#
1. Call to Order; Introductions – Chair Gossett	
2. Revisions to Agenda – Chair Gossett	
3. Approval of Minutes of November 14, 2013; Motion #13-075	5-10
4. Comments & Announcements from the Chair	
5. Reports from Board Members	
6. Comments from the Public	
7. Ombuds Report	1
8. Report from the Advisory Board – Candy Trautman, Chair	
9. Report from the Executive/Personnel Committee – Chair Gossett	
10. Report from the Quality Management Oversight Committee – Rebecca Clark, Chair	
11. Report from the Planning Committee	
12. Report from the Executive Director	2
13. Report from the Finance Officer	3
14. Report from the Finance Committee – Ken Stark, Chair	
15. Consent Agenda – Finance Committee Motion #13-076	

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.
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To review and approve North Sound Mental Health Administration’s claims paid from November 1, 2013 through November 30, 2013 in the amount of \$7,039,812.47. Payroll for the month of November in the amount of \$127,509.76 and associated employer paid benefits in the amount of \$64,205.01.

16. Action Items

DSHS

We have not received the following contracts from DBHR, nor do we know the exact funding allocations. We anticipate the arrival being middle to late December. We request the Executive Director have the authority to sign said contracts upon arrival, if there are any negative funding changes that would jeopardize ongoing services the Executive Director shall notify the Board of Directors prior to signing.

Motion #13-077

To authorize the Executive Director to sign the following contracts upon receipt from DSHS:

DSHS-DBHR-NSMHA-PIHP-14-15

DSHS-DBHR-NSMHA-SMHC-14-15

Contract specifics will be presented to the Board of Directors for formal approval at the next regularly scheduled meeting following receipt of the contracts.

DSHS-DBHR-NSMHA-PIHP-14-15 for the provision of allocating Medicaid funding for Mental Health Outpatient services in the North Sound Region. The funding for this Agreement is not available at this time, with the term of the Agreement January 1, 2014 through June 30, 2015.

DSHS-DBHR-NSMHA-SMHC-14-15 for the provision of allocating Medicaid funding for Mental Health Outpatient services in the North Sound Region. The funding for this Agreement is not available at this time, with the term of the Agreement January 1, 2014 through June 30, 2015.

Interlocal Agreement

Motion #13-078

To approve the **WHATCOM COUNTY-NSMHA-INTERLOCAL-14** for the purpose of providing funding for the Whatcom County Triage Center in the amount of \$45,756 and Rainbow Recovery Center in the amount of \$ 172,033 both of which are operated by WCPC. The total funding for this Agreement is \$217,789 with a term of January 1, 2014 through December 31, 2014.

(The Whatcom County funding for the Triage Center is already included in the WCPC budget for 2014, no amendment is necessary)

State

The following amendment is needed to pass through the Whatcom County funds for the Rainbow Recovery Center. The funding is added to the state funded mental health outpatient contract with Whatcom Counseling & Psychiatric Clinic (WCPC).

Motion #13-079

To approve the contract: **NSMHA-WCPC-SMHC-13-15 Amendment 2** for the provision of increasing funding for the Rainbow Recovery Center in the amount of \$ 172,033. A total increase to this Agreement from Whatcom County is \$172,033 for a new maximum consideration on this Agreement of \$8,412,001; the term of this Agreement remains the same, October 1, 2013 through September 30, 2015.

Professional Service Agreements

The following Professional Service Agreements are for our contracted medical director consultation services and contracted human resources consultation services. These are our current vendors and staff recommends continuing contracting for these services with these vendors.

Motion #13-080

To approve the following Professional Service Agreements:

NSMHA-BROWN MD-PSC-14

NSMHA-TURNER HR SERVICES-PSC-14

NSMHA-BROWN MD-PSC-14 contract for the provision of Medical Director Consultation services. Funding for this Agreement is \$36,000 with a term of January 1, 2014 through December 31, 2014.

NSMHA-TURNER HR SERVICES-PSC-14 for the provision of human resources consultation. Funding for this Agreement is \$15,000 with a term of January 1, 2014 through December 31, 2014.

DD Crisis Services

The funding on the following Agreements was calculated for a 2 year cycle and not the 9 month term of the agreements. The funding is reduced to reflect the 9 month term of the contract which aligns with the NSMHA Developmental Disabilities Administration (DDA) contract.

Motion #13-081

To approve the following contract amendments:

NSMHA-COMPASS HEALTH-DD CRISIS-13-14 Amendment 1

NSMHA-VOA-DD CRISIS-13-14 Amendment 1

NSMHA-COMPASS HEALTH-DD CRISIS-13-14 Amendment 1 for the purpose of correcting the maximum consideration on this agreement. The new maximum consideration is \$247,180.59 with the term of the agreement remaining the same, October 1, 2013 through June 30, 2014

NSMHA-VOA-DD CRISIS-13-14 Amendment 1 for the purpose of correcting the maximum consideration on this agreement. The new maximum consideration is \$7,515 with the term of the agreement remaining the same, October 1, 2013 through June 30, 2014

NSMHA 2014 Recommended Operating Budget..... 4

The NSMHA 2014 Proposed Operating Budget was developed and shared via the following timeline:

- Preliminary review & recommendation of Board of Directors Finance Committee 10/10/13
- Introduction to the Board of Directors 10/10/13
- Distribution to:
 - Advisory Board 10/11/13
 - Interested Public and Stakeholders 10/11/13
 - Available on NSMHA Website 10/11/13
- Review and recommendation of the Advisory Board 11/05/13
- Review at the Board of Directors meeting 11/14/13
- Review and approval by Advisory Board 12/03/13

- Review and recommendation of all stakeholders Up to 12/12/13
- Recommended Budget presented for Board adoption 12/12/13

Our original 2014 budget proposal had an estimated state funds cut in the amount of \$2,964,571. During the budgeting process we received a contract amendment from DSHS/DBHR with an updated state funds reduction in the amount of \$3,108,172. The additional reduction of \$143,601 in state funds revenue and associated expenses are reflected in the revised budget proposal.

Motion #13-082

To approve the NSMHA 2014 Recommended Operating Budget.

Revisions to NSMHA Personnel Policies and Procedures 5

Some revisions have been made to the NSMHA Personnel Policies and Procedures to bring them in line with the Affordable Care Act, Fair Labor Standards Act, and some general clarifications.

Motion #13-083

To approve the revisions to the NSMHA Personnel Policies and Procedures as presented.

17. Introduction Items

18. Adjourn

Next Meeting: January 9, 2014

**NORTH SOUND MENTAL HEALTH ADMINISTRATION
BOARD OF DIRECTORS MEETING**

November 14, 2013

1:30 PM

MINUTES

Members Present:

Dave Gossett, Snohomish County Council member, NSMHA Chair of the Board of Directors
Ken Dahlstedt, Skagit County Commissioner, NSMHA Vice Chair of the Board of Directors
Ken Stark, designated alternate for Snohomish County Executive, John Lovick
Barbara LaBrash, designated alternate for San Juan County Council member, Jamie Stephens
Regina Delahunt, designated alternate for Whatcom County Executive, Jack Louws
Candy Trautman, NSMHA Advisory Board Chair
Mark McDonald, NSMHA Advisory Board Vice Chair

Members via Telephone:

Jill Johnson, Island County Commissioner

Staff Present

Joe Valentine, Greg Long, Bill Whitlock, Annette Calder

1. Call to Order; Introductions

Chair Dave Gossett opened the meeting at 1:30, welcomed everyone and introductions were made. Dave asked Jill if she was willing to serve as Vice Chair in 2014, and she accepted.

Jill excused herself from the meeting due to another commitment.

2. Revisions to Agenda

None

3. Approval of Minutes

Chair Gossett asked if there were any changes to the minutes of October 10, 2013; there were none.

Barbara LaBrash moved approval of **motion #13-065**, seconded by Regina Delahunt, all in favor, **motion carried.**

4. Comments & Announcements from the Chair

None

5. Reports from Board Members

Ken Dahlstedt reported that in August Skagit County approved 3/10ths of 1% sales tax for jail expansion; approved by 73% and starting to move forward with the project.

Barbara LaBrash discussed how San Juan County lost some phone services last week due to an underwater cable being severed. Working with NSMHA and VOA to ensure calls could get through.

6. Comments from the Public

None

7. Report from the Advisory Board

Candy Trautman reported on the November 5th Advisory Board meeting. Candy noted that her term expires this year and Mark McDonald will be Chair next year. A copy of the meeting brief is attached to the file as part of the official record. Candy was thanked for her report.

8. Report from the Executive/Personnel Committee

Chair Dave Gossett reported the committee met today and said at the next meeting some proposed updates to the Personnel Policies and Procedures, some changes due to the Affordable Care Act, Fair Labor Standards Act and exempt employees, and some are just practical updates to clarify procedures. At the December Board meeting the changes will be available for review.

9. Report from the Quality Management Oversight Committee

Greg Long reported on the October 23 QMOC meeting. Greg discussed the Performance Improvement Projects; one is being retired and a new one is starting. The committee also reviewed the NSMHA Clinical Guidelines and some changes to the WACs (Washington Administrative Code). A copy of the meeting brief is attached to the file copy as part of the official record. Greg was thanked for his report.

10. Report from the Planning Committee

Lisa Grosso reported on the October 18th Planning Committee meeting noting the meeting focused on the annual housing capacity update as well as a presentation on the proposed 2014 NSMHA Operating Budget. A copy of the meeting brief is attached to the file copy as part of the official record. Lisa was thanked for her report.

11. Report from the Executive Director

Joe Valentine directed the group to Tab 1 and reported on the status of the CMS letter regarding how Washington State does procurement for mental health services, the Involuntary Treatment Act diversion proposals, settlement of the TR Lawsuit, an update on the Regional Health Alliance, and an update on NSMHA's Crisis Services System Redesign. A copy of Joe's report is included in the meeting packet under Tab 1 as part of the official record. Joe was thanked for his report.

12. Report from the Finance Officer

Bill Whitlock directed the group to Tab 2 and provided the October 2013 financial report, reviewed negative variances, noting which variances are related to timing and which were permanent. Bill also explained the request for a budget amendment as well as the proposal for paying providers for services provided over their budget caps. A copy of Bill's report is included in the meeting packet under Tab 2 as part of the official record. Bill was thanked for his report.

13. Report from the Finance Committee

Ken Stark reported the committee met today, reviewed all claims paid and payroll for October 2013 before the Board today. Ken Stark moved approval of motion **13-066**, seconded by Ken Dahlstedt, all in favor, **motion carried.**

14. Consent Agenda – Finance Committee Motion #13-066

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.

To review and approve North Sound Mental Health Administration's claims paid from October 1, 2013 through October 31, 2013 in the amount of \$6,213,016.99. Payroll for the month of October in the amount of \$129,817.44 and associated employer paid benefits in the amount of \$61,707.40.

15. Action Items

Motion #13-067

Medicaid

NSMHA-WCPC-MEDICAID-13-15 Amendment 1 for the provision of increasing funding for children's mental health services in Whatcom County. The amount of the increase is \$254,496 for a new maximum consideration of \$6,371,640; the term of this Agreement remains the same, October 1, 2013 through September 30, 2015.

Joe provided an explanation for **motion #13-067**. Ken Dahlstedt moved approval, seconded by Regina Delahunt, all in favor, **motion carried**.

Motion #13-068

Whatcom County is providing this funding for the Rainbow Recovery Center. The funding is passed through our state funded outpatient contract with Whatcom Counseling & Psychiatric Clinic (WCPC).

State

NSMHA-WCPC-SMHC-13-15 Amendment 1 for the provision of increasing funding for the Rainbow Recovery Center in Whatcom County. This funding is a pass through from Whatcom County in the amount of \$87,012.79 for a new maximum consideration on this Agreement of \$1,955,340.79; the term of this Agreement remains the same, October 1, 2013 through September 30, 2015.

Joe provided an explanation for **motion #13-068**. Ken Stark moved approval, seconded by Barbara LaBrash, all in favor, **motion carried**.

Motion #13-069

Professional Service Agreement

NSMHA-CHS-PSC-13 Amendment 2 for the purpose of adding \$10,000 for consultation services to complete the requirements of implementing an Electronic Health Record for the provision of child/youth/family mental health services in South Snohomish County. The term of this agreement expires on December 31, 2013 with the new maximum consideration of \$158,936.

Joe provided an explanation for **motion #13-069**. Ken Stark moved approval, seconded by Ken Dahlstedt, all in favor, **motion carried**.

Motion #13-070

To pay Volunteers of America \$4,250 to have their I.S. vendor, Raintree Systems Inc., make changes to their data system to allow Access, ICRS, and Next Day Appointment data to be made available to non-Raintree provider agencies.

This is a sole source Agreement meeting the State Auditor definition of “sole source” and in accordance with NSMHA policy #3028.00 Section 1.2.2 “Exceptions to Competitive Bidding Process”.

Competitive bidding may be waived or is not required for the following:

- d. Purchases involving special facilities or market conditions. (RCW 39.04.280) (Board resolution required.)*
- e. Purchases that are clearly and legitimately limited to a single source of supply. (RCW 39.04.280) (Board resolution required.)*

Joe provided an explanation for **motion #13-070**. Barbara LaBrash moved approval, seconded by Ken Stark, all in favor, **motion carried**.

Motion #13-071

NSMHA-INTERFAITH-MEDICAID-13-15 for the purpose of providing outpatient Medicaid funding for adult services in Whatcom County. The maximum consideration for this Agreement is \$1,051,224 with the term of this Agreement October 1, 2013 through September 30, 2015.

This is a \$9,827 monthly increase in their current budget starting October 1, 2013. The total Interfaith annual budget will be \$576,000 annually. History: In the last 12 months Interfaith earned \$481,768 in outpatient services. They added an additional therapist and an Advanced Registered Nurse Practitioner (ARNP). We calculated 50% of the therapist time at \$63,621 and 10 hours a month from the ARNP at \$31,200.

Joe provided an explanation for **motion #13-071**. Ken Dahlstedt moved approval, seconded by Ken Stark, all in favor, **motion carried**.

Motion #13-072

Move to pay providers for \$721,435 in services earned but not compensated because they were over their monthly budget cap during the period 7/1/11 to 6/30/13. See attached report.

Joe provided an explanation for **motion #13-072**. Ken Dahlstedt moved approval, seconded by Barbara LaBrash, all in favor, **motion carried**.

Motion #13-073

This motion is proposed to replace motion #12-059 from December 13, 2012

The NSMHA Board of Directors moves to assign \$11 million dollars (\$8 million Medicaid and \$3 million state funds) for a fund balance RFQ in the following areas:

- 1) Implementation of Children’s mental health redesign including expansion of children services, wraparound team services and/or children’s crisis response teams;
- 2) Expansion of mental health crisis services; and

- 3) Health care reform including enhancing care coordination services through health homes, enhance workforce training on evidence based practices, and information systems and technology enhancements.

(For reference: Motion 12-059 dated 12-13-2012: The NSMHA Board of Directors moves to assign \$5.7 million dollars (\$4.7 million Medicaid and \$1 million state funds) for a fund balance RFQ in the following areas. Implementation of Children's mental health redesign including expansion of children services, wraparound team services and or children's crisis response teams. Health care reform including enhancing care coordination services through health homes, enhance workforce training on evidence based practices, and information systems and technology enhancements.)

Joe provided an explanation for **motion #13-073**. Ken Stark moved approval, seconded by Ken Dahlstedt, all in favor, **motion carried**.

Motion #13-074

Move to increase the NSMHA Operating Budget by \$3 million dollars in Medicaid Revenue and \$3 million dollars in Agency/County/Other service expense.

Explanation provided by Bill during the Fiscal Officer's Report. Ken Stark moved approval of **motion #13-074**, seconded by Barbara LaBrash, all in favor, **motion carried**.

16. Introduction Items

Presentation on Proposed 2014 NSMHA Operating Budget

Joe Valentine directed the group to Tab 3 and provided a PowerPoint Presentation on the NSMHA 2014 Proposed Operating Budget.

17. Discussion Item

Joe addressed the Board regarding the efforts by Department of Social and Health Services and Washington State Health Care Authority discussing their approach in obtaining stakeholder input regarding for the corrective action plan regarding the Centers for Medicare and Medicaid Services (CMS) and its issues with how Washington State procures mental health services.

The Department of Social and Health Services and Washington State Health Care Authority are seeking input from stakeholders regarding the state's proposed corrective action response to CMS describing how mental health services will be procured in the future.

Some of the key questions being posed to stakeholders are:

1. Should the state use a cost-reimbursement method for financing current RSN Services or conduct an open-procurement process.
2. If the state conducts an open procurement process, what should be included in the RFP;
 - Mental Health Services only with one risk-bearing organizing entity per region;
 - Mental Health and Chemical Dependency Services together in a single behavioral health organization [BHO within each regional service area; or
 - Risk bearing entities that would provide fully integrated services including physical health, mental health and chemical dependency in regional service areas.

It would be helpful to hear Board member perspectives on these questions.

The Board had a good discussion on the questions noted above as well as raising many questions of their own.

18. Adjourn

The meeting was adjourned at 2:53 p.m.

Respectfully submitted:

Annette Calder
Executive Assistant

Next Meeting: December 12, 2013