



AuSable Valley Community Mental Health Services

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William Williams, D.O., Chairperson
Floyd R. Smith, Ph.D., Director

AU SABLE VALLEY COMMUNITY MENTAL HEALTH SERVICES BOARD

January 20, 2009

MINUTES

I. CONVENE

The regularly scheduled meeting of the AuSable Valley Community Mental Health Board was held on Tuesday, January 20, 2009 at the Board's West Branch Office. Meeting was called to order by Chairman Dr. Williams at 6:00 p.m.

A. ROLL CALL. Board members present: *Patti Casey, James Cates, Bernadine Clark, Scott Colclasure, Robert Cudney, Kay Hammond Robert Huddy, Michael Welsch, Clyde Soucie, Joe Stone, Rose Walsh and Dr. Williams.*

Board members absent: None.

Staff present: Floyd Smith, Hugo Keiser, Lois Gartland, Lee Mertz, Dave Beck, Barb Stelloh, Noel Lixey, Deb Roach, Garry Heckman, Deb Burton and Kathy Miner.

Guests: Kevin Elliott.

B. APPROVAL OF DECEMBER MINUTES.

Moved by Mr. Cudney, seconded by Mr. Soucie to approve the Minutes of the December Board Meeting as printed. Motion carried.

C. APPROVAL OF AGENDA.

Moved by Mr. Stone, seconded by Ms. Casey to approve the Agenda as presented. Motion carried.

D. CORRESPONDENCE



Services for emotionally disturbed, developmentally disabled and chemically dependent individuals provided through state and local cooperation.
Serving Iosco, Ogemaw and Oscoda Counties.

The Board received a copy of the Northern Affiliation's Consumer Newsletter as well as an article from the local newspaper regarding our Board partnering with the jail to enhance inmate care via remote technology.

E, ANNOUNCEMENTS

Ms. Gartland announced that the Board Association Conference will be held on February 24 – 25, 2009 in Lansing. Members who wish to attend were asked to contact her for reservations.

F. PUBLIC COMMENTS

None.

G. CONSUMER COMMENTS

None.

II. OLD BUSINESS

Dr. Smith had asked that Kevin Elliott, our Blue Cross Representative be with the Board this evening to review our Blue Cross situation and his recommendations.

Mr. Elliott reviewed what the Board has done with Blue Cross for the past several years including participating in an experienced rated plan, and then in 2006 the Board moved to what is known as a self-funded plan. Mr. Elliott described the self-funded plan as one in which we pay an administrative fee and a stop-loss fee and then basically pay our claims that are used by those individuals covered in the plans. He distributed several utilization forms and areas that have been studied.

Mr. Elliott described the specific situation in a quarter in which we were substantially hit with much larger costs, and which has caused the increase in the upcoming quarter. In order to help the Board remain solvent, he stressed that we need to do something immediately.

Dr. Smith reviewed the information that was presented to the Board at it's December Meeting and as a result asked for an employee participation in our Blue Cross plan. At that time Dr. Smith also appointed a Staff Health Committee to help review these issues. Dr. Smith recognized Kathy Miner, Staff Relations Coordinator and Chair of Staff Health Insurance

Committee, Garry Heckman, Noel Lixey who were in attendance and other staff who are members of the Staff Health Committee. He indicated they have had their first meeting and are doing a superb job in responding to their charge.

Mr. Elliott described a proposal to the Board which he indicated would help save costs immediately. He explained the proposal as changing from offering a PPO3 to a PPO 14 Plan. Under this plan, instead of there being a \$250 deductible per person / \$500 per family maximum and then Blue Cross paying 80% of next bills and employee pays next 20%, the PPO 14 plan would call for a \$1,500 deductible per person / \$3,000 per family maximum and then Blue Cross would pay 100% of remaining bills. Mr. Elliott stressed that this would need to be implemented as of February 1, 2009.

There were questions raised as to how much would we be saving and cost comparison to other carriers. Mr. Elliott explained that there are other types of groups such as area-rated and others, but described our distinct group of staff, area hospitals and doctors and shared his belief that for this group, Blue Cross is still the best deal.

Mr. Cates questioned what staff opinions are on this issue which Dr. Smith described as varying but generally understanding that some action must be taken. There was question regarding flexible spending accounts and other ideas that might be implemented if our costs reduce significantly.

Board asked Kathy Miner for her input. Ms. Miner indicated that unfortunately the Committee just met this past Friday, and she is now meeting with Board on Tuesday. They have received mixed comments from staff but she indicated that Option 14 seemed to be the best way to go at this point. Ms. Miner expressed her appreciation and willingness to continue to work with the Committee, Dr. Smith and Kevin Elliott and the Board to get whatever is needed to make our health coverage beneficial and affordable to staff, while protecting the Board's financial situation.

There was question of short-term solutions, why information wasn't shared earlier, meeting schedule for Health Committee and possibility of removing prescription coverage which were discussed. Dr. Williams reviewed that this proposal will allow the Board, Health Committee and Mr. Elliott to do further research and investigation of long-term ideas and solutions.

Moved by Mr. Stone, seconded by Ms. Casey to approve the recommendation of Mr. Elliott to move from a PPO 3 to a PPO 14 Plan as of February 1, 2009 as presented.

Floyd stressed importance of continued communication with staff regarding this issue and noted that he will share this information with staff at meetings being held next week.

Roll call vote taken; all ayes. Motion carried.

III. REPORTS

A. Chairperson. *None.*

B. Board Association. *None.*

C. Director

Dr. Smith's printed report of areas of interest to the Board was distributed and reviewed. Dr. Smith expressed his appreciation for the Board's review of the Blue Cross and for the work done thus far by the Staff Health Committee. Dr. Smith briefly reviewed the status of the Audit dispute.

D. Committees

- 1. Executive & Finance.** *Committee met on January 20, 2009.*

Committee report was presented by Bernadine Clark as Committee Chairperson.

Moved by Ms. Clark, seconded by Ms. Hammond to receive the December Financial Statements and Vouchers as presented. Roll call vote taken; all ayes. Motion carried.

Moved by Ms. Clark, seconded by Ms. Hammond to approve the contract with Hugo Keiser as Acting Fiscal Officer, at the rate of \$ 55 per hour as presented; with signature by the Director. Roll call vote taken; all ayes. Motion carried.

Moved by Ms. Clark, seconded by Mr. Soucie to approve the Contract with Northern Michigan Substance Abuse Service for funding of our Substance Abuse Prevention Services, in the amount of \$123,713 for the year as presented, with signature by the Director. Roll call vote taken; all ayes. Motion carried.

Moved by Ms. Clark, seconded by Ms. Hammond to approve the Amendment to our Contract with North Country Community Mental Health, extending our current Contract with the Affiliation through September 30, 2009, and incorporates certain provisions required by the Michigan Department of Community Health, at an anticipated total amount for the Contract of \$9,674,145 as presented, with signature by the Director. Roll call vote taken; all ayes. Motion carried.

Moved by Ms. Clark, seconded by Mr. Soucie to approve the Contract for psychiatric services with Rudy Barba, M.D., for services primarily to children, at the cost of \$204 per hour, plus the Board mileage rate to and from Alpena as presented, with signature by the Director. Roll call vote taken; all ayes. Motion carried.

Moved by Ms. Clark, seconded by Ms. Hammond to approve Floyd R. Smith, Ph.D., as the pension trustee, effective January 26, 2009 as presented. Roll call vote taken; all ayes. Motion carried.

IV. NEW BUSINESS

None.

V. COMMENTS

A. BOARD. There was question as to manner in which recent Fiscal Officer left position which was reviewed by Dr. Smith.

B. STAFF.

Lee Mertz expressed a big Thank You to the Board for the purchase of generators for the Beechwood and Edwards Homes. He described they were without power recently for four days and they both worked wonderfully!

C. PUBLIC. None.

VI. MEETING DATES

A. BOARD. Next regular meeting of the Board will be held on Monday, February 19, 2009, at 6:00 p.m., at the Board's West Branch Office.

B. COMMITTEES.

- 1. Personnel. Monday, February 2, 5:00 p.m., Tawas Office.*
- 2. Executive & Finance. Tuesday, February 10, 2009, 5:00 p.m., West Branch Office.*

VIII. ADJOURN

*Moved by Mr. Stone, seconded by Mr. Welsch that the meeting be adjourned. Motion carried.
Meeting adjourned at 7:05 p.m.*

Respectfully submitted,



*Lois A. Gartland
Recording Secretary*

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