

**Mid-State Health Network (MSHN) Board of Directors Meeting
Tuesday, March 7, 2017, 5:00 P.M.**

Gratiot County Integrated Health Network – The Lawson Center

Meeting Minutes

1. Call to Order

Secretary Jim Anderson called the MSHN Board of Directors Meeting to order at 5:00 p.m.

2. Roll Call

Ms. Merre Ashley provided the Roll Call for Board Members in attendance.

Board Member(s) Present: Jim Anderson (Bay-Arenac), Joe Brehler (CEI), Bruce Cadwallender (Shiawassee), David Griesing (Tuscola), Phil Grimaldi (Saginaw)(via phone), Dan Grimshaw (Tuscola), Mike Hamm (Newaygo), John Johansen (Montcalm), Steve Johnson (Newaygo), Pam Kahler (Huron), Colleen Maillette (Bay Arenac), Deb McPeek-McFadden (Ionia) (via phone), Gretchen Nyland (Ionia) (via phone), Irene O’Boyle (Gratiot) (via phone), Kurt Peasley (Montcalm)(via phone), Joe Phillips (CMH for Central Michigan), Kay Pray (CEI), Kerin Scanlon (CMH for Central Michigan), Robyn Spencer (Shiawassee), and Leola Wilson (Saginaw) (via phone)

Board Member(s) Absent: Brad Bohner (LifeWays), Beverly Wiltse (Huron), and Ed Woods (LifeWays)

Staff Members Present: Joe Sedlock (CEO), Amanda Horgan (Deputy Director), Merre Ashley (Executive Assistant), Forest Goodrich (Chief Information Officer), Dr. Dani Meier (Chief Clinical Officer), Leslie Thomas (Chief Financial Officer)

3. Approval of Agenda for March 7, 2017

Board approval was requested for the Agenda of the March 7, 2017 Regular Business Meeting.

MSHN 16-17-013 MOTION BY DEB MCPEEK-MCFADDEN, SUPPORTED BY JOHN JOHANSEN, FOR APPROVAL OF THE AGENDA OF THE MARCH 7, 2017 REGULAR BUSINESS MEETING, AS PRESENTED. MOTION CARRIED: 18-0.

Ms. Kerin Scanlon arrived at 5:03 p.m.

4. Approval of Consent Agenda

Board approval was requested for Draft Minutes of the November 1, 2016 Regular Business Board Meeting, Draft Meeting Notes of January 10, 2017 Board Informational Meeting, Draft Meeting Minutes of the October 16, 2016 and December 21, 2016 SUD Oversight Policy Advisory Board Meetings, Draft Minutes of the November 18, 2016, December 16, 2016, January 13, 2017 and February 17, 2017 Board Executive Committee Meetings, Draft Minutes of the December 7, 2016 and February 7, 2017 Board Policy Committee Meetings, Key Decisions of the November 14, 2016, December 19, 2016, January 17, 2017, and February 21, 2017 Operations Council, MSHN FY17 Risk Management Strategy, and Policies, as presented.

MSHN 16-17-014 MOTION BY COLLEEN MAILLETTE, SUPPORTED BY DAVID GRIESING, TO APPROVE THE DRAFT MINUTES OF THE NOVEMBER 1, 2016 REGULAR BUSINESS BOARD MEETING, DRAFT MEETING NOTES OF JANUARY 10, 2017 BOARD INFORMATIONAL MEETING, DRAFT MEETING MINUTES OF THE OCTOBER 16, 2016 AND DECEMBER 21, 2016 SUD OVERSIGHT POLICY ADVISORY BOARD MEETINGS, DRAFT MINUTES OF THE NOVEMBER 18, 2016, DECEMBER 16, 2016, JANUARY 13, 2017 AND FEBRUARY 17, 2017 BOARD EXECUTIVE COMMITTEE MEETINGS, DRAFT MINUTES OF THE DECEMBER 7, 2016 AND FEBRUARY 7, 2017 BOARD POLICY COMMITTEE MEETINGS, KEY DECISIONS OF THE NOVEMBER 14, 2016, DECEMBER 19, 2016, JANUARY 17, 2017, AND FEBRUARY 21, 2017 OPERATIONS COUNCIL, MSHN FY17 RISK MANAGEMENT STRATEGY, AND POLICIES, AS PRESENTED. MOTION CARRIED: 19-0.

5. Public Comment

No Public Comments

6. MSHN Board Chair Update

Secretary Anderson explained Chairperson Woods was unable to attend the meeting due to a family issue. He brought forth information on the following:

- Board Executive Committee Action: MCHE Articles of Incorporation
- Board Nominating Committee
 - Election of Board Officers will occur at the September 2017 Board Meeting. A Nominating Committee will be appointed at the May 2017 meeting for this purpose. Members who are interested in serving on the Nominating Committee should contact Chairperson Woods.

7. Autism Cost Settlement Plan Implementation

Mr. Joseph Sedlock reported implementation of the Autism Cost Settlement Plan was endorsed and recommended for Board Action/Approval by the MSHN Operations Council. For timeliness, the Board Executive Committee provided action/approval of the Autism Cost Settlement Plan Implementation at their November 18, 2016, as presented.

MSHN 16-17-015 MOTION BY PAM KAHLER, SUPPORTED BY JOHN JOHANSEN, TO RATIFY NOVEMBER 18, 2016 BOARD EXECUTIVE COMMITTEE ACTION TO APPROVE THE AUTISM COST SETTLEMENT PLAN IMPLEMENTATION, AS PRESENTED. MOTION CARRIED: 18-1.

8. Managed Care Information System

Secretary Anderson reported that in lieu of a quorum at the January 10, 2017 Board of Directors Meeting, Board Executive Committee action of January 13, 2017 included approval to authorize its CEO to negotiate and sign a MCIS contract with PCE Systems, as presented.

MSHN 16-17-016 MOTION BY DEB MCPEEK-MCFADDEN, SUPPORTED BY TINA HICKS, TO RATIFY THE JANUARY 13, 2017 MSHN BOARD EXECUTIVE COMMITTEE ACTION TO AUTHORIZE THE MSHN CHIEF EXECUTIVE TO NEGOTIATE AND SIGN A CONTRACT FOR A MANAGED CARE INFORMATION SYSTEM WITH PCE SYSTEMS FOR AN AMOUNT NOT TO EXCEED \$550,000, AS PRESENTED. MOTION CARRIED: 18-1.

9. Compliance Summary Report

Secretary Anderson reported that in lieu of a quorum at the January 10, 2017 Board of Directors Meeting, Board Executive Committee action of January 13, 2017, included approval to receive the Annual Compliance Summary Report for the period of October 1, 2015 through September 30, 2016, as presented.

MSHN 16-17-017 MOTION BY GRETCHEN NYLAND, SUPPORTED BY KURT PEASLEY, TO RATIFY JANUARY 13, 2017 MSHN BOARD EXECUTIVE COMMITTEE ACTION TO APPROVE AND RECEIVE THE ANNUAL COMPLIANCE SUMMARY REPORT FOR THE PERIOD OF OCTOBER 1, 2015 THROUGH SEPTEMBER 30, 2016, AS PRESENTED. MOTION CARRIED: 19-0.

10. FY17 Contract Listing of January 10, 2017

Secretary Anderson reported that in lieu of a quorum at the January 10, 2017 Board of Directors Meeting, Board Executive Committee action of January 13, 2017 included approval to authorize its CEO to sign and fully execute the contracts as presented and listed on the FY17 Contract Listing of January 10, 2017.

MSHN 16-17-018 MOTION BY JOE BREHLER, SUPPORTED BY PAM KAHLER, TO RATIFY THE JANUARY 13, 2017 MSHN BOARD EXECUTIVE COMMITTEE ACTION TO AUTHORIZE ITS CHIEF EXECUTIVE OFFICER TO SIGN AND FULLY EXECUTE THE CONTRACTS AS PRESENTED AND LISTED ON THE FY17 CONTRACT LISTING OF JANUARY 10, 2017. MOTION CARRIED: 19-0.

11. Finance Report

Ms. Leslie Thomas provided an overview of the FY15 Compliance Examination, provided by Rosland Prestage and Company. She reported the opinion rendered by Rosland Prestage & Company included MSHN'S compliance in all material respects, and with known compliance requirements, and is the highest that can be achieved. There were no known control deficiencies, non-compliance or fraud. The FY15 Compliance Examination is recommended for Board approval to receive and file.

MSHN 16-17-019 MOTION BY JOHN JOHANSEN, SUPPORTED BY COLLEEN MAILLETTE, TO RECEIVE AND FILE THE MSHN FY15 COMPLIANCE EXAMINATION, AS PRESENTED. MOTION CARRIED: 19-0.

Ms. Thomas provided an overview of preliminary financials for the period ending January 31, 2017, as provided and presented. Board approval to receive and file the financials, as presented, was requested.

MSHN 16-17-020 MOTION BY DAN GRIMSHAW, SUPPORTED BY DAVID GRIESING, TO RECEIVE AND FILE THE PRELIMINARY STATEMENT OF NET POSITION AND THE STATEMENT OF ACTIVITIES FOR THE PERIOD ENDING JANUARY 31, 2017, AS PRESENTED. MOTION CARRIED: 19-0.

Ms. Thomas provided a presentation and information on the Internal Service Fund (ISF) Investments Summary. Following discussion, Secretary Anderson thanked Ms. Thomas for the presentation and information included therein.

Ms. Leola Wilson joined the meeting via phone at 5:41 p.m.

12. Deputy Director Report

Ms. Amanda Horgan provided information and updates on the following topics:

- Balanced Scorecard
- National Committee for Quality Assurance (NCQA)

13. FY17 Quality Assessment and Performance Improvement Plan (QAPIP) and Annual Effectiveness Review

Ms. Horgan introduced Ms. Kim Zimmerman, Director of Quality, Compliance and Customer Services, who provided a presentation to the Board for the FY17 QAPIP and Annual Effectiveness Review. Following presentation and discussion, Ms. Zimmerman stated the Quality Assessment and Performance Improvement Plan (QAIP) for the period of October 1, 2016 through September 1, 2017 and Annual Effectiveness Review and Evaluation for the

period of October 1, 2105-September 30, 2016 is recommend for Board approval to receive and file, as presented.

MSHN 16-17-021 MOTION BY DEB MCPEEK-MCFADDEN, SUPPORTED BY JOHN JOHANSEN, FOR APPROVAL TO RECEIVE AND FILE THE QUALITY ASSESSMENT AND PERFORMANCE IMPROVEMENT PLAN (QAPIP) FOR THE PERIOD OF OCTOBER 1, 2016 THROUGH SEPTEMBER 1, 2017, AND THE ANNUAL EFFECTIVENESS REVIEW AND EVALUATION FOR THE PERIOD OF OCTOBER 1, 2015 THROUGH SEPTEMBER 30, 2016, AS CORRECTED. MOTION CARRIED: 19-0.

14. FY17 Contract Listing of March 7, 2017

Ms. Horgan provided an overview of the listings and information of the FY17 Contract Listing, recommended for approval and authorization of CEO signature as presented.

MSHN 16-17-022 MOTION BY COLLEEN MAILLETTE, SUPPORTED BY JOHN JOHANSEN, FOR APPROVAL TO AUTHORIZE ITS CHIEF EXECUTIVE OFFICER TO SIGN AND FULLY EXECUTE THE CONTRACTS AS PRESENTED AND LISTED ON THE FY17 CONTRACT LISTING. MOTION CARRIED: 19-0.

15. Chief Executive Officer Report

Mr. Joseph Sedlock provided information and updates on the following items:

- MDHHS Site Review/Exit Conference Results
- CMHSP Name Change: Gratiot Integrated Health Network
- CMHSP Cash Flow and FY15 Cost Settlement Status
- 298 Update (MSHN Model)
- Statewide Provider Network and Training Reciprocity Workgroups
- Regional Inpatient Operations Workgroup
- PIHPS Approach to the Michigan Department of Corrections (MDOC)
- Asset Identification and Collaboration Planning
 - Working with Lakeshore Regional Entity and Southwest Michigan Behavioral Health
 - Involving Quality Management and Information Technology
 - TBD Solutions (a consulting firm) identifying strengths and areas for collaboration
- Psychiatric Inpatient Denials Pilot
- Psychiatric Inpatient Bed Registry (Regional/Statewide)

16. Other Business

Mr. Dan Grimshaw referenced MSHN's Cost Settlement policy. Following discussion, Mr. Sedlock affirmed a policy is in place to address the CMHSP cash flow issues. Mr. Sedlock received an exception to said policy from the MSHN Executive Committee. Mr. Grimshaw said he believed that exceptions to board-approved policies should be considered by the full board. Ms. Colleen Maillette stated the Board Executive Committee is responsible for working alongside its CEO to resolve such issues between regular meetings of the Board. She said Mr. Sedlock has brought the topic before the Board on numerous occasions, and the Board discussed at great length. Ms. Maillette stated that it is the proper role of the Executive Committee to work with the MSHN CEO to finalize details and address aspects for resolution. Mr. Phil Grimaldi concurred, saying we have a Board and a structure and a communication system, which our CEO has worked through with the Board's executive officers. He continued by saying Mr. Sedlock has operated as an executive director and been conscientious in reporting issues to the Board; we have a functioning group. Mr. Sedlock thanked the board for their comments, and stated year-end reporting will be presented at the Board of Directors meeting in May, which will include strategies for risk management in dealing with these and other types of complex financial issues.

17. Public Comment

There was no Public Comment

18. Adjourn

MSHN 16-17-023 MOTION BY COLLEEN MAILLETTE, SUPPORTED BY STEVE JOHNSON, TO ADJOURN THE MARCH 7, 2017 MSHN BOARD OF DIRECTORS REGULAR BUSINESS MEETING. MOTION CARRIED: 19-0.

The MSHN Regional Board of Directors Meeting adjourned at 6:55 p.m.

Meeting minutes submitted respectfully by:

Merre Ashley, MSHN Executive Assistant