

MID-SOUTH SUBSTANCE ABUSE COMMISSION

November 28, 2005 - 6:00 p.m.
Michigan High School Athletic Association
1661 Ramblewood Drive
East Lansing, Michigan

MINUTES

PRESENT:

Ken Lautzenheiser, Chairman
Joe Brehler
Brian Calley
Shirley Carter
Dale Copedge
Debbie De Leon
Ross Fulton
Jim Gallant
Jean Golden
Larry Gould
Bob Johnson
Ken Ponds
Bob Showers
Ralph Tillotson

ABSENT:

Dan Alonzi
Ron Clark
Allen Garbrecht
Gail Mahoney
Ben Miller
Hattie Oliver

GUESTS:

John Haycook, Human Aid
Roy Vargas, MVA
Gary McCullough, MVA
Charlotte Koger, EISD/PPS
David Blankenship, Victory Clinic
John R. Castillo, Cristo Rey
Peggy Phelps, CDRS
Michelle Liska, Prev. Partners
Judi Cates, CEI-CMHA
Kathy Davis, CFS
Mike Blanksma, ESAP
Carol Patterson, Cristo Rey
Barb O'Connor, B'way-Jackson
Joe Kuchenbuch, Psych. Cons.
Sue Bell Bonds, SPGB Services
Ed Dore, MDCH
Patrick Barrie, MDCH

STAFF:

Robin Reynolds, Executive Director
Mary Kronquist, Assistant Director
Lori Griffin, Executive Secretary
Jeanne Diver, Quality Assurance Mgr.
Joel Hoepfner, Community Mobilizer

CALL TO ORDER

Chairman Lautzenheiser called the meeting to order at 6:00 p.m.

Mr. Lautzenheiser welcomed all of the guests and asked everyone to introduce themselves. Ms. Reynolds introduced Joel Hoepfner, who is the Commission's Community Mobilizer in the Prevention Department.

APPROVAL OF THE MINUTES OF OCTOBER 24, 2005

Mr. Ponds moved approval of the Minutes of October 24, 2005 as presented. Ms. De Leon supported the motion. The motion carried.

ADDITIONS TO THE AGENDA

Deleted from the Agenda was Item VII. C. 5, Clinton County Wraparound Funding Proposal, and added was Item VII. C. 6, Resolution.

Mr. Fulton moved the Agenda as amended. Mr. Showers supported the motion. The motion carried.

PUBLIC COMMENT

There was no public comment.

NEW BUSINESS

A. Guests Patrick Barrie and Ed Dore, MDCH

Mr. Lautzenheiser welcomed Mr. Dore and Mr. Barrie to the meeting, stating they were in attendance to provide some clarification on substance abuse services and the direction they may take in the future. Ms. Reynolds formally introduced Mr. Dore and Mr. Barrie stating they were asked to provide insight into the direction the department is taking for a leadership role for substance abuse services. She also noted that one of our counties wants to take over management of their Medicaid dollars, and that they have also expressed interest in becoming the coordinating agency. Ms. Reynolds stated many feel the substance abuse system is floundering and are seeking the State's direction on where substance abuse should be moving toward.

Mr. Barrie stated the issue of direction for coordinating agencies is not new; it also was on the forefront in the 1990's, and in 1993 the Administrative Efficiencies Task Force was formed with the charge of finding efficiencies in the substance abuse system, and it was suggested that coordinating agencies consolidate, thus, Mid-South was formed. He added that prior to that time, there was discussion of integration with CMH Boards.

Mr. Barrie made the following points:

- The state is clearer on the direction of change in the mental health field. He stated mental health is becoming increasingly reliant on Medicaid dollars, which are between 70-75% of their budgets for service programs.
- The state's managed care plan goals written to the Feds were written to have collaborative work between coordinating agencies and mental health boards so all funding sources they had control over would be integrated through local bodies. He noted there were difficulties with the Feds in 2000 on how arrangements were structured, and when the waiver was renewed in 2001, the Feds would not allow Medicaid dollars to pass to all 46 CMH boards, so

- affiliations took place, dwindling the number to 18.
- CMHs are moving to perform more like health plans; they are dominated by Medicaid and governed by managed care regulations. Mr. Barrie said these regulations are very specific on how they can operate. He reported that last summer there was an annual external quality review which looks at the Federal regulations to see if they are being followed. He further stated that part are relevant to substance abuse and have detailed requirements for delegation of responsibility from the main managed care organization. Mr. Barrie reported that from this review, when the CMHs are working with CAS, some CAS are not meeting delegation requirements, which put PIHPs at risk.
- The boilerplate language in the Appropriations Bill, Section 414, does not give substance abuse the power to require CMHs to sub-contract with CAS for Medicaid. It says the CMHs will manage the dollars and may sub-contract with CAS, which is consistent with Federal regulations.
- Mental Health Boards have been told if they are not contracting with a CA to manage the Medicaid dollars they need to inform the Department and tell how services will be coordinated. He added the mental health system heavily relies on Medicaid, both in the state and nationally, and general fund dollars are disappearing. He noted the federal block grant for mental health is \$12 million.
- On the CA side, Mr. Barrie said there is a clear responsibility in the Public Health Code. He noted a recent article he read which reported a decline in private coverage for substance abuse services, with the burden left with public agencies and providers.
- It is unclear where all of this leads in the role of the CA. He acknowledged some Mental Health Boards are moving to be designated as CAS, but that the Department is not committed to agree with such action. He noted there is a lot more to CA requirements than most Mental Health Boards realize.
- It is unclear if there is or has been a strategy for substance abuse services in Michigan.
- There is a national debate on whether Mental Health and Substance Abuse Services belong together. Mr. Barrie noted a federal report from the Institute on Medicine noted mental health and substance abuse should be considered in one organizational category because both are paid for primarily by public payers, but there has never been a consensus in Michigan.
- This may be a moment of truth for publicly funded health care in Michigan. Substance abuse strategy needs to be broader than CAS or Medicaid. There are overlaps to multiple systems. The basic problem is there is no vigorous funding or a funding base that grows for substance abuse; Medicaid dollars received by Mental Health Boards does grow
- The question needs to be asked—can CAS meet the Federal regulations that go with Medicaid delegation. There is limited infrastructure to do it.
- A strategy needs to be developed which is broader than the situation with the CAS—it will need to address substance abuse in Michigan. He added that almost every state has trouble financing aspirations for the system.

Mr. Dore addressed a question from Mr. Johnson stating the law allows substance abuse to fall under public health, a mental health board, be a 501-3(C), and lets the counties make a designation for a coordinating agency. He also noted that the Administrative Efficiencies Task Force in the 90's was charged with reducing administrative costs for CAS statewide, and added if the number of CAS were to increase, the costs would increase. Mr. Dore also added that Rep. Caswell has added in the boilerplate language this year provisions to track administrative costs. He noted

the dilemma for CAS is if they want to handle the Medicaid dollars, they must have the ability to meet the Federal requirements. Mr. Dore added there is no consensus across the state on where substance abuse should go. In response to Mr. Gould's question on the Drug Czar position, Mr. Dore said the past czar is person is no longer there, and another appointment is expected soon from the Governor.

Mr. Lautzenheiser provided some insight into Rep. Caswell, stating he is a very fair person, and if the system can prove its worth with programs provided, have measurable outcomes and justify its expense, Rep. Caswell will be a supporter. He added Caswell needs data from us, and others will listen to him.

Mr. Lautzenheiser thanked Mr. Barrie and Mr. Dore for their insightful comments.

COMMITTEE REPORTS

N. Treasurer's Report for October 2005 Community Grant and PA2

Ms. Reynolds stated the Executive Committee had reviewed the report at their meeting earlier. She reported the Bills to be Approved totaled \$854,359.10. She continued by reporting Total Revenues of \$543,743.87; Total Expenses for the CA Administration of \$77,366.58; no expenses for the providers as the pay out is one month behind; Total Expenses of \$77,366.58; and Net Income of \$466,377.29. On the Balance sheet, she reported Total Assets and Liabilities & Capital of \$4,423,082.12. And on the Statement of Cash Flow, Ms. Reynolds reported the Beginning Balance of \$(4,507,545.74), and the Ending Balance of \$4,233,316.98, which resulted in a Net Decrease in Cash of \$(274,228.76).

Medicaid

Ms. Reynolds reported the Bills to be Approved totaled \$157,146.81. She continued by stating Total Revenues were received of \$206,378.71, there were no expenses, which resulted in Net Income of \$206,378.71. On the Balance Sheet, Ms. Reynolds reported Total Assets and Liabilities & Capital of \$306,295.17. Lastly, she reported the Statement of Cash Flow had a Beginning Balance of \$(387,715.30), an Ending Balance of \$437,487.50, which resulted in a Net Increase in Cash of \$49,772.20.

On the Medicaid PIHP Report, Ms. Reynolds reported the balances and payout as follows:

- CEI balance of \$32,185.06
- LifeWays balance of \$(4,176.17)
- Venture balance of \$1,940.76
- Washtenaw balance of \$2,088.45
- PEPM received \$206,351.57
- FY 0405 Savings applied -0-
- Year-to-date Interest Earned of \$518.72
- Services paid out of \$141,257.19
- CDR Services paid of \$14,408.33
- Administrative services paid of -0-
- Overall balance of \$32,038.10

Mr. Showers moved to approve the Treasurer's Report for October 2005 as presented. Ms. Carter supported the motion. The motion carried.

B. Program Development Committee Report

Ms. Golden reported the Committee received a review of programs in Lenawee and Calhoun Counties. She noted that although there are some financial concerns at McCullough Vargas and Sage Center, they are performing adequately. She also noted staff will be monitoring the financial situations.

Ms. Golden reported the Committee reviewed the proposals for Co-Occurring Treatment Services in Gratiot County, the Lansing Teen Court, the Wraparound Funding for Clinton County, and the Juvenile Detention Home Treatment Proposal in Calhoun County, and recommend all for approval.

Ms. Golden moved adoption of the Program Development Committee Report. Mr. Tillotson supported the motion. The motion carried.

C. Executive-Personnel-Finance Committee Report

Mr. Ponds moved approval of the Calhoun County Prevention Allocation in the amount of \$272,144; \$177,361 of MDCH, \$85,431 of Calhoun County PA2, and \$9,352 of methamphetamine grant funds. Mr. Showers supported the motion. The motion carried.

Mr. Fulton moved approval of the Newaygo County Prevention Allocation in the amount of \$66,372; \$54,302 to Pride Youth Programs and \$12,070 to the Newaygo County Sheriff's Office for compliance checks. Mr. Ponds supported the motion. The motion carried.

Mr. Copedge moved approval of the Lansing Teen Court request for continuation funding in the amount of \$25,000, paid from Ingham County PA2 funds. Mr. Gallant supported the motion. The motion carried.

Mr. Johnson moved approval of the Gratiot County Co-occurring Treatment Proposal in the amount of \$5,000, paid with MDCH funds. Mr. Showers supported the motion. The motion carried.

Mr. Ponds moved approval of the Calhoun County Detention Center Funding request in the amount of \$16,000, paid from Calhoun County PA2 funds. Mr. Fulton supported the motion. The motion carried.

Mr. Lautzenheiser stated the Resolution presented for consideration is designed to express the wishes of the coordinating agency, and asked members for their comments. Mr. Ponds asked for more time to read it after hearing the comments of the MDCH guests, with feedback provided at the January meeting. Mr. Brehler suggested it be referred to the Program Development Committee for discussion and input. Mr. Gould stated that it should be shortened, and when completed, sent to every county.

D. Nominating Committee

Mr. Lautzenheiser stated the proposed Slate of Officers reflects the rotation agreed upon when the last merger took place, with new officers taking over in February. Mr. Tillotson noted this slate is tentative as there could be some changes in membership after the first of the year. Mr. Lautzenheiser stated the tentative slate is as follows:

Chair	Dan Alonzi, Gratiot County
Vice Chair	Ken Ponds, Calhoun County
Treasurer	Debbie De Leon, Ingham County
Secretary	Bob Showers, Clinton County

OLD BUSINESS

Ms. Reynolds stated the items approved by the Executive Committee during their Conference Call on November 9, 2005 need to be ratified by the full Board. Those items are as follows:

- Ionia Prevention Allocation of \$57,043 paid from Ionia PA2 funds
- Revised Jackson County Coalition Allocation of \$168,098
- Revised Hillsdale County Coalition Allocation of \$103,980
- Revised Ingham County Coalition Allocation of \$316,000

Mr. Fulton moved to ratify the decisions made during the Executive Committee Conference Call on November 9, 2005. Mr. Showers supported the motion. The motion carried.

Ms. Reynolds stated the items sent under the Director's Report were for information.

PUBLIC COMMENT

Mr. Joe Kuchenbuch, Program Manager from Psychological Consultants in Calhoun County spoke, stating his agency will be impacted with the change in Medicaid in Calhoun County effective January 1, 2006. He stated his program is very appreciative of working with Mid-South over the years, providing consistency, being able to easily contact Mid-South staff with questions and concerns. He also noted his concern with the dollars being somewhere else, with possible new reporting requirements, and billing requirements. Mr. Kuchenbuch also wondered with regard to clients who may move between Medicaid and block grant, how it will be done so clients won't be affected. He stated he wanted to know how agencies that will have to live with the change will make it work.

Ms. Reynolds announced that all meetings for December have been cancelled.

ADJOURNMENT

The meeting adjourned at 7:34 p.m.