K. Walker called the meeting to order at 2:01 P.M.

I. Introductions
   • None

II. Audience Participation
   • None

III. Board Response to Audience Participation
   • None

IV. Budget-Finance and Program-Quality Committee Combined Minutes and Actions from 6/10/19
   • Budget-Finance Committee Minutes and Actions of 6/10/19 were reviewed.

MOTION BY D. STRONG SUPPORTED BY K. SCOTT TO APPROVE THE MINUTES AND ACTIONS FROM THE JUNE 10, 2019 BUDGET-FINANCE AND PROGRAM-QUALITY COMMITTEE COMBINED MEETING AS PRESENTED.

MOTION CARRIED

K. Walker stated the purpose of this special combined meeting was for both Budget-Finance and Program-Quality Committees to plan for FY2020 and take into consideration the budget issues facing WCCMH.

V. Finance Status Reports
   • N. Phelps reviewed the financial status report for the month ending June 30, 2019.
   • Medicaid Enrollees were 32,525 in June 2019.
   • Healthy Michigan Enrollees in June 2019 were 15,546.
• Medicaid consumers served through June 2019 are 3,735. This is 264 more consumers served than the same period last year.
• ABA Waiver consumers served through June 2019 were 210. This is 51 more consumers served than the same period last year.
• General Fund consumers served through June 2019 are 789. This is 40 more consumer served than the same period last year.
• Healthy Michigan consumers served through June 2019 are 1,053. This is 43 more consumers served than the same period last year.
• CLS costs to date are $20.0 Million. This is $223,000 over budget.
• Community Inpatient costs to date total $4.5 Million. This is $480,000 over budget.
• Licensed Residential costs to date are $8.4 Million. This is $211,000 under budget.
• Applied Behavior Analysis/Autism service costs to date are $2.7 Million. This is $595,000 over budget.
• Medicaid, Healthy Michigan and Autism funds are coming in slightly higher than budget.
• Financial performance by funding source:
  o Medicaid is showing a deficit of $5.2 Million.
  o Healthy Michigan is showing a deficit of $2.4 Million.
  o State General Funds is showing a deficit of $545,000.
  o Local Funds are showing a surplus of $110,000 through June 2019.
• WCCMH currently has no fund balance available for fiscal year 2019.
• B. King inquired about the actual deficit. N. Phelps stated that with offsets gained through CCBHC and Millage funding, the projected $10M deficit will not be exceeded.
• D. Strong inquired who decides the use of millage dollars. The ultimate approval is from the BOC. B. King inquired if Washtenaw County could place a risk reserve from millage dollars to help with the deficit? N. Graebner cautioned that we have been very transparent with the spending of millage dollars and ensure we communicate that the millage dollars cannot be used towards the deficit. K. Scott asked that the communication should happen immediately regarding what the millage funds are to be used for.

MOTION BY B. KING SUPPORTED BY C. COLLINS TO APPROVE THE FINANCIAL STATUS REPORT THROUGH JUNE 30, 2019 AS PRESENTED.

MOTION CARRIED

VI. Contracts and Leases
  o None

VII. Regional Finance Update
• T. Cortes provided the Regional Finance update.
• Advocacy efforts continue to be discussed at the Regional Board meeting.
• Directors from the 10 PIHP’s continue to engage in advocacy efforts regarding the Lakeshore situation.

VIII. Old Business
• FY2019 WCCMH Final Budget Amendment
  o N. Phelps presented the FY2019 WCCMH Final Budget Amendment to the committee.
  o N. Phelps noted that the CCBHC federal grant reward was moved from the WCCMH proper fund and will be managed with the millage fund. The two funds will be separated in the budget lines.
  o The County Cost Allocation Plan (CAP) line was adjusted to fund WCCMH PDQ position reclassifications.

MOTION BY A. DUSBIBER, SUPPORTED BY C. COLLINS TO APPROVE THE FY2019 WCCMH FINAL BUDGET AMENDMENT AS PRESENTED.

MOTION CARRIED

IX. New Business
• WCCMH FY2020 Annual Operating Budget
  o N. Phelps presented the FY2020 WCCMH Annual Operating Budget.
  o N. Phelps stated that the WCCMH hiring freeze will continue.
  o B. King stated that the Washtenaw County Board of Commissioners had directed G. Dill to talk with the hospital services and requested an update. G. Dill stated that the meetings will be scheduled soon, and he will provide an update in the next few weeks after these meetings occur.
  o K. Scott stated that she had a conversation with a WCCMH Psychiatrist on other possible cost savings suggestions. Dr. Florence will look into the suggested cost savings and provide an update.
  o B. King stated that labor submitted a proposal at the end of July to the BOC regarding the budget deficit. B. King will meet with N. Phelps and T. Cortes to discuss the proposal and possibly bring suggestions back to the WCCMH Board.
  o D. Strong asked for something to hold management accountable for a balanced budget. Helpful to identify the cost drivers that we have control over, revenue is a variable, use of out of home placement/hospital/efficiency of the overall organization, staff productivity.
  o Suggestion was made to consider an outside consultant to review WCCMH practices.
  o N. Phelps will make changes to the budget including staff reductions and millage offsets.
  o Suggestion to add running total lines to FY20 projections
  o N. Phelps will provide an updated budget at the next meeting.

MOTION BY D. STRONG, SUPPORTED BY B. KING TO RECOMMEND THE WASHTENAW COUNTY COMMUNITY MENTAL HEALTH FY2020 ANNUAL OPERATING BUDGET AS PRESENTED WITH THE RECOMMENDATION THAT THE DEVELOPMENT OF PERFORMANCE METRICS BE NAMED WITHIN THREE MONTHS.

MOTION CARRIED

T. Cortes thanked N. Phelps and the Finance Team for all their help on the budget.
• WCCMH FY2020 Master Contract List
  o M. Taylor presented the FY2020 WCCMH Master Contract list to the committee.
  o K. Scott requested the addition of the cost by service/per diem, unit, etc. on the document.
  o B. King asked about the Direct Care Worker wage status with the County. H. Linky stated that the contracts are held with the County and could check to see what has the exception requests. A. DeLeeuw stated that he would provide the information by 8/16/19.

MOTION BY C. COLLINS, SUPPORTED BY N. GRAEBNER TO APPROVE THE FY2020 WASHTENAW COUNTY COMMUNITY MENTAL HEALTH MASTER CONTRACT LIST AS PRESENTED WITH THE AMENDMENT TO PROVIDE VERIFICATION ON THE WASHTENAW COUNTY LIVING WAGE AND/OR APPLICATION FOR THE EXTENSION.

MOTION CARRIED

K. WALKER ABSTAINED FROM THE ROBERTA WALKER CONTRACT.

B. KING ABSTAINED UNTIL RECEIVING INFORMATION FROM THE COUNTY WITH ATTESTATIONS FROM THE WASHTENAW COUNTY LIVING WAGE ORDINANCES.

C. COLLINS ABSTAINED FROM THE MICHIGAN MEDICINE CONTRACT.

K. SCOTT ABSTAINED FROM THE MICHIGAN MEDICINE CONTRACT.

N. GRAEBNER ABSTAINED FROM THE TRINITY HEALTH AND ST. LOUIS CENTER CONTRACTS.

A. DUSBIBER ABSTAINED FROM THE MICHIGAN REHABILITATION SERVICES CONTRACT.

S. ANTONOW ABSTAINED FROM THE TRINITY HEALTH CONTRACT.

X. Items for Future Discussions
  • Rehman Financial Analysis
  • Community Living Supports funding model/utilization.
  • Develop performance metrics

XI. Meeting adjourned at 4:02 pm.