

ALCOHOL, DRUG ADDICTION AND MENTAL HEALTH SERVICES BOARD OF CUYAHOGA COUNTY

FINANCE AND OPERATIONS COMMITTEE MAY 18, 2011 MINUTES

Committee Chair, Pastor Charles Brown, called the Finance & Operations Committee meeting to order at 4:00 p.m. and announced that a revised agenda had been distributed to committee and audience members. Pastor Brown thanked the Finance & Operations Committee and Mr. Snider, Committee Vice Chair, for doing a wonderful job during his absence in the Lenten season due to Wednesday services.

Committee Members Present: Rev. Iris Lynn Bailey, David Biegel, Ph.D., Pastor Charles Brown, Marc G. Crosby, Rev. Charlotte Still Noble, Harvey Snider, Mary Warr

Board Staff Present: Cassandra Richardson, Vivian Catchings-El, Tami Fischer, Cheryl Fratalone, John Garrity, Lisa Griffith, Valeria Harper, Carol Krajewski, Scott Osiecki, Ralph Piatak, Yancey Quinn, Starlette Sizemore-Rice

1. **APPROVAL OF MINUTES**

The Finance & Operations Committee minutes of April 20, 2011, were approved as written.

2. **ADMINISTRATION / CLINICAL ISSUES**

• **Central Pharmacy**

Through the end of April, the projected Central Pharmacy utilization should be 83.33%. Mental health utilization was 66.42% and AOD methadone utilization was 76.53%. Collectively, the overall system is at 66.83% utilization. Although Jewish Family Service Association (JFSA) has been added as a user on this report, the ADAMHS Board has not yet received Central Pharmacy costs from JFSA to date. (Report attached to original minutes stored in the Executive Unit.)

• **State Hospital Bed Day Utilization**

During April 2011, 2,298 hospital bed days were utilized; this figure is 192 days under our projected bed day use. YTD usage is at 1,501 bed days under projection. Average bed day use through 4/30/11 was 78.06 which is 4.94 under the planned utilization of 83 beds per day. Ms. Richardson noted that the state has created a separate 412 line item for bed day utilization and soon the ADAMHS Board will need to make its FY2012 projection of bed day utilization, taking into consideration impending budget reductions. (Report attached to original minutes stored in the Executive Unit.)

3. **FINANCE REPORTS**

a. **Operating Expenditures Report: April 2011** *(For Information Only)*

Ms. Richardson highlighted the Income Statements and Expenditures Reports. Through April, YTD operating expenses totaled \$5,253,193 utilizing 76.11% of the budget. The Board is currently underutilizing its budget as the projected figure is 83.33%. Based on current trends for this fiscal year, we anticipate utilizing 90.40% and have approximately \$662,628 that will go unexpended.

ADAMHS Board Direct Services expended through April (Medicaid & Non-Medicaid) total \$13,881,499. YTD is \$132,394,393. The projected utilization is 98.58%.

b. Board Voucher Report: The committee reviewed the April 2011 Board Voucher Reports, Board Property Reports and Balance Sheets. Ms. Richardson noted that some expenses are related to the Seasons of Hope Luncheon; the fundraiser netted \$8,000 and is reflected in the budget figures.

Motion to recommend approval of April 2011 Board Vouchers to the full Board.

MOTION: C. Noble / SECOND: H. Snider / AYES: I. Bailey, M. Crosby, C. Noble, H. Snider, M. Warr / NAYS: None
ABSTAIN: D. Biegel / **Motion passed.**

3. FINANCE REPORTS

In answer to Pastor Brown's inquiry regarding account surpluses, Ms. Richardson noted that the majority of any leftover funds will need to be maintained to deal with the Medicaid liability issue going forward into FY2012. She noted that we have been notified that Boards will have to pay a 100% value for Medicaid claims related to FY2011.

4. CONTRACTS

Ms. Richardson highlighted the agenda process sheets for contracts listed below, answered questions and provided clarification to the agenda process sheets provided to committee members.

a. **Interagency Agreements:**

- ◇ Pass-Thru Funds from ODMH: Projects for Assistance in Transition from Homelessness (PATH) Allocation and Local Match for FY2012 - Mental Health Services, Inc.
- ◇ Pass-Thru Funds from ODMH: PATH Veterans Pilot Project – Mental Health Services, Inc.
- ◇ ODADAS One-Time Allocation: SFY 2011 Strategic Prevention Framework State Incentive Grant
- ◇ Notice of Funding Award (NOFA) Cuyahoga County Corrections Planning Board:
 - Early Intervention Program – Community Assessment & Treatment Services
 - IOP & Aftercare Dual Diagnosed Clients –Catholic Charities Services
- ◇ Memorandum of Understanding (MOU) with Cuyahoga County Board of Developmental Disabilities (CCBDD) and Catholic Charities Services/Parmadale
- ◇ Amendment to Resolution No. 11-03-04
- ◇ Amendment to Resolution Nos. 11-04-02 & 11-04-03

b. **Service Provider Agreements:**

- ◇ Pass-Thru Funds from ODMH: Projects for Assistance in Transition from Homelessness (PATH) Allocation and Local Match for FY2012 – Mental Health Services, Inc.
- ◇ Pass-Thru Funds from ODMH: PATH Veterans Pilot Project – Mental Health Services, Inc.
- ◇ Pass-Thru Funds from ODMH: Day Care Plus Program - Positive Education Program
- ◇ ODADAS One-Time Allocation: SFY 2011 Strategic Prevention Framework State Incentive Grant
- ◇ Notice of Funding Award (NOFA) Cuyahoga County Corrections Planning Board:
 - Early Intervention Program - Community Assessment & Treatment Services
 - IOP & Aftercare Dual Diagnosed Clients - Catholic Charities Services
- ◇ MOU with Cuyahoga County Board of Developmental Disabilities (CCBDD) and Catholic Charities Services/Parmadale
- ◇ New Directions: Residential Treatment Services for Behavioral Health/Juvenile Justice Youth
- ◇ VRP (Vocational Rehabilitation Services, Public & Private Partnerships - Agency Allocations:
 - Catholic Charities Services
 - Cuyahoga County TASC Program
 - Jewish Family Service Association
 - Spectrum/Recovery Resources
 - Magnolia Clubhouse
 - Mental Health Services, Inc.
- ◇ Shelter Plus Care (S+C) Grant: Emerald Development & Economic Network, Inc.
- ◇ Amendment to Resolution No. 11-03-04
- ◇ Amendment to Resolution Nos. 11-04-02 and 11-04-03

Discussion followed on the one-time advance requested by EDEN, Inc. for the Shelter Plus Care (S+C) Grant. The agenda process sheet identified the circumstances involved: (1) The Department of Housing & Urban Development (HUD) did not issue the Grant Agreement to Cuyahoga County until 4/12/11; and (2) the new County Charter requires a multi-layered process for the approval of grants and contracts. In order to avert delays in payment, the Office of Homeless Services on behalf of EDEN, Inc. has requested the Board provide a one-time advance to EDEN. Repayment of funds to the Board will occur no later than July 15, 2011. Ms. Richardson noted that there will be no delay in payment for providers as a result of this action. Discussion followed.

Ms. Kazol, Executive Director of E.D.E.N., Inc., and Ruth Gillette, Executive Director of the Office of Homeless Services, expressed their appreciation to committee members for consideration of this short-term advance in order not to delay payment to providers and assured that repayment will be made no later than 7/15/11.

c. Operational Agreements:

- ◇ Center for Community Solutions: Organizational Membership
- ◇ Language Bank: English to Spanish Translation for ADAMHS Board Services Directory & Tools for Recovery Handbook
- ◇ Bomgar Corporation: Hardware Maintenance & Software Licenses
- ◇ Brown Consulting Behavioral Services: Prevention Services' Need Assessment

Motion to remove the VRP-3 Agency Allocations from the Service Provider Agreements listed and to recommend approval of the (a) Interagency Agreements, (b) Service Provider Agreements and (c) Operational Agreements to the full Board. MOTION: H. Snider / SECOND: I. Bailey AYES: I. Bailey, D. Biegel, M. Crosby, C. Noble, H. Snider, M. Warr NAYS: None / **Motion passed.**

Motion to recommend approval of the Vocational Rehabilitation Services, Public & Private Partnerships agency allocations to the full Board. MOTION: H. Snider / SECOND: M. Warr / AYES: I. Bailey, M. Crosby, C. Noble, H. Snider, M. Warr / NAYS: None / ABSTAIN: D. Biegel / **Motion passed.**

5. IDENTIFY CONSENT AGENDA ITEMS

Pastor Brown suggested including the Interagency, Service Provider and Operational Agreements into a Consent Agenda for the full Board.

Motion to recommend approval of the (a) Interagency Agreements, (b) Service Provider Agreements and (c) Operational Agreements in the Consent Agenda Format. MOTION: H. Snider / SECOND: I. Bailey AYES: I. Bailey, D. Biegel, M. Crosby, C. Noble, H. Snider, M. Warr / NAYS: None / **Motion passed.**

6. OLD/NEW BUSINESS

• **State Budget Update**

On behalf of Mr. Denihan who was testifying before the Senate Finance Committee in Columbus, Ms. Richardson referenced his memorandum to the ADAMHS Board of Directors, dated 5/18/11, which addressed a significant deficit situation for the ADAMHS Board of Cuyahoga County; see budget summary below:

- A reduction of available funding for Non-Medicaid services of \$13,712,228 or a 33%..
- Funding for mental health community services is being cut by 30%, while the entire state budget has been reduced by 20%.
- The state intends to use all funding for community services to cover Medicaid match.
- This reduction translates to an actual 93% reduction in our state funding for community mental health services; our funding from ODMH will be reduced to only \$179,000.
- We have been notified that our Board will be responsible for paying 100% of FY2011 Medicaid claims that will be paid in FY2012.
- ODADAS' budget reductions translate to a 19% reduction in available funds for community treatment and prevention services. Our funding from ODADAS will be reduced to \$6,621,804.

Unfortunately, the cuts will also impact ADAMHS Board staff and the administrative budget. Mr. Denihan decided to rescind the offer to the Director of Risk Management; consequently, the candidate previously selected will not be joining the staff. Additionally, the ADAMHS Board will need to have staff layoffs effective 7/1/11. Mr. Denihan has met with the union to inform them of the impending layoffs, has notified the overall staff, and is in the process of evaluating the needs of the organization to identify the positions that will be abolished.

- Ms. Richardson noted that Board staff needs to submit its projected bed day utilization to ODMH early next week.
- **Criteria for Non-Medicaid Request for Information (RFI) Awards**
Board staff members are currently in the process of reviewing RFI information, outcome data, expenditure patterns, etc. The intent is to provide this information during the June meeting cycle; however, it has been difficult to proceed given the uncertainty of the state allocations from ODMH and ODADAS.
- **Non-Medicaid RFI Non-Responder Recommendation** - Regarding the three agencies that had not responded during the RFI Process--Hopewell, Consumer Protection Association and Stella Maris--Ms. Richardson noted that the tentative recommendations will be presented during the month of June.
- Ms. Warr emphasized the importance of focusing on helping consumers to find jobs by being creative and innovative. She advocated for keeping employment at the forefront of discussions.
- Regarding impending cuts, Mr. Nosek, President of the Council of Mental Health Agency Directors, asked whether those agencies or programs slated to be totally eliminated would be given at least a 30-day notice. Ms. Richardson noted that technically the 120-day notice serves that purpose; however, Mr. Denihan is planning to let agencies know as quickly as possible if the programs are going to be eliminated through no funding. Efforts will also need to be made for transition plans for consumer/client services as well. Mr. Nosek noted that earlier notice would be helpful for the human factor impact for both consumers and agency staff.

There being no further business, the meeting adjourned at 4:55 p.m.

Submitted by: Carol Krajewski, Executive Specialist

Approved by: Pastor Charles E. Brown, Finance & Operations Committee Chair