



# Rolling Hills

## Community Services Region

Buena Vista \* Calhoun \* Carroll \* Cherokee \* Crawford \* Ida \* Sac

### Governance Board

June 22, 2016 - 2:00 pm

Sac County Law Enforcement Center, Sac City

### Meeting Minutes

**1) Call to Order – Chair, Rick Hecht**

**2) Roll Call of Counties – Introductions**

Buena Vista: Paul Merten

Calhoun: Scott Jacobs

Carroll: Mark Beardmore

Cherokee: Dennis Bush

Crawford: Cecil Blum

Ida:

Sac: Rick Hecht

Advisory Board Representatives: Pam Haberl, Pat Laursen

Regional Staff: Dawn Mentzer, CEO; Leisa Mayer, Lisa Bringle, Louise Galbraith, Coordinators

Guests: Jan Heikes, Melissa Drey, Patrick Schmitz, Dale Arends, Jim Coats, Diana Ossman, Sandy Pingle, Bruce Carlson, Renae Blume, Ben Shuberg, Tammy Carlson

**3) Minutes of Previous Meeting**

*Motion to approve the minutes of the previous meeting by Cecil Blum. Second by Paul Merten*

*Discussion: none. Motion carried*

**4) Approval of Agenda**

Changes/additions to the agenda:

Addition: ICAP quote and renewal, DLA20 Assessment, and CEO evaluation to be added as Items 6c, d and e.

*Motion to approve agenda with the additions by Dennis Bush. Second by Mark Beardmore.*

*Discussion: None. Motion carried*

**5) New Business**

**a) Tammy Carlson, Hunzelman, Putzier & Co., PLC – Fiscal Year 2015 Regional Audit Report**

**I. Representative Letter & Response from Governance Board to Audit Firm**

Tammy Carlson presented a draft copy of the annual audit performed for the region. It is similar to county reports, yet different. Highlights include: page 4, opinion on financial statements, good, bad and suggested changes. Pgs. 4-6 are opinions on the financial statements for the 7 counties and the region. Tammy communicated with the State Auditor and the other firms that handle the county audits. Payroll liabilities were not recorded such as vacation, post-employment benefits, it is ok, but the standards need to be in there for a thumbs up. Opinion on each member's fund balance all were a thumbs up except for Crawford (due to lack of post-employment benefits).

Pgs. 9-10, budget information spreadsheet, fiscal agent and each county (from each auditor). elimination entries, are activities between Rolling Hills and the counties (money in and out for payroll and such) this process brings it to one revenue and expenditures. Some reimbursements were coded under the wrong items and this was put where it should be so they were not misclassified.

Since this was the first year of the audit, next year should be better, communication will be better. Dawn Mentzer added that the FY17 budgets for all counties and the region were completed by her so the codes all match up.

Pages 7-8 provides a true picture of what happened in the region during the fiscal year. It contains the total regional assets, liabilities and net position. Page 8, statement of activities, expenses, service revenue, operating grants, and net cost. General revenues, state tax credits, levies, county fund balances. Net position end of year was \$7,134,650.

Pages 17-18, internal controls are claim processes to make sure that claims are coded correctly and such, and this catches any errors and are corrected. They will tell the region of anything they see that needs improvement. Page 19 relates to segregation of duties, to make sure that someone is always checking the process, this helps prevent mistakes as people tend to be more careful, and is a deterrent to prevent fraud. Tammy encouraged the board to examine the financial reports and ask Dawn questions about them. This was put in the report as a reminder.

Page 19, 1b15, transactions that were miscoded (due to new processes), suggests putting a process in place to eliminate miscoding errors. Minutes and agendas, paper copy needs to be posted in at least one county. Dawn will have the Sac County auditor post the agenda in their courthouse since the meetings are held there. The minutes are to be posted in at least one newspaper (as required by code) in the region. Dawn has had them published in Buena Vista (in the Pilot Tribune), and the board needs to determine the paper for publishing.

Dawn Mentzer sent the board a letter in response to the three deficiencies in the report, to review. If in agreement, the letter needs to be signed or modified as needed. The representation letter also needs to be signed by the Region.

Discussion: Minutes, will they be published as unofficial? The minutes have to be published within 20 days of adjournment, so they would not be approved in time. Paul Merten suggested putting language on the heading that these are draft minutes (not yet approved) until approved at the next scheduled meeting.

*Motion to approve the response letter by Cecil Blum. Second by Dennis Bush. Discussion: none, motion carried.*

Two policies to be put into place: Capitalization policy:

Crisis home, as an example, are we going to maintain a depreciation schedule or not. Assets with a life of more than one year can be included, and a threshold of a dollar amount that the item has to be valued over to be included. Tammy suggested that the board look at each counties policy and choose one that is simple and meets the needs of the region. Tammy suggested this be done in the next few months. Dawn will research capitalization policies and report them back to the board.

*Motion to approve and for the chair to sign the representation letter by Dennis Bush. Second by Scott Jacobs. Discussion: none. Motion Carried.*

Estimated cost of the audit service is \$5,600 this year. An RFP needs to be sent out for next year's audit within the next few months. If it stays with Hunzelman, Putzier & Co., PLC, Tammy feels the fee should go down next year.

Once Hunzelman, Putzier & Co., PLC receives the signed representation letter, the audit will be submitted to the State. A copy of the audit will be given to each county.

## **II. Designate official newspaper for publication of the Board minutes**

Dawn Mentzer recommended appointing a newspaper in Buena Vista since they are the fiscal agent. There are three papers in the area.

*Paul Merten made a motion to select the Pilot Tribune in Storm Lake. Second by Scott Jacobs. Discussion: none. Motion carried.*

### **b) FY'17 Contracts**

#### **I. Ida Services, Inc.**

A contract signed by Ida Services has been received with no request for rate changes.

*Motion to approve the Ida Services contract by Scott Jacobs. Second by Dennis Bush. Discussion: none. Motion carried.*

## **II. Plains Area Mental Health Center**

There are no changes to service rates. Page 2 added \$553,504 which is the grant for the crisis home.

Discussion: Mark Beardmore asked about block grants continuing, Carroll County has concerns of continuing to block grant and also asked about the codes and rates on page one. Codes on page one have to be contracted for Medicaid/MCO purposes, these services have not been billed to the region (other than SCL). Dawn Mentzer does not anticipate funding these services other than SCL. Page 2 are block grants. School based services are in Crawford County and drop in centers are in Carroll and Crawford.

Motion to approve and for the chair to sign the Plains Area Mental Health Center contract by Dennis Bush. Second by Scott Jacobs. Discussion: none. Vote: Yea: Paul Merten, Scott Jacobs, Cecil Blum, Dennis Bush, Rick Hecht. Nay: Mark Beardmore. Motion carried with a 5-1 vote.

## **III. St. Anthony Regional Hospital**

St. Anthony Regional Hospital is requesting a \$245 per day increase (about 35%). Dawn Mentzer asked for a justification and a response letter from them which she forwarded to the board. We have only paid for inpatient at Cherokee MHI, with Medicaid presumptive eligibility we have not had private hospital bills. This is cost neutral; however, Dawn is concerned it will set a precedence. St. Anthony will not provide the Medicaid rate or insurance company rates. Scott Jacobs asked about the impact if the levy is not corrected by the legislature, and other providers have not requested increases. Dawn estimates that FY2021 is the year the budget could be negative if the levy is not addressed. Mark Beardmore asked if we can contract with them and line that item (inpatient) out since we are not paying it. Jan Heikes, DHS, reminded the board that we have to provide adequate inpatient beds within the geographic area. Cherokee MHI can cover this for the region.

*Motion to approve the contact with a change to \$725 per day inpatient rate, to be initialed by the Chair, by Dennis Bush. Second by Paul Merten. Motion Carried.*

## **IV. New Hope Village**

The contract includes rates and service codes approved by IME rates in May, 2016. This will affect the region if we have a person on the ID waiver waiting list. Also, a request for the \$.57 mileage rate be changed to add a \$3.10 per person, per mile (outside of Carroll transport). It is also requested to continue to pay for prevocational services at a rate higher than what is approved with IME (\$9.91 vs \$16.92 FY16 rate). At the board's direction, Dawn will request documentation of the MCO rate for prevocational and transportation services.

*Paul Merten made a motion to approve the contract, with the changes, initialed by the Chair, of the transportation rate as status quo, and reducing the prevocational hourly rate from \$16.92 to \$9.91. Second by Scott Merten. Discussion: none. Motion carried*

## 6) Old Business

### a) Crisis Stabilization Services Update – Plains Area Mental Health Center

Melissa Drey reported that Ashley Miller is seeking contracts with two regions at this time. Ashley Miller will be attending the next Northwest Iowa Care Connections Regional governance board meeting to answer questions and obtain a signed contract. Pocahontas County is working with Ashley on a contract. They are looking at hiring 2 more positions, possibly part time for over nights. Currently the home is staffed with 4 full time and 1 part time employees. The new hires will help stabilize the day shifts and also Ashley is working very long hours to cover shifts and calls. Currently there are 3 individuals in the home. Last week the census was 6-7 individuals for about three days.

Patrick Schmitz reported that the home is currently being painted and the gutters are being fixed. They are continuing to refine the admission and discharge planning processes. The home will be needing another vehicle, there is a van in Denison that is being considered. The relationship with the local hospital is getting better, and the regional hospitals are referring regularly. Patrick is looking into some Night Owl systems to help monitoring.

The individual that has been at the home long term has moved as of today to a habilitation home with Wesco in Denison.

### b) Supported Employment Grant Update

Pat Laursen gave an update on the grant and provided a handout of the outcomes of the program.

Dianna Ossman reported on the progress at Ida Services and provided a flow chart of the process for supported employment services.

Dawn Mentzer asked the providers what they see for long term sustainability, do they see the grant requested yearly or will there be reimbursement from MCO's etc. Can some of the costs be made up in the unit rate.

Sandy Pingel said that it will be hard to tell until the MCO's start paying. The grant has also helped with the transition from sheltered work to supported employment.

Howard Center and ISI presented a power point of how they started and where they are now in the process of building a successful supported employment program.

Sandy Pingel updated the board on the progress of Genesis Development. 16 people secured employment in the last year, 2 of whom were underemployed and wanted additional employment. 24 different business partners have been added in the last year.

Ben updated on the progress of Cherokee Work Services.

Rena Blume presented a power point highlighting success and progress. All providers expressed their gratitude to the region for the grant.

**c) ICAP Liability quote and renewal**

\$7763.74 is the quote. The quote needs approval and the contract needs to be signed.

*Motion to accept and approve the proposal by Cecil Blum. Second by Mark Beardmore. Motion carried.*

**d) DLA20 Evaluation**

Last meeting the item was tabled for 60 days. Sioux Rivers Region needs to encumber the funds (their contribution) by June 30, 2016, Patrick Schmitz asked for the item be added to this meeting and asked for any questions from the board. The proposal would be a jointly funded project with Sioux Rivers and Rolling Hills. Sioux Rivers has approved their contribution contingent on Rolling Hills approval.

Rick Hecht stated the concern has been the State coming up with another assessment. Patrick responded that the State is not talking about a client level assessment (such as this one). This is not yet being used in Iowa but has been proven in other states.

Cecil Blum asked if the split should have not been 50/50 with the two regions, rather based on population.

Paul Merten believes this is a good idea, and If we start and show success maybe this could be the blueprint for the State.

Dennis Bush believes a component would show outcomes to establish the effectiveness of treatment for the MCO's. Patrick responded that yes if it shows effectiveness, and a money savings it could increase rates. Also, Dennis asked about PAMHC contributing to the cost. Rick Hecht asked if Patrick would consider a contributing a third of our cost.

Mark Beardmore will abstain from the vote, since it was not on the agenda he did not review it with Neil Bock prior to the meeting.

Dawn Mentzer discussed this with Jan Heikes, and she indicated that there is not an assessment being considered by the State, but there could be in the future and we may be spending money twice if this is not the assessment they chose.

Dawn questioned how the regional staff would use it. Patrick sees this assisting with jail diversion, crisis home admissions, and a way to communicate where the consumer is at to make decisions with a standardize assessment. A level of support will be established. Dawn Mentzer said it sounds like Polk County's level of care that we will move toward as regions.

If not funded by the region Patrick stated, he will move forward with the project.

*Paul Merten made a motion to approve at a cost of \$3,512 to the cost of the DLA20 training. Second by Dennis Bush. Discussion: none. Vote: Yea: Paul Merten, Scott Jacobs, Rick Hecht, Dennis Bush. Nay: Cecil Blum. Abstaining: Mark Beardmore. motion carried with a 4-1 vote and one abstention.*

**e) CEO Evaluation**

Per code the CEO needs to be evaluated by the Board in July. Paul Merten provided the evaluation and a copy of the job description. The Board members can fill it out, and Paul will compile the results. A closed session will be held at 1pm prior to the July meeting to discuss the evaluation with the CEO.

**7) Next meeting - 7/27/16 – 1:00pm Closed Session with Regular meeting to follow at 2:00 p.m. Denison or Vail– Location TBD with tour of Vail Home to follow**

Motion to adjourn at 4:45 pm by Dennis Bush. Second by Cecil Blum. Motion carried.