

**LAKE COUNTY ADAMHS BOARD**

Regular Board Meeting

Monday, October 16, 2023

6:00 p.m.

Lake County ADAMHS Board, One Victoria Place, Suite 201, Painesville

Mr. Kalb called the meeting to order 6:00 p.m.

**ROLL CALL:**

Members Present: Chair -- Roberta Kalb

Carl Dondorfer	Mike Hatton
Stacy Kramer	Pam Kurt
Curtis Lau	Marty Phillips
Jeff Taylor	Amber Torres Gonzalez
William Wilson	

Members Excused:

Dave Enzerra	Matt Sabo
Nicole Parker	Bev Schilero

Staff Present:

Kim Fraser, Executive Director  
 Jackie Bruner, Director of Business Operations  
 Dan Rowles, Director of Quality & Clinical Operations  
 David Schick, Director of Marketing & Communications  
 Kelly Tuttle, Secretary/Receptionist  
 Milica Fiedler, Staff Accountant

Guests:

Damir Pavicic	Bridges	Meghan Zielinski	Signature Health
Michelle Bertram	Catholic Charities	Tia Lawrence	Torchlight
Karen McLeod	Extended Housing	Kim Hearn-Vance	UH/Lake Health
Angi Daugherty	Family Pride	Michelle Giancola	Windsor-Laurelwood
Charles Tong	Lake-Geauga	Andrea Gutka	WomenSafe
Melanie Blasko	Lake-Geauga		

**MINUTES OF MEETING:**

Mr. Hatton moved to accept the minutes of the September 18, 2023 regular Board meeting as mailed. The motion was seconded by Mr. Phillips and the Motion Passed Unanimously. (24-027)

**CORRESPONDENCE:**

There was no correspondence to report.

**FINANCIAL REPORT:**

Ms. Fiedler read the financial report of Board operations for the month of September, 2023 as follows:

Beginning Cash Balance	.....	\$6,597,185.28
Plus: Cash Receipts for the Month	.....	\$ 284,530.33
Total to Account For	.....	\$6,881,715.61
Minus: Cash Disbursements for the Month	.....	\$1,528,530.07
Ending Period Adjustments		\$ 0.00
Ending Cash Journal Balance	.....	\$5,353,185.54

Mr. Dondorfer moved to accept the financial report for the month of September as read. The motion was seconded by Mr. Lau and the Motion Passed Unanimously. (24-028)

**PUBLIC COMMENT ON AGENDA ITEMS & INTRODUCTIONS OF GUESTS:**

Guests were welcomed and invited to comment on any agenda items.

**EXECUTIVE DIRECTOR'S REPORT:**

Ms. Fraser reported the 'Week of Appreciation' for First Responders and Behavioral Health Professionals went extremely well. An ice cream truck traveled to over 30 locations throughout the county that included fire departments, police departments and provider agencies; distributing ice cream and showing our appreciation. 889 entries were received for the Yeti prizes; which was a big increase from last year. This was a tremendous way to build camaraderie and remind our first responders how much we appreciate their partnership.

Ms. Fraser stated that the Overdose Awareness campaign has been very successful. It included: a digital billboard (954,000 impressions), Adtaxi (412,533 impressions), Facebook (182,208 impressions), YouTube (190 views) and a Facebook and Twitter presence. Mr. Schick has done a remarkable job of increasing the board's presence in the community.

Mr. Schick shared that he will be participating in United Way's Jail & Bail fundraiser on Friday, October 27<sup>th</sup>. All proceeds go to United Way of Lake County that support many of the agencies our board supports. He distributed a flyer with more information on how to donate. Ms. Fraser noted that United Way is a partner and under their current leadership we are working closely to ensure there are not duplicate investments and looking to fill service gaps.

Ms. Fraser announced that progress is going well on the new building and they will start to paint this week. We have given official notice to our current landlord that we will be out of the building by the end of December. We anticipate our move will be between mid-November and early December. She reminded that there will not be a November Board meeting. If items from our current office do not fit in the new office, we will be offering them to provider agencies.

Ms. Fraser advised that the Data Spotlight this evening will be on Revenue and Investment: Retrospective and Planning. It is important to look back at our financial history and do some planning for the future. She noted that making 5-year projections is challenging. For our local levy dollars, we can project confidently on how much we are going to collect but with state and federal dollars, we have to reapply for funding and we do not necessarily know what we are going to get. What we can do to project is look at the landscape and see upcoming challenges and strengths of our system and project how we think these will impact our sustainability.

Ms. Fraser presented an overview of SFY14, SFY19 and SFY23 highlighting the total funding, funding streams, highest cash reserve, lowest cash reserve and the breakdown of investments per dollar. Ms. Fraser noted that 93% of funds go to direct care; using only 7% for administrative overhead.

Ms. Fraser highlighted provider network changes from 2014-2023 noting the following changes: Crossroads and Beacon Health merger into Crossroads Health; Crossroads Health acquired the Jail Treatment Program, Signature Health acquired Family Planning and Western Reserve Counseling, and WomenSafe, Cleveland Rape Crisis Center, Family Pride and the Fine Arts Association became new providers. Forbes House discontinued their contract. They are no longer certified by the Ohio Department of Mental Health and Addiction Services which means by law they cannot contract with the board.

Mr. Lau asked if those clients that would have previously gone to Forbes House go to WomenSafe instead? Ms. Fraser stated that Forbes House still provides services; they just no longer receive funds from the Board.

Ms. Fraser reviewed the following projections:

#### Local Funding

- Renewal of 0.9 mil levy (2024) and renewal of 0.7 mil levy (2027)
- Currently collection at full millage
- Renewal could garner small increase or small decrease depending on tax collection delinquencies and/or arrearages

#### State Funding

- Anticipate flat funding in state grants over next five years
- Anticipate continuation of multiple state funding streams/grant limitations

#### Federal Funding

- Medicaid rate increase of 12.75% - first increase in 20 years
- Medicaid increase may mean reduction in some ancillary grants
- Anticipate flat funding in Medicaid/grants over next 5 years

#### Funding Strengths

- Consistent support of Lake County voters
- One Ohio – National settlement against the Pharmaceutical companies – potential infusion of funding into the local behavioral health system. To date the first two years our cities/townships have collected 1.2 million, the county has collected 1.8 million and our regional collection is 2.5 million. Potentially some of the dollars may be able to be infused into services locally. We can encourage the county to make investments but we have no authority on how the dollars are spent.
- Lake/Trumbull Abatement – potential infusion of funding into the local behavioral health system. The abatement funding award was \$304 million for Lake County. Right now, the litigation is in the Supreme Court. The pharmacies appealed the finding and it went to the Court of Appeals, and was then sent to the Ohio Supreme Court. There are three outcomes that can become of the suit – it can be thrown out, go through appeals or there is no ground for appeals and the pharmacies must pay the settlement. Again, if these funds are awarded we can encourage the county to make investments that will make a meaningful difference but Lake ADAMHS has no authority over how the funds are spent.
- Continued pursuit of additional local, state and federal grant opportunities
- Agency ability to garner additional direct and/or grant funding to support programs

#### Funding Challenges

- Continued increase in demand for services/acuity of consumers presenting for services
- Workforce challenges in behavioral health field
- Unemployment rates/lack of parity in private insurance
- Infusion of opioid settlement/abatement dollars – need for careful oversight. If the abatement money comes in and there is any misperception these are ADAMHS dollars it could impact our ability to pass our levies.

Mr. Lau asked if there an oversight group for the Lake/Trumbull litigation? The Commissioner's office is going to put together an oversight group if the dollars are awarded. For this litigation, the judge ruled there must be a plan on how funding is going to be distributed and the court will watch every step. The One Ohio funding has an oversight committee which Mr. Dondorfer serves on for the regional investment.

Mr. Lau commented that Rite Aid filed for bankruptcy; noting his surprise that the litigation made such a big impact. The original litigation against the pharmacies included Rite Aid and Giant Eagle. Rite Aid settled before the trial started and Giant Eagle settled during the trial. The county already has received the dollars from Rite Aid.

**EXECUTIVE COMMITTEE REPORT:**

There is no report.

*As the **EVALUATION/QUALITY IMPROVEMENT COMMITTEE** did not meet since the last full Board meeting, the Board moved on to the next agenda item*

**OPERATIONS COMMITTEE REPORT:**

Ms. Kurt reported that the Operations Committee met on October 3rd and the following items were discussed:

SFY2023 Non-Medicaid Contract Reconciliation Ms. Fraser stated that grant contracts are for programs that can't be broken easily into a unit of service. ADAMHS allocates 1/12 of grant contracts at the beginning of each month. Unused dollars are invoiced and returned back to the Board via the reconciliation process. Purchase of service (POS) contract dollars are paid when the agency submits a bill for the units of service provided. Unspent allocations remain at the ADAMHS Board and can be allocated for the next fiscal year.

Ms. Fraser noted that providers file financial quarterly reports with the Board to determine funds utilized and the potential need to adjust contracts. Line-item adjustments can only be made with the approval of the Board. Board staff collaboratively works with providers and they are aware of the reconciliation amounts being reviewed today.

Ms. Fraser reviewed 'SFY2023 Mental Health and Substance Use Disorder non-Medicaid Service Contract Reconciliations' explaining each column that included the contract amount, amount received per Board, amount expended at each agency, total public revenue, POS unspent and the grant amount to be invoiced to each agency. She stated that all other public funding streams are used first before using ADAMHS Board dollars.

Ms. Fraser emphasized that if the Board needs to invoice for grants it is not because the agency isn't doing their job but most likely because the agency has aggressively gone after Medicaid or other third-party reimbursements. It should not reflect poorly on the agency.

Ms. Fraser highlighted the following contracts:

Bridges: The grant amount to be invoiced: \$34,296.31. Unspent dollars were in the Consumer Operated Services/Peer Run Organizations.

Catholic Charities Services: The grant amount to be invoiced: \$9,113.00. Unspent dollars were primarily in the Interpretation program (which is a system wide program and is hard to predict). The agency also had \$1,817.35 in unspent POS.

Crossroads Health: The grant amount to be invoiced: \$247,723.43. The agency also had \$409,298.09 in unspent POS.

Ms. Fraser noted the carryover is where we received a federal and/or a state grant to support part or all of a program. At the end of the year if there are unused funds we can make a request to OhioMHAS to carry over funds. The request must include a plan on how the funds will be spent in the next year. Where it is noted carryover, it has already been approved by OhioMHAS.

Extended Housing: The grant amount to be invoiced: \$43,403.71.

Lake-Geauga Recovery Center: The grant amount to be invoiced: \$36,975.00. Unspent dollars were due to utilizing Medicaid instead of local funding. The agency also had \$168,917.56 in unspent POS.

Lifeline: The grant amount to be invoiced: \$8.70.

Signature Health: The grant amount to be invoiced: \$31,192.76. The agency also had \$43,848.67 in unspent POS.

Discussion: What is MSA funding? The Multi System Adult (MSA) funding is flexible and we were able to carryover these unspent dollars with the approval of OhioMHAS into the next fiscal year. A FY2024 allocation was received in addition to the \$47,993.07 carryover.

How do you determine the contract amount for each program? For purchase of service we match the Medicaid rates and look at how many units were produced in previous years. Other factors are considered such as: Medicaid expansion, trends, and where there is an increase in demand for service. For grant type contracts we work with the agency to establish how much of that service is going to be produced and what the actual cost is. Grant contracting is based on revenue and expense.

Windsor-Laurelwood: The unspent purchase of service amount: \$601,375.00. The Board utilizes beds at Windsor-Laurelwood through purchase of service for adults and children. The Board is responsible for ensuring any Lake County resident who is indigent and needs inpatient care is able to receive it. We budget accordingly to make sure we do not run out of money for inpatient care and have leveraged dollars from OhioMHAS to help pay for inpatient care.

WomenSafe: There is no grant to be invoiced. The agency has \$3,038.27 in unspent POS.

Ms. Fraser stated that reconciled dollars go back into general revenue for further investments. Staff recommendation is to send invoices as stated to Bridges, Catholic Charities, Crossroads Health, Extended Housing, Lake-Geauga Recovery Centers, Lifeline, Inc., and Signature Health for unspent grant non-Medicaid service contracts. Payment is due by the end of the calendar year.

On behalf of the Operations Committee, Ms. Kurt moved that the full Board reconcile SFY2023 Non-Medicaid grant type contracts as follows: Bridges \$34,296.31; Catholic Charities \$9,113.00; Crossroads Health \$247,723.43; Extended Housing \$43,403.71; Lake Geauga Recovery Centers \$36,975.00; Lifeline \$8.70; and Signature Health \$31,192.76. The motion was seconded by Mr. Lau and the Motion Passed Unanimously. (24-029)

Medicaid Rate Increase Ms. Fraser reported that there was a lot of work through the biennium budget process to increase Medicaid rates. It has been 20 years since we have seen a substantial increase. Effective January 1, 2024, the Medicaid rate for clinical outpatient services is going to increase by 12.75% which is good news but not enough. We were requesting 20%. The Board matches Medicaid rates for non-Medicaid services so

the funding dedicated to clinical services will increase. Looking at how much we currently invest in clinical services, the increase will be about \$350,000 a year in which we need to put specifically towards those services. The second half of the fiscal year we will use cash reserves which include the reconciled dollars from SFY2023. This is informational and no committee action was required.

Next Meeting Date: Monday, December 12, 2023 at 5:30 p.m. at the Lake County ADAMHS Board

*As the **LONG-RANGE PLANNING COMMITTEE** did not meet since the last full Board meeting, the Board moved on to the next agenda item*

**OLD BUSINESS:**

There was no old business.

**NEW BUSINESS:**

Payment of Bills Mr. Phillips moved that the Board approve the October bills totaling \$966,789.85 be paid as presented. The motion was seconded by Ms. Kurt and the Motion Passed Unanimously. (24-30)

**GOOD OF THE GROUP:**

Mr. Lau asked Ms. Fraser to explain the Lake/Trumbull litigation. She stated the two counties came together to take legal action against the pharmacies. In the abatement finding by the judge, Lake County was awarded \$304 million and Trumbull County was awarded approximately \$320 million. This is different from One Ohio which was against the pharmaceutical companies.

As there was no further business, Mr. Hatton moved for adjournment at 6:45 p.m. The motion was seconded by Ms. Kurt and the Motion Passed Unanimously. (23-031)

Respectfully submitted,

Roberta Kalb  
Chair

Amber Torres Gonzalez  
Treasurer