

**Kent County**  
**Family & Children's**  
**Coordinating Council**

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**KCFCCC Meeting Minutes**  
**January 2, 2018 12:00pm – 1:00pm**  
Kent County Health Department  
Lakes Conference Rooms

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**Members/Alternates**

**Present:**

Chris Becker, Lynne Ferrell, Judge Patti Gardner, Sandra Ghoston-Jones, Scott Gilman, Cynthia Gladyness, Jack Greenfield, Lynn Heemstra, Adam London, Ron Koehler, Harold Mast, George Meek, Jackie O'Connor, Scott Orr, Jim Paparella, Julie Ridenour, Diana Sieger, Matthew Van Zetten, Patti Warmington.

**Members Absent:**

Melanie Beelen, Ron Caniff, Candace Cowling, Tracey Fountain, Jacob Maas, Yazeed Moore, Teresa Neal, Savator Selden-Johnson, Michelle VanDyke, Michael Zoerhoff.

**Guests:**

Heather Boswell, Veneese Chandler, Kathy Freberg, Lisa LaPlante, Carol Paine-McGovern, Pam Parriott, Wende Randall, Annmarie Valdez. Additionally, several people attended for the public comment portion.

**1. Welcome & Call to Order**

Adam London, Chairperson, called the meeting to order and asked for introductions of the Council.

After a review of the November minutes, a motion to accept them was provided by Julie Ridenour, second by Lynne Ferrell – vote was UNANIMOUS.

Adam asked for a motion to approve the agenda for the meeting, provided by Lynne Ferrell, second by Jackie O'Connor – vote was UNANIMOUS.

**2. Public Comment**

- a. **Dennis Sturtevant, Chief Executive Officer of Dwelling Place**. He shared his concerns with funding cuts, which will affect Pine Rest support services at the

Commerce Courtyard Project in Grand Rapids. He said Dwelling Place is currently making an assessment to determine how to continue to operate this project in its current form and still ensure the safety and quality of life for the residents who live there. This program serves the most vulnerable population in the community. With the current affordable housing crisis in Kent County and all of West Michigan, there is concern the cuts in this area will make it difficult for the residents utilizing this program to maintain their housing.

b. **Veneese Chandler, Family Outreach Center.** After citing the mission statement of the Family Outreach Center, Dr. Chandler stated the program that is at risk of being discontinued is the Native American Community Services Program. Kent County hosts the 2<sup>nd</sup> largest Native American population in the State of Michigan. Family Outreach Center has been funded to provide substance abuse treatment and case management services to this group of individuals. It has taken Family Outreach Center four years to begin gaining the trust of this vulnerable, underserved population.

c. **Mary Ellen Sartoris, Chair of Advisory Board of Sheldon House.** Sheldon House is facing potential funding cuts. The funding cuts will potentially affect members of Sheldon House, who experience mental health issues. Sheldon House provides services to individuals living with schizophrenia, depression, obsessive compulsive disorder, bipolar disorder and other mental health issues. One year of Club House can be provided at the same cost as one average hospital stay. Club House serves 150 individuals, serving about 50 per day. Funding cuts will likely result in increase in prices in emergency interventions in the Emergency Room, law enforcement costs, homeless shelters, psychiatric service providers and health case managers.

d. **Tara VanDyke, Program Manager at Sheldon House,** added her comments. She said Sheldon House provides a broad array of services. The Employment Support job placement, education support and tutoring, skill development, access to healthy meals, wellness opportunities, community resources, community and social support inclusion, illness management and recovery, evening, weekend and holiday hours. Many members who have been told they cannot work or live independently, come to Sheldon House and gain the skills, resources and support needed to achieve those goals. Tara noted that Lakeshore Clubhouse is also facing pending cuts. The nearest clubhouse program would then be in Muskegon, which Kent County members would not have access to.

### 3. Strategic Planning Update

Sandra Ghoston-Jones shared that in an effort to create a new strategic plan for the KCFCCC, she will be working with the KCFCCC Executive Committee to do a “listening tour”. She will go to each member of the Executive Committee to talk about what they see as the future of the KCFCCC, where it needs to go, what things need to be considered, how we should celebrate the successes and where the future will lead us as a council. More will be shared at the next meeting. Discussions are already scheduled with members of the Executive Committee. Data from KConnect will be used to help shape some of the conversations. Results of the Community Needs Health Assessment will be used as well, once they are released.

After discussions with the Executive Committee are complete, Sandra will return to the full Council for discussion in order that all voices and concerns are heard.

#### 4. Network180 Update

Adam London introduced Scott Gilman to talk about the Medicaid funding situation.

Scott began by reminding the group that although we are talking about Medicaid and numbers and budgets, we are talking about real people's lives. He is advocating to bring people together to serve these most vulnerable people in our community.

Handouts were provided by Scott, which included a fact sheet, an open letter to the Consumers, Providers and Stakeholders of Network180 and an information sheet that outlines how a consumer can tell if they were switched from DAB Medicaid to Healthy Michigan Medicaid.

Scott reminded the group that the consumers of these services are protected by due process. The open letter provided states any services currently provided and deemed medically necessary cannot be impacted by the budget.

Scott mentioned some of the issues Network180 has been dealing with in recent years with budget deficits due to funding cuts. The Region is now facing a \$23 million loss and Network180 is being asked to reduce their budget by \$10.7 million.

A key reason for this current cut is that many consumers were switched from Disabled, Aged or Blind (DAB) Medicaid to Healthy Michigan Medicaid. Scott provided a sheet that outlines how consumers can find which Medicaid they have.

Since there are no rainy-day funds for Network180 to work with, it is necessary to move forward as quickly as possible so they can maintain the core of the vital services that are contractually required and medically necessary. Reductions must be made where possible.

The first cut has been internal staff at Network180. About \$2 million out of the operational budget was cut, mostly out of their administrative staff, along with a couple clinical staff from the Access Center.

The following staff cuts were announced:

- There are four staff positions at the Center for Integrated Medicine that Network180 cannot fund, but with the help of Dr. Fawcett at Spectrum Health, those positions will be funded by Spectrum Health.
- 12 administrative and 5 clinical staff at Network180 will be laid off
- There are 15.5 vacant FTEs at Network180 will not be filled
- Salaries are frozen across the board

The discussion turned to the services that are community benefit or that are regional. Scott said before any services are cut, consumers will receive an adequate notice. We have to have communication plans with their support coordinators and offer them alternatives, so they will not experience immediate changes in their services.

Scott continued mentioning the following programs that will experience cuts with this budget issue:

- Clubhouse
- Our Place
- Supportive Housing Programs
- Nursing Home Monitoring
- Nuevo Camino
- Native American Community Services
- North County Outreach

Scott said the Liquor Tax is not a viable option to bail out this funding problem, since these Discretionary Funds are being used for the Opioid Crisis and Methadone clinics.

These numbers don't add up to the \$10.7 million. The LRE Board is looking at what they can do to stabilize the system. They had an emergency meeting last week and are looking for alternatives for potential partnerships. They also voted to seek emergency management services. This is not like an emergency manager appointment by the governor, but rather the Board trying to get ahead of the funding crisis.

Next Steps:

- Work with the community to be sure people's rights for services are not violated or their due process.
- Help individuals with Medicaid determine if they have the enrollment status they want and need
- Advocate for stable funding for mental health services and sound actuarial rates
- Voice your opinion about the future of our public mental health system

Adam opened the floor for questions and conversation.

In answer to one of the questions regarding reimbursement rates, Scott said the reimbursement rates are very far apart. DAB reimbursement per member per month is \$270, while Healthy Michigan is \$24 per member per month. This is how the PIHP's are funded. Also, to answer a question on whether an outside expert was brought in to talk to the State Actuary to compare Network180 numbers with theirs, Scott said yes, the PIHP directors from 9 of the 10 PIHPs brought in Rehmann Robson.

Matthew VanZetten added that Rehmann Robson did meet with the Department (of Health and Human Services) and they do recognize the DAB migration happened, but they say it's within the 5% threshold risk-bearing within the state, so they don't think they need to make a transfer of funds to cover it.

He added that this is part of an ongoing revenue shortage due to actuarial rates and autism services that are now coming down the pike. He said Nick Lyon and Lynda Zeller are aware of it and our Governor, Lt. Governor and local legislative leaders need to hear about and understand it.

After additional comments, which included that it seems the general theme in the state of Michigan is to save money at any cost, Adam London said to contact State level legislators, Senators, the Governor, Lt. Governor and local representatives. Matthew VanZetten included the names of the Kent County Caucus: Rep. Steve Johnson, Rep. Alberts, Rep. LaGrande, Rep. Brinks, Rep. Afendoulis, Rep. Brann, Rep. Verheulen, Senator MacGregor, Senator Hildenbrand and Senator Schuitmaker. He said to include Lt. Governor Calley, Nick Lyon, the Director of MDHHS and Lynda Zeller, the Deputy Director.

## 5. **Miscellaneous**

**Jack Greenfield** – He commented that Scott covered everything extremely well. He said he appreciated the opportunity to have a large community audience to help identify the issues and work together. He said he senses we have only begun to scratch the surface of the needs of these individuals, as their needs are very comprehensive. It goes beyond mental health or substance issues they are specifically dealing with. It includes housing and all of the things that help our community stay healthy.

**George Meek** – He asked what kind of timetable we are looking at for these budget cuts?

Matthew answered his question, saying it get complicated because there is a due process that must be followed for these individuals, so to work through the cuts, there needs to be individual meetings and person-centered planning. There will be a dribble effect because it will take time to work through. The other challenge is that there is no cash in the reserve account. This will cause a delay in getting reimbursements to providers for services. This will cause a huge hardship because the agencies will not receive cash on a timely basis because the PIHP will not have a cash balance because they get reimbursed from the State of Michigan. This is why the State is concerned and potentially interested in bidding this out and why the LRE Board is looking at hiring a Managed Care Organization (MCO) hoping they might be able to inject some cash into the system. This is an urgent issue because by April, there will be a significant problem with cashflow for all of our agencies and others due to the funding crisis.

The other thing that may happen, is when you hire an MCO, the rates we start paying will likely go down or the morbidity that we start to serve people will go up, which will cause people to not receive services because you have to live within a set budget.

Matthew concluded that the urgency is to talk about the need for cash flow injection to fix the rates as Scott mentioned, or there will be other harms that will cause challenges for our community and for agencies.

George ask if there is a temporary fund to borrow from. Matthew said it was used up this past year with the belief that the State was going to make whole the rates, but they are now saying that they aren't.

**Judge Gardner** – She said about ten to 12 years ago we experienced the State mandating defunding. It happened with Prevention services for children and families in Kent

County. This is not something we are unfamiliar with. The results of the removal of funding for Prevention was families falling into the criminal system, the neglect system, the delinquent system and huge increases in the amount of cases that were referred to the court. This was a bad decision for the community. What we have before us today is a decision with potential negative impacts as well. Judge Gardner continued that part of the answer is reorganizing the Lakeshore collaborative as Kent County did not have these significant financial issues before. The collaborative, as it is organized right now has not worked as well as expected for us or our residents. If we close these vital programs we will have the mentally ill freezing downtown. We don't want that. It will take our state senators and state reps to put pressure on a political system and recreate the funding model for the region or else this could be a repeat of the experience of lack of funding of Prevention Services.

**Lynn Heemstra** – She agreed with Judge Gardner's comments. She added it's important to have clarity in terms of our strategies for how best to look at this funding model and what is it that we are going to be asking for and what way and how that's communicated to us so that we can advocate.

Adam London commented that there would likely be regular updates from Scott Gilman through the Council.

Matthew VanZetten added that earlier in December we had the short notice public forum and identified 3 talking points. He said this is so complex, so the talking points that were added were:

- 1 – We need an infusion of cash from the State of Michigan
- 2 – We need time to restructure, which it looks like the LRE is doing it
- 3 – Integrate physical health and mental health in a community-based way

Dennis Sturtevant asked how we would go about being effective in advocacy at the state level, we need to think about the impact on other counties. We have supportive housing projects in Muskegon County, Montcalm County, Ottawa County, so how do we get this problem solved without having the entire legislature acting in the right way, and not just the Kent County legislature. He said he just thinks we need to figure out a way to make sure we all see ourselves in the same boat state-wide, to get the best result from the legislature.

**Adam London** – He said there has been a large outbreak of Hepatitis A happening for quite some time now, mostly in the Southeast part of the state. There is great concern that it will continue to spread and affect West Michigan. One of the high-risk groups is shelters and sheltered individuals. Among the control measures that are most effective is hand washing. Be diligent with staff and clients to encourage hand washing. Also, we are entering influenza season, which has ramped up quite a bit. The CDC said it has increased significantly.

7. **Adjournment** – The meeting adjourned at 1:16 p.m. The next meeting will take place on Tuesday February 6, 2018, at the Kent County Administration Building, Room 311.