



**JBH EXECUTIVE BOARD  
 MEETING MINUTES**

**MEETING DATE:** April 27, 2009 – 1:00 – 4:00

**MEETING LOCATION:** JBH Conference Room

**BOARD PRESENT:** John Elliott – Klamath County (by telephone); Dave Toler – Josephine County; Dave Gilmour – Jackson County

**JBH STAFF:** Dave Bast, Bob Furlow, Mike Sewitsky, Patty Terhune

**COUNTY MENTAL HEALTH DIRECTORS:** Ginger Swan, Coos County; Maureen Graham, Jackson County; Joe Adair, Curry County; Ann Lynn, Klamath County; Kim Miller, Options

**COUNTY STAFF:** Tamara Rose – Klamath County

Board Member Commissioner Toler called the meeting to order at 1:08 p.m. and asked for introductions. It was noted that a quorum was not present.

**CONSENT CALENDAR – Tabled due to no quorum**

<b>Minutes of Board Meeting 03/23/09</b>
Tabled to May Board Meeting
<b>Motion: None</b>
<b>JBH Update Report</b>
Tabled to May Board Meeting
<b>Motion: None</b>

**ACTION ITEMS - Tabled due to no quorum**

<b>Supplemental FY 08/09 Budget</b>
Tabled to May Board Meeting
<b>Motion: None</b>

## REPORTS

### Financial Update

Mike Sewitsky provided a detailed report of the financials for the first nine months of the fiscal year. He added that the number of member enrollments in the JBH region is the highest it's been in the nine months since Douglas County left region and the ratio of children versus adults was about 50/50. He added that it that JBH stands to lose anywhere from 30 to 50% of its indigent budget next year so the surplus on that side will be critical and important to use for next year. Dave Bast complimented the county care coordinators for their cooperation in implementing the children's utilization management plan and helping bring down the costs especially given the potential future cuts in funding.

Commissioner Toler asked that as we look forward in the next fiscal year, with the anticipation in cuts of the capitation rates, if there are reserves that can be used to take care of those cuts. Mike Sewitsky explained that some of the funds are restricted to crisis diversion and acute care. He added that right now the State is proposing a 14% decrease to capitation beginning of October 2009. He explained that JBH would have to make adjustment in terms of administration and then in terms of what is going to be paid out to the Community Mental Health Programs for outpatient services. Dave Bast added that when JBH issued contracts to Providers it did not increase rates in light of the possible rate cuts and that in speaking with the County Mental Health Directors they agreed that those rates should not be increased at this time. Bob Furlow explained that the Providers were told that we would revisit the rates after it was known what the budget cuts actually bring and that no specific time frame was given. Commissioner Toler commented that once the rate cuts are known it would behoove JBH to hold onto those reserves in order to cushion those cuts. Bob Furlow added that the auditors suggested that the reserve be built up. Commissioner Gilmour commented that there is still another year before we really know what additional cuts are down the road.

Commissioner Toler asked if there were any other questions on the financial update of which there were none.

### Budget Meeting Preparation

Mike Sewitsky explained that the draft budget will be presented to the Budget Committee in May and that the committee consists of citizen members from each county. The final budget will be presented to the full board in June.

Dave Bast explained some of the items that would be in the Budget and that when it is presented it will be realistic and without a lot of add-ons.

### Regional Reinvestment Grant Update

Bob Furlow explained that with the feedback received from the Regional Reinvestment Grant Committee and the Board of Directors, JBH is working a reporting system for the grants that will be presented to the Board on a quarterly basis. He also explained that the revised policy and forms will be presented to the Board in May.

Commissioner Toler asked how often grants are processed. Bob Furlow explained that it is on a quarterly basis and the timeline for the grant awards and reports on those grants. He explained that the policy doesn't have the level of detail it needs for the new processes and that JBH is working through those details to spell them out in the revised policy.

### Provider Paybacks

Dave Bast explained that during last month's education report about Office of Payment and Recovery (OPAR) that the Board asked to see how much has been paid back. Bob Furlow explained that there was some discussion about there being substantial paybacks in the counties. From that discussion, Bob requested specific information from OPAR who indicated they could not share any information on unsettled cases but did provide a list of completed Provider Paybacks. Bob Furlow explained that there are some counties, possibly in the JBH Region, that are still in the middle of that process but until it is finalized DMAP will not release those numbers. Bob commented that in looking at these numbers we don't really know how much these budgets would be in comparison to the programs in

the JBH Region but looking across the continuum it would be easy to suggest to have something in the \$100,000 - \$200,000 range for what OPAR could potentially identify. Bob informed the Board that he is still working with OPAR on getting some training dates for the region. He indicated he hopes to have something in place with OPAR sometime this summer.

Joe Adair commented that what he is hearing is that a lot of the audits seem to be toward the fee for service billing. He said they can find two types of errors; administrative and financial. Joe explained some of the process that took place in Curry County. He said it can be a big difference if they come in to audit for capitation or fee for service. Bob Furlow added that he believes that looking at what is coming out of Washington with the accountability that we are going to see more of full spectrum audits. Dave Bast agreed with both Bob and Joe and stated that starting in last November the Federal government has been indicating to the state that they want to look at managed care and with health care reform it's coming a lot quicker. He added that there is potential of not just the providers being asked for money back but also JBH. Bob Furlow added that none of the findings have been a surprise to any of the agencies yet when you look across the continuum and the error rates they are typical across the entire spectrum. It appears as though the institutional memory on the audits is not getting translated into Management and clinical practice and that is part of the equation Bob Furlow would like to change with the OPAR trainings; otherwise the same mistakes are repeated.

## EDUCATION

### Integration Meeting Update

Dave Bast explained that both he and Bob Furlow have been attending meetings on integration. He explained that at the National Council for Behavioral Health's annual meeting that this was a hot topic. He explained some of the discussions taking place at the State level and how the definitions of integration vary from one organization to the next. Dave stated that at a meeting with the MHO Directors there was discussion of a proposed demonstration project and that as the details were rolled out it appeared as though it would be an all-in approach thereby assuming full responsibility for the project. The MHO Directors did not feel this was the right approach. He explained that the MHO Directors will be having a retreat in May to try to come up with some ideas of what the integration should be.

Bob Furlow explained that as a part of this process, Senator Bates has been working with the Ways and Means committee. He explained that there was an invitation to a meeting on April 3<sup>rd</sup> at which about 150 people showed; they had initially anticipated a few dozen people. He explained that the group was broken into focus groups and collected information on the different kind of concepts; evidence based practice, contracting, how to measure performance and what services would cover those areas. This information was recorded and was to be sent out in summary format. The follow up meeting was supposed to take place the following week for those interested in participating and moving to the next level. That invitation was then refined and became a follow up meeting by invitation only of about 50 people at which there was discussion of what the demonstration projects would be and how many with the question of where the funding would come from. As a side note, Bob explained that AMH has since put out a proposed budget which already appears to be under funded. The idea of the second meeting was to fine tune with a lot of questions of Senator Bates of where the Ways and Means Committee was heading and what AMH really thought was going to be a part of those projects and what they would look like. A report was to be prepared by them that would go to the Ways and Means Committee and vetted with the Counties but the report was received after it was already done. Bob Furlow stated that he asked for a presentation by the MHOs and AOCMHP and was told it couldn't be guaranteed who would be at the table with the Ways and Means Committee. Maureen Graham informed the Board that Richard Harris had presented the report to AOCMHP and that it was announced that there will be a hearing in front of the Ways and Means Committee.

Commissioner Gilmour added that following the meeting with Senator Bates that Jackson County met with Senator Bates at which point Senator Bates was trying to push a demonstration project in the region. Commissioner Gilmour stated that the direction they may go is to work with the local health center and the county mental health staff and try to get a very limited scope of a demonstration project while not destabilizing JBH and present that back to them.

Dave Bast commented that some of the recommendations he would like to make to the board is for JBH to continue to monitor what is going on and to also aid a county project into becoming a demonstration project. At a national level it is being identified as things are going to move quickly with health care reform and that the chosen model for a

quick fix is looking at what has been developed by the Federally Qualified Community Health Centers. He commented that we need to look at how JBH relates to those facilities and sit down at the table with the fully capitated health plans and have some real discussions as to what each side is thinking. He also stated that we need to begin an education process where we begin identifying what integration really is and what each side is prepared to become involved with. Commissioner Gilmour added that he believes it would be best to run the demonstration project through JBH given its low administrative costs. Present the project, very limited in scope, and if they reject it we are no worse off. Bob Furlow added that one thing that needs to be carefully looked at is the ability to deliver the right level of service that is needed. There is an opportunity for bridging the two programs from access to a service portfolio while not duplicating services.

Commissioner Gilmour commented that with health care reform the Achilles' heel is the number of members and that not a lot of thought has been given on that. There's going to be a shortage in practitioners 5-10 years from now.

Commissioner Toler stated that he is still trying to get a good understanding of what the State is actually looking at when they are talking about integration and asked if the report being discussed earlier helps clarify that. Commissioner Gilmour stated that they want everything. Bob Furlow added that the report only puts more questions out there. Maureen Graham explained that there is a human services sub-committee being developed by the Ways and Means Committee. Maureen stated that the report from Dr. Harris is saying that there will be a Managed Care entity and he was very clear in saying at the meeting that does not necessarily mean an MCO; he was open to it being an MHO or any kind of collaboration. That particular report is about having a managed care entity handle all the funding for Addictions and Mental Health and physical health care. Commissioner Gilmour asked if Maureen had any sense for who would be on that sub-committee. Maureen stated that is already determined of who it is but she does not know the names. Dave Bast commented that when you look at the systems that have been integrated in the past you look at the clinical side, how you integrate the funding streams and the redesign of changing the whole system; what can we learn from systems that have been integrated. He stated that he believes JBH's role should be that of an advocate for the Mental Health side.

Commissioner Elliott left the meeting at 2:11.

Dave Bast stated that JBH will try to gather as much information as it can and that he is open to have as many discussions as wanted on this subject.

## **PUBLIC COMMENT**

None.

## **ADJOURNMENT**

Meeting adjourned at 2:20 p.m.