

Michigan Health Endowment Fund
Board Meeting
Wednesday, November 2, 2016
Lansing Radisson, 111 North Grand Avenue, Lansing, MI 48933

Meeting Minutes

Call to order

The board meeting of the Michigan Health Endowment Fund (“MHEF”) was called to order at 2:00 p.m. by Chairman Robert Fowler.

Roll call

A quorum was determined based on the presence of the following Board Members:

Board Members present:

Rob Fowler
Lynn Alexander
Cindy Estrada
Tim Damschroder
Sue Jandernoa
Keith Pretty (by phone)
Michael Williams
Alexis Wiley
James Murray (arrived at 3:22)

Others present:

Paul Hillegonds
Terry Gardner
Julie Skubik
Laurie Solotorow
Becky Cienki
Kari Sederburg
Duane Tarnacki – Clark Hill PLC

Approval of agenda:

Chairman Fowler asked if there were any comments regarding the agenda, which was approved without objection.

Review and approval of the minutes from the previous meeting:

Board Member Damschroder moved to approve the minutes from the Board Meeting of July 27, 2016. Board Member Williams seconded. Motion passed eight to zero.

Public Comment:

There was no public comment.

CEO Report:

Mr. Hillegonds thanked the Board and the committees for their time and commitment to the Fund's mission and programs. He reported that the Fund was alerted by the House Fiscal Agency and DHHS that the House and Senate Appropriations Subcommittees on Community Health intend to schedule a hearing to fulfill FY 2016-2017 DHHS budget boilerplate. Mr. Hillegonds explained that the Fund looks forward to describing the Special Projects and Emerging Ideas grants that reflect partnerships that have been forged with DHHS and fulfill the budget boilerplate and goal of supporting but not supplanting funding of state health and wellness priorities. Mr. Hillegonds explained that grantmaking is on a continuous cycle and the website portal is presently open to receive Nutrition and Healthy Lifestyles and Community Impact responsive proposals. Staff recommendations will be presented to the Grantmaking Committee in January and committee recommendations will be brought to the March Board Meeting. Mr. Hillegonds announced that the Fund will be opening a Brighton office shortly. The Fund's 2015 Annual Report is available and will be distributed to the Executive Office and other Administration officials and legislative offices.

Medigap Update:

Mr. Gardner gave an overview of the Michigan Medigap Subsidy Program. The call center has been receiving approximately 1000 calls per day and Maximus has increased staff twice since the beginning of the program in response to call volumes and labor-intensive support needed on each application. The partnership with Medicare/Medicaid Association of Plans (MMAP) and the Fund's office staff also have been fielding calls and emails. The Fund continues to work closely with Maximus to service these customers. Applications are being processed with participating carriers and approximately 7000 have been received to date, which is lower than what was anticipated. An advertising campaign is planned for mid-November to increase awareness of the subsidy opportunity.

Investment Committee:

Committee Chair Damschroder reported to the Board on the Investment Committee meeting and financial statements, which were included in the board material. Mr. Damschroder reported that the committee held a meeting with Northern Trust prior to the Board Meeting. The implementation of the investment strategy is proceeding as planned and asset allocations are very close to targets. The Fund will explore private equity investing at the start of 2017.

Governance Committee:

Committee Chair Williams presented an overview of four policies that are being recommended by the committee. The following motion was made by Board Member Damschroder and seconded by Ms. Estrada.

RESOLVED, that the following policy of the Board of Directors is approved in the manner presented at this meeting: Board Communications Policy

RESOLVED, that the following policy of the Board of Directors is approved in the manner presented at this meeting: Conflicts of Interest Policy

RESOLVED, that the following policy of the Board of Directors is approved in the manner presented at this meeting: Amendments to Grants Policy

RESOLVED, that the following policy of the Board of Directors is approved in the manner presented at this meeting: Grants Evaluation Policy

The vote passed seven-zero. (Ms. Wiley had left the room)

Audit Committee:

Committee Chair Pretty explained that the committee will meet on November 15th with representatives of the Fund's auditors, George Johnson & Company, to review the plan for the 2016 audit including scope of testing, changes in Health Fund operations, timing of financial statements, and timing of the Fund's tax return. A report of this meeting will be made at the next Board meeting in January 2017.

Executive and Compensation Committee:

Chairman Fowler asked Mr. Gardner to describe the budget process and major activities contained within the proposed 2017 budget.

Mr. Gardner presented the 2017 budget and major assumptions, including staffing, grant making, Medigap and program support. He noted that if adjustments are necessary, they will be presented in 2017.

The following motion was made by Mr. Damschroder and seconded by Ms. Jandernoa.

RESOLVED, that the budget for 2017, as presented to the Board, be, and it hereby is, ratified, adopted and approved.

The vote passed by a vote of eight to zero.

The next item presented by Mr. Gardner was a resolution to set the 2016 endowment and Fund reserve allocation. The following motion was made by Ms. Alexander and seconded by Ms. Jandernoa.

WHEREAS, the Fund's Spending and Endowment Fund Policy allows the Fund to expend a portion of the money contributed to it in an amount up to the Maximum Spending Allowance which for year 3 is 80%;

WHEREAS, the Fund received total contributions in 2016 of \$60 million; and

WHEREAS, the Act requires that \$12 million be allocated to the Endowment Fund for purposes of meeting and complying with the Act's Accumulated Principal Goal.

NOW, THEREFORE, BE IT:

RESOLVED, that \$12 million be allocated to the Fund's Endowment Fund; and

RESOLVED, that the Board has reviewed the amounts spent for the year to date and the Fund has not spent and it is not anticipated to spend, the Maximum Spending Allowance for 2016, therefore, the Board hereby allocates to the “Spendable Account” the remaining amount of the Maximum Spending Allowance for 2016 to be made available for spending in the balance of the current year and future years, and such amount allocated to the Spendable Account for 2016 may be designated to specific programs at the January 2017 Annual Board Meeting or thereafter.

The vote passed by a vote of eight to zero.

Grantmaking Committee:

Committee Chair Jandernoa reported that the Grantmaking Committee met on October 13, 2016 to review a total of 72 proposals. Ms. Sederburg outlined the review process which included input from subject matter experts from various disciplines, with adherence to the criteria outlined in the RFP. The Grantmaking Committee looked for healthy aging projects that focused on health integration and workforce capacity building, innovative models and a strong potential for sustainability. There were 48 Healthy Aging proposals received and 12 were recommended for approval. The Grantmaking Committee recommended a total of \$4,862,393 in funding. The list of recommendations was:

1. Luella Hannan Memorial Foundation/Care Coordination for Working Caregivers
2. Lake Superior Hospice/Community Care – Palliative Services to Support Aging in the U.P.
3. Michigan Oral Health Coalition/Creating a Dental Home for Low-Income Kent County Seniors
4. The Regents of the University of Michigan/Home-based Transitional Telecare for Older Veterans
5. ACLU Fund of Michigan/Improving Care to LGBT Older Adults
6. Oakland Livingston Human Service Agency/Integrated Care Readiness Project
7. Henry Ford Health System/Knock & Check: Reduce Social Isolation and Improve Healthcare for Frail Seniors
8. United Methodist Retirement Communities/ Positive Approach Training: Enriching the Lives of those with Dementia and Caregivers
9. Area Agency on Aging 1-B/SameAddress - New Services and Program Expansion
10. Region 3B Area Agency on Aging/SW Michigan Aging Mastery Program® (AMP)
11. Wayne State University /The Center for Financial Safety and Health
12. Trinity Home Health Services/Whatever It Takes: A 24/7 Triage and Treatment Service

Chairman Fowler asked all Board Members to identify any proposed grants where he/she might have a conflict of interest. Ms. Alexander stated a conflict with Wayne State University. Ms. Estrada stated a conflict with Luella Hannan Memorial Foundation.

Mr. Williams moved, and Ms. Estrada seconded, to approve the following 10 grants which presented no conflicts of interest for Board Members.

1. Lake Superior Hospice/Community Care – Palliative Services to Support Aging in the U.P.

2. Michigan Oral Health Coalition/Creating a Dental Home for Low-Income Kent County Seniors
3. The Regents of the University of Michigan/Home-based Transitional Telecare for Older Veterans
4. ACLU Fund of Michigan/Improving Care to LGBT Older Adults
5. Oakland Livingston Human Service Agency/Integrated Care Readiness Project
6. Henry Ford Health System/Knock & Check: Reduce Social Isolation and Improve Healthcare for Frail Seniors
7. United Methodist Retirement Communities/ Positive Approach Training: Enriching the Lives of those with Dementia and Caregivers
8. Area Agency on Aging 1-B/SameAddress - New Services and Program Expansion
9. Region 3B Area Agency on Aging/SW Michigan Aging Mastery Program® (AMP)
10. Trinity Home Health Services/Whatever It Takes: A 24/7 Triage and Treatment Service

The vote passed eight to zero.

Ms. Wiley moved to approve the grant application from Wayne State University and Mr. Williams seconded. Ms. Alexander abstained. The vote passed seven to zero.

Ms. Alexander moved to approve the grant application from Luella Hannan Foundation and Ms. Jandernoa seconded. Ms. Estrada abstained. The vote passed seven to zero.

Next, Ms. Jandernoa reported that 24 Special Projects and Emerging Ideas proposals were received and reviewed. Ms. Solotorow explained that the Grantmaking Committee was encouraged by the engagement between the Fund's staff and representatives of the state, particularly the DHHS, in developing the list of partnerships reflecting state and fund priorities. The following 21 proposals were recommended by the Grantmaking Committee for funding consideration totaling \$8,906,295. Ms. Jandernoa noted that the amount recommended is \$4 million larger than that suggested in the strategic plan.

1. Michigan State University/ An Integrated Model for Personal Assistant Research and Training (Impart)
2. Michigan League for Public Policy/ Assessment of Michigan Medicaid's Non-Emergency Medical Transportation Program
3. Altarum Institute/ Building a MediCaring Community in the Huron Valley PACE Program
4. Washtenaw County Community Mental Health/ Correctional Care Integration Project
5. Michigan Association of Health Plans Foundation/ Creating Healing Communities: A Statewide Initiative to Address Adverse Childhood Experiences in Michigan
6. The Regents of the University of Michigan/ Enhancing Michigan Workforce Capacity for Behavioral Dementia Care Using the DICE Approach (MiDICE)
7. Community Foundation of Greater Flint/ Flint Child Health & Development Fund
8. Valley Area Agency on Aging/ Flint Seniors Matter
9. Michigan State University/ Geriatric Education Center of Michigan Reimagined
10. Michigan Health Council/ Geriatric Workforce Resource Center

11. Michigan Department of Health and Human Services/ Infant Mental Health Home Visiting Project
12. Michigan Department of Health and Human Services/ Integrated Service Delivery Portal
13. Michigan Medicare/Medicaid Assistance Program (MMAP)/ Medigap Subsidy Counseling and Outreach
14. Western Michigan University School of Medicine/ Michigan Crisis Intervention System (MI-CIS)
15. Michigan Department of Health and Human Services/ Michigan Infant Safe Sleep Program: A Systems Approach
16. Michigan State University/Pregnancy Surveillance in Michigan to Reduce Infant and Maternal Mortality
17. Michigan Public Health Institute/ Revision of the Medical Examiner System in Michigan
18. Michigan Department of Health and Human Services/ Secondary Trauma Assessment & Training
19. Spectrum Health Foundation/ Strong Beginnings
20. School Community Health Alliance of Michigan/ Sustainable Financing For School Health Services
21. District Health Department of Dickinson-Iron, Marquette, Delta and Menominee Counties/ UP Wide Health Needs Assessment

Chairman Fowler asked all Board Members to identify any proposed grants where he/she might have a conflict of interest. There were no conflicts.

Ms. Alexander moved to approve all 21 grant recommendations as listed above and Ms. Wiley seconded.

The vote passed nine to zero.

New Business:

Chairman Fowler asked if there was any new business to consider. There being none, the meeting was adjourned.

Adjournment

The meeting was adjourned at 3:28 p.m.

Respectfully submitted,

Julie Skubik
Secretary of the meeting