

Michigan Health Endowment Fund
Board Meeting
February 13, 2019
Lansing Radisson
111 N Grand Ave, Lansing, MI 48933

Meeting Minutes

Call to order

The board meeting of the Michigan Health Endowment Fund was called to order at 1:30 p.m. by Chairman Tim Damschroder.

Roll call

A quorum was determined based on the presence of the following board members:

Board Members present

Tim Damschroder
Lynn Alexander (by phone)
Sue Jandernoa (by phone)
Keith Pretty (by phone)
Rob Fowler
Michael Williams (by phone)
Alexis Wiley (by phone)
Henry Veenstra (by phone)

Others present

Paul Hillegonds
Terry Gardner
Julie Skubik
Duane Tarnacki (by phone)

Approval of agenda:

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

Review and approval of the minutes from the previous meetings

Board Member Williams moved to approve the minutes from the November 8, 2018 board meeting. Board Member Fowler seconded. Motion passed eight to zero.

Public Comment

Carmi Brown and Eric Gabrielson from Friends of the Children spoke about their work around mentoring and impacts they have had in the child welfare system.

Chairman's Report

Chairman Damschroder thanked the board for their participation in the strategic planning review session that was held prior to the meeting. The board received the staff's annual progress report on the goals and activities outlined the strategic plan. Grantmaking statistics and planned program support budgets were reviewed. Staff reported on the criteria they are considering for selection of policy research topics, research initiatives planned and in process, their support of the state government transition, and the health policy seminars that MSU's Institute of Public

Policy and Social Research is holding for legislators, with Health Fund funding support. He reported that Mr. Hillegonds has been staying in touch with Senate Minority Leader Jim Ananich about the nomination of candidates to succeed Cindy Estrada on the board. Senator Ananich expects to be submitting his nominations to Governor Whitmer's Appointments Office soon.

CEO Report:

Mr. Hillegonds thanked the board for their continuing guidance and support of the strategic roadmap for the Health Fund. He reported that Program Officer, Janet Olszewski, co-chaired MDHHS transition team. She helped identify departmental priorities and challenges the new administration will need to address. Ms. Olszewski also helped share background information on the programmatic and policy partnerships the Health Fund has engaged in with the department and other statewide organizations. Mr. Hillegonds reported that 151 Community Health Impact proposals have been received, with recommendations to be considered at the April 17th Grantmaking Committee meeting and April 30th Board Meeting. The 2019 Nutrition and Health Lifestyles RFP was issued on February 7th and the Behavioral Health RFP is scheduled for issuance on February 27th. Grant recommendations for both programs will be considered by the two Grantmaking Committees at their August 1st meetings and by the board on August 14th.

Annual Strategic Plan update: Operations Report

Mr. Gardner and Rory Neuner reported on the following:

- Impact workshops for each program area
- Plan for evaluation activities for the year
- Non-grant support for non-profits including capacity building and other technical assistance activities

Investment Committee

Mr. Pretty reported on the results of the Investment Committee meeting, including the results of Monte Carlo simulations of long-term spending and reserving strategies and the proposed changes to the Health Fund's Investment Policy Statement.

The following motion was made by Mr. Pretty and seconded by Mr. Fowler:

RESOLVED, that the Amended Statement of Investment Policy as presented to the Board and recommended by Northern Trust Investments and Michigan Health Endowment Fund's Investment Committee, be, and it hereby is, ratified, adopted and approved.

The motion passed eight to zero.

Next, the Mr. Gardner described the resolution to release Medigap reserves related to the 2018 subsidy program. The following motion was made by Mr. Pretty and seconded by Mr. Veenstra:

WHEREAS, at the Health Fund's Board meeting held on January 23, 2017, the board designated \$17 million of its accumulated Spendable Account to be reserved and designated to the Health Fund's Medicare Supplemental Insurance Subsidy ("Medigap") program.

NOW, THEREFORE, BE IT RESOLVED that \$4,000,000 of the Medigap reserve be and it hereby is released from that restriction and made available so that the funds can be used in furtherance of the Medigap program for the 2019 calendar year.

The motion passed eight to zero.

Audit Committee

Mr. Gardner reported that the 2018 audit is in process. The on-site fieldwork has been completed by George Johnson & Company. The auditors plan to formally present the audited financial statements and the results of their work at the March Audit Committee meeting.

Executive and Compensation Committee

Chairman Damschroder asked Mr. Gardner to describe the proposed 2019 budget revisions. Mr. Gardner outlined the changes in the budget which were related to grantee technical support, policy and research work, additional space at the Lansing office, and increases in staffing.

Board Member Pretty moved to approve the revised 2019 budget. Ms. Alexander seconded.

RESOLVED, that the amended budget for 2019, as presented to the Board, be, and it hereby is, ratified, adopted and approved.

The motion passed eight to zero.

Election of Officers

Mr. Member Fowler moved to nominate the following slate of officers. Mr. Williams seconded:

- Chair: Tim Damschroder
- Vice Chair: Lynn Alexander
- Treasurer: Keith Pretty
- Secretary: Sue Jandernoa

The motion passed eight to zero.

Appointment of Board Committees

Mr. Fowler moved to nominate the following board members to committees. Ms. Alexander seconded.

Executive and Compensation Committee

- Tim Damschroder - Chair
- Lynn Alexander - Vice Chair
- Keith Pretty - Treasurer
- Sue Jandernoa - Secretary

Grantmaking Committee – Behavioral Health, Healthy Aging, Special Projects and Emerging Ideas

- Sue Jandernoa-Chair
- Rob Fowler – Vice Chair
- Lynn Alexander
- Tim Damschroder

Grantmaking Committee- Nutrition and Healthy Lifestyles and Community Health Impact

- Sue Jandernoa-Chair
- Rob Fowler- Vice Chair
- Michael Williams
- Alexis Wiley
- Henry Veenstra

Governance Committee

- Michael Williams-Chair
- Henry Veenstra
- Alexis Wiley

Investment and Audit Committees

- Keith Pretty-Chair
- Rob Fowler
- Jon Braeutigam (Investment only)

The motion passed eight to zero.

Adjournment

The meeting was adjourned at 2:42 p.m.

Respectfully submitted,

Julie Skubik
Secretary of the meeting