

**Alcohol, Drug and Mental Health Board of Franklin County
2015 2.2 Mill Renewal Levy with .5 Mill Increase Proposal**

**HSLRC Meeting Minutes
May 7, 2015**

The Human Services Levy Review Committee (HSLRC) meeting was called to order by Chairman Jessie Hemphill on Thursday, May 7, 2015 at 3:07 p.m.

ROLL CALL

HSLRC members present: Jessie Hemphill, Denise Bronson, Jerry Friedman, Jean Carter Ryan and Zak Talarek

HSLRC members absent: James Bowman and Nathan Wymer

A committee quorum was present.

Office of Management and Budget (OMB): Heidi Hallas and Justin Nahvi

REVIEW AND APPROVAL OF MEETING MINUTES

Mr. Hemphill stated the next agenda item is the review and approval of the April 16th minutes. Ms. Ryan made a motion to approve the minutes. Dr. Bronson seconded the motion. All members voted "Aye" and Mr. Hemphill said motion carried.

DISCUSSION OF THE LEVY REQUEST

Mr. Hemphill said the next order of business is the additional documents provided by ADAMH in response to their questions at the last meeting.

Ms. Hallas said first wanted to respond to Ms. Carter Ryan's question about additional measure that are more recent. What they sent when she asked that question was in their 2nd packet on exhibit 5. Their response was the 2012 to 2014 performance measures they were tracking but not any results or data.

Dr. Bronson said the only ones she has is exhibits 1, 2, 4, and 6. Should there have been a 3 and 5 at some point?

Ms. Hallas apologized and said she did not share it with the Committee because it did not address the questions. The question was similar to the 2006 to 2009 strategic results, and the response was what they plan to measure and no results. Denise is correct, she did not share that with the Committee since she didn't think it would be helpful.

Dr. Bronson said so these are the bench marks they are shooting for?

Ms. Hallas said correct. Maybe they don't have the actual outcome data because they look at it from 2012 to 2014 and not annually. That was the response she got.

Mr. Hemphill said the next order of business on the agenda is to review the responses.

Ms. Hallas said the committee had a couple of questions when they met last. The first one was is there anything else that ADAMH would like to provide to the committee before they make a decision. ADAMH's response was that they answered each question in the fact book and their follow-ups and didn't feel that there was anything that they could share. The next question was related to the OHT proposal to

increase eligibility for those who were severely mentally ill up to 300% of poverty for Medicaid coverage because they are the chronic users of the system and ADAMH's response was they can't quantify it. It is a new proposal and it hasn't been approved and so they didn't have any type of analysis at this time. The final question was could they break down their social services budget rollup. They were curious of the \$60.9 million, how much was actually being expended by agency. The reason it is 2013 is because that year has been closed out. It is the most recent finalized numbers.

Mr. Hemphill asked if the numbers for 2014 would be much different.

Ms. Hallas said she knows they have given them a general increase recently from the levy funds and she doesn't believe there are any additional state funds that would show up to be significant. When they get additional state funds, usually one-time money, they use it and then they don't use levy funds. So by agency you wouldn't really see anything significant.

Mr. Hemphill said so this list consists of the providers that they fund.

Ms. Hallas said correct. For the year 2013 it shows how much each agency received. As they have discussed previously, that is actual expenditures. Providers have been running at about 85% of allocations so they can bill up to a max. This is how much they actually expended during that year.

Mr. Freidman said he didn't know how much more they want to discuss this. He's curious that they have \$2.2 million to Children's Close to Home healthcare which is the ambulatory sites but he doesn't see any payment to the hospital for inpatient. He thought they were supporting inpatient beds.

Dr. Bronson said that was a new program they are getting ready to start with Children's Hospital.

Ms. Hallas said ADAMH received state funding in 2014 for several beds and now they are doing additional beds that will begin this year for adolescents under the age of thirteen. The Committee is at the point where they have gotten all the information that they can receive. What Ms. Hallas did based on the meeting last time was to look at a 2.2 mill renewal scenario for the five year window. ADAMH presented to them that a renewal would not last ten years. They did note that they can make it five years on a straight renewal. In the scenario, she went line by line and look at what she felt was reasonable projections based on five year historical actuals. This is what they have done with other agencies. What you have is some administrative costs that should come off the top. They are another agency that has done some capital improvements on the facility and those items should not be projected out for future years.

Ms. Carter Ryan asked if they don't have the debt or the debt has been paid off.

Ms. Hallas said they own that building but recently they needed a new roof and HVAC system. The roof has a 30 year warranty so that will not be coming within the next five years. It was some major couple hundred thousand dollar projects that they used in their baseline numbers. They have already remodeled the interior of their facilities. Her other change was OMB had some concerns about the sudden increase to 89% of expenditures for the providers next year. That is their target but she wasn't comfortable since there is no change in the system and there are some capacity issues, so why would it all of a sudden jump to a 4% increase in expenses. This model includes a 1% annual increase. What this model does is incrementally every year go up 1% in addition to the 2% inflationary adjustments so the change is more gradual.

Mr. Hemphill said they are talking about cost here.

Ms. Hallas said correct. She didn't make any changes to the revenue except for taking out the additional collections. All their other assumptions were fairly reasonable so the scenario just backs out the additional .5 mill which then in turn also came out of material and services for the fees related to the new collections. The Auditor and Treasurer fees are based on a percentage of the actual collections. This gives the Committee a look at an alternative. In their book, ADAMH said they could go five years and here is what

it looks like. Going through each line and looking at the historical actuals and where they have been, Ms. Hallas believes they have another \$10 million then just the 90 days in cash.

Mr. Hemphill asked under your levy revenue 2.2 mill renewal generates \$1.1 million more in 2017 than in the 2014 actuals.

Ms. Hallas said what is built into this model is a 1% annual growth therefore you will see a little bit of growth every year but nothing as dramatic. When you do a renewal, you can't collect on the new properties that is what you would get in a replacement. With a replacement, you would gain taxes on new development. When you do a renewal, you are pretty flat with some minor growth once they do revaluations.

Mr. Hemphill said does that mean their numbers had an error in it, the \$1.1 million. It says under the note to the levy revenue that says this 2.2 mill renewal will generate \$1.1 million more.

Ms. Hallas said that was just a comment on what the projection would be in three years that it would grow that much because that is year one of the levy. OMB can only go on the current year. As discussed, the auditor will not project out so it was just giving them a rough estimate. The Auditor's and Treasurer's projections are pretty generous. Low collection rates have reduced collections so OMB wanted to be mindful of that. She was just noting that generally they anticipate a little bit more once that renewal would go into effect.

Dr. Bronson asked Ms. Hallas to help her understand why the ending cash balance going forward is dropping every year.

Ms. Hallas said they will need to utilize their cash balance in order to continue operating. If they look at 2016 they will be estimating \$71.8 million in revenue and they will be spending \$75.3 million. This year was the actual first year of this 10 year levy, year 9, that they will be dipping into their cash. They have enough to sustain them. That is what will allow them to do a renewal if they didn't have the \$88 million at the end of the last year there wouldn't be the opportunity to do that.

Ms. Carter Ryan said they would have to go in 2021 for the extra millage.

Ms. Hallas said correct because this scenario is technically deficit financing because you are spending more than you are bringing in. The message is spend what you have and then come back.

Dr. Bronson said she had a little concern in terms of some of the newer services. She would hate to see this not allow them to be innovative to bring online some new programming that might be beneficial to the community. She's trying to decide whether this is a good thing to put them in this situation. It certainly is unsustainable for a 10 year levy. ADAMH could do this for a five year levy with the recommendation that they would have to go back before the voters in five years. If they factor in the cost of running a levy campaign and doing all of that, how does that cost benefit wise workout?

Ms. Hallas said a levy campaign is run by a nonprofit entity, so she does not have that information.

Dr. Bronson stated so ADAMH doesn't pay for that at all.

Ms. Hallas said it is usually paid for by Friends of ADAMH or some affiliated group that makes donations to ADAMH. There are fees associated with being on the ballot and it depends what else is on the ballot. If you are in a district and there is nothing else on the ballot then you would pay for all the balloting in that district. If there is a major election, then it would be divvied up by all the issues on the ballot.

Ms. Carter Ryan said this is putting us between a rock and a hard place because they have so much cash. It would be hard for the voters when they say they want more and are sitting on so much money and not spending it.

Dr. Bronson said but it will not go for 10 years without it. Their projections were based on a 10 year levy and in that case they need some kind of increase.

Ms. Hallas said their scenario also included those additional investments that they were hoping to make as well.

Dr. Bronson stated she didn't want to just cavalierly throw those things aside. She thinks there are some real needs in the community.

Ms. Carter Ryan said she missed the first meeting. What are the additional things were that they had wanted to invest in?

Dr. Bronson said they wanted to collaborate with Nationwide Children's Hospital and money that they are putting into more adolescent services was one.

Ms. Hallas said on page 98. They didn't break it down by what it would cost but page 98 has their list of the \$5.1 million increase to community investments and what the target areas would be.

Dr. Bronson said they were also talking about the cuts in services and beds in the community at the hospital levels so someone has to step in and pick up some of these things. These are important services so she doesn't want to go forward without discussing whether some of those are reasonable and needed in the community.

Mr. Hemphill said you ignored them Heidi?

Ms. Hallas stated in this scenario they are not included. What happened as she went through and cleaned up some administrative cost is there's an additional \$10 million that could be available over the five years. They still have their 90 days of cash to get through to the new levy cycle and they would have about \$10.2 million that she's estimating that would not be assigned to anything that could be used for such things as you are talking about. It's not the \$5 million they wanted to do per year starting in 2017 however it is something. The other piece of that is there are all of these moving parts in the system that still haven't landed that may open up additional funds that would traditionally pay for services that now Medicaid is paying for. ADAMH has not been able to quantify for that the Committee, especially as they ask about the severely mentally ill. The state has recognized that it is in their best interest financially to get these folks on Medicaid. Not only just the treatment but also talking about expanding the services to the things that ADAMH would traditionally provide such as case management and supportive services to keep them in treatment.

Mr. Friedman said this does not require legislative action. That is actually an administrative waiver and it has not been approved yet but it has been approved in other states. If the state can come up with a match the feds are more than likely to approve it because they are incurring these additional costs.

Dr. Bronson said she was a little reluctant to base our future projections on something that really nobody knows if it's really going to happen. The Committee doesn't have any guarantees.

Mr. Friedman said there is mental health parity and that passed in 2009. It is just now being implemented and that is going to apply to both Medicaid as well as private insurers.

Dr. Bronson said Mr. Friedman knew a lot more about this than she did but if that was passed in 2009 and here we are in 2015, six years later, still waiting for this to be implemented, are they also putting ADAMH in a place where something passed today might be another five years out before it's implemented?

Mr. Friedman said no because it is legislation at the federal level and requires the agency to generate rules. The waiver program with regard to the severely mentally ill is an administrative activity and it is a state planned amendment so the state has to actually propose a plan. Once the feds approve it they immediately

implement it so there is no delay with regard to that except waiting for the federal approval and that is typically a 90 day process.

Dr. Bronson asked where are we in Ohio for this whole process?

Mr. Friedman said Ohio is specifically seeking the waiver request and that will probably go in June or July so probably before calendar year 2016 begins they will have the ability to begin to implement that.

Dr. Bronson asked at what level of certainty? Is this like 100% if he had to guess?

Mr. Friedman said he would say it is probably a 90% to 95% certainty. They have done their homework and this is something that is allowed. It is really just a question of the state asking for it and the state has to come up with a nonfederal match.

Dr. Bronson asked isn't there a good bit of conflict in the state about passing that sort of thing.

Mr. Friedman said no this is actually separate from Obamacare. This is not Medicaid expansion and he thinks they have resolved the issue.

Dr. Bronson said she doesn't want to put this agency in a position that none of us can really predict what is coming forward and as a result of making some assumptions, put them in a position where they cannot provide services that the citizens of the county need. She also doesn't want to put them in a position where they can't develop some innovative and forward thinking kinds of progress. She doesn't want to box them in needlessly if the Committee doesn't need to. Dr. Bronson is hearing that even if the Committee asked them to do a five-year they will still have a \$10 million cushion beyond the 90 day requirement. Her question would be whether given the initiatives they have been talking about is that enough not? Maybe it allows them to start some of these initiatives but not all of the ones they had in mind and maybe that waits for the second five-year levy. Dr. Bronson doesn't think the Committee spent enough time talking about what the service implication of some of this talk has been about and wants to make sure they don't lose track of that.

Mr. Friedman said their proposal was for an increase of \$5 million per year in terms of those new investments. Heidi has found them \$2 million so it seems to him there is some prioritization involved and he's frustrated that they say the need is unending. They could spend as much money as the Committee could recommend and Mr. Friedman doesn't know if that's the way you manage. If they are doing some things now that are not as high priority maybe they need to repurpose some of those dollars if these items that they are proposing are higher priority.

Dr. Bronson said it is kind of hard to argue in the area of mental health and substance abuse what is higher priority. Is adolescence a higher priority than an older adult? Are substance abuse services higher priority than mental health services? She thinks he is asking a difficult question in terms of somebody loses out if you do this. We have needs in the county. We have populations that need the services. As the Committee thinks about this, she wants to make sure that those populations are getting the services they need. Part of their argument was that there were not enough adolescent services. We have a growing need for adolescent mental health services and she's been hearing this for years across many sources. This isn't a Franklin County problem; it is a much broader problem than that. Adolescents in general has not been receiving the mental health services that they should get so they are proposing to expand that. Dr. Bronson think that is a good idea. She thinks that is an underserved population in most communities and so if they have some innovative ways to reach out to those kids through the school programming or through Nationwide Children's Hospital, she thinks that is a good thing. She wouldn't want to see them in a position where they can't do that because they have to continue to serve the mental health needs of the adults and all of their monies will be going to supporting the continuing existing services that are primarily serving the adults in the community. It's hard for her to say they go from a \$5 million a year increase to do innovation and the Committee says we will give you \$2 million. What does that mean exactly in terms of what comes off the agenda for new services?

Ms. Hallas said she felt exactly the same way as Dr. Bronson did. She said to all levy agencies throughout this process, support what you are saying and give data the committee to say yes there is this need. Ms. Hallas' biggest concern with ADAMH is they have this money sitting there for several years when Medicaid rolled off their books 2 years ago, they couldn't spend it. They allocated it to their providers and there weren't enough providers. There are not enough clinicians. If you give them more money, how efficiently in the next five years can they actually spend it? If the Committee gives them a five-year renewal, this would be the time to start working out those kinks.

Dr. Bronson said she's not opposed to the five-year renewal, she just wants to make sure the Committee is doing this for the right reasons and that is a good argument.

Ms. Hallas said what concerns her is they had it and they couldn't spend it. She thinks there is other systemic issues and money isn't just the issue. If they came to us with 30 days cash at the end of the levy and said there are all these needs, of course she could support additional money. They had the funds and they had two years to do something, so what happened? What ADAMH said was the providers are saying now that Medicaid has expanded, because most levy providers are also Medicaid providers, they couldn't meet the demand. They had a very specific provider network for a long time and they are starting to now put more into the fold because there is this need. Ms. Hallas believes there are still some systemic things that have to work out before they can really start implementing all these great things. There was some talk about putting social workers in the jail to address reentry. She doesn't know if there are other providers that are waiting for expansion or have the capacity to work in the jail. The Committee knows that there are concerns with employee turnover. The other option was to for the Sheriff's office to hire social workers for the jail and her concern was they are going to rob all of these community mental health agencies of their social workers.

Dr. Bronson said there is mental health needs in the correctional system too. That is another underserved population where people with mental health issues get incarcerated rather than treated. These are important needs and she doesn't know if one supersedes the other. She hears Ms. Hallas in terms of capacity but if you still don't have the money you can't even start to help others build the capacity.

Ms. Carter Ryan said the Committee has to do the five-year renewal. One of the things she really enjoyed about this group is the recommendations that they come up with in terms of looking at some of these issues. The idea that there is this money here and they did mention in our meetings that the staff turnover and capacity issues are a big part of the reason that they are at this cash balance. Where they are at the end of this levy cycle was not anticipated so wouldn't that be part of our recommendation that somehow there needs to be some type of a task force to address some of these systemic issues in terms of finding people. There is certainly enough unemployment. Is there a way the community can get together to resolve issues with social workers to really address what is a growing incredible need in the community?

Ms. Hallas said OMB did pose the question and the response from ADAMH was hopefully the providers will pay them more money. There is no real plan that they were presented with. It would have been helpful if they would have come to the Committee and said we looked at this issue and here is what we want to achieve.

Dr. Bronson said they did talk about that they haven't given raises so you have a lot of staff who have a lot of options. Social workers work in many fields that often pay better than mental health so part of the problem is turnover. Children's Services has had the same issue for years. Relatively low pay doesn't lend itself to keeping qualified people in those jobs over a long period of time. They don't make it a career path because there are better paying jobs elsewhere and social workers have the flexibility of going elsewhere. If they haven't been giving raises and they haven't been bumping salaries up, someone who hasn't gotten a raise for awhile starts looking around for other opportunities.

Ms. Hallas said her point is if you give them more money that doesn't mean employees will necessarily get raises. Do you set a standard that you are one of my providers and I would like you to achieve these things?

Mr. Hemphill said the wild card here is a high beginning cash balance. The Committee is asking them to spend some of that cash down to fund some of these initiatives so that they end up with a cash balance of the three months or 90 days at the end of the cycle. Then take a look at it and by that time some of these issues will have been resolved.

Ms. Hallas said not only what is pending but what has passed may be resolved. They still do not know the full implication of Medicaid expansion. They have only given us through third quarter of last year of what that actually saved them so there is still some time to see what actually happens more long-term. There are things in their system they are still trying to understand that have already become law.

Dr. Bronson said maybe they do this in pieces because she is hearing that there is not a reluctance to recommend a five-year levy because there is too many unknowns in the situation to try to project out 10 years. After five years, a lot of this will have played itself out at least a bit more and there may be new issues on the horizon. Ten years is a long time to try to project in the current climate as to what that is going to look like. Five years is probably a bit more reasonable so the Committee could start with an agreement that yes we want to recommend a five-year levy and then go back on the ballot in five years. It also puts them in sync with some of the other programs. She thinks down the road having five-year cycles might be better off all the way around for everybody. That could be the starting point if the Committee agrees and then they can talk about so how much money do they need to have at the end of this five year period. That is just a proposal for discussion.

Mr. Hemphill said they were spending between \$5 and \$10 million a year of the excess cash which is how to get to the \$21 million.

Ms. Hallas said ADAMH will have to use cash to continue what they are doing with 2% inflationary adjustments to current provider services so those folks will start getting annual bumps and also assuming that capacity will grow for current services at 1% a year. That is built into the social services line. That will actually require spending their cash. They will not be able to go five years and \$88 million will be sitting there. They are going to have to use it to maintain current services. She thinks the question is how much and then what's left.

Dr. Bronson asked if there is a way to meet them halfway if they project out. So this scenario doesn't allow for any of the innovations, this is for maintaining the current programming and spending down some of this excess money that they have accumulated. They have to decide how to spend the money but they are going to have to be working on their reserves and spend that down and that probably doesn't suggest to them that this is promoting or encouraging any kind of innovation because there is got to be a trade off. If you are going to do this innovative program for adolescents you're going to have to cut services to something else because you are not going forward.

Ms. Hallas said the adolescent program is actually initiating this year.

Mr. Friedman said that Heidi has found them \$10 million over this five-year period which was essentially misrepresented as a cost that they were going to occur. There were expenditures that were one-time expenditures which were being projected as continuing expenditures so there is \$2 million that is not going to existing services that could be invested. They were only asking for a new \$5 million to invest in those new services. If they have a high priority, that is not a bad chunk to begin to do that. If you're looking again at a five-year scenario that sets you up to at least create some of that infrastructure and begin to address what you would spend the new money on.

Mr. Hemphill said what the Committee is doing is forcing them to use the excess cash to fund some of these initiatives and to prioritize how they want to spend it.

Ms. Hallas said they can take this opportunity to say you now have five years and let this all this change fallout. Here are some recommendations for the next time around and the Committee hopes to see them

spend this cash down. Ms. Hallas believes they will begin spending it down this year but it won't be very much. It will be the first year that they will actually have to dip into the reserve. Traditionally, you start dipping in your sixth year and they are in year nine. Again, if you have all these needs and there hasn't been any money for it then now the time is to ask for it. You had all these needs and you had all this money and you couldn't do it, so to her there is more than just dollars at issue.

Dr. Bronson said she hopes they're not putting them into a situation where they still can't do it because the Committee is forcing them to spend down rather than address the issues of capacity building for example. She's not trying to be argumentative. She's really trying to understand and make sure they are doing right by them.

Ms. Hallas said she doesn't know if this model is saying they can't do that. This is assuming that demand for current services does grow 1% a year, it may not. There is so many levers that you pull when you're modeling. The scenario is assuming that they give their providers two percent a year and the number of clients for current services does actually increase 1% a year. Those are generous assumptions based on historically what has been happening. She doesn't want to say there is nothing here for them to do anything with either.

Ms. Carter Ryan said she did like the way Heidi built her assumptions in terms of not saying well you haven't done it yet so you're not going to and they are not going to allow that to be part of your assumptions. It says, the Committee thinks you are a good agency and you are going to get this but you are not going to get to it as quickly as you say you are based on current and previous history of how things went. She likes that as opposed to just saying no. The issue is if they start hitting some of their assumptions when they put their model together and that is when they are going to run out of cash. Are they going to have to scale back sooner rather than getting to the end of the cycle and then where are they?

Ms. Hallas said they can always come back. They don't have to wait. They are one of the agencies that could come back and ask for a new levy if needed. Some of other counties have two or three different levies for their ADAMH board. They would like them to stay within the five years, but they are not going to say you ran out of funds so you can't provide services to people.

Dr. Bronson said she really doesn't want them to come back in two or three years. That is just not good to go before the voters every two or three years.

Mr. Friedman asked if these increases in expenditures and personal services meant they have implemented larger raises.

Ms. Hallas said that is related to the COG. They have three employees for the new shares system which they will house and then each board is paying a third towards. So that ends up in their personnel line.

Mr. Friedman asked if that shows up somewhere in the revenue line.

Ms. Hallas said yes. They are saying it is within that miscellaneous fund of \$400,000, part of that will be the two thirds reimbursement that comes from the other boards. The Committee had talked about it last time. Historically that line has been for provider reconciliation, except for 2014 when they put one time funds they got from the State of Ohio to purchase a couple homes in that line.

Mr. Hemphill said he hears Dr. Bronson's concern about giving ADAMH something, meeting them halfway. Reducing it from a 10-year levy to a five-year levy is a concession and telling them to spend the \$88 million they are sitting on come the end of the levy. Those are two obvious concessions from the Committee that they will hang their hat on. They will ask them to make those two adjustments and then whatever they do in terms of the incentives and priorities they have the ability to do. They can always come back after year five and say we need to revisit this. In five years, the uncertainties that are out there now will no longer be uncertainties. As far as the innovations that they programmed into their forecast, they are

not taking that away, they are saying take a look at it. He thinks the outcome that they have here is a consensus that they don't feel it is appropriate to go back to the voters for an increase.

Ms. Carter Ryan said this is similar to Children Services. What are their big picture, long term strategies to eliminate the problem? Using a community-wide approach, are there ways to address these problems from a prevention perspective on the front end?

Dr. Bronson replied that current examples include the adolescent programs in schools and addressing the re-entry issues. We have mental health specialists in the hospitals and correctional facilities.

Mr. Hemphill asked does this indicate the need for better coordination of services.

Dr. Bronson stated that more people are realizing that there is a cost savings when doing prevention and addressing issues up front. She gave the example of trauma with children and the long term consequences. However it is hard to get a handle on the costs.

Ms. Hallas noted that Franklin County Jail has no social workers and there are no assessments for mental health.

Dr. Bronson said that is changing quickly.

Ms. Hallas said that ADAMH will not be the only funder. The other piece is who should be at the table assisting with those initiatives. What they are determining is for what the taxpayers should be supporting.

Dr. Bronson said she was concerned about the increase too and worries about whether that would go through. She is a little less worried about where they end up here. Dr. Bronson had concerns about some of the projections. They talked about problems with capacity and yet one of the things Ms. Hallas backed out were salaries. She doesn't know what salaries from 2010 to 2014 are during the period of the recession and whether that is a good place to look at.

Ms. Hallas said that is just ADAMH's administrative salary. They are 10% administrative and 90% social services so that is just their internal personnel. They had a few jobs cut because of Medicaid elevation. There have been some reductions in house and she was looking at historical actuals and where do they tend to fall. It was not a lot coming out; it might've been \$50,000.

Dr. Bronson said most of these sites are not paying much at all to their social workers and she knows that because their students are going out and taking jobs there. They asked them to report on what their salaries are and they are not making much money. They are barely above what the poverty level is. It's no wonder why the social workers are not staying in these jobs. That just seems to her to be a continuing and ongoing problem.

Ms. Hallas said ADAMH had the money so why did they not give it to the providers and say here is the money and pay your employees more to stabilize the turnovers? It sounds good but the Committee can't say we'll give you more if you do this with it. It is up to their board to decide how they distribute the money and then it goes to the providers' board to say what they actually implement.

Ms. Carter Ryan said she would like to put on the table in an official motion that the committee would recommend the five-year 2.2 mill renewal levy. Denise has raised some great points but she doesn't know how they get past the \$88 million and some of these other issues that Heidi has appropriately raised. She would like to have that be a recommendation and then the Committee come up with a series of recommendations about what they could be looking for when ADAMH comes back in five years in terms of progress that they have made in regards to some of these issues.

Mr. Friedman said he seconded the motion.

Mr. Hemphill said all in favor.

Dr. Bronson asked if the Committee is voting or discussing.

Mr. Hemphill said they could go back into discussion. Dr. Bronson, would you like to see some additional work done?

Dr. Bronson said she would like to think about what would make her feel a little bit better about this. Her greatest worry is that ADAMH is working with one set of assumptions and came up with the need for the increase and the Committee is working with a different set of assumptions. In both cases they are guessing what is coming down, so what if the Committee considered for a moment worst-case scenario. Let's pretend that they don't get 1% or something else that is built into this in a worst case scenario where would they be?

Ms. Hallas said that is not built into this model. Their options would be to not give an annual 2% inflation adjustment and not provide additional investments. The \$10 million would have to help out to provide current services. They could reprioritize their services. If you look at their scenario that has all their same assumptions except for the no additional investments of the \$5 million, they are still making it using their own assumptions.

Mr. Hemphill said it is my understanding that you have not budgeted the cost of the new investments.

Ms. Hallas said no. What this is assuming is 1% growth in the number of people coming for service and 2% inflationary adjustments.

Mr. Hemphill said the way he looks at this is that the revenue hasn't grown significantly at all but the expenditures have grown. The projection is the revenues are flat but the expenditures have grown and the increase in expenditures will be funded through the utilization of available cash coming into the levy cycle.

Ms. Hallas said that is correct. The scenario is meeting them half way in saying you are going to grow and they do want you to pay your providers more. They recognize 20 years at the same reimbursement levels is not helping the system. There are some changes in there. It is not no change or flat funding for the next five years. This is saying you can increase those reimbursement rates.

Mr. Hemphill said what he's hearing is that those expenditures don't contain dollars for any of the incentives or the investments identified.

Ms. Hallas said what happens with this model is there is \$10 million remaining that they could choose at some point in time to invest. Even in their own model there is still growth in social services related to their jumping to 89% in 2016.

Mr. Friedman said he doesn't get the sense from the responses or lack of responses to the Committee's questions that they are really taking seriously their role in this. ADAMH is going through the motions and this is something they have to do. To sit back and say we are just a payer is really not being very thoughtful about the power that they have as a payer. To continue to go down this fee-for-service model is something that is not working. To continue to pay people based on how much service they deliver as opposed to looking at the outcome of the individual getting the service. Another point is in regards to the management responsibilities. This is the budget that they have and they have to manage within it. That is what the other agencies do.

Dr. Bronson said she would a little bit disagree. Her sense in reading their budget report is that they took this very seriously and responded to the guidelines that the Committee had put out there for them. She doesn't think it's fair to hold them to some whole new model of management that they haven't held anybody else to. That is a different discussion outside of a levy request that the Committee can start to explore and maybe have conversations with these entities about different ways of looking at this. She's not sure that now is the time to hold them to it. She's perfectly okay with the five-year levy and understands where the

Committee is on this. Dr. Bronson's not totally comfortable with the message she thinks this is sending to them in terms of innovation and new services. This is not a glitzy population. Even a 2% increase is pretty minimal these days considering many have been working for a lot of years with underpaid salaries. Even at 2%, she wonders if that is going to address the problem of retention of quality staff. They are handcuffing them to not really go forward with some of the things that may address exactly the problems that have been identified in the system. She's willing to let them see what they do with \$10 million. ADAMH had grander plans than that and Dr. Bronson bought into the grander plans. There is a need out there in these agencies that they are working with that can provide a lot of good services but they are going to need the resources to do that. If the Committee wants them to maintain where they are, she thinks this is going to do that. She's not sure that this is going to give them the ability to do some pretty innovative and more forward thinking kinds of activities.

Mr. Hemphill said that the only question on the table is there any way for them to do it without going back to the voters for an increase.

Dr. Bronson said she thought that would be a really bad idea. If they are not sure that ADAMH can't live with this five-year budget, it would be a very bad idea to have them back before the voters in two or three years. As a voter herself, she would look at that and say what is wrong with this and why are you back in front of me again. You just don't go that often to the well and keep asking. Five years is a reasonable amount of time but if they really don't believe ADAMH can do this then they need to rethink this. The Committee had better be pretty sure that they can live with this for five years and be okay.

Ms. Carter Ryan said according to their own projections they are.

Mr. Friedman said they acknowledged they could live with a five-year straight renewal levy.

Ms. Carter Ryan said she was making a motion that the committee recommends to the Franklin County Commissioners a five-year 2.2 mill renewal levy for the ADAMH agency and they put together a set of recommendations about things that they would like to see when ADAMH comes back in five years.

Mr. Friedman said he seconded the motion.

Mr. Hemphill said is there any further discussion? Mr. Hemphill called for a roll call vote.

Mr. Hemphill voted yes. Mr. Friedman voted yes. Miss Carter Ryan voted yes. Mr. Talarek voted yes. Dr. Bronson voted yes.

Ms. Hallas asked if they were okay with this scenario as part of their levy recommendation.

Mr. Hemphill said he was okay with Ms. Hallas' scenario and one of the other caveats that he wants to put in the report is adding a planning committee to look at some of the systemic issues, looking at ways in which they can address issues of retention, and serving new populations. That may have implications for a future levy request coming forward.

Mr. Friedman said he would like to have them explore different payment models that would be more outcome based.

Mr. Hemphill said to send them maybe a half-dozen recommendations. Explore a list of items that they can put with the overall recommendation of adopting this model so when Committee does the report, the report addresses the other systemic issues that they see going along with this decision. Different payment models should be one of the recommendations.

Mr. Friedman said the state is looking at moving some of their recovery service activities down to the local level and he is assuming there are some dollars that will follow. These are the same kinds of activities that he has talked to the Committee about. He thinks there are resources.

Dr. Bronson said there isn't a day that goes by in the paper when there is an article about the growing addiction issues. This is a significant and serious problem that is growing in this community that is going to need some expanding resources. The Committee really hasn't even touched the issues that are going on around addiction.

Mr. Hemphill said does the Committee need to have some discussion with the ADAMH Board about the direction they are taking and the nature of their recommendations.

Ms. Hallas said she had spoken with Erik Janas since the last meeting and he did touch base with David Royer. Erik said to let him know where the Committee is headed and if there were any votes. Erik would talk to Mr. Royer and get Mr. Royer's feedback on how he would proceed on his end. Erik will definitely take the lead on that and let Mr. Royer know.

Mr. Friedman said he would feel better if the Committee could share Ms. Hallas' assumptions to make sure, not that they don't trust her, some assumption might have a flaw or some factual basis that's missing.

Mr. Talarek said the main difference between this model and the model of ADAMH was timing in the increase in the number of individuals supported.

Mr. Hemphill said our next meeting is May 21st. Will there be a draft at the next meeting?

Ms. Hallas said yes that is correct. She did send a revised timeline to everyone. The changes were related to the dates for Ballot Language Briefing and General Session with the Board of Commissioners. There are two more meetings left. Ms. Hallas reviewed with the Committee the justifications for their recommendation of the 5 year 2.2 mill renewal levy in order to begin the first draft of the levy report. Ms. Hallas indicated that she will talk with Erik Janas and he will touch base with David Royer.

Mr. Hemphill said he would like to close by saying Ms. Hallas is doing and has done a good job. He appreciates her contributions to the committee. Mr. Hemphill then asked for a motion to adjourn. Ms. Carter Ryan made the first motion and Mr. Friedman seconded the motion. The meeting was adjourned at 4:50 PM.