

**MINUTES OF THE JOINT MEETING OF THE LINN COUNTY BOARD OF SUPERVISORS, THE BENTON COUNTY BOARD OF SUPERVISORS, AND THE JOHNSON COUNTY BOARD OF SUPERVISORS
SEPTEMBER 12, 2011**

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Chairperson Harney called the Joint Meeting to order in the Johnson County Health and Human Services Building at 7:05 p.m. Board members present were: Pat Harney, Terrence Neuzil, Janelle Rettig, Sally Stutsman, and Rod Sullivan. Benton County Supervisors present were: Ron Buch and Dave Vermedahl. Linn County Supervisors present were: Lu Barron, Linda Langston, and Ben Rogers. Staff present were: Executive Assistant Andy Johnson and Auditor’s Office Recording Secretary Nancy Tomkovicz.

INTRODUCTIONS

Harney asked meeting attendees to introduce themselves and they did so as follows: Johnson County Supervisor Pat Harney, Johnson County Supervisor Sally Stutsman, Linn County Supervisor Langston, Johnson County Supervisor Terrence Neuzil, Linn County Supervisor Ben Rogers, Linn County Supervisors Lu Barron, Benton County Supervisor Dave Vermedahl, Benton County Supervisor Ron Buch, Benton County Auditor Jill Marlow, Jones County Supervisor Ned Rohwedder, Jones County Central Point of Coordination (CPC) Administrator Deborah Schultz, Benton County CPC Administrator Mary Williams, Iowa County CPC Administrator Marilyn K. Austin, Linn County Assistant CPC Administrator Mechelle Dhondt, Johnson County Supervisor Rod Sullivan, Johnson County Mental Health/Disability Services (MH/DS) Director Kris Artley, Johnson County Supervisor Janelle Rettig.

Audience members introduced themselves as follows: Johnson County Successful Living Director Roger Goedken, Johnson County Mayors Youth Empowerment Program Executive Director Roger Lusala, The Arc of Southeast Iowa President Bill Reagan, Systems Unlimited, Inc. Director Dion Williams, Chatham Oaks, Inc. (Chatham Oaks) Representative Johanna Pundt, Chatham Oaks Representative Barbie Baltz, Chatham Oaks Executive Director Vivian Davis, and Community Mental Health Center for Mid-Eastern Iowa Executive Director Stephen Trefz.

DISCUSSION WITH BOARD OF SUPERVISORS MEMBERS AND CENTRAL POINT OF COORDINATION ADMINISTRATORS FROM BENTON COUNTY, CEDAR COUNTY, IOWA COUNTY, JOHNSON COUNTY, JONES COUNTY AND LINN COUNTY REGARDING REGIONALIZATION OF ADMINISTRATION OF MENTAL HEALTH AND DISABILITIES SERVICES. TOPICS TO BE COVERED INCLUDE, BUT ARE NOT LIMITED TO: Proposed Criteria, Population Thresholds, Functions for a Region, Governance of a Region, and Interest in Forming a Corridor Region

Harney said Stutsman and Linn County Supervisor Linda Langston are members of the Iowa Department of Human Services (DHS) Mental Health and Disability Services (MH/DS) Redesign Regional Workgroup (Workgroup) and will moderate the discussion.

Stutsman said the Workgroup has met twice. She said the Workgroup scheduled for September 13th has been cancelled. She hopes everyone has viewed the MH/DS webpage. The DHS has done a good job of posting minutes, meeting schedules, and a list of who is on each workgroup. Redesign Regional Workgroup meetings are open to the public and held every other Tuesday in Des Moines.

Stutsman said the Workgroup started discussions focused on determining who would make up a region. She said Artley has created a document of the proposed criteria for the region. Redesign proposals are happening quickly and all workgroups should be finished by the end of October 2011. The reports, to be viewed strictly as recommendations, will be submitted to the Legislative Interim Committee on Mental Health and Disability Services by mid-November 2011. This planning is on a fast track.

Stutsman said the Workgroup wants input from the counties regarding regionalization, the criteria for a region, and the idea of forming a region with surrounding counties. She thinks the Workgroup will begin drawing maps very soon. Langston said individuals tried to draw regional maps but those plans were unpopular. She thinks there are already counties across Iowa that do share commonalities. A minimum of three counties are necessary to make up a region.

Stutsman said the goal is for five to 15 regions across Iowa. Some criteria are outlined in the legislation: the counties must be contiguous, have a community mental health center, or Federally Qualified Health Center (FQHC), and provide an inpatient psychiatric unit. The Workgroup set a population range of 200,000 to 700,000. Stutsman said there will be a state waiver capacity.

Stutsman referred to the county map handout which identifies individual county populations. Some regions are well on their way to being established. Langston said she thinks the State will want access to each county's tax revenue to help fund regionalization. She is not sure how that is going to work particularly with some of the smaller counties such as Jones, Benton, Cedar, and Iowa Counties working with Linn and Johnson Counties. Linn and Johnson Counties provide many more services than the

smaller counties and as such, the smaller counties may not be interested in supporting services which would not be utilized by residents of smaller counties. 11:03

Sullivan said he does not think the State is going to fund regionalism, so local property tax dollars will be in the mix. He suggested that Linn or Johnson County may not want to settle for having only one vote per county when they are pouring in billions of dollars and the smaller counties are contributing only a couple million; that does not seem fair to the tax base. Regardless of how it is done, there is a lot of incentive to keep regions small because counties want to maintain as much influence as possible over the property tax dollars generated in their counties. Sullivan said they could have put together the smallest group of three counties as they could, but realistically they knew that Jones, Cedar, Iowa, and Benton Counties already work so closely with Linn and Johnson Counties that it seemed like a natural fit.

Langston said the counties involved in the proposed region already work together frequently and have established work relationships. Sullivan said he does not want to see this region get any bigger. That sets up an unwanted future battle. Stutsman said starting small makes sense since governance has not been established yet.

Langston said Stutsman serves on the Iowa DHS Mental Health and Disability Services Planning Council and Langston serves on the State of Iowa MH/DS Commission. They are supposed to make recommendations regarding allowable growth. It is challenging to understand exactly what they are going to do, but it is better to be in control than to react to legislation. Langston said she also serves on The Arc of East Central Iowa Board of Directors in Linn County and as such, has a well-rounded perspective.

Stutsman said another work group is working on core services. Every region in the state will be required to provide core services. The unknown is how regions will finance services provided over and above the core services. Langston said it may be difficult for some of the smaller counties to attain core services. She said the Iowa State Association of Counties is conducting weekly conference calls with all Work Group members to review and discuss major concerns.

Artley said Cedar County is in the Seventh Judicial District, and Tama County is in the Sixth Judicial District with Johnson County. That may affect the court committal process. She said she was not aware that Tama County was part of the Sixth Judicial District until today. Representatives from Cedar County were unable to attend the meeting.

M. Williams said she is surprised Linn and Johnson Counties are considering forming a region. She thought Benton County would go with Linn County along with other counties north of Linn County. Benton County contracts with the Abbe Center for Community Mental Health in Cedar Rapids, Iowa. Many counties north of Linn County do not meet the three requirements for regionalism. She asked what will happen with those counties. Langston said she thinks Black Hawk County will be a potential

connector. Stutsman said Black Hawk County is part of a different proposed region. Langston said to qualify for an FQHC or a community mental health center, they must form a region with the biggest counties in the state.

Schultz said Allamakee, Winneshiek, Howard, Chickasaw, Bremer, Buchanan, Fayette, Clayton, and Delaware Counties are under one regional plan. This group has been together for about two years. The hospital with beds for psychiatric patients is located in Dubuque County. Hillcrest Services serves as the mental health center for Allamakee, Winneshiek and Clayton Counties. The Abbe Center for Community Mental Health also serves people in these counties. The providers in this region feel they have everything they need, especially if Dubuque County joins. Stutsman said they have also discussed a southeast Iowa consortium comprised of Des Moines, Henry, Keokuk, Lee, Louisa, Muscatine, Van Buren, and Washington Counties. They are also already working together.

Langston said the counties contiguous to Linn and Johnson Counties were unattached to a region and their residents had nowhere to go to reach the FQHC or the community mental health center unless they were to join the counties to the north. Rettig said Linn and Johnson Counties already work together on many issues. They treat themselves as a corridor and have become a good team. Both counties have similar concerns and growth patterns. The Corridor is a destination for people with disabilities. She hopes this partnership continues to grow.

Austin said 80% of Iowa County's tax dollars come to Johnson County. Schultz asked what Johnson and Linn Counties motivation is in considering including the four smaller counties in the region. Harney said these counties have worked together frequently over the years and have many commonalities. The larger counties thought it would be beneficial to continue the partnerships established through East Central Iowa Council of Governments (ECICOG) and the Sixth Judicial District, even though they do not know what the final rules are going to be. Sullivan agreed. Rettig said the Community Mental Health Center for Mid-Eastern Iowa reaches out to Iowa and Cedar Counties as the Abbe Center for Community Mental Health seems to reach out to Benton and Jones Counties. This regional grouping seems to be a natural transition, and it is neighborly.

Langston said there is going to be some inequity going into a regional partnership. She would rather face the challenges of regionalism with colleagues she is familiar working with because there is a greater chance for success that way. Linn and Johnson Counties' combined population is between 325,000 to 350,000, and the combined population of Benton, Cedar, Iowa, and Jones Counties is about 50,000. Artley said Linn and Johnson Counties have worked hard together on legislative issues for the last two or three years. They participate in a monthly meeting with providers and CPCs. They have emphasized the Corridor approach rather than individual counties, because that carries more weight with legislators. All surrounding counties are included in the Corridor. A natural alignment was evident.

Buch asked what the long range goal for regionalism is. Langston said State Senator Jack Hatch is a champion of the regional approach and believes in establishing core services and a level of consistency to save providers money and make the mental health system more efficient. Alternatively, State Representative Renee Schulte is less invested in the success of regional coalitions, but very invested in saving tax dollars and removing the MH/DS levy. Langston is concerned that property tax reform would limit the amount counties could raise property taxes. The State could potentially take away the Supplemental Levy. That could save tax money but will significantly impact the services Linn and Johnson Counties can offer.

Langston said there are many small counties that may not need the range of services larger counties utilize on a regular basis. The legislative goal is to unify the system, make it more efficient, and possibly cut costs. She added that a CPC administrator traveling between six counties will need quite a hefty travel expense account.

Buch asked if the smaller counties will be obligated to offer the same services larger counties offer if regionalism takes place. Langston said she thinks the concept of regionalism is to develop a core set of services within that region that the State would require. The next step is for the region to determine which other services to offer and how those services will be funded. Those who choose to adopt the regional concept must be prepared to work hard and rely on professional connections and relationship building. She acknowledged she has difficulty asking Jones County to fund some of the Linn County programs, but on the other hand, there may be Jones County residents who seek services in Linn County.

Rettig asked if the six counties in the region have maxed out on MH/DS dollars. Langston said no. Rettig asked what each county pays per capita. Schultz said Jones County is levied at 100% and their fund balance is in good shape now, but will not be next year. Langston said she thinks that is where everyone is.

Rettig said Johnson County is spending \$25 per capita on MH/DS. The County is maxed out and has been since the program started in 1996. Buch said Benton County had the biggest reserve in Iowa. Benton County had to get rid of their reserve or otherwise, they would not have received state funding. Stutsman said in the new region, all the counties will all be under one service plan and will have to agree on the services provided. Sullivan said the cost per capita can be really high in smaller counties. The cost per capita is really low in Johnson and Linn Counties, because there are many people who get 10 hours of supported community living which does not cost as much relatively.

Austin said at the first meeting of the MH/DS Adult Intellectual and Developmental Disabilities Redesign Workgroup, Iowa DHS Director Charles Palmer stated the region will be the vehicle for the State dollars, and regions are needed so the State can make the rules. Stutsman said the State is taking over all Medicaid dollars. Langston said her personal perspective is that this will assure that counties receive no Medicaid dollars. They want all the Medicaid dollars and that drives the State's motivation for regionalism.

Buch asked if they are going to redistribute Medicaid dollars back to the regions. Langston said that would be at the State's discretion, and from what she has heard, the state cannot figure out how to redistribute the funds to providers; so the State is not paying them which presents a bit of a problem. Stutsman said she thinks the State is going to dictate how Medicaid dollars will be spent and may put a cap on the amount of money counties invest in county-funded services.

Langston said the State is holding public meetings throughout the state and she encouraged people to attend. She said Schulte does not seem committed to the region concept, but is committed to redesign. Stutsman said Schulte's concept is for the State to take over everything.

Sullivan said in an ideal world, there is no point in tying mental health services to property taxes. It should be paid for by state income taxes, and there should be an equal, state-wide system. The state is probably \$300 million short of what it should be spending on mental health services. The money is never going to be there, and a state-run program is not an option.

Langston said the Workgroup is moving forward on the presumption that regions will form. The state will agree to the regions but will take all the Medicaid money out of the system and this is when county leaders, service providers, staff and others throughout the counties need to work together professionally.

Stutsman asked if Tama County may want to align with counties to the north in another established region with Cerro Gordo County.

Rogers asked if individual county Boards of Supervisors will vote independently on whether to join a region. Stutsman said yes, there will be many joint decisions such as: everyone will have to agree on a services management plan and to make decisions on who is going to provide Targeted Case Management. Dohndt said she does not think the state can designate Targeted Case Management. Langston said there will be a lot of work in the details. She said her presumption is that everyone who now works for counties may end up working for the region.

Schultz said Cerro Gordo County CPC Administrator Bob Lincoln has established something that resembles a region, and he feels all employees who work for the county will continue to do so, but that the region will buy a certain percentage of the employees' time. Many CPCs also provide Targeted Case Management and General Assistance. Langston asked if anyone in Lincoln's group has thought about the accounting required for that sort of arrangement. Stutsman said many of the duties will be consolidated among the counties. Schultz said each region will set the regions up differently. Langston said she doubts the State will allow that. Stutsman said the State has repeatedly said they do not want to deal with multiple management plans. Langston said the State will establish core services and allow each region to work out what they provide beyond that.

Rettig said Johnson County formed the Joint Emergency Communications Center

with surrounding law enforcement and E911 dispatchers. The County did not determine how to manage those employees' contracts and insurance plans, and as a result, it cost the County \$250,000 in legal fees. If each CPC remains an independent entity, they will lose all efficiency in human resources, union contracts, legal costs, and health insurance. The County has 500 employees and is self-insured, and to find similar insurance on the open market would be difficult.

Langston said the same is true in Linn County with its 830 employees, but the problem is that DHS staff does not have a clear understanding of what county government does. If they are going to bill time to the region, then they need to establish who is going to work for the region and oversee the region. Someone is going to have to work for the region to be able to parse out details, and if that is someone in addition to a county employee, it would not be efficient. They are still going to have to pay someone to report from the region to the State and back to the counties.

Marlow asked if the regions will be formed under a 28E agreement. Stutsman said yes. Marlow said under a 28E agreement, the 28E organization carries the insurance. Rettig said that will cost the counties more than it would if the Attorney's Office drafted the agreement. She said she hopes they caution people about this at the statewide meetings. A 28E agreement written by the County Attorney's Office does not cost anything because the County is already paying the attorneys' salaries. Stutsman said they would still do that, they would just have to determine which county's attorney's office will write the agreement and who will be part of it. Rettig said an entity that works outside of the existing governmental structure will cost more money because they will have to pay more for legal fees, human resources, and insurance than they already do.

Sullivan said regions could be set up to be more cost effective. Stutsman said the Iowa Legislature is sold on the regional model established by Lincoln. The administrative functions for the region are divided up so each county handles a different function such as billing and human resources.

M. Williams said she does not agree with all the rationale for regionalism. She does not think the current system is broken and that funding is the driving force behind this change. Langston said it is important to clearly articulate that counties have significant concerns about the efficiencies, cost, and true level of services. Dhondt said consider the claims alone; no county in the proposed region has a system capable of writing claims for all counties in the region. M. Williams asked if Johnson County is capable of writing the claims and Artley said she does not know today.

Langston said there has to be a high degree of understanding that if one county is going to take over the MH/DS billing for all other counties in the region, that county would have to hire more staff. The same is true for other administrative functions. It will be a challenge to determine which counties will take over which functions. She said if the smaller counties cannot staff the positions, will they still be expected to contribute financially. Herein lies the problem, the redesign is not cheaper.

Interest in Forming a Corridor Region

Sullivan said it would be nice to know which counties are interested in pursuing regionalism. Stutsman said some counties may choose to align with other regions. Langston said the State would like to have regions established by July 1, 2013, although State Representative Dave Heaton said they might move it back a year if it is too problematic. Rettig said many regions are starting to form, which is why the Johnson County Board of Supervisors thought it was important to take the advice of Artley and Stutsman and get started as soon as possible.

Sullivan suggested that each County Board of Supervisors vote on a formal resolution or a letter of intent to solidify their position.

Barron asked if they should include Tama County in these discussions since it is part of the Sixth Judicial District. Sullivan said Tama County residents usually go to Waterloo for services. Rettig asked if this becomes an issue when dealing with court committals and wondered how big a deal it is. Stutsman said there is a Judicial Work Group that may be working out those details.

Dhondt said there has been some talk about Cedar County aligning with Scott County. Langston and Stutsman agreed. Stutsman said Muscatine County may want to join with this region and she asked Artley for feedback. Artley said she thinks Muscatine County is holding open all options.

Harney summarized that Sullivan's earlier suggestion of asking the Boards of Supervisors to take a position indicating which direction they are likely to move would be helpful before moving forward with a plan. Buch said if this is mandated by the State, the counties do not really have any options. Stutsman said the planning is done, the counties were not part of the decision-making process, and now they are at the implementation stage. Austin said the counties have a choice of what region they join. Buch said the way Benton County works with Linn County, they do not really have an option.

Vermedahl said he has no problem with regionalism, but he is not sure it is necessary, or that it will achieve the desired outcomes. He maintains that Benton County operations are as efficient as is possible. There has to be a way to design a region so as to protect the rights of the smaller counties and the larger counties also. Regions should be designed so the voting is representative of the population. Langston said the larger counties will have to partner with some of the smaller counties.

Langston said interested counties should send a letter of intent to Stutsman in Johnson County. The Workgroup goal is to complete their work by the end of October 2011. Stutsman said the next Redesign Regional Workgroup meeting is scheduled for September 27th and the final meeting is scheduled for October 25th.

Comments From The public

D. Williams said he was glad the bylaws of regionalism were changed since initially Linn and Johnson Counties could not be part of the same region. He asked if a region can exclude other counties from joining. He thinks regionalism really is about working together with others who share the same philosophy. He is concerned about how counties will share finances and how taxes will be assessed and allocated. Stutsman agreed with D. Williams that people will need to think about regions instead of counties and pool money accordingly.

Trefz said the counties will need to question if regionalism is a cost-saving effort. He asked if the technology infrastructure and the expertise is in place to administer a region. Langston said there is a real challenge there, because the DHS system is outdated. Stutsman said the Iowa Legislature gave DHS about \$6 million for an upgrade. Langston said they need about \$30 million for the kind of system overhaul they need.

Buch said social services was moved to Iowa County, Tama County, and Benton County but no money came with that for Iowa County or Tama County. Benton County now covers all their charges. He asked if that is what is going to happen here.

Goedken asked how important the judicial districts are to regionalism. Langston said more information is still needed. Goedken asked if it is something the state may regulate. Langston said they do not know. Austin said she does not think so, or else it would have been done already.

Welsh said Palmer said he is not sold on the regional system. Stutsman said she cannot confirm that that is Palmer's position. Welsh asked if regionalism will really save money. He said the counties need to focus on a system that will better serve the public. He thinks the funding stream needs redesigning and questioned how funding caps have been set in the past.

Lusala said counties should approach regionalism with the perspective of what will work best for everyone.

Langston said she encourages people to contact Workgroup members with thoughts, concerns and issues. She and Stutsman are serving on the regional Workgroup.

Adjourned at 8:21 p.m.

Attest: Tom Slockett, Auditor
By Nancy Tomkovicz, Recording Secretary