

Michigan Health Endowment Fund
Board Meeting
Tuesday, March 28, 2017
Radisson Hotel, 111 N. Grand Avenue, Lansing, MI 48933

Meeting Minutes

Call to order

The board meeting of the Michigan Health Endowment Fund was called to order at 10:00 a.m. by Chairman Tim Damschroder.

Roll call

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

Board Members present:

Rob Fowler
Lynn Alexander
Tim Damschroder
Sue Jandernoa
Keith Pretty
Michael Williams (arrived at 10:20)

Participating by phone:

Cindy Estrada
James Murray

Absent:

Alexis Wiley

Others present:

Paul Hillegonds
Terry Gardner
Julie Skubik
Duane Tarnacki

Approval of agenda:

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

Public Comment:

There was no public comment.

Review and approval of the minutes from the previous meetings:

Board Member Jandernoa moved to approve the minutes from the January 23, 2017 board meeting. Board Member Fowler seconded. Motion passed seven to zero.

CEO Report:

Mr. Hillegonds outlined the first quarter activities at the Health Fund that included grant proposals, convenings, communications strategies and evaluation programs. He also reported on the recent meetings with the Michigan Department of Health and Human Services, Health Affinity Group, DIFS, Attorney General's office and state Legislators. On April 11, the Health Fund will be hosting a Healthy Aging grantee convening and all board members are encouraged to attend.

Medigap Update:

Todd Anderson from BCBSM reported on their experience with the rollout of the Medigap Subsidy Program. He also reported on their company's outreach program related to the subsidy, including initial and follow-up notifications, as well as customer service and plans for future outreach.

Mr. Gardner explained how the Health Fund will be increasing the qualified income levels so the eligibility would apply to more people. Several board members had questions regarding the implementation of this plan. Board Member Fowler expressed continued concerns about the subsidy obligations because people will become reliant upon the subsidy which is a temporary solution.

The following motion was made by Board Member Pretty and seconded by Ms. Jandernoa:

RESOLVED, that for the purpose of administering the Fund's Medicare supplemental insurance subsidy program for 2017, a Medigap subsidy eligibility household income means test threshold of 225% of Federal Poverty Level be and it hereby is approved for subsidies effective July 1, 2017;

RESOLVED, that monthly premium subsidies to qualifying Medicare supplemental insurance policy holders be adopted as follows: under 65 years of age with disabilities: \$125; ages 65 to 75: \$40; ages 75 and above: \$65, these amounts consistent with the subsidy levels implemented effective January 1, 2017, which are hereby ratified.

Motion passed eight to zero.

Board Member Estrada and Board Member Murray departed the meeting.

Communications Report:

Communications Officer, Hayley Roberts described the Health Fund's strategy on communications. She explained that the goal is to position the Health Fund as statewide leader on children's and seniors' health issues. Ms. Roberts presented the objectives, key audiences, and the primary message.

Behavioral Health Convening Report:

Program Officer Becky Cienki reported on the Behavioral Health Convening. This group included 20 thought leaders with experience in behavioral health and policy. Conversations focused on access to care and workforce issues.

Senior Fellow Janet Olszewski presented an overview on the Behavioral Health evaluation process. The framework encompasses individual grantee evaluation activities as well as collective evaluations.

Investment Committee:

Mr. Pretty reported to the board the results of the Investment Committee meeting. The committee, in conjunction with representatives from Northern Trust, met immediately prior to this Board meeting to consider how to invest the 2017 BCBSM contribution of \$12 million, and also reviewed alternative investment options including private equity investments.

Audit Committee:

Committee Chair Pretty reported that the audit has been completed and introduced Mike Nicholas and Anthony McQuade from George Johnson and Company. Mr. McQuade reported to the board the results from their firm's audit of the Michigan Health Endowment Fund's financial statements. Mr. McQuade noted that the audit report will be "clean" that there are no exceptions noted in the financial statements. Additionally, Mr. Nicholas reported on a number of matters that under auditing standards are required to be reported to boards by the audit firm. No unusual items were noted in those matters required to be reported. The following motion was made by Board Member Pretty and seconded by Board Member Fowler.

RESOLVED, that the 2016 audited financial statements of Michigan Health Endowment Fund, as presented to the board by George Johnson and Company, be, and they hereby are, accepted.

Motion passed six to zero.

Mr. Pretty reported that the 2016 tax return will be filed prior to the deadline.

Grantmaking Committee:

Board Member Jandernoa reported that the Grantmaking Committee met on January 23, 2017 to review a total of 189 proposals. There were 56 Nutrition and Healthy Lifestyles grant proposals received and 13 were recommended to the board for approval for funding totaling \$4.8 million. Program Officer Laurie Solotorow described the review process that included input from subject matter experts with adherence to the criteria outlined in the RFP. The list of recommendations were:

1. Alpena Area Senior Citizens Council
2. Community Foundation of Greater Flint
3. Delta-Schoolcraft ISD
4. Fair Food Network
5. Food Bank Council of Michigan
6. Health Net of West Michigan

7. Inter-Tribal Council of Michigan
8. Michigan Elementary and Middle School Principals Association
9. Munson Healthcare Foundations
10. National Kidney Foundation of Michigan
11. Public Health, Delta & Menominee Counties
12. Sparrow Foundation-Sparrow Health System
13. Wayne State University

Chairman Damschroder asked all board members to identify any potential grants where he/she might have a conflict of interest with the 13 proposals. There were no conflicts.

Mr. Williams moved to approve all 13 grant recommendations as listed above and Ms. Alexander seconded.

The vote passed six to zero.

Next, Program Officer Kari Sederburg presented information specific to the Community Health Impact round that included the review and evaluation processes. Ms. Sederburg reported 133 Community Health Impact grant proposals were received and reviewed by the Grantmaking Committee that addressed all eight focus areas of the Health Fund. For this round, the Health Fund placed an emphasis on projects that related to technology and capacity building. The following 42 proposals were recommended by the Grantmaking Committee for funding consideration totaling \$3.5 million:

1. Alzheimer's Association-Greater Michigan Chapter
2. American Heart Association
3. Battle Creek Community Foundation
4. CARE of Southeastern Michigan
5. Clark Retirement Community Foundation
6. Detroit Police Athletic League, Inc.
7. Disability Advocates of Kent County
8. District Health Department #10
9. Greater Midland
10. Habitat for Humanity of Kent County
11. Hands Across the Water, Inc.
12. Ingham Health Plan Corporation
13. Judson Center
14. Leaders Advancing and Helping Communities
15. M&M Area Community Foundation
16. Macomb County Interfaith Volunteer Caregivers
17. Marquette-Alger RESA
18. MI Disability Rights Coalition
19. Michigan 2-1-1 (Michigan Association of United Ways is fiduciary)
20. Michigan Breast Feeding Network
21. Michigan Fitness Foundation

22. Michigan Health Council
23. Michigan Health Improvement Alliance
24. Michigan Nonprofit Association
25. Michigan Primary Care Association
26. Michigan Public Health Institute
27. Michigan Recreation and Park Association
28. Michigan State University
29. MidMichigan Health
30. Multiple Foundation Collaborative
31. PACE Southeast Michigan
32. Region 3B Area Agency on Aging
33. Rethinking Dementia: Accelerating Change (Clark Retirement Community Foundation is fiduciary)
34. Salvation Army Detroit Harbor Light
35. Southeastern Michigan Health Association
36. St John Providence
37. TCM Counseling
38. The Regents of the University of Michigan
39. UPCAP Services, Inc.
40. Wayne County Neighborhood Legal Services
41. Wayne State University
42. Wayne State University

Chairman Damschroder asked all board members to identify any potential grants where he/she might have a conflict of interest with the 42 proposals. Ms. Alexander stated her conflict with PACE Southeast Michigan and wished to abstain from the vote on the grant. Also, Mr. Williams stated that he had a conflict of interest with the Judson Center grant.

Mr. Fowler moved, and Mr. Williams seconded, to approve the following grants which presented no conflicts of interest for board members:

1. Alzheimer's Association-Greater Michigan Chapter
2. American Heart Association
3. Battle Creek Community Foundation
4. CARE of Southeastern Michigan
5. Clark Retirement Community Foundation
6. Detroit Police Athletic League, Inc.
7. Disability Advocates of Kent County
8. District Health Department #10
9. Greater Midland
10. Habitat for Humanity of Kent County
11. Hands Across the Water, Inc.
12. Ingham Health Plan Corporation
13. Leaders Advancing and Helping Communities
14. M&M Area Community Foundation

15. Macomb County Interfaith Volunteer Caregivers
16. Marquette-Alger RESA
17. MI Disability Rights Coalition
18. Michigan 2-1-1(Michigan Association of United Ways is fiduciary)
19. Michigan Breast Feeding Network
20. Michigan Fitness Foundation
21. Michigan Health Council
22. Michigan Health Improvement Alliance
23. Michigan Nonprofit Association
24. Michigan Primary Care Association
25. Michigan Public Health Institute
26. Michigan Recreation and Park Association
27. Michigan State University
28. MidMichigan Health
29. Multiple Foundation Collaborative
30. Region 3B Area Agency on Aging
31. Rethinking Dementia: Accelerating Change (Clark Retirement Community Foundation is fiduciary)
32. Salvation Army Detroit Harbor Light
33. Southeastern Michigan Health Association
34. St John Providence
35. TCM Counseling
36. The Regents of the University of Michigan
37. UPCAP Services, Inc.
38. Wayne County Neighborhood Legal Services
39. Wayne State University
40. Wayne State University

The vote passed six to zero.

Mr. Fowler moved to approve the grant application from PACE Southeast Michigan and Mr. Pretty seconded. Ms. Alexander abstained. The vote passed five to zero.

Next, Ms. Jandernoa moved to approve the grant application from the Judson Center and Ms. Alexander seconded. Mr. Williams abstained. The vote passed five to zero.

Adjournment

The meeting was adjourned at 11:55 a.m.

Respectfully submitted,

Julie Skubik
Secretary of the meeting