



Ohio Senate Health, Human Services and Medicaid Committee

**Testimony of:
Dr. Kathleen Kern, Executive Director
Lorain County Board of Mental Health
June 27, 2017**

SB71 – Proponent Testimony

Chairman Burke, Vice Chair Beagle, Ranking Member Tavares and members of the Health, Human Services, and Medicaid Committee

Good afternoon. My name is Dr. Kathleen Kern and I am the Executive Director of the Lorain County Board of Mental Health.

Thank you for allowing me the time to testify in support SB71 today, the bill that will allow each board of alcohol, drug addiction, and mental health services the permissive option to determine what level of contracts can be executed by a Board director without requiring their full Board of Directors to assemble and approve the contract in advance in situations that require immediate action.

This is a change that will help Boards function more efficiently while providing the best care, as I will demonstrate with two brief stories of clients who could have found their care in peril because of the language in the Ohio Revised Code, specifically ORC 340.03. Also, SB71 would put boards in line with the duties and process of the executive directors of other political subdivisions and local government agencies and keep all the appropriate limitations on the executive director's fiscal power.

First, I want to clarify why SB71 is important. Current Ohio Revised Code has been interpreted to mean that a formal resolution of the Board must be passed to approve every contract prior to the contract being signed by the executive director. Following this directive has resulted in numerous circumstances wherein the executive director has been forced to decide between what was clinically necessary for a client's care and what was in compliance with the Ohio Revised Code. Additionally, the process creates administrative burdens, slowing down the efficiency of our Board and causing the Board of Directors to devote time to establishing or amending

contracts related to office operations (e.g. cleaning services, supplies, etc.) instead of focusing on issues related to community mental health services.

This is an issue that impacts Boards across the state as evidenced by a vote of unanimous approval of support for SB71 by the Ohio Association of Behavioral Health Authorities on March 29, 2017.

I would like to share with you a few examples of times when seeking Board approval prior to executing a contract put the Board in an untenable position. The first relates to a small contract that our Board had executed with a caregiver to provide needed supports to a client with schizophrenia. In December, the caregiver for a client discontinued employment without notice. This client, with schizophrenia and a long history of psychiatric hospitalizations, could not be without a caretaker, and our staff could not wait for a Board meeting to allow the access to caretaking service to be contractually established. As such, our executive director at the time, my predecessor, was forced to contract with an alternative provider prior to Board approval, and was only able to inform the Board of this contract after the contract had been signed.

In another situation, a 14-year-old boy presented at our county emergency services center, with both homicidal and suicidal ideation as well as distorted thinking. The Emergency Stabilization Services team outreached to many hospitals within Ohio, before seeking psychiatric hospitalization in surrounding states. Even with the expanded search, no psychiatric hospital would agree to accept this very ill young man. Given that the clinicians at Emergency Stabilization Services believed strongly, based upon multiple assessments, that this young man could not be safe in the community, the executive director had to contract for residential services without prior Board approval. As with the first example, the Board of Directors subsequently reviewed this expenditure and did not have any concerns with the executive director's decision. *Rather the concern is that the current revised code prohibits these types of agile, clinically focused decisions that the Board expects from the executive director.*

There are also, less clinically relevant business decisions that support the need for SB71. Absent this bill, Board processes are made inefficient when they depend on the timeline for Board meetings. Recently, our staff struggled to identify a bilingual worker who could be temporarily employed to call clients of agencies to determine client satisfaction, as part of our role of evaluating contracted services. While Board staff were fortunate to have secured an agreement from the prospective staff person, just prior to the Board meeting, a failure to do so would have resulted in our Board's inability to hire the part-time staff person until after the next Board meeting (in late August), both delaying our Board's system for evaluating clinical services and jeopardizing our ability to secure employment of this contracted temporary employee.

There are countless other examples of bureaucratic inefficiencies that make SB71 so important.

Please understand that SB71 would not result in boards of alcohol, drug addiction, and mental health services surrendering all decisions with regard to contracting. The legislation only

provides a permissive option to Boards that are interested in establishing their own standards for when to delegate permission to contract to their respective executive director. If passed, SB71 would not automatically provide authorization for an executive director to execute these contracts without prior approval. It first requires the governing board to approve a procedure or bylaw authorizing the executive director to do so (which requires a deliberative process on the part of the governing board). In addition, the governing board can set the limit lower than fifty thousand if it so chooses (e.g. the executive director could be authorized to execute contracts valued at \$20,000 or less without Board approval) or continue to require governing board approval for certain contracts (e.g. behavioral health services but not for other types of contracts). As such, SB71 maintains Boards' responsibility for contracting, but allows each local Board the flexibility to make decisions regarding how much of this responsibility can be delegated to the executive director for the purpose of eliminating administrative burdens and responding with agility to emerging clinical needs.

Thank you for your support of SB71, which will help county boards of alcohol, drug addiction, and mental health services function more efficiently with responsive client care as the guiding principle.