

This is our last official meeting of the calendar year, and on behalf of our management team and all our staff, I want to thank our Advisory Council and our Board of Directors for your time, commitment, support, and dedication to our mission. There is no doubt that last fiscal year, which ended 9/30/14, was the most challenging year yet. Maybe it's because we turned 40, and launching into middle age is never easy. ☺ More likely, it's because we are at a crossroads as an aging network, and that, coupled with the monumental changes in health and long term care financing, mean more challenges to come.

You will recall that the year got off to a rough start, with the federal government shut-down for 21 days, resulting in funding uncertainty, reductions in service delivery and staff lay-offs in the provider network and at the AAA 1-B. We also started the year with a \$1 million anticipated budget loss in our Prepaid Ambulatory Health Plan (PAHP), formerly MI Choice Medicaid Waiver, program as a direct result of movement to a managed care reimbursement system, and this loss was after we leveled a 9% cut to in-home service vendors and reduced our administrative budget by 10%. Through the year we faced the ups and downs of PAHP managed care reimbursement changes, MI Department of Community Health reconciliation discrepancies, and a \$350,000 loss in our Care Transitions federal demonstration program. Financially, we ended the year with our one-time Care Transitions losses, and approximately \$400,000 of additional losses (33% less than budgeted). We worked hard as a team during this year to keep our staff morale up and our financial losses as low as possible. In spite of the challenges, we kept moving forward and here's a list of some highlights from the year:

- Formed a new subsidiary organization, Coordinated Community Living (CCL), to create fire walls for our Medicaid and health business.
- Completed our first year of start up in our Huron Valley PACE partnership and ended the year on target with the pro-forma.
- Conducted two successful all-staff trainings to support our culture shift: Data Driven Decision Making and Customer Service.
- Launched the Silver Key Coalition, including a comprehensive white paper of unmet needs, which generated a \$5 million statewide increase for in-home services.
- Care Transitions served more than 350 people, and produced reports on how to reduce avoidable hospital readmissions.
- Worked with the Michigan Office of Services to the Aging (OSA) to raise awareness of the value of a "no wait state."
- Developed a new Community Support Services (CSS) Medicaid Model of Care to get lean and more efficient.
- Advocated with the Michigan Department of Community Health (DCH) and secured modest increases in the PAHP reimbursement rates.
- Refined our eligibility process to minimize service interruptions and bad debt losses.
- Developed new business with American House, CSI Support & Development, Detroit Medical Center, and Oakland Physician Network Services.
- Benchmarked our brand awareness, and verified that our brand perception is positive.
- Invested in SameAddress, which is a new social enterprise opportunity.
- Overhauled the staff Wellness Program, Fun to Be Fit, to help address employee stress.

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- Instituted agency wide quiet time, which limits emailing others to working hours unless a critical need to communicate arises, to help employees "unplug" from their jobs.

We also completed Year 2 of our FY 2013-2015 Strategic Plan. Attached is a summary dashboard of what we have accomplished. You will note we are right on track, with 66% of the 3 year plan completed after Year 2!

Strategic Priority 1: Program Development which engages older adults, caregivers and adults with disabilities in the most innovative and highest quality programs and services.

Our myride2, a mobility management service, answered 1,800 calls in FY 2014, which is a 12% increase over FY 2013. Attached is a dashboard of metrics on this program. Mobility management is something we've been doing for a while, but AAAs across the state are banding together with the Michigan Public Transit Authorities to explore new business opportunities to provide better service to transit dependent people. myride2 is leading the way in this effort.

On November 1, Jim McGuire, Ryan Cowmeadow, and the whole Silver Key Coalition received the Stephen J. Gools Award for Social Change! Steve Gools was AARP Michigan's State Director for 12 years, and had a strong passion for improving the lives of others, especially those who were unable to do so alone. To honor his life and dedication to his work, AARP Michigan established this award, which is given to an individual, couple, group, or nonprofit organization in Michigan that has contributed to positive social change at the community, local or state level. Jim, his wife Jodi, and Ryan were there to celebrate this wonderful honor!



The Area Agencies on Aging Association of Michigan (4AM) applied for and received a \$5 million grant through the Michigan Health Endowment Fund, which was created when Blue Cross Blue Shield of Michigan transformed from the state insurer of last resort to a non-profit mutual company. The grant builds on the energies and experience of AAA network in serving older adults to tackle two major challenges: falls and diabetes prevention/management. The

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AAA 1-B will receive \$929,000 over the next two years, to educate older adults through two evidence based programs: Matter of Balance and Diabetes PATH.

Strategic Objective 2: Program Diversification: In response to changing community needs, establishes diverse programs that result in sustainability and growth.

We received the enclosed notice from OSA indicating that the AAA 1-B violated the open meetings act at its October 2013 Board of Directors meeting when we discussed SameAddress, formerly One Solution. We are currently working to prepare materials to respond to this.

Strategic Objective 3: Organizational Support: Implements continuous improvement practices that result in accountability, transparency, and maximized operating efficiency and effectiveness within a culture that supports divergent business functions and initiatives.

After a trip to the Ford Rouge Factory that included more training on lean process improvement, the AAA 1-B leadership team identified the top areas to help us: 1) eliminate waste; 2) improve efficiencies; and 3) error proof processes. The first area that was most commonly cited by the team focused on "too many meetings" that contribute to waste of time and lack of efficiencies. The team put three things in place to help make us more lean: 1) evaluate all meetings for frequency - and consider email communication rather than meetings when possible; 2) evaluate all staff invited to meetings to determine if fewer people are needed; and 3) keep Fridays "meeting free."

A second area that will be focused on over the next year involves error proofing and improving efficiencies through better recruiting, orientation, and training programs. Recruiting will be enhanced to include testing that better identifies candidates who will thrive in our corporate culture. Orientation will be expanded to include: better review of corporate values and strategy; video recordings of the customer service and data driven decision making trainings; and videos about each department and how they work together to accomplish our agency mission. Training efforts in each department will also be enhanced, particularly in the Community Support Services Department. Efforts to provide ongoing basic and enhanced computer skill training are also a focus in 2015.

On October 27, we accepted the resignation of Jordan Kotubey, Director of Operations and IT. Jordan worked for the Area Agency on Aging 1-B for two years and during that time, he played a key role in the development of SameAddress and the hiring of its President, the PAHP reconciliation process, and contributed much to the overall efforts of the organization to improve processes and efficiencies. We wish Jordan well in his future endeavors.

Strategic Objective 4: Cultural Alignment: Cultivates a positive environment that actively engages employees and volunteer leadership in strategies designed to achieve priorities and realize the organizations vision.

Feedback from the customer service training conducted in late September indicates that staff is confused about how they connect to the strategic plan and the 14 cultural prompts that help to define our business future. The management team has determined that the corporate prompts need to better align with our five core values, rather than stand alone prompts. As a reminder the core values are:

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Posters aligning two to three corporate prompts under each core value will be created and displayed for two to three months at a time. For each poster, directors will conduct team activities that help to demonstrate to their staff how each member supports the values through their work efforts. Directors will also work to recognize staff who reflect the corporate values and prompts, and more regularly discuss the corporate and strategic goals with their teams so staff can individually understand how their efforts are directly contributing to the strategic changes. Our Human Resources team will be working internally with leadership to ensure they have the tools they need to support these efforts.

Strategic Objective 5: Marketing Communication: Executes a communication strategy designed to inform and activate existing and potential customers, and attract critical partnerships

No update this month.

212 Degree News:

- We recognized our 212° employee of the quarter: Carlene Fields, who is a Program Assistant (PA) working to support our Supports Coordinators who work in people's homes. Carlene's colleagues wrote:
 - She demonstrates superior work quality and supports the quality of the program
 - She is key to the training of other PA, even changing her vacation to train a new PA
 - She is always professional and a role model to others
 - She has carried extra responsibilities without letting her own work suffer. Even while suffering a person loss, Carlene remained positive and supportive to her team.
- That's 212°! Thanks for all you do Carlene!
- Congratulations to Advisory Council member Dennis Kirby Griffin, who has worked with the Waterford Senior Center for many, many years. The Waterford Senior Center has created a special Dennis Kirby Griffin Community Service Award, which honors members whose service to the community is exceptional. Dennis received the first honorary award a few weeks ago, and was very humbled by the recognition. Dennis is a remarkable man who has dedicated his life to serving others and supporting his community. His life's work will continue to be recognized as others win this honorable award in the future. Our heartfelt congratulations and love go out to Dennis!
- Special thanks to former Board member, Jerry DeMaire, who helped out at the Caregiver Expo and has made a generous donation to the AAA 1-B to support staff training and development. Jerry was on the Board of Directors for many years, and has remained committed to the agency mission. Stay tuned for more information on how we plan to use his donation. We greatly appreciate Jerry's support!
- And finally, on October 31, Meta Lothman, the AAA 1-B's longest standing employee, with us for the last 39 years, retired. Here's a summary of her retirement notice:

Meta was hired in 1975, as a Controller. She was replaced with a full-time Chief Financial Officer (CFO) several years later, Judith J. Wahlberg, who remained our

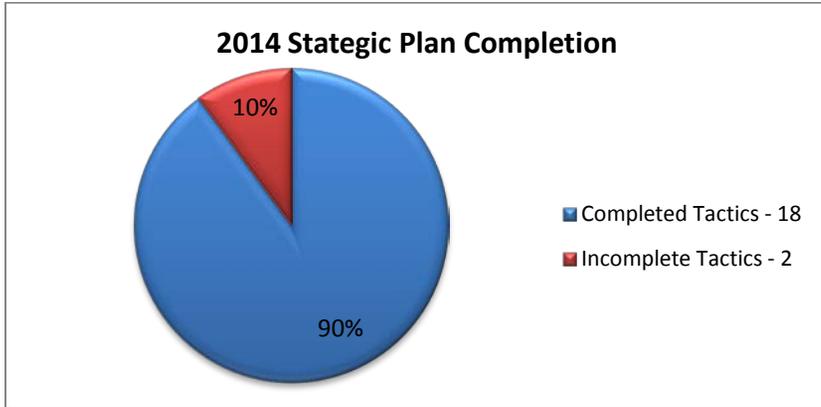
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CFO until her retirement in 2006. Meta acted as Interim CFO in late 2009-2010, and provided great support in 2014 to our Interim CFO and our Finance team, led by Rabia Raftari, while we searched for our current CFO, Bill Walsh. We honored Meta at the AAA 1-B 35 Year Anniversary and her short acceptance speech, where she simply said, "I'm still here because I just can't leave" received a standing ovation! She is, and has always been, a great supporter of our agency and our mission. Her authenticity, heart, and sometimes uncanny expertise have supported and even carried us through some of our hardest times. She told me, "Don't make this a big deal. It's just a change of status, not a change of heart." Meta plans to lighten her load and celebrate a milestone birthday of 75 years young! She said, "I have to slow down a bit. But I'm still at the end of my phone and email 24/7 because that's who I am. I'll always be here for the agency." It's been said that no one is irreplaceable. But, we say then they haven't met Meta Lothman, because in so many ways she is irreplaceable. She remains committed to training our Finance team to carry on her life's work, and she remains forever the woman who helped launch the AAA 1-B that we all know and love. Please join us in thanking Meta from the bottom of our hearts for 39 years of service.

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Area Agency on Aging 1-B 2013-2015 Strategic Plan FY 2014 Dashboard



	Total Strategic Plan Tactics	Total Tactics Completed to Date	Total FY2014 Tactics	FY2014 Complete	FY2014 In-complete
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Priority 1 - Program Development

Objective 1 - Maximize use of data for outcome-driven decision-making	5	3	2	2	0
Objective 2 - Expand program access for underserved target populations	14	11	4	4	0
Objective 3 - Expand existing programs	18	11	2	2	0
Total	37	25	8	8	0

Priority 2 - Program Diversification

Objective 1 - Market services to third-party organizations	18	14	1	1	0
Objective 2 - Market services to private individuals and families	11	11	1	1	0
Total	29	25	2	2	0

Priority 3 - Organizational Support

Objective 1 - Ensure organization's audit and accreditation preparedness	15	11	2	2	0
Objective 2 - Enhance hiring and retention quality standards	5	0	0	0	0
Objective 3 - Increase efficiencies in organization and program operations	12	9	0	0	0
Total	32	20	2	2	0

Priority 4 - Cultural Alignment

Objective 1 - Facilitate culture shift in organization	21	19	3	3	0
Objective 2 - Ensure that staff skill set aligns with program objectives	5	3	3	3	0
Total	26	22	6	6	0

Priority 5 - Marketing/Communications

Objective 1 - Update brand identity	14	5	0	0	0
Objective 2 - Expand education and advertising strategies	10	0	2	0	2
Total	24	5	2	0	2

Myride2 Executive Summary Report

Start Date: 10/1/2013 End Date: 9/30/2014

Number of Counts	Previous Year	
Number of Requests	1830	1639
Number of Unduplicated Callers	1745	1539
Number of I & A Referrals	2280	1934
Number of Non I & A Referrals	849	750
Number of Transportation requests where rider had Medicaid	317	289
Number of Rides Scheduled by Mobility Specialist	20	13

Unmet Needs	Previous Year	
Ride Crossed County Lines	28	6
Weekend Evening Ride	0	2
Cost Prohibitive	62	47
Provider Declined	0	0
No Service Available	7	1
Rider Declined Available Services	64	37
Other Reason	105	104
Total	266	197

Purpose of Call	Previous Year	
General Mobility Information	7	37
Driving Information	1	1
Provider	9	4
Seeking a Ride	1675	1233
Professional Consult	13	110
Other	255	336
Total	1960	1721

How Did You Hear About Us	Previous Year	
AAA 1-B Staff	654	446
Caregiver Fair	4	1
Family	24	12
Internet	151	52
Total	833	511

Reason for Transportation	Previous Year	
Medical	1221	1022
Shop/Errand	336	335
Social/Rec.	214	153
Employment	72	25
Other	89	81
Total	1932	1616



STATE OF MICHIGAN
OFFICE OF SERVICES TO THE AGING
LANSING

RICK SNYDER
GOVERNOR

KARI SEDERBURG
DIRECTOR

October 29, 2014

Tina Abbate-Marzolf, Executive Director
Area Agency on Aging 1-B
29100 Northwestern Hwy., Suite 400
Southfield, MI 48034

Dear Ms. Abbate-Marzolf:

On July 18, 2014, the Michigan Office of Services to the Aging (OSA) conducted an on-site assessment of Area Agency on Aging (AAA) 1-B. The assessment reviewed the agency's compliance with OSA Operating Standards, fiscal year (FY) 2013 area plan program outcomes and service delivery experience, and the agency's FY 2014 area plan implementation experience. Based on responses to the Assessment Guide and our July 2014 compliance assessment visit, it appears that Area Agency on Aging 1-B was in substantial compliance with OSA Operating Standards for Area Agencies on Aging during FY 2014.

However, the assessment did identify issues related to compliance with the Open Meetings Act. These issues are addressed in the attached OSA Assessment Feedback Report. Compliance items identified herein must be addressed within 30 days of your receipt of this report. Please direct your response to my attention and include anticipated dates by which compliance items will be addressed.

Thank you for your cooperation during the assessment. Please direct any questions to OSA field representative, Steve Betterly, at (517) 373-4089, or BetterlyS@michigan.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "SW", with a large, stylized flourish extending to the left.

Scott Wamsley, Director
Technical Assistance, Support and Compliance Division

SW/sb

cc: Amin Irving, Chairperson, AAA 1-B Board of Directors
Steve Betterly, OSA Field Representative

300 E. Michigan PO
 Box 30676
 Lansing, MI 48909-
 8176

MICHIGAN OFFICE OF SERVICES TO THE AGING
 Assessment Feedback Report

Agency: Area Agency on Aging 1-B
 Assessment Date(s): July 18, 2014
 Page 1 of 2 Fiscal Year: 2014

(1)
 OSA Guide
 Reference

(2)
 Compliance Items and
 Recommendations

(3)
 Compliance
 Due Date

(4)
 Grantee Response
 (Attach additional sheets is necessary)

Assessment Guide:

Section C Organization;
 (III) AAA Policy Board:
 "Are all meetings of the
 Policy Board open to the
 public?"

Section D Function;

(I) Area Plan
 Administration:
 (B) "Is the AAA operating
 in compliance with the
 Operating Standards for
 AAAs?"

General Background: OSA Standards for Area Agency on Aging (AAA) Policy Boards B-4(2) requires AAA policy boards to operate in compliance with the provisions of the Open Meetings Act, (OMA) PA 267 of 1976.

2014-1 Compliance Finding: On October 25, 2013, at the Region 1-B AAA Board of Directors (policy board) meeting held in Ypsilanti, area agency management required meeting attendees to sign a confidentiality agreement as a pre-condition for attending/participating in the policy board meeting.

At the same meeting, Region 1-B AAA restricted public access to informational material that was provided to Board members prior to the meeting, presumably to help them better understand a scheduled agenda item. The informational material was not included in the revised Board packet and was not available to the meeting attendees, unless a confidentiality agreement was signed.

Both situations improperly restricted the public's participation in the AAA policy board meeting and created, in effect, an improper "closed session" that is not compliant with Michigan's Open Meetings Act (OMA) and OSA Operating Standards for AAAs.

Our understanding of the OMA is that all meetings of a public body, such as Region 1-B AAA's Board of Directors meetings, are open to all members of the public, with very specific and narrowly construed closed session exceptions.

Also, the public's right to attend a public meeting is not dependent upon prior approval of the public body. Nor can a public body require potential attendees to register, or identify themselves, or fulfill some special condition, such as signing a confidentiality

agreement, as a pre-condition for attending the public meeting.

Finally the OMA requires all deliberations of the public body to take place at an open meeting and in a manner that is open and transparent to the public. Per the Michigan Office of Attorney General's Open Meetings Act Handbook, "Using e-mail to distribute handouts, agenda items, statistical information, or other such material during an open meeting should be permissible under the OMA, particularly when copies of that information are also made available to the public before or during the meeting." (p.9).

2014-1 Required Corrective Actions:

- 1) AAA 1-B may not enforce the confidentiality agreement required for the October 2013 policy board meeting.
- 2) AAA 1-B may not restrict future public access to AAA policy board meetings or restrict public access to information presented at AAA policy board meetings except during "closed sessions" for purposes specifically allowed under the OMA.
- 3) AAA 1-B must provide OSA with copies of the PowerPoint and other informational material requested by OSA at the October 2013 policy board meeting.

1) On-going.

2) On-going.

3) 12/1/2014