



# SANDHILLS CENTER

## Board of Directors Meeting Minutes October 10, 2017

### **Members Present:**

- Ross Streater
- Kay Cashion, Vice-Chairperson
- Dixie Branch
- Joe Miller
- Harry Southerland
- Kevin Dodson
- Anthony Copeland
- Otis Ritter
- David Allen
- Leann Henkel
- Thad Ussery, Chairperson
- Jan Herring

- Priscilla Little
- Gart Evans
- Costella Donnell
- Tonya Gray
- Shirley Hart
- Walter Ferguson
- Carol Whitaker
- Matthew Rothbeind
- Mazie Fleetwood
  
- Michele Weatherly, Secretary
- Bill Larrison

### **Staff Present:**

- Victoria Whitt
- Anthony Ward
- Susan Campbell
- Hannah Brown
  
- Sherry Bynum
- Evelyn Savage
- Leonard Covington
- Glenn Ruggles

**Guest:** Dennis Williams, DMH, LME Technical Assistance Liaison  
Lisa Jackson, DMH, LME Technical Assistance Liaison

### **Call to Order and Invocation**

The Sandhills Center Board of Directors met on Tuesday, October 10, 2017, at the Administrative Office at 185 Grant Street, West End, NC. Commissioner Thad Ussery, Chairperson, called the meeting to order at 7:00 p.m. and gave the invocation.

### **Conflict of Interest**

Chairperson Ussery read the Conflict of Interest statement and asked if any Board member had a conflict of interest concerning agenda items the Board would address in the meeting that would require recusal. No conflicts were stated.

### **Certification of Quorum**

Michele Weatherly, Secretary, certified a quorum.

### **Approval of Agenda**

*A motion was made by Mazie Fleetwood and seconded by Commissioner David Allen to "approve the agenda as presented." The motion passed unanimously.*

### **Absent Board Members Justifications**

Commissioner Anthony Copeland – Dental issues – excused. *A motion was made by Commissioner Kay Cashion and seconded by Commissioner David Allen to "excuse the absence". The motion passed unanimously.*

Costella Donnell – Not in attendance – unexcused.



Commissioner Kevin Dodson – Not in attendance – unexcused.

### **Public Comments**

None

### **Consent Agenda**

*A motion was made by Commissioner Joe Miller and second by Commissioner Kay Cashion to "approve the consent agenda". The motion passed unanimously. The following was approved:*

-  September 12, 2017 Board of Directors Meeting Minutes
-  Policy Revisions

## **New Business**

- **Chief Executive Officer's Report – Victoria Whitt, Chief Executive Officer**

Mrs. Whitt welcomed everyone and provided the following:

### **A. New Office Building Update**

Mrs. Whitt informed the Board that the contract for the new building was officially closed out yesterday with Hamlett Associates and the project finished under budget! Mrs. Whitt noted that a few items have been identified, items that were not part of the original contract, which will continue to be worked on.

Chairperson Ussery shared his thoughts stating that he feels a fantastic job was done on the building and by keeping cost within the budget.

### **B. Facility Based Crisis (FBC) Services Update**

Mrs. Whitt provided an update on the progress of the renovation plans of the Facility Based Crisis facility. The Bidders Conference was held September 19<sup>th</sup>, with approximately eight general contractors participating. Since that time, the Architect has raised concerns with the quality of the PME drawings and specifications. He feels that the documents are only 90% complete and the identified errors and omissions could result in change orders, including potentially major ones during construction.

The Architect recommended to the Building Committee that the bid date be pushed back, which the Committee was in agreement. The new bid date is November 1<sup>st</sup> with a recommendation for bid selection to be made at the November 14<sup>th</sup> Board meeting.

### **C. FY 16 – 17 Single Stream Funds Expenditure by LME/MCOs**

Mrs. Whitt explained that even as the State continues to cut funding, the LME/MCOs are held at a level of which they must provide funding for services. For FY 2016 – 2017, the report shows Sandhills leads the way with the highest percentage of funds being spent on services. Three LME/MCOs did not meet the threshold and will be required to present a Plan of Correction to the State. Mrs. Whitt stated that Sandhills is very proud of the results and this demonstrates that Sandhills is using service dollars to deliver the services. Mrs. Whitt noted that these are non-Medicaid individuals and if the allocated funding designated from fund balance was not provided, the individuals would not receive services.

Mrs. Whitt called attention to the press release in the packet. Mrs. Whitt also stated that these results demonstrate to the providers and the consumers the Board's commitment to continue with the level of services.

### **D. New DHHS Contract Performance Indicators**

Mrs. Whitt informed the Board that beginning January 1, 2018, DHHS has identified certain performance measures that have a benchmark and corresponding penalties for noncompliance. For any performance that is below the benchmark, the LME/MCOs will be required to submit a corrective action plan within fifteen days and demonstrate improvement within sixty days of the plan approval. If the corrective action plan does not result in the improvement specified, the LME/MCO will incur a penalty for each month following until compliance has been demonstrated.

Mrs. Whitt noted that this is the first time for penalties and reviewed the concerns of the LME/MCOs:

- ♣ Measures include those dually eligible with another primary insurance.
- ♣ Individuals included may not be correctly identified in NC TRACKS as individuals served or managed by the LME/MCO.
- ♣ Measures include individuals who do not wish to continue in services or who have refused to allow LME/MCO involvement in their treatment plans.
- ♣ Measures include physical health services not managed by the LME/MCOs.
- ♣ Mental health and substance abuse follow-up are considered separately.
- ♣ Inconsistency between DMA and DMH performance measures, even when the measure essentially measures the same goal.

### **E. Updates**

- ♣ **NC General Assembly** – Mrs. Whitt gave an update on the activities of the General Assembly.

- ♣ **NC DHHS**

- Medicaid Transformation – The DHHS Secretary's Medicaid Reform Plan continues to be contingent upon pending decisions at the federal level. There are lots of concerns and questions regarding Secretary Cohen's Plan.

- Solvency Measures – DHHS released a report to the General Assembly regarding LME/MCO solvency standards. The report indicates that all seven LME/MCOs meet the required financial levels. The State is asking the General Assembly to make changes that will give DHHS more control over how the LME/MCO funds are spent.

- **Cardinal Innovations Healthcare Solutions** – Mrs. Whitt gave an update of the Legislative Oversight Committee meeting today where Secretary Cohen and Dave Richard were questioned regarding Cardinal Innovations. Mrs. Whitt provided highlights of the findings noted in the North Carolina Office of Internal Audit Special Investigation Report. Issues included the salary of the CEO and severance packages for the CEO and other Cardinal executives.

- **Clinical Services & Operations Report – Anthony Ward, Chief Operating Officer/Deputy Director**

Mr. Ward reviewed the following:

- Medicaid Waiver Operations Report – September 2017, noting that all benchmarks continue to be met.
- Medicaid Waiver Financial Operations Report – September 2017, noting the financial measures that Sandhills is required to meet.

### **Committee Reports**

- **Finance Committee Report** – Committee Chairperson Gart Evans reported the Finance Committee met prior to tonight's Board of Directors meeting and reviewed the Finance Report in detail. Chairperson Evans presented and reviewed the Finance Report with the Board of Directors. A summary of the Consolidated Balance Sheet and Income Statement was reviewed and reflects services through August 31, 2017.

Noted in the Finance Report:

- Allocation of SAPTBG Expansion Funding for the purposes of training and technical assistance for Juvenile Justice Substance Abuse Mental Health Partnership and other duties as outline in the Scope of Work.

*On behalf of the Finance Committee, a motion was made by Chairperson Gart Evans and seconded by Commissioner Kay Cashion to "approve the Finance Committee Report as presented".*

- **Personnel Committee Report** – Personnel Committee Chairperson Mazie Fleetwood gave the report.
  - **2018 Health Insurance Renewal** – Personnel Committee Chairperson Mazie Fleetwood reviewed the health insurance plan recommendations. *On behalf of the Personnel Committee, a recommendation was made by Personnel Committee Chairperson Mazie Fleetwood and seconded by Walter Ferguson:*
    1. *For Sandhills to pick up the associated plan cost increases for medical and dental claims (\$90,163).*
    2. *To keep the current monthly employee premiums for the four tier levels FLAT for 2018 for Medical and Dental;*
    3. *To maintain the current \$500 employee deductible for Health Insurance;*
    4. *To maintain the out-of-pocket maximum for employee/family at \$3,500/\$7,000; and*
    5. *To continue to educate and encourage staff to use the less expensive Urgent Care Centers over emergency room visits.*

*The recommendations carried.*

- **Corporate Compliance & Internal Audit Committee Report** – Corporate Compliance & Internal Audit Committee Chairperson Matthew Rothbeind gave the report.
- **Client Rights Committee Report** – Did not meet.

### **Old Business**

None

### **Comments**

None

### **Board Materials**

- Community Agencies Breakfast Meetings Agenda
- NC Council Conference – December 6-8, 2017
- DMA Monthly Financial Report – August 2017
- Personnel Report
- Newspaper Articles

### **Adjournment**

*A motion was made by Commissioner Kay Cashion and seconded by Commissioner David Allen to "adjourn the meeting". The motion passed unanimously. The meeting adjourned at 7:55 p.m.*



\_\_\_\_\_  
Commissioner Thad Ussery  
Chairperson, Board of Directors

11-14-17  
Date

Documents referred to in these minutes may be obtained by contacting Sherry Bynum at [sherryb@sandhillscenter.org](mailto:sherryb@sandhillscenter.org) or 910-673-9111.

Submitted by: Sherry Bynum, Clerk to the Board of Directors/Administrative Assistant