



SANDHILLS CENTER

Board of Directors Meeting Minutes

September 10, 2019

Members Present:

- | | |
|---|--|
| <input type="checkbox"/> Ross Streater | <input checked="" type="checkbox"/> Priscilla Little |
| <input checked="" type="checkbox"/> Kay Cashion, Vice-Chairperson | <input type="checkbox"/> Gart Evans |
| <input checked="" type="checkbox"/> Dr. Walter Salinger | |
| <input checked="" type="checkbox"/> Howard Penny | |
| <input type="checkbox"/> Harry Southerland | <input checked="" type="checkbox"/> Shirley Hart |
| <input checked="" type="checkbox"/> Kirk Smith | <input type="checkbox"/> Walter Ferguson |
| <input checked="" type="checkbox"/> Dottie Robinson | <input checked="" type="checkbox"/> Carol Whitaker |
| <input type="checkbox"/> Otis Ritter | <input checked="" type="checkbox"/> Matthew Rothbeind |
| <input checked="" type="checkbox"/> David Allen | <input checked="" type="checkbox"/> Mazie Fleetwood |
| <input type="checkbox"/> Leann Henkel | |
| <input checked="" type="checkbox"/> Thad Ussery, Chairperson | <input checked="" type="checkbox"/> Michele Weatherly, Secretary |
| <input checked="" type="checkbox"/> Jerry Earnhardt | |

Staff Present:

- | | |
|---|---|
| <input checked="" type="checkbox"/> Victoria Whitt | <input checked="" type="checkbox"/> Sherry Bynum |
| <input checked="" type="checkbox"/> Anthony Ward | <input checked="" type="checkbox"/> Evelyn Quick |
| <input checked="" type="checkbox"/> Leonard Covington | <input checked="" type="checkbox"/> Patrick Sloan |
| <input checked="" type="checkbox"/> Kelly Patterson | |

Guest: Lisa Jackson, DMH, LME Technical Assistance Liaison

Call to Order and Invocation

The Sandhills Center Board of Directors met on Tuesday, September 10, 2019, at the Administrative Office at 1120 Seven Lakes Drive, West End, NC. Chairperson Thad Ussery called the meeting to order at 7:00 p.m. Commissioner Kirk Smith gave the invocation.

Oath of Office

Harnett County representative Commissioner Howard Penny was welcomed and administered the Oath of Office.

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

Mrs. Whitt noted that the agenda has been amended to add two closed sessions. *A motion was made by Commissioner Kay Cashion and seconded by Michele Weatherly to "approve the amended agenda as presented." The motion passed unanimously.*

Absent Board Members Justifications

Commissioner Ross Streater – County Commissioners meeting – excused. *A motion was made by Michele Weatherly and seconded by Commissioner David Allen to "excuse the absence." The motion passed unanimously.*

Gart Evans – Working at the United Way campaign – excused. *A motion was made by Mazie Fleetwood and seconded by Michele Weatherly to "excuse the absence." The motion passed unanimously.*

Commissioner Harry Southerland – Attending a meeting – excused. *A motion was made by Michele Weatherly and seconded by Carol Whitaker to “excuse the absence.” The motion passed unanimously.*

Walter Ferguson – Continuing education class – excused. *A motion was made by Commissioner Kirk Smith and seconded by Priscilla Little to “excuse the absence.” The motion passed unanimously.*

Commissioner Otis Ritter – Sick – excused. *A motion was made by Commissioner Kirk Smith and seconded by Priscilla Little to “excuse the absence.” The motion passed unanimously.*

**Leann Henkel emailed her reason for not attending the Board meeting after the start of the meeting. Her excuse will be taken to the Board in October for consideration.

Public Comments

None

Consent Agenda

A motion was made by Commissioner David Allen and seconded by Commissioner Kay Cashion to “approve the consent agenda.” The motion passed unanimously. The following were approved:

- August 13, 2019 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. Comprehensive/Facility Based Crisis (FBC) Centers Update

- **Randolph County Update** – Mrs. Whitt reported that after the NC DHSR initial site inspection July 10th, several incomplete/incorrect safety/code items were identified. A corrective action plan was developed and implemented with the General Contractor and Architect, and weekly update meetings are occurring. Major items identified:
 - Fire rated wall – completed
 - HVAC shaft – completed
 - Elevator fire shutter – to begin September 27th
 - Relocation of wall and installation of double doors – 50% completed
 - Additional courtyard egress – began September 3rd
 - Generator items – began September 3rd
 - Replacement of nurse’s station flooring – to begin October 11th

It is projected that completion of all NC DHSR identified items will be October 16th. Before having NC DHSR to conduct another inspection, the Architect is being required to certify that the entire building will pass inspection.

After the project is completed, it will be determined what actions will need to be taken against Stogner Architecture and the General Contractor, H. M. Kern.

- **Richmond County Update** – Mrs. Whitt reviewed the progress to date:
 - HVAC – 25% complete
 - Windows – 55% complete
 - Sprinkler system – 50% complete
 - Brick laying – 30% complete
 - Outside wall insulation – 95% complete
 - Electrical – 85%
 - Metal roofing has been delayed by two weeks due to supplier

Mrs. Whitt noted that a meeting is scheduled tomorrow with the General Contractor and Architect. Rain and heat have been an issue.

📌 **Guilford County Update (Child Facility Based Crisis Center) – Mrs. Whitt provided the following update:**

- Pre-development and Construction Activities – following approval by the Board at the August meeting, the preliminary contact with Samet for the construction manager at risk services and the predevelopment activities associated with the building has been signed. Samet is working with the Architect, TFF, preparing the design development documents. It is expected to be ready for review by mid-September, with the subsequent release for bids. The expectation is to have the final Guaranteed Maximum Price proposal for review at the November Board Meeting.
- Land Development Update – discussion is delayed.

B. Partnership for Community Well-Being

Mrs. Whitt commented that earlier this year, a partnership effort, including all seven LME/MCOs, and two large provider groups (NC Provider's Council and Benchmarks) formed to raise awareness on behalf of the countless people whose lives have been changed and communities that have been strengthened by the services provided by the public behavioral healthcare system in North Carolina. Sandhills Center is part of the project with two staff serving as representatives.

The partnership, called the Partnership for Community Well-Being, has launched #CareForNC, a website and social media effort designed to share stories of individuals served through the behavioral health system, community partnerships established and resources associated with providing care throughout North Carolina.

Sandhills Center had the opportunity to contribute ideas for the campaign. Leann Henkel, Sandhills Center's CFAC chair, and Billy West, President/CEO of Daymark Recovery Services, were each interviewed on-camera about their experiences with Sandhills Center and with the public behavioral health system as a whole. The video projects pertaining to Sandhills Center are set to be released at the end of September, and posted on the partnership's website, www.CareForNC.org.

Sandhills Center has been assigned September 24, 2019 as the "social media takeover" day to promote involvement in the statewide system of care. Efforts that day will center on sharing Leann's and Billy's messages, along with information about Crisis Intervention Team training and other community training efforts designed to strengthen the local behavioral health system. Draft news articles have been submitted to local media outlets, with hopes to have them published soon.

C. NC General Assembly/NC DHHS Updates

📌 **State Budget** – Mrs. Whitt reported that no budget has been approved for FY 19-20. All special projects are on hold until a budget is approved.

📌 **DHHS Senior Policy Consultant** – NC DHHS has engaged former Senator Tommy Tucker to support the work around LME/MCO cash management and reinvestment planning. Mr. Tucker's initial contract time is six (6) months and will include the following scope of work:

- Interview LME/MCO key staff and Board members regarding community reinvestment strategy.
- Provide insight to each LME/MCO team on community reaction to reinvestments and fund balances.
- Provide insight to the Department team on reinvestment and financial review for each LME/MCO.
- Provide Department leadership with insight into LME/MCO reinvestment plans as it relates to legislative intent and community reaction.
- Offer advice on methods to provide the community accurate information on LME/MCO finances and reinvestment.

Mrs. Whitt commented that she had a very productive meeting with Mr. Tucker on August 26th. Additional direction/information will be provided once he has completed his initial meetings with each LME/MCO CEO and DHHS.

D. Medicaid Transformation Updates

📌 **Medicaid Transformation** – on September 3rd, DHHS announced the delay of the November 1st Phase One implementation of Medicaid Transformation and its move to Managed Care. DHHS

announced it will extend open enrollment for Medicaid beneficiaries and move to the statewide transition to managed care on February 1, 2020.

In addition to budget/funding issues, NC DHHS is facing legal challenges from Aetna Better Health, a commercial health care company; Optima, a health care group connected to Virginia's Sentara health care system; and My Health by Health Providers, a provider-led coalition of a dozen hospitals around the state. These groups are appealing the DHHS' decision to not award them contracts. They have joined their appeals into one case that will be heard at the end of August or first of September.

- ✦ **Medicaid Transformation – Effects on Medicaid Per Member Per Month (PMPM) Rates –** Currently in discussions with NC DHHS regarding the impact of some members transitioning to the Standard Plans. Preliminary data indicates that Sandhills Center's member covered lives will decrease from around 192,000 to 48,000 by the completion of the transition. This represents those individuals with mild and moderate conditions that are currently part of Sandhills capitation that will move to the Standard Plans. It is also projected that the average member rate will increase from approximately \$120 to \$450 over the course of the transition, due to the increased severity of those individuals being served.
 - ✦ **Prepaid Health Plans (PHP) – Standard Plans –** Continuing to have interactions with the four Health Plans that will provide Standard Plan services in the Sandhills Region. On August 14th, a meeting was held with the other LME/MCO CEOs, DHHS, and the Medical and Behavioral Health Directors of the Health Plans to begin discussions related to crisis services. On August 22nd, the Health Plans' Account Managers attended the NCACC Annual Conference for an opportunity to interact with our County Commissioners and County staff. Commissioner Kirk Smith gave an update on his discussions with the Health Plans. Mrs. Whitt commented that there are concerns that the rate the Standard Plans are offering to pay the providers are adequate, especially for crisis services. The State has given the Standard Plans the rates that the LME/MCOs currently pay with hopes they will model the rates that the LME/MCOs pay.
 - ✦ **Webinar – Building our Partnership: What's Ahead for DHHS and Counties –** DHHS Secretary Cohen continues to offer quarterly interactive webinars with county partners.
- **Clinical Services & Operations Report – Anthony Ward, Chief Operating Officer/Deputy Director**
Mr. Ward presented and reviewed the following:
- ✦ Medicaid Waiver Operations Report – August 2019, noting that all benchmarks continue to be met.
 - ✦ Medicaid Waiver Financial Operations Report – August 2019, noting the financial measures that Sandhills is required to meet.

Committee Reports

- ✦ **Finance Committee Report –** Commissioner David Allen reported the Finance Committee met prior to tonight's Board of Directors Meeting and reviewed the Finance Report in detail. Commissioner Allen presented and reviewed the Finance Agenda with the Board of Directors. A summary of the Consolidated Balance Sheet and Income Statement was reviewed and reflects services through July 31, 2019.

On behalf of the Finance Committee, a motion was made by Commissioner David Allen and seconded by Commissioner Kay Cashion to "approve the Finance Agenda as presented." The motion passed unanimously.

- ✦ **Client Rights Committee Report –** Did not meet.
- ✦ **Corporate Compliance & Internal Audit Committee –** Did not meet.
- ✦ **Human Resources Committee Report –** Human Resources (HR) Committee Chairperson Mazie Fleetwood reported that the HR Committee met prior to tonight's Board of Directors meeting and reviewed employee benefits.

2020 Health and Dental Cost Projections – Chairperson Fleetwood presented and reviewed the handout of the employee benefits recommended program redesign and cost adjustments for the medical and dental plans.

On behalf of the Human Resources Committee, a recommendation was made by Chairperson Mazie Fleetwood and seconded by Commissioner Kirk Smith to approve the following:

- **Medical Plan –**
 - Increase medical deductibles – \$750 employee (up from 7500) /\$1,500 family (up from \$1,000).
 - Add separate Rx deductible of \$100 per employee and \$300 per family for brand name medications only.
 - No increase to employee monthly premiums for another year.
- **Dental Plan –**
 - No dental plan design changes for employees.
 - A slight increase to the monthly dental premiums.

The recommendations passed unanimously.

FY 2020-2021 Prudential 401k Funding Model Recommendations of HR Committee – Chairperson Fleetwood presented and reviewed the handout of the retirement benefits Prudential 401k plan, noting that the employee fringe benefit package contains a commitment by Sandhills Center to contribute 9.12% to the pension plans of staff. As reported at the June 2019 Board Meeting, effective July 1, 2019, the LGERS employer contribution requirement increased to 8.95%, leaving 0.17% contribution to the 401k Plan. There have been discussions with Prudential regarding potential 401k options, a review of the Sandhills Center constituent counties' 401k contributions and LME/MCO 401k contributions.

On behalf of the Human Resources Committee, a recommendation was made by Chairperson Mazie Fleetwood and seconded by Commissioner Howard Penny to "move to a 401k match, whereby the Center would match an employee's contribution up to 3% of his/her annual salary. Effective date is January 1, 2020." The recommendation passed unanimously.

Closed Session – On behalf of the Human Resources Committee, a motion was made by Human Resources Committee Chairperson Mazie Fleetwood and seconded by Michele Weatherly to "go into closed session pursuant to N.C. General Statute § 143-318.11 (a)(6) to discuss confidential personnel information." The motion passed unanimously. The Closed Session began at 7:47 p.m.

Sandhills Center staff in attendance included Clerk to the Board/Executive Assistant Sherry Bynum.

At the conclusion of the closed session, a motion was made by Mazie Fleetwood and seconded by Michele Weatherly to "reconvene open session." The motion passed unanimously. Open session reconvened at 8:05 p.m.

A motion was made by Mazie Fleetwood and seconded by Commissioner Kirk Smith "to increase Mrs. Whitt's salary to the current Area Directors/CEO salary average, (\$301,903), effective September 1, 2019." The motion passed unanimously.

Closed Session

A motion was made by Commissioner Kay Cashion and seconded by Commissioner David Allen that "the Sandhills Center Board of Directors go into closed session pursuant to N.C. General Statute § 143-318.11(a)(5)(i) for purpose of discussing the position to be taken in negotiating the price and other material terms of a proposed contract for the acquisition of real property." The motion passed unanimously. Closed Session began at 8:10 p.m.

Sandhills Center staff in attendance included Chief Executive Officer Victoria Whitt, Chief Operating Officer/Deputy Director Anthony Ward, Chief Legal Officer/Corporate Compliance Officer Evelyn Quick, and Clerk to the Board/Executive Assistant Sherry Bynum.

At the conclusion of the closed session, a motion was made by Commissioner Kay Cashion and seconded by Commissioner David Allen to "reconvene open session." The motion passed unanimously. Open session reconvened at 8.55 p.m.

No action was taken.

Old Business

None

Comments

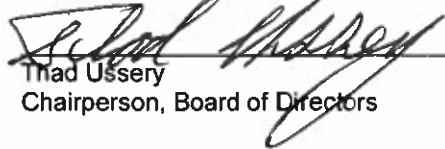
Commissioner Kay Cashion expressed her appreciation to Mrs. Whitt on an excellent presentation at the recent Greensboro breakfast meeting.

Board Materials

- Community Agencies Breakfast Meetings Agenda
- i2i Center for Integrative Health Conference – December 4-6, 2019
- DMA Monthly Financial Report – July 2019
- Personnel Report
- Newspaper Articles

Adjournment

A motion was made by Michele Weatherly and seconded by Mazie Fleetwood to "adjourn the meeting." The motion passed unanimously. The meeting adjourned at 9:00 p.m.



Chad Ussery
Chairperson, Board of Directors

10-8-19

Date

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

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