



SANDHILLS CENTER

Board of Directors Meeting Minutes

August 11, 2020

Via Telephone – 888-363-4734 – access code 6217146#

Members Present:

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

Guest: Lisa Jackson, DMH, LME Technical Assistance Liaison

The Sandhills Center Board of Directors convened for a regular meeting at 6:00 p.m., on Tuesday, August 11, 2020 at the Seven Lakes Baptist Church, 1015 Seven Lakes Drive, West End, NC. A conference call line was opened for remote Board member's participation and discussion, also allowing for public participation.

Call to Order and Invocation

Chairperson Thad Ussery called the meeting to order at 6:05 p.m. Commissioner David Allen gave the invocation.

Board Member Roll Call

A roll call of attendance was taken. A total of 19 Board members were present: 18 voting and one (1) non-voting.

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

Priscilla Little, Secretary, certified a quorum.

Approval of Agenda

A motion was made by Commissioner Harry Southerland and seconded by Commissioner Kirk Smith to "approve the Agenda as presented". The motion was approved by general consent and without objection. Voting yes – Commissioner Ross Streater, Priscilla Little, Commissioner Kay Cashion, Dr. Walter Salinger, Dr. Alvin Keyes, Commissioner Howard Penny, Commissioner Harry Southerland, Shirley Hart, Commissioner Kirk Smith, Walter Ferguson, Commissioner Dottie Robinson, Carol Whitaker, Commissioner Otis Ritter, Commissioner David Allen, Mazie Fleetwood, Leann Henkel, Thad Ussery, and Michele Weatherly.

Absent Board Members Justifications

Justifications for Board member absences:

- Gart Evans – Family emergency – excused. *A motion was made by Commissioner Kirk Smith and seconded by Michele Weatherly to "excuse the absence as presented". The motion was approved by general consent and without objection. Voting yes – Commissioner Ross Streater, Priscilla Little, Commissioner Kay Cashion, Dr. Walter Salinger, Dr. Alvin Keyes, Commissioner Howard Penny, Commissioner Harry Southerland, Shirley Hart,*

Commissioner Kirk Smith, Walter Ferguson, Commissioner Dottie Robinson, Carol Whitaker, Commissioner Otis Ritter, Commissioner David Allen, Mazie Fleetwood, Leann Henkel, Thad Ussery, and Michele Weatherly.

- Tonya Gray – Family emergency – excused. A motion was made by Commissioner Harry Southerland and seconded by Walter Ferguson to “excuse the absence as presented”. The motion was approved by general consent and without objection. Voting yes – Commissioner Ross Streater, Priscilla Little, Commissioner Kay Cashion, Dr. Walter Salinger, Dr. Alvin Keyes, Commissioner Howard Penny, Commissioner Harry Southerland, Shirley Hart, Commissioner Kirk Smith, Walter Ferguson, Commissioner Dottie Robinson, Carol Whitaker, Commissioner Otis Ritter, Commissioner David Allen, Mazie Fleetwood, Leann Henkel, Thad Ussery, and Michele Weatherly.
- Michele Weatherly’s reason for not attending the June 12th Board meeting was not received until after the Board meeting. Her absence for not attending was due to medical reasons – excused. A motion was made by Commissioner Kirk Smith and seconded by Commissioner Harry Southerland to “excuse the absences as presented”. The motion was approved by general consent and without objection. Voting yes – Commissioner Ross Streater, Priscilla Little, Commissioner Kay Cashion, Dr. Walter Salinger, Dr. Alvin Keyes, Commissioner Howard Penny, Commissioner Harry Southerland, Shirley Hart, Commissioner Kirk Smith, Walter Ferguson, Commissioner Dottie Robinson, Carol Whitaker, Commissioner Otis Ritter, Commissioner David Allen, Mazie Fleetwood, Leann Henkel, and Thad Ussery.

****Matthew Rothbeind’s reason for not attending the August 11th Board meeting was not received until after the Board meeting. His excuse will be taken to the Board in September for consideration.**

Public Comments

None

Approval of Consent Agenda

A motion was made by Commissioner Kay Cashion and seconded by Shirley Hart to “approve the Consent Agenda as presented”. The motion was approved by general consent and without objection. Voting yes – Commissioner Ross Streater, Priscilla Little, Commissioner Kay Cashion, Dr. Walter Salinger, Dr. Alvin Keyes, Commissioner Howard Penny, Commissioner Harry Southerland, Shirley Hart, Commissioner Kirk Smith, Walter Ferguson, Commissioner Dottie Robinson, Carol Whitaker, Commissioner Otis Ritter, Commissioner David Allen, Mazie Fleetwood, Leann Henkel, Thad Ussery, and Michele Weatherly. The following were approved:

- June 9, 2020 and June 12, 2020 Board of Directors Meeting Minutes
- Policy Revisions
- FY 19 – 20 Quality Management Program Evaluation
- FY 20 – 21 Corporate Compliance & Internal Audit Plan

New Business

➤ Chief Executive Officer’s Report – Victoria Whitt, Chief Executive Officer

Mrs. Whitt welcomed everyone and provided the following:

A. FY 19 – 20 Operating Budget Amendment

Mrs. Whitt presented a FY 19 – 20 Operating Budget Amendment for Board review and approval. Mrs. Whitt reported that a final set of Budget Amendments were reviewed and approved at the June 9th Board meeting. She explained that the amendments were projections, since the final budget figures would not be available until after the close of the fiscal year, June 30th.

Mrs. Whitt gave an explanation of the need for the budget amendment, stating that during the months of April thru June, NC DHHS announced behavioral health service flexibilities in response to COVID-19, including expanded service capabilities and new payment mechanisms, increased reimbursement rates, and the availability of Retainer Payments to preserve staff for Innovations’ members. Changes were retroactive to March and April 2020. Sandhills worked closely with NC DHHS to assure continued behavioral health services during the COVID-19 pandemic through the implementation of these flexibilities. Provider contracts were amended and presented to and approved by the Board of Directors during the months of April through June 2020. NC DHHS encouraged LME/MCOs to maximize all available flexibilities, in anticipation of future supplemental funding from NC DHHS/Medicaid to offset the Medicaid expenses. These service flexibilities allowed providers to serve more members through alternative modalities and included waivers of prior approval from the LME/MCO and relaxation of earlier service limitations.

As a result of NC DHHS approved flexibilities and increased activities associated with the month of June, the decreased service delivery patterns noted during the month of April, increased in June 2020. June 2020 Medicaid service expense was \$27.1 million which was \$6.2 million (29.8%) higher than the YTD Medicaid

expense for FY 19 – 20 and represented a \$6.2 million increase from June 2019. June 2020 was \$3.6 million (15.6%) higher in Medicaid service expense than any other month during the fiscal year. All of this, resulted in a Medicaid Budget Variance in the approved June 9th Budget Amendments, with Medicaid expenditures in excess of revenues.

On June 24th, Sandhills Center received an additional allocation of Medicaid funds in the amount of \$9,250,124. These funds offset the additional Medicaid expenditures. Mr. Whitt stated that given that FY 19 – 20 has ended, guidance was sought from Sandhills external financial/compliance auditor, regarding how best to address the under projected Medicaid Cost Center as well as the new allocation of Medicaid funds. Mr. Eddie Burke, with Cherry Bekaert, LLP, indicated that although NC General Statutes do not explicitly state a deadline, fiscal year budget amendments should be completed prior to the last day of the fiscal year. However, Mr. Burke did recommend that to prepare and present an updated FY 19 – 20 Operating Budget Amendment at the August Board of Directors Meeting for review and approval. He feels this will demonstrate to the NC Local Government Commission, that Sandhills Center took action to address the Medicaid Budget Variance.

On behalf of the Finance Committee, a motion was made by Finance Committee Vice-chairperson Commissioner David Allen and seconded by Commissioner Harry Southerland to "accept the FY 19 – 20 Final Budget Amendments as presented". Voting yes – Commissioner Ross Streater, Priscilla Little, Commissioner Kay Cashion, Dr. Walter Salinger, Dr. Alvin Keyes, Commissioner Howard Penny, Commissioner Harry Southerland, Shirley Hart, Commissioner Kirk Smith, Walter Ferguson, Commissioner Dottie Robinson, Carol Whitaker, Commissioner Otis Ritter, Commissioner David Allen, Mazie Fleetwood, Leann Henkel, Thad Ussery, and Michele Weatherly. The motion passed unanimously.

B. Sandhills Center Response to COVID-19 Pandemic

- 🐾 **Employee Work Status** – Mrs. Whitt took the opportunity to update the Board members on the current work status for all employees. Sandhills continues to operate under the Safe at Home order.

Mrs. Whitt stated that it was requested for the CIT training to resume, of which, there have been trainings in Montgomery and Randolph counties, with Lee County next week.

- 🐾 **Employee COVID-19 Testing** – Mrs. Whitt shared the current statistics of employees COVID-19 testing and the process that Sandhills has in place.

- 🐾 **Access and Continuity of Behavioral Health Services** – NC DHHS has completed a review of the behavioral health flexibilities announced in response to COVID-19 to determine which should continue following the current situation and which should end. Most of the flexibilities announced will sunset with the current state of emergency while some of the telehealth provisions are being recommended to continue. The Centers for Medicare and Medicaid Services (CMS) has provided additional guidance on some of the flexibilities, including Retainer Payments that will limit their use as we move forward. Sandhills is awaiting more specific guidance from NC DHHS.

- 🐾 **Provider Network COVID-19 Outbreak Status** – Mrs. Whitt reported that in June, Sandhills was made aware of an ICF resident's passing as a result of COVID-19. The provider reached out for consideration of an enhanced reimbursement rate following the member's death. In recognition of the increased costs associated with their COVID-19 response and decreased revenue from the resulting vacancy, a 60 day temporary enhanced reimbursement rate was provided. The provider offered supportive services to both the staff and residents of the home following the loss.

NC DHHS maintains a listing of COVID-19 Ongoing Outbreaks in Congregate Living Settings, of which Sandhills reviews routinely specifically looking for network providers with an ongoing COVID-19 outbreak. Sandhills currently has one residential provider in our catchment area included on the list with five (5) positive cases among residents.

C. Comprehensive/Facility Based Crisis (FBC) Centers Update

- 🐾 **Randolph County Update** – Mrs. Whitt reported that Daymark is actively recruiting for the positions available at the facility. The expectation is, by mid-August, to have all staff on board and to submit the request for the licensure audit.

- 🐾 **Richmond County Update** – Mrs. Whitt reported that the Certificate of Occupancy was received on June 25th and Daymark moved into the Outpatient section on July 27th. The issue with the firewall, which separates the Facility Based Crisis section from the Outpatient section, has been resolved. This coming

Friday, will be the State construction review for the Facility Based Crisis section and if everything is approved, furniture can be moved in and the process of hiring staff can begin.

- **Guilford County Update** – Mrs. Whitt reported that the Guilford County FBC center is moving along. The projected completion date of December 22, 2020 for inspections, and a final completion date of mid-February 2021. She stated that several toured the facility last week.

D. Sandhills Center/Guilford County Agreement for Purchase/Sale of Real Property and Waiver of Certain Requirements of the Merger Agreement

Mrs. Whitt gave an update on the agreement between Sandhills Center and Guilford County, whereby Guilford County conveys the title to the property for the Greensboro Child FBC center, in exchange for Sandhills Center releasing Guilford County from the provision in the October 4, 2012, Merger Agreement requiring Guilford County to provide property for Sandhills Center's administrative functions and employees. Both parties have signed the agreement and the evaluation period has been completed. Closing occurred on July 30, 2020.

E. Robert Porcher Way, Greensboro Renovations (LME/MCO Offices)

Mrs. Whitt gave an update on the renovations of the LME/MCO offices on Robert Porcher Way. She stated that the renovations are going well. The projected completion date is February 15, 2021.

Mr. Ussery gave an update, commenting that the project is going well.

F. Sale of Sandhills Center Property at 116 South Lawrence Street, Rockingham, NC

Mrs. Whitt reported that the closing of the property located at 116 South Lawrence Street in Rockingham, occurred on August 7th.

G. Sandhills Center Employee Performance-Based Evaluation Update

Mrs. Whitt reported that despite the challenges brought about by COVID-19, staff and supervisors worked together to complete the annual evaluation process by May 31st. In total, 303 staff were evaluated on a seven (7) point scale. The effective date of the merit increase was July 1st, with staff's new monthly compensation reflected in their July 31st pay.

H. NC General Assembly Updates

- Mrs. Whitt gave an update of the happenings of the NC General Assembly, noting that they plan to reconvene on September 2nd. Bills related to federal funds received in response to the COVID-19 pandemic, committee appointments, and actions on gubernatorial nominations or appointments will be considered at that time. They will adjourn on September 3rd.

The Senate introduced SB808, a stand-alone bill to appropriate the funding needed to implement Medicaid Transformation. SB 808 was passed and subsequently signed by Governor Cooper. The Bill includes:

1. Managed Care Standard Plans launch date of July 1, 2021 (no financial penalties paid by DHHS if there is a delay).
2. Contracts amended to over four (4) year terms, instead of three (3).
3. DHHS will remain in Wake County.
4. Funding for NC Fast operation and maintenance.
5. \$50 million to LME/MCOs to fund behavioral health and crisis services in response to the COVID-19 pandemic.
6. \$125 million to expand COVID-19 testing, contact tracing, and trends tracking including surveillance for long-term care staff.
7. Funding for Medicaid Transformation implementation.

NC DHHS has tentatively announced that the LME/MCO Tailored Plans would launch on July 1, 2022, a year after the Standard Plans are up and running. It is expected that the Request for Proposals will be released on November 2nd.

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

Mr. Ward reviewed the following, noting that his reports cover the months of May and June. The results shows changes as a result of COVID-19.

- Medicaid Waiver Operations Report – July 2020, noting that all benchmarks continue to be met.
- Medicaid Waiver Financial Operations Report – July 2020, noting the financial measures that Sandhills is required to meet.

- July 2020 Quarterly Community Report – assuring continued behavioral health services during COVID-19; embracing technology to lessen the pandemic impact; and continuing provider training during COVID-19.

Committee Reports

- Finance Committee Report** – Committee Vice-chairperson David Allen and Mrs. Whitt reported the Finance Committee met telephonically on Friday, August 7, 2020, and reviewed the Finance Report in detail. They both presented and reviewed the Finance Agenda with the Board of Directors.

Also reviewed in the Finance Report:

- LGERS Census Data Audit
- A summary of the Consolidated Balance Sheet and Income Statement, which reflects services through June 30, 2020
- 4th Quarter Fiscal Monitoring Report FY 19 – 20

On behalf of the Finance Committee, a motion was made by Commissioner David Allen and seconded by Walter Ferguson to “approve the Finance Agenda as presented”. Voting yes – Commissioner Ross Streater, Priscilla Little, Commissioner Kay Cashion, Dr. Walter Salinger, Dr. Alvin Keyes, Commissioner Howard Penny, Commissioner Harry Southerland, Shirley Hart, Commissioner Kirk Smith, Walter Ferguson, Commissioner Dottie Robinson, Carol Whitaker, Commissioner Otis Ritter, Commissioner David Allen, Mazie Fleetwood, Leann Henkel, Thad Ussery, and Michele Weatherly. The motion passed unanimously.

- Human Resources Committee Report** – Committee Chairperson Mazie Fleetwood noted that the HR Committee met and reviewed the following:

- FY 2020 – 2021 Sandhills Center Annual Salary Plan** – notification will be sent to the Office of State Human Resources regarding the FY 2020 – 2021 Pay Plan for Sandhills Center. Chairperson Fleetwood noted that the Board is required to approve the Pay Plan and each Board County Commissioner would need to sign the Plan tonight before leaving.

On behalf of the Human Resources Committee, a recommendation was made by Chairperson Fleetwood and seconded by Commissioner Kirk Smith to “approve the FY 2020 – 2021 Sandhills Center Annual Salary Plan”. Voting yes – Commissioner Ross Streater, Priscilla Little, Commissioner Kay Cashion, Dr. Walter Salinger, Dr. Alvin Keyes, Commissioner Howard Penny, Commissioner Harry Southerland, Shirley Hart, Commissioner Kirk Smith, Walter Ferguson, Commissioner Dottie Robinson, Carol Whitaker, Commissioner Otis Ritter, Commissioner David Allen, Mazie Fleetwood, Leann Henkel, Thad Ussery, and Michele Weatherly. The motion passed unanimously.

- Client Rights Report** – Committee Chairperson Carol Whitaker gave the report.
- Corporate Compliance & Internal Audit Committee** – Report was included in the packet.
- Consumer and Family Advisory Committee Quarterly Report** – Committee Chairperson Leann Henkel gave the report.

Closed Session

A motion was made by Commissioner David Allen and seconded by Commissioner Harry Southerland to “go into Closed Session under N.C. Gen. Stat. 143-318.11(a)(1) to discuss confidential information covered under N.C. Gen. Stat. 122C-126.1”. The motion was approved by general consent and without objection. Voting yes – Commissioner Ross Streater, Priscilla Little, Commissioner Kay Cashion, Dr. Walter Salinger, Dr. Alvin Keyes, Commissioner Howard Penny, Commissioner Harry Southerland, Shirley Hart, Commissioner Kirk Smith, Walter Ferguson, Commissioner Dottie Robinson, Carol Whitaker, Commissioner Otis Ritter, Commissioner David Allen, Mazie Fleetwood, Leann Henkel, Thad Ussery, and Michele Weatherly.

Sandhills Center Staff staff in attendance: Chief Executive Officer Victoria Whitt and Clerk to the Board/Executive Assistant Sherry Bynum.

A motion was made by Commissioner David Allen and seconded by Commissioner Harry Southerland to “reconvene Open Session”. The motion was approved by general consent and without objection. Voting yes – Commissioner Ross Streater, Priscilla Little, Commissioner Kay Cashion, Dr. Walter Salinger, Dr. Alvin Keyes, Commissioner Howard Penny, Commissioner Harry Southerland, Shirley Hart, Commissioner Kirk Smith, Walter Ferguson, Commissioner Dottie Robinson, Carol Whitaker, Commissioner Otis Ritter, Commissioner David Allen, Mazie Fleetwood, Leann Henkel, Thad Ussery, and Michele Weatherly.

A motion was made by Commissioner Howard Penny and seconded by Walter Ferguson to "engage a realtor to actively market the two (2) Sandhills Center's property, at 1120 Seven Lakes Drive and 1116 Seven Lakes Drive, separately, for a total of \$850,000". Voting yes – Commissioner Ross Streater, Priscilla Little, Commissioner Kay Cashion, Dr. Walter Salinger, Dr. Alvin Keyes, Commissioner Howard Penny, Commissioner Harry Southerland, Shirley Hart, Commissioner Kirk Smith, Walter Ferguson, Commissioner Dottie Robinson, Carol Whitaker, Commissioner Otis Ritter, Commissioner David Allen, Mazie Fleetwood, Leann Henkel, Thad Ussery, and Michele Weatherly. The motion passed unanimously.

Old Business

None

Comments

Walter Ferguson commented that it was good to see everyone!

Chairperson Ussery expressed his appreciation to the staff for the way all have jumped in and converted to other ways of conducting business and expressed his appreciation to the Board for their effort and for all they do for the members.

Mazie Fleetwood congratulated Commissioner Kay Cashion on the article included in the packet and for all the good work she does for the community.

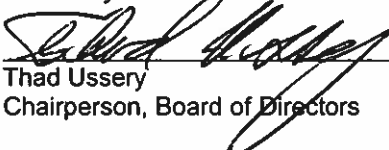
Mazie Fleetwood commented on the letter from Dr. Carraway and the Quality Management Committee expressing their sincere thanks and appreciation to the Board for providing staff with a total compensation packaged and with workplace opportunities. Commissioner Kay Cashion echoed all the things that was said about the staff, the Board, and the leadership provided by Chairperson Ussery.

Board Materials

- Community Agency Breakfast Meeting Agenda – it was noted that the Community Breakfasts have been tabled until the end of the calendar year.
- DMA Monthly Financial Report – June 2020
- Quality Management committee Executive Summary (April – June 2020)
- Personnel Report
- Newspaper Articles
- Other

Adjournment

A motion was made by Michele Weatherly and seconded by Shirley Hart to "adjourn the meeting". The motion was approved by general consent and without objection. Voting yes – Commissioner Ross Streater, Priscilla Little, Commissioner Kay Cashion, Dr. Walter Salinger, Dr. Alvin Keyes, Commissioner Howard Penny, Commissioner Harry Southerland, Shirley Hart, Commissioner Kirk Smith, Walter Ferguson, Commissioner Dottie Robinson, Carol Whitaker, Commissioner Otis Ritter, Commissioner David Allen, Mazie Fleetwood, Leann Henkel, Thad Ussery, and Michele Weatherly



Thad Ussery
Chairperson, Board of Directors

9-8-2020

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