



SANDHILLS CENTER

Board of Directors Meeting Minutes

June 8, 2021

1120 Seven Lakes Drive, West End, NC

Members Present:

- | | |
|---|---|
| <input checked="" type="checkbox"/> Ross Streater | <input checked="" type="checkbox"/> Priscilla Little, Secretary |
| <input checked="" type="checkbox"/> Alan Perdue | <input checked="" type="checkbox"/> Gart Evans |
| <input checked="" type="checkbox"/> Dr. Walter Salinger | <input type="checkbox"/> Dr. Alvin Keyes |
| <input checked="" type="checkbox"/> Lewis Weatherspoon | <input checked="" type="checkbox"/> Tonya Gray |
| <input checked="" type="checkbox"/> Harry Southerland, Vice-Chairperson | <input type="checkbox"/> Stephany Bonds |
| <input checked="" type="checkbox"/> Kirk Smith | <input checked="" type="checkbox"/> Walter Ferguson |
| <input checked="" type="checkbox"/> Mike Criscoe | <input checked="" type="checkbox"/> Carol Whitaker |
| <input checked="" type="checkbox"/> Catherine Graham | <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"/> Dr. Tommy Jarrell |
| <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"/> Bonita Porter |
| <input type="checkbox"/> Dr. Anthony Carraway | |

Guest: Lisa Jackson, DMH, LME Technical Assistance Liaison

The Sandhills Center Board of Directors convened for a regular meeting on Tuesday, June 8, 2021, at the Administrative Office at 1120 Seven Lakes Drive, West End, NC.

Call to Order and Invocation

Chairperson Thad Ussery called the meeting to order at 7:01 p.m. Commissioner Harry Southerland 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

Priscilla Little, Secretary, certified a quorum.

Approval of Agenda

The Agenda was approved by general consent and without objection.

Absent Board Members Justifications

Justifications for Board member absences:

- Dr. Alvin Keyes – attending a conference
- Matthew Rothbeind – family medical issue
A motion was made by Commissioner Kirk Smith and seconded by Carol Whitaker to “excuse the Justifications for Absences as presented”. The motion was approved unanimously.
- Not in attendance – unexcused: Stephany Bonds

Public Comments

None

Approval of Consent Agenda

A motion was made by Commissioner David Allen and seconded by Commissioner Alan Perdue to "approve the consent agenda". The motion was approved unanimously. The following were approved:

- May 11, 2021 Board of Directors Meeting Minutes
- 2022 Holiday Schedule
- Quality Management Plan FY 21 – 22

New Business

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

Mrs. Whitt welcomed everyone and provided the following:

A. FY 21 – 22 Continuation Budget – Public Hearing

At 7:09 p.m., Chairperson Ussery declared that tonight's Board of Directors meeting will serve as an open public hearing for discussion of the FY 21 – 22 Continuation Budget.

For Board review and approval, Mrs. Whitt reviewed in detail the FY 21 – 22 Continuation Budget, which provides Sandhills Center with an interim operating budget for the 1st quarter of FY 21 – 22.

The proposed Continuation Budget totaled \$393,400,566. This represents a decrease of 3.6% from the Operating Budget that was approved at the November 2020 meeting.

The proposed budget allocates County General Funding, \$11,461,000, to the support of the County Outpatient Units Contracts and other County Service Contracts.

Additional items addressed included the Center's Personnel Schedule, removal of all one-time expenditures, removal of all one-time State/Federal allocations, and the PMPM adjustments.

Mrs. Whitt also noted that during the 1st quarter of FY 20 – 21, Sandhills will review all needs for capital expenditures, conduct a detailed review and analysis of actual expenditures and revenues, and receive the allocated State and Federal funds. Once the actual State fund allocations are received, the Operating Budget will be revised to reflect any changes.

The budget does include an allocation of \$17,948,900 from Fund Balance, which covers the operations and funding of the Facility Based Crisis centers in Randolph, Richmond and Guilford Counties, Reinvestment Funding, and Tailored Plan Readiness.

It was noted, that the Project Ordinance for the Facility Based Crisis Center in Guilford County is outside of the Continuation Budget.

As there were no comments from the public, Chairperson Ussery declared the public hearing closed at 7:13 p.m.

On behalf of the Finance Committee, a motion was made by Finance Committee Chairperson Gart Evans and seconded by Commissioner Harry Southerland to "accept the FY 21 – 22 Continuation Budget as presented." The motion was approved unanimously.

B. FY 20 – 21 Operating Budget Amendments

For Board review and approval, Mrs. Whitt reviewed in detail a set of the budget amendments to the Sandhills Center FY 20 – 21 Operating Budget Amendments.

The amendments increased the Center's Current Operating Budget by a total of \$19,673,269 from \$408.3 million to \$427.9 million, as approved at the November 2020 meeting.

Other changes include \$17,550,708 increase in fund balance appropriation, to cover Medicaid services, reinvestment funding, Tailored Plan Readiness, and COVID-19 response.

On behalf of the Finance Committee, a motion was made by Finance Committee Chairperson Gart Evans and seconded by Priscilla Little to "accept the FY 20 – 21 Final Budget Amendments as presented." The motion was approved unanimously.

C. FY 21 – 22 Fund Balance Designation Resolution

Mrs. Whitt presented and reviewed, for Board consideration, a Fund Balance Designation Resolution to reserve \$66,500,000 in Fund Balance. This will allow Sandhills to address future growth and expansion and maintain operations in the areas of FY 21 – 22 Community Reinvestment Plan and Regulatory Requirements. Mrs. Whitt noted if approved, the resolution would be forwarded to the State.

On behalf of the Finance Committee, a motion was made by Finance Committee Chairperson Gart Evans and seconded by Carol Whitaker to "approve the Fund Balance Designation Resolution of \$66,500,000." The motion was approved unanimously.

D. Behavioral Health Urgent Care (BHUC)/Facility Based Crisis Centers (FBC) Update

☛ **Guilford County Update –**

- **Child Facility Based Crisis Center –** Mrs. Whitt reported that the Guilford County FBC received Phase I approval on May 12th and Alexander Youth Network has begun hiring, furnishing have been ordered, and the initial DHSR licensure application has been submitted.

DHSR will return to issue Phase II and final approval of the facility at the completion of three (3) items:

- Installation of the missing window in one of the patient rooms. The window has been installed, and final repairs are underway.
- Installation of the Emergency Responder Radio Receptor continues with the wiring complete. Once installed, the Fire Marshall will be required to approve the installation. Commissioner Alan Perdue commented that the equipment is scheduled to ship on July 9th.
- Installation of the courtyard/playground. At the May 11th Board of Directors meeting, the Board unanimously accepted the offer from Guilford County, which was presented by Commissioner Alan Perdue, to fully fund a therapeutic outdoor play space. The play space will be added to the Child FBC Center in Greensboro. Mrs. Whitt reported that in order for this to occur, Sandhills must approve a Change Order, of \$197,601.21, to the current Samet contract. The details for Guilford County to reimburse Sandhills has been worked out. The completion time is projected to be 12 weeks from material procurement. *A motion was made by Commissioner Alan Perdue and seconded by Commissioner Kirk Smith to 'approve the Change Order of \$197,601.21 to the Samet contract for the therapeutic outdoor play space.' The motion was approved unanimously.*

- **Guilford County Changes to outpatient, Crisis Services in June 2021 –** Mrs. Whitt reported that beginning June 1st, the Guilford County-funded behavioral health outpatient services that have been provided at the 201 N. Eugene Street facility, will move to the new Guilford County Behavioral Health Center at 931 Third Street. Cone Health will offer outpatient series at the new facility through partnership with Guilford County Government. Crisis services that are currently available through Monarch, at the Eugene Street location, will begin to transition to the new BHUC center on June 14th. Anthony Ward, Chief Operating Officer/Deputy Director discussed the process of transitioning from Monarch to Cone Health.

- ☛ **Richmond County Update –** Mrs. Whitt gave an update on the current status of the Richmond facility, reporting that Daymark feels they have adequate staffing to partially open the facility for eight (8) individuals in August. They continue to make employment offers and training of staff. Expectations are to bring staff on by mid-July. Daymark has committed to being fully staffed and fully operating at the 16-bed capacity within 60 days of the soft opening in August.

E. 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. An announcement was sent out last Friday to staff regarding a partial opening. Supervisors are asked to alternate days that staff are in the office, dividing their direct reports into two teams – a blue team and a green team. The new work status is scheduled to begin July 11th and planned to last until September 11th. During this time, the COVID-19 protocols announced earlier will continue.

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

F. FY 21 – 22 County General Budget Request

Mrs. Whitt reported that the county budget request and program updates to the County Commissioners have concluded and went well. She expressed her appreciation to the Commissioners on their continued support

G. Medicaid Transformation

Mrs. Whitt provided the following information:

- Medicaid Transformation and the launch of the Standard Health Plans is on schedule for July 1, 2021.
- The Open Enrollment period that allowed Medicaid beneficiaries to select the Health Plan of their choice was extended from May 14th until May 21st due to low enrollment.
- On May 24th the State began its 'Auto Enrollment' process, enrolling individuals who had not self-enrolled. It is being reported that all Medicaid beneficiaries have now either enrolled or been assigned to a Health Plan. It is also reported that 97% of beneficiaries are enrolled in a plan that includes their current Primary Care Provider in its network.
- Confirmation notices and Welcome Packets will be mailed to the beneficiaries on June 12th.
- Beneficiaries have until September 30th to change Health Plans.
- Sandhills continues to monitor and work with the State regarding reports that some Tailored Plan eligible beneficiaries have enrolled with a Standard Plan. Efforts are underway to assure that these individuals made that decision fully understanding the consequences, as opposed to having enrolled through error.
- Also continue working closely with the State and the Standard Health Plans on transition of care issues.
- At the May 11, 2021 Client Rights Committee and Board of Directors Meeting, NAMI Representative and Client Rights Committee Member, George Reynolds, posed Medicaid Transformation questions during the Public Comment period. While the questions were discussed briefly, Mrs. Whitt provided more on the questions:
 - **Question:** Does Sandhills Center have any idea about how many people they will be losing?
 - **Answer:** *In calendar year 2020, we averaged 177,000 Medicaid eligible members monthly. Beginning July 1, 2021, at Standard Plan launch, we're projecting to have 49,000 Medicaid eligible members remaining with us. A number of those that will transition from us to the Standard Plans are those Medicaid eligible members who have used no behavioral health services or those who have received less intensive behavioral health services. We'll see the largest shift of those members who are only receiving Outpatient Services through us at the moment.*
 - **Question:** Will any Sandhills Center employees be affected that may have an impact on services?
 - **Answer:** *Since the more intensive need members will be remaining with us, and a fair amount of our time now is spent working with those more intensive need members, we're not anticipating a significant drop in workload for our staff. The Medicaid payment we receive must be actuarially sound which means we will need to continue to receive Medicaid revenue sufficient to continue to serve the members who remain with us. We expect to see a significant increase in our PMPM payment with the anticipated reduction in Medicaid eligible members. Our overall annual Medicaid revenue may decrease but our payment per person should increase.*
 - **Question:** Have there been any issues with the requirement that people who want to stay with Sandhills Center must fill out a request form has to be approved by the NC DHHS?
 - **Answer:** *Since the transition hasn't occurred yet, there have been no issues identified yet, except the length and complexity of the form itself. Tailored Plan eligibility is based on the member's diagnosis and use of behavioral health services over time. Individuals identified in that process will remain with the LME-MCO and Tailored Plan with no form to complete. If an individual isn't identified as Tailored Plan eligible, there is a form that both the provider and member will complete to request to remain with the LME-MCO/Tailored Plan. There is also a form to shift from the LME-MCO/Tailored Plan to the Standard Plan. Individuals making this choice are being advised by*

NC DHHS of the services they may lose in that change, including Innovations Services, State funded services, B-3 Services and others that are only available in the Tailored Plan.

- **Question:** Will the private provider have a Clients Rights group or something similar?
- **Answer:** *We are uncertain but have heard discussions about consumer involvement being required in the Standard Plans. If they are required, it will be interesting to learn whether one statewide group is required or if regional groups are required to increase participation.*

Board members took the opportunity to discuss the Standard Health Plans transition, effective July 1, 2021; and the effect this will have on individuals and providers. Mrs. Whitt emphasized the importance that providers must have a contract with a Standard Plan, so come July 1st they will be able to get paid for their services provided. Mr. Ward took the opportunity to explain the Electronic Visit Verification (EVV) process. Mrs. Whitt reported that she received word today, that DHHS has delayed the announcing of the Tailored Plan award until the end of June.

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

Mr. Ward took the opportunity to review the following:

- Medicaid Waiver Operations Report – May 2021, noting that all benchmarks continue to be met.
- Medicaid Waiver Financial Operations Report – May 2021, noting the financial measures that Sandhills is required to meet.

➤ **July Board Meeting** – After discussion, it was agreed that there would be no Board meeting in July, unless needed.

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, for review and approval, the Finance Agenda with the Board of Directors. The following was reviewed:

- The State/IPRS Contracts
- Medicaid Contracts and B3 Services Medicaid Contracts List
- A summary of the Consolidated Balance Sheet and Income Statement, which reflects services through April 30, 2020
- Revenue Contracts for FY 21-22
- Rent Contracts for FY 21-22

On behalf of the Finance Committee, a motion was made by Committee Chairperson Gart Evans and seconded by Commissioner David Allen to "approve the Finance Agenda as presented". The motion was approved unanimously.

- **Client Rights Committee Report** – Did not meet.
- **Corporate Compliance & Internal Audit Committee** – Did not meet.
- **Human Resources Committee Report** – Did not meet

Closed Session

A motion was made by Commissioner Kirk Smith and seconded by Walter Ferguson to "go into Closed Session, pursuant to N.C. Gen. Stat. § 143-318.11(a)(1) and (a)(5) to discuss confidential information covered under N.C. Gen. Stat. 122C-126.1". The motion was approved unanimously. The Closed Session began at 8:10 p.m.

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

A motion was made by Commissioner Kirk Smith and seconded by Commissioner David Allen to "reconvene Open Session". The motion was approved unanimously. Open Session reconvened at 9:21 p.m.

A motion was made by Gart Evans and seconded by Commissioner Harry Southerland to "allow Mrs. Whitt to continue discussions/negotiations with the Owner of vacant lots 298 and 299 on Seven Lakes Drive, to not exceed \$200,000." The motion was approved unanimously.

Old Business

None

Comments

Chairperson Ussery commented how good it was to see everyone tonight and good to meet the new members! He took the opportunity to thank the Board members for their participation.

Board Materials

- i2i Spring Conference, June 14-15, 2021
- DMA Monthly Financial Report – April 2021
- Human Resources Report
- Newspaper Articles

Adjournment

A motion was made by Mazie Fleetwood and seconded by Priscilla Little to "Adjourn". The motion was approved unanimously. The meeting adjourned at 9:23 p.m.



Thad Ussery
Chairperson, Board of Directors

8-10-2021

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