



SANDHILLS CENTER

Board of Directors Meeting Minutes February 12, 2019

Members Present:

- | | |
|---|--|
| <input checked="" type="checkbox"/> Ross Streater | <input checked="" type="checkbox"/> Priscilla Little |
| <input checked="" type="checkbox"/> Kay Cashion, Vice-Chairperson | <input checked="" type="checkbox"/> Gart Evans |
| <input checked="" type="checkbox"/> Carlos Townsend | <input type="checkbox"/> |
| <input checked="" type="checkbox"/> Joe Miller | <input checked="" type="checkbox"/> Bill Larrison |
| <input checked="" type="checkbox"/> Harry Southerland | <input type="checkbox"/> Shirley Hart |
| <input checked="" type="checkbox"/> Kirk Smith | <input checked="" type="checkbox"/> Walter Ferguson |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> Carol Whitaker |
| <input type="checkbox"/> Otis Ritter | <input checked="" type="checkbox"/> Matthew Rothbeind |
| <input 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, 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
Kevin Dodson, Lee County Commissioner

Call to Order and Invocation

The Sandhills Center Board of Directors met on Tuesday, February 12, 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. and gave the invocation.

Chairperson Ussery expressed his sorrow in the passing of Board member Commissioner Anthony Copeland. He also expressed his condolence in the passing of Commissioner David Allen's mother.

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.

Chairperson Ussery presented Commissioner Kevin Dodson a gift as a token of appreciation for his services to the Sandhills Center Board. Commissioner Dodson thanked the Board for the opportunity to serve the community.

Absent Board Members Justifications

Commissioner David Allen – Death in family – excused. *A motion was made by Michele Weatherly and seconded by Commissioner Kay Cashion to "excuse the absence". The motion passed unanimously.*

Commissioner Otis Ritter – Schedule conflict – excused. *A motion was made by Commissioner Harry Southerland and seconded by Walter Ferguson to "excuse the absence". The motion passed unanimously.*

Shirley Hart – Sick family member – excused. *A motion was made by Michele Weatherly and seconded by Gart Evans to "excuse the absence". The motion passed unanimously.*

Public Comments

None

Consent Agenda

A motion was made by Commissioner Kay Cashion and seconded by Gart Evans to "approve the consent agenda". The motion passed unanimously. The following were approved:

- January 8, 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

- **Richmond County Update** – Mrs. Whitt shared that the initial meeting was held with the Architect and the Contractor, Hawks Builders, on January 24th. February 4th is the start date of construction, with a scheduled completion date of December 31, 2019. Mrs. Whitt presented the construction contract to the Board for final approval.

After discussion, a motion was made by Commissioner Kay Cashion and seconded by Bill Larrison to "approve the construction contract to Hawks Builders, Inc., of Rockingham, in the amount of \$5,292,049". The motion passed unanimously.

- **Randolph County Update** – Mrs. Whitt gave the following update on the FBC project in Asheboro:
 - Renovation on Floor 1 is complete.
 - Final walk-through/punch list for the Basement and Floor 2 is scheduled for tomorrow. Mrs. Whitt stated that the elevator shaft is ready, with delivery set for the end of February, moving completion of the evaluator to the end of March.
 - The overall project is currently \$170,000 under contracted budget. Another \$100,000 will be credited for not requiring temporary HVAC and fueling source.
 - Currently in discussions with the Contractor, the Architect, and Sandhills Center's attorney regarding the displeasure with the delays in this project and are pursuing options related to the delays.
- **Guilford County Update** – Mrs. Whitt gave the following update on the FBC project in Greensboro:
 - Construction Manager at Risk: Samet Corporation has been selected as the Construction Manager at Risk. A contract is being negotiating and will be presented to the Board of Directors for review and approval at the March 2019 meeting.
 - Property: Guilford County and Sandhills Center are working together to locate and identify property, in order to have the facilities within close proximity. For this joint project, Guilford County has signed a Letter of Intent to purchase property from Starlite Development Corporation/Maple One Partners LLC at Maple Professional Park, Third Street, Greensboro N.C. at the price of \$255,000 per acre. Mrs. Whitt commented that she has visited the proposed site and a meeting was held with the Architect and Construction Manager at Risk to review preliminary plans for the property.

B. Sale of 201 North Eugene Street Greensboro Property

Mrs. Whitt gave an update of the sale of the 201 North Eugene Street Greensboro Property that currently houses the Sandhills Center LME/MCO operations, consisting of approximately 130 staff, as well as the provider, Monarch, who delivers outpatient, medication management, and 24/7 crisis services.

Guilford County and the City of Greensboro completed a due diligence period and closed on the sale on February 1, 2019. Guilford County will lease the property back from the City of Greensboro for a period of 24 months with an optional six (6) month extension. Guilford County will sublease the property to Sandhills Center during that time.

The Guilford County Commissioners have finalized the future location of the outpatient, medication management and 24/7 crisis services and have selected Cone Health as the provider.

Mrs. Whitt noted that she is in discussions with Guilford County regarding the relocation of the Sandhills Center LME/MCO staff and functions.

C. Employee Market Rate/Compensation Study Update

As approved at the January 8th Board meeting, the recommendations from the study completed by Ann Taylor, Management Consultant with Piedmont Triad Council of Governments, has been implemented.

Mrs. Whitt stated that she is currently working with Ms. Taylor to move employee compensation practices to a Performance Based Pay system to address internal equity issues and reward high performers. New policies outlining these changes will be presented to the Board of Directors at later meetings.

Mrs. Whitt shared that Leonard Covington, Anthony Ward and she have received numerous emails/calls/face-to-face comments from staff expressing their appreciation for the most recent salary increase.

D. Annual Independent Financial/Compliance Audit

The bid package has been completed and submitted to: Dixon Hughes Goodman, High Point; Cherry Bekaert, Raleigh, and Clifton Larsen Allen, Charlotte. These three (3) firms provide professional audit services for the seven (7) LME/MCOs in North Carolina. Bid packets are to be completed and submitted back by February 18th. A recommendation will be presented at the March 2019 Board of Directors meeting.

E. NC DHHS/General Assembly Updates

✦ **NC Medicaid Managed Care Prepaid Health Plan – Standard Plan Contracts Awards**

Mrs. Whitt noted that Secretary Cohen has awarded the Statewide PHPs (Prepaid Health Plan) contracts, which will offer Standard Plans in all regions in North Carolina to: AmeriHealth Caritas North Carolina, Inc.; Blue Cross and Blue Shield of North Carolina; UnitedHealthcare of North Carolina, Inc.; and WellCare of North Carolina, Inc.

A regional PHP contract was awarded to Carolina Complete Health, a provider-led entity, which will offer plans in Regions 3 and 5.

✦ **Timeline for Tailored Plans (TP)**

Mrs. Whitt reviewed the timeline for Tailored Plans.

✦ **NC General Assembly Convenes 2019 Long Legislative Session**

Mrs. Whitt discussed DHHS Goals:

- Medicaid Expansion
- End LME/MCO Single Stream Reductions
- Federal/State Maintenance of Effort requirements and impact of reduced state funding
- Opioid Funding

✦ **NC OSA – Medicaid Capitation Rate Setting Performance Audit**

Mrs. Whitt discussed the recent performance audit, Medicaid Capitation Rate Setting, by NC State Auditor Beth Wood. The objectives of the audit were to determine: 1) whether Medicaid capitation rates were actuarially sound; and 2) whether DMA (Division of Medicaid) ensured complete and accurate data was used to set the capitation rates.

Key findings:

- Medicaid capitation rates were actuarially sound, which means the rates were established in accordance with actuarial standards.
- Medicaid capitation rates resulted in \$439.2 million in excess savings because DMA did not establish an explicit goal, compare the goal to results, and adjust the subsequent capitation rates to achieve the goal. Mrs. Whitt commented that Ms. Wood is calling for Legislators to put a cap on the funds for new private companies because of the excessive savings.
- There is no assurance that the financial, encounter, and member month data used to establish Medicaid capitation rates was reliable.

✦ **NC DHHS Secretary Approves LME/MCO Realignment Request from Rutherford County**

DHHS Secretary Mandy Cohen has approved Rutherford County's realignment with Partners Behavioral Health Management effective July 1, 2019.

- **Former NC House Representative Nelson Dollar Joins House Speaker Tim Moore's Staff**
Former state Representative Nelson Dollar has joined House Speaker Tim Moore's staff as a senior policy adviser.

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

Mr. Ward reviewed the following:

- Medicaid Waiver Operations Report – January 2019, noting that all benchmarks continue to be met.
- Medicaid Waiver Financial Operations Report – January 2019, noting the financial measures that Sandhills is required to meet.
- 2018 NC DHHS Provider Satisfaction Survey – Mr. Ward noted that the results of the 2018 Provider Satisfaction Survey have been received and he reviewed a summary of the results. He commented that Sandhills Center scored extremely well, scoring the highest LME/MCO on 16 of 23 questions, the most of any other LME/MCO, and was the only LME/MCO to have more than four (4) questions scored as the highest. Sandhills Center had 14 results that were statistically higher than the 2018 NC Overall results and had no result that was statistically lower than the 2018 NC Overall results and had a score of 92.2% for overall satisfaction. 😊 Bill Larrison commented that the results speak well of the staff and leadership within Sandhills Center.
- The January 2019 Quarterly Community Report. The quarterly report focuses on training and education needs within the Sandhills Center region.
- The December 2018 Annual Community Report. The annual report shares some of the exceptional highlights of 2018.

Committee Reports

- **Finance Committee Report** – Finance 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 Agenda with the Board of Directors. A summary of the Consolidated Balance Sheet and Income Statement was reviewed and reflects services through December 31, 2018.

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

- **Human Resources Committee Report** – Human Resources Committee Chairperson Mazie Fleetwood noted that it is now time for the annual CEO Evaluation to be completed. Packets were distributed to all attending to complete and return as soon as possible. Human Resources staff will also be emailing each Board member an evaluation form to complete electronically, if that method is preferred. Mrs. Fleetwood asked that the evaluation forms be returned by March 1st. The Human Resources Committee will compile a preliminary report and present to the Board of Directors and Mrs. Whitt at the April Board meeting.

Mrs. Fleetwood informed the Board of Directors that this will be the last year that hard copies of the evaluations will be distributed. Moving forward, the evaluations will be distributed electronically.

Mrs. Fleetwood also shared that Leonard Covington and Mrs. Whitt have received numerous emails from staff expressing their appreciation for the recent salary adjustment.

- **Corporate Compliance & Internal Audit Committee** – Corporate Compliance & Internal Audit Committee Chairperson Matthew Rothbeind gave the report.
- **Client Rights Committee Report** – Client Rights Committee Chairperson Carol Whitaker gave the report.
- **Consumer and Family Advisory Committee Quarterly Report (CFAC)** – Consumer and Family Advisory Committee Chairperson Leann Henkel gave the report.

Old Business

None

Comments

None

Board Materials

- Community Agencies Breakfast Meetings Agenda
- Board of Directors Standing Committees – Commissioner Kirk Smith joined the Human Resources Committee
- Senators and Representatives Update
- DMA Monthly Financial Report – December 2018
- Quality Management Committee Executive Summary (October – December 2018)
- Personnel Report
- Newspaper Articles

Adjournment

A motion was made by Commissioner Kay Cashion and seconded by Michele Weatherly to “adjourn the meeting”. The motion passed unanimously. The meeting adjourned at 8:10 p.m.



Thad Ussery
Chairperson, Board of Directors

3/12/2019

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