



SANDHILLS CENTER

Board of Directors Meeting Minutes August 8, 2017

Members Present:

- | | |
|-------------------------------------------------------------------|------------------------------------------------------------------|
| <input type="checkbox"/> Ross Streater | <input type="checkbox"/> Priscilla Little |
| <input checked="" type="checkbox"/> Kay Cashion, Vice-Chairperson | <input checked="" type="checkbox"/> Gart Evans |
| <input checked="" type="checkbox"/> Dixie Branch | <input type="checkbox"/> Costella Donnell |
| <input type="checkbox"/> Joe Miller | <input type="checkbox"/> Tonya Gray |
| <input checked="" type="checkbox"/> Harry Southerland | <input checked="" type="checkbox"/> Shirley Hart |
| <input checked="" type="checkbox"/> Kevin Dodson | <input checked="" type="checkbox"/> Walter Ferguson |
| <input type="checkbox"/> Anthony Copeland | <input checked="" type="checkbox"/> Carol Whitaker |
| <input checked="" type="checkbox"/> Otis Ritter | <input checked="" 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, Secretary |
| <input checked="" type="checkbox"/> Jan Herring | <input checked="" type="checkbox"/> Bill Larrison |

Staff Present:

- | | |
|-------------------------------------------------------|----------------------------------------------------|
| <input checked="" type="checkbox"/> Victoria Whitt | <input checked="" type="checkbox"/> Sherry Bynum |
| <input type="checkbox"/> Dr. Anthony Carraway | <input checked="" type="checkbox"/> Anthony Ward |
| <input checked="" type="checkbox"/> Evelyn Savage | <input checked="" type="checkbox"/> Susan Campbell |
| <input checked="" type="checkbox"/> Leonard Covington | <input checked="" type="checkbox"/> Hannah Brown |
| <input checked="" type="checkbox"/> Glenn Ruggles | |

Guest: Dennis Williams, DMH, LME Technical Assistance Liaison

Call to Order and Invocation

The Sandhills Center Board of Directors met on Tuesday, August 8, 2017, at the Administrative Office at 1120 Seven Lakes Drive, 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 Michele Weatherly to "approve the agenda as presented." The motion passed unanimously.

Absent Board Members Justifications

Tonya Gray – Out of state on vacation – excused. *A motion was made by Michele Weatherly and seconded by Gart Evans to "excuse the absence". The motion passed unanimously.*

Priscilla Little – Had an emergency – excused. *A motion was made by Michele Weatherly and seconded by Gart Evans to "excuse the absence". The motion passed unanimously.*

Commissioner Anthony Copeland – Medical issues – excused. *A motion was made by Michele Weatherly and seconded by Gart Evans to "excuse the absence". The motion passed unanimously.*

Costella Donnell – Not in attendance – unexcused.

Commissioner Ross Streater – Not in attendance – unexcused.

Commissioner Joe Miller – Not in attendance – unexcused.

Public Comments

None

Consent Agenda

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

- June 13, 2017 Board of Directors Meeting Minutes
- Policy Revisions
- Quality Management Program Evaluation FY 16 – 17
- Quality Management Plan FY 17 – 18 Revised

New Business

- **Chief Executive Officer's Report – Victoria Whitt, Chief Executive Officer**
Mrs. Whitt welcomed everyone and provided the following:

A. Facility Based Crisis (FBC) Services Update

Mrs. Whitt gave an update on the progress of the renovation plans of the Facility Based Crisis facility. Design drawings and specifications are in progress. Bid drawings are expected to be completed by August 31st. In order to avoid any delays, Mrs. Whitt stated that she is requesting that the Board to move forward with the bidding process. Should the Board approve recommendations to move forward with the bidding process tonight, the timeline would be:

- The bid for the project would go out in September.
- Contractor selection would occur October 1st.
- A recommendation to the Board of Directors would be presented at the October meeting.

Mrs. Whitt stated that if the timeline is followed, the Architect estimates renovations will take about six months, with the program being operational in the spring.

Mrs. Whitt reviewed the cost estimate of the renovations, \$2.2 million, noting that the cost is higher than originally thought due to replacing the HVAC system, installing anti-ligature fixtures, installing a sprinkler system throughout the building, installing a generator to include the entire building, and the handicap accessible parking and building entry upgrades.

A recommendation was made by Mazie Fleetwood and seconded by Commissioner David Allen to "move forward with the bidding process for the Facility Based Crisis Project". The motion passed unanimously.

B. New Office Building Update

Mrs. Whitt gave a construction update on the new office building noting that the project is 98% complete. There have been some minor items that have resulted in the project running over the expected and contracted completion date. The HVAC system required extensive testing to achieve high levels of efficiency resulting in a delay. As of Monday, the HVAC system has passed the vacuum test and can be put into operation. Once this is completed, we can request a certificate of occupancy. Mrs. Whitt stated that expectations are to occupy the building by the end of August and hold the September Board meeting in the new building.

Mrs. Whitt explained that there are concerns with the grass/shrubs/trees and the glass partition on the receptionist desk.

Mrs. Whitt reviewed the contingency fund summary. Signage and the reception desk area are additional project costs. Chairperson Ussery stated that an exceptional job has been done on keeping the contingency fund low. Chairperson Ussery also explained the issue with the HVAC system.

C. NC State FY 17 – 19 Biennium Budget

Single Stream Budget Reductions – Mrs. Whitt provided an update to the single stream reductions. As a result of the Legislator's one-day meeting, single stream funding was further reduced. The current budget bill was revised, presented and approved to include additional cuts to all LME/MCOs except Partners, who felt they had received more of a cut than the other LME/MCOs. For Sandhills Center, the reduction for FY 18 is \$16.1 million and the reduction for FY 19 is \$17.0 million, a total of \$33.1 million over two years.

LME/MCO Intergovernmental Transfers – LME/MCOs are required to transfer 2% to the Medicaid Risk Reserve. For Sandhills Center, the required transfer for FY 18 is \$1.92 million and the required transfer for FY 19 is \$1.95 million. Once 15% of the budget is reached, the required transfers will stop.

\$30 M Medicaid Rebase – Provides an opportunity for \$30 M of the community services funding reduction to be returned to the LME/MCOs, based on the June 1st availability of excess funding in the State Medicaid Budget.

Psychiatric Inpatient Beds – \$3 million in nonrecurring funds was allocated to Good Hope Hospital for psychiatric inpatient beds. Mrs. Whitt noted that a special thank you should be given to Representative David Lewis for his part in making this happen.

LME/MCO Financial Solvency – Includes language that “Beginning July 2017 the Secretary shall evaluate financial position of LME/MCO relative to solvency standards to be developed by DHHS and included in the statewide Strategic Plan for BHS pursuant to Section 12F.10(b)(4) of SL 2016-94 (approved solvency standards).”

D. Updates

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

House Bill 403 Behavioral Health and Medicaid Modifications (formerly LME/MCO Claims Reporting / Mental Health Amendments) – Mrs. Whitt referred to two articles included in the Board packet regarding HB 403.

Special Needs Plan (SNP) Update – Mrs. Whitt provided highlights of the concept paper developed by Secretary Cohen, *NC Medicaid Reform Behavioral Health and IDD Integration with Physical Health*. The concept paper is a result of the information gathered at public hearings and conversations with legislators, providers, and advocates. Mrs. Whitt also noted that included in the Board packet is the *NC Proposed Program Design for Medicaid Managed Care*. This proposal is posted for public review and comment.

NC DHHS Leadership Appointments – Secretary Cohen announced two new members appointed to the DHHS senior leadership team – Betsey Tilson and Jay Ludlam.

NC Opioid Action Plan (2017-2021) – The NC Opioid Action Plan was released. Mrs. Whitt noted that Harnett and Randolph counties are planning county-wide meetings.

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

Mr. Ward reviewed the following:

- Medicaid Waiver Operations Report – July 2017, noting that all benchmarks continue to be met.
- Medicaid Waiver Financial Operations Report – July 2017, noting the financial measures that Sandhills is required to meet.
- Reviewed the comparative data of the LME/MCOs for April 30, 2017.
- The July 2017 Quarterly Community Report. The quarterly report covers the opioid epidemic, the provider selected for the DBT pilot program, and the enhanced provider directory options available.

• **By-Laws – Evelyn Savage, Chief Legal Officer/Corporate Compliance Officer**

Ms. Savage reviewed the changes made to the Sandhills Center By-Laws, noting the draft By-Laws reflect changes to dissolve the Program Planning & Operations (PPO) Committee and adding the Corporate Compliance & Internal Audit Committee. Ms. Savage also made minor updates throughout the document. Mrs. Whitt asked each Board member to review the revised By-Laws and provide any changes/recommendations to Ms. Savage and/or Sherry. Once all the changes/recommendations are included, the final will be brought back to the Board for approval.

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 June 30, 2017.

Also noted in the Finance Report:

- Funding allocated for opioid treatment – Addiction Recovery Care Association, Alcohol & Drug Services of Guilford, Daymark Recovery Services, and Moses H. Come Memorial Hospital Operating Corporation. This funding is to be used solely for individuals meeting the ASOUD State Benefit Plan criteria.

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”.

- **Corporate Compliance & Internal Audit Committee Report** – Committee Chairperson Matthew Rothbeind gave the report.
- **Client Rights Committee Report** – Committee Chairperson Carol Whitaker gave the report.
- **Consumer and Family Advisory Committee** – Committee Chairperson Leann Henkel gave the report.
- **Personnel Committee Report** – Did not meet

Closed Session

Chairperson Ussery announced that the Board would need to go into Closed Session for the purpose of discussing confidential information in accordance to N.C. General Statute § 143-318.11(a)(1).

A motion was made by Michele Weatherly and seconded by Commissioner Otis Ritter to “go into Closed Session”. The motion passed unanimously. Closed Session began at 8:05 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 Savage, and Clerk to the Board/Administrative Assistant Sherry Bynum.

A motion was made by Commissioner Otis Ritter and seconded by Commissioner David Allen to “come out of Closed Session”. The motion passed unanimously. Closed Session ended at 9:5 p.m.

The Board reported no action was taken.

Old Business

None

Comments


Chairperson Ussery commented to contact Mrs. Whitt and/or Mr. Ward on any complaints.

Board Materials

- Community Agencies Breakfast Meetings Agenda
- Board of Directors Standing Committees
- Quality Management Committee Executive Summary (April – June 2017)
- DMA Monthly Financial Report – June 2017
- Final Budget Analysis for SFY 17-18 and SFY 18-19
- Bill Tracking: Final for Long Session 2017 through June 30, 2017
- State Backs Nash in Eastpointe Fight
- 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 9:06 p.m.



Commissioner Thad Ussery
Chairperson, Board of Directors

9-12-17

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/Administrative Assistant