



SANDHILLS CENTER

Board of Directors Meeting Minutes August 14, 2018

Members Present:

- Ross Streater
- Kay Cashion, Vice-Chairperson
- Dixie Branch
- Joe Miller
- Harry Southerland
- Kevin Dodson
- Anthony Copeland
- Otis Ritter
- David Allen
- Leann Henkel
- Thad Ussery, Chairperson
- Jerry Earnhardt

- Priscilla Little
- Gart Evans
- Carlos Townsend
- Bill Larrison
- Shirley Hart
- Walter Ferguson
- Carol Whitaker
- Matthew Rothbeind
- Mazie Fleetwood

- Michele Weatherly, Secretary

Staff Present:

- Victoria Whitt
- Anthony Ward
- Susan Campbell
- Hannah Brown

- Sherry Bynum
- Evelyn Quick
- Leonard Covington
- Patrick Sloan

Guest: Lisa Jackson, DMH, LME Technical Assistance Liaison
Jan Herring
Tonya Gray

Call to Order and Invocation

The Sandhills Center Board of Directors met on Tuesday, August 14, 2018, at the Administrative Office at 1120 Seven Lakes Drive, West End, NC. Commissioner Thad Ussery, Chairperson, called the meeting to order at 7:01 p.m. and gave the invocation.

Oath of Office for New Board Members

Harnett County representative Bill Larrison and Provider Council representative Jerry Earnhardt were administered the Oath of Office.

Commissioner Ussery thanked Jan Herring and Tonya Gray for their service to the Sandhills Center Board of Directors. Each were presented a gift as a token of appreciation. Ms. Herring and Ms. Gray took the opportunity to thank the Board and Sandhills Center for all that is done for the members and community.

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. It was noted that Bill Larrison would need to recuse himself from voting on any Good Hope Hospital items.

Certification of Quorum

Michele Weatherly, Secretary, certified a quorum.

Approval of Agenda

A motion was made by Commissioner Kay Cashion and seconded by Michele Weatherly to "approve the agenda as presented". The motion passed unanimously.

Absent Board Members Justifications

Priscilla Little – Emergency – excused. *A motion was made by Michele Weatherly and seconded by Shirley Hart to "excuse the absence". The motion passed unanimously.*

Carlos Townsend – Church conference – excused. *A motion was made by Michele Weatherly and seconded by Shirley Hart to “excuse the absence”. The motion passed unanimously.*

Commissioner Harry Southerland – Out of town/business – excused. *A motion was made by Michele Weatherly and seconded by Shirley Hart to “excuse the absence”. The motion passed unanimously.*

Commissioner Joe Miller – Out of town/vacation – excused. *A motion was made by Michele Weatherly and seconded by Shirley Hart to “excuse the absence”. The motion passed unanimously.*

Public Comments

George Reynolds gave an update of the Crisis Intervention Trainings that have been held and the ones that are scheduled. Mr. Reynolds also gave an update on the Mental Health Crisis Intervention in the school programs.

Consent Agenda

A motion was made by Commissioner Anthony Copeland and seconded by Michele Weatherly to “approve the consent agenda”. The motion passed unanimously. The following were approved:

- June 12, 2018 Board of Directors Meeting Minutes
- Policy Revisions
- Quality Management Program Evaluation FY 17 – 18
- Conflict of Interest Disclosure

New Business

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

A. Sandhills Center Board of Directors By-Laws and Attendance Policy

For review and approval, Mrs. Whitt presented the revised Sandhills Center By-laws. Mrs. Whitt noted that the only revision was on page 7, which added a sentence regarding any vacancy shall be filled by the initial appointing authority.

A motion was made by Commissioner Kay Cashion and seconded by Walter Ferguson to “accept the By-Laws as presented”. The motion passed unanimously.

B. Good Hope Hospital Psychiatric Beds Expansion Funding Request

Mrs. Whitt reported that Good Hope Hospital is continuing its expansion of an additional 16 adult inpatient beds, expanding capacity to 32 adult beds. Sandhills Center is supportive of the expansion project, as this will open up additional local adult psychiatric inpatient beds for the Sandhills Center region.

At the January 2018 Board Meeting, Sandhills Center reviewed a request from the hospital for financial assistance to support non-construction expenses including preconstruction activities, project management, startup costs, furniture, equipment, etc. The Hospital’s request was broken down by fiscal years, FY 18 – \$227,000 and FY 19 – \$373,410 for a total projected amount of \$600,410. The Board approved the amount of \$227,000 for FY 18. To date, \$52,768.75 of that amount has been utilized. Mrs. Whitt presented to the Board, a recommendation that the remaining amount of \$174,231.25 be added to the requested FY19 amount of \$373,410 for a total allocation during FY 19 of \$547,641.25.

On behalf of the Finance Committee, Finance Committee Chairperson Gart Evans made a motion to “approve the remaining amount of \$174,231.25 to be added to the requested FY 19 amount of \$373,410 for a total allocation during FY 19 of \$547,641.25”. The motion was seconded by Michele Weatherly. The motion passed unanimously. Bill Larrison abstained from participating and voting.

C. Samaritan Colony Proposed 14 Bed Women’s SA Treatment Facility Funding Request

Mrs. Whitt reported that Samaritan Colony is continuing its plans for expansion of 14 adult chemical dependency treatment beds for women in the Sandhills LME/MCO region. They have applied for a Certificate of Need (CON), with award expected at the end of August 2018. The new women’s facility would be located in Rockingham on the campus of the current Samaritan Colony residential

treatment program for men. This project would expand services to a high need population within the Sandhills Center catchment area.

At the January 2018 Board Meeting, Sandhills Center approved a request for financial assistance in the amount of \$50,000. Funds have been used to assist with the costs for the CON process.

Samaritan Colony has developed a preliminary budget and has begun efforts to address funding. The NC General Assembly has awarded \$50,000 to the effort and numerous fund raising activities have taken place, as well as efforts to identify local/state/national grant opportunities. After numerous discussions, Samaritan Colony is requesting the amount of \$1,500,000 from Sandhills Center to assist with development, pre-construction, and start up activities, including project management, site development and preparation, architectural/engineering/consultant fees, startup costs, furniture, equipment, staffing, training etc. contingent upon the award of the CON.

On behalf of the Finance Committee, Finance Committee Chairperson Gart Evans made a motion to "approve the requested amount of \$1.5 million to assist with development, pre-construction, and start up activities for Samaritan Colony's Women's SA Treatment Facility". The motion was seconded by Commission Kay Cashion. The motion passed unanimously.

D. Purchase of Property at 205 Balfour Drive, Archdale, NC

Mrs. Whitt reported that Sandhills Center has the opportunity to purchase the building and surrounding property at 205 Balfour Drive in Archdale. This property has housed one of the behavioral health crisis/outpatient units in Randolph County since 2003. Prior to Sandhills Center's assumption of this program, the building housed the Randolph Mental Health Unit. Daymark Recovery has occupied the property through a lease agreement since 2009. The property consist of 1.03 acres and a 6,235 square feet office building, built in 1984. The owner has maintained the property well, including a new roof in the past 5 years. An appraisal done for Sandhills Center in July 2018, lists the property at \$545,000. The owner is requesting a purchase price of \$600,000, negotiated down from \$650,000. This amount equates to a square footage amount of \$96/per square foot. Mrs. Whitt presented to the Board, a recommendation to purchase the property for \$600,000.

On behalf of the Finance Committee, Finance Committee Chairperson Gart Evans made a motion to "approve the purchase of the property at 205 Balfour Drive, Archdale for the negotiated price of \$600,000". The motion was seconded by Mazie Fleetwood. The motion passed unanimously.

E. Facility Based Crisis (FBC) Services Update – Randolph and Richmond Counties

✦ **Randolph Facility** – Mrs. Whitt gave the following update on the FBC project in Asheboro:

- Phase I – of the project is complete, is currently within budget and there have been no major change orders. Phase I was completed approximately one month behind schedule.
- Phase II – demolition work is near completion, is currently within budget and no change orders have been issued. The contractor has experienced some elevator issues, which may cause delays. Chairperson Ussery took the opportunity to explain the elevator issues.
- Phase I delays impacted the original completion date of Phase II. The anticipated completion date is now set for November 2, 2018.

✦ **Richmond Facility** – Mrs. Whitt presented to the Board of Directors, for review and approval, the Architectural and Engineering Constructions Documents and Construction Administration Proposal from Stogner Architecture, PA for a 8% fee based on the bid price, with a minimum bid price of \$,4,500,000 for the new construction of the 1-story, 25,000 SF facility.

On behalf of the Finance Committee, Finance Committee Chairperson Gart Evans made a motion to "approve the Architectural and Engineering Constructions Documents and Construction Administration Proposal from Stogner Architecture, PA for a 8% fee based on the bid price, with a minimum bid price of \$,4,500,000". The motion was seconded by Michele Weatherly. The motion passed unanimously.

F. Legislative/DHHS Updates

- **NC State Budget** – Mrs. Whitt recapped the funding changes for FY 19.
- **Establishment of Ranges for LME/MCO Solvency** – Mrs. Whitt and Chief Operating Office Patrick Sloan attended a meeting today in Raleigh regarding discussion around the method to determine the viability of LME/MCOs through the solvency standards.
- **Ratified Legislation – HB 156, SB 630, and HB 403** – the General Assembly approved for DHHS Secretary Cohen to move forward with Medical reform. The Request for Proposal (RFP) for Medicaid Managed Care Prepaid Health Plan was released last Friday. Mrs. Whitt discussed the timeline: private companies would begin the management of the Standard Plans in July 2019; LME/MCOs would begin the management of the Tailored Plans in July 2021 for four years; and in 2025 the process to operate the Tailored Plans would be awarded to non-profit PHPs based on competitive bids. Mrs. Whitt discussed the PHP region map.
- **Health Services Switch – Rutherford County** – Rutherford County is requesting to switch from Vaya Health to Partners Behavioral Health. DHHS Secretary Cohen has not approved the request.

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

Mr. Ward reviewed the following:

- **SFY 2018 Network Adequacy and Accessibility Analysis** – Mr. Ward presented a PowerPoint overview of the requirements and the process for submitting data for the Network Adequacy and Accessibility Analysis.
- **Medicaid Waiver Operations Report – July 2018**, noting that all benchmarks continue to be met.
- **Medicaid Waiver Financial Operations Report – July 2018**, noting the financial measures that Sandhills is required to meet.
- **July 2018 Quarterly Community Report**. The quarterly report focuses on feedback received from various stakeholder groups on service needs, the results of the Provider Satisfaction Survey and the feedback received from the Community Needs Assessment Stakeholders Survey.

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 June 30, 2018.

A motion was made by Michele Weatherly and seconded by Commissioner David Allen to "approve the Finance Agenda as presented". The motion passed unanimously. Bill Larrison abstained from participating and voting.

- **Client Rights Committee Report** – Client Rights Committee Chairperson Carol Whitaker gave the report.
- **Corporate Compliance & Internal Audit Committee Report** – Corporate Compliance & Internal Audit Committee Chairperson Matthew Rothbeind reported the following:
 - **Conflict of Interest Disclosure Form** – has been revised. Board members were asked to review and sign the form and return to Sherry before leaving.
 - **FY 2018 – 2019 Corporate Compliance & Internal Audit Plan** – was approved and would need Board approval. Chairperson Rothbeind asked Chief Legal Officer/Corporate Compliance Officer Evelyn Quick to provide highlights of the Plan. Mrs. Quick presented highlights of the FY 2018 – 2019 Corporate Compliance & Internal Audit Plan.

A motion was made by Corporate Compliance & Internal Audit Committee Chairperson Matthew Rothbeind and seconded by Dixie Branch to "approve the FY 2018 – 2019 Corporate Compliance & Internal Audit Plan". The motion passed unanimously.

- **Human Resources Committee Report** – Human Resources Committee Chairperson Mazie Fleetwood noted that the Human Resources Committee met tonight and reviewed the *Market Rate Study for Area Directors/CEO Salary Range Revision Report*. Chairperson Fleetwood noted that earlier today, Chief Human Resources Officer Leonard Covington received a letter from the Office of State Human Resources listing the approved salary range for LME/MCO CEOs. Chairperson Fleetwood noted that the amounts have increased substantially. Chairperson Fleetwood also noted that Mrs. Whitt's salary does fall within the new

range. The HR Committee is recommending that further analysis of the information occurs, and that Mr. Covington pursues obtaining year-to-date comparative CEO salary information from peer LME/MCOs as a result of the newly-created Area Director/CEO Salary Range. Upon receipt of such, the Board HR Committee will review and determine if additional salary action for Mrs. Whitt needs to be recommended.

- ▶ **Consumer and Family Advisory Committee Quarterly Report (CFAC)** – Committee Chairperson Leann Henkel gave the report.

Old Business

None

Comments

Commissioner Cashion complimented Mrs. Whitt and Mr. Ward on the Stakeholders meeting held in Guilford County recently as one of the best she has attended. She noted that there were good attendance by state representatives. She complimented Mrs. Whitt and Mr. Ward on the great job they are doing. Commissioner Cashion had asked them to share the survey results commenting that people need to know how well Sandhills Center compares to others.

Chairperson Ussery also complimented Mrs. Whitt and Mr. Ward on the good job they do. He also thanked the Board for their dedication.

Board Materials

- ▶ Community Agencies Breakfast Meetings Agenda
- ▶ DMA Monthly Financial Report – May and June 2018
- ▶ Quality Management Committee Executive Summary (April – June 2018)
- ▶ Personnel Report
- ▶ Newspaper Articles

Adjournment

A motion was made by Michele Weatherly and seconded by Gart Evans to "adjourn the meeting". The motion passed unanimously. The meeting adjourned at 8:36 p.m.



Commissioner Thad Ussery
Chairperson, Board of Directors

Date

9-11-18

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