



# SANDHILLS CENTER

## Board of Directors Meeting Minutes November 14, 2017

### **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 type="checkbox"/> Dixie Branch                             | <input type="checkbox"/> Costella Donnell                        |
| <input checked="" type="checkbox"/> Joe Miller                    | <input checked="" type="checkbox"/> Tonya Gray                   |
| <input type="checkbox"/> Harry Southerland                        | <input checked="" type="checkbox"/> Shirley Hart                 |
| <input checked="" type="checkbox"/> Kevin Dodson                  | <input checked="" type="checkbox"/> Walter Ferguson              |
| <input checked="" 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 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 type="checkbox"/> Bill Larrison                           |

### **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 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:** John Frank, Dixon Hughes Goodman, LLP  
Chris Olson, Dixon Hughes Goodman, LLP  
Lisa Jackson, DMH, LME Technical Assistance Liaison

### **Call to Order and Invocation**

The Sandhills Center Board of Directors met on Tuesday, November 14, 2017, at the Administrative Office at 185 Grant Street, West End, NC. Commissioner Thad Ussery, Chairperson, called the meeting to order at 7:00 p.m. Chairperson Ussery 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 Commissioner Kay Cashion and seconded by Michele Weatherly to "approve the agenda as presented." The motion passed unanimously.*

### **Absent Board Members Justifications**

Dixie Branch – Meeting conflict – excused. *A motion was made by Commissioner Kay Cashion and seconded by Gart Evans to "excuse the absence". The motion passed unanimously.*

Leann Henkel – Surgery – excused. *A motion was made by Commissioner Kay Cashion and seconded by Gart Evans to "excuse the absence". The motion passed unanimously.*

Commissioner Harry Southerland – Meeting conflict – excused. *A motion was made by Commissioner Kay Cashion and seconded by Gart Evans to "excuse the absence". The motion passed unanimously.*

Bill Larrison – Out of town (daughter in accident) – excused. *A motion was made by Commissioner Kay Cashion and seconded by Gart Evans to "excuse the absence". The motion passed unanimously.*

Costella Donnell – Not in attendance – unexcused.

### **Closed Session**

Chairperson Ussery announced that under N.C. General Statute § 142-318.11(a)(3) the Board would need to go into closed session to consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body.

*A motion was made by Michele Weatherly and seconded by Carol Whitaker to "go into Closed Session". The motion passed unanimously. Closed Session began at 7:02 p.m.*

Sandhills Center staff in attendance included Chief Executive Officer Victoria Whitt, Chief Legal Officer/Corporate Compliance Officer Evelyn Savage, and Clerk to the Board/Administrative Assistant Sherry Bynum.

*A motion was made by Commissioner Kay Cashion and seconded by Commissioner David Allen to "come out of Closed Session". The motion passed unanimously. Closed Session ended at 7:30 p.m.*

Chairperson Ussery stated that a vote would be needed to award the contract for the Facility Based Crisis (FBC) Center. *A motion was made by Commissioner David Allen and seconded by Commissioner Otis Ritter to "award the contract to H.M. Kern Corporation". The motion passed unanimously.*

### **Public Comments**

George Reynolds gave updates on CIT and the 5<sup>th</sup> Mental Health/Crisis Intervention Training held with the Moore County Schools.

### **Consent Agenda**

*A motion was made by Commissioner Joe Miller and second by Walter Ferguson to "approve the consent agenda". The motion passed unanimously. The following were approved:*

- 👉 October 10, 2017 Board of Directors Meeting Minutes
- 👉 Policy Revisions

### **Auditor's Report: FY 16 – 17 Annual Audit**

Chairperson Ussery introduced John Frank and Chris Olson, Dixon Hughes Goodman, LLP. Mr. Olson reviewed the FY 16 – 17 Annual Audit stating that the audit went well and there were no significant issues identified.

The FY 16 – 17 Annual Audit was reviewed in detail by the Finance Committee and the Board of Directors.

*A motion was made by Commissioner Anthony Copeland and seconded by Commissioner David Allen to "accept the FY 16 – 17 Annual Audit as presented". The motion passed unanimously.*

Chairperson Ussery and Mrs. Whitt thanked Sandhills Center staff for a job well done.

### **New Business**

#### **• Chief Executive Officer's Report – Victoria Whitt, Chief Executive Officer**

Mrs. Whitt welcomed everyone. Mrs. Whitt announced that Robin McKenzie's father passed away recently and asked everyone to keep Robin and her family in their thoughts. Mrs. Whitt introduced Lisa Jackson, DMH LME Technical Assistance Liaison. Mrs. Whitt provided the following:

#### **A. FY 17 – 18 Budget Amendments**

Mrs. Whitt presented to the Board of Directors, for review and approval, a set of budget amendments to the FY 17 – 18 Operating Budget. *A motion was made by Gart Evans and seconded by Commissioner David Allen to "approve the FY 17 – 18 Budget Amendments as presented". The motion passed unanimously.*

#### **B. FY 17 – 18 Sandhills Center Staff Cost of Living Increase**

Mrs. Whitt presented a recommendation to the Board of Directors for a 3% cost of living increase for staff, retroactive to July 1, 2017, or to the date of hire if after July 1, 2017. *A motion was made by Mazie Fleetwood and seconded by Commissioner Anthony Copeland to "approve a 3% cost of living increase for staff, retroactive to July 1, 2017, or date of hire if after July 1, 2017". The motion passed unanimously.*

Personnel Committee Chairperson Mazie Fleetwood noted that in order to remain in compliance with N.C.G.S. 122C-121, as it regards the maximum salary for the LME-MCO Area Director/CEO, she moved that Mrs. Whitt's cost of living increase be adjusted to 2.89%. Personnel Committee Chairperson Fleetwood commented that this will take Mrs. Whitt to the maximum of the salary range for the Area Director role, and will keep Sandhills Center compliant with N.C.G.S. 122C-121. *A motion was made by Walter Ferguson and second by Shirley Hart to "adjust the cost of living increase for Mrs. Whitt to 2.89%." The motion passed unanimously.*

**C. Good Hope Hospital Psychiatric Beds Expansion**

Mrs. Whitt discussed the \$3 million grant from the State that was awarded to Good Hope Hospital for inpatient bed expansion. Mrs. Whitt stated that Sandhills has been working closely with Good Hope Hospital to identify how best to utilize the funds and have decided that the funds would allow for the construction of 16 additional adult inpatient beds.

Mrs. Whitt noted that there are tentative discussions with the Good Hope Board regarding additional funding related to non-construction cost and are currently looking at ways to use reinvestment funding to assist with the additional 16 beds. Commissioner Joe Miller discussed their current planning process.

**D. Updates**

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

**NC DHHS** – A Request for Information was released by DHHS seeking information from insurers and providers regarding the proposed Medicaid Reform Plan on November 3<sup>rd</sup>. Mrs. Whitt discussed the concerns with the plan.

**LME-MCO Solvency** – Mrs. Whitt discussed the report released by DHHS October 1<sup>st</sup> to the General Assembly outlining proposed changes to the fiscal structure and reporting process of LME-MCOs.

**Cardinal Innovations Healthcare Solutions** – Mrs. Whitt referred to the newspaper articles included in the packet.

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

Mr. Ward reviewed the following:

- Medicaid Waiver Operations Report – October 2017, noting that all benchmarks continue to be met.
- Medicaid Waiver Financial Operations Report – October 2017, noting the financial measures that Sandhills is required to meet.
- The October 2017 Quarterly Community Report. The quarterly report covers the reimbursement rate increases, opioid epidemic, and the recent participation of the annual external quality review.
- An update on the recent reviews conducted in August and October:
  - EQR – Received the report from the August review. Out of 270 standards that were reviewed, 254 (94%) were met. This is an increase of 10% from last year.
  - URAC – Received notification from the October review that Sandhills is in full compliance with the required standards.

• **Board of Directors Nominating Committee**

The Board of Directors Nominating Committee was appointed and includes the following members: Mazie Fleetwood, Michele Weatherly, Shirley Hart, and Priscilla Little. The recommended nominations will be presented at the December meeting.

• **Christmas Dinner**

After a brief discussion, it was decided that the Christmas dinner would be held at Beefeaters, in Southern Pines, and spouse/guest are welcomed.

**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. Mrs. Whitt 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 September 30, 2017.

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

- **Personnel Committee Report** – Personnel Committee Chairperson Mazie Fleetwood gave the report.

• Stop Loss Insurance Renewal – A review of the Stop Loss Insurance Renewal. *On behalf of the Personnel Committee, a recommendation was made by Personnel Committee Chairperson Mazie Fleetwood and seconded by Walter Ferguson:*

1. *Maintain the Individual Stop Loss Insurance coverage with the current carrier – Tokio Marine HCC.*
2. *Adjust the Individual Stop Loss deductible for 2018 to \$80,000 (from \$60,000).*
3. *Incorporate four lasers for claimants with costs that are projected to exceed the \$80,000 stop loss deductible.*

*The recommendations carried.*

- Human Resources (HR) Policy Revisions – A review of the revised HR policies. Chairperson Fleetwood noted that career status employees must now complete a 12 month probationary period. This is a change from the nine month probation period. *On behalf of the Personnel Committee, a recommendation was made by Personnel Committee Chairperson Mazie Fleetwood and seconded by Michele Weatherly to “approve the policies as presented.” The recommendation carried.*
- **Corporate Compliance & Internal Audit Committee Report** – Did not meet.
- **Client Rights Committee Report** – Client Rights Committee Chairperson Carol Whitaker gave the report.
- **Consumer and Family Advisory Committee** – Report included in Board packet.

**Old Business**

None

**Comments**

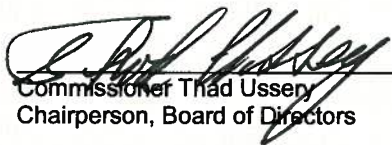
Chairperson Ussery shared a note from the Samaritan Colony.

**Board Materials**

- Community Agencies Breakfast Meetings Agenda
- NC Council Conference – December 6-8, 2017
- NC Council Community News (September/October 2017)
- Quality Management Committee Executive Summary (July – September 2017)
- DMA Monthly Financial Report – September 2017
- Personnel Report
- Newspaper Articles

**Adjournment**

*A motion was made by Gart Evans and seconded by Commissioner David Allen to “adjourn the meeting”. The motion passed unanimously. The meeting adjourned at 8:35 p.m.*

  
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Commissioner Chad Ussery  
Chairperson, Board of Directors

1-9-18  
\_\_\_\_\_  
Date

Documents referred to in these minutes may be obtained by contacting Sherry Bynum at [sherryb@sandhillscenter.org](mailto:sherryb@sandhillscenter.org) or 910-673-9111.

Submitted by: Sherry Bynum, Clerk to the Board of Directors/Administrative Assistant