

HIGHLAND RIVERS HEALTH
GOVERNING BOARD OF DIRECTORS MEETING
August 24, 2016
Highland Rivers Health – Home Again Program
419 North Wall Street, Calhoun, GA, 30701

MINUTES

Members Present: Allen Wigington, Chantel Adams, Bonnie Moore, Jean Smilie, Bill Fann, Zab Mendez, Faye Ward, Lori Rakes, Cindy Cochran,
CEO Melanie Dallas

Members Absent: Donna Whitener, Garry Fricks, Jonathan Blackmon

Staff Present: Rich Gonzalez, Stephanie Collum, Candice Baldwin, Melissa Stone, Erica Collins, Debbie Strotz, Mike Mullet, Laura Treadwell

Legal Counsel: Jim Catanzaro

1. CALL TO ORDER

Chair Allen Wigington called the meeting to order at 10:38 a.m.

2. APPROVAL OF AGENDA

The agenda was approved as presented on unanimous vote of motion by Ms. Bonnie Moore and second by Ms. Faye Ward.

3. APPROVAL OF JUNE 22, 2016, MINUTES

Minutes were approved as presented on unanimous vote of motion by Mr. Bill Fann and second by Vice Chair Chantel Adams.

4. EXECUTIVE SESSION

On unanimous vote of motion by Ms. Jean Smilie and second by Ms. Cindy Cochran, the Board convened in executive session to consult with Legal Counsel pertaining to pending or potential litigation, settlement, claim, administrative procedure, or other judicial actions involving Highland Rivers, to discuss the future acquisition of real estate, and to discuss or deliberate upon the appointment, employment, compensation, hiring, disciplinary action or dismissal, or performance of an employee.

5. RECONVENTION OF REGULAR SESSION

Action: On unanimous vote of motion by Ms. Bonnie Moore and second by Mr. Bill Fann, the Executive Team and Legal Counsel were asked to pursue an analysis of the sale and removal of the asset Stone Street Apartments.

Action: On unanimous vote of motion by Mr. Bill Fann and second by Mr. Zab Mendez, Chair Allen Wigington appointed a subcommittee to review the compensation of the CEO Melanie Dallas. The subcommittee membership will consist of Ms. Lori Rakes, Mr. Zab Mendez, and Mr. Bill Fann.

6. FINANCE COMMITTEE REPORT

Vice Chair Chantel Adams directed the members to page 8 in their packets. She began by stating that the budget for Highland Rivers Health had grown by \$15 million over the past five years. The balance sheet looked a lot like it did for the past couple of months. The total assets were \$8,819,638 for the month of June. Assets were up slightly over the past year by 2%. Under the liabilities, the "Due to DBHDD-Current" was the one month advance given to the agency of \$1.9 million in the beginning of fiscal year 2016. The amount was recouped in July. Ms. Adams informed the members that the agency only received an advance of \$ 1 million for fiscal year 2017. The decrease could be attributed to the implementation of fee for service. In the past, the agency could only bill monthly for services. With the implementation of fee for service, the agency could now bill on a weekly basis.

The Key Performance Indicators (KPIs) remained the same on the most part for June. The agency was not meeting KPIs number 1 and number 3. The pension liability that was required to be placed on the books due to GASB 68 killed the possibility of meeting standard number 3. Chair Allen Wigington asked if the GASB 68 and its effect on the KPI were being reviewed by DBHDD for removal. Chief Administrative Officer, Rich Gonzalez, stated that it was being looked at by DBHDD. The KPI could be removed based on their analysis. Legal Counsel, Jim Catanzaro, asked if any CSB was meeting the cash on hand KPI. Chief Executive Officer, Melanie Dallas, stated that some of the smaller CSBs did have the required cash on hand. Ms. Adams stated that the agency was in the positive for KPI number 1 at 2.6 days. That was an improvement. The agency was meeting KPI numbers 2 and 4.

Ms. Adams directed the members to page 10 of the packet. She stated that the agency had actual revenue of \$43,768,730 for fiscal year 2016. The agency fell under budget in revenue by \$731,298. The expenses for the year were \$43,916,058. This was \$278,433 less than budget. Overall, the agency ended at a loss of \$147,328. It did not break even. She stated that the "DD-Support Services" would be a big drive for the next fiscal year. The category was \$543,809 over budget due to a new contract that was awarded to the agency after the budget was finalized. The contract was for Highland Rivers Health to be the administrator for the northern half of the State for individuals served by CSBs who needed services that their waivers would not cover such as dental care and certain physicians. The contract was for \$3 million to help pay those costs. Highland Rivers Health paid the bills and then invoiced DBHDD for the monies. It was just a pass through. Ms. Dallas stated that she had informed DBHDD that they would have to turn around reimbursement for the money paid out as quickly as possible.

Action: No action required.

7. APPROVAL OF FY17 FINAL BUDGET

Vice Chair Chantel Adams began by reminding the members that the budget presented in the June 22, 2016, meeting was a preliminary budget. One main factor for not having a final budget by the June meeting was that all contracts had not been received from DBHDD. Chief Administrative Officer, Rich Gonzalez, handed out copies of the final budget for review. Ms. Adams explained that the document showed the preliminary numbers, the final budget numbers, the amount of the change between the two budgets, and the reason for the change. Some of the reasons for the changes included:

- Family Support monies were increased by \$800,000 to cover the new support services contract. There was a corresponding expense for the category.
- Increased revenue of \$60,000 with the implementation of the Redmond Regional Medical Center pilot phase 1.
- Increased slots for individuals in Developmental Disabilities with increased revenue of \$591,914.
- Decreased revenue of \$620,000 due to clarification on the way that DBHDD is going to group and pay fee for service claims. Chair Allen Wigington asked if DBHDD had guaranteed more than 70% of the previous contract amount if more services were delivered. Mr. Gonzalez stated that DBHDD had said that they would give more than 70% if warranted and it had been built into the final budget at the service level. Chief Executive Officer, Melanie Dallas, stated that DBHDD had verbally committed to providing more money if warranted. There was \$34 million flowing through the system that could be accessed to pay for serving over 70% of the contract.

Mr. Jim Catanzaro pointed out that legal fees could be over the budgeted amount based on the Ramsey case. Mr. Wigington asked if Mr. Catanzaro billed by the hour or if he was on a retainer. Mr. Catanzaro stated that he billed by the hour at a rate of \$250 per hour. He stated that this was a discounted rate.

Mr. Gonzalez stated that the productivity challenge budget number had increased from \$500,000 to \$850,000. He stated that Ms. Debbie Strotz was leading the effort. She had already begun work on productivity improvements and reducing write offs. Staff had been informed that 60% of the budget was salary and that expenses might have to be cut if productivity targets were not met. Mr. Wigington asked if updates on the productivity challenge could be placed in the board packets behind the financials. Mr. Gonzalez stated that the numbers could be put in the packets along with information about write offs as both topics went hand in hand. Revenue and productivity would both need to trend up.

Ms. Adams informed the members that the Finance Committee recommended that the Board approve the \$47,009,659 revenue budget.

Action: The FY17 Final Budget was approved upon unanimous vote.

8. RATIFICATION OF DBHDD CONTRACTS

Action: The FY16 GA APEX Project Contract #44100-026-0000063461 Amendment #01 was approved on unanimous vote of motion by Ms. Bonnie Moore and second by Ms. Faye Ward.

Action: The FY17 Core Services Contract #441-93-1731XX was approved on unanimous vote of motion by Mr. Bill Fann and second by Ms. Lori Rakes.

Action: The FY17 Women's Treatment & Recovery Supports Contract #441-93-1731AAZ was approved on unanimous vote of motion by Ms. Faye Ward and second by Mr. Zab Mendez.

Action: The FY17 Intellectual Developmental Disabilities Contract #441-93-1731AAD was approved on unanimous vote of motion by Ms. Lori Rakes and second by Mr. Bill Fann.

Action: The FY15 C&A Resiliency Supports Clubhouse Contract #44100-026-0000063492 Amendment #01 was approved on unanimous vote of motion by Ms. Bonnie Moore and second by Ms. Faye Ward.

Action: The FY17 Intensive Case Management Contract #44100-266-0000081818 was approved on unanimous vote of motion by Mr. Zab Mendez and second by Mr. Bill Fann.

Action: The FY16 Systemic Changes Contract #44100-907-0000067436 Amendment #01 was approved on unanimous vote of motion by Ms. Faye Ward and second by Mr. Zab Mendez.

Action: The FY17 Case Management Contract #44100-026-000000 was approved on unanimous vote of motion by Ms. Bonnie Moore and second by Mr. Bill Fann.

Action: The FY17 Community Support Team Contract #44100-026-0000082489 was approved on unanimous vote of motion by Mr. Zab Mendez and second by Ms. Faye Ward.

Action: The FY15 Family Support Waiver Supplemental Services Contract #44100-907-0000067203 Amendment #01 was approved on unanimous vote of motion by Ms. Cindy Cochran and second by Mr. Bill Fann.

9. RATIFICATION OF SHELTER PLUS CARE GRANTS

Action: The SFY 2017 Emergency Solutions Grant, Shelter Plus Care Support Services, and Housing Opportunities for Persons with AIDS (HOPWA) Programs Agreement was approved on unanimous vote of motion by Mr. Bill Fann and second by Ms. Faye Ward.

10. CEO REPORT

Chief Executive Officer (CEO) Melanie Dallas presented the following highlights from the CEO report included in the information packet:

- Mr. Walt Leitch, Director of Reimbursement, and Ms. Rosie Mansour, Director of Utilization Management had been instrumental in the success of Highland Rivers Health regarding the fee for service implementation. They are experts and professionals in their respective fields. Other CSBs had sought them out for technical support. Ms. Dallas stated that she would like to recognize them at the next Governing Board meeting for their hard work.
- Fee for service had been better for the agency than other CSBs. This could be attributed to the constant review of billed and collected revenue. NoGAP had been working together and sharing information in order to ensure that system issues were brought to the attention of DBHDD.
- On July 19th, DBHDD toured some areas of the agency and spoke with the Leadership Team. It was a great experience. Ms. Dallas saw Commissioner Frank Berry at another function and he stated that it was his understanding that his team had a great visit at Highland Rivers Health. Ms. Bonnie Moore stated that it would be good if Board members could be present during the tours of the facilities by outside entities. Ms. Dallas stated that she would ensure that Board members were notified in the future. She explained that the agency did not have advance notice of the DBHDD tour.
- Phoenix Center, a CSB in Warner Robbins, had asked Highland Rivers Health for some technical assistance. The Center had not billed Medicaid since October 1st, 2015. Also, they had a new EHR system and had lost several of their billing department staff. Highland Rivers

Health had assembled a team and had been helping them to get claims going. An invoice had been sent to DBHDD for the costs of helping Phoenix Center.

- Ms. Dallas will be the business chair for the NAMI Walk. She stated that she was looking forward to it and that Highland Rivers Health would once again be a sponsor for the event. The event will be held on October 1st. Ms. Jean Smiled stated it was wonderful for Highland Rivers Health to be able to a part of this important event. Ms. Bonnie Moore stated that the monies raised from the event would be paid out in mini-grants to organizations that help those suffering from the effects of mental illness.
- Redmond Regional Medical Center and Highland Rivers Health will be working together on a project to help individuals who are in a crisis and present at the emergency room. Ms. Dallas and Chief Administrative Officer, Rich Gonzalez, had met with DBHDD & Senator Chuck Hufstetler to discuss the project and the possibility of DBHDD's help with the project. DBHDD was happy to consider the project and the possibility of working with the partners.
- Healthcare Staffing (HCS) is being bought again. The purchase is being made by a group of New York bankers. HCS has asked for a new contract with a 1% increase in the administrative fee. The contract is in review. Our agency will be proposing performance measures for HCS to meet or there will be a decrease in the rate that is charged. The agency is evaluating the advantages to the use of an outsource company since the costs of staffing are a pass through in the DBHDD contract. Chair Allen Wigington stated that this development would give the agency impetus to look at the current benefits program for Highland Rivers Health and become more progressive. It might be worth looking at again. Ms. Dallas stated that an analysis could be brought to the next Governing Board meeting. Mr. Gonzalez and Ms. Erica Collins, Human Resources Director, would be evaluating the costs if a shift was made in staffing. Mr. Wigington asked that the analysis be brought to the Finance Committee for review.
- Highland Rivers Health had been working to partner with primary care providers in the catchment area. Some providers included Bartow Health Access and Good Samaritan (Jasper). These partnerships would allow for the treatment of the whole person and lead to a better quality of life.
- Ms. Dallas had met with Mr. Billy Hayes, CEO, of Northside Hospital to discuss partnering to provide a more effective system for individuals who were in crisis. She also met with Ms. Mary Ghourley at Piedmont to discuss partnerships.

Action: Board members will be notified when there is a tour of Highland Rivers Health facilities scheduled by an outside entity.

Action: An analysis will be brought to the Finance Committee on the costs of a more progressive benefits program and the costs of removing the staffing company.

11. COMMUNITY RELATIONS REPORT

Community Relations Director, Mr. Mike Mullet, gave a summary of community outreach activities since the last Governing Board meeting. He stated that a press release had been sent to all area newspapers concerning the election of officers for fiscal year 2017. An article was published in the Cherokee Tribune on Chantel Adams. All clips were sent to DBHDD and to the Georgia Association of Community Service Boards for further distribution. Mr. Mullet and Ms. Debbie Strotz, Chief Operating Officer, will be doing a radio interview for recovery month in the next few weeks. Ms. Dallas stated that the media outreach was part of sustainability and partnership opportunities.

Mr. Mullet stated that new brochures had been completed for all the clinics that were uniform. He has also worked with agency programs to compose flyers and other collateral. He asked the members to let him know if they were in need of any materials or if they had any suggestions. Ms. Bonnie Moore thanked Mr. Mullet for attending functions for the agency. Mr. Bill Fann stated that other staff members were also doing a great job of promoting the agency and attending meetings in the community.

Action: No action required.

12. COMPLIANCE COMMITTEE REPORT

Chair Allen Wigington informed the members that the Corporate Compliance Committee had a quick meeting. He stated that the Compliance Committee recommended the adoption of the Governing Board operational policies and procedures. The policies and procedures would be sent out via email to all members for review. The members would vote at the next Board meeting. The policies and procedures were required for the Commission on Accreditation of Rehabilitation Facilities (CARF) accreditation. The fiscal year 2016 Corporate Compliance and Risk Management Report would also be sent out to members for review and for vote in the next meeting.

Action: The Executive Secretary will send out the policies, procedures, and report to all members for review.

13. STRATEGIC PLAN UPDATE

Chief Administrative Officer, Rich Gonzalez, explained that the updates for the strategic plan would be placed in the packet periodically in order for members to see the progress towards the agency's goals. There were two changes to the strategic plan since the previous submission to the Board. These were 1) risk categories had been added to tie into the risk management plan and 2) some of the goals had been reassigned to a new member of the team. Progress would continue to be provided to the members as the year progressed.

Action: No action required.

14. RECOGNITION OF VISITORS

There were no visitors present.

Action: No action required.

13. PUBLIC COMMENT

Chief Executive Officer, Ms. Melanie Dallas, reminded the members that a Board Retreat was being scheduled for the second week in October. The proposed site would be in Blue Ridge. The Retreat would kick off with a legislative reception and would include two days of strategic planning and education. This would be an opportunity for the Board and the Executive Team to work closely together.

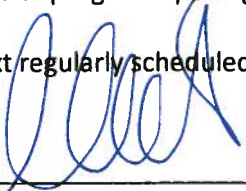
Ms. Bonnie Moore asked if new members had been found for the vacant Board positions. Chair Allen Wigington stated that there was a very good prospect for Murray County. Ms. Dallas stated that she was working with the Paulding County Board of Commissioners to find a replacement for the position vacated by Ms. Nancy Wood.

14. ADJOURNMENT

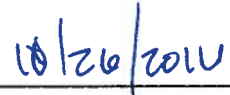
With no further discussion, the meeting was adjourned on unanimous vote of motion by Ms. Chantel Adams and second by Ms. Faye Ward.

Ms. Taryn Spates, Child and Adolescent Program Manager, gave a lunch presentation on the new Home Again Program in Gordon County. She explained the purpose of the program and the plans for getting referrals for new children to serve. She stated that the community was very happy to see this type of program opening in their county.

The next regularly scheduled meeting will be held on October 26, 2016.



Allen Wigington, Governing Board Chair



Date