

HIGHLAND RIVERS HEALTH
GOVERNING BOARD OF DIRECTORS MEETING
June 22, 2016
Highland Rivers Health – Gilmer Recovery Center
1179 Progress Road, Ellijay, GA, 30540

MINUTES

Members Present: Chantel Adams, Bonnie Moore, Jean Smilie, Carol Franklin, Bill Fann, Zab Mendez, Faye Ward
CEO Melanie Dallas

Members Absent: Lori Rakes, Donna Whitener, Garry Fricks, Cindy Cochran, Allen Wigington, Jonathan Blackmon

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

Legal Counsel: Jim Catanzaro

1. CALL TO ORDER

Vice Chair Chantel Adams called the meeting to order at 10:45 a.m.

2. APPROVAL OF AGENDA

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

3. APPROVAL OF APRIL 27, 2016, MINUTES

Minutes were approved as presented on unanimous vote of motion by Ms. Carol Franklin and second by Mr. Bill Fann.

4. EXECUTIVE SESSION

On unanimous vote of motion by Ms. Jean Smilie and second by Ms. Carol Franklin, 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 and to discuss the future acquisition of real estate.

5. RECONVENTION OF REGULAR SESSION

Action: No action required.

6. APPOINTMENT OF FY17 OFFICERS

Vice Chair Chantel Adams read the slate of nominees and asked if there were any nominations from the floor. The slate of nominees was as follows:

Board Chair – Allen Wigington-(There were no nominations from the floor.)

Vice Chair – Chantel Adams-(There were no nominations from the floor.)

Secretary – Cindy Cochran-(There were no nominations from the floor.)

Treasurer – Jonathan Blackmon-(There were no nominations from the floor.)

Ms. Carol Franklin stated that she and Ms. Bonnie Moore were asked to sit on the nominating committee. She and Ms. Moore agreed that, due to there being so many changes with the Board, it would be best to keep the same Chair and Vice Chair to keep the Board as stable as possible.

Action: Without objection, the proposed slate for FY17 Officers was approved on unanimous vote of motion by Ms. Carol Franklin and second by Mr. Bill Fann.

7. APPROVAL OF FY17 BOARD MEETING SCHEDULE

Vice Chair Chantel Adams stated that she had enjoyed traveling to different sites for the meetings. She reminded the members that the meetings are held on the fourth Wednesday of the scheduled month. The only exception is December due to the holidays occurring at that time. She asked the members to review the proposed schedule on page #8 in the Board packet. Ms. Bonnie Moore asked if there would be a meeting in Floyd County. CEO Melanie Dallas stated that the meeting in Floyd County was scheduled for June 28, 2017, at the Substance Abuse Clubhouse. Vice Chair Chantel Adams asked if the February 22, 2017, meeting in Cherokee County could be moved to a different date. CEO Melanie Dallas stated that the meeting could be moved and a revised schedule would be sent to all members.

Action: On unanimous vote of motion by Mr. Zab Mendez and second by Ms. Carol Franklin, the proposed FY17 schedule was approved with the requested change.

8. FINANCE COMMITTEE REPORT

Vice Chair Chantel Adams stated that Mr. Rich Gonzalez, Chief Administrative Officer, had reviewed the May financial numbers with the committee. The "Balance Sheet" had not changed much for the month of May 2016. She reminded the members that the new Georgia Senate Bill 68 required that "Net Pension", "Deferred Outflows", and "Deferred Inflows" be placed in the books. The "Fixed Assets" increase was due to the acquisition of the five properties from the Resource Council.

Ms. Adams directed the members to the key performance indicators (KPIs). She stated that the agency was still meeting KPIs number two and four. The agency was still not meeting KPIs number one and three. She stated that the agency had a plan to improve the amount of cash on hand. The plan included improving productivity, adding new services, and diversifying the payor mix.

Ms. Adams directed the members to page 11 of the Board Packet. She stated that the finance committee had discussed the variances on several categories. The "DD-Support Services" variance could be attributed to the acquisition of the contract for those services after the final budget was approved. Some of the other variances could be attributed to the learning curve for Mr. Gonzalez. Ms. Carol Franklin asked about the large variance for vehicle purchases. Mr. Gonzalez stated the variance was due to the agency leasing more new vehicles to replace the aging fleet. This change would also reduce the mileage reimbursement amounts in the future.

Ms. Adams directed the members to page 12 in the Board Packet. She stated that the year to date net loss was \$21,748. Mr. Gonzalez stated that this was statistically a break even as it was .05% of revenue. The agency had proposed an aggressive budget for fiscal year 2016. The revenue was up but was less than budgeted. CEO Melanie Dallas reminded the members that the budget was

forecasted in 2 months last fiscal year due to the departure of the previous Chief Financial Officer. She stated that Mr. Gonzalez had completed the budget in the short time frame with no behavioral health experience. Ms. Adams gave kudos to Mr. Gonzalez for his performance on the fiscal year 2016 budget.

The members reviewed the graphs on pages 13 of the Board Packet. Ms. Adams stated that the graphs showed the 18 month trend. The dip in the middle was due to contracts not being issued by the state in a timely manner. The spike in the graphs was due to the two advances given to the agency by DBHDD in error. The March 2016 numbers reflected the five Medicaid payments received in that month. The dip for April 2016 reflected the three HCS payrolls for the month.

Action: No action required.

9. FY17 PRELIMINARY BUDGET

CEO Melanie Dallas began the discussion by explaining to the members that the budget presented at the meeting was a preliminary budget. The budget was preliminary due to the contracts not being received from DBHDD at that time and due to a worker's compensation amendment that would be sent in the next month by DBHDD. The budget included a productivity challenge to bring productivity up to 85%. The employee scorecards would be helpful in increasing productivity. The budget included a 3% increase for Highland Rivers Health payroll and 6% increase in Healthcare Staffing payroll. The increase was based on the number of open positions. It also included the Fair Labor Standards Act changes that would come into effect on December 1, 2016.

Mr. Rich Gonzalez stated that the preliminary budget was more than the fiscal year 2016 budget. The budget included the fee for service numbers which were based on current productivity. The increase in expenses included the personnel costs discussed by CEO Melanie Dallas. The expense categories included:

- An increase in computer software.
- An increase in building maintenance in order to keep up with repairs.
- An increase in public relations to get the word out about our services.
- An increase in professional fees.
- A decrease in office supplies.
- A decrease in telecommunications and data communications.
- A decrease in vendor costs (pest, janitorial, etc.).

Ms. Carol Franklin stated that with fee for service it would be a year of not quite knowing what the budget might look like for fiscal year 2017. CEO Melanie Dallas stated that the preliminary budget had been built on the number of encounters for fiscal year 2016. Mr. Gonzalez stated that the agency would bill DBHDD on a weekly basis for payment. However, there had been no indication of how long it would take DBHDD to send the payment for services rendered. Ms. Bonnie Moore asked if the time frame might be 60-90 days. Ms. Stephanie Collum stated that she did not believe the time period for payment would be as long as 60-days. She stated that Medicaid payments were received within a week of transmittal of the encounters. Mr. Gonzalez stated that he was hopeful that the payments would work the same for fee for service.

Action: The budget presented in the meeting was a preliminary budget. Therefore, no vote was required.

10. RATIFICATION OF DBHDD CONTRACTS

Action: The FY16 Adolescent AD Gambling Services Amendment #01 for Contract #44100-906-0000070654 was approved on unanimous vote of motion by Ms. Carol Franklin and second by Ms. Chantel Adams.

Action: The FY15 Mental Health Court Contract #44100-026-0000066221 Amendment #01 was approved on unanimous vote of motion by Ms. Carol Franklin and second by Ms. Bonnie Moore.

11. CEO REPORT

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

- Ms. Dallas and Chair Allen Wigington attended the Georgia Association of Community Service Board's retreat. The Association was looking at approving revised bylaws. Due to questions asked by Mr. Wigington, the bylaws were taken back for further revisions.
- Highland Rivers Health had invested in the utilization management department in order to be able work claims and ensure payment of claims. The agency had 6 positions in the UM department.
- There had been two CSBs who had reached out to the agency for help with the fee for service conversion. The CSBs were Aspire Behavioral Health and the Phoenix Center.
- The Administrative Services Organization (ASO) for DBHDD conducted a technical audit of the agency during the week of May 16-20, 2016. Ms. Dallas stated that all things considered the agency did quite well. The ASO brought a team of individuals and reviewed all services. The experience was hugely collaborative. The team gave suggestions in a strengths based manner. The team also gave staff member's resources to use to improve services. It felt like a partnership.
- GA State University would be the evaluators for the new Home Again Programs. They would be looking at how the programs were run and would be helping with engagement in the community.
- Ms. Dallas was working with Mr. Todd Shiflett, Executive Director of Bartow Health Access (BHA), concerning the possibility of partnering with BHA to provide integrated care to the individuals served by Highland Rivers Health. The peer program would move to this new location. There will be a meeting next week with Bartow Health Access to discuss the topic in more depth.
- DBHDD will be meeting soon concerning the Redmond Regional Medical Center certificate of need (CON). Highland Rivers Health is still working with Redmond Regional Medical Center concerning a partnership for emergency behavioral health services. The goal would be to create diversion and get individuals into other programs such as outpatient services.
- DBHDD is looking at the Developmental Disabilities Crisis Unit proposal Highland Rivers Health submitted for Cedartown. The proposal may not be approved if DBHDD wants to put the unit in a metro area. More information will be communicated once it is received on this subject.
- Ms. Dallas and Mr. Mike Mullet, Community Relations Director, will be meeting with Senator Chuck Hufstetler to discuss economic expansion. The Georgia Chamber of Commerce had sent the Governor information on economic development and the changes that needed to be made that involve economic expansion. Ms. Dallas, Mr. Mullet, and Senator Hufstetler will be discussing the changes in more depth.

- Ms. Dallas stated that the Summary of Accomplishments beginning on page 18 of the Board Packet was very impressive. She was absolutely amazed. She gave credit to the Executive and Leadership Teams for their hard work. Ms. Chantel Adams asked Ms. Dallas which accomplishment made her the proudest. Ms. Dallas stated it was getting a Home Again Program for Rome. She stated that from an agency standpoint it was the fact that the organizational culture had improved. Ms. Adams stated she was most impressed by how staff are consumer/strength-based and rally around and work together to help others. Ms. Bonnie Moore stated that she was impressed with the vision of the agency and how the vision is being implemented. Ms. Carol Franklin suggested that a letter be sent to the staff congratulating them on the things they accomplished in fiscal year 2016.
- Ms. Dallas directed the members to page 57 in the Board Packet. She stated that it had been proposed that there be a board retreat in the fall of 2016. The retreat would be held in Fannin County at the same hotel as the last retreat. The plan would be to kick off the retreat with a legislative reception with the Speaker of the House and DBHDD Commissioner Frank Berry as speakers. The proposed location for the reception would be Harvest on Main. The goal of the retreat would be to educate the members on aspects of the business and the responsibilities of being a member.

Action: No action required.

12. COMMUNITY RELATIONS REPORT

CEO Melanie Dallas stated that the community relations report would be a standing item on the agenda in future meetings. The report outlined the community outreach projects undertaken by Mr. Mike Mullet, Community Relations Director. Ms. Dallas stated that Mr. Mullet would be presenting on the report in the next board meeting.

Action: No action required.

13. COMPLIANCE COMMITTEE REPORT

Ms. Stephanie Collum informed the members that there was not a quorum for the Corporate Compliance Committee. The committee discussed the items that needed to be in place for accreditation of the board by the Commission on Accreditation of Rehabilitation Facilities (CARF). CEO Melanie Dallas stated that Ms. Collum's team worked very hard to ensure the agency was in compliance. Ms. Dallas stated that Ms. Collum had a high regard, respect, and understanding for those served by Highland Rivers Health. Ms. Chantel Adams stated that she noticed in the audit report from the Administrative Services Organization (ASO) that compliance was fixing issues as they were being identified. Ms. Carol Franklin stated that the best thing the agency had done was to appoint Ms. Collum as the Chief Compliance Officer

Action: No action required.

14. RECOGNITION OF VISITORS

CEO Melanie Dallas introduced Mr. Lee Johnson to the board. Mr. Johnson formerly worked for DBHDD as a counterpart to Mr. Charles Fetner. He retired in March and currently resides in Gilmer County. Ms. Dallas stated that Mr. Johnson had worked in and knew the system. Mr. Johnson stated that he was happy to be in the meeting and to hear what was happening with the agency.

Action: No action required.

13. PUBLIC COMMENT

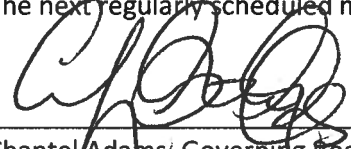
Ms. Jean Smilie stated that she was very happy that the members were able to see the wonderful things that had been happening in Gilmer County. She stated that the food pantry for Gilmer County had lost the land they had been using for a community garden. She stated that the land with the Gilmer Recovery Center had been used to help the community plant a new garden. The master gardener club, UGA collaborative, and peer program had worked very hard to plant a garden that was beginning to produce lettuce and squash. She praised the following people for their help with garden:

- Mr. Mike Mullet, Community Relations Director, for the article in the Times Courier about the garden.
- Sharon and Don Smith, leaders for the community garden.
- Joyce Wiley and George Shafer for tilling and getting the plot ready.
- Beth Vice, Steve Byess, and Peggy Scoggins for working so hard to plant the garden.

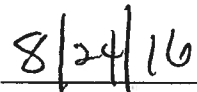
14. ADJOURNMENT

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

The next regularly scheduled meeting will be held on August 24, 2016.



 Chantel Adams, Governing Board Vice Chair



 Date