

HIGHLAND RIVERS HEALTH
GOVERNING BOARD OF DIRECTORS MEETING
August 23, 2017
Reaching Our Community (ROC) Clubhouse
1 Goodyear Avenue, Cartersville, GA, 30120

MINUTES

Members Present: Chantel Adams, Bonnie Moore, Cindy Cochran, Faye Ward, Gale Buckner, Todd Vande Zande, Jonathan Blackmon, Bill Fann
CEO Melanie Dallas

Members Absent: Lori Rakes, Donna Whitener, Larry Maxey, Jean Smilie, Allen Wigington, Zab Mendez

Staff Present: Rich Gonzalez, Stephanie Collum, Candice Baldwin, Melissa Stone, Erica Collins, Debbie Strotz, Laura Citron, Dr. Kelly Trusheim, Dena Payne, Mike Mullet

1. CALL TO ORDER

Chair Chantel Adams called the meeting to order at 10:35 a.m.

2. APPROVAL OF AGENDA

The agenda was approved as presented with no opposition.

3. APPROVAL OF JUNE 28, 2017, MINUTES

Minutes were approved as presented on unanimous vote of motion by Mr. Bill Fann and Mr. Jonathan Blackmon.

4. EXECUTIVE SESSION

On unanimous vote of motion by Mr. Jonathan Blackmon and second by Mr. Bill Fann, 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 or deliberate upon the appointment, employment, compensation, hiring, disciplinary action or dismissal, or performance of an employee.

5. RECONVENTION OF REGULAR SESSION

Action: No action required.

6. APPOINTMENT OF POLICY REVIEW WORKGROUP

Chair Chantel Adams explained to the members that the board policies were due to review. She asked for volunteers to review the policies and report back to her with any revisions. Mr. Todd Vande Zande, Treasurer Jonathan Blackmon, and Secretary Cindy Cochran volunteered to review the policies.

Action: Mr. Todd Vande Zande, Treasurer Jonathan Blackmon, and Secretary Cindy Cochran agreed to review the board policies.

7. APPROVAL OF CONTRACTS RESOLUTION

Chair Chantel Adams directed the members to page 8 in the board packet. She explained that the contract resolution gave the Chief Executive Officer responsibility and authority to accept and execute contracts and/or contract amendments that were necessary to maintain proper funding. The contracts and/or amendments would be reviewed and ratified by the board in the next meeting following receipt of the contracts and/or contract amendments.

Action: The resolution was approved on unanimous vote of motion by Treasurer Jonathan Blackmon and second by Vice Chair Bill Fann.

8. RATIFICATION OF DBHDD CONTRACTS

Action: The FY17 Systemic Changes Contract #44100-907-0000067436 Amendment #02 was approved on unanimous vote of motion by Vice Chair Bill Fann and second by Ms. Faye Ward.

Action: The FY18 Core Services Contract #44100-261-0262018103 was approved on unanimous vote of motion by Ms. Bonnie Moore and second by Secretary Cindy Cochran.

Action: The FY18 Women Treatment & Recovery Supports Contract #44100-261-0262018113 was approved on unanimous vote of motion by Ms. Gale Buckner and second by Mr. Todd Vande Zande.

Action: The FY18 Intensive Case Management Contract #44100-026-0000096753 was approved on unanimous vote of motion by Treasurer Jonathan Blackmon and second by Vice Chair Bill Fann.

Action: The FY17 Family Support Waiver Supplemental Services Contract #44100-907-0000067203 Amendment #02 was approved on unanimous vote of motion by Ms. Gale Buckner and second by Mr. Todd Vande Zande.

9. APPROVAL OF FY18 PRELIMINARY BUDGET

Chief Administrative Officer Rich Gonzalez began by informing the members that the Department of Behavioral Health and Developmental Disabilities (DBHDD) had not sent all the necessary contracts to Highland Rivers Health (HRH) as of the date of the meeting. There were still contracts that were needed in order to be able to finalize the budget. He stated that once the contracts were received the revenue amounts would change. Chair Chantel Adams asked if there was any indication of when the outstanding contracts would be received from DBHDD. Mr. Gonzalez stated that it was unknown how long it would take to get the contracts. The members agreed that HRH would operate under the preliminary budget until such time as all final contract numbers were received from DBHDD.

Action: The use of the FY18 Preliminary Budget as an interim budget until such time as the final contract numbers were received was approved on unanimous vote of motion by Ms. Faye Ward and second by Ms. Bonnie Moore.

10. FINANCE COMMITTEE REPORT

Vice Chair Chantel Adams directed the members to page 12 in their packets. She began by stating that the total assets were \$7,673,319 as of June 2017. The cash and equivalents were higher in June 2016 due to the Department of Behavioral Health and Developmental Disabilities (DBHDD) recouping the fiscal year 2017 advance sooner than the last year. The total liabilities were \$6,705,280. The total net assets were \$968,039.

Ms. Adams explained that Key Performance Indicator (KPI) number four had been reported incorrectly in the past. She asked Chief Administrative Officer Rich Gonzalez to explain the error in more detail. Mr. Gonzalez stated that, after research, it was found that the wrong asset line on the balance sheet had been used for the equation in the past. He had been assured by the previous Chief Financial Officer that the total assets were to be used in the equation. However, after discussion with DBHDD and other Community Service Boards it was found that the total net assets were the correct information to be used in the equation. The changes meant that the KPI was no longer met. The pension liability was an item that really affected the KPI. He stated that DBHDD was aware of the fact. He stated that part of the sustainability plan was to find ways to positively change the KPIs that were not met.

Ms. Adams directed the members to pages 13 and 14 of the packet. The statement of revenue and expenses for the month of June 2017 showed a net loss of \$58,725. The statement of revenue and expenses for fiscal year 2017 through June 2017 showed a net profit of \$333,651 for the year.

Ms. Adams asked the members to turn to pages 15 and 16 of the packet. The prior 12 month net income graph showed that the last three months of fiscal year 2017 were in red. The dip in April 2017 could be attributed to the Medicare payback for telehealth services. She reminded the members that the 4th quarter was always bad for the agency. The HRH fee for service revenue vs. 1/12 funding graph showed a decrease in collected and revenue amounts. This was due to the agency hitting the caps for fee for service. DBHDD was addressing the caps and would be processing a payment for the amount over the cap.

Ms. Adams stated that there was just one month of data for review for the new fiscal year. The total revenue for year to date through July 2017 was \$4,069,907. This was \$201,984 less revenue than the same period in 2016. She explained that this was due to 2016 being the first month of fee for service. The revenue was processed but there were no adjustments processed for the month. This made July 2016 revenue be overstated. The total expenses were \$4,148,559. There was a net loss of \$78,652. She explained that people costs were 60% of the total expenses. People costs had went up due to the addition of new programs. She also explained that the agency was working to reduce write offs (bad debt).

Action: No action required.

11. CEO REPORT

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

- The staff appreciation day was being planned by the agency. The event would be held on October 9th at Taylor Farms in Cartersville. The event would include food, fun, and activities. She invited the members to attend.
- The Georgia Association of Community Service Board's Educational Exchange was planned for October 22-24, 2017. The event would be held at Chateau Elan in Braselton, GA. She asked any members who were interested in attending to contact Ms. Melissa Stone.
- The Paulding Advancement Community Team (PACT) would be meeting on September 6th. The team would be comprised of members of the community. An email invitation had been sent out with support from the County Commission Chairman and the County Sheriff. She

stated that she would like for similar meetings to be held in other counties if the meeting in Paulding County went well.

- Ms. Dallas and Ms. Dena Payne, Director of Intellectual/Developmental Disabilities, had met with the Department of Community Health and the Department of Behavioral Health and Developmental Disabilities concerning autism services. It looked like Community Service Boards would be a very central figure in treatment.
- The agency was still in negotiations with Hamilton Medical Center for assessment services. The partnership with Redmond Regional Medical Center was going very well. The Emergency Room Director at Redmond Regional Medical Center was very pleased with the services in their emergency room.
- The Commission on Accreditation of Rehabilitation Facilities (CARF) had conducted a survey of the agency. Ms. Dallas stated that there were eight surveyors from CARF. A surveyor had made a comment about Highland Rivers Health not meeting a standard. Chief Compliance Officer (CCO) Stephanie Collum challenged the surveyor and the surveyor changed the standard to a met. Ms. Dallas stated this spoke to who the agency had as a CCO. She stated that it took a leader like Ms. Collum to take the agency to the next level. She presented Ms. Collum with a gift card as a token of the agency's appreciation. She stated that all the surveyors were very complimentary of the staff and said the staff members were very open, nice, and transparent.

Ms. Dallas asked the members to turn to page 23 of the board packet. She stated that there was a meeting with a team from DBHDD, members of Highland Rivers Health's (HRH) executive team, Chair Chantel Adams, and Immediate past Chair Allen Wigington to discuss sustainability based on the designation of HRH as "red" on the risk assessment map. As a product of the meeting, HRH was asked to provide a sustainability plan to the team from DBHDD. She stated that the plan was included in the packets for the member's review. She gave the following highlights from the plan:

- The bar chart on page 25 showed the net position of the agency over the years. The last three years (FY15-FY17) showed that the agency was in recovery.
- The bar chart on page 26 showed the trend in population growth for the HRH service area. The graph of Georgia showed that the HRH service area would have more growth than Metro Atlanta in the coming years.
- The mental health percentage contract achieved bar chart on page 27 showed that HRH had consistently overachieved on the mental health contract numbers.
- The prevalence factors showed that HRH was not touching the need in the agency's area. There were 41,657 adults with mental illness who were not insured in the service area. The agency had only served 14,000 people in 2016. The information had been discussed with DBHDD. She stated that HRH was at capacity in most clinics. The agency was working on a plan for extended hours to help with the number of individuals who needed services.
- The graph on page 28 represented the historical revenue by funding sources. The anomaly during 2002-2003 was due to the merger. The increase in funding beginning in 2014 was due to special programs not stable outpatient funding.
- The table on page 29 showed that HRH had ramped up and very quickly took on fee for service. This was due to a lot of work that was taken care of before the change to fee for service.
- The tables on pages 30 and 31 addressed productivity numbers. She stated that the current productivity had been run for each clinic. It was clear that some clinics could do better to reach the target. It was projected that there would be a \$2.8 million dollar loss on

productivity. The blue portion of the table showed that HRH would still have a loss of \$1.8 million if the target of 100% productivity was met in every outpatient clinic. The clinics would have to be at 124% productivity in order to be profitable. She stated that at 124% there would be high staff burnout rates, no allotted time for vacations, and no allotted time for required trainings. This was not doable or sustainable. Ms. Dallas had spoken with Mr. Jeff Minor, Deputy Commissioner of DBHDD, about the concerns on each program standing alone in the future. They had discussed the factors that impacted profitability for the outpatient clinics and other services. Ms. Dallas had asked Mr. Mike Mullet, Community Relations Director, to work on a legislative agenda outlining the challenges and needs including prevalence factors.

- The remaining pages of the document outlined the sustainability plan deliverables.

Ms. Bonnie Moore stated that the document was a great tool to be used to make a point. She asked if she could receive a copy to take with her when she met with her legislator. Ms. Dallas stated that she would ensure that Ms. Moore got a copy to take with her to her meeting.

Action: Ms. Melanie Dallas will ensure Ms. Bonnie Moore receives a clean copy of the sustainability plan.

12. COMMUNITY RELATIONS REPORT

Community Relations Director Mike Mullet began by stating that he was thankful for Chair Chantel Adams and Ms. Jean Smilie attending the Gilmer Home Again Program ribbon cutting. He stated that the event was well attended and a success. He reported that he continued to send articles to the local newspapers and stakeholders. He stated that DBHDD had taken notice of the information that was being sent out to the community.

Action: No action required.

13. COMPLIANCE COMMITTEE REPORT

Chief Compliance Officer Stephanie Collum stated that the committee had reviewed the results of the board self-assessments. The committee had discussed that the assessments contained good information on how the board was functioning and what changes might need to be made. The assessments also were a requirement of the accreditation body. The preliminary results of the Commission on Accreditation of Rehabilitation Facilities (CARF) survey were discussed by the members in the committee meeting. Per the preliminary results, the board would be accredited.

Chair Chantel Adams informed all members that a new job description had been crafted for board members. The job description would be given out to new members, sent out to County Commissioners when requesting a vacancy to be filled or reappointment of a member, and sent to existing members periodically as a refresher. She asked that Executive Secretary, Ms. Melissa Stone, forward the job description to all members.

Action: Ms. Melissa Stone will send the job description to all members as requested by the Chair.

14. STRATEGIC PLAN

Chief Administrative Officer Rich Gonzalez informed the members that the strategic plan had been revised in order to make it more readable and user friendly. The old document had a lot of information packed into it and was becoming unmanageable. A new process had been created to evaluate projects, weigh them, and decide on them. The executive and leadership teams had discussed and decided that the new process was a better way to handle projects. He stated that a new Operations Support Director had been hired who was well versed in project management and would help with the document.

Action: No action required.

15. RECOGNITION OF VISITORS

There were no visitors.

Action: No action required.

16. PUBLIC COMMENT

Vice Chair Bill Fann stated that he was very impressed by the preliminary results of the accreditation survey that was performed by the Commission on Accreditation of Rehabilitation Facilities (CARF). The comments made by the surveyors were outstanding. There were many areas with no recommendations. The auditors were very complimentary of the staff. He stated that he wanted to thank Chief Compliance Officer Stephanie Collum for her hard work and wonderful organizational skills.

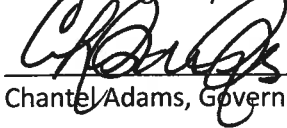
Treasurer Jonathan Blackmon stated that he was very impressed with the participation of Highland Rivers Health individuals in the Special Olympics. He said the athletes were very impressive. Chief Executive Officer Melanie Dallas stated that she was in awe of the way the residents of Polk County had supported the team. She stated that the Commission on Accreditation of Rehabilitation Facilities (CARF) was also very complimentary of how Polk County supported the individuals Highland Rivers Health served. Director of Intellectual/Developmental Disabilities informed the members that the police department and residents had come out and sent off the buses with signs and cheering. The individuals felt like celebrities.

Ms. Bonnie Moore informed the members that the National Alliance on Mental Illness (NAMI) was gearing up for the annual NAMI Walk on November 4th. The walk was to promote awareness. She thanked Highland Rivers Health for being a supporter. She stated that NAMI had been giving out mini-grants. Highland Rivers Health had received some of the grant monies. She stated that she was a walker for the event and invited anyone who wanted to support her to go to her website.

17. ADJOURNMENT

With no further discussion, the meeting was adjourned with no opposition.

The next regularly scheduled meeting will be held on October 25, 2017.



Chantel Adams, Governing Board Chair

10/25/2017
Date