



BOARD OF DIRECTORS Minutes

Meeting Date: March 27, 2012 at Mount Olive Civic Center in Mount Olive, North Carolina

Members: (noted **PRESENT** with an "X" mark)

- | | |
|--|--|
| <input checked="" type="checkbox"/> - Lee Smith, Committee Chair (Wayne County) | <input type="checkbox"/> - Rita Hodges (Lenoir County) |
| <input checked="" type="checkbox"/> - J. W. Simmons, Vice-Chair (Sampson County) | <input checked="" type="checkbox"/> - Rebecca Judge (Duplin County) |
| <input checked="" type="checkbox"/> - Dr. John Fisher (Wayne County) | <input type="checkbox"/> - Floyd McCullouch, (Wayne County) |
| <input checked="" type="checkbox"/> - Zettie Williams (Duplin County) | <input checked="" type="checkbox"/> - Albert Kirby, Jr. (Sampson County) |
| <input checked="" type="checkbox"/> - John Bell (Wayne County) | <input type="checkbox"/> - Emily Moore (Lenoir County) |
| <input type="checkbox"/> - Tom Fleetwood (Wayne County) | <input checked="" type="checkbox"/> - Anne Turner (Wayne County) |
| <input checked="" type="checkbox"/> - David Sanderson (Duplin County) | <input checked="" type="checkbox"/> - Wanda Boyette (Sampson County) |
| <input type="checkbox"/> - Eric Rouse (Lenoir County) | |

Staff/Others:

- | | |
|---|---|
| <input checked="" type="checkbox"/> - Ken Jones, Director and Chief Executive Officer | <input checked="" type="checkbox"/> - Dr. Bryan Spader, Medical Director |
| <input checked="" type="checkbox"/> - Bob Canupp, Chief Financial Officer | <input type="checkbox"/> - Anna North, DMA Contract Manager |
| <input type="checkbox"/> - Becky Cale, Provider Relations Director | <input checked="" type="checkbox"/> - Nancy Moore, CFAC Chair |
| <input checked="" type="checkbox"/> - Venessia Hill, Ombudsman & CFAC Liaison | <input checked="" type="checkbox"/> - Jose Coker, Board Attorney |
| <input type="checkbox"/> - Dr. Susan Corriher, Clinical Director | <input checked="" type="checkbox"/> - Connie W. Price, Adm. Asst./Minutes Clerk |
| <input checked="" type="checkbox"/> - Jonathan Charleston, Board Attorney | |

Guests: Ann Taylor, BHM Human Resources Consultant
Steve Keen, Wayne County Commissioner

▪ **Agenda Items Presented:**

1. Approval of Minutes
2. Director's Report
3. Business Office Report
4. Policy Committee Report
5. Client Rights Committee Report
6. Consumer Family Advisory Committee Report

▪ **CALL TO ORDER & INVOCATION:**

The Eastpointe Board of Directors met in regular session on March 27, 2012 in the James R. Best Conference Room at Mount Olive College in Mount Olive, North Carolina. Chairman Lee Smith called the meeting to order at 6:05 p.m., and welcomed the Board members, staff, and guests to the meeting. He also introduced Steve Keen, a member of the Wayne County Board of Commissioners. There were ten Board members present at the March meeting. Tom Fleetwood, Floyd McCullouch and Emily Moore were absent due to illness. Rita Hodges and Eric Rouse were absent due to prior commitments. J. W. Simmons delivered the invocation.

▪ **COMMUNITY INPUT:**

There was no community input for the month of March.

▪ **APPROVAL OF MINUTES:**

The Minutes of the February 28, 2012 Board meeting (Attachment 1) were presented for approval. No corrections were noted.

Zettie Williams made a motion to approve the February Minutes. Rebecca Judge made a second. The motion carried.

▪ **CHIEF EXECUTIVE OFFICER'S REPORT:**

Ken Jones welcomed everyone to the March meeting, and shared the following information:

- a) ***Mission Statement*** - Eastpointe's Mission Statement was read to the Board which states: "*Eastpointe will work together with individuals, families, providers, and communities to manage and continually improve our behavioral healthcare system to ensure accessibility, accountability, and empowerment of people to achieve valued outcomes.*" Mr. Jones pointed out that the statement will be reworded to some degree to reflect that Eastpointe will focus on managed care and efficiency to ensure that "the right people receive the right service."
- b) ***Merger Committee*** - A joint meeting of the Merger Committee members for Eastpointe, Beacon Center, and Southeastern Regional was held via webinar on March 15, 2012. The Merger Committee reviewed the revised draft Plan of Merger and Agreement. Committee members mentioned additional revisions suggested by both the Southeastern Regional Board and the Beacon Center Board. The Merger Committee also briefly discussed the proposed "Suggested Bylaws" document for the new Local Management Entity/Managed Care Organization (LME/MCO). It was suggested that the document be reviewed and revamped by the Bylaws Sub-Committee, and brought back to the Merger Committee at the April 19th meeting for further review.
- c) ***Merger Agreement*** - The Department of Health and Human Resources (DHHS) notified Eastpointe on March 26th that the State has approved the draft Plan of Merger and Agreement. All three LMEs are required to sign as well as the Chair of each of the twelve Boards of County Commissioners, and the DHHS Secretary. The three LME Directors plan to meet with each of the twelve counties during the month of April to seek approval and signature. Mr. Jones referenced the exhibit pages at the end of the agreement, which include: a revised draft organizational chart depicting approximately 280 staff; information on "after merger" benefits for retired employees of all three LMEs; equipment leases; and any litigation claims against either of the three LMEs.
- d) ***Accreditation*** - Eastpointe's on-site reviews conducted on March 6th and 7th by two representatives from the Utilization Review Accreditation Commission (URAC) went very well. Eastpointe received no citations, and will be awarded a three year "Gold Star Accreditation" in the modules of Health Network, Health Call Center, and Health Utilization Management. URAC Core Standards were also reviewed which include

organizational structure, staff qualifications, training & management of personnel, oversight of delegated programs, quality moment, and consumer protection.

- e) **Medicaid Audit** - On March 27th the Division of Medical Assistance (DMA) conducted an on-site Medicaid utilization review audit. Approximately 50 Eastpointe records were reviewed; however, no significant issues were found and no written report was given. Services reviewed included: Community Support Team, Intensive In-Home, Day Treatment, Psycho-Social Rehab, Community Alternative Program (CAP), Quality Assurance, Due Process Monitoring, and Performance Improvement Projects for Utilization Review & Management.
- f) **Waiver** - In preparation for the Medicaid 1915(b)(c) Waiver implementation set for January 2013, the Mercer Group will conduct an on-site visit to review and determine Eastpointe's "readiness" for the Waiver. The first readiness review is scheduled for October 3, 2012 which is 90 days prior to implementation; and the second readiness review is scheduled for November 16, 2012 which is 45 days prior implementation. Should Eastpointe receive a plan of correction, then Mercer will return within 45 days to see if they are comfortable with Eastpointe starting the Waiver process in January 2013. Mr. Jones indicated that the Call Center functions for both Eastpointe and the Beacon Center will be moved over to Southeastern Regional by late May or early June.
- g) **Employee Benefits** - Management is securing bids/rates for various employee benefit plans for the merged LME staff. Eastpointe is considering options for expansion in some areas which include: dental, term life, and long-term care. Decisions will be based on affordability. Currently all three LMEs offer longevity pay plans; however, tenure dates differ. Employees coming to Eastpointe will be given a year of credit for each year they have been with their respective LME. The Eastpointe employee work week will consist of 40 hours, with non-exempt staff being subject to compensatory pay, but not exempt staff.
- h) **Provider Training & State Meeting** - Eastpointe held a provider training on February 29th at Mount Olive College where over 200 providers were in attendance. This was a basic "Waiver 101" training session, and "How to get into the Provider Network" since all providers will be required to submit applications to be a part of the LME/MCO. The State held a meeting on March 21st in Raleigh to discuss per member per month (PMPM) reimbursement rates for Eastpointe as a Managed Care Organization (MCO). Attendees included Finance Officers, Chief Executive Officers, and Financial Analysts. This meeting will determine what Eastpointe's Medicaid budget will be, and we should know exactly how much funding we will have to support our consumers in the twelve counties. Mr. Jones pointed out that we must be ready to question the Division of Medical Assistance and the Mercer Group on their findings. This will also be a good opportunity to negotiate the rates to make sure we are receiving the amount of funds we need to support our communities.
- i) **State Map** - The Eastpointe 1915(b)(c) Waiver Population Map was displayed which outlines the twelve counties of the new catchment area. Once the merger is complete, Eastpointe's total Medicaid population will be 178,680 or 13% of the State's Medicaid

population. The total Eastpointe geographical population will be 804,027 or 8.45% of the State population.

Mr. Jones commented on the items listed below which were contained in the February Board packets:

- ***Attachment 7-A: “Resolution for Substantial Equivalency with State Personnel Act.”*** Mr. Jones will be meeting with County Commissioners in Duplin, Lenoir, Sampson, and Wayne Counties during the month of April to request their approval and execution of the resolution.
 - ***Attachment 7-B: “URAC Accreditation Certificates.”*** Eastpointe received full accreditation in the areas of Health Network, Health Call Center, and Health Utilization Management. The certificates reflect Eastpointe’s three-year accreditation which is effective beginning April 1, 2012 through April 1, 2015.
 - ***Attachment 7-C: “Involuntary Commitment Handout.”*** Copy of power-point presentation conducted on March 22nd in Goldsboro for representatives from local law enforcement agencies, hospital, judicial system, and crisis providers. The presentation focused on alternatives to involuntary commitments by means of using: Access to Care, Mobile Crisis Teams, Walk-In Clinics, Crisis Intervention Training, and Magistrate Training.
 - ***Attachment 7-D: “N.C. Council Community News Updates.”*** Eastpointe is featured in an article on Page 7 addressing our roles in both the Waiver and Merger activities, as well as pursuing URAC accreditation status.
 - ***Attachment 7-E: “Sharing Hope.”*** Copy of an article appearing in the *Sampson Independent* newspaper where Wanda Boyette was honored for her many contributions to the Sampson Regional Hospital during her 37 year medical career. Ms. Boyette was presented with a miniature bronze sculpture, an exact replica of the larger sculpture which will be permanently stationed at the hospital.
- **BUSINESS OFFICE REPORTS:**
- ***Human Resources*** - Ken Jones gave an update on the "Recruitment and Personnel Actions as of March 21, 2012 Report" (Attachment 3-A). There were no new hirings or resignations during this time period. Eastpointe continues to advertise for Utilization Review Clinicians to serve in the Mental Health/Intellectual Developmental Disability area. The “Waiver Personnel Actions as of March 21, 2012 Report” identifies employee selections to be effective July 1, 2012. Mr. Jones pointed out that the positions listed on the “Waiver Recruitment Actions as of March 21, 2012 Report” are for informational purposes only, and lists other management positions that have been identified for implementation of the Medicaid Waiver function. It is anticipated that these positions will be determined by May 1st.
 - ***Finance Committee*** - Bob Canupp, Eastpointe’s CFO, shared the following information addressed in the March 13, 2012 Finance Committee Minutes (Attachment 3-B):

- a) **Financial Report** - Total revenues were listed at \$12,560,608 and total expenditures were \$15,757,260. Mr. Canupp stated that the Division is usually two months behind in payments. Also, the State has updated their reimbursement system which caused payments to providers to be stalled. Eastpointe's Information Technology Department is correcting the files that are submitted each week. Currently, Eastpointe still has a net of \$543,921.
- b) **Properties** - The sale of the property in Wallace is moving forward, and a private provider has shown interest in purchasing the building located in Warsaw. Mr. Canupp pointed out that since Eastpointe is not utilizing this property, a private provider could locate to the property and provide a presence in this area which is currently under-served. Management is considering obtaining an appraisal of the property to determine a fair purchase price.
- c) **Audit Contract** - Mr. Canupp reported that the audit rate increased to \$33,500 due to the merger and moving toward Waiver implementation. The Finance Committee recommended that the audit contract be approved. Eastpointe received notice from the State on March 27th that the 2012 audit contract has been approved by the Secretary of the Local Government Commission.
- d) **Longevity**- Mr. Canupp discussed longevity for the current fiscal year. He indicated that longevity pay would expend some of our administrative funds that cannot be used on services. If these excess funds are not expended, the State will request that the funds be returned. It was pointed out that since this might be the last year employees will be eligible to receive longevity pay, the Finance Committee decided to recommend to the Board that eligible employees receive longevity pay in the May payroll. Mr. Jones added that both Southeastern Regional and the Beacon Center have also funded longevity pay for the current year.
- e) **CEO Contract & Salary** - The Finance Committee reviewed the yearly compensation of Ken Jones, as Chief Executive Officer (CEO) of Eastpointe, and discussed the need for an updated employment contract reflecting changes in the CEO's role due to the increased duties involving the Waiver implementation and Merger activities. Mr. Canupp reported that Jonathan Charleston, Eastpointe's Board Attorney, was asked to prepare a draft employment contract for Ken Jones, and submit same to Board members at the March Board meeting for review and approval.

Anne Turner made a motion to accept the Financial Report as presented. Zettie Williams made a second. The motion carried.

Wanda Boyette made a motion to approval longevity pay for Eastpointe employees who met the required length of service requirements. J. W. Simmons made a second. The motion carried.

The next Finance meeting will be held on April 10, 2012 at Lane Tree Country Club in Goldsboro beginning at 10:30 a.m. Board members were reminded they are always welcomed and encouraged to attend the Finance Committee meetings.

▪ **POLICY COMMITTEE REPORT:**

Anne Turner, Chair of the Policy Committee, reported that the Policy Committee met via webinar in March. Ms. Turner referred to Attachment 4-A which contains two new policies recently reviewed by the Policy Committee that need approval from the Board, said policies being: a) Confidentiality of Staff/Family Members Seeking Services; and b) Housing Program. Attachment 4-B is a policy pertaining to "Educational Assistance for Clinical Staff" which is no longer relevant and should be retired. Two additional policies were distributed to Board members for approval, which were: 1) Equal Opportunity Employment; and 2) Personnel System.

David Sanderson made a motion to retire the policy listed on Attachment 4-B; and to approve the four policies listed on Attachment 4-A above, including the two additional policies referenced in the handout. Dr. John Fisher made a second. The motion carried.

▪ **CLIENT RIGHT COMMITTEE:**

Zettie Williams, Chair of the Client Rights Committee (CRC), referenced the March 8, 2012 Client Rights Committee Minutes (Attachment 5). Ms. Williams indicated that Nancy Moore, Eastpointe's CFAC Chair, provided an excellent presentation on the Consumer Family Advisory Committee's role and responsibilities. The Incident Reports and Provider Monitoring Reports were reviewed during the meeting. The next CRC meeting will be held on April 12, 2012 at Mount Olive College in the Hunt Presidential Dining Room at 10:30 a.m.

David Sanderson made a motion to accept the CRC report for informational purposes. J. W. Simmons made a second. The motion carried.

▪ **CONSUMER FAMILY ADVISORY COMMITTEE:**

Nancy Moore, Chair of CFAC, reported on CFAC activities as referenced in the February 21st CFAC Minutes (Attachment 6). One CFAC member resigned, who represented the Intellectual Developmental Disabilities category. Ms. Moore indicated that plans to seek additional members are on hold at this time due to upcoming mergers. The Committee continues to work on the CFAC Bylaws. Ms. Moore announced that Eastpointe will sponsor a joint CFAC meeting for Eastpointe, Southeastern Regional, and the Beacon Center committee members at Cherry Hospital on April 27th from 10:00 a.m. to 3:00 p.m. Crisis Intervention Training (CIT) sessions will begin sometime in June or July in the hopes that school resource officers will be able to attend. CIT training video modules are available to be used by local agencies as training resources if needed. Requests should be sent to Venessia Hill at the Eastpointe Goldsboro location. Ms. Moore indicated she would like to see consumer family members receive similar training. Ms. Moore shared a personal story about how even the smallest occurrence or change in routine can upset consumers with MH/DD/SAS problems. She stressed the importance of families, providers, law enforcement agencies and the judicial system all working together to help identify the most appropriate means of service for individual consumers. Chairman Smith added that he would appoint a sub-committee to look at training materials which would be suitable and beneficial for consumer family members. Eastpointe's next CFAC meeting is scheduled for April 17th at 1:30 p.m. in the Condran Conference Room at the Eastpointe Goldsboro office.

Wanda Boyette made a motion to accept the CFAC report for informational purposes. Zettie Williams made a second. The Motion carried.

▪ **CLOSED SESSION:**

Chairman Smith indicated that a closed session was needed to confer with Eastpointe Board Attorneys Jonathan Charleston and Jose Coker on details related to the employment contract for Eastpointe's Chief Executive Officer.

Rebecca Judge made a motion to go into Closed Session in accordance with N.C.G.S. 143-318(a)(1) and (a)(3) to confer with Eastpointe Board Attorneys about the employment contract for Eastpointe's CEO. Albert Kirby made a second. The motion carried.

Eastpointe staff and guests left the room at 7:50 p.m. (with the exception of Bob Canupp, Chief Financial Officer; Ann Taylor, BHA Human Resources Consultant; and Connie Price, Minutes Clerk) so the Board could enter into a closed session with Mr. Charleston and Mr. Coker.

Rebecca Judge made a motion to come out of closed session. John Bell made a second. The motion carried. The closed session ended at 8:15 p.m.

After closed session, the following motions were made:

Wanda Boyette made a motion to approve the form of the "*Executive Employment Agreement*" (allowing flexibility for minor changes), and grant authority to Eastpointe's Board Chair Lee Smith to execute the finalized "*Executive Employment Agreement*" on behalf of the Eastpointe Board of Directors. J. W. Simmons made a second. The motion carried.

J. W. Simmons made a motion to increase the compensation for Ken Jones effective immediately; and to make an additional increase in compensation for Mr. Jones effective July 1st, 2012. Wanda Boyette made a second. The motion carried.

▪ **ADJOURNMENT:**

Chairman Smith asked for any further business to be brought before the Board. There being no other business presented, Chairman Smith requested a motion to adjourn the Board meeting.

John Bell made a motion to adjourn the March 27th meeting. David Sanderson made a second. The motion carried. The meeting adjourned at 8:25 p.m.

Lee Smith

Lee Smith, Chairman

4/24/2012

Date Approved

Connie W. Price

Connie W. Price, Secretary/Recorder

4/24/2012

Date Approved