



## BOARD OF DIRECTORS Minutes

**Meeting Date:** June 26, 2012, Lane Tree Country Club, Goldsboro, North Carolina

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

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> - Lee Smith, Committee Chair (Wayne County)  | <input checked="" 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 checked="" type="checkbox"/> - Floyd McCullough, (Wayne County) |
| <input checked="" type="checkbox"/> - Zettie Williams (Duplin County)            | <input type="checkbox"/> - Albert Kirby, Jr. (Sampson County)          |
| <input checked="" type="checkbox"/> - John Bell (Wayne County)                   | <input type="checkbox"/> - Emily Moore (Lenoir County)                 |
| <input checked="" 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 checked="" type="checkbox"/> - Eric Rouse (Lenoir County)                 |  |

**Staff:**

- |   |  |
|---|--|
| <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 checked="" 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 checked="" type="checkbox"/> - Dr. Susan Corriher, Clinical Director           | <input checked="" type="checkbox"/> - Connie W. Price, Board Clerk       |
| <input checked="" type="checkbox"/> - Jonathan Charleston, Board Attorney             |  |

**Guests:**

Roland (Bud) Gray, Wayne County Commissioner; Tommie Hollowell, Finance Committee member; Norma McDonough, Clients Rights Committee member; Alton Dale, Client Rights Committee member; spouses and family members.

**Agenda Items:**

1. Approval of Minutes
2. Director's Report
3. Business Office Report
4. Committee Reports
5. Board Member Recognitions

▪ **CALL TO ORDER & INVOCATION:**

The Eastpointe Board of Directors met in regular session on June 26, 2012 at Lane Tree Country Club in Goldsboro, North Carolina. Chairman Lee Smith called the meeting to order at 6:00 p.m., and welcomed the Board members, staff, and other special guests to the June Board meeting. There were thirteen Board members present at the meeting, and two were absent. Albert Kirby, Jr. and Emily Moore were absent due to prior commitments. J. W. Simmons delivered the invocation.

▪ **COMMUNITY INPUT:**

There was no community input for the month of June. However, since the June Board meeting is the last Eastpointe Board of Directors meeting with the current Board members, Floyd McCullough shared memories related to the years he served on various mental health committees. Mr. McCullough began his tenure on the Wayne County Client Rights Committee in 1992 and served through 2003. At the same time, he was also serving on the Wayne County Mental Health Board of Directors beginning in 1992. Mr. McCullough was voted to serve as Chairman of the Wayne County Board of Directors in August 1995 and continued until 2003 when Wayne County merged with Duplin, Lenoir and Sampson Counties to form Eastpointe. In addition to serving on Eastpointe's Board of Directors since 2003, Mr. McCullough has also served on Eastpointe's Finance Committee. Currently, Mr. McCullough is one of two lifetime members of the N.C. Council of Community Programs. Board members and guests applauded Mr. McCullough for his many years of dedicated service and commitment to consumers, and the mental health, developmental disabilities, and substance abuse programs.

▪ **APPROVAL OF MINUTES:**

The Minutes of the May 22, 2012 Board meeting (Attachment 1) were presented for approval. Two items were noted dealing with attendance.

Rita Hodges made a motion to approve the May Minutes with revisions. Wanda Boyette made a second. The motion carried.

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

Ken Jones welcomed everyone to the June meeting. He introduced Wayne County Commissioner Roland (Bud) Gray, along with Client Rights Committee members Norma McDonough and Alton Dale, and Finance Committee member Tommie Hollowell.

Mr. Jones referenced the attachments contained in the Board packets:

- ***Attachment 7-A:*** Eastpointe's letter dated June 7, 2012 to DHHS Secretary Albert Delia forwarding the Merger Agreement between The Beacon Center, Eastpointe, and Southeastern Regional LMEs for execution by the Secretary to approve the merger effective July 1, 2012.
- ***Attachment 7-B:*** Eastpointe's letter dated June 15, 2012 to Legislative Delegations representing the twelve counties announcing the release of application for providers to enroll in Eastpointe's managed care organization.
- ***Attachments 7-C through 7-E:*** Reports sent to Eastpointe, Beacon Center, and Southeastern Regional employees explaining the new organizational chart, salary schedule, and job descriptions.
- ***Attachment 7-F:*** Update from County Commissioners Association related to House and Senate different approaches to local management entity governance.
- ***Attachment 7-G:*** Copy of House and Senate Comparative Budget proposals for FY 2012-2013 addressing three-way contracts, local management entities, State hospitals, drug treatment courts, community services funding, Federal block grant funding, and mental health associations.

The following documents were distributed for comment:

- a) ***DHHS Budget*** – The House and Senate approved the N.C. Division of Health and Human Services Budget. Mr. Jones pointed out various proposed “Human Services – Mental Health” funding changes to the mental health community services; restructuring of LME administrative funding to percent of dollars vs. population per 1915(b)(c) Waiver rollout; staffing needs at the new Cherry Hospital facility in 2013; addition of psych beds to Broughton Hospital; plans for implementing transition to community living for the mentally ill from adult care homes; and increases to local psych bed capacities.
- b) ***Organizational Chart*** – Revised copy dated June 22, 2012 depicting the new Local Management Entity/Managed Care Organization (LME/MCO) having approximately 205 of the 282 full time employees filled. Eastpointe will fill some of the vacant positions as we move closer to implementing the Waiver.

▪ **BUSINESS OFFICE REPORTS:**

- **Human Resources** – Copies of an updated version of the “Waiver Recruitment Actions as of June 14, 2012” report were distributed to the Board members. This report lists positions that have been identified for implementation of the Medicaid Waiver function, including both internal and external hirings.
- **Finance Committee** – Bob Canupp distributed copies of the June 12, 2012 Finance Committee Minutes, and reported on the following items:
  - ❖ **Financial Report:** Statement of Revenues and Expenditures indicate revenues of Accounts Receivables being \$5,183,557 for the period ending May 31, 2012. The State owes Eastpointe in service and LME payments. There is also an adjustment of \$4,224,682 from the Fund Balance which was set aside for Waiver activities. Total revenues after accruals are \$23,355,664. Expenditures indicate \$623,872 in accounts payable with Total Expenditures at \$23,268,396, and a net gain of \$87,268.

David Sanderson made a motion to accept the Finance Committee report. Dr. John Fisher made a second. The motion carried.

- ❖ **Budget:** Copies of the “Budget Ordinance” (Attachment 3-B-2) were included in the Board packets. Mr. Canupp stated that he does not anticipate any cuts to the Eastpointe proposed budget that was presented to the Board in May. The total budget amount for the new fiscal year is \$169,498,279, and includes LME administrative revenue, Local and County funds and State and Federal funds, Medicaid Utilization Review (UR) funds and Medicaid Waiver funds, along with the Financial Assistance Budget and the Contracted Services Budget. Mr. Canupp added that State tax revenues have been up and payments were lower than expected. The Senate Budget which came out on June 11<sup>th</sup> did not indicate any further cuts to Mental Health and the Division of Medical Assistance. Mr. Canupp also pointed out that Eastpointe’s Budget was posted for two

weeks for public comment, but none were received. The Budget Ordinance requires the signatures of the Eastpointe Board Chair and Eastpointe CEO/Budget Officer.

Wanda Boyette made a motion to accept the Budget Ordinance for FY 2012-2013 as presented. John Bell made a second. The motion carried.

Board members expressed their appreciation to Bob Canupp for his commitment and hard work in providing exemplary leadership to Eastpointe's Finance Department.

Zettie Williams made a motion that a congratulatory letter be written by the Board Chair for Bob Canupp regarding his outstanding service as Eastpointe's Chief Financial Officer, and that said letter be placed in Mr. Canupp's personnel files. Floyd McCullough made a second. The motion carried.

▪ **POLICY COMMITTEE REPORT:**

Anne Turner, Chair of the Policy Committee, reported that the Policy Committee did not meet during the month of June.

▪ **CLIENT RIGHT COMMITTEE:**

J. W. Simmons, Vice-Chair of the Client Rights Committee (CRC), reported on the June 14<sup>th</sup> Meeting (Attachment 5). The monthly incident reports were reviewed. A presentation was provided by Ken Jones to update the CRC members on the merger status.

Wanda Boyette made a motion to accept the Client Rights Committee report for informational purposes. Rebecca Judge made a second. The motion carried.

▪ **CONSUMER and FAMILY ADVISORY COMMITTEE:**

Nancy Moore, Chair of the Consumer and Family Advisory Committee (CFAC), referenced the June 19<sup>th</sup> Minutes (Attachment 6). Ms. Moore expressed her appreciation to the Board for their support through the years that she served as CFAC Chair. She stated that the new CFAC committee is excited and ready to move forward. The first meeting will be held sometime in July. The new CFAC committee will be comprised of 18 members. Ms. Moore also expressed her appreciation to Venessia Hill for her dedicated service to both the CFAC and CRC committees.

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

▪ **BOARD MEMBER RECOGNITIONS:**

Ken Jones and Chairman Lee Smith presented awards and recognized individually each of the Eastpointe Board members. Mr. Jones expressed his sincere appreciation for the years of dedicated service and countless hours each member had volunteered to Eastpointe in representing the consumers and families of individuals with mental health, developmental disabilities and substance abuse issues. Also recognized were two individuals who served on the Client Rights Committee, one who served on the Finance Committee, the CFAC Chair, and one County Commissioner. Board members shared personal stories and testimonies with the group, and all stated they were very thankful they had been selected to serve on the Board during the past years.

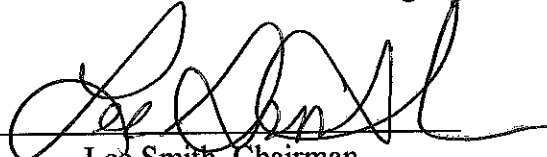
Afterwards, several Board members also expressed their appreciation to both Ken Jones and Chairman Lee Smith for their hard work, commitment, and exemplary leadership skills in guiding Eastpointe through a successful and smooth transition period during the merger of the Beacon Center, Southeastern Regional and Eastpointe LMEs.

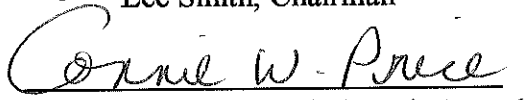
Zettie Williams made a motion that a congratulatory letter be written by the Board Chair for Ken Jones addressing all his accomplishments as Eastpointe's Director and Chief Executive Officer, and that said letter be placed in Mr. Jones' personnel file. Wanda Boyette made a second. The motion carried.

▪ **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.

Rita Hodges made a motion to adjourn the June 26th meeting. Tom Fleetwood made a second. The motion carried. The meeting adjourned at 8:45 p.m.

  
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Lee Smith, Chairman

  
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Connie W. Price, Clerk to the Board

7-9-2012  
Date Approved

7-9-2012  
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