



BOARD OF DIRECTORS Minutes

Meeting Date: October 23, 2012 at Mount Olive College, Mount Olive, North Carolina

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

- | | |
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| <input checked="" type="checkbox"/> - Lee Smith (Wayne County) | <input checked="" type="checkbox"/> - James Prevatte (Columbus County) |
| <input checked="" type="checkbox"/> - John Bell (Wayne County) | <input checked="" type="checkbox"/> - Paul Russ (Columbus County) |
| <input checked="" type="checkbox"/> - Nancy Moore (Wayne County) | <input checked="" type="checkbox"/> - Pearl Finch (Nash County) |
| <input type="checkbox"/> - Zettie Williams (Duplin County) | <input checked="" type="checkbox"/> - Kirk Scott (Nash County) |
| <input checked="" type="checkbox"/> - Rebecca Judge (Duplin County) | <input checked="" type="checkbox"/> - Lou Richardson (Nash County) |
| <input checked="" type="checkbox"/> - J. W. Simmons (Sampson County) | <input checked="" type="checkbox"/> - Bill James Brewington (Robeson County) |
| <input checked="" type="checkbox"/> - Albert Kirby, Jr. (Sampson County) | <input checked="" type="checkbox"/> - Bobbie Britt (Robeson County) |
| <input type="checkbox"/> - Eric Rouse (Lenoir County) | <input checked="" type="checkbox"/> - Jerry Stephens (Robeson County) |
| <input checked="" type="checkbox"/> - Emily Moore (Lenoir County) | <input checked="" type="checkbox"/> - Stephanie Monroe (Scotland County) |
| <input checked="" type="checkbox"/> - Emery White (Bladen County) | <input checked="" type="checkbox"/> - Carol McCall (Scotland County) |
| <input checked="" type="checkbox"/> - Billy Ray Pait (Bladen County) | <input type="checkbox"/> - Kim Hands (Wilson County) |
| <input checked="" type="checkbox"/> - Addie Carmon (Edgecombe County) | <input checked="" type="checkbox"/> - Rob Boyette (Wilson County) |
| <input type="checkbox"/> - Charlie Harrell (Edgecombe County) | <input checked="" type="checkbox"/> - James Shackelford (Greene County) |
| | <input checked="" type="checkbox"/> - Jerry Jones (Greene County) |

Staff/Others:

- | | |
|---|---|
| <input checked="" type="checkbox"/> - Ken Jones, Director and Chief Executive Officer | <input checked="" type="checkbox"/> - Dr. Susan Corriher, Chief of Clinical Operations |
| <input type="checkbox"/> - Bob Canupp, Chief of Business Operations | <input checked="" type="checkbox"/> - Jeanette Jordan-Huffam, Chief of Quality Management |
| <input checked="" type="checkbox"/> - Karen Salacki, Chief of External Operations | <input checked="" type="checkbox"/> - Theresa Edmondson, Director of H.R. & Compliance |
| <input checked="" type="checkbox"/> - Jose Coker, Board Attorney | <input checked="" type="checkbox"/> - Dr. Venkatalakshmi Doniparthi, Medical Director |
| <input checked="" type="checkbox"/> - Jonathan Charleston, Board Attorney | <input checked="" type="checkbox"/> - Connie W. Price, Board Clerk |

Guests:

Carol Choate, Director of "A Caring Heart"; and Beverly Bell, Division Liaison

Agenda Items:

1. Approval of Minutes
2. CEO/Director's Report
3. Business Office Report
4. Committee Reports

▪ **CALL TO ORDER & INVOCATION:**

The Eastpointe Board of Directors met in regular session on October 23, 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 4:30 p.m., and welcomed the Board members, staff, and other special guests. There were twenty-three Board members present at the meeting, and four were absent. Eric Rouse, Charlie Harrell and Kim Hands were absent due to prior commitments. Zettie Williams was absent due to illness. John Bell delivered the Invocation.

▪ **COMMUNITY INPUT:**

There was no community input for the month of October.

▪ **APPROVAL OF MINUTES:**

The Minutes of the August 28, 2012 Board meeting (Attachment 1) were presented for approval.

Motion was made by John Bell to approve the August Minutes. Emily Moore made a second. The motion carried.

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

Ken Jones welcomed everyone to the October meeting, and shared the following updates:

- a) **Medicaid 101 Trainings** - During the past month Board members were sent information on several Medicaid 101 trainings that were available for provider and stakeholder participation. Also, stakeholder webinars will be held October 24-26 which will include an introduction to Eastpointe as an MCO, and information on the 1915(b)(c) Waiver.
- b) **Community Forums** – Eastpointe sponsored several trainings and public meetings across the twelve counties to address the Innovation Waivers. The public meetings were held in Rocky Mount, Wallace, Wilson, Lumberton, Laurinburg, Goldsboro, Kinston and Whiteville. Information concerning the meetings was mailed out to all CAP-MR/DD recipients and families. The trainings, which include information on the CAP Waiver as well as the 1915 (b)(c) Waiver, have been very effective and beneficial to clients and their families.
- c) **County Managers** – During the past month Mr. Jones met with each of the twelve County Managers to discuss Eastpointe's budget and individual county allocations. They were given the opportunity to have input in the budget, along with how county allocations will be spent in their respective counties.
- d) **Pinehurst Conference** – The N.C. Council of Community Programs is sponsoring its Fall Conference December 5-7 at Pinehurst. Board members were urged to attend the December 5th session entitled "The Business of Being an MCO Board" which will be conducted by Mark Botts from the UNC School of Government, and Niels Eskelsen from Partners of Behavioral Healthcare.
- e) **Adult Care Homes** –Attachment 7-B is an article from the N.C. Association of County Commissioners newsletter entitled "The Adult Care Home Tsunami: Responding to Federal Challenges". Some adult care homes in North Carolina that house the mentally ill are in violation of the American with Disabilities Act and the Olmstead Act. They are required to provide services to individuals with mental illness in the most integrated community setting appropriate to their needs. The Department of Justice contends that the State's policies and programs for housing people with mental illness create an institutional bias towards adult care home placement in lieu of community based treatment. Adult care homes found in violation will cause their residents to lose Medicaid funding regardless of their diagnosis. This also affects personal care services. There appears to be four adult care homes in the Phase I category in N. C. that have been identified as IMD facilities (institutions of mental disease), and the Centers for Medicaid and Medicare Services (CMS) will cut their funding for those consumers. Phase II is still on-going at this time. This will be an expensive project for the State.

- f) **Mercer Reviews** – The Mercer Government Human Services Consulting Agency (Mercer) conducted an onsite visit at Eastpointe on September 20th. Mercer representatives reviewed Eastpointe’s finance, information technology, clinical, claims, and provider enrollment processes to determine our progress on the 1915(b)(c) Waiver. The visit went very well with no surprises. The next Mercer review will be held on November 15th. This will be a very critical and official-type visit with a “show me what you have in place” mindset. Mr. Jones pointed out that during the past several months we have focused on the merger and staffing for the new MCO; however, now we will place all our focus on preparing for implementation of the 1915(b)(c) Waiver in January. If Mercer sees we are not ready to “go live” by January 1st, they will recommend a delay. Mr. Jones shared PowerPoint excerpts from the Mercer findings which addressed Eastpointe’s strengths and challenges. Strengths include good process and development in the areas of Provider Network, Utilization Management, Training, Website, Provider Collaboration & Partnering, and Call Center system. Some of the challenges identified involve a variety of reports to be used within the new MCO to monitor and track data including testing and edits, general ledger conversion, finalization of all policy and procedures, Care Coordination caseload, Medical Director involvement in Utilization Management and Care Coordination, and Provider Credentialing. Mr. Jones also answered questions from the Board members that related to cut off dates for reports and possible penalties associated with providers not completing data on time.

▪ **BUSINESS OFFICE REPORTS:**

- **Human Resources** – The “*Waiver Personnel Status and Waiver Recruitment Status as of October 15, 2012*” reports (Attachments 3-A-1 & 3-A-2) were discussed. There are approximately 25 vacancies at this time that are being advertised for or interviews being held; and 21 new staff has been hired to fill various positions throughout the four sites since August 27th. There have also been four staff who retired and one resignation. Copies of a Human Resources’ spreadsheet were distributed to Board members. This report shows the number of positions listed on the o-chart, the position title, which site the position will be housed, and current status of whether hired or recruiting. There are 299.5 total positions on the o-chart allotted to the new MCO with 94 being in Beulaville, 47.5 being in Goldsboro, 95.5 being in Lumberton and 62.5 being in Rocky Mount. Eastpointe has 211.5 positions filled and are recruiting for 88 remaining positions.

Motion was made by Emery White to approve the Human Resources Reports. Paul Russ made a second. The motion carried.

- **Business/Finance Office** - In the absence of CFO Bob Canupp, Mr. Jones referenced the October 17th Finance Committee Minutes which were distributed to the Board members, along with copies of the Fiscal Monitoring Report for quarter ending 9/30/2012. Mr. Jones pointed out that the Fiscal Monitoring Report captures prior year budget and actual expenditures, and tracks current year funding. Total Revenues year-to-date are \$11,337,023, and Total Expenditures year-to-date are \$8,022,013. Revenues for this quarter are on target and all counties are contributing at 100%. LME Administrative Funds are behind due to the State being behind on payments to the LMEs. Expenditures for provider payments are low due to system issues related to the merger. Pre-merger audits are currently being prepared on each legacy LME, but the reports are not ready yet. Once completed, they will be shared

with Board members. Eastpointe's annual formal audit presentation will be conducted at the January 22, 2013 Board meeting.

Motion was made by Rebecca Judge to accept the Finance Report. Paul Russ made a second. The motion carried.

▪ **POLICY COMMITTEE REPORT:**

Addie Carmon, Chair of the Policy Committee, reported that the Policy Committee met on October 16th to finalize and approve the policies included on Attachment 4-A through 4-G (previously provided to the Board members for their review), and to retire the policies marked as Attachment 4-H (also previously provided to the Board members). Ms. Carmon indicated that the majority of the policy statements are new and will need to be in place prior to the November 15th Mercer visit. She asked for motions from the Board to approve the following policies:

BUSINESS OPERATIONS POLICY STATEMENTS

IPRS Enrollment and Eligibility
Authorizations Required for Payment
Claims Submission / Pricing Methodologies
Timeliness of Provider Payments
Quality Audits of Claims Processing
Encounter Data Submission to DMA

Motion was made by Paul Russ to approve the Business Operations Policy Statements listed above. James Prevatte made a second. The motion carried.

CLINICAL OPERATIONS POLICY STATEMENTS

Continued Stay Benefits for Services in Appeals Process
Individual Support Plan Approval and Service Authorization Process
Over / Under Utilization Management Policy
Process for Level of Care Evaluation / Re-Evaluation
Relatives / Legal Guardians as Providers
Screening for Potential Waiver Eligibility
Individual and Family Directed Supports
Innovations Waiver Services
Transfer of CAP MR/DD Waiver Services to Innovations Waiver Services
MH / SA Care Coordination
Collaboration with Community Care of North Carolina (CCNC)
MH / SA Care Coordination: Special Health Care Needs
Care Coordination for Consumers without a Clinical Home
Hospital Discharge Planning and Follow-Up
Out-Patient Commitment
Clinical Operations Supervision Policy

Motion was made by Albert Kirby to approve the Clinical Operations Policy Statements listed above. Nancy Moore made a second. The motion carried.

EXTERNAL OPERATIONS POLICY STATEMENTS

Review of Communication Materials

Media Relations

Provider Network

Provider Relations Program

Provider Representations

Credentialing Manual

Motion was made by Emery White to approve the External Operations Policy Statements listed above. Lou Richardson made a second. The motion carried.

CLINICAL OPERATIONS POLICY STATEMENT

Response to Enrollee / Member Services

Motion was made by Albert Kirby to approve the additional Clinical Operations Policy Statement listed above. Paul Russ made a second. The motion carried.

EXTERNAL OPERATIONS POLICY STATEMENT

Enrollee / Member Education

Motion was made by James Prevatte to approve the additional External Operations Policy Statement listed above. Albert Kirby made a second. The motion carried.

QUALITY MANAGEMENT POLICY STATEMENTS

Quality Management Program

Quality Performance Improvement Projects

External Quality Review

Motion was made by Billy Pait to approve the Quality Management Policy Statements listed above. Emery White made a second. The motion carried.

EXTERNAL OPERATIONS “RETURNED” POLICY STATEMENTS

Application Process for Contracting with Agencies

Application Process for Contracting with Hospitals

Application Process for Licensed Independent Practitioners

Application for Additional Services

Confidentiality of the Credentialing Process

On-going Monitoring of Sanctions

Provider Qualifications and On-Going Responsibilities

Request for Proposals / Request for Interest Process

Primary Source Verification and Enrollment Requirements

For Licensed Independent Practitioners

Motion was made by Lou Richardson to approve the External Operations “Returned” Policy Statements listed above. Nancy Moore made a second. The motion carried.

Ms. Carmon asked for motions from the Board to retire the following policies:

BUSINESS OPERATIONS POLICY STATEMENT

Research

Motion was made by Emily Moore to retire the Business Operations Policy Statement listed above. Emery White made a second. The motion carried.

CLINICAL OPERATIONS POLICY STATEMENTS

Timeframes for Response to Requests for Retrospective Reviews

Services Approved through EPSDT Reviews

Peer Clinical Review

First Level Clinical Review

Insufficient Clinical Information

UM Review Criteria / Clinical Decision Tools

Discharge Planning from Psychiatric Hospitals

Hospital Liaison

Care Coordination for Consumers

Transition Planning for Consumers

24 Hour Emergency / Crisis Response

Telephone Screening / Triage / Referral

Initial Authorization Package

Request for Transition to New Provider

Motion was made by Albert Kirby to retire the Clinical Operations Policy Statements listed above. Emily Moore made a second. The motion carried.

Ms. Carmon announced that the next Policy Committee meeting would be held on November 13th at Mount Olive College in the "*James Best Conference Room*" beginning at 10:00 a.m.

▪ **CLIENT RIGHT COMMITTEE:**

Bobbie Britt, Chair of the Client Rights Committee (CRC), referenced the September 25th and October 22nd CRC meetings. Copies of the September Minutes were distributed to the Board members, but the October Minutes were not ready yet. Ms. Britt indicated that the CRC had been working very hard during the past two meetings and now has their Bylaws in place which were adopted at the October meeting. She indicated that a motion had been made at the October 22nd meeting by member Anne Turner to proceed with an honorarium for the CRC members at an amount to be determined, which will also be in addition to travel reimbursement and a meal. The motion was seconded by Mike Weaver and was unanimous. CRC members asked that this be brought before the Board of Directors. Chairman Lee Smith indicated that this request would be brought before the Finance Committee for review in accordance with the requirements of the N.C. Statutes. The next CRC meeting will be held on January 17th 2013 at Mount Olive College in the "*James Best Conference Room*" beginning at 12:00 noon.

Motion was made by Paul Russ to accept the CRC report for informational purposes. Albert Kirby made a second. The motion carried.

▪ **CONSUMER and FAMILY ADVISORY COMMITTEE:**

Paul Russ, Chair of the Consumer and Family Advisory Committee (CFAC), referenced the September 18th and October 16th CFAC Minutes (Attachments 6 and 6-A). At the September meeting Becky Cale, Eastpointe I/DD Director for Care Coordination, shared information on the Innovations Waiver which involves changes to the I/DD community. She also discussed the Support Intensity Scale (SIS) which will take the place of NC SNAPS. Several community forums are planned to make consumers and family members aware of upcoming changes, and also to provide information on the I/DD CAP waiting list. CFAC reviewed and approved the Relational Agreement. CFAC representation will be needed on several Eastpointe committees and the following individuals were selected to serve on said committees: a) Client Rights - Paul Russ; b) Quality Management - Paul Russ; c) Leadership Team - Paul Russ; d) Finance - Nancy Moore; e) Provider Council - Christine Tolbert and Carol Bowles; f) Housing - Carol Bowles; and g) Clinical Advisory Committee - Paul Russ. During the October meeting Lynnette Gordon, UM Director, conducted a presentation on "Overview of Utilization Management" addressing the goals and functions of the UM Department. Ed Masters, former CFAC member, expressed a desire to return to the Committee after taking a two year sabbatical, and was voted back in. CFAC members also discussed having Christmas socials at different sites for the I/DD consumers and families. It was suggested that clinical staff from the Q.M. Department and the Care Coordination Department give presentations at the November CFAC meeting, which will be held on November 20th at Mt. Olive College in the "Hunt Conference Room" beginning at 11:00 a.m.

In his capacity as CFAC Chair, Mr. Russ announced he had attended and/or participated in the September 18th Mercer Review; the September 25th Client Rights Committee meeting; the October 1st Leadership Team meeting; the October 10th I/DD Advisory Committee meeting; the October 15th QMC meeting, the October 17th Clinical Advisory Committee meeting; and the October 22nd Client Rights Committee meeting.

Motion was made by Emery White to accept the CFAC report for informational purposes. Nancy Moore made a second. The motion carried.

▪ **BOARD MEMBER STIPENDS:**

At the August 28, 2012 meeting of the Board, action was taken to increase stipends to Directors from \$20.00 per meeting to \$50.00 per meeting, in addition to travel expense reimbursement, subject to review of the applicable statutes by the R. Jonathan Charleston, Board Attorney. Pursuant to the Board's August 28th request, Mr. Charleston reported on October 28, 2012, that N.C. G.S.G.S. 122-C-120 authorizes Board members to receive a per diem up to \$50 per diem for each day the Board member is engaged in the official business of the Board. The Board members can also receive reimbursement for all necessary travel expenses. Mr. Charleston also advised the Board that, in response to an inquiry from a Board member, he conferred with the UNC School of Government to determine if there were any prohibitions against County Commissioners being paid a stipend for service on Board. Mr. Charleston advised the Board that a lawyer on the School of Government staff cautioned that County Commissioners could not be paid for service on Board if they were being paid for such service on Board by their respective Board of Commissioners, citing the investigation by the North Carolina Office of State Auditor involving the Mayor of the Town of Winfall. Mr. Charleston further advised the Board that, at the suggestion of the UNC School of Government, he consulted with each of the constituent Boards of Commissioners to determine whether any policies of the respective County Boards of Commissioners prohibited County Commissioners from receiving a stipend for service on the Board. Mr. Charleston indicated that after conferring with

each of the constituent Boards of Commissioners and staff, it was determined that no County policies existed which would prohibit payment of stipends by Eastpointe. Mr. Charleston indicated he would provide a written opinion to the Finance Committee on this matter.

In connection with the discussion regarding payment of stipends, Vice-Chair James Prevatte expressed concern about a visit he had received from Mr. Charleston and Jose A. Coker to discuss mental health issues in general. Mr. Prevatte further indicated that a majority of the discussion involved payment of a stipend to County Commissioners serving on the Board. Mr. Prevatte indicated that he inquired with certain Board members to determine if they had been contacted by Mr. Charleston, and determined that of the Board members he conferred with, he was the only one that had been contacted by Mr. Charleston. In response, Mr. Charleston advised the Board that his office had been attempting to schedule meetings with each of the County Commissioners who became Directors as a result of the merger with The Beacon Center and Southeastern Regional Mental Health, and that he had made contact with a few County Commissioners and other Board members. Mr. Charleston further advised the Board that the diligence engaged in was necessitated by the ethics inquiry raised by a Board member.


▪ **NEXT MEETING:**

Ken Jones announced that normally Eastpointe's Board does not meet during the month of November; however, Board members may be asked to participate in a brief meeting via polycom from the Beulaville, Goldsboro, Rocky Mount and Lumberton sites on November 27th so that Mr. Jones can provide an update on the findings from the Mercer November 15th visit. Board members will be notified accordingly if the Board will meet on November 27th.

▪ **ADJOURNMENT:**

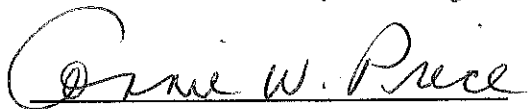
Chairman Smith asked for any further business to be brought before the Board. There being no other business presented, Chairman Smith requested a motion to adjourn the Board meeting.

Motion was made by Emery White to adjourn the October 23rd meeting. Lou Richardson made a second. The motion carried. The meeting adjourned at 6:45 p.m.



Lee Smith, Chairman

11-25-2012
Date Approved



Connie W. Price, Clerk to the Board

11-27-2012
Date Approved