



## BOARD OF DIRECTORS Minutes

**Meeting Date:** November 27, 2012 held via video conference from Goldsboro, Lumberton, and Rocky Mount sites.

**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 checked="" 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 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 checked="" type="checkbox"/> - Kim Hands (Wilson County)              |
| <input type="checkbox"/> - Addie Carmon (Edgecombe County)               | <input checked="" type="checkbox"/> - Rob Boyette (Wilson County)            |
| <input checked="" type="checkbox"/> - Charlie Harrell (Edgecombe County) | <input checked="" type="checkbox"/> - James Shackelford (Greene County)      |
|  | <input 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 checked="" 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 type="checkbox"/> - Jose Coker, Board Attorney                                 | <input checked="" type="checkbox"/> - Dr. Venkatalakshmi Doniparthi, Medical Director     |
| <input type="checkbox"/> - Jonathan Charleston, Board Attorney                        | <input type="checkbox"/> - Connie W. Price, Board Minutes Clerk                           |
|   | <input checked="" type="checkbox"/> -Deborah Martin, Assistant Minutes Clerk              |

**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 November 27, 2012 via video conference from the Goldsboro, Lumberton, and Rocky Mount sites. Due to the absence of Board Clerk Connie W. Price, the November 27<sup>th</sup> Board Minutes were recorded by Deborah Martin. Chairman Lee Smith called the meeting to order at 4:30 p.m. and welcomed Board members and staff. Twenty-three Board members were present and four were absent. Those absent were Addie Carmon, Jerry Jones, Albert Kirby, and Eric Rouse. The invocation was delivered by J. W. Simmons.

▪ **COMMUNITY INPUT**

J. W. Simmons announced that the annual Gang Conference would be held at Mt. Olive College on January 3, 2013. Mr. Simmons noted that this is the seventh year of the conference, and 400 to 500 people are expected to attend. Board members were encouraged to register at the Eastpointe website and to notify schools in their areas of the conference.

▪ **APPROVAL OF MINUTES**

The Minutes of the October 23, 2012 Board meeting (Attachment 1) were presented for approval.

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

▪ **CHIEF EXECUTIVE OFFICER'S REPORT**

Ken Jones shared the following updates:

- a) **Mercer Review Follow-Up:** The Mercer Government Human Services Consulting Agency (Mercer) conducted a follow-up on-site review on November 15, 2012 to determine whether Eastpointe is Medicaid Waiver ready. Mercer was impressed with the improvements made since the first review held on September 20, 2012. Initially Mercer had grave concerns regarding the I.T. system, but Mr. Jones indicated that much progress had been made on the I.T. system. Eastpointe will need to continue with the recruiting efforts. Policies and procedures are in the process of being adopted. There was concern for having a satisfactory number of contracts signed. Eastpointe will need to make significant progress in obtaining contracts within the network prior to DMA making a decision on the January 1<sup>st</sup> "go-live" date. Karen Salacki has put together a "**Team Contact**" group who are working to get provider contracts executed. Staff will be working overtime in order to meet the "go-live" deadline. All areas of the MCO operations still have a significant amount of work to do prior to January 1st. If Eastpointe does not "go live" as a Managed Care Organization (MCO) on January 1, 2013, there will be a cost to the State and to Eastpointe. Mr. Jones reported that if this occurs, funds have been set aside to cover this expense without harming the consumers. Mr. Jones expressed appreciation for the staff's hard work.
- b) **Upcoming Activities:** Board members with questions about the N.C. Council Fall Conference in Pinehurst should contact Connie W. Price on Friday November 30th. Mr. Jones encouraged Board members to attend the Christmas Socials planned in December for the Intellectually/Developmentally Disabled (I/DD) consumers.

▪ **BUSINESS OFFICE REPORTS:**

- a) **Human Resources** – Mr. Jones reviewed the Human Resources Report entitled "Waiver Recruitment Status dated November 19, 2012" and indicated that most positions are being advertised and interviews are now being conducted. He also discussed the "Waiver Personnel Status Report" that lists employees who have been hired since October 23, 2012. Mr. Jones encouraged Board members to review the organizational chart and the status of all Eastpointe positions. Mr. Jones noted that the organizational chart is kept current and is posted on the website.

**John Bell made a motion to accept the Human Resources report. Emily Moore seconded the motion. Motion carried.**

b) **Business Office:** Committee Chair Emery White called on Bob Canupp, Chief of Business Operations, to give the report.

- o **Finance Committee** - Mr. Canupp reported that the Finance Committee met on November 19, 2012 at the Mad Boar in Wallace. The Fiscal Monitoring Report for the period ending September 30, 2012 had been revised since the last Board meeting. Mr. Canupp reviewed revenues and stated that the Medicaid “pass thru” was much greater than expected; however, this will go away on January 1, 2013. Interest income was lower than anticipated because interest for all three Local Management Entities (LMEs) has not been combined at this point. Mr. Canupp reviewed the Fund Balance and reported that \$549,503 was used for merger activities. The LME is doing a good job of being careful with money. All twelve counties are contributing and county funds are used only as the counties have designated. The LME System Administrative Funds are coming in as well. The State has been slow in payment due to cash flow issues. All funds for the last fiscal year have been received. Total revenues year-to-date were \$12,671,466. Mr. Canupp reported that receivables are coming in very well. Total expenses year-to-date were \$12,671,466. There were lots of expenditures at the beginning of the fiscal year for replacement of outdated equipment and for some facility upgrades. Mr. Canupp reported that Provider payments were \$9,345,822. Start-up expenses for the Managed Care Organization (MCO) were \$729,871. Mr. Canupp stated that he feels very good about Eastpointe’s financial position at this time and reported that there have been no surprises to wrestle with at this point.

**Motion was made by Emery White to accept the Finance Report. Emily Moore made a second. The motion carried.**

- o **Board Member Stipends:** Mr. Canupp discussed a letter from The Charleston Group regarding the stipend for County Commissioners for Board participation. Mr. Canupp advised the Board members to read the letter which indicates that all Board members including appointed County Commissioners may receive a per diem rate for Board participation.

**Mr. White made a motion on behalf of the Finance Committee that all Board related sub-committees will receive the same stipend as regular Board meetings. Nancy Moore made a second. The motion carried. Mr. White pointed out that a Board member who does not want to receive the stipend does not have to accept it, and can be reimbursed for travel expenses only.**

- o **Christmas gift for employees:** Mr. Jones discussed a recommendation to give the Eastpointe staff a gift card for Christmas. The Finance Committee had discussed an amount of \$25 to \$50, but recommended that the Board set an amount.

**Emily Moore made a motion to give each Eastpointe employee a gift card in the amount of \$50. Bill Brewington made a second. The motion carried. It is noted in the Minutes that Charlie Harrell and Pearl Finch voted against the motion. The cost of the gift cards will come from the LME Systems Administration funds.**

## **POLICY COMMITTEE**

In the absence of Committee Chair Addie Carmon, Ms. Rebecca Judge reported that the Policy Committee met twice in November to finalize and approve draft policy statements. Ms. Judge noted that the policy statements listed below have been through several committee reviews and are needed to start the Waiver on January 1, 2013. (The draft policies were previously provided to Board members for their review):

### **Business Operations Policy Statements:**

- B-2.2.25 - Risk Reserve
- B-2.2.26 – Accounting by Funding Source
- B-2.2.27 – Final Report Certification
- B-2.2.28 – Medical Claims Liability
- B-2.2.29 – Budgeting
- B-2.2.30 – Financial Risk Management
- B-2.2.31 – Financial Solvency
- B-2.7.14 – Reconciliation of Medicaid Eligibility and Per Member Per Month (PMPM) Payment (820)
- B-2.7.15 – Third Party Liability and Coordination of Benefits
- B-2.7.16 – Authorization and Claims Processing
- B-2.7.17 – Systems Edits and Audits
- B-2.7.18 – Claims Submission/Pricing Methodologies
- B-2.7.20 – Pre-Payment Review of Specialized Claims

### **Clinical Operations Policy Statements:** *(Note: The Clinical Operations policies were previously reviewed and approved by the Eastpointe Medical Director.)*

- C-3.3.9 – Innovations Waiver Member/Enrollees Permission to Travel Out of State
- C-3.4.12 – MH/SA Care Coordination Admission Intensity of Need and Discharge Criteria
- C-3.5.15 – Inter-Rater Reliability and Analysis Call Center

### **External Operations Policy Statements:**

- E-4.3.3 - Enrollee/Member Education
- E-4.3.4 - Behavioral Health Education Services
- E-4.4.20 - External Operations Review of Data Reports from Delegated Credentialing Vendors

### **Quality Management Statement:**

- Q-6.1.11 – Audit Process to Include Documentation, Sample, Size, Methodology & Frequency

**Rebecca Judge made a motion to approve the policy statements listed above. Paul Russ seconded a motion. The motion carried.**

### **CLIENT RIGHT COMMITTEE:**

Committee Chair Bobbie Britt stated that there was no report today because the CRC had not met since the October 22<sup>nd</sup> meeting. The next CRC meeting is scheduled for January 17, 2013 at 12:00 p.m. at Mt. Olive College.

### **CONSUMER and FAMILY ADVISORY COMMITTEE:**

Committee Chair Paul Russ reported that the committee met on November 20, 2012. Reports were given by Jeanette Jordan-Huffam from Quality Management and Tara Sessoms from Care Coordination. Wes Ryder from the State was in attendance. Due to a concern about housing, CFAC

has requested that a representative from Eastpointe's Housing Department attend the next meeting to answer questions. Melissa Reese has sent out 1,400 invitations to the I/DD Christmas Socials that will be held in December. Board members were invited to attend the Christmas Social held in their area.

**Emily Moore made a motion to accept the CFAC report. James Shackelford made a second. The motion carried.**

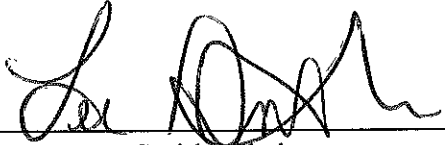
▪ **NEXT MEETING:**

Mr. Jones announced that the next Board meeting would be held on December 11, 2012 at 4:30 p.m. at Cherry Hospital in Goldsboro. Mr. Jones expects to have critical information to report on the Mercer review. Bill Brewington mentioned that the Lumberton I/DD Christmas Social is also scheduled for that date and would be difficult for Board members to attend both. Discussion followed. Thereafter, a decision was made to hold the December 11<sup>th</sup> Board meeting via polycom from the Beulaville, Goldsboro, Lumberton, and Rocky Mount sites at 4:30 p.m. The January 22, 2013 meeting will be a face-to-face meeting and may include a brief social.


▪ **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 J. W. Simmons to adjourn the November 27<sup>th</sup> meeting. Emery White made a second. The motion carried. The meeting adjourned at 5:15 p.m.**

  
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Lee Smith, Chairman

12-11-2012  
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Date Approved

  
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Deborah Martin, Assistant Minutes Clerk

12-11-2012  
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Date Approved