



BOARD OF DIRECTORS Minutes

Meeting Date: February 10, 2014 held at Mount Olive, North Carolina.

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

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|---|--|
| <input checked="" type="checkbox"/> - Boyette, Rob (Wilson County) | <input checked="" type="checkbox"/> - Moore, Emily (Lenoir County) |
| <input type="checkbox"/> - Carmon, Addie (Edgecombe County) | <input checked="" type="checkbox"/> - Moore, Nancy (Wayne County) |
| <input checked="" type="checkbox"/> - Dixon, Barry (Lenoir County) | <input checked="" type="checkbox"/> - Pait, Billy Ray (Bladen County) |
| <input checked="" type="checkbox"/> - Finch, Pearl (Nash County) | <input checked="" type="checkbox"/> - Prevatte, James (Columbus County) |
| <input checked="" type="checkbox"/> - Jones, Jerry (Greene County) | <input checked="" type="checkbox"/> - Russ, Paul (Columbus County) |
| <input type="checkbox"/> - Judge, Rebecca (Duplin County) | <input type="checkbox"/> - Scott, Kirk (Nash County) |
| <input checked="" type="checkbox"/> - Keen, Steve (Wayne County) | <input checked="" type="checkbox"/> - Shackelford, James (Greene County) |
| <input checked="" type="checkbox"/> - Kirby, Albert (Sampson County) | <input checked="" type="checkbox"/> - Simmons, J. W. (Sampson County) |
| <input checked="" type="checkbox"/> - McCall, Carol (Scotland County) | <input type="checkbox"/> - Stephens, Jerry (Robeson County) |
| <input checked="" type="checkbox"/> - Monroe, Stephanie (Scotland County) | <input checked="" type="checkbox"/> - Thompson, Chris (Wilson County) |
| | <input checked="" type="checkbox"/> - White, Emery (Bladen 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"/> - Karen Salacki, Chief of External Operations | <input checked="" type="checkbox"/> - Jeanette Jordan-Huffam, Chief of Quality Management |
| <input checked="" type="checkbox"/> - Jonathan Charleston, Board Attorney | <input checked="" type="checkbox"/> - Theresa Edmondson, Director of H.R. & Compliance |
| <input checked="" type="checkbox"/> - Jose Coker, Board Attorney | <input checked="" type="checkbox"/> - Sarah Stroud, Chief of Business Operations |
| <input checked="" type="checkbox"/> - Dr. V. Jonnalagadda, Medical Director | <input checked="" type="checkbox"/> - Connie W. Price, Board Clerk |

Guests:

Mark Grimaldi, Division Liaison
Carol Choate, Director of "A Caring Heart"

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 February 10, 2014 at the University of Mount Olive in the Hennessee Conference Room. Board Chair J. W. Simmons called the meeting to order at 4:00 p.m. There were seventeen Board members present at the meeting, and four were absent. Addie Carmon, Rebecca Judge, Jerry Stephens, and Kirk Scott had prior family or work related commitments. Paul Russ delivered the Invocation.

ORIGINAL

▪ **COMMUNITY INPUT**

There was no *Community Input* for the month of February; however, Paul Russ asked that the Board Agenda be amended to include “longevity pay” for staff. The Board accepted his request for the amendment.

▪ **APPROVAL OF MINUTES**

The Minutes of the November 26, 2013 Board meeting (Attachment 1-A) were presented for approval. James Prevatte pointed out that on Pages 7 and 8 Stephanie Monroe’s last name was typed as “McCall” rather than “Monroe”. Correction was noted by the Board Clerk.

Motion was made by James Prevatte to approve the November 26th Board Minutes with noted correction. Emery White made a second. The motion carried.

The Minutes of the December 12, 2013 Board meeting (Attachment 1-B) were presented for approval.

Motion was made by Paul Russ to approve the December 12th Board Minutes. Jerry Jones made a second. The motion carried.

▪ **CHIEF EXECUTIVE OFFICER’S REPORT**

Ken Jones welcomed everyone to the February Board meeting. Mr. Jones reported that Eastpointe had a very busy past two months, and stated that Eastpointe has a \$300 million budget to manage and also has approximately 300 staff who have worked very hard to accomplish many goals over the past few months. Mr. Jones shared the following updates:

- **Claims Payment System** – The DHHS Secretary requires MCOs to participate in a review of their claims payment systems in order for the Secretary to certify the MCO’s reimbursement system for continued operations. Categories reviewed included prompt payment, HIPAA transaction data sheets, and accuracy of payments. Eastpointe scored above 95% in all areas with the exception of “accuracy of payment” which scored at approximately 85% . Eastpointe did not agree with the 85% score and will appeal the findings.
- **URAC Virtual Review** - On January 30th during the time period the MCO was closed due to snow and ice, fifteen staff and management participated in an off-site virtual review by URAC accreditation representatives. It was necessary to conduct the pre-planned review on the January 30th date even though staff had to participate from their home locations or the review would have been delayed until March. Jeanette Jordan Huffam, Quality Improvement Director, and the Q.I. Department took the lead in organizing and finalizing important documents the URAC reviewers would focus on which included Eastpointe’s Call Center, Provider Network, and Authorization System. Mr. Jones was pleased to report that the review went very well.
- **Longevity Pay** – By way of responding to the inquiry made by Board member Paul Russ on the status of where the MCO was with respect to awarding longevity pay to qualifying staff, Ken Jones reminded the group that the Finance Committee and Board had previously requested that final approval on this matter be delayed until the “per member per month” (PMPM) issues had been reconciled with the State. At the present time, the State does not have a handle on the N.C. TRACKS problem; therefore the PMPM issue

has been placed on the “back burner” by the State until N.C. TRACKS is stabilized. However, the State indicated they are very close to resolving this issue for MCOs and it could be finalized within the next two to three months. Mr. Jones pointed out that Eastpointe’s financial status is good and the Board may want to consider approving a cost of living increase for employees in the near future.

Mr. Jones also addressed the following informational items contained in the Board packets:

- **Attachment 7-A:** Updated list of Eastpointe Board Members and their contact information.
- **Attachment 7-B:** Eastpointe’s “*Compass*” newsletter which is a quarterly publication of news and accomplishments by the MCO. Page 3 contains an article about Eastpointe receiving the “*Excellence Award for Public Awareness and Advocacy*” presented by the N.C. Council of Community Programs in December 2013. Eastpointe’s “Community Relations Department” works very hard to represent the MCO in each of our 12 counties by providing local presence and availability in the communities. Page 4 highlights Eastpointe’s “Claims and Funding Department” which is located at the Lumberton site. This department usually processes around 180,000 claims per month.
- **Attachment 7-C:** First Quarter’s State Performance Contract for period July 1, 2013 through September 30, 2013. Eastpointe was one of three MCOs across the State of North Carolina that scored 100% in the category of submitting information to the State in a timely manner. The report includes information on Eastpointe’s Fiscal Monitoring Report, Claims Data Warehouse (CDW), Substance Abuse Prevention, and Outcomes Information.
- **Attachment 7-D:** Eastpointe’s Quarterly Report for the 1st and 2nd quarters from July through December 2013. Approximately 4,647 individuals requested services during the first quarter, and 4,732 during the second quarter. There were a total of 5,417 admissions from July through December 2013. The highest number of admissions was in Robeson County with a total of 1,088. Utilization Management processed approximately 22,465 Medicaid and IPRS authorizations during this same timeframe. Total number of complaints during 1st quarter was 155, and 124 complaints were received during the 2nd quarter. Mr. Jones pointed out that by the end of the 2nd quarter only 8 had not been resolved.
- **Attachment 7-D:** Eastpointe’s Local Business Plan which addresses the MCO initiatives for period 2013 through 2016. Mr. Jones emphasized this is a very important report. He will be sharing a PowerPoint presentation with the County Commissioners in each of the twelve counties during the next few weeks. Obtaining signatures from each Board of County Commissioners will be necessary before the Local Business Plan can be submitted to the State. A few of Eastpointe’s planned initiatives include:
 - ❖ **Transition to Community Living** – moving individuals from restrictive settings back into the communities.

- ❖ **Crisis Services** - reducing Emergency Department “wait times” and psychiatric admissions; also providing additional training for Crisis Intervention Teams (CIT), Magistrates, and Mobile Crisis Teams; tracking high risk consumers for failure to refill prescriptions; and establishing regional crisis collaboratives.
- ❖ **Psychiatric Residential Treatment Facilities (PRTFs)** - moving children closer to their home base.
- ❖ **Intellectual / Developmental Disabilities (I/DD)** – continue to address the I/DD wait list for those receiving State or B-3 services. There are approximately 752 individuals on the I/DD wait list at the present time.
- ❖ **Member Safety Access to Services** – continue to answer calls 95% of the time within 30 seconds.
- ❖ **Financial** – making sure Provider payment of claims is being made on time.

▪ **POLICY COMMITTEE**

Due to the absence of Committee Chair Addie Carmon, Policy Committee member Carol McCall reported that the Policy Committee met January 21st. They reviewed the policies listed below (as shown on Attachments 3-A-1 through 3-A-4) which are being presented to the Board for approval or retirement.

Policies submitted for approval:

CLINICAL OPERATIONS
C-3.3.18 Committee for Verification of NC SIS Supplemental Questions
C-3.5.16 Call Center Inter-Rater Reliability and Analysis
EXTERNAL OPERATIONS
E-4.2.8 Out of Compliance Reviews
HUMAN RESOURCES
H-5.1.8 Shift Differential Compensation
H-5.2.14 Equal Opportunity Employer
H-5.2.15 Career Status (General Statutes 126)
QUALITY MANAGEMENT DIVISION
Q-6.3.26 Death Reporting Committee

Carol McCall made a motion to approve the policies listed above. Emily Moore made a second. The motion carried.

Policies submitted for retirement:

CLINICAL OPERATIONS	
C-3.2.6	Conflict of Interest
C-3.5.15	Inter-Rater Reliability and Analysis Call Center
C-3.2.7	Special review Team
C-3.2.9	Provider Assistance
C-3.2.17	Enhanced Community Intervention Services (CIT) Behavioral Health Services
C-3.2.21	Hearings and Appeals
C-3.2.22	Quality Assurance Measures
C-3.2.24	Submission of Prior Approval (PA) Files
C-3.2.25	Contract Reporting

HUMAN RESOURCES	
H-5..2.1	Equal Opportunity Employment
H-5.2.5	Career Status Employee
H-5.4.11	Adjusted Work Schedule for Education

QUALITY MANAGEMENT DIVISION	
Q-.6.2.1	Training for Shelter Coverage

Carol McCall made a motion to retire the policies listed above. Jerry Jones made a second. The motion carried.

The Annual Policies and Procedures Review Report was presented for Board approval (Attachment 3-A-5). Ms. McCall stated that the Policy Committee conducted its annual review of Eastpointe’s polices and procedures during their January meeting. She pointed out that the annual review is a URAC requirement in order to be in compliance with the URAC accreditation process. The following polices and procedures being presented for approval for annual review are as follows:

ADMINISTRATION/GOVERNANCE	
Administration	
A-1.1.2	Investigations and Litigations
Corporate Compliance	
A-1.2.2	Code of Conduct

BUSINESS OPERATIONS	
Information Technology	
B-2.1.1	Business Continuity: Back-up and Disaster Procedure
2.1.2	Disaster Recovery
2.1.3	Confidentiality and Security: System Access, Password Management, and User Revocation
2.1.4	Confidentiality and Security: Internet and E-mail
2.1.5	Confidentiality and Security: Information Technology Security Incident
2.1.7	Helpdesk
2.1.8	E-mail Archiving and Retention
2.1.9	Business Continuity: Downtime of Systems
2.1.10	Information Management: DRAFT Hardware and Software
2.1.11	Data Integrity
2.1.12	Data Storage, Maintenance and Destruction
2.1.13	Information Management: Interoperability
2.1.14	Business Continuity <ul style="list-style-type: none"> A. Electrical Outage B. Telephone System Outage C. UM/STR Electronic Systems Outage D. Major Disaster
2.1.15	Architecture Requirements
Finance and Risk Management	
2.2.1	Out of State Travel
2.2.2	Bidding
2.2.3	Cellular Phones
2.2.4	Check Request
2.2.5	Contracts
2.2.6	Lodging
2.2.7	Payroll
2.2.8	Petty Cash
2.2.9	Purchase Order Requisition
2.2.10	Receipt of Funds
2.2.11	Subsistence Reimbursement
2.2.12	Transportation
2.2.13	Travel Expenses
2.2.15	Removal of Weapons and Drugs
2.2.16	Cultural Competency and Diversity
2.2.17	Accessibility/Request for Accommodation/Removal of Barriers
2.2.18	Sensitive and Non-Public Information
2.2.19	Risk Management
2.2.20	Internal Controls
2.2.21	Annual Budget
2.2.22	Asset Management
2.2.23	Insurance
2.2.24	Finance Committee
2.2.25	Risk Reserve

2.2.26	Accounting by Funding Source
2.2.27	Financial Report Certification
2.2.28	Medical Claims Liability
2.2.29	Budgeting
2.2.30	Financial Risk Management
2.2.31	Financial Solvency
Health and Safety	
2.3.3	Transportation/Roadside Emergency
Claims and Funding Services	
2.7.17	Systems Edits and Audits
2.7.22	Timeliness of Provider Payments
2.7.24	Provider Paybacks
2.7.26	Encounter Data Submission to DMA

CLINICAL OPERATIONS	
Utilization Management	
3.2.2	Criterion 5 Services
3.2.3	Out-of State Services
3.2.4	Discharge of Consumer
3.2.13	Requests for Non-Covered Services
3.2.19	Trackable Mail Systems
3.2.34	Inter Rater Reliability and Analysis
3.2.39	Medical Necessity Review Second Level
3.2.41	Individual Support Plan Approval and Service Authorization Process
3.2.43	Reconciliation of Medicaid Eligibility
3.2.44	Post Stabilization
Developmental Disabilities Care Coordination	
3.3.14	Innovations Wavier Services Provided to Members/Enrollees Eligible for Educational Services who are Home Schooled
3.3.15	Innovations Waiver Services Provided to Members/Enrollees Eligible for Education Services
Mental Health / Substance Abuse Care Coordination	
3.4.5	Care Coordination with External Entities
3.4.6	MH/SA Care Coordination
3.4.8	MH/SA Care Coordination: Special Health Care Needs
3.4.9	Care Coordination for Consumers without a Clinical Home
3.4.10	Hospital Discharge Planning and Follow-up
3.4.11	Outpatient Commitment
3.4.12	MHSA Care Coordination Admission, Intensity of Need and Discharge Criteria
Call Center – Access to Care	
3.5.1	Provider Choice
3.5.7	Call Center Screening, Triage, and Referral (STR) Process
3.5.8	Call Center Telephone Monitoring
3.5.10	Consumer Rights and Responsibilities
3.5.13	Call Center Purpose, Structure & Personnel
3.5.14	Response to Customer/Member Services

EXTERNAL OPERATIONS	
Community Relations	
4.1.1	Consumer Self-Governance
4.1.2	Humiliation, Retaliation, and Exploitation
Provider Monitoring	
4.2.2	Appeals
Communication	
4.3.2	Media Relations
4.3.3	Enrollee/Member Education
4.3.4	Behavioral Health Education
Network Operations	
4.4.4	Choice of Service Provider
4.4.5	Letter of Support for Residential Facilities
4.4.6	Provider Network
4.4.7	Provider Relations Program
4.4.8	Provider Representation
4.4.10	Application Process for Contracting with Agencies
4.4.11	Application Process for Contracting with Hospitals
4.4.12	Application Process for Contracting with Licensed Independent Practitioners
4.4.13	Application for Additional Services
4.4.14	Confidentiality of the Credentialing Process
4.4.15	Credentialing Manual
4.4.16	On-Going Monitoring of Sanctions
4.4.17	Primary Source Verification and Enrollment Requirements for LIP
4.4.18	Provider Qualifications and On-Going Responsibilities
4.4.19	Request for Proposals/Request for Interest (RFP/RFI) Process
4.4.20	Quality Review of Data Reports from Delegated Credentialing Vendor
4.4.21	Transition Team

HUMAN RESOURCES	
Conditions of Employment	
5.3.2	Employee Orientation and Training
5.3.6	Secondary Employment
5.3.7	Limitation of Political Activity
5.3.10	Alcohol, Tobacco and Drug Free Workplace

QUALITY MANAGEMENT	
Quality Management	
6.1.10	External Quality Review Organizational Coordination
6.1.13	Audit Tools and Process
6.1.14	Oversight of Delegated Functions
Medical Records	
6.3.1	Consumer Request for Accounting of Disclosure of Information Released
6.3.3	Retention and Destruction of Records
6.3.4	Consumer Record Review and Duplication
6.3.6	Information Confidentiality and Security
6.3.7	Confidentiality of Individually Identifiable Health Information
6.3.8	Release of Information for DWI-508R Form
6.3.9	Release of Information for Gun Permits
6.3.10	Access to Closed and Terminated Records
6.3.11	Access and Storage of Other Records
6.3.12	Abandonment of Records

Carol McCall made a motion to approve the Annual Policy and Procedure Review Report. James Shackelford made a second. The motion carried.

▪ **CLIENT RIGHTS COMMITTEE**

Due to the absence of Rebecca Judge, Chair of the Client Rights Committee (CRC), Board Chair J. W. Simmons shared a brief update. He stated that in the future the “*Client Rights Committee*” would be known as the “*Human Rights Committee*”, and would begin holding quarterly meetings rather than monthly meetings in order to be able to more accurately track trends.

Chairman Simmons made reference to the October 24th CRC Minutes (Attachment 4), along with the December 19th CRC Minutes (Handout #1), and asked for a motion to accept both reports for informational purposes.

James Prevatte made a motion to accept the October 24th and December 19th CRC Minutes for informational purposes. Emery White made a second. The motion carried.

▪ **CONSUMER and FAMILY ADVISORY COMMITTEE**

Paul Russ, Chair of the Consumer and Family Advisory Committee (CFAC), addressed the October 15th CFAC Minutes (Attachment 5) contained in the Board packets. The following motion was made:

Paul Russ made a motion to accept the October 15th CFAC Minutes for informational purposes. James Prevatte made a second. The motion carried.

Mr. Russ reported that the CFAC members met in January and discussed potential changes that may be coming up with the merger. They identified several values they would like to see encompassed with the merger, such as: *Holistic Approach; Use a Recovery Model Focus; Local Presence; Local Education and Regional Meetings held monthly with Medical Professionals participating; Accountability (holding Providers to their Contracts including mandatory trainings); Understanding and Communication between Physical and Behavior Health; On-going Education and Collaboration; and Building Relationships.*

Mr. Russ added that he and Dr. V. Jonnalagadda had talked about the possibility of organizing a sub-committee involving some of the CFAC members, along with other individuals, for the purpose of looking at what happens to consumers coming out of group homes and where they may go thereafter.

Nancy Moore shared concerns expressed by other CFAC members about not having a financial report presented during their monthly CFAC meetings. There have been a few times within the past year that they did not receive any financial information during their meetings. Ken Jones indicated that management will make sure that financial updates are provided during future CFAC meetings, which will include the same State reports that are shared with the Eastpointe Board of Directors. Ms. Moore also stated that CFAC members would like to have this information sent to Melissa Reese, the CFAC Liaison, so that the reports could be mailed out to CFAC members in their informational packets prior to their meetings.

▪ **BUSINESS OFFICE REPORTS**

- **Human Resources:** Ken Jones referenced the Human Resources Reports (Attachments 6-A-1 and 6-A-2) dated January 21, 2014 which depict positions currently filled at each site, and positions currently being advertised by the MCO. There were 8 new hires during the months of December 2013 through January 2014, and 4 internal staff transfers. There were 6 resignations, and 2 terminations (i.e. employees still in the probationary status) since the last reporting date. Approximately 12 open positions are being advertised (both internally and externally), or have interviews scheduled or offers pending.

Emily Moore made a motion to approve the Human Resources report. Paul Russ made a second. The motion carried.

- **Finance:** Emery White, Chair of the Finance Committee, addressed the November 22, 2013 Finance Committee Minutes (Attachment 6-B-1). Mr. White asked for a motion to accept the Finance Committee Minutes as presented.

Jerry Jones made a motion to accept the November 22nd Finance Committee Minutes. Billy Ray Pait made a second. The motion carried.

- ❖ **Total Profitability Report** – Sarah Stroud, Chief of Business Operations, explained Schedule D Total Profitability Report dated December 12, 2013 (Attachment 6-B-3). Total Revenues including Medicaid is listed at \$282,950,149. Total Expenses and Risk Reserves Set Aside is \$278,522,350, and Total Profit for this time period is \$4,427,799. Ken Jones added that the \$4 million profit goes back into the Fund Balance. Currently Eastpointe’s “Risk Reserve Set Aside” totals \$5,257,961 because the State requires each Managed Care Organization (MCO) to put aside 2% of their funds into “risk reserves”. These funds cannot be used unless approved by the State.

Emery White made a motion to accept the Financial Report. Emily Moore made a second. The motion carried.

▪ **CLOSED SESSION:**

Emery White made motion to go into Closed Session in accordance with N.C.G.S. 143-318(a)(1) and (a)(3) for the purpose of consulting with the Board Attorney. Jerry Jones made a second. The motion carried.

Eastpointe staff and guests left the room at 5:20 p.m. (with the exception of Ken Jones, CEO; Jonathan Charleston and Jose Coker, Board Attorneys; Theresa Edmondson, Human Resources Director; Sarah Stroud, Chief of Business Operations; and Connie W. Price, Board Clerk).

James Prevatte made a motion to come out of Closed Session. Emily Moore made a second. The motion carried. The Closed Session ended at 6:20 p.m.

▪ **ANNOUNCEMENTS:**

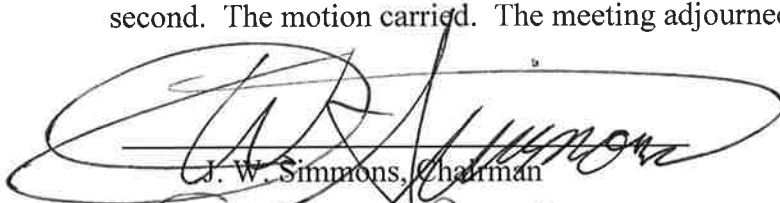
Chairman Simmons announced that Bobbie Britt, Eastpointe's Board Member representing Robeson County, had resigned from the Board effective February 4, 2014 due to a conflict of interest. Ms. Britt has taken a seat on the Board of Directors for the Methodist Group Home located in Robeson County. Ms. Britt will be missed by both the Eastpointe Board and employees. She was very supportive, and played an active and vital role with Eastpointe.

▪ **NEXT MEETING and ADJOURNMENT:**


Eastpointe's next Board of Directors meeting is currently scheduled for Tuesday, March 18th, 2014 and will be held at the University of Mount Olive in the Hennessee Conference Room beginning at 4:00 p.m.

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

Motion was made by Paul Russ to adjourn the February Board meeting. Billy Ray Pait made a second. The motion carried. The meeting adjourned at 6:30 p.m.



J. W. Simmons, Chairman



Connie W. Price, Board Clerk

3-18-2014
Date Approved

3-18-2014
Date Approved