

**Minutes
Mental Health Partners
Board of Directors
Thursday, October 1, 2009
7:00 P.M.**

The Mental Health Partners (MHP) Board of Directors met on this date in the library at North Liberty School in Morganton.

Members of the Board present included: Kitty Barnes, Ray Von Beatty, Lori Faulkner, Dr. Anthony Frasca, Danny Graves, Cynthia Houser, Ronald Kendrick, and Elizabeth Young. Excused/and or absent for other equivalent circumstances were Joseph Beaman, Jr., Todd Carswell, Michele Hamby, and Bruce Hawkins, Sr. Mental Health Partners' staff members present included John Hardy, Lori Mathes, Lesa Silver, Melanie Britt, and Janice Cornett.

A quorum was present.

The meeting agenda was mailed to the media and Board members on September 25, 2009.

Handouts

Two handouts were distributed prior to the opening of the meeting: (1) Revision of the October Budget Revision for FY 2009/2010 that was included in the Board packet; and (2) Brochure and Registration Materials for the NC Council Conference and Exhibition in Pinehurst, NC in December 2009.

Tour of North Liberty School

Board Member Elizabeth Young is the principal of North Liberty School. Prior to the opening of the meeting, Ms. Young gave the Board members a tour of the school and presented an overview of its curriculum. A separate public school within the Burke County School District, North Liberty School serves K-12 students with special needs. The school currently has approximately 80 students enrolled, with about 75 of those students attending school and the others home bound. Most of the students have special needs due to developmental disabilities, but some suffer with mental illnesses as well. Two of the students are from J. Iverson Riddle Developmental Center. The school operates on the regular school schedule. There are 10 teachers and 18 teacher assistants.

Board members toured an autistic classroom, the gymnasium, and the home living classroom which included a kitchen, laundry appliances, and a small apartment. Ms. Young noted the various symbols and icons used in the autistic classroom. She explained that the children need a structured routine and often get upset if anything occurs outside of the normal routine. There are numerous kitchens in the school and all bathrooms have changing tables. Diabetic injections, feeding tubes, etc. are all handled at the school as part of the daily routine.

The students at North Liberty School are provided with music, art, academics, computers, speech therapy, physical therapy, occupational therapy, life skills education, etc. Recreational therapy is provided by a recreational therapist supervised by the J. Iverson Riddle Developmental Center. The school also has a strong vocational transitional program.

Upon conclusion of the tour, Ms. Young answered questions from Board members about various aspects of the curriculum, the transition of some students to regular schools, etc.

Call to Order and Welcome of Guests

Vice Chair Von Beatty called the meeting to order at 7:26 P.M. and thanked Beth Young for the tour of North Liberty School.

Invocation

Lori Mathes, Finance Officer for MHP, led the invocation.

Minutes

The minutes of the August 20, 2009 meeting of the Board of Directors and the minutes of the September 23, 2009 meeting of the enhanced Budget/Finance Committee were presented.

Dr. Tony Frasca made a motion to accept the minutes of the August 20, 2009 Board of Directors' meeting as presented. Kitty Barnes seconded the motion.

There was no discussion, and the motion to accept the August 20, 2009 minutes as presented passed by unanimous vote.

Ron Kendrick made a motion to accept the minutes of the September 23, 2009 meeting of the Budget/Finance Committee as presented. Lori Faulkner seconded the motion.

There was no discussion, and it was unanimously voted to accept the minutes of the September 23, 2009 meeting as presented.

Citizen Comments

There were no citizen comments.

Commissioner Comments

Catawba County Commissioner Kitty Barnes stated that the last commissioners' meeting on September 21, 2009 was a fairly routine meeting. The commissioners are still in the process of adjusting the budget. A synopsis of each of the September meetings was included in the Board packets.

Burke County Commissioner Bruce Hawkins, Sr. was unable to attend tonight's meeting.

Director's Report

1. The priority issue for MHP has been sorting out the State's allocation and associated reductions. Details of that process will be shared later in the meeting.

2. The impact of the State's reductions is real and is already living up to the predictions of frustrated consumers – too many waiting in emergency rooms, reductions in professional staff, and reductions in provider services.
3. The State's cash flow has improved somewhat, but only in certain parts of the funding stream. Service dollars are flowing, but administrative dollars are two months behind.
4. Regarding Broughton Hospital, there was no special meeting with the Secretary to discuss institution and community interaction or input. Secretary Cansler's visit was focused on the workings of Broughton State Hospital without any wider concerns addressed. Director Hardy referred to Dr. Frasca for his view of the Secretary's visit as a front-line employee at Broughton Hospital. Dr. Frasca stated that the original plan was for Director Hardy and himself to meet with Secretary Cansler in the presence of Tom Mahle, Director of Broughton Hospital. The hope was to discuss how Broughton Hospital fits into the statewide system and its impact on the local community, as well as the plan for a new hospital. However, that meeting was cancelled and Dr. Frasca noted that the message received was that the State plans to pursue their current plan for a new Broughton Hospital with no consideration for compromise. Therefore, we will have to wait to see what happens next. Dr. Frasca expressed his sincere appreciation to Director Hardy for his support in the effort to reach a compromise with the State regarding the plan for the new hospital.
5. A reasonable amount of Director and MHP staff time has been spent in a legal issue with a ward and his potential transfer to Minnesota where his parents recently relocated. A foster care family with whom the ward has been living for the past 8 years is challenging the move as they feel that the ward has a closer relationship with their family than with his natural family. The case presents lots of interesting considerations. MHP won on the first decision from the court, but the foster family is now appealing that decision to a higher court.
6. Lots of meetings have been held with providers and impacted agencies like schools and Departments of Social Services regarding the movement of children from Level III and IV group homes back into the community over the next several months.
7. The next Board meeting will be on November 19, 2009 at 7:00 P.M. After a brief discussion of two possible meeting locations, the Board agreed that they would like to meet at Family Innovations in Morganton next month. Janice Cornett will contact Family Innovations to see if they will be able to host the November Board meeting.

Discussion of Board Survey Results

An evaluation form requesting an assessment of Board members' individual experience as a MHP Board member was distributed in August 2009. The primary purpose of the survey was to identify strengths and weaknesses of the Board so that they could either be enhanced or improved upon. All surveys have been returned and Melanie Britt, Policy Analyst for MHP, has tallied the responses. The results of the survey were included in the October Board packets and Ms. Britt presented an overview of those results at tonight's meeting. She noted that most of the survey responses were "strongly agree" or "agree", with about half of the questions being closely split between those two responses.

Question #5 was specifically discussed as it pertained to the Board's understanding of balancing needs presented by consumers, providers and other stakeholders. The general consensus was that this is a new Board and there is a learning curve as members bring in different perspectives and experiences. Question #9 was also discussed as it addressed the Board's ability to monitor its own accomplishments and progress. Dr. Frasca noted that he believes the responses to this question are a reflection of municipal Boards and the learning curve for MHP as a new Board. Kitty Barnes stated that it is difficult for a Board to do its own self assessment.

Dr. Frasca suggested that perhaps the Board should develop a possible scorecard for personal standards for our area. Board members agreed that this idea should be considered. In the meantime, Ms. Britt asked Board members to bring any other thoughts or suggestions to the Board at any time.

Action Items

Acceptance of Client Rights Committee 2009 Annual Report

The Client Rights Committee 2009 Annual Report was included in the Board packets. The Client Rights Committee met six times during FY 08/09. The annual report summarizes their activities of the past year. Director Hardy noted that this committee is now called the Human Rights Committee (as of FY 09/10).

Kitty Barnes made a motion to accept the Client Rights Committee 2009 Annual Report as presented. Cynthia Houser seconded the motion.

There was no discussion, and the motion was passed by unanimous vote of the Board.

Acceptance of Housing Grant and Establishment of Related Position

The Homeless Prevention and Rapid Re-Housing Program (HPRP) is a new HUD program that was created through the American Recovery and Reinvestment Act. The purpose of HPRP is to provide homeless prevention assistance to household who would otherwise become homeless –many due to economic crisis – and to provide assistance to rapidly re-house persons who are currently homeless. Acceptable financial assistance may be in the form of short and medium term rental assistance, security and utility deposits, moving costs, motel vouchers, etc. Services may include case management, housing search and placement, credit repair, etc.

MHP applied for and has been awarded this grant through the North Carolina Office of Economic Recovery and Investment in partnership with the North Carolina Department of Health and Human Services and the North Carolina Finance Agency. MHP was one of eighteen recipients of the grant which covers both Catawba and Burke Counties. The grant provides \$1,000,000 over three years, with \$340,880 for FY 09/10. The award includes funding that will allow MHP to hire a full time Program Specialist for a three year period. The new position will manage the grant and supervise subsequent contractual agreements with Greater Hickory Cooperative Christian Ministries and Burke United Christian Ministries. These agencies shall each employ a full time case manager to carry out the direct functions of the grant.

Director Hardy then referred to Lesa Silver, Personnel Officer for MHP, for an explanation of the new position. Ms. Silver stated that the new position is a unique one that does not align with any of the

current positions on the MHP grade scale. She explained that the Office of State Personnel (OSP) approves position titles, grade scale, etc. In order to align with the OSP, this new position would be titled as a "Human Services Coordinator II" with a pay grade of 68. The working title would be "HPRP Program Specialist". The position would be effective for three years and, if no other funding is available at the end of the three year period, it would be a MHP decision as to whether or not to retain the position.

Dr. Tony Frasca made a motion to accept the housing grant. Lori Faulkner seconded the motion.

There was no discussion, and the motion passed by unanimous vote.

Kitty Barnes made a motion to approve the establishment of the Human Services Coordinator II position with a pay grade of 68. Danny Graves seconded the motion.

There was no discussion, and establishment of the new position as proposed was approved by unanimous vote.

Position Reclassification

MHP is seeking approval to reclassify position #38600447 (Accounting Clerk III) in cost center 530901 (General Administration). This position is currently occupied by Hope Ward. In a recent review of the job description, it became evident that over a period of time the duties of this position have evolved and more accurately align with a Reimbursement Officer I position (Claims Adjudication Manager). MHP currently has three other Reimbursement Officer I positions.

MHP is requesting approval to reclassify this position effective immediately. Since Hope would be considered new to this classification and her current hourly pay rate exceeds the beginning rate of pay for a Reimbursement Officer I, a salary adjustment is not recommended.

Cynthia Houser made a motion to approve the reclassification of position #38600447 from Accounting Clerk III (grade 62) to Reimbursement Officer I (grade 67) as requested. Danny Graves seconded the motion.

There was no discussion, and the motion passed by unanimous vote.

Plan for State Budget Reductions

An enhanced Budget and Finance Committee met on September 23, 2009 to consider a staff developed plan to manage the reductions in State funding. The committee discussed the budget reduction requirements from the State and, after discussion of all the details and some modifications to the plan, the committee is recommending approval of the plan presented tonight.

Three requirements were made of LMEs and are as follows:

- LMEs must produce a financial plan for managing the required reductions and that plan must be submitted to the State by October 5, 2009.
- Reductions in specific areas by certain amounts
- LMEs must apply fund balance to offset the reductions in service dollars (The first suggestion for MHP was \$750,000 in fund balance.)

The final plan (see attached) presented tonight includes the following:

- Fund balance of \$400,000 to “back-fill” against State service dollar losses of \$1,684,536, which results in an 8.7% reduction from MHP’s service dollars where expenditures/utilization ended on June 30, 2009.
- MHP has already written provider contracts at a 15% reduction for the first two quarters of FY 09/10 so providers will actually have more dollars in the last two quarters rather than less.
- The Clinical Services Benefit Plan was also written at a 15% reduction in anticipation of the State’s reductions.
- The Budget and Finance Committee recommended a 3.5% reserve in service funding dollars.
- Emergency Crisis Services will be sustained at the June 30, 2009 level.
- Mental Health and Development Disabilities will realize a service dollar reduction of 44%.
- Substance Abuse service dollars will be reduced by 12%

Remaining fund balance for MHP is anticipated to be approximately 9%. MHP will also have a balance of \$360,140 not yet committed to a specific area.

Dr. Tony Frasca made a motion to approve the plan for managing State budget reductions as recommended by the enhanced Budget and Finance Committee. Danny Graves seconded the motion.

There was no further discussion, and the motion passed by unanimous vote of the Board.

Budget Revision, October 2009

A revised budget revision for October 2009 was distributed prior to the opening of the meeting. This revision was necessary due to the addition of \$8,803 received after the Board packets were mailed.

This revision decreases the current Mental Health Partners’ budget of \$23,520,925 (July 1, 2009) by \$1,121,345, bringing it to \$22,399,580.

The following are adjustments to the originally adopted FY 09/10 budget:

- State Funds Realignment – (\$1,841,407)
- State LME System Management Funds - \$110,246
- Mental Health Trust Fund - \$8,803
- Mental Health Fund Balance - \$290,237 (to cover shortfalls in service dollars)
- Burke County Funds – (\$30,000) (Funds not available to support the Client Emergency Assistance Program this year.)
- State Grant Dollars - \$340,776

This revision aligns the MHP budget with the reduction plan and actual allocations.

Lori Faulkner made a motion to approve the proposed revision to the FY 09/10 budget as presented. Beth Young seconded the motion.

There was no discussion, and the motion passed by unanimous vote.

Information Items

Director Hardy presented a brief overview of the following information items:

- Summary of Customer Services Activity 2008-2009
- Performance Indicators for the Fourth Quarter – MHP met the requirements for single stream funding.
- Human Resources Report
- Financial Report as of August 31, 2009 – Dollars from the previous year are not yet realigned to the appropriate places.

Other information items included the “*Catawba County Commissioners’ Synopsis*” for the September 8, 2009 and September 21, 2009 meetings, the NC Council Update for July/August 2009, and the Connections Clubhouse Newsletter for August/September 2009.

The brochure and registration materials for the NC Council Conference and Exhibition in Pinehurst on December 2-4, 2009 were distributed prior to the opening of the meeting. MHP will support the cost of this conference for any Board member(s) wishing to attend. Deadlines for conference registration and lodging reservations are attached to the conference brochure. Janice Cornett will be managing registration and lodging arrangements, so anyone wishing to attend should contact Janice.

Adjournment

With no other business for discussion, Dr. Tony Frasca made a motion for adjournment. Lori Faulkner seconded the motion.

The meeting was adjourned at 8:50 P.M.

Respectfully submitted,

Janice D. Cornett
Administrative Assistant II/ Clerk to the Board