

**Minutes  
Mental Health Partners  
Board of Directors  
Thursday, December 15, 2011  
7:30 P.M.**

The Mental Health Partners (MHP) Board of Directors met on this date in the first floor conference room of the First Plaza Building in Hickory.

Members of the Board present included: Dr. Anthony Frasca, Joseph F. Beaman, Jr., David Boone, Johnny W. Davidson, Jr., Danny Graves, Cynthia Houser, C. Randall Isenhower, Donna McNulty, Maynard Taylor, Ronald Kendrick, Dr. Amy Wood, and Elizabeth Young. Excused and/or absent for other equivalent circumstances was Lori Faulkner. Present from Mental Health Partners were John Hardy, Janice Cornett, and Lori Mathes.

A quorum was present.

The meeting agenda was mailed to Board members and the media on December 9, 2011. Public notice of the change in time for the Board meeting was also mailed to the media on December 9<sup>th</sup>. There were no representatives of the media present.

**Call to Order and Welcome of Guests**

Board Chair Dr. Anthony Frasca called the meeting to order at 7:31 P.M. There were no guests present at the meeting.

**Invocation**

Maynard Taylor led the invocation.

**Minutes**

The minutes of the November 17, 2011 meeting of the MHP Board of Directors were presented for review.

Maynard Taylor made a motion to accept the minutes of the November 17, 2011 Board Meeting as presented. Johnny Davidson, Jr. seconded the motion.

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

**Citizen Comments**

There were no citizen comments.

## **Commissioner Comments**

Catawba County Commissioner Randy Isenhower shared two Commissioners' actions of interest to the MHP Board:

1. Commissioners amended the County's agreement with MHP to allow the transfer of adult wards (and associated funds) to the Catawba County Department of Social Services. As a result of the Medicaid 1915 (b)(c) waiver expansion, LME's will no longer be appointed as public agent guardians.
2. Commissioners held their annual organizational meeting and Commissioner Isenhower was appointed to continue his service on the MHP Board in 2012.

Burke County Commissioner Maynard Taylor noted that Commissioners discussed the need to update the elevator in the Burke County Courthouse. The existing elevator is 40 years old and, because of its age, designs have changed and newer elevators will not fit into the allotted space, Commissioners have allocated \$85,000 to update the elevator in the courthouse.

Burke County Commissioners participated in the Morganton Christmas parade. Special recognition was given to American Roller Bearing Company, which will be adding 260 new employees in Burke County.

## **Director's Report**

1. Efforts toward merger continue at a very intense pace. There are lots of committee meetings across the three agencies to sort the details. Demos and meetings with software and telephone vendors are also taking place to make all this as seamless as possible. The many details are a bit overwhelming at times, but that has been expected. Position interviews are taking place regularly, with the focus being on the initial top tier positions.
2. The consumer review process for people with mental illness who live in Adult Care Homes is fully underway. We have been fortunate to bring Sonja Bess back part-time to work with our Medical Director in sorting this out.
3. The Catawba County Board of Commissioners will entertain a proposal on Monday, December 19, where MHP and Catawba County will share in the cost of \$22,000 for a six month support of Drug Court. This will allow time for the primary vendor, Clay, Wilson and Associates, to seek grant funding to replace the loss of State funding from the Administrative Offices of the Courts. The success rate in Catawba County's Drug Court of 45% has been more successful than the statewide average of 39%. Drug Court is also cost effective in that it reduces the cost of inmate time in jail as well as assisting to restore lives of people who have severe and chronic substance abuse problems. Matching MHP dollars will come from remaining Mental Health Trust dollars.
4. A "womanless beauty" pageant was held on November 19<sup>th</sup> to support the Meeting Place, a homeless shelter effort in Morganton. Several MHP staff organized and participated in the pageant, including Director Hardy as the MC. The pageant netted about \$1500.
5. The next Board meeting will be on January 19, 2012 at 7:00 P.M. in HEC 121 at the Foothills Higher Education Center in Morganton.

## **Merger Committee Report**

Board Chair Dr. Anthony Frasca gave a report on the December 1 meeting of the Merger Committee. As it was time critical for the selection of a name for the new organization, the Merger Committee had been instructed by the three Boards to make a final decision on a name. That task was accomplished at the December 1<sup>st</sup> meeting, and the name selected for the new organization is "*Partners Behavioral Health Management*".

Included in the Board packet was a comparison of the current Board By-Laws of Crossroads, MHP, and Pathways. The highlighted areas are proposed suggestions for the new organization's Board by-laws. Chair Frasca noted two areas of concern to him and requested input and direction from the Board to take back to the Merger Committee.

The first concern related to Board terms. MHP's terms are highlighted as the suggestion for the new Board's by-laws. However, the current stipulation that employees of Burke and Catawba Counties are prohibited from serving on the Board is not part of the highlighted area. Chair Frasca recommended adding that employees of the respective eight counties involved in the merger are prohibited from serving on the Board.

Board members discussed the importance of the by-laws being written with every effort to prevent any sense of coercion or undue influence for Board members. Randy Isenhower noted that this issue deals with eligibility to serve on the Board. After some discussion, Board members were in agreement that employees of the respective eight counties should not serve on the new Board and instructed MHP's representatives on the Merger Committee to present that recommendation to the Merger Committee at its January meeting.

The next proposed suggestion concerned organization of the new Board. The highlighted suggestion is from the by-laws of the Pathways' Board and states that the Board Chair does not always rotate counties. Chair Frasca asked if there were any concerns about the Board Chair not always rotating, and there were no concerns stated. Randy Isenhower asked if there had been any discussion about the number of Board meetings per year. Chair Frasca responded that this has not yet been discussed. Statue requires a minimum of six Board meetings per year.

There were no other suggestions regarding Board by-laws or any other subject. The Merger Committee will meet again on January 5, 2012.

## **Consideration Items**

There were no consideration items.

## **Action Items**

## **December Budget Revision FY 2011-2012**

Lori Mathes, Chief Financial Officer for MHP, presented an overview of a proposed revision to the FY 2011-2012 budget. The revision increases the current budget of \$22,362,362 by \$663,481, bringing it to \$23,025,843.

The revision includes the following adjustments:

- \$52,943 – State Allocation for additional Traumatic Brain Injury (TBI) funding (one-time basis)
- \$25,038 – State Allocation for the purpose of reimbursing expenditures incurred but not reimbursed in SFY 11 for Non-UCR Services (one-time basis)
- \$585,500 – Overpayment for the Three-Way Contract was received by MHP due to the State paying out the total contract in June 2011 (as compared to actual utilization and retro-active Medicaid). The overpayment of \$585,500 is due back to the State and MHP will apply Fund Balance in this amount to cover the payback.

Joseph Beaman, Jr. made a motion to approve the proposed revision to MHP's budget for FY 2011-2012 as presented. Johnny Davidson, Jr. seconded the motion.

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

### **Information Items**

Chair Frasca reviewed the information items with Board members. Lori Mathes noted that the Financial Report for July 1, 2011 – November 30, 2011 shows expenditures greater than revenue by \$803,672. Again, this is due to cash flow from the State. Payments from the State are behind for single stream funding and the Three-Way Contract. LME dollars are where they need to be. Ms. Mathes also noted that all of MHP's investment funds have been moved from Wells Fargo to NC Capital Management Trust, and the total investment balance is shown on the financial report.

Dr. Amy Wood asked for an update on Human Resources related to the merger process. Director Hardy stated that we are in the process of interviewing and hiring for positions in the top tier of the organizational chart – QM Director, Corporate Compliance Officer, etc. The MCO Contract Manager has been hired. Interviews for the Chief Business Officer are scheduled for tomorrow. Additional positions on the next tier were posted this week – Provider Network Director, Customer Service Director, MH/SA Clinical Director, I/DD Clinical Director, Utilization Management Director, and Consumer Relations Director. Non monetary basic benefits (such as the retirement system) will be taken to the Merger Committee for discussion in January. An insurance broker will soon be selected, but quotes for insurance are not expected until about May 2012.

In closing, Director Hardy wished Board members a very Merry Christmas and thanked them for their contributions at the Board/Staff Social held earlier this evening.

### **Adjournment**

With no other business for discussion, the meeting was adjourned at 8:25 P.M.

Respectfully submitted,

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