

METROCARE SERVICES

**BOARD OF TRUSTEES
MEETING MINUTES OF**

October 25, 2007

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REGULAR MONTHLY MEETING of the BOARD OF TRUSTEES

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A Regular Meeting of the Board of Trustees of Metrocare Services convened at 1:30 p.m. on Thursday, October 25, 2007 at 1360 River Bend Drive, Dallas, Texas.

I. Call To Order/Roll Call

Mr. Cooper, Chairperson, called the meeting to order at 1:30 pm. A quorum was present.

The following Trustees were present:

Mr. Cooper
Mr. Driver
Mr. Orr
Mrs. Ringle
Ms. Rodriguez
Ms. Walton-Brooks

Board Member(s) Absent Excused: Mrs. Noble and Mr. Migl

Staff Present: Dr. Baker, Linda Thompson, Dr. Graves, Kyle Munson and other Metrocare staff.

II. **CITIZENS' COMMENTS:** The procedure for public comments was available at the meeting for those interested. No public comment was received.

III. ISSUES TO BE CONSIDERED:

Approval of the meeting Minutes of September 27, 2007 – Regular Board Meeting:

Board Action: Mr. Cooper, Chairperson, called for any comments or corrections to the meeting minutes of September 27, 2007. Mr. Orr moved to approve seconded by Mrs. Ringle. Dr. Baker said that Ms. Noble noted an error on page 10028, third line from the bottom, "~~Development and Community Education report~~" should read "Financial Report for August 2007". Mr. Orr revised his motion to include this revision and Ms. Walton-Brooks seconded. Mr. Cooper entertained a motion to approve the minutes of the previous meeting as corrected. All were in favor. Motion carried.

Chairman's Report:

- **Board Liaison Report:** Mr. Driver presented the MH Advisory Committee report in the absence of its Chair, Mr. Keesee. Mr. Driver said the committee met on October 1st with a quorum present. At the meeting Mr. Clark provided an overview of the MH division reorganization anticipating the return of the fee for service model. This reorganization is designed to do the following:

1. Improve access and shorten wait time
2. Improve clinic flow
3. Assure timely and accurate uniform assessment submission to payor
4. Assure less than 5% revenue lost due to clinical or business errors
5. Assure 100% compliance with Center charting protocol

Mr. Driver reported that after discussion, the committee indicated approval of the planned reorganization. Mrs. Martha Nye presented an overview of the Living Environment Safety Screen for consumers in boarding homes. Mr. Clark provided a review of the clinical outcome metrics and focused on those metrics the division did not meet. Mr. Clark asked the committee for their preference on which metric they wanted the division to focus on and they agreed that the division should focus on consumers seen within 7 days as percent of all inpatient facility discharges.

- **CEO Evaluation:** Mr. Cooper handed out the results of Dr. Baker's performance evaluation stating that Mr. Doug Barnes, the center's legal counsel had tabulated all of the results. Mr. Cooper congratulated Dr. Baker on the results and thanked him for a job well done. Mr. Orr suggested that the evaluation summary be recorded into the minutes for permanent record. Ms. Walton-Brooks seconded. All were in favor. Motion carried.

There were no questions posed for this item.

Chief Executive Officer's Report:

- **New Board Member:** Dr. Baker announced the appointment of Dr. Carol North to our Board. Dr North is a psychiatrist on faculty at UT Southwestern and has an interest in trauma- and disaster-related psychiatric services. Dr. North is scheduled to receive Board training on November 19th and will join us at the next Board meeting.
- **Next Meetings:** The November committee meetings will be held on Thursday, November 15th. November and December is when the Board meetings are combined. The Board will meet on Thursday, December 6th at 1:30. There will be no committee meetings in December. We will resume our regular schedule in January.
- **Success Story: Individual Service Coordination (Luis Urtecho, presenter).** Dr. Baker asked Mr. Urtecho to share a success story from his program, service coordination.

Mr. Urtecho presented a slide show filled with scenes from an outing a client and his family took in the water park. Mr. Urtecho said this little boy was diagnosed with Muscular Dystrophy when he was 8 years old. The client is 15 years old now, and even though he is terrified of water this did not present as an obstacle when he asked his parents to take him to the water park during his vacations. He had seen the commercial on the television and he wanted to do what other kids did. The parents agreed to this and the mother flanked by her four children went to the water park. Mom had to carry him around, but this did not prevent the client from sliding down the highest water slides, riding on a donut in the made believe river, nor playing in all the games the water park had to offer. His enjoyment was contagious and could be observed by all. The client's mother said she was congratulated by the families at the water park that day because she did not let her son's illness be an obstacle to

his enjoyment of what life has to offer. This story is being shared with other families so that they too can get involved with their children and know that there are no obstacles, only the ones they set for themselves.

There were no questions posed for Mr. Urtecho.

Consideration of Acceptance of Chief Executive Officer Report: Dr. Baker referred to page 10032 for the centerwide benchmarks.

ValueOptions: Dr. Baker said negotiations continue on the new contract with ValueOptions. He is optimistic that they will come up with a contract that is workable for both parties.

ICF/MR Homes: Dr. Baker said that, as reported last month, the prospective buyer rescinded its offer to buy the ICF/MR homes, but Mr. Munson has been speaking with the company that made the second-best offer and a meeting has been scheduled for next week.

Autism Treatment Center: Dr. Baker, Mrs. Thompson and legal counsel traveled to Austin to meet with the Department of Aging and Disability Services (DADS) and the Autism Treatment Center to try to resolve the recoupment issue. He said the Autism Treatment Center was given a timeframe to come up with documentation to support their claim.

Dr. Baker thanked Mrs. Ringle for setting up a meeting with Mayor Leppert. He said Mayor Leppert visited last week and he is quite engaged in our mission and the impact it has on the city's goal for homeless services in the community.

Dr. Baker said financially this was a good month and the same is expected for the month of October. The center anticipates going into the fee for service model on November 1st.

There were no other questions posed for this item. (Please refer to the October 25, 2007 Board packet for a detailed account of this report).

Committee Recommendation/Board Action: Mr. Cooper entertained a motion to accept the CEO's report. This was a committee recommendation and does not require a second. The Board approved the Committee recommendation, motion carried.

Business and Finance Committee

Mr. Orr said the Business and Finance Committee met last week. Mr. Orr asked Mr. Munson to present his report.

Fiscal Management Reports:

Consideration of Approval of Financial Report for September 2007 (unaudited): Mr. Munson referred to page 10040 of his written report and said it contained a summary of the financials. He said for the month of September, the first month of the new fiscal year, the center did well. There was a positive margin over expenses of \$500K.

Mr. Munson referred to a letter received from DADS dated September 26, 2007 with the subject line: "The *Position Paper* for Both DADS and DSHS". This letter refers to the Uniform Grant Management Standards (UGMS) previously presented by our external auditor Mr. Tommy Nelson as a point of concern for all centers across the state. This letter allows Local Mental Retardation Authorities and Local Mental Health Authorities to utilize program income to build a working capital reserve. In the past it was stipulated that centers spend local revenue first and general revenue (GR) dollars last. Any unspent GR dollars had to be returned. This decision has been reversed for the foreseeable future. Now we can expend the general dollars first and keep the local revenues and any unused dollars can be

applied towards the fund balance. The state's letter indicates that centers should have a fund balance of up to 60 days. Mr. Munson said Metrocare is moving towards this goal.

ValueOptions: Mr. Munson said the center is in the final stages of negotiating the contract with ValueOptions. He said this is looking very positive and he will be meeting with ValueOptions CFO on Monday morning. He said time over the last couple of weeks was spent on a rate structure comfortable for all concerned. Discussion ensued.

Mr. Cooper asked who had signed the program income letter Mr. Munson referred to, and if a copy had been sent to Commissioner Hawkins. Discussion ensued. Mr. Cooper asked that a letter be sent to the commissioners of DADS and DSHS on behalf of the Board acknowledging the position paper be sent, with a copy to Commissioner Hawkins.

There were no questions posed for this item. (Please refer to the October 25, 2007 Board packet for a detailed account of this report).

Mr. Orr entertained a motion to accept the Financial Report for September 2007 aggregating that he would like the minutes to include a copy of the September 26, 2007 letter from DADS as reported by Mr. Munson. Mr. Driver seconded. All were in favor, motion carried. (see attachment).

Consideration of Approval for Authorization to Initiate Sale of the ICF/MR Homes to EduCare Community Living: Mr. Munson said that as Dr. Baker mentioned in his report, at this time we are seeking Board approval to move forward with the second offer made by EduCare after the first offer was rescinded by D&S Residential Services on the sale of the ICF/MR homes. He said EduCare has indicated they are still interested in pursuing the acquisition of the licenses and some of the properties.

Mr. Munson said in case this sale should also fail, the center is proposing a plan to prevent us from a continued loss with this program. Mr. Munson referred to page 10041 and a three-tier approach:

- 1) Reduce staffing where there is overstaffing
- 2) Realignment of staffing patterns (saving the center approximately \$50K)
- 3) Move all direct care employees to a PRN status (on a needed basis)

Mr. Munson said management would like Board approval to start the process of pursuit of the EduCare's offer.

There were no questions posed for this item. (Please refer to the October 25, 2007 Board packet for a detailed account of this report).

Mr. Orr entertained a motion to approve the Authorization to Initiate the Sale of the ICF/MR Homes to EduCare Community Living. This was a committee recommendation and does not require a second. The Board approved the committee recommendation, motion carried.

Consideration of Approval of Revision to Board Policy 1.04: Mr. Munson said there were no significant changes to this Board Policy. The primary changes include the name change of the Center and the process for collection of annual evaluation forms of the Chief Executive Officer.

Mrs. Ringle referred to the bottom of page 10043 where it reads: "The Board of Trustees shall annually report to each local agency that appoints its members, the Chief Executive Officer's total compensation and benefits", and asked if this had been done. Dr. Baker said he does this himself each year after the contract is approved by the Board. Mrs. Ringle asked

for the language to be changed to reflect this and to show that the Board authorizes the Chief Executive Officer to send this information and to change the wording to the Court, only, since there are no other local agencies that appoint him.

Revision: "The Board of Trustees shall annually report the Chief Executive Officer's total compensation and benefits to the Dallas County Commissioners Court. The Chief Executive Officer is authorized to send this information to the Court on behalf of the Board." Discussion ensued.

There were no other questions posed for this item. (Please refer to the October 25, 2007 Board packet for a detailed account of this report).

Committee Recommendation/Board Action: Mr. Orr entertained a motion to accept the Revision to Board Policy 1.04 and add the change in the wording to show the Board delegates authority to the Chief Executive Officer to represent the Board on various appointers relative to this compensation benefits. This was a committee recommendation and does not require a second. The Board approved the Committee recommendation with changes noted, motion carried.

Service and Program Committee

Ms. Walton-Brooks said these reports were presented in their entirety at the Service and Program Committee and only summarizations would be presented at this time. Ms. Walton-Brooks asked Dr. Graves to present his report.

Consideration of Acceptance of Service Delivery Report for September 2007: Dr. Graves said there were no major updates. He spoke of the return for fee for service. He said they are working very closely with the business side of the organization to improve access for consumers, improve clinic flow, wait time, and improve environment for consumers. With regard to the MH Advisory committee recommendation to the Board regarding the 7-day follow-up, he noted that ValueOptions and Metrocare are focused on assuring that those consumers who have been in hospitals are seen promptly by our medical staff in order to reduce hospitalizations.

Other highlights: A Living Environment Safety Screening now is performed regularly in conjunction with the treatment plan. This is to assure we capture concerns from staff and consumers about living conditions in the assisted living facilities. He said there have been over 40 positive screens that have resulted in reports to NTBHA and Adult Protective Services.

Dr. Graves spoke briefly of the renovations and modernization of clinic image at the Lancaster Kiest Clinic thanks to a private, anonymous donation that was received.

Dr. Graves referred to the Significant Exceptions on Priority Metrics and said both the estimated mental health volume and the estimated mental retardation provider revenues for the latest week were still below target.

There were no questions posed for this item. (Please refer to the October 25, 2007 Board packet for a detailed account of this report).

Ms. Walton-Brooks reported that the Service and Program Committee recommended the acceptance of the Service Delivery Report for September 2007. This was a committee recommendation and does not require a second. The Board approved the committee recommendation, motion carried.

Consideration of Acceptance of Plan to Develop a Model Bilingual – Bicultural Service Center: Dr. Graves said the center wants to meet the community needs and that the community population is 40% Hispanics, but the consumers to whom we are providing services is only 15% Hispanic. He said the center wants to reach that community.

He said the plan is to convert the whole campus across from Timberlawn into this Center staffed with bilingual, culturally competent staff. All of the services we provide will be available at this clinic: adult, child and adolescent services and specialty services such as the Family Preservation Program, Assertive Community Treatment and Psychiatric services.

There were no questions posed for this item. (Please refer to the October 25, 2007 Board packet for a detailed account of this report).

Ms. Walton-Brooks reported that the Service and Program Committee recommended the acceptance of the Plan to Develop a Model Bilingual – Bicultural Service Center. This was a committee recommendation and does not require a second. The Board approved the committee recommendation, motion carried.

Consideration of Acceptance of Revision to Board Policy 2.06: Dr. Graves said the Board Policy requires review of the board policies every five years. The revisions to this policy include the name change of the Center, updating statutory references, updating the mission statement and its relationship to the policy, and updating current staff titles and relationships.

There were no questions posed for this item. (Please refer to the October 25, 2007 Board packet for a detailed account).

Ms. Walton-Brooks reported that the Service and Program Committee recommended the acceptance of the Revision to Board Policy 2.06 Regarding Medical/Psychiatric Services. This was a committee recommendation and does not require a second. The Board approved the committee recommendation, motion carried.

Quality Management Reports:

Ms. Walton-Brooks Service and Program Committee Vice Chair asked Mrs. Thompson to present her report.

Consideration of Acceptance of Quality Management Report for September 2007: Mrs. Thompson said there were no changes to her report since she presented this at the Service and Program committee in its entirety. She said the only occurrence since that meeting is that the Dallas area conducted its roundtable yesterday on front door services. DADS has an initiative around ease of access for all consumers coming through their various program front doors. Yesterday, Metrocare along with the local Regional DADS office and the Agency on Aging met to present Commissioner Horn and her staff with a recommendation for this initiative in the Dallas area.

Dr. Baker said that plan this was very well accepted by Commissioner Horn, and that she and her assistant were very impressed by the job of Linda and her cohorts at the other two agencies. Dr. Baker commended Mrs. Thompson on her leadership. Ms. Thompson said the group is working on an electronic intake and referral to be shared by all of the agencies.

There were no other questions posed for this item. (Please refer to the October 25, 2007 Board packet for a detailed account of this report).

Ms. Walton-Brooks reported that the Service and Program Committee recommended the acceptance of the Quality Management Report for September 07. This was a committee

recommendation and does not require a second. The Board approved the committee recommendation, motion carried.

Consideration of Acceptance of Revision to Board Policy 6.01: Mrs. Thompson said the revisions to the policy on Quality Management include the name change of the center, updating statutory references, refinement of the relationship to the mission statement and its relationship to the policy. The mental health references now fall under Title 25 and the mental retardation references are now under Title 40.

There were no questions posed for this item. (Please refer to the October 25, 2007 Board packet for a detailed account).

Ms. Walton-Brooks, reported that the Service and Program Committee recommended the acceptance of the Revision to Board Policy 6.01 on Quality Management. This was a committee recommendation and does not require a second. The Board approved the committee recommendation, motion carried.

Audit Committee

Mrs. Ringle from the Audit Committee asked Mr. Munson to present his report.

Consideration of Acceptance of Management Response to the Internal Audit Report on Grants: Mr. Munson said the Audit Committee did not meet, but at two meetings ago they reviewed the Center's business processes and procedures applied in grant procurement and grant management. He said Weaver and Tidwell provided the outcome of their audit with their risk rating and their recommendations. What management did was create a column in that report with our response and action related to each finding. Mr. Munson said all action items have been implemented and are underway.

Mr. Cooper requested that a letter from Weaver and Tidwell of their approval of management's response be presented at the December 6th Board meeting.

Mr. Cooper said this item would be tabled until the December 6, 2007 Board meeting when they have a letter from the Auditing Firm of Weaver and Tidwell.

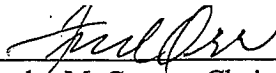
Dr. Baker reported that Mr. Cooper and he presented the Center's quarterly report to the Court last week. He said he was quite impressed with what the Court is trying to do around the Equity-of-funding Issue in trying to gain support from other counties.

Dr. Baker said Ms. Ringle took Commissioner Dickey on a tour of our facilities to educate her on our mission and the challenges we face. Ms. Ringle said Commissioner Dickey is a former caseworker and is very much into health care issues. Ms. Ringle invited all of the Board members to get their Commissioners involved and invite them to tour our facilities so they can see what the clinics do all day long.

EXECUTIVE SESSION: There were no issues to discuss.

IV. MEETING ADJOURNMENT: There being no further business to come before the Board, on motion duly made, seconded and carried, the meeting adjourned at 2:25 pm.

Minutes approved by:


~~Charles M. Cooper, Chairperson~~
Fred Orr, Vice Chairman, presided
in the absence of the Chairman

Minutes recorded, transcribed and distributed by:
Martha L. Toscano
Assistant to the CEO and Metrocare Board of Trustees