

**METROCARE SERVICES**

**BOARD OF TRUSTEES  
MEETING MINUTES OF**

**December 6, 2007**

# METROCARE SERVICES

## REGULAR MONTHLY MEETING

### of the BOARD OF TRUSTEES

## MINUTES OF December 6, 2007

A Regular Meeting of the Board of Trustees of Metrocare Services convened at 1:30 p.m. on Thursday, December 6, 2007 at 1360 River Bend Drive, Dallas, Texas.

### I. Call To Order/Roll Call

The Vice Chairperson, Mr. Orr, presided in the absence of the Board Chairperson. A quorum being present the meeting was called to order at 1:30 pm.

The following Trustees were present:

Mr. Driver  
Mr. Migl  
Mrs. Noble  
Mr. Orr  
Mrs. Ringle  
Ms. Rodriguez  
Ms. Walton-Brooks  
Dr. North

Board Member(s) Absent Excused: Mr. Cooper

**Staff Present:** Dr. Baker, Linda Thompson, Dr. Graves, Kyle Munson, Sandy Stephens 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 October 25, 2007 – Regular Board Meeting:**

**Board Action:** Mr. Orr, Vice Chair, called for any comments or corrections to the meeting minutes of October 25, 2007. There were no comments or corrections presented. Mr. Driver made a motion to approve the minutes. Ms. Walton-Brooks seconded. The minutes were approved as presented.

#### **Chairman's Report:**

- **New Board Appointee:** Mr. Orr announced that on October 9<sup>th</sup>, 2007, the Commissioner's Court appointed Dr. Carol North to the Metrocare Board as a joint appointment. Dr. North completed all of the required Board orientation and she was sworn in on November 19<sup>th</sup>. She will be appointed to serve on a committee at a subsequent time. Mr. Orr welcomed Dr. North.

- **Board Liaison Report:** Mrs. Noble presented a written report and said that she was at the Executive Directors' Consortium (ED Consortium) when David Rollins from DADS handed out commendations to the Centers for the good job they have done in getting people enrolled into the new Home and Community Support slots. She said Metrocare staff enrolled the maximum of 240 new people. Mrs. Noble presented a plaque to Ms. Carol Putman and Ms. Sharon Chapple in recognition of their hard work.

Ms. Noble presented a written report with information pertaining to the two meetings she attended, the Texas Council of Community MHMR Centers (Texas Council) meeting and the Executive Directors' Consortium. She said she attended both meetings to get a better picture of how the information flows. She said that the executive directors from the various MHMR Centers come together and discuss issues and then they present to the Texas Council so that the Texas Council can, in turn, advocate for functions and programs with legislators and congressmen.

She said it was quite evident that the two groups need to have better communication so that they can be more effective in obtaining their goals.

Ms. Noble noted that the ED Consortium recommended strategic goals that were formulated at the ED Consortium's retreat in September. She also presented other items of interest discussed at the ED Consortium.

At the Texas Council meeting, the strategic goals recommended by the ED Consortium were presented and adopted. The Texas Council also reviewed policies on member dues and collections. Reports on public policy and legislative directions were given which covered many of the same issues addressed at the ED Consortium.

The Texas Council accepted the Executive Committee's recommendation of Danette Castle as the new CEO of the Council.

There were no questions posed for Ms. Noble.

- ❖ **Consideration of Approval of Longevity Resolutions:** Mr. Orr recommended the approval of Resolutions of Appreciation recognizing the following staff for their long and faithful service to Metrocare Services. On behalf of the Board Mr. Orr extended his sincerest appreciation and presented plaques to the following individuals:

- Louise Archibald
- Sios S. Tan, MD

Ms. Archibald was not present to receive her plaque.

**Board Action:** Mrs. Noble made a motion to approve the Resolution of Appreciation for the staff being honored today. All were in favor, motion carried.

- **Next Committee/Board Meeting:** Mr. Orr announced that there would be no committee meetings in December. The next committee meetings will take place on Thursday, January 17, 2008 starting at 11:30 and this will include the Audit Committee. The next full Board meeting will be on January 24<sup>th</sup> starting with Board training at 1:00 pm.

**Consideration of Acceptance of Chief Executive Officer Report:** Dr. Baker referred to page 10083 of the centerwide benchmarks and said he presented this report in detail at the Business and Finance Committee meeting. The following are some of the highlights in his report.

**ValueOptions:** Metrocare has completed a new performance contract with ValueOptions and the center has been operating on this contract throughout the month of November.

**ICF/MR Homes:** Dr. Baker said that the Center is in discussion with a potential buyer for Intermediate Care Facilities (ICF/MR) homes. Mr. Munson will present more details.

**Autism Treatment Center:** Metrocare and the Autism Treatment Center (ATC) met with the state last month regarding the \$1 million dollar recoupment from ATC. The state specifically asked ATC to come up with a response to their desire to recoup the dollars and present this to the state by end-November. Although unsolicited, Dr. Baker drafted a letter offering possible solutions to the recoupment issue, noting that ATC had been penalized enough by losing the dollars. There has been no response from the state.

Dr. Baker noted that Mr. Cooper's absence was due to his liver transplant, which was successful.

Holiday Cards are being mailed out in the community to Metrocare's friends, as a token of the Center's gratitude for their gifts.

Dr. Baker invited everyone to the grand opening of a pharmacy at LifePath in Plano. The open house, which Metrocare and LifePath are collectively sponsoring, will be next Friday in the afternoon.

There were no questions posed for this item. (Please refer to the December 6, 2007 Board packet for a detailed account of this report).

**Committee Recommendation/Board Action:** Mr. Orr 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.

- **Diversity Moment: Cultural Competency (Martha Nye, presenter).** Ms. Nye said this year the Cultural Diversity Committee decided to focus on cultural competency. She said this would always be an ongoing process and there are three good reasons for doing this: 1) it is the decent thing to do; 2) it is a best practice, and; 3) it will help us develop our performance initiatives towards accreditation for Joint Commission. The first step is diversity training. The training will be about the legalism of what not to do, but also asks that we look at what we can do to become diverse and work better as a group. A cultural diversity workshop is being hosted during the month of February and this will help to define and measure what is cultural competency. After that, some performance indicators will be developed. Ms. Noble commended Ms. Nye for working on this.

There were no questions posed for Ms. Nye.

#### **Business and Finance Committee**

Mr. Orr asked Mr. Munson to present his report.

#### **Fiscal Management Reports:**

**Consideration of Approval of Financial Report for October 2007 (unaudited):** Mr.

Munson said there was nothing eventful to report for the month of October. For the first two months of the fiscal year, the center is exceeding budget. The budget had anticipated the closure of the sale of the ICF/MR homes and because the offer was withdrawn, there are some discrepancies from budget, but overall September and October reported two good months.

Mr Munson warned that there will be a substantial drop-off in performance in the mental health division during the conversion to a fee-for-service contract with ValueOptions, which began November 1st.

In November the center finalized the sale of the Inwood Home.

Mr. Munson said the Center is working with EduCare Community Living and exchanging information in response to the due diligence task list submitted by EduCare regarding the sale of these properties. Mr. Munson said EduCare is not interested in purchasing all of the properties, but they are interested in pursuing the acquisition of all of the licenses. There are no specifics on the sales contract or agreements at this time.

There were no questions posed for this item. (Please refer to the December 6, 2007 Board packet for a detailed account of this report).

**Committee Recommendation/Board Action:** Mr. Orr entertained a motion to accept the Financial Report for October 2007. This was a committee recommendation and does not require a second. The Board approved the Committee recommendation, motion carried.

**Consideration of Approval of the FY08 ValueOptions Performance Contract:** Mr. Munson referred to page 10092 of his report and said this contract was effective on November 1st and was finalized in the 2nd week of November. He said that this contract would return the center to fee-for-service in mental health services, effective November 1<sup>st</sup>. The contract runs through August 31<sup>st</sup>, 2008. There is language in the contract that disallows unilateral changes, a problem in prior contracts. Doing so would require mediation with the North Texas Behavioral Health Authority (NTBHA).

Mr. Orr commended Dr. Baker and Mr. Munson for eliminating unilateral changes.

There were no questions posed for this item. (Please refer to the December 6, 2007 Board packet for a detailed account of this report).

**Committee Recommendation/Board Action:** Mr. Orr entertained a motion to approve the Ratification of Dr. Baker's Signature on the ValueOptions Performance Contract. Ms. Noble moved to approve. All were in favor. Motion carried.

**Consideration of Approval of Revision to FY08 Budget:** Mr. Munson referred to page 10093 of his report and said that based on the new fee schedule from ValueOptions, the Center completed a revised 2008 budget for the next 10 months, starting November 1<sup>st</sup>. Including the \$955K in recognized positive revenues for the two months ending October and the 10-month budget, a positive margin of \$2.3 million is budgeted. This excludes the sale of the ICF/MR properties, but includes the sale of the Inwood Property.

Mr. Munson said as part of the return to a fee-for-service, resource realignment was undertaken in mental health services. The fiscal department is now responsible for all the front office and business functions in the clinics and other mental health programs. Team leads and program managers now report to a manager who, in turn, reports to Dr. Graves.

A key metric that the Center monitors is the direct-to-indirect ratio, defined as the percentage of expenses incurred that are directly related to the care of consumers. In the new budget an indirect ratio of 9.5% is anticipated, as compared to an actual ratio of 10.1% for FY07. The state guidelines suggest a ratio of 10% or less. He said there are very few Centers around the state that are at 10% and no centers that are our size that are at 10%. Metrocare is anticipating closing out this year below 10%.

He said the November financials would reflect this budget.

There were no questions posed for this item. (Please refer to the December 6, 2007 Board packet for a detailed account of this report).

**Committee Recommendation/Board Action:** Mr. Orr entertained a motion to accept the Revision to the FY08 Budget. 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 1.07 on Payment of Damages and Legal Fees for Employees and Members of the Board of Trustees:** Dr. Baker said the board policy contained in the Board packet is the version approved at the Business and Finance Committee but because of discussions thereafter, there is an amended version contained within the Trustee's folders. He said it would take another motion from the Board to amend this policy to incorporate the recommendation from counsel in the version in the folder. Mr. Munson said the only change in the folder version from the version approved in Business and Finance Committee is the addition of the language specifically noting the Center's responsibility for Trustee "representation and attorney's fees."

There were no questions posed for this item. (Please refer to the December 6, 2007 Board packet for a detailed account).

**Committee Recommendation/Board Action:** Mr. Orr entertained a motion to accept the amendment to Board Policy 1.07. Ms. Ringle moved to approve the policy as amended and handed out in the Trustee folders. All were in favor. Motion carried.

Ms. Ringle referred to the Indicators of Quality in the approved policy, and noting the second bullet, "Ongoing trustee and employee liability training," said that she was not aware of any liability training provided to the Board and said she would like for the board policies to reflect what the Board actually does. There was consensus among the Board to leave board policy 1.07 as just approved, and to ask for board training regarding trustee liability.

**Consideration of Approval of Revision to Board Policy 5.03 on Nepotism:** Mr. Munson said there were no significant changes to this board policy. The revisions to this policy include changes to reflect the current name of the Center, and clarification of "close relatives and significant others."

There were no questions posed for this item. (Please refer to the December 6, 2007 Board packet for a detailed account).

**Committee Recommendation/Board Action:** Mr. Orr entertained a motion to accept the Revision to Board Policy 5.03. 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 4.06 on Administration of Services Contract:** Mrs. Thompson said this policy has been updated to reflect the current name of the center, refinement of statutory references due to the changes within the Department of State Health Services (DSHS), and the Department of Aging and Disability

Services (DADS), and the language around the Center's mission, goals and values. This policy is being revised because an audit by the Department of Assistive and Rehabilitative Services of our Early Childhood Intervention policies and procedures required that the minimum content for each contract be listed in policy. These have been added to this policy as reflected on page 10108. Mrs. Thompson also revised the language on this policy adding "best value" and "minimal content" as shown.

There were no questions posed for this item. (Please refer to the December 6, 2007 Board packet for a detailed account).

**Committee Recommendation/Board Action:** Mr. Orr entertained a motion to accept the Revision to Board Policy 4.06. This was a committee recommendation and does not require a second. The Board approved the Committee recommendation, motion carried.

### **Service and Program Committee**

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

**Consideration of Acceptance of Service Delivery Report for October 2007:** Dr. Graves said there were no major updates. He spoke of the return to a fee-for-service environment saying there are new productivity targets associated with this.

Dr Graves said that the clinical leadership is working very closely with ValueOptions and our consumer base to decrease hospitalizations of our consumers, to increase access to our services and to our medical staff, and to decrease the wait time at the clinics.

The clinical leadership is also focusing again on outcomes. The state developed a total of seventeen outcomes measures for mental health. But the clinical leadership attended a NTBHA-sponsored public forum at their offices to discuss strategic planning, and stakeholders there noted four primary outcomes: access to housing, access to jobs, adherence to treatment and hospitalization rates. So, the intent is to focus on these going forward. In addition, our Advisory Committee asked that we pay special attention to the 7-day follow-up for patients recently discharged from the hospital.

A quarterly all medical staff meeting was held on November 2, 2007. This meeting is held to help engage, recruit and retain medical staff.

There were no questions posed for this item. (Please refer to the December 6, 2007 Board packet for a detailed account of this report).

Mrs. Noble said that the Service and Program Committee recommended the acceptance of the Service Delivery Report for October 2007. This was a committee recommendation and does not require a second. The Board approved the committee recommendation, motion carried.

**Consideration of Acceptance of Action Plan for the Early Childhood Intervention Program:** Dr. Graves referred to page 10121 and said that the Department of Assistive and Rehabilitative Services uses four categories to describe the status of the ECI local contracted program providers:

- Meets Requirements
- Needs Assistance

- Needs Intervention
- Needs Substantial Intervention

Based upon the program's previous designation as at "high-risk," Metrocare's ECI was placed in the "needs intervention" category. Dr. Graves referred to pages 10122 through 10124 of his report, and said that the Center has developed means of tracking the indicators internally to improve our performance. The biggest current issue is getting data transferred out of our electronic medical record and into the web-based database that ECI uses to grade us.

There were no 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:** Mrs. Noble reported that the Service and Program Committee recommended the acceptance of the Action Plan for the Early Childhood Intervention Program. 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 October 2007:** Mrs. Thompson said there were no changes to her report since she presented it at the Service and Program committee. She said additional training was provided to staff in their efforts to deal with complaints over the past year. Staff is receiving resource information to understand how to navigate through the Department of Aging and Disability Services (DADS). There is a plan in place to address the low completion rate on outcomes assessments.

There were no other questions posed for this item. (Please refer to the December 6, 2007 Board packet for a detailed account of this report).

**Committee Recommendation/Board Action:** Mrs. Noble reported that the Service and Program Committee recommended the acceptance of the Quality Management Report for October 2007. This was a committee recommendation and does not require a second. The Board approved the committee recommendation, motion carried.

**Consideration of Appointment to the MR Planning Advisory/Network Advisory Committee:** Ms. Thompson said Ms. Patterson is a grandmother of an individual with developmental disabilities and she is very active in the community. Ms. Patterson has expressed the desire to participate in the MR PAC/NAC. The MR PAC/NAC reviewed her application and felt that Ms. Patterson would be a great asset to the committee. Ms. Thompson is submitting Ms. Mary Patterson for appointment.

There were no other questions posed for this item. (Please refer to the December 6, 2007 Board packet for a detailed account of this report).

**Committee Recommendation/Board Action:** Mrs. Noble reported that the Service and Program Committee recommended the acceptance of the Appointment of Mary Patterson to the MR Planning Advisory/Network Advisory Committee: 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 2.05 on Rights of Persons Served:** Ms. Thompson said the revision to the policy on Rights of Persons Served includes changes to reflect the current name of the Center, refinement of statutory references and the changes in the Metrocare mission, goals and values.

There were no questions posed for this item. (Please refer to the December 6, 2007 Board packet for a detailed account of this report).

**Committee Recommendation/Board Action:** Mrs. Noble reported that the Service and Program Committee recommended the acceptance of the Revision to Board Policy 2.05. 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 6.02 on Notification of Clients Deaths and Unusual Incidents:** 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. She said this policy assures that Board members are notified regarding any consumer deaths or any unusual incidents involving the center that may result in press coverage.

There were no questions posed for this item. (Please refer to the December 6, 2007 Board packet for a detailed account).

**Committee Recommendation/Board Action:** Mrs. Noble reported that the Service and Program Committee recommended the acceptance of the Revision to Board Policy 6.02. This was a committee recommendation and does not require a second. The Board approved the committee recommendation, motion carried.

#### **Audit Committee**

**Consideration of Acceptance of Management Response to the Internal Audit Report on Grants:** Mr. Migl said that the agenda item "Acceptance of Management Response to the Internal Audit Report on Grants" was tabled at the October Board meeting pending a letter from the auditing firm of Weaver and Tidwell approving the management response. Mr. Migl said that since he was not at the meeting, he did not know the context of this request by the Board. He said he did not believe that the engagement process with Weaver and Tidwell had such a requirement.

Mr. Migl asked Mr. Munson if he could elaborate on the concern.

Mr. Munson said the question from the Board had been whether the auditors had reviewed the management response, and if so, what were their thoughts.

Mr. Munson introduced Elisa Martin from the auditing firm of Weaver and Tidwell to provide a response to the Board's request. Ms. Martin said that it was not within their scope to approve the management response. She said maybe the Board was looking for assurance that management is adequately responding to the risks and the needs noted in the audit, to which she said the answer is "yes."

Ms. Martin said that, for the most part, Metrocare management had been very accommodating in making changes to the grants process. There has been specific action taking place in direct response to her firm's recommendations. Ms. Martin presented several examples of the actions Metrocare had taken. Ms. Martin reported that there were no issues identified for which the management had not taken action.

Ms. Ringle asked if Weaver and Tidwell was aware that management is in the process of forming a foundation. She wanted to know if that process was a part of their review. Ms Martin said that is was not, and that if it were a separate foundation, then its auditing functions would be separate, as well.

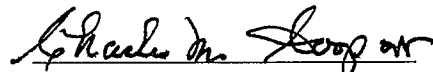
There were no questions posed for this item. (Please refer to the December 6, 2007 Board packet for a detailed account).

**Committee Recommendation/Board Action:** Mr. Migl entertained a motion to Accept the Management Response to the Internal Audit Report on Grants. Mr. Driver moved to approve. All were in favor. Motion carried.

**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 2:30 pm.

Minutes approved by:

  
Charles M. Cooper, Chairperson

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

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