



**BOARD MINUTES**  
**September 26, 2019**

**METROCARE SERVICES**  
**Board Meeting Minutes**

A Regular Meeting of the Board of Trustees of Metrocare Services convened on Thursday, September 26, 2019 at 1345 River Bend Drive/Dallas, TX 75247.

**CALL TO ORDER:**

Mr. James called the meeting to order at 1:51 pm. A quorum of board members was present.

**Board Members Present:**

|                   |                         |                       |
|-------------------|-------------------------|-----------------------|
| Terry James       | Leslie H. Secrest, M.D. | Jill Martinez         |
| Kenneth Bernstein | Dave Hogan              | Noel O. Santini, M.D. |
| Anthony Farmer    |                         |                       |

**Members Absent:**

|                       |               |
|-----------------------|---------------|
| Dee Salinas Gutierrez | Peter Schulte |
|-----------------------|---------------|

**Staff Present:**

|                    |                |               |
|--------------------|----------------|---------------|
| John Burruss, M.D. | Linda Thompson | Judith Hunter |
| Richard Buckley    | Kelli Laos     | Ken Medlock   |

**Others Present:**

Elizabeth Goodwin

**CITIZEN COMMENTS:** No public comment was received.

**ACTION AGENDA ITEM(s):**

- ❖ Acceptance of the FY19 Fourth Quarter Reports on Finance
- ❖ Acceptance of Appointment to the MH Advisory Committee

**CONSENT AGENDA ITEMS:**

All consent agenda items are considered to be routine by the Board and will be enacted with one motion. There will be no separate discussion of items unless a Board Members so request, in which event, the item will be removed from consideration as an item of consent business and considered in its normal sequence with the other action items listed below in which case full discussion of the item may occur as necessary.

- ❖ Acceptance of the August 29, 2019 Regular Board Meeting Minutes
- ❖ Acceptance of the FY19 Fourth Quarter Reports on Finance
- ❖ Acceptance of the Human Resources Report for August 2019
- ❖ Acceptance of Appointment to the MH Advisory Committee
  - Glamaris Gonzalez
- ❖ Acceptance of the Quality and Authority Report for August 2019
- ❖ Acceptance of Revision to Board Policy 1.11 on Authority Function
- ❖ Acceptance of the FY19 Fourth Quarter Reports on Quality Management and Research
- ❖ Acceptance of the FY19 Fourth Quarter Report on Compliance
- ❖ Acceptance of the Strategic Initiatives Report for August 2019

Mr. James moved Acceptance of the Consent Agenda items as a whole, provided the Board did not have an objection or a desire for one of these items to be taken up in the regular course of business. There are no objections. Motion carried.

**CHIEF EXECUTIVE OFFICER REPORT:**

1. Dr. Burruss introduced Ms. Elizabeth Fleming who presented the success story of a 22-year-old, non-verbal female. After working with the family and the consumer after two weeks in Dayhab the consumer was able to verbalize some words and she became less aggressive and easier to work with; she was smiling and having positive changes. Ms. Lasso and Ms. Fleming spoke about the services provided through Behavioral Support.
2. The Board and Dr. Burruss thanked Ms. Lasso and Ms. Fleming.

**CHAIRMAN UPDATES:**

1. Mr. James reminds the Board that Meal for the Minds is rapidly approaching; it will be Friday, October 11, 2019.
2. Mr. James and the Board welcome their newest member, Mr. Anthony Farmer.

**FY19 FOURTH QUARTER REPORT ON FINANCE:**

Mr. Buckley turns everyone's attention to page 145668. He noted that this is the third year in a row that we are "profitable" and we surpassed the prior year's margin. Last year we did not have banking support and now we have solid banking support with UMB. We have doubled income from a million to a little over two million. Mr. Bernstein asks if we are going to be able to address the findings from Crow through the year end closed process is forcing you to do and Mr. Buckley answers yes. Mr. Buckley noted that one of the comments from the Audit reports was on sub-ledgers in Accounts Payable. Specifically, we do have a sub-ledger now for Accounts Payable. We do have sub-ledgers for Receivables as well as for Fixed Assets so those comments from the Auditor should go away. Mr. James ask how the relationship with the new Auditors is going and Mr. Buckley answers that the Auditor is not on site yet but, as of Friday, we got all of the communication such as the internal control questionnaires. Per Mr. Buckley's suggestion, the Auditor will be on site in October and remain until the audit is completed, rather than making several trips to our offices. Mr. James asks Mr. Buckley if there are other things, he wants to do with the upcoming audit having learned from the last couple of years that it's a little bit different than what has been done it in the past and Mr. Buckley replies that it always boils down to communication. He is having a meeting tomorrow with the key accounting staff members to outline who does what in preparation. Mr. Bernstein asks how are Receivables? Mr. Buckley replies "difficult." We are over \$5.2 million gross as of August 31<sup>st</sup> but within that is a fair amount of \$400,000 unapplied cash due to actual receivables so we are estimating \$4.6 million. This should be no more than \$2.5 million, so we are short significant compensation with Net Smart. Mr. Buckley responds that we undergone two audits by MCO's withheld payments and then denied payments, one out of the two appears to be resolved. Dr. Burruss comments that the key problem is that we have a static situation; it's not rising and it's not dropping and there is some portion of the \$4.5 million that is yet to be attributed which leaves between \$600,000 and \$800,000 that's going to be bad debt. It still leaves three to four million dollars outstanding, so the recent charges are processing but not the older. The problem is that there is a substantial amount of money that is 120 plus days old and we are in a challenging position of asking the MCO's for leniency on our late filing because of the transition in the EHR and don't necessarily want to file complaints against them at the very same time we are asking for leniency so we are working try to figure the best way to solve this. But there is a large amount of aged AR that is sitting there and it's owed to us and it's not untimely filing its actual claims that should be paid. Mr. James ask how the communication has been with the MCO's. Dr. Burruss responds "variable." We sent out a request for some



forbearance on the untimely filing and received some answers within a few minutes and some still haven't answered. Mr. Buckley states it's accrued at \$1.5 million on the books. Dr. Burruss knows that there is a quarter million of older PsychConsult A/R that is going to be a write off.

**Resolution Ratifying the UMB Bank Loan:**

Mr. Buckley instructs the Board to turn to page 145671. We have the approval from UMB bank that the loan package has been approved. When we complete the transaction, the bank will require a Resolution that we are acknowledging that we will consummate the transaction. Essentially what we did last year so those IGT loans for January and July are covered. We approached it with the middle of the road expectations on DSRIP; however, the total loan package is \$14 million because if we exceed expectations on DSRIP, if we did not ask for the increased amount then we will incur additional banking fees. There is also a difference in the working capital loan. It's a higher amount because we have more collateral. The six group homes that were acquired in the Lifenet transaction were transitioned to our balance sheet and that is another million and half in collateral so we are able to get five million in working capital. Also, we will not have to pay it all back until 8/31 because we are exposed in the last month of the year on our working capital needs. Mr. Bernstein wants to know how all of the numbers works because the borrowings that he refers to the \$11,196 million; the repayment is something like \$13.6 million? Mr. Buckley states that we can borrow as much as five million if we access the working capital loan. The estimated borrowing on the January IGT is the \$1,082 million and roughly five million for July IGT. The basic rule is we pay back the IGT loan immediately and then the excess we are to pay the working capital. Mr. Bernstein wants to know why we are repaying more. Dr. Burruss states the January 31<sup>st</sup> payment is too high and Mr. Buckley states that it's probably a typo on his part. Mr. James asks Mr. Buckley if he will present us with the actual Resolution next month. This is just letting us know so we don't have to act.

**Motion:** Made by Mr. James and seconded by Mrs. Martinez. The motion carried by unanimous consent to accept the Financial Report for August 2019.

**MH ADVISORY COMMITTEE:**

Ms. Laos wants the Board to note that she will be adding an additional metric on unique Services for the month keeping with the K.P.I. for the one-year goal we will also report on "True Uniques." She is working with IT gathering that report on a monthly basis. Dr. Burruss states that the K.P.I in a given month is how many unique individuals did we see. The goal is in the course of the year is how many total unique people did we see, and we only get counted just once and that is the distinction between those two K.P.I.'s. Dr. Bernstein states that one is monthly, and one is cumulative. Mr. Hogan asks a question about the housing units. Mrs. Laos replies that we are down a little bit around 436. August through October see a little bit of a dip just because of the closing of some their HUD grants, but we usually have average around 420 and results and means about between 490 and 515 people total that are housed. Mr. Hogan asks if there is more housing available which is the goal for more providers, would we be able to house more people? Mrs. Laos replies that max around 430 is for our grant capacity so as we talk about things like vouchers and things like that we can expand upon, yes, but as far as HUD grants and what that capacity amount is, we say pretty close. Dr. Burruss comments that we have anticipate larger number of people being housed.

**IDD PLANNING AND NETWORK ADVISORY COMMITTEE:**

Mrs. Thompson doesn't have anything to report at this time.

#### **QUALITY MANAGEMENT AND RESEARCH REPORTS:**

Mr. Bernstein points out that in the Executive Summary it does not mention anything on Research and Training in the Board Packet page 145651 and Dr. Burruss informs him that can be easily updated.

#### **STRATEGIC INITIATIVES REPORT:**

Dr. Burruss is proposing that the Key Indicators changes going into FY20. This starts with the one and five-year goals on page 145657 and also includes the 14 KPI's that he would like to start using for FY20. These are a succinct assessment of the important things that we are doing and every one of them will have further elaboration within the operational reports. Dr. Santini asks about the KPI that documents the same day access as 100%. Are we considering the different numbers of slots per say the size or percentage of slots that will be available for same day access that day? Dr. Burruss responds that the clinics see however many people show up. We don't segregate a number of slots. Dr. Santini comments that means that 100% of patients will be seen the same day. Dr. Burruss states that every clinic has same day availability every day. There are rare circumstances where there are provider absences or staff shortages and somebody may have to come back the next day. Dr. Hunter adds that if someone shows up at the clinic then that person will see somebody today at the clinic in almost every circumstance. The last time we checked, Metrocare averaged one hundred and five walk-in clients a day, which is 26,000 per year. Dr. Burruss then agrees with Mr. Hogan's comments that this is rare across the state and in the area. Mr. James asks the Board to turn to page 145657 and wonders if these are all aspirational goals or are they certain. Dr. Burruss responds that some of the goals are almost certain - such as certification as a CCBHC and 60,000 unique individuals seen. Regarding Patient Satisfaction, the higher we perform, the harder it is to raise, so three percent is achievable but difficult. Three-year CARF accreditation is challenging. The possible outcomes are no accreditation, provisional accreditation, one-year accreditation or three-year accreditation, so if we get a three-year accreditation we've "knocked it out of the park." That is somewhat aspirational but he would like the Agency to try. The Cohen Clinic got a three-year CARF accreditation, so it seems reasonable. A million dollars in cash reserves, it's possible and it's an aspirational goal but it's doable. We can certainly develop HUD expertise. The EdCor partnership is not fully in our control but has strong City support. The Capital Campaign could well surpass ten million, so most of these are within our ability. Dr. Santini asks how we measure those things, the 60,000 unique individuals, do we have like a Dashboard like every month that we know how many patients we've seen just to make sure that we on the right track. Dr. Burruss states that Dr. Santini is correct. Plus, again the depth of information in the actual report is much greater obviously than the KPI's so we can drill down on some of these things to a deeper level. Mr. Bernstein comments that given the presentation we just had is there a KPI that addresses patient satisfaction and customer satisfaction and Dr. Burruss responds that there is a goal that is not a KPI; patient satisfaction is assessed at such a rare interval that it's hard to have as a KPI. Mr. Bernstein ask what cycle it is. Mrs. Thompson replies that we tend to get a survey every quarter and she usually has Michael come in once a year to present to the Trustees. Mrs. Thompson comments that if Mr. Bernstein would like that she could incorporate in the quarterly reports. Mr. Bernstein asks who is doing those texted surveys and Mrs. Thompson answers that Michael is doing those monthly and then he usually pulls together a summary report on then quarterly basis. The Chief Strategy Officer is going to be intimately tied to this process and the document, but how the content of the document carries forward so many of the things within Marketing Development, within Legislative Relations, within



Business Development all are closely tied to this role. It's going to be a key position that is already posted. Mr. James comments that if the Board has questions that this is the time for them to ask them because this is going to be a living document that is by no means static. Mr. Bernstein asks if we are looking at the Pharmacy revenue globally or is that pharmacy revenue just in Dallas? Dr. Burruss answers that the Pharmacy revenue is global, and it might include new pharmacies that are being discussed with Texas Council members that may want our services over time. Mr. James asks about moving into life post-DSRIP with the need to become a CCHBC and the significant investment of money to achieve that. Dr. Burruss answers if we achieve the status there will not be a reward immediately. Mr. Terry asks how is the center going to navigate that time? Dr. Burruss answers that the best way for them to do it this year is to have budgeted knowing that it is coming so our revenue is built without any of this because there isn't going to be any CCHBC or Medicaid benefits to be had immediately from this so our revenue isn't built around DSRIP as in the past. It is built around clinical care and services and we have to be ready to afford it so, when the budgets are put together, this was a known quantity. Mr. Bernstein asks if it is all cost and Dr. Burruss confirms that this is exclusively cost initially. Dr. Santini asks about Samuell campus and if we used to own that place or are we leasing it or buying it back and Dr. Burruss answers that the property was sold with an option to buy back and he doesn't remember what the timing and we can buy back at certain intervals. Mr. Buckley informs The Board, that seven years from now is the first true option to purchase the Samuell property back but if we go and make an offer sooner it just an option. Dr. Burruss comments that the thing that we forego it's at a predetermined price at seven years, if we go at five years or four, we are going to have to haggle and negotiate whatever we accept, so, this maybe an aspirational goal. Mr. Bernstein asks what kind of dollars we are talking about and Mr. Buckley responds that we spend about \$25,000 a month on lease payments so we are looking at \$300,000 per year on a lease payments that you eventually want to convert to ownership and Mr. Bernstein agrees but he continues to ask what is the option for buying it back in seven years, what kind of dollars are we looking at? Mr. Buckley responds that it is \$2.5 to \$3 million dollars. Dr. Santini asks if this will be a loan and Mr. Buckley answers most likely yes, however, depending upon timing it be might that we have cash and want to invest it back into the property. Mr. Hogan refers The Board to turn to page 145657; the five years company goals the bullet point House 25% of homeless programs in owned properties and Mr. Hogan want to know who owns the properties. Dr. Burruss answers that the Agency would own the properties. Recall that Gary Keep and LifeNet Community Behavioral Healthcare provide annual support to Metrocare housing. This should amount to roughly \$110,000 dollars this year and we are going to add that to last year's proceeds for the homeless, but we also may have as much as \$1.8 million dollars to turn into housing options since we are their primary partner. The ultimate goal for us is to create more housing stock in Dallas. Mrs. Martinez ask if the C.H.D.O. will fit in there with their long-term plans. Dr. Burruss answers that LifeNet Community Behavioral Healthcare works with Churchill Properties and is part of a C.H.D.O. Metrocare can't be a bigger part of that because we are governmental so we will always remain a minority partner though we are beneficiary. We actually get a fair amount of LCBH's profits every year and we will get some or maybe all of the proceeds from the sales. Mr. Hogan states that the end result will be affordable housing and he was wondering if Metrocare could work with the City and their new housing program. Dr. Burruss responds in the affirmative.

**Motion:** Made by Mrs. Martinez and seconded by Mr. Bernstein to accept the FY20 Strategic Plan and Key Performance Indicators. The motion carried by unanimous consent

**CLINICAL SERVICE REPORT:**

Dr. Hunter refers the Board to page 145673. A Senior Project Manager to lead the CCBHC project started at the end of August. It is going well so far given that she has been at Metrocare for only two weeks. Regarding the K.P.I.'s, she has not been reporting the units of med service because that measure has become obsolete. Mr. James asks about the Cohen Clinic. Dr. Hunter said that the Cohen Clinic is doing very well. Dr. Burruss asks Dr. Hunter to speak about the physical changes at the clinic. Dr. Hunter said that this has been on the books for two years. It was originally central Cohen's idea to for our clinic to develop a community room. We went through various drawings and configurations of community rooms but never achieved a final product. Since then, we have received donations from the Kaminski Foundation (\$25,000) to support the community room and, just today, we got \$5,000 from the City of Addison as well. It will become a true community space. Mr. James asks if the room is located within the clinic and Dr. Hunter replies that it is. We also have an in-kind commitment from HKS Architectural & Engineering to do the architectural drawings free of charge. Mrs. Martinez asks if she is talking about our clinic and not the Clinic next door. Dr. Hunter explains that it is the Cohen building of 15,000 square feet with enough space to build the room. Mr. James asks what is the current projected cost on building it out? Dr. Hunter replies that the total cost isn't available from HKS and Cohen has agreed to fund part of it too, so we are not total dependent on donations. Mr. Hogan asks about our participation in North Texas Giving Day. Mrs. Tameka Cass replies that we do and that we cleared a bit more than \$20,000 to support the Cohen team. We are still waiting on the final report from Communities Foundation of Texas but the last number she had was \$22,249 but some give prizes so she is waiting on the final report. Dr. Santini asks how many providers we have in total and Dr. Hunter replies that we have a total of 48 prescribers.

**Motion:** Made by Mrs. Martinez and seconded by Mr. Bernstein. The motion carried by unanimous consent.

**Meeting Adjournment:** There being no further business to come before the Board, Mr. James adjourned the meeting at 3:02 pm.

Minutes approved by:

  
~~Ms. Dee Salinas-Gutierrez, Secretary~~  
Terry A. James, Chairman

Minutes transcribed by:  
Elizabeth Rodriguez  
Assistant to Sr. Management