



BOARD MINUTES
September 27, 2018

METROCARE SERVICES

Board Meeting Minutes

A Regular Meeting of the Board of Trustees of Metrocare Services convened on Thursday, September 27, 2018 at 1353 North Westmoreland, Dallas, TX 75211.

CALL TO ORDER:

Mr. James called the meeting to order at 1:37 pm. A quorum of board members was present.

Board members present:

Terry James, Corey Golomb, Jill Martinez, Kenneth Bernstein and D'Andrala Alexander.

Board members not present:

Dee Salinas Gutierrez, Leslie Secrest, M.D., Jasmine Crockett and Lane Conner.

Staff Present

Dr. John Burruss, Linda Thompson, Dr. Judith Hunter, Richard Buckley, Norma Allen, Ken Medlock, Ratana DeLuca, Kevin Boyd and Tameka Cass.

Others Present:

Eliza Solender, Joel Geary, Michael Carr and Linda Stahl.

CITIZEN COMMENTS: There were no citizen comments.

CHAIRMAN UPDATES

Discussion: Mission, Vision, Statement – Mr. James deferred this matter until Dr. Secrest could be in attendance at a future meeting.

Board Liaison Reports:

- Mental Health Advisory Committee – Ms. Alexander said the committee met last week and they had a quorum present. The committee will meet again on October 1st to try to catch up for the times the committee could not meet due to the lack of a quorum. As part of the board training recommendation one of the members suggested the board members visit our different sites.
- Intellectual and Developmental Disability Planning and Network Advisory Committee (IDD/PNAC): Ms. Thompson said the committee met on September 25, 2018 and they had a quorum present. The committee did their annual election of officers for the upcoming year. During the month of November the committee will be sponsoring a Town Hall Meeting which will include topics on Community First Choice, Guardianship including Surrogate Decision Making and the YES Waiver. There was discussion on the need for supports during the spring break and the summer for adolescents with IDD. Ms. Thompson said they are evaluating the possibility of using current day hab providers to support this need. Board Training Recommendation: Overview of the Planning and Advisory Committee and their current membership.

Upcoming meetings and events: Mr. James referred to the Meal for the Minds coming up in October, but said he would like a chance to present this later under the Action agenda.

CONSENT AGENDA ITEMS:

Mr. James made a request to move the following items to the Action Agenda: 1) Appointment of Vernon Hunt Jr., to the Mental Health Advisory Committee, and 2) Marketing and Development Report for August 2018.

- Acceptance of the August 30, 2018 Regular Board Meeting minutes
- Acceptance of the FY18 Fourth Quarter Reports on Finance.
- Acceptance of the Mental Health division report under the Clinical Services Report
- ~~Acceptance of Appointment of Vernon Hunt Jr. to the Mental Health Advisory Committee~~
- Acceptance of the FY18 Fourth Quarter Reports on Service Delivery
- Acceptance of the FY18 Fourth Quarter Reports on Quality Management and Research.
- ~~Acceptance of the Marketing and Development Report for August 2018~~

CHIEF EXECUTIVE OFFICER REPORT:

Services Presentation – Home and Community Based Services (HCS). Ms. Bria Jackson and Carolina Lasso presented information on an individual receiving services through the HCS program and her success in the program.

Dr. Burruss referred to Ms. Thompson and asked her to provide a little more information on the General Revenue Services (GR), the HCS program and Texas Home Living Program (TxHmL). Ms. Thompson - The GR has the least money available, only \$3,500 per year for individuals enrolled in this program. If you are fortunate to get into HCS this will give you a bit more and there is also a residential component attached to it. There are wait lists for everything except behavioral support and she plans to make respite services available for more people. Currently there are over 100,000 individuals on the statewide interest lists still waiting for a slot and the last slots off of the statewide interest list were for the year 2004. The state appropriated 700 slots for the whole state of Texas for this biennium and this will be divided between the years 2018 and 2019.

Dr. Burruss - If you were to get into the interest list today it would be at least 14 years before you could get services.

Ms. Thompson - In crisis situations the state has developed a process in which slots that were left vacant when people either moved out of the state, left the program, passed away or are no longer interested in HCS can be use.

Ms. Golomb - This has been going on for years and the advise she gives parents is to get into the interest list as soon as possible so that by the time their children are ready to leave school they will be able to receive these services.

The board and Dr. Burruss thanked Ms. Jackson and Ms. Lasso for their presentation.

ACTION AGENDA ITEMS:

Consideration of Acceptance of the Chief Executive Officer Report for FY18 Key Performance Indicators Progress through August 2018:

Dr. Burruss said his report is in the packet, but today he wanted to do a presentation and talk about Hillside. He said that presently this campus is being utilized to house the Westside Family Center which provides child and adolescent behavioral health, the Early Childhood Intervention Program (ECI), and other programs mainly focused on Intellectual and Developmental Disability (IDD).

Dr. Burruss – Hillside is celebrating its 70th birthday. At one time the Beverly Hills Sanitarium Annex was located here. This permit for this site was approved by the City in 1948 and the first building open in 1950. There were 10 total buildings by end of the 1950's and one more was added in 1991. Metrocare assumed operation of the site in the mid-1970s. The size of the property is 10 acres and it houses 124 staff on site in roughly 48,000 square feet. The appraisal value as of October 2017 was \$7.6MM. This appraisal is currently being updated.

Dr. Burruss - This is a popular area looking down to Central Dallas. The current developers, Stratford Developers plan to convert this into a community, residential center with a river walk.

Dr. Burruss – One potential solution would be to make this “Metrocare Central.” The area we are in is odd shape and sometime in the future we would like to acquire a small piece of land that is adjacent to ours to make the size of our property more consistent. If we could obtain that property it would make this 12.5 acres. We would also like to approach the city to request abandoning the street that runs through the property.

Dr. Burruss - In reply to Ms. Martinez question, said that someone else owns all the real estate running from I-30 to Ft. Worth Avenue, except for this property. Right now the current owners [Stratford Developers] are in the midst of a transaction that will cause the land to change hands. We have notified someone of our interest to acquire that piece of property.

Dr. Burruss - In the past we have received offers in cash and even to swap properties, but the offers have been well below market value or a lesser lot that was under valued.

Dr. Burruss introduced Eliza Solender and Kevin Boyd. He said that Eliza does Commercial Real Estate and has helped us sort through many challenges and produced results for us.

Ms. Golomb – What is that large tower situated in the property?

Dr. Burruss - This is the tallest tower in the area and it is a radio and cell tower. This would have to stay.

Dr. Burruss – We have different options we can look at for our site. We could sell outright or in part and move and continue leasing space. We could also build. These buildings are too old to rehabilitate and there is nothing we could salvage, sell or reuse.

Mr. Boyd - To try to improve this building would be too costly. The flow of space does not work with the programs.

Ms. Martinez – Was there was an evaluation of the property and was there anything salvageable like steel beams?

Dr. Burruss - Unfortunately that was not the case. The \$7.6MM is the value of the property, just for the land. We could keep and convert one of the buildings (pointed to the building) as a centralized facility space to keep our inventory, but the buildings themselves have no value.

Mr. Bernstein – How many square feet would we need with 124 staff?.

Dr. Burruss – Less than 48,000. This is not a square foot by square foot exchange we would be looking for. We would build Administration, Altshuler Center for Education, ECI, etc. This could be “Metrocare Central.” How big this would be would depends on what is built here. We could also partner with another non-profit to offset the cost, or work with for-profit partners where we could rent from them, but we would still own the land, or build to suit and sale and rent from new owner who built the area for us.

Mr. Boyd - Our rent expenditures for the year are over \$2M.

Dr. Burruss - There is no need to decide today. We will establish a time line (end of 2022), obtain a survey appraisal and geotechnical assessments, pursue the northeast triangle, decide if we want to stay or sell, and speak to city and county for site development plan. We will also start to establish a “financing stack” and consider capital campaign (Marketing). Ms. Martinez – Recommended an Ad hoc committee.

Ms. Solender - If the Canyon is not deemed an escarpment and we could build we would still have to go to the city and it can take as long as 18 months for approval.

Mr. James - What time frame are we looking at and when do the leases come up?

Dr. Burruss – We can extend leases as needed, but ideally we need two years – 2020, 2019 (18 months from now).

Ms. Solender – I am looking at less time.

Ms. Golomb – Can we break this down? All I can think is dollar signs. We need to know what we need, what happens, which people will be involved. This is great, but we need to break this down and have a decision to make this move.

Dr. Burruss – We will create timelines so you can have decision points. We will bring this to you with a sense of a timeline. Some of the answers we get may eliminate some of the options.

Mr. Bernstin – Are there any other developers interested in our location?

Dr. Burruss – Not currently on market, maybe a cold call, last time we received an offer was a few years ago for residential. If there transaction does not happen we can revisit with the other.

Ms. Martinez – An ad hoc committee allows more flexibility to do this than a nine board meeting group. My recommendation is to have a small ad hoc committee.

Wrapping up the Hillside presentation and moving on. Ms. Martinez – Dr. Burruss, can you provide us a quick update on Netsmart, is this solid?

Dr. Burruss – We do not have a system yet, but staff is working on getting together to develop and deliver. Training is going on. We know it may not be perfect, but we have staff training on it.

Motion: Made by Ms. Martinez and seconded by Ms. Golomb to Accept the Chief Executive Officer Report for FY18 Key Performance Indicator Progress through August 2018. The motion carried by unanimous consent.

FINANCE AND ADMINISTRATION REPORT:

Mr. James referred to Mr. Buckley for this report.

Consideration of Acceptance of the Financial Reports for August 2018 (unaudited):

Mr. Buckley referred to page 144882 on his report and said that we have had a productive year in FY2018. Our budgeted revenue of 885K increased to 1.5M in preliminary results. We will have a draft of the audit by Thanksgiving which we will plan to present at the January meeting.

Highlights – We had significant headwinds this year related to the closing of two facilities, the Reduction in Force (RIF), the Cyber Incident, and IT expenses related to the Netsmart agreement – close to \$2M worth movement, but we still improved profitability. We had very positive results this year.

Mr. Buckley was asked if we are having any issues with our collections? He said that this is where Netsmart comes in. From the time the service gets translated to a claim, the issue occurs from the time we provide the service to submitting the billing. He referred to the credentialing process and how this should take anywhere from 100 – 120 days to process, but this is taking about 180 days.

Motion: Made by Ms. Martinez and seconded by Ms. Alexander to Accept the Financial Report for August 2018. The motion carried by unanimous consent.

Consideration of Acceptance of Human Resource Report for August 2018:

Ms. Allen said her report is in the packet and it stands as it is. Mr. Bernstein asked if the turnover rate has gone up. He referred to last month's turnover rate which was at 33% and this month it shows at 34%. Ms. Allen said that just a little, but it's normal for this to go up and down.

Motion: Made by Ms. Martinez and seconded by Ms. Golomb to Accept the Human Resource Report for August 2018.

CLINICAL SERVICES REPORT:

Mr. James referred to Dr. Hunter for this report and asked her to provide a report that focus on Netsmart.

Consideration of Acceptance of Clinical Services Division Reports for August 2018:

Dr. Hunter – We have high level staff from Netsmart attending our Monday meetings with only 60 days to go live. There is lots to review at this meeting. We are discussing some of the issues that have come up on our staff training and they help us with road blocks we have come up against. This is one step forward and three steps back. Still on target for December 3rd.

During the month of October we will do more training and in November there will be back to back training every day for all staff. This will involve both clinical and administrative staff.

Ms. Golomb – What happens if you have someone new start their job in January, will you have to pay extra?

Dr. Hunter – We will train our own staff.

Motion: Made by Mr. Bernstein and seconded by Ms. Golomb to Accept the Clinical Services Division Reports for August 2018.

QUALITY AND AUTHORITY SERVICES REPORT:

Mr. James referred to Ms. Thompson for this report.

Consideration of Acceptance of Quality Management Report for August 2018:

Ms. Thompson said her report is in the packet and the information stands as presented. There were no questions posed for this item.

Motion: Made by Ms. Golomb and seconded by Mr. Bernstein for Acceptance of the Quality Management Report for August 2018. The motion carried by unanimous consent.

Consideration of Acceptance of FY18 Fourth Quarter Report on Compliance: Mr. James referred to Ms. DeLuca for this report.

Highlights – Attached as an information item is the finalized Risk Management Report for Metrocare Services conducted by the Texas Council Risk Management Fund.

Ms. DeLuca said that during the month of June, Ms. Saroeun Svay and other members of her group presented training in Compliance Investigation and received very positive feedback. They were invited to go back.

The compliance department continues to conduct audits related to HIPAA compliance (Health Insurance Portability Accountability Act) and site visits at Metrocare.

Ms. DeLuca - The rest of her report stands as presented.

Dr. Burruss – Mr. Joel Geary and Ms. DeLuca did a presentation for the Texas Council of Community Centers.

Mr. Bernstein – How is the enterprise risk internalized?

Ms. DeLuca – We share the function. Developing more policies and procedures.

Ms. Thompson – Quality and Compliance is a shared role. It creates checks and balances.

Ms. Martinez – Requested more information on Beazley.

Dr. Burruss - Beazley is the Cyber Liability Insurance we have and we have had them for a lot of years. They were there when the Cyber attack happened.

Motion: Made by Ms. Golomb and seconded by Ms. Martinez to Accept the FY18 Fourth Quarter Report on Compliance. The motion carried by unanimous consent.

Consideration of Acceptance of the Marketing and Development Report for August 2018:

Mr. James referred to Mr. Medlock for this report.

Mr. Medlock asked Ms. Tameka Cass to provide highlights for the upcoming Meal for the Minds event.

Ms. Cass – Thanked everyone for their support at the Texas Giving Day this past September. She said we received \$25K for the Steve A. Cohen clinic which exceeded our goal.

Ms. Cass – Our Meal for the Minds (M4M) event will take place on October 17, please add this date to your calendars. We have 25 sponsors and three of these are new, 250 people will be there.

Dr. Burruss – Please mention our top two sponsors.

Ms. Cass – Ms. Deedie Rose donated \$25K, and Mary Frances, former CFO and CEO of Ebby Halliday donated \$10K from her new foundation.

Ms. Cass – The VIP reception will begin at 10:30 am, but it will be different this year. We will not have an auction because we would like to focus on sponsorships. Center pieces will still be for sale. Ticket sales are still open, but we will close this on October 15 or 16.

Dr. Burruss – Referred back to Ms. Cass mention of “Sponsorship” and mentioned the application that the Family Place used to ask for sponsorships?

Mr. James – Referred to Ms. Cass and asked her to work on a Capital Campaign after the Meal for the Minds.

Motion: Made by Ms. Golomb and seconded by Ms. Martinez to Accept the Marketing and Development Report for August 2018. The motion carried by unanimous consent.

Executive Session: (Discussion only – Close to Public)

Announcement of Closed Session in Accordance with Subchapter D, Section 551.071 of the Texas Open Meetings Act (Chapter 551 of the Government Code) to receive advice from counsel about pending or contemplated litigations and/or settlement regarding: The meeting closed at 3:00 pm.

- Xenatix – Tarrant/Harris County Contract

Return to Open Session: Mr. James reconvened the meeting at 3:13 pm. There was no action taken as a result of Executive Session.

Meeting Adjournment: There being no further business to come before the Board, Mr. James adjourned the meeting at 3:13 p.m.

Minutes approved by:



Ms. Dee Salinas-Gutierrez, Secretary

Minutes distributed by:

Martha L. Toscano

Executive Assistant to the CEO/Board Liaison