

**Minutes of the OPC Area Board Meeting
Monday, June 8, 2009
Administrative Office - Europa Center**

BOARD MEMBERS PRESENT

Commissioner Bernadette Pelissier, Commissioner Jimmy Clayton, Commissioner Tom Vanderbeck, Richard Edwards, Amanda Blanks, Lynn Ikenberry, George Greger-Holt, John Stewart, Sandra Herring, Virginia Hill

BOARD MEMBERS ABSENT:

Debbie Carson, Rachel Winstead, Sue Schwartz

STAFF PRESENT:

Judy Truitt, Dave Jenny, Lynne Hamlet, Donna Prather, Debra Farrington, Ivy Williams, Tom Velivil, Cim Brailer, Michael Norton, Janine Reda

GUESTS PRESENT

LeAnn Nease-Brown, OPC's Attorney
Dan Hahn, Alamance-Caswell-Rockingham Area Director
Lynnette Gordon, LPC, LCAS, CRC UM/ STR Specialist for Alamance-Caswell-Rockingham
Yvonne French, LME Systems Performance at Division of MH/DD/SAS
Gwen Harvey, Assistant Orange County Manager

CALL TO ORDER

OPC Chair Richard Edwards called the meeting to order at 7:00 p.m.

CALL FOR PUBLIC COMMENT

Mr. Edwards opened the floor for public comment. There was none.

READING OF THE MINUTES

George Greger-Holt noted on page four, section IV, of the May Board minutes that an extra word was used. Janine Reda will make the correction on the final version. Commissioner Tom Vanderbeck motioned to approve the May 2009 minutes of the OPC Area Board meeting with the correction. Commissioner Bernadette Pelissier seconded the motion. The motion carried with 13 board members voting in favor and none opposing.

REPORT OF THE CHAIRPERSON

Mr. Edwards deferred the remainder of his time to Judy R. Truitt.

AREA DIRECTOR'S REPORT

1. Area Director Update

- a. Ms. Truitt handed out the Commission on Accreditation of Rehabilitation Facilities (CARF) schedule for June 11 and 12. She then discussed OPC's preparation for the visit.

2. State Economy

- a. The League of Women Voters has sponsored a series of Town Hall meetings across the state to discuss the current economy and how it is affecting North Carolina. Ms. Truitt attended the recent meeting in Pittsboro where Senator Bob Atwater and Representative Joe Hackney participated in the conversation and described for the attendees the conundrum the NC Senate and House face in working to create a budget for next year. Representative Hackney indicated that even if taxes were raised across the board, NC would still not raise enough money to correct the budget deficit. Therefore it is likely that both cuts will need to occur and taxes will increase.
- b. Ms. Truitt then went on to discuss the current budget proposal and how it will affect mental health/development disabilities/substance abuse services (MH/DD/SAS). Ms. Truitt attended a statewide meeting last week and during the course of the meeting information regarding the budget proposals changed multiple times. In the most recent budget proposal there are proposed reductions to Medicaid rates; initially it was a 4% reduction and the day ended with a 5.5% proposed reduction. Proposed reductions in service funding did not change and continue to be a \$50M cut for this coming year. They are also contemplating a reduction in non-core services; this would be \$4M cut for the next two years.
- c. There has been much discussion about the Community Alternatives Program (CAP) recipients who also receive Integrated Payment and Report System (IPRS) monies for services. Based on the current discussions CAP consumers will no longer be able to use IPRS funding for their services. The state and legislature believe that the direct impact on consumers and/or programs would be minimal, with the expectation that CAP funding would be adequate to cover the consumers' needs. This would not be case at OPC. We use \$900K of IPRS dollars to support DD group homes. Because this has not been an issue in the past the group homes have used a mix of both CAP and non-CAP consumers to draw down the money. If all CAP consumers were removed from the billing, the group homes would still provide more services than could be funded, so if this money is seized by the state, there would significant impact on our system.
- d. The Division of Mental Health (DMH) is discussing direct-enrolling IPRS providers and paying the providers directly. The LMEs would continue authorizing the services. There is tremendous concern about how this would be managed and still tied to the local system.
- e. One of the most controversial budget discussions relates to reducing LME fund balances. DMH believes there is approximately \$225M being held in fund balances across the state. The state is currently recommending that \$50M be taken out of fund balances to fund services. OPC has nearly reached the mandatory 8% requirement for fund balance and while we support a cooperative approach to the budget crisis, we would share the concern that area programs must have adequate funds to support the local system. Many LMEs are arguing that if fund balances are eliminated LMEs won't have operating money to keep the system running if payments from DMH are behind. Currently for example DMH is three checkwrites behind for unit cost reimbursement (UCR) funds and four checkwrites behind for non-UCR funds.

- f. The Board also discussed the potential closing of Wright and Whitaker schools. If these schools close the impact will be greater for communities in this region as they are a local option. A study is currently being done to evaluate the cost-effectiveness of the programs.
- g. The proposed budget will freeze CAP/MR/DD slots. OPC has requested an emergency cap slot for a ward of OPC's; with a freeze similar situations in the future will not be possible.
- h. DMH will eliminate the community support service by April 1, 2010. This will have a huge impact on the provider community. OPC has always had concerns about the community support service definition, but to do away with it without an effective replacement will cause serious problems. DMH is also planning to rewrite other service definitions.
- i. Amanda Blanks asked Ms. Truitt if the Board members conveying any message to the leaders in their communities would aid mental health. Ms. Truitt thought it would be worthwhile and will forward the NC Council for Community Program's talking points to the Board. Advocacy groups are encouraging people to call their representatives and legislators and describe what their community will look like without the services currently offered.

3. Alamance-Caswell Update

- a. Ms. Truitt updated Board members on discussions to date with Alamance Caswell staff. She noted the primary factors that would support OPC moving forward in due diligence discussions and recommended to the Board that they approve the development of a letter of intent regarding merger of OPC and Alamance Caswell Area Programs.
- b. Dan Hahn, ACR's Area Director, spoke to the Board. He expressed how his Board and staff are most concerned about the consumers of ACR. ACR is interested in moving forward with OPC because the two programs have similar program histories and philosophies. Mr. Hahn thanked Ms. Truitt and the OPC Board for their hospitality.
- c. Commissioner Pelissier motioned to support the development of a letter of intent, which would support the area programs proceeding with a due diligence review regarding possible merger of OPC and Alamance Caswell. Commissioner Vanderbeck seconded. All Board members voted in favor and no opposed.
- d. The Board inquired about the ACR's retirees. Mr. Hahn and the ACR Board Chair approached Alamance and Caswell counties to see if they would take over the responsibility for the retirees. The counties have yet to hear a decision.

4. Business System Update

- a. OPC staff and Cardinal Innovations staff continue to collaborate and move forward. The anticipated go-live date is February 1, 2010. OPC staff and Management Team are impressed with Cardinal Innovations staff. They are very sharp and they're designing a system to move OPC in a much stronger direction. Cardinal Innovations is aware of the possibility of a merger with Alamance Caswell and will include them in the work plan when and if appropriate.

FINANCE OFFICER'S REPORT

Dave Jenny presented the Financial Report for May:

- OPC's finance staff continue to work closely with UniCare to correct problems with billing issues and ProFiler reporting problems with CDW information. We are testing ProFiler's new reporting program and reporting bugs back to development.
- Alpha CM met with user groups from each functional area to develop a configuration plan for the new business system. Outstanding information/decisions are being collected by Karla Hayes for a follow-up status meeting scheduled for June 19.
- LarsonAllen auditors were here the week of May 25 to do initial fieldwork. They reviewed our accounting processes for accounts payable and month-end and year-end closings. They also reviewed an accounts payable sample, payroll sample, medical records sample, and HR documentation sample.
- Enclosed in your Board packet is the final budget revision for SFY 2008-09. John Stewart motioned to approve budget 08-09 revisions. Commissioner Vanderbeck seconded. All Board members voted in favor and none opposed.
- Mr. Jenny also proposed a pro-forma Budget Continuation resolution for SFY 2009-10 to allow us to begin the new year. The legislature has not finalized a budget for the biennium but we know there will be reductions in funding. He expects it will be August or September before we get our final allocations for SFY 2009-10. Commissioner Vanderbeck motioned to approve the budget continuation while understanding it is unclear when the final budget will be received. Mr. Stewart seconded the motion. The motion carried with all Board members voting in favor and no one opposing.
- Mr. Jenny reviewed the financial statements. Wanda Mitchell from DMH sent out an email today indicating that they will be releasing two checkwrites in the next week.
- Ms. Blanks asked about the billing situation with Five County. OPC is considering pulling the billing function back but will wait to make that decision with the new business system.

COMMITTEE REPORTS

Finance Committee:

The Finance committee had no further information beyond Mr. Jenny's report. The next Finance meeting will be held on July 13, 2009 at 6 p.m.

Provider Community/ Quality Management/Service Management Capacity/Public Awareness and Advocacy:

The committees held a joint meeting and discussed the budget. The committees will next meet will be held on July 13, 2009 at 5:30 p.m.

Human Resources:

Mr. Stewart met with the Executive Committee tonight to discuss Ms. Truitt's evaluation. They hope to share the evaluation with the Board at the next Board meeting.

Client Rights Committee:

The Client Rights committee met in April and reviewed one behavioral plan and 19 pages of incident reviews. They also discussed Michael Norton's presentation about providers' client rights committees. OPC's Client Rights Committee is looking for a substance abuse representative to sit on the committee. They will next meet on July 7, 2009 at 4:15 p.m. in the Europa AO conference room.

Consumer & Family Advisory Committee (CFAC):

CFAC is looking forward to meeting ACR's CFAC. CFAC would like to remind the Board that they remain interested in the creation of peer-support positions and know peer-support positions are often less costly and could be a potential solution for fiscally tight years. The next CFAC meeting will be June 18, 2009 at 6 p.m. in the Europa Training room.

OLD BUSINESS:

Ms. Blanks inquired about the White Oak Property; Ms. Truitt indicated that Care Management staff are working to find tenants to rent the property and Ms. Nease Brown, OPC's attorney, is creating a lease for the property. Ms. Nease Brown and Ms. Truitt will be meeting in the near future and the hope to finalize the lease.

NEW BUSINESS:

There was no new business at this time.

Board Meeting:

The next OPC Board meeting is scheduled for July 13, 2009. The subcommittees will meet at 5:30 p.m. The Finance committee will meet at 6 p.m. and the Board will convene at 7 p.m.

Adjournment:

Mr. Stewart motioned to adjourn the OPC Board meeting and Commissioner Vanderbeck seconded. The motion carried with all Board members voting in favor and no one opposing. The meeting adjourned at 8:55 p.m.

Respectfully submitted,

Amanda Blanks
Secretary