

THE DURHAM CENTER
Managing Behavioral Health & Disability Services

AREA BOARD MEETING

Thursday, September 1, 2011
4:00pm Regular Session

MINUTES

PLACE: The Durham Center, 414 E. Main St., 2nd floor

MEMBERS PRESENT: Lascel Webley, Jr., Chairman
Nancy Henley, M.D.
Monique Holsey Hyman
Rev. Michael D. Page (arrived 4:28)
George Quick
Amelia Thorpe

MEMBERS EXCUSED: John Barry, Phil Golden, Betsy MacMichael

MEMBERS ABSENT: Amir Berhannu

GUESTS PRESENT: Cynthia Binanay

STAFF PRESENT: Ellen Holliman, Rob Robinson, Susan Knox, Doug Fuller, Monica Portugal, Lena Klumper, Kelly Goodfellow, Sara Pacholke

OTHERS PRESENT: Yvonne French, DMH/DD/SAS; Bryan Wardell

1. CALL TO ORDER: Chairman Lascel Webley, Jr. called the meeting to order at 4:20 pm.

2. ANNOUNCEMENTS:

Chairman Webley asked if there were any announcements. He asked Kelly Goodfellow, Director of Business Operations, to introduce her newest staff member. Ms. Goodfellow introduced Sara Pacholke who was recently hired as Finance Officer.

Chairman Webley introduced Cynthia Binanay. Ms. Binanay applied for the At-Large Board vacancy. He invited her to tell the Board more about herself.

Ms. Binanay said she was very pleased to be invited to the meeting. She started out as a nurse and then went on to work for Pharmaceutical firms in sales and marketing. She learned about mental illness while working there. She then became more involved when a family member was diagnosed with a mental illness and she became more involved. She feels compelled to become more involved at the local level. Chairman Webley thanked her for attending the meeting and sharing

3. AGENDA ADJUSTMENTS:

Chairman Webley asked if there were any agenda adjustments. There were none.

4. FINANCE COMMITTEE

Chairman Webley asked George Quick to present the Finance Committee Report.

Mr. Quick reported that the Finance Committee met at 3:00pm today. They reviewed the revenue/expenditure summary for the first two months of the fiscal year. The report indicates that expenditures are on track with the budget.

No actions were taken. They did review a request from Durham Affordable Housing, but requested that Durham Affordable Housing provide a written request. Once that is received they will act on the request.

5. COMMITTEE REPORTS

- A. Quality Management Committee Report
- B. Human Rights Committee Report
- C. Consumer and Family Advisory Committee Report
- D. Executive Committee Report

Chairman Webley asked if there were any questions or discussion of the committee reports.

6. CONSENT AGENDA

- A. August 4, 2011 Area Board Regular Meeting Minutes

Chairman Webley asked if there was any discussion of the Consent Agenda. There was none.

George Quick moved to approve the Consent Agenda. **Seconded by Nancy Henley . Motion approved unanimously.**

7. PUBLIC COMMENT

There were no public comments.

8. MEDICAID WAIVER INTER-LOCAL AGREEMENT

Chairman Webley recognized Ellen Holliman to present the Inter-Local Agreement that was developed between Durham, Johnston, and Cumberland Area Authorities.

Ms. Holliman presented the Interlocal Agreement and information she had previously presented to Durham County Commissioners as a follow up to a presentation she gave to the Commissioners earlier this year. Key points include:

- Under the Waiver TDC will be able to adjust rates and right-size the provider network.
- Funding is capitated. That is the maximum amount of money that The Durham Center will receive in a year to provide services to Durham, Cumberland, and Johnston Counties. Staff estimates that The Durham Center will receive approximately \$300 million for services.
- Legislation was changed so that the State will assume the financial risk.
- The State is looking to reduce the number of LMEs from 23 to 8-10.
- HB 916 passed so that Local Management Entities (LME) must encompass a catchment area with a population over 500,000. Durham does not meet this threshold alone.

- There is the potential to lose the SAMHSA BECOMING Grant if The Durham Center is not chosen as a waiver site.
- The Plan of Correction for the Waiver application is due September 15.
- The Site Review is scheduled for September 27.
- The Durham Center needs to be an entity separate from the County Government to efficiently function as a Managed Care Organization.
- Current General Statutes require that single county LME will function as a department of their respective County Governments. A change in legislation is required to allow single county LMEs to function separately.
- More flexibility in Human Resources is needed.
- She is asking that \$2.2 million be placed in a separate reserve fund to fund the implementation.
- She is asking for a resolution from the Board and the Board of County Commissioners.

She asked Rob Robinson to discuss the InterLocal Agreement. Mr. Robinson reported that the Inter-Local Agreement that has been drafted defines the roles and responsibilities of Durham, Cumberland, and Johnston Counties.

Rev. Page asked which LMEs did not pass the desk review. Ms. Holliman responded that Wake County, Centerpoint and Southeastern Center did not pass.

Mr. Quick asked whether those LMEs are expected to pass the review and be selected as a Waiver site. Ms. Holliman responded that they face some challenges. He asked what would happen if they do not pass and whether they would then be looking at Waiver sites already selected to assign those LMEs to. Ms. Holliman responded that it was a possibility, particularly with Wake County because of its proximity to Durham. Wake has many steps to go through to separate their LME from the service provision. As a Waiver entity, an LME cannot provide any services. It is possible that The Durham Center may have to look at a name change in order to encompass the region it serves.

Mr. Quick also noted that the relationship with Johnston and Cumberland counties does not constitute a merger. Ms. Holliman confirmed. He also noted that the General Statutes currently do not speak to this type of agreement. Durham, Cumberland, and Johnston counties are the only Area Authorities that are pursuing the interlocal agreement.

She introduced Rob Robinson to present the final version of the Interlocal Agreement. This document will be in the Plan of Correction response. Mr. Robinson introduced the Agreement, which defines the roles and responsibilities of each Area Authority.

The first section just describes that Durham, Cumberland, and Johnston are going to work together to operate a PIHP, Prepaid Inpatient Health Plan. The second section lays out the definitions.

He also noted the following items in the Agreement starting on page 3.

1. Designates The Durham Center as the Lead agency, TDC will contract with North Carolina Division of Mental Health, Developmental Disabilities, and Substance Abuse Services (DMH), as well as, North Carolina Department of Medical Assistance (DMA). The Durham Center will subcontract with Cumberland and Johnston Area Authorities to perform certain functions.
2. The Term of the Interlocal Agreement will be co-equal to the term of the contract between DHHS and The Durham Center. The parties agree to continuously apply for extensions and renewals.
3. Allows the addition of other participants in the Interlocal agreement and the method for adding participants.
4. Details the governing structure.

- a. Designates The Durham Center Area Board as the Governing authority for the Managed Care Organization (MCO).
- b. The Board will delegate operational responsibility for the MCO to The Durham Center including both MCO and LME functions.
- c. Two members from Cumberland and Johnston Area Authority Boards will serve as non-voting members of TDC Area Board.

Chairman Webley asked about section 4c and the number of Board members from Johnston and Cumberland Counties. Mr. Quick noted that original discussions were to have one Board member each from Johnston and Cumberland. This final Interlocal agreement has two Board members serving as non-voting members. The Board discussed and acknowledged that the agreement is different than the original discussions.

5. Details the structure of The Durham Center MCO Consumer and Family Advisory Committee (CFAC) and the CFAC for each Area Authority. There will be one Consumer and Family Advisory Committee that will advise The Durham Center MCO. That CFAC will be made up of members from each community CFAC.
6. Details the MCO Executive Committee structure and purpose. The Executive Committee will function in an advisory capacity to The Durham Center CEO and Area Board.
7. Specified the functions and responsibilities of The Durham Center as the Lead agency.
8. Specifies the MCO functions that may be sub-contracted to Johnston and Cumberland Counties. The functions that may be subcontracted come directly from HB 916.

Mr. Quick asked about the claims processing function and how to manage that if it is subcontracted. Mr. Robinson noted that Director of Business Operations Kelly Goodfellow feels strongly that the function should remain with The Durham Center MCO. There has been discussion about one of the other Area authorities would like to subcontract for that function. Mr. Robinson noted that HB 916 only says that it can be subcontracted, not that it must be subcontracted.

The Board discussed the importance of maintaining control over that function.

9. Details the Operational structure and functions that will be performed by The Durham Center MCO. All Directors will be housed at The Durham Center. Some staff may be outposted to the other sites. The Call Center is one possible function that may be located at another site. There was discussion of Call Center personnel answering calls for all three counties regardless of their physical location. The Board also discussed the staffing philosophy and how it will apply to current employees. The first opportunities for filling a position will be given to current staff. Also staff whose functions are the same as they will be in the MCO will just transfer.

Compliance will be different under the MCO. There will be IT positions outposted to Johnston and Cumberland. Care Coordination functions will be outposted.

There will no longer be endorsements. Under the MCO all providers will have to be credentialed.

10. Specifies the establishment of performance expectations and indicators for each of the sub-contracted functions.
11. Allocation of Administrative Funds for the MCO. The Durham Center will be the recipient of all Administrative funds.
12. Details the methods of funds management and allocation.

13. Details the start up funding for the project. TDC has committed up to \$2.85 million and Johnston and Cumberland County have also committed \$325,000 and \$533,000 respectively for the implementation.
14. Details the strategy for reinvestment of unexpended service funds. The MCO Executive Committee will review and make recommendations for the use of the funds to TDC Governing Board
15. Details the financial participation in Risk Management and the role of the MCO Executive Committee.
16. Details the procedure for dispute resolution.
17. Details the procedures for dissolution and termination of the agreement.

George Quick moved to approve the Interlocal Agreement and allow the Executive Committee to make typographical and technical corrections. **Seconded by Amelia Thorpe. Motion approved unanimously.**

Ms. Holliman asked Board Members to review the resolution presented. The Resolution asked the Board of County Commissioners to support a change to G.S. 122C to allow single county LMEs to separate from the County Government, to pursue substantial equivalency, and to have \$2.2 million placed in a reserve account.

Nancy Henley moved to approve the resolution to change G.S. 122C to allow single county LMEs to separate from the County government, to pursue Substantial Equivalency, and that \$2.2 million be placed in a reserve fund for implementation costs. **Seconded by Rev. Michael Page. Motion approved unanimously.**

Ms. Holliman also announced that she will be going before the Board of County Commissioners next week. There will also be a lunch that all the Board members are invited to attend.

10. AREA BOARD REPORT

Chairman Webley deferred the Area Board report until next month.

12. CHAIRMAN’S REPORT

Chairman Webley had no report.

13. ADJOURNMENT

All business being completed **George Quick moved** to adjourn the meeting. **Seconded by Amelia Thorpe. Motion approved unanimously.**

Meeting adjourned at 5:42 pm.

Respectfully submitted:

Ellen S. Holliman

Ellen Holliman, Executive Director

10-6-11

Date

Material included in Notebooks:

Summary of Expenditures and Revenues for the Period ending August 31, 2011.

Draft Resolution

Quality Management Plan and Program description Fiscal Year 2012-2013.

Final Interlocal Agreement