

**ALAMANCE-CASWELL-ROCKINGHAM**  
**LOCAL MANAGEMENT ENTITY BOARD of DIRECTORS MEETING**  
**August 21, 2007**

**The Alamance-Caswell-Rockingham Local Management Entity Board of Directors met Tuesday, August 21, 2007 at 6:30 p.m. at the Alamance County Human Services Center, 319 N. Graham-Hopedale Road, Burlington, NC**

**BOARD MEMBERS PRESENT:** Mr. Norman Melton, Ms. Patsy Smith, Ms. Ann Slaughter, Mr. J.W. Joyce, Mr. Ron Norwood, Ms. Donna Lawson, Chair Sam Isley, Dr. Russell Gill, Ms. Edith Collins, Dr. Ernest Eason, Ms. Ethel Gwynn, Mr. David Carter, Mr. Emery Partee, Commissioner Dan Ingle

**BOARD MEMBERS ABSENT:** Mr. Reid King, Commissioner Jeremiah Jeffries, Ms. Sandy Dixon, Commissioner Harold Bass

**AREA PROGRAM STAFF PRESENT:** Mr. Daniel S. Hahn, Executive Director; Mr. Bennie Kidd, Chief Finance Officer; Ms. Jandy Andrews, Account; Dr. Melissa Litz, Medical Director and Ms. Cathy Moore, Clerk to the Board

**GUESTS:** Mr. Robert Middleton, Rockingham Mental Health Director, Ms. Yvonne French, LME Division Liaison, Mr. Larry Johnson, Rockingham County Human Services Director, Mr. Lewis Wilkins, past CFAC Chair.

**I.** Chair Isley called the meeting to order.

**II.** Dr. Gill gave the invocation.

**III.** Chair Isley asked those in attendance to introduce themselves. Mr. Hahn introduced Mr. Isley as the new chair and thanked him for taking over the leadership of the Board from Mr. Carter.

**IV. CFAC Presentation – Norman Melton**

Mr. Melton presented an engraved plaque to Mr. Lewis Wilkins, past CFAC Chair, for his dedicated and outstanding leadership. Mr. Melton noted that it was his honor to make this presentation.

**V.** Chair Isley asked for approval of the June Board minutes.

***ACTION: Ms. Collins motioned to approve the June 19, 2007 minutes as written. Mr. Joyce seconded. All approved.***

**VI. Executive Director's Report – Daniel Hahn**

- Mr. Hahn introduced Mr. Larry Johnson, Rockingham County DSS Director and newly appointed Human Services Supervisor. Mr. Hahn thanked Mr. Johnson for attending in Commissioners Bass' absence.
- Mr. Hahn conveyed Mike Taylor's regrets for his absence at tonight's meeting. He is out of the country. He plans to attend next month's meeting to provide the Board with an update regarding previously discussed issues.
- LME staff that participated in the push to meet the IPRS billing deadline have been recognized with \$25 Wal-Mart gift cards.
- The Alamance County Commissioners met on Monday night and appointed two new Board members: Ms. Brenda Page and Mr. William Franklin. Official notification of their appointments will be received via the County Manager's office.
- As a result of Ms. Irmgard Miller's resignation in June, the Board agreed to prepare a resolution and present it to her at a future meeting. Mr. Partee recommended a communication to the Caswell County Commissioners.
- The first quarter of 2007-08 financial review with the last check write indicates that things are moving in the right direction. The State Consultants had recommended a utilization of the 2007-08 budgets for previous year 2006-07 services be controlled at approximately 17% in the first quarter.

The LME is currently at an expended rate of 16.5% of budget. Credit goes to LME staff who have worked continually to correct the mistaken pattern of “robbing Peter to pay Paul”, i.e. what we engaged in over the past two years. (If you recall, 40% of the 2006-07 budgets were used to pay for 2005-06 services.) Staff have re-worked our systems, reviewed our denial patterns, consulted with providers, and responded to issues throughout the last six to eight months to correct this pattern.

- The 812-813 reimbursement issues with residential providers of these services has been successfully addressed. The LME is not aware of any consumer of this service being displaced from their current living arrangement. Mr. Hahn thanked Mr. Kidd and Ms. Andrews as well as the UR/STR Unit for their concentrated efforts in bringing this issue to a fair and clinically appropriate conclusion. The Board was asked to recognize the providers of these services, specifically Ms. Julie Ewing and Mr. Jim Pardue of Ralph Scott Lifeservices, for their willingness to engage in these necessary discussions while continuing to provide outstanding services. Mr. Hahn also noted that he had received notification this afternoon that the RSLS Executive Committee and Board have signed their 2007-08 contracts bringing this issue to a close.
- Rockingham’s MOE status indicates that the Mental Health Center billed for and was paid for services in the amount of \$68,771.44, leaving a balance of \$231,228.56. These funds will be paid to the Mental Health Center later this week. Mr. Hahn stated that Board members need to be aware that their continues to be an increasing shortage of psychiatric capacity in Rockingham’s communities. He encouraged Board members to provide feedback and input to Mr. Middleton, Mr. Johnson and Mr. Tom Robinson, County Manager, to initiate discussions around the use of MOE funds to support some level of psychiatric capacity.
- The 2006-07 Performance Contract 4<sup>th</sup> Quarter Report has been received. The ACR LME did very well in most categories receiving either “Met Standard” or in many areas “Best Practice” status. Access to Routine Care and a Work First Project were deemed out of compliance. The areas that the LME experienced difficulty in were the same areas that other LME’s across the state struggled with as well. (This information is also on the State Website.) QI staff will be presenting results at the monthly CFAC meeting next week and will provide a presentation at the September Board meeting.
- LME staff are continuing to work with DMH LME Liaison office and Yvonne French regarding the Local Business Plan submission and revision. Crisis planning and funding and a Plan of Correction regarding compliance issues related to After Hours STR Services. The LME is hopeful that our work with the department results in better and more consistent services to our communities.
- The Secretary and Assistant Secretary of Health and Human Services along with the Director of DMA State Medicaid Services have all announced their resignation from the Division. Mr. Hahn will keep the Board apprised of any more updates.
- Dr. Melissa Litz, Chief Medical Director, has submitted a letter of resignation to begin work in Guilford County that will allow her a more flexible schedule. Mr. Hahn expressed his respect for Dr. Litz and recognized her commitment to our consumers. He stated that she would be missed by all of the LME staff and wished her the best. Dr. Litz thanked the Board for the opportunity she has had working for the LME.
- The Institute of Government is sponsoring LME Board training. Board members are strongly encouraged to attend. A session is scheduled in Clemmons. Please let Ms. Moore know if you would like to attend.
- The LME via the QI/QA Department is providing some training on October 12. The LME has one scholarship available for a Board member to attend. If anyone is interested please contact Ms. Moore.
- Mr. Hahn passed around re-designed ACR LME letterhead. Business cards, pens and refrigerator magnets have been ordered to be distributed to the community.

## **VII. Budget/Fiscal Report – Bennie Kidd, Chief Finance Officer and Jandy Andrews, Accountant**

Mr. Kidd noted that Ms. Andrews and Finance Staff are doing a good job catching up payments to providers. Ms. Andrews worked with Dr. Litz on the 812/813 issue. The intention is to provide services to as many consumers as possible with the funding available.

- **State of Revenues, Expenditures and Changes in Fund Balance**
  - Revenues are at 4% for the year-to-date through July, expenses are 3 percent.
  - IPRS funding is currently at 7% (in the past at 40%)
  - Cash available as of 6/30/07: \$4,777,852

- Beginning Fund Balance as of 7/1/06: \$5,170,034. Fund Balance as of 6/30/07: \$4,009,476; Fund Balance Utilization \$1,160,558

Currently projecting a \$1.5 million loss. 98% of providers have been paid out through May and another 40% paid out through June. Remaining 60% will be paid and reconciled through June 30 dates of services by August 31, 2007.

- Ms. Andrews reported that the annual audit with Cobb, Ezekiel & Loy is on schedule and going well with no difficulties noted at this time.

Chairman Isley noted that Mr. Kidd and Ms. Andrews are doing an excellent job and as the year progresses should continue to get a handle on the finances.

- On behalf of the Finance Committee, Mr. Norwood noted that the LME has a lot of old furniture and equipment that needs to be disposed. The LME needs an alternative system to the County Auction in disposing property with a value of less than \$100. Mr. Kidd has suggested an in-house tag sale or something similar to allow not only for revenue but space. The Finance Committee has agreed that it would be more financially feasible for the LME to dispose of old furniture and equipment in this manner.

***ACTION: Mr. Norwood motioned to authorize the Finance Department to proceed with an efficient disposal method of office furniture/equipment. Mr. Melton seconded. All approved.***

- Mr. Norwood discussed the need for an Executive Committee that could convene in lieu of the entire Board should Mr. Hahn need decisions made in a timely manner. The Finance Committee is proposing that the Finance Committee in addition to the Board Chair, past Chair, Vice-Chair and two additional Board members make up the Executive Committee. The Executive Committee would meet on an "as needed" basis. Commissioner Ingle stated that there should be a policy determining what the Executive Committee can do. Ms. Moore will research and discuss with Mike Taylor, LME Attorney.

***ACTION: Mr. Norwood motioned for Ms. Moore to begin the process of forming an Executive Committee and bring back to the September Board meeting for review. Mr. Partee seconded. All approved.***

- Chairman Isley asked to be removed as Chair of the Finance Committee. Discussion ensued. This issue will be revisited after the Executive Committee issue is resolved.

#### **IX. Committee Reports**

- CFAC met June 26, 2007. No action required.
- Finance Committee met August 20, 2007. See action reported above.

Dr. Eason asked Mr. Hahn to give the Board a review, at the next meeting, of the mission of the LME Board of Directors.

With no further business, the meeting was adjourned at 7:55 pm

Respectfully submitted by,

Cathy Moore  
Clerk to the Board

**The next Board meeting is scheduled for Tuesday, September 18, 2007 at 6:30 pm at the Human Services Center, 319 N. Graham-Hopedale Rd., Burlington, NC.**