

**Lubbock Regional MHMR Center  
Board of Trustees Regular Meeting  
March 26, 2007- 4:00 p.m.  
1602 10<sup>th</sup> Street – Staff Development Room**

**MINUTES**

**Members Present:** Byron Edwards, Hattie Gipson, Bobby Kazee, Harvey Morton, Brian Shannon, Tina Thompson, Lois Shields

**Members Absent:** Mike Arismendez , Wayne Hollinshead

**Staff Present:** Danette Castle, Cindy Lucas, Cathy Pope, Darla Carrasco, Helga Gongaware, Robyn Johnston, Roger Karr, Becky Lusk, Beth Moore, Debie Martin, Kim Pavlik, Kay Pippin, Glenda Sanders, Debra Shepherd, Karen Smart, Barbara Trevino, Leonard Valderaz, Camille Walker, Rebeca Wallace,

**Others Present:** Eugene Urrutia, Jill Tucker

**I. Call to Order**

Mr. Shannon called the meeting to order at 4:11 p.m.

**A. Chair Rule on Presence of a Quorum**

Mr. Shannon declared a quorum with seven (7) members present. Mr. Hollinshead is out of town. Ms. Wallace reported that Mr. Arismendez had indicated that he would be present.

**B. Minutes**

The minutes from the board meeting held February 26, 2007 were presented to the members for approval. Mr. Edwards provided Ms. Wallace with three grammatical corrections. Mr. Morton made the motion to approve the minutes as corrected. Mr. Kazee seconded the motion. The motion carried unanimously.

**II. Public Comment**

Ms. Wallace reported that no one had registered to provide public comment.

**III. Customer Service Star Award**

Ms. Gongaware introduced Ms. Candice Luke as this quarter's recipient of the Customer Star Award. Ms. Luke is a Human Services Technician at one of the ICF-MR homes. Her job is very difficult as it has many strict regulatory standards of compliance. However, Ms. Luke makes it look so easy. She has a very positive attitude, never has a bad word to say and is always pitching in to help others. She was thanked by all those present for the work that she does to help those we serve.

#### **IV. CEO Report**

##### **Legislative Update**

Ms. Castle began the Legislative Update by saying there have been many bills presented this legislative but that she would focus on those that impact community centers the most.

##### **House Appropriations/Senate Finance: Equity**

Ms. Castle explained that The House is expected to take their appropriations bill to the floor on Thursday and the Senate is expected to do so next week. They are working very hard to get a budget completed. There are concerns related to the Frue vs. Hawkins case in which there is an anticipation of the State having to pay out a significant amount of money to address that particular lawsuit. Both the Senate and the House have been significantly cutting their budgets. The lawsuit, initiated in 1993, contends that the State failed to deliver E.P.S.T.D. Medicaid services to baby Frue. Ms. Castle referred the board members to a summary document in their packet that notes that the House has appropriated \$35.6 million for mental health community crisis services and the Senate has recommended \$52 million. The House is not recommending appropriating any dollars the first year of the biennium. The same is not true of the Senate. They are looking at splitting the dollars three different ways: approximately 1/3 would be distributed based on equity, 1/3 to all centers based on per capita and 1/3 for few select sites that will be involved in special projects.

Regarding Mental Retardation services, there has been discussion about funding less than 5% of people on the HCS and TxHLW waiting list. Both the House and the Senate have discussed different ways of restoring Medicaid rates. This will probably work itself out in conference committee. There is some chance that we would see a rate increase.

Representative Isett serves on the Appropriations Committee and Senator Duncan serves on the Senate Finance Committee.

##### **Local MHMR Authority (HB 2439)**

This is Truitt's bill that has been referred to Public Health and we remain hopeful that it will be heard either this week or next week. The Texas Council is working very hard to make this happen. Senator Janek has agreed to carry it on the Senate side. There are now five joint authors. In addition to Isett and Truitt, Senator John Davis out of Houston has also signed on as a joint author. He was the author of HB 470 last session. This bill rests on the agreement between Texas Council and PPAT on the Provider of Last Resort negotiated rule. The hearing for that rule was held last week and it was uneventful.

##### **Medicaid Reform**

Ms. Castle reported that there is a bill both in the Senate and House that would create a sweeping change in Medicaid. This probably won't have an impact on us; however, there is a section in that bill that speaks to tailored benefits packages and delivering services to people with disabilities. Attention is being paid to this and the potential impact it might have, particularly on Home and Community Based Services and the possibility that Home and Community Based Services could be swept into an HMO.

##### **Scope of Authority**

Ms. Castle explained that there is a bill proposed by Senator Van de Putte that would allow community centers, by their plan, to expand their geographic scope of authority for delivering services beyond mental health and mental retardation services. There is also a bill filed by Shapleigh that would prohibit centers from delivering Employee Assistance Program Services (EAP). There is a bill on the House side filed by Moreno that would do the same

thing. The center in El Paso is currently delivering EAP services and could be impacted by this.

### **State Schools**

Ms. Castle reminded the Board of a letter she had written in support of the superintendent of the state school and the whole issue of choice and options in services. That letter was written at the same time that a letter was written by Representative Isett that was published in the Capitol Insider. His letter basically states the same thing and expresses an expectation that they would be working on and resolve any quality of life issues but standing on the principal of an array of choices being made available to everyone. There are currently two bills that have been filed by Representative Kolkhorst, one of which would increase the level of scrutiny that community centers would operate under. The other bill would place the superintendent of the state school on our board of trustees as a voting, ex-officio member. This has its basis on the belief that community centers do not offer a full range of choice.

### **Competency/Competency Restoration**

Ms. Castle noted there has been much discussion on competency to stand trial and competency restoration. Senator Duncan is very involved in this and believes you can accomplish competency restoration at the local level and that it can be done on an out patient basis. We are one of the few centers in the state that does competency restoration outside the state hospital. We can demonstrate that it can be done for much less money. We have a curriculum that is used to make sure people understand the trial process.

Mr. Shannon informed everyone that he and others would be participating in continuing education class this coming Friday afternoon at the law school.

Ms. Castle concluded her report by thanking everyone that helps her have the needed back up data as she is having discussions regarding legislation.

Ms. Castle reminded everyone of the 22<sup>nd</sup> Annual Texas Community MHMR Centers Staff and Trustee Training Conference that will be held June 27-29 in Houston. Ms. Wallace reported that she had received feedback from three of the board members and is needing to hear from the others. Ms. Castle also reminded everyone of The Staff and Volunteer Recognition Reception to be held at the McInturff Center on June 14<sup>th</sup>.

## **IV. Network Management**

### **A. Sunrise Canyon Hospital**

#### **1. Hospital Statistics**

Mr. Valderaz provided the board with information regarding the February hospital statistics. He noted that in February, Sunrise Canyon had a 84% occupancy rate, down from 91% the previous month. The average length of stay for February was 11.15 days, down from 18.4 days in January. The 30 day readmission rate was 18.75%, down slightly from 19.23% in February. Mr. Valderaz indicated that the hospital was conducting an analysis regarding the readmission rate but would need to collect at least 3 months of data for the information to be meaningful. He will be providing a report as soon as the information is available.

Mr. Valderaz provided the board with a brief summary of the 9 incidents that occurred during the month of February.

## **2. Medical Executive Committee**

### **a. Privileging**

Mr. Valderaz requested the approval of the recommendation to continue the Full Medical Staff Membership Appointment for Courtesy Privileges for Dr. Vernon Farthing.

Mr. Morton made the motion to approve the recommendation. Mr. Edwards seconded the motion. The motion carried unanimously.

## **B. Goal 1-Individual and Organizational Outcomes**

### **Focus Area 1-Enhancement of Services and Supports**

#### **1. Physician Recruitment**

Mr. Valderaz updated the board members regarding the on-going efforts to recruit physicians. He indicated that a interview had been conducted with a psychiatrist from Galveston who was very interested in moving to Lubbock. Another interview is scheduled with a psychiatrist who is a locum tenens and has an interest in providing inpatient services. A number of strategies continue to be utilized to recruit psychiatrists.

Mr. Shannon requested that Ms. Shields chair the meeting for a short period of time, as he needed to leave for a few minutes to conduct personal business.

#### **2. Resource Development-Grant/Foundation Report**

Ms. Johnston summarized information regarding grant applications that have been pending. She reminded those present that we had recently submitted a competitive RFP for HIV prevention projects. There is 10 million dollars available state wide. We are reporting that our specific grant request is for \$588,762.

Ms. Pope informed the board members that the Center has withdrawn the Meadows Foundation application submitted in November. We learned that the Meadows Foundation requires federal approval of the project and a greater financial contribution from the community. Neither of these requirements has currently been met. Withdrawing the application allows us to re-apply when those requirements have been met. The Center continues to explore the means by which to obtain more local dollars. Ms. Castle reports that our PACE site is the only new one that remains viable in the legislative session.

## **C. Goal 2-Financial Resources and Risk Management**

### **Focus Area 1-Compliance**

#### **1. Audit Report**

Ms. Johnston reported that the CARF review of the Methadone Program resulted in the program obtaining another three year accreditation. Ms. Shields was thanked for her participation in the accreditation process. Ms. Pope informed that board that in the future we would be attempting to get the Methadone program and the Center accredited by JCAHO.

Ms. Johnston also reported that the HCS Program had been recertified for another year and the related Corrective Action Plan had been approved.

### **Focus Area 2-Fiscal Accountability**

#### **1. Financial Report-February 2007**

Ms. Lawson reviewed the February 2007 financial report. The February Balance Sheet reflects Cash and Investments totaling \$4,591,948. Included in Total Assets are Investments

in the amount of \$114,129, Receivables in the amount of \$1,947,705 and Other Assets in the amount of \$832,393. Total Assets for February are \$7,486,175.

Liabilities totaled \$1,542,733 with the center's health insurance plan showing a positive balance in the amount of \$122,809 at this time. Ms. Lawson continues to remain cautious about this figure as it is early in the new insurance year. It was also noted that we had a positive margin of \$74,145 in the fund balance. There is also \$1,918,122 in Deferred Revenues. Total Liabilities and Fund Balance in February was \$7,486,175.

Overall revenues are below projections by 5.74%. Local Income is over projections by 6.1%, or \$40,683. Earned Income is under projection by 11.2% or \$728,131. General Revenue reflects being under projection by .25% or \$11,196.

The Statement of Expense reflects that we are under budget in all areas except in Building expenses. Salaries & Fringe are under budget by \$413,743, Travel is under by \$44,456, Consumables is under budget by \$114,248, Capital Outlay is under budget by \$97,000, Contracts/Consultants are under budget by \$76,288 and All Other Expenses is under by \$13,653. Building Expenses are over budget by \$8,988.

The Program Financials for February reflect a positive variance for Essential Services in the amount of \$55,631. Financials for Adult Mental Health Services indicate that expenses are over income by \$36,883. This continues to reflect the inability of current rates to sustain services. Child and Adolescent Services had \$4,930 revenue over expenditures, Mental Retardation Services had \$35,392 revenue over expenditures and Substance Abuse Services has \$6,829 revenue over expenditures. In total, Provider Services has \$408 revenue over expenditures. Fiscal Agent Grants also had \$18,106 over expenditures. Overall, in February the Center had \$74,145 revenue over expenditures.

Mr. Kazee made the motion to approve the February Financial Report as presented. Ms. Gipson seconded the motion. The motion carried unanimously.

#### **D. Goal 4-Public Accountability**

##### **Focus Area 2-Consumer, Family, Stakeholder and Staff Input**

###### **1. Advisory Committee Membership**

On behalf of the Planning and Network Advisory Committee, Ms. Pope requested the approval of Ms. Cassandra Nash, advocate, to the committee and the renewal of Beverly Freeman, Bob Freeman, Bo Harris, Dortha Meeks-Cathey, Marie Neff and Eugene Urrutia to the committee.

Mr. Edwards made a motion to accept the recommendations as presented. Ms. Thompson seconded the motion. The motion was carried unanimously.

#### **VI. Executive Session to deliberate the evaluation and compensation of the Chief Executive Officer (Under Authority of Texas Open Meeting Act Sec. 551.074)**

Ms. Shields recessed the regular meeting at 5:00 p.m. The Executive Session was convened by Mr. Shannon, who returned to the meeting at 5:07 p.m., for the purpose of deliberating the evaluation and compensation of the Chief Executive Officer (Under Authority of Texas Open Meeting Act Sec. 551.074).

The Executive Session was concluded at 5:40 pm and the regular meeting was reconvened at 5:41 pm.

Mr. Kazee made the motion to approve a 3% step increase for Danette Castle for which she is eligible based on Center policy. Ms. Shields seconded the motion. The motion carried unanimously.

**VII. Adjourn**

The meeting adjourned at 5:43 p.m.

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Approved by

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Date