**Lubbock Regional MHMR Center**
**Board of Trustees Regular Meeting**
**April 30, 2007- 4:00 p.m.**
**1602 10th Street – Staff Development Room**

# MINUTES

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

**Members Absent:** None

**Staff Present:** Danette Castle, Cindy Lucas, Cathy Pope, David Allen, Sharon Boles, Darla Carrasco, Tim Carroll, Mary Gerlach, Helga Gongaware, Robyn Johnston, Beth Lawson, Becky Lusk, Barbara McCann, Debra Shepherd, Karen Smart, Leonard Valderaz, Rebeca Wallace, Mary Watson, Laura Worley

**Others Present:** Monti Booth, Eugene Urrutia

## I. Call to Order

Mr. Shannon called the meeting to order at 4:08 p.m.

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

Mr. Shannon declared a quorum with all nine (9) members present.

### B. Minutes

The minutes from the board meeting held March 26, 2007 were presented to the members for approval. Mr. Kazee made the motion to approve the minutes as presented. Ms. Shields seconded the motion. The motion carried unanimously.

## II. Public Comment

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

## III. Texas Council of Community MHMR Centers Board of Director's Report

Mr. Hollinshead informed the board about Representative Truitt's support of HB 2439 and the ease in which it passed in the House and Senate. Mr. Hollinshead stated that this session did not seem to have the difficulties that were experienced in the last legislative session.

Ms. Castle described Representative Isett's command as the Speaker of the House during the reading of HB 2439. There were 142 members present and 142 members voted in favor of the bill.

Ms. Castle followed Mr. Hollinshead's discussion with more information regarding the Ad Hoc Committee responsible with reviewing the Texas Council Bylaws relating to membership and membership appointments. She stated that she was very pleased that Mr. Hollinshead has been asked to serve on this very important committee that will be reviewing associate membership. There are other entities that are requesting membership to the Texas

Council. One of those being from the NorthSTAR region and another being the Alamo area COG. Mr. Morton requested information about the Council's position regarding this issue as the Texas Council Risk Management Fund also has associate members. Currently members are required to be a governmental entity with a similar mission.

Ms. Castle informed the board that she has been asked to serve on the search committee for the replacement of Sandy Skelton, CEO of the Texas Council. He will be getting married and moving to Clarindon.

Ms. Castle described information that emerged at the Texas Council quarterly meeting that she and Mr. Hollinshead attended. She referenced a document that compares funding for 2003 and 2006. There has been $100.1 million dollar reduction in State contributions, in the vast majority of that being in General Revenue. Mr. Hollinshead relayed Commissioner Horn's concern regarding the lack of funding and the impact it has had on State Schools. Ms. Castle followed this by stating that the focus is now on funding but the fact is that we are in direct competition with many others such as state schools, CPS and TYC.

**IV. CEO Report**

**Legislative Update**

Ms. Castle directed the board to a document in their packet related to Crisis Services and Crisis redesign. She indicated that Texas Council is in the last stages of putting together talking points related to crisis services. Efforts continue for funding for both years of the biennium. Waiting lists and rate restoration are currently competing issues. Representative Isett is preparing information that can be laid out in conference committee. Senator Duncan will also be involved in this issue.

Ms. Castle informed the board that Senator Duncan is also working on strengthening community based competency restoration and to pull in some funding to cover that.

Ms. Castle stated that SB 1870, a system wide bill that would alter the way in which mental retardation community living options would be made available through out state schools, has passed the Senate and Representative Isett is carrying it in the House and is scheduled for committee this coming Thursday.

According to Ms. Castle, she anticipates that some form of Medicaid Reform will make its way into law. It will have an impact on us. Texas Council has submitted some mitigating amendment language that was accepted in the Senate version. We are hoping it makes its way through the House as well. Ms. Castle and Texas Council representatives will be meeting with Health and Human Services Commissioner to discuss Medicaid Reform and its implication on our system.

**IV. Network Management**

**A. Sunrise Canyon Hospital**

**1. Hospital Statistics**

Mr. Valderaz provided the board with information regarding the March hospital statistics. He noted that in March, Sunrise Canyon had a 92% occupancy rate, up from 84% the previous month. The average length of stay for March was 32.20 days, up significantly from 11.15 days in February. He explained how the discharge of a patient who had been in the hospital a very long time contributed to this increase. The 30 day readmission rate was 11.48%, down

from 18.75% in February. Mr. Valderaz attributes this change to the work that Dr. Davidson is doing in improving communications with outpatient services.

Mr. Valderaz provided the board with a brief summary of the 3 incidents that occurred during the month of March. He noted that there were no medication errors in March.

Ms. Pope responded to Mr. Hollinshead's question related to one of the incidents Mr. Valderaz discussed. She indicated that Ms. Wallace is currently in the process of developing a safety management plan that would help address issues of safety through out our center.

**2. Medical Executive Committee**

**a. Privileging**

Mr. Valderaz informed the board that in light of not having voting members on the Medical Executive Committee, a subcommittee of the committee had been called together to review the renewal of full appointment privileges for Dr. Davidson. Mr. Kazee and Ms. Shields served on the subcommittee. Mr. Kazee made the recommendation to the board to approve the renewal of Dr. Davidson's privileges. Mr. Shannon stated that this recommendation did not require a second. The recommendation was approved unanimously.

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

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

**1. Physician Recruitment**

Mr. Valderaz and Ms. Pope updated the board members regarding the on-going efforts to recruit physicians. The inability to hire physicians has required us to continue to use Locum Tenems. This current practice is having an impact on the budget.

**2. Criminal Justice Initiative**

Ms. Gerlach provided board members with a summary of recent initiatives involving the criminal justice system. The Lubbock County Community Justice Council is required by law and is headed by Judge Medina. Ms. Gerlach indicated that he has made the project more meaningful by bringing together city and county judges, attorneys, business leaders to work on issues related to diversion. A subcommittee of the Council is developing a process that would require everyone who is arrested to be assessed. Ms. Gerlach also informed the board that she is working on the design of the new probation facility and ensuring that is treatment oriented.

Ms. Gerlach also summarized her involvement in the planning for the new county jail facility and the development of programming. She has met with the Sheriff's department to discuss services that will be provided to those who are in jail.

Ms. Gerlach concluded her report by discussing the many trainings that she and others have been participating in throughout the months of March and April. In May she will be attending meetings involving the Women Lubbock Lawyers Association and the Lubbock County Defense Association.

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

**Focus Area 1-Compliance**

**1. Audit Report**

Ms. Johnston provided a summary of recent audit findings. She reported that as of April 13th, all requirements of the Plan of Correction related to a review conducted on September 21st of the West ICF-MR home, had been met.

She indicated that the Department of State Health Services concluded that the Center will not have any penalties assessed for State Hospital Utilization.

Ms. Johnston reported that today we received notice that our plan of correction regarding the November review of substance abuse services had been accepted and there were no disallowed costs associated with the review.

The Texas Home Living Annual Certification review conducted on March 15th resulted in recertification for the period of April 14, 2007 to April 13, 2008.

Ms. Johnston concluded her review of audits by informing the board that the Center had been one of three centers in Texas to achieve 100% accuracy in our CARE reports. She congratulated all involved in the CARE reporting process for a job well done.

**Focus Area 2-Fiscal Accountability**
**1. Financial Report-March FY 2007**

Ms. Lawson reviewed the March 2007 financial report. The March Balance Sheet reflects Cash and Investments totaling $5,712,973. Included in Total Assets are Investments in the amount of $114,545, Receivables in the amount of $1,890,926 and Other Assets in the amount of $853,478. Total Assets for March are $8,571,922.

Liabilities totaled $1,606,527 with the center's health insurance plan showing a positive balance in the amount of $163,952 at this time. It was noted that we had a positive margin of $74,382 in the fund balance. There is also $2,921,838 in Deferred Revenues. Total Liabilities and Fund Balance in March was $8,571,922.

Overall Revenues are below projections by 4.77%. Local Income is over projections by 8.5% or $66,322. Earned Income is under projection by 9.9% or $752,483. General Revenue reflects being under projection by .58% or $30,809.

The Statement of Expense reflects that we are under budget in all areas except in Building expenses and Contracts and Consultants. Salaries & Fringe are under budget by $523,798, Travel is under by $48,555, Consumables is under budget by $92,855, Capital Outlay is under budget by $82,680, and All Other Expenses is under by $6,497. Building Expenses are over budget by $8,677 and Contracts/Consultants are over budget by $15,973. This expense will continue to grow as we continue to use locum tenems.

The Program Financials for March reflect a positive variance for Essential Services in the amount of $59,773. Adult Mental Health Services indicate that expenses are over income by $118,452. This continues to reflect the inability of currents rates to sustain services. Child and Adolescent Services had $10,796 expenses over revenues, Mental Retardation Services had $3,558 revenue over expenditures and Substance Abuse Services has $41,956 revenue over expenditures. In total, Provider Services has $83,725 of expenses over revenues. Fiscal Agent Grants also had $98,333 over expenditures. Overall, in March the Center had $74,381 of revenue over expenditures.

Mr. Hollinshead made the motion to approve the March Financial Report as presented. Ms. Shields seconded the motion. The motion carried unanimously.

**2. Investment Report**

Ms. Lawson provided a summary of interest earned as of March 31, 2007 for the Elite Savings Account and the Premier Savings Account.

The interest earned for the Elite account (at 4.75%) was $40,378, for a total account balance of $3,533,189. The Premier account earned $4,420 (at 3.51%) for an account balance of $816,153. The Lubbock Area Foundation account earned $1,204 for an account balance of $114,545. Ms. Lawson summarized a discussion she had with Kathy Stocco at the Lubbock Area Foundation regarding the movement of the CD to Merrill Lynch.

The Certificates of Deposit at the Lubbock National Bank earned $21,821 in interest at a rate of 5.25% for an account balance of $1,218,132.

In summary, the investment earnings for the first quarter of FY 07 were $92,027.

Ms. Shields made the motion to approve the investment report. Ms. Gipson seconded the motion. The motion carried unanimously.

**D. Goal 3-Human Resources**

**Focus Area 1-Recoupment and Retention**

**1. Staff Turnover-2nd Qtr**

Ms. Lucas provided board members with staff turnover data related to the second quarter and provided annualized projections. She compared the data with that of previous years.

| | Total Center-wide Positions | Total Center-wide Separations | Center-wide Turnover | Human Service Tech Turnover | Nursing Staff Turnover |
|---|---|---|---|---|---|
| Qtr.2 FY 07 | 457 | 66 | 66/457<br>14% | 35/197<br>18% | 5/27 |
| Qtr.1 FY 07 | 457 | 39 | 39/457<br>9% | 21/197<br>11% | 2/27<br>7% |
| Annualized Projection FY 07 | 457 | 132 | 29 | 36 | 37 |
| FY 2006 | 459 | 113 | 25% | 34% | 28% |
| FY 2005 | 453 | 94 | 21% | 28% | 29% |
| FY 2004 | 482 | 102 | 21% | 25% | 39% |
| FY 2003 | 590 | 169 | 29% | 33% | 44% |
| FY 2002 | 606 | 207 | 34% | 43% | 55% |
| FY 2001 | 641 | 209 | 33% | 54% | 39% |

Ms. Lucas discussed the various factors involved in staff separations: health, furthering education, relocation or they didn't finish probationary period. Ms. Pope added that we are evaluating strategies to recruit and retain needed staff including partnering with LISD.

**VI. Executive Session for the purpose of consultation with Legal Counsel regarding pending or contemplated litigation (under Authority of Texas Open Meeting Act Sec. 551.071)**

Mr. Shannon recessed the regular meeting at 5:42 p.m**.** The Executive Session was convened by Mr. Shannon at 5:47 p.m. for the purpose of consultation with Legal Counsel regarding pending or contemplated litigation (under Authority of Texas Open Meeting Act Sec. 551.071).

The Executive Session was concluded at 5:59 pm and the regular meeting was reconvened at 6:00 pm.

## VII. Adjourn

The meeting adjourned at 6:00 p.m.

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Approved by Date