

**WESTERN HIGHLANDS AREA AUTHORITY  
FEBRUARY 16, 2007, REGULAR MEETING**

BOARD MEMBERS PRESENT: Nancy Carey; Phil Castro; John W. Condrey; William J. Cook, Jr.; Patricia Franklin; Susan Hendrick; Minnie Jones; Abigail Karroubi; Michele Lawhern; Robert Ratcliffe; Michael Talbert; Arthur C. Wilson, Jr.; Steve Wyatt.

BOARD MEMBERS ABSENT: G. Keith Parker; Vernon Ponder; and Mandy Stone.

MEMBERS OF THE PUBLIC PRESENT: Leslie Huntley, CFAC Co-Chair; Robert Huntley, NAMI; Nancy Baker, CFAC, Co-Chair; Bob Carey; Sandra Layton, Parkway Behavioral Health; Paul Tax, ARP/Phoenix; Larry Thompson; and Dan Zorn, Families Together.

ALSO PRESENT: Arthur D. Carder, Jr., Chief Executive Officer; Sharon Lentz, Chief Financial Officer; Rhonda McKee, HR Director; Lynn Trotter, Provider & Consumer Relations; Marsha Ring, Access & Services Management; Charlie Schoenheit, Access & Services Management; Victor W. Buchanan, Legal Counsel; and Beverly Atkins, Clerk to the Board.

CALL TO ORDER: The area board ("Board") of the Western Highlands Area Authority met on Friday, February 16, 2007, at 9:35 a.m. in the second-floor Conference Room (Room 312/315) of 356 Biltmore Avenue, Asheville, North Carolina. The Chair called the meeting to order.

PUBLIC COMMENTS: Mr. Jerry Rice made comments relative to the February 14 Citizen-Times article regarding "NC caps hospitals' patient capacity". He also, made comments regarding children being placed in restraints in school. Schools have an obligation to report such incidents. If a child needs to be restrained it should be a trained mental health worker and the incident should be reported through Western Highlands. This is a very serious issue that needs to be looked into with respect to what is happening with children in schools that is not being reported.

APPROVAL OF AGENDA: Mr. Talbert made a motion to approve the agenda. Mr. Wilson seconded the motion, and it carried by a unanimous vote. (A copy of the agenda is included in the minute book with these minutes.)

APPROVAL OF MINUTES: Ms. Carey requested that the January 19 Regular Minutes be amended to add to the Board Comment section that both Mr. Wilson and Ms. Carey thought there should be forums. Mr. Talbert made a motion to approve the minutes for the January 19, 2007, Regular Meeting as amended and for the January 19, 2007, Closed Session; and to seal and withhold the minutes for such Closed Session so long as public inspection would frustrate the purposes thereof. Ms. Carey seconded the motion, and it carried by a unanimous vote.

BOARD CHAIR REPORT: Ms. Hendrick reported that the WHN Executive Committee met with CFAC Executive Committee on Monday, January 22. The two committees decided to meet on a regular basis. The next meeting is scheduled for March 2. WHN Executive Committee requested that CFAC Executive Committee submit written suggestions/ideas to WHN Executive Committee and Mr. Carder. Susan reported that both have received the document from the CFAC Executive committee and Mr. Carder will attend the joint meeting on March 2 to participate in the discussion of the document. Ms. Hendrick asked that Mr. Buchanan review the changes to the By-Laws. Mr. Buchanan went over the changes which were mostly cosmetic in nature. Mr. Wilson directed attention to Article III Membership Section II Term of Office which states "The term of office for each Board Member shall be three years; and Board Members shall not be reappointed for more than two consecutive terms. Board Members serving as of July 1, 2006, may remain on the Board for one additional term". Mr. Wilson stated that the resolution that was passed by County Commissioners when the LME was formed specifically said that the county official appointed by each County could be a County Commissioner, County Manager, or Assistant County Manager. He has spoken to Mark Botts at the Institute

of Government and asked him to review the Statute. The interpretation previously was that the County Commissioner or designee would serve at the pleasure of the Board as long as the Board wanted that person to serve. The Statute now states that all terms will be for two consecutive three year terms. Mr. Wilson is very concerned because of the accountability that the Counties now have for mental health. The By-Laws are consistent with the revised Statutes. Mr Wilson stated, however, that the Transylvania County Commissioners have sent a resolution to Legislators requesting that this legislation be changed back to allow a County Commissioner to serve as long as his/her term continues and to include his/her designee (County Manager or Assistant County Manager). Ms. Lawhern stated that her County Commissioners feel very strongly and will follow suit.

Mr. Wyatt made a motion that WHN Board endorse the Legislative changes outlined by Mr. Wilson. Mr. Cook seconded the motion. After much discussion, the motion was approved with Ms. Carey voting no. Mr. Condrey asked that Ms. Hendrick send a letter to the eight counties stating the position of the board.

Mr. Condrey made a motion to approve and adopt the By-Laws as presented effective 02/17/2007. Dr. Ratcliffe seconded the motion, and it carried with Ms. Carey and Mr. Wyatt voting no.

CHIEF EXECUTIVE OFFICER'S REPORT: Mr. Carder reported he had distributed the document "The Creation History of Western Highlands Network." This report, which the former Western Highlands CFO Jack Parsons was commissioned to write, gives information regarding the formation of Western Highlands. Mr. Carder also reported a new "Advanced Payment Request form" has been created. Board members can request advance payment for official meetings and avoid using personal credit cards. Mr. Carder presented a document comparing the current monthly management report to the September report prior to the closing of New Vistas. He also compared the January, 2007 report to January, 2006 report. The number of requests for authorizations are down. Because WHN does not have Medicaid activity the number of service authorizations is down. The after hour calls are down as well as the total requests for services. He distributed a document showing the funding to providers by County. This document indicates the MOE funds received to date by each County along with funds to providers and the source of those funds. Mr. Carder stated that work is being done on a new grid showing all disability groups and what services are being provided by which provider. Mr. Carder discussed the State audit of Community Support services. There could be a rate reduction proposal as a result of this audit. A rate reduction will penalize the good providers. He reported that staff is actively working on the Business Plan. When he did asked the State for an extension due to the closing of New Vistas, the response was that the Business Plan needs to be completed within the time frame established by statute. If additions/corrections need to be made in the future they can be made at that time. The Secretary has a requirement from the Legislature to have her report to the Legislature by a certain time. The work on the Business Plan is coming along with the staff receiving much feedback; a survey document has been placed in several newspapers and has been placed on the WHN web site. He stated that the target for sending a draft to the board is Friday prior to the March board meeting.

Mr. Carder stated that there are new concerns related to services delivered to children with a reactive attachment disorder. The American Psychological Association does not recommend services used in RAD treatment. Western Highlands will be reviewing this information and making decisions regarding the use of State dollars for providers who deliver these services. Providers will be informed and WHN will be looking for alternative providers, if necessary. He stated that in the next two to three months there will be some angry respite providers showing up at the board meetings saying that the LME is putting them out of business. Ms. Atkins will email the two reports mentioned to board members.

After much discussion, Dr. Ratcliffe made a motion to support Mr. Carder's efforts to investigate potentially abusive procedures against children and to take appropriate action against those providers using those procedures. Ms. Lawhern seconded the motion, and it carried by a unanimous vote.

CHIEF FINANCIAL OFFICER'S REPORT: Ms. Lentz presented the financial report for December, 2006. (A copy of the financial report is included in the minute book with these minutes.)

COMMITTEE REPORTS: Ms. Hendrick reported that the Executive Committee will meet again with CFAC Executive Committee on March 2. Ms. Carey reported that the Human Rights Committee met on February 15. One concern she has is that providers are not sending in level II and III reports which are serious incidents including deaths. The committee discussed meeting more often; however, the majority of the members felt that meeting four times a year is sufficient at this time. Ms. Karroubi reported that the committee received training with respect to the clinical review process. The committee suggested that WHN look into having additional staff who could conduct clinical reviews particularly in light of the discussion about RAD therapy with children and making sure that providers are offering the services that are needed. Ms. Hendrick reported that QIAC will be meeting following the board meeting and will be hearing from Alpha-Omega about serving the Northern Counties.

CFAC: Ms. Huntley presented the CFAC report which was sent out prior to the meeting. Ms. Huntley welcomed Mr. Bob Carey as the representative from Yancey County. Ms. Huntley stated that CFAC is working on the By-Laws to reflect the changes in the NC Statutes. Ms. Huntley discussed the audit because of Medicaid over-use with respect to Community Support services. She stated that overuse of Community Support Services has caused Rutherford County to lose the ACTT team. The provider, the Mental Health Association, had to close as they were not receiving any referrals. These referrals come from other providers. CFAC will be asking WHN staff to monitor Medicaid services.

LOC REPORT: Mr. Thompson made a report with respect to the Legislative Oversight Committee. The LOC is now in transition with the Legislature in session. In the past, because it is an interim committee, the LOC has not functioned once the session started. The LOC chairs, Senator Nesbitt and Representative Insko, hope to have the LOC continue to meet during legislative sessions in order to provide continuity. There is now a mental health committee in the House that has LOC membership as well as a mental health child committee in the Senate. With this new configuration, however, it is not clear whether LOC can continue to meet. It is not clear what the emphasis will be in terms of priority setting. Mr. Thompson asked CFAC to develop a list of priorities concerning the LOC's staff recommendations.

BOARD COMMENTS: Dr. Ratcliffe made comments regarding caps on hospitals' patient capacity. This is a great concern for him because there is no indication of what the alternate plan would be or the possible consequences. It is an amazing lack of foresight on the part of the Division of MH/DD/SAS and the Secretary. The State hospitals are vitally important.

Ms. Carey stated that she did not mean to imply that forums are the only way of obtaining information for the business plan. She encouraged having public input on the actual plan. She applauds efforts to get the plan on the WHN website prior to it coming to the board.

CLOSED SESSION: A motion was made at 10:10 a.m. by Dr. Ratcliffe, seconded by Ms. Lawhern, and carried by a unanimous vote to go into Closed Session, pursuant to Sections 143-318.11 (a) (3) of the General Statutes of North Carolina, in order to consult with the Legal Counsel in order to consider personnel matters.

The open session resumed at 11:40 a.m.

Under Agenda Item XIV (that is, "Resultant Consideration & Action (if any) Relative to Closed Session"), a motion was made, as set forth below.

Dr. Ratcliffe moved to increase Mr. Carder's annual salary to \$125,000.00 [which is subject to all applicable tax withholding requirements, and which will be paid in installments at the same time that Western Highlands Area Authority's other employees are paid], retroactive to January 1, 2007, with the proviso that the Board will reconsider his salary annually, based upon his job performance. Mr. Cook seconded the motion, and there was a discussion. Mr. Wyatt stated that: He supported the motion; he was impressed with Mr. Carder's job performance; serving as the Chief Executive Officer is a difficult position, particularly since the counties constituting the catchment area are diverse; Mr. Carder has done what Mr. Wyatt has asked him to do; and Mr. Carder has been visible in Henderson County. Ms. Carey stated that she supported this motion and that Mr. Carder has been good at working with CFAC. Ms. Karroubi stated that she supported the motion and that she was impressed with Mr. Carder's focus on the consumers and his focus on keeping the Board Members functioning as a single unit. She further stated that she would like for him to be able to focus more on communicating with the appropriate governmental officials in Raleigh. Ms. Hendrick stated that, as mentioned previously by Bill Bullington, the State expects Mr. Carder to be the primary source of information between the LME and such governmental officials. The motion carried by a unanimous vote, and Mr. Carder thanked the Board for its action.

Under Agenda Item XV (that is, "Wrap-Up & Adjournment"), another motion was made, as set forth below.

ADJOURNMENT: Mr. Wilson made a motion to adjourn the meeting. Mr. Wyatt seconded the motion, which carried by a unanimous vote; and the meeting adjourned at 11:44 a.m.

Respectfully submitted,

Beverly Atkins  
Clerk to the Board