

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

BOARD MEMBERS PRESENT: Nancy Carey; Phil Castro; William J. Cook, Jr.; Patricia Franklin; Susan Hendrick; Minnie Jones; Abigail Karroubi; Robert Ratcliffe; Mandy Stone; Michael Talbert; and Arthur C. Wilson, Jr.

BOARD MEMBERS ABSENT: John W. Condrey; Michele Lawhern; G. Keith Parker; Vernon Ponder; and Steve Wyatt.

MEMBERS OF THE PUBLIC PRESENT: Leslie Huntley, CFAC Co-Chair; Robert Huntley, NAMI; Nancy Baker, CFAC, Co-Chair; Leslie Boyd, Asheville Citizen Times; Bob Carey; Judy Dunn, Families Together; Jayne St. Clair; Jerry Rice; Paul Tax, ARP/Phoenix; Larry Thompson; Ryan Whitson; and Dan Zorn, Families Together.

ALSO PRESENT: Arthur D. Carder, Jr., Chief Executive Officer; Sharon Lentz, Chief Financial Officer; Rhonda McKee, HR Director; Kris Booker, Quality Management; Bill Bullington, State LME Liaison; Anne Doucette, Provider & Consumer Relations; Lynn Trotter, Provider & Consumer Relations; Kathy Rubendall, Access & Services Management; Charlie Schoenheit, COO; 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, March 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: Ms. St. Clair again thanked Western Highlands for updating the web site to include current calendars and minutes. She made comments regarding her concern that the provider agencies that arose from the New Vistas closing will not be able to continue and will close by the end of 2007 due to the lack of administrative experience. Mr. Rice made comments relative to school issues and special needs children and the lack of information sharing. He requested that Western Highlands make an effort to get coordination between the LME, school system, DSS and others. Mr. Zorn made comments with respect to the Local Business Plan needing more work. He also made comments regarding ValueOptions and the audit of CS providers.

APPROVAL OF AGENDA: Ms. Hendrick requested that the agenda be revised to include in the Board Chair report the addition of item (c) Closed Session Minutes. Mr. Talbert requested that an item be added under new business concerning Polk County Dissolution Funds. Mr. Wilson made a motion to approve the agenda as amended. Mr. Cook seconded the motion, and it carried. (A copy of the amended agenda is included in the minute book with these minutes.)

PRESENTATION, BOARD MEMBER APPRECIATION: Ms. Hendrick presented a plaque of appreciation to Mr. Talbert for all his hard work as a member of the Executive Committee, Operations Policy Committee and as Chair of the Finance Committee. Mr. Talbert will be leaving his office as Polk County Manager April 1. Mr. Carder stated that he has enjoyed working with Mr. Talbert. With his expertise in business he has been helpful in Finance Committee discussions. Mr. Carder was impressed that the advocates and community members expressed appreciation for how hard the County Manager works for their cause. Mr. Wilson thanked Mr. Talbert for the great job he has done in Polk County. Ms. Carey thanked Mr. Talbert for being so easy to work with. Mr. Talbert stated that he has enjoyed his time as a member of the board because this board works well together. While the issues have not been easy the board always managed to resolve the issue. Mr. Talbert attributed this to the board members.

BOARD CHAIR REPORT: Ms. Hendrick made her report with respect to the following:

- The second meeting of WHN and CFAC Executive Committees was held on Friday, March 2. After a discussion about the need for an agreement between WHN and CFAC, the consensus was that a formal

agreement was not necessary. The Executive Committees have agreed to meet on a quarterly basis. CFAC has also decided to have members to attend and observe several of our WHN committees. Ms. Lentz is scheduled to speak to CFAC on April 2. Members may email Ms. Hendrick with suggestions on how CFAC can be helpful to the Board and WHN staff.

- With Mr. Talbert leaving, the Treasurer position becomes vacant. A new treasurer will need to be elected at the April meeting.
- In response to an earlier request that he review Closed Session minutes to determine which, if any, should be opened to the public, Mr. Buchanan reported on the process. The Closed Session minutes should be reviewed to determine whether or not the purpose still exists to keep them sealed. Because the General Assembly and the Courts recognize that having Closed Sessions is essential and needed for specific situations, the statute allows closed sessions. There are, however, restrictions on their use and clear definitions of when closed sessions can be used. He noted that because this Board wants to be as open as possible, it has always been reluctant to go into Closed Session. The process of evaluating the minutes is a very difficult and time consuming one. After looking at the Institute of Government publication by David Lawrence, Mr. Buchanan made the recommendation that the Board by motion delegate to the Board Chair the discretion and authority to open Closed Session minutes in whole or in part as he/she may determine to be appropriate.

Mr. Talbert made a motion to authorize the Board Chair the discretion and authority to open Closed Session minutes in whole or in part, as he/she may determine to be appropriate with confirmation by the full Board in open session. Ms. Stone seconded the motion, and it carried by a unanimous vote.

- Copies of Ms. Hendrick's February 26th letter to the Legislators concerning the membership terms were distributed.

CHIEF EXECUTIVE OFFICER'S REPORT: Mr. Carder stated that with respect to Ms. Hendrick's letter Senator Snow has introduced legislation regarding the proposal. Mr. Carder discussed the struggles with State rules. He is on the Rules Committee for the NC Council. The Secretary is asking for the authority to make rules, without going through the rules commission process. Because these rules have so much effect on LMEs, the committee is advocating very strongly that the Secretary not be granted more authority to make rules. Mr. Carder stated that Update #24 has been issued to state that nothing addressed in Update #19, concerning payment for care of clients by family members in their homes, will be implemented. Mr. Carder stated that there is much publicity about Community Support Services audit mentioned by Mr. Zorn in his comments. This LME and others expressed concern when authorization for Medicaid was given to ValueOptions. When the new service definitions were put in place, it was felt that because of the higher Medicaid rates more units of service than warranted would be requested. There was, therefore, real potential for misuse of the service definition. Some providers over utilized the benefit without justification while many providers have done a good job managing the service. Mr. Carder expressed his fear that the data from the audit will be used to punish all providers.

Mr. Carder then led discussion with respect to the Local Business Plan. He began by giving background on the preparation of the plan. Mr. Wilson suggested that the Strategic Objectives pages be reviewed. After much discussion, Mr. Talbert made a motion to approve the Local Business Plan with the additions and changes discussed. Mr. Wilson seconded the motion, and it carried.

CHIEF FINANCIAL OFFICER'S REPORT: Ms. Lentz presented the financial report for January, 2007. (A copy of the financial report is included in the minute book with these minutes.)

Ms. Lentz distributed an analysis showing prompt payments to providers. This document measures the amount of time that elapses between the date clean claims are received and date the check is cut.

Ms. Lentz requested that Gould Killian CPA Group be given the contract to preform the audit for fiscal year ending June 30, 2007. The quote from Gould Killian for the audit is \$35,900 which is \$600.00 more than last fiscal year and represents less than a 2% increase. Mr. Talbert stated that this was reviewed by the Finance Committee and comes as recommendation to the Board. Mr. Wilson seconded the motion, with the understanding that the audits be received earlier than last year. The motion was approved. Ms. Carey stated that because the same auditors have been used for several years she recommended that other audit firms be looked at for next year.

Ms. Lentz then presented a resolution for Fund Balance designation for FY 2007-2008. The rules established by the State Division of Mental Health seek to limit the amount of balance held by LME's to 15% of the budget. The Local Government Commission requires a minimum of 8% fund balance. Ms. Lentz requested approval of the resolution to designate four million dollars of fund balance for FY 07-08 for the purpose of maintaining network stabilization in the eight county catchment area. Mr. Talbert stated that this comes as a recommendation for the Finance Committee. This is a board designation that can be changed at anytime. Mr. Wilson seconded the motion, and it carried with Ms. Jones voting no.

APPROVAL OF MINUTES: Mr. Wilson asked that the February 16, 2007 Regular Meeting minutes be amended bottom of page one to change "year" to "term". Mr. Talbert made a motion to approve the minutes for the February 16, 2007 Regular Meeting as amended and the minutes for the February 16, 2007 Closed Session; and to seal and withhold the minutes for such Closed Session from public inspection so long as public inspection would frustrate the purposes thereof. Mr. Wilson seconded the motion, and it carried.

COMMITTEE REPORTS: Ms. Carey reported that the Human Rights Committee met on February 15, 2007. Item #6 contains minutes and other materials covered at the meeting. Ms. Hendrick reported that QIAC will be meeting following the meeting. They will be looking at the Local Business Plan.

CFAC: Ms. Baker presented the CFAC report. CFAC will have a change in membership because Ms. Baker will be moving. She wanted to let the board know how much she has appreciated being a part of CFAC and getting to know the board members. Ms. Baker thanked the board for cooperating with CFAC. The CFAC nominating committee will have a slate of officers to be put in place by July. Donna Tatnall, as the new Co-Chair, will help Ms. Huntley train and recruit members as well as new Co-Chairs. CFAC has called an emergency meeting to discuss the business plan in order to give feed-back to Mr. Carder. Ms. Carey thanked Ms. Baker very much for her contribution to CFAC.

STATE LIAISON REPORT: Mr. Bullington made comments with respect to the status of Western Highlands crisis plan. Notice should be received in 10-14 business days.

LOC REPORT: Mr. Thompson presented a four page document which is a summary of the 57 page document which is found on the Legislative website. The report will go to the appropriations committees of the House and Senate for action on the \$122 million dollar request. The rest of the recommendations have been put in three House Bills HB 625, 627 and 628 which have been referred to the House reform committee. He believes the board should pay particular attention to HB 627 because it establishes limitations on the ability of the Department to make changes in LME core functions.

NEW BUSINESS: Consideration of Polk County Dissolution Funds. Mr. Talbert asked that Mr. Ryan Whitson, Polk County Manager as of April 1, 2007, present the request. Mr. Whitson requested approval and authorization to allocate to Polk County an amount not to exceed \$80,000.00 to hire, train, and equip a special deputy sheriff who shall specialize in mental health matters and services, such as involuntary committals. This pilot project will be very similar to the program that was initiated in Mitchell County last year. This amount is for three months of this budget year and all of next budget year. Mr. Talbert made a motion to allocate \$80,000 from the Polk dissolution funds for the hiring, training and equipping of a deputy for a period of 15 months. Ms. Stone seconded the motion, and it carried with Ms. Carey voting no.

BOARD COMMENTS: Mr. Cook distributed a copy of Ms. St. Clair's public comments. Ms. Karroubi stated that she would like to know more about the Community Support issue as she would like to be more informed about provider issues. Mr. Carder addressed her concern about this issue. Ms. Stone suggested that an agenda item be added under the CEO report to give an update on the crisis facility and the work that Mr. Schoenheit has done on the mission policy. Ms. Hendrick asked about having an agenda item on how the MOE funds of each county are spent. Mr. Wilson suggested that each County Manager send a report to Mrs. Atkins stating for what their MOE funds are used. Ms. Carey stated that while Mr. Parsons did a good job on the Western Highlands history, there were some things not included which she would be happy to share with those interested.

ADJOURNMENT: Mr. Cook made a motion to adjourn the meeting. Mr. Wilson seconded the motion, which carried by a unanimous vote; and the meeting adjourned at 12:00 p.m.

Respectfully submitted,

Beverly Atkins
Clerk to the Board