MINUTES

PLACE: Alliance Behavioral Healthcare, 4600 Emperor Blvd., Room 208, Durham, NC 27703

MEMBERS PRESENT: Cynthia Binanay, Christopher Bostock, Dr. George Corvin, Kenneth Edge, James Edgerton, Lodies Gloston, Phillip Golden, Dr. John Griffin, Ellen Holliman, George Quick, Vicki Shore, William Stanford, Caroline Sullivan, Scott Taylor, Amelia Thorpe and Lascel Webley, Jr., Chairman.

MEMBERS ABSENT: Ann Akland, Rev. Michael Page

GUESTS PRESENT: Yvonne French, NC Division of MH/DD/SAS and Denise Foreman, Assistant to the Wake County Manager

STAFF PRESENT: Hank Debnam, Doug Fuller, Kelly Goodfellow, Amanda Graham, Suzanne Goerger, Andrea Kinnaugh, Veronica Ingram, Geyer Longenecker, Lloyd Merithew, James Osborn, Ann Oshel, Sara Pacholke, Monica Portugal, Al Ragland, Rob Robinson, Sean Schreiber, Dr. Khalil Tanas, Jim Wall and Doug Wright

1. CALL TO ORDER: Chairman Lascel Webley, Jr. called the meeting to order at 4:06 p.m.

2. ANNOUNCEMENTS
   A. Board Retreat
      Chairman Webley, Jr. reminded the Board of the annual Board Budget Retreat on Wednesday, March 26, 2014, from 11:30 a.m. – 3:30 p.m. and advised Board members to RSVP to Veronica Ingram, Executive Assistant by March 18, 2014.

   B. Introduction of Board Applicants
      Chairman Webley, Jr. announced the receipt of applications for the Durham and Wake County Board seats. No applicants were in attendance.

      C. New General Counsel
         Ellen Holliman, Chief Executive Officer, announced that effective March 24, 2014, Alliance’s General Counsel will be Carol Hammett. Ms. Hammett previously served as Durham County’s Deputy County Attorney and has worked with Durham County for thirteen years. Ms. Hammett will be introduced to the Board at a later date.

      D. Board Interviews Schedule
Chairman Webley, Jr. mentioned that Board applicant interviews will be Tuesday, March 11, 2014, as part of the Executive Committee meeting. Chairman Webley, Jr. invited all Board members to attend the Executive Committee meeting which starts at 4:00 p.m.

E. Board Emails
Ms. Holliman advised the Board of the current email policy; per HIPAA security guidelines Alliance will encrypt all outgoing emails. Emails received at personal email accounts will still be accessible and require an initial registration and then password to access. Board members can register for access or use their IPads to view emails. Chief Information Officer, Lloyd Merithew, advised Board members of recent HIPAA changes and described how this new implementation will reduce risk to individuals and Alliance.

F. NC Council Community News Update
Chairman Webley, Jr. advised Board members of articles in the current NC Council Community News Update. The articles on pages eight and nine feature Chief Executive Officer, Ellen Holliman, and Chief Operating Officer, Rob Robinson.

Chairman Webley, Jr. congratulated staff on the recent innovation of using a web based platform for sharing news.

3. **AGENDA ADJUSTMENTS**
Chairman Webley, Jr. moved the Chairman’s Report from item eleven to item four.

4. **CHAIRMAN’S REPORT**
Chairman Webley, Jr. quoted passages from President Roosevelt’s speech for the dedication of the presidential library, announced the Board’s decision to rename the Board Room as the Ellen S. Holliman Board Room and presented Ms. Holliman with the new sign for the Board Room.

**BOARD ACTION**
The Board accepted the report as presented. No further action needed.

5. **PUBLIC COMMENT**
None

6. **FINANCE COMMITTEE REPORT**
The Finance Committee’s function is to review financial statements and recommend policies/practices on fiscal matters to the Board. The Finance Committee meets monthly at 3:00 p.m. prior to the regular Board meeting. Draft minutes and financial information from the February 6, 2014, meeting were included in the Board packet.

Finance Committee Chairman, George Quick, presented an update to the Board. Mr. Quick referred to information included in the Board packet and presented the committee’s recommendation to issue Board stipends via electronic funds transfer instead of paper check.

**BOARD ACTION**
A Motion was made by Commissioner Kenneth Edge to approve issuing Board stipends via electronic funds transfer; seconded by Dr. George Corvin. Motion passed.
7. **COMMITTEE REPORTS**  
A. Consumer and Family Advisory Committee Report  
B. Executive Committee Report  

Chairman Webley, Jr. mentioned that Board members received the reports as part of the Board packet.

**BOARD ACTION**  
A Motion was made by Mr. George Quick to accept the committee reports as presented; seconded by Mr. Christopher Bostock. Motion passed.

8. **CONSENT AGENDA**  
A. Draft Board minutes from the February 6, 2014, Board meeting  
B. Area Board Member Meeting Compensation Policy  

Chairman Webley, Jr. stated that the Board received the consent agenda in the Board packet.

**BOARD ACTION**  
A Motion was made by Mr. George Quick to approve the consent agenda as presented; seconded by Mr. William Stanford. Motion passed.

9. **BOARD TRAINING:**  
A. Community Relations Collaboration with the Legal System  
James Osborn, Crisis and Incarceration Manager, presented a detailed PowerPoint presentation depicting the collaboration that occurs between the legal, criminal justice system and Alliance’s Community Relations department. Additionally, Mr. Osborn announced Hank Debnam, Cumberland Site Director, who was recognized by Cumberland County and Fayetteville/Cumberland crisis teams for work related to Cumberland’s CIT program and officer training.

As Board members discussed the presentation and the impact on the criminal system and school system, Ann Oshel, Director of Community Relations, presented additional information detailing the roles of Jail Liaisons and Court Liaisons and the national concern of decriminalization of the mentally ill, release planning practices, and the impact on the community. Ms. Oshel mentioned meetings with judges and educators have occurred and are scheduled; part of the purpose of these meetings is to facilitate prompt identification and referral for individuals needing services.

B. Innovations Waiver  
Andrea Kinnaugh, I/DD UM Manager, and Suzanne Goerger, I/DD Care Coordination Director, presented a detailed PowerPoint presentation which included an overview of the core components of managing the Medicaid Innovations Waiver; the components include care coordination, utilization management and ensuring a qualified provider network. 

As Board members discussed the presentation Ms. Goerger and Ms. Kinnaugh clarified the history of the waiting list/Registry of Unmet Needs and the length of time some consumers are on this list. Dr. Khalil Tanas, Medical Director, stated that although consumers may not be under the Innovations Waiver they could still be eligible to receive other services.

Ms. Goerger added that consumers on the Innovations Waiver also have a Care Coordinator. Ms. Kinnaugh stated the purpose of Individual Support Plan and the Care Coordinator’s role
in creating it. Also, Ms. Kinnaugh stated that the Division of Medical Assistance allocates the number of slots available on the Innovations Waiver and any potential increase or decrease in the number of slots. This amount then impacts the number of consumers on the Registry of Unmet Needs.

BOARD ACTION
The Board received the trainings. No further action required.

10. BOARD BY-LAWS
In addition to NC General Statues 122C-117, 122C-118.1 and 122C-119, the Board by-laws provide the operational basis for the area authority. Changes to the current by-laws were needed to reflect recent legislation as noted in Senate Bill 208, Senate Bill 191 and the July 8, 2013, Joint Resolution between Cumberland, Durham, and Wake Counties. The Policy Committee met on February 19, 2014, and finalized recommended changes to the by-laws. Ellen Holliman, Chief Executive Officer, provided an update of the proposed changes to the by-laws as submitted in the Board packet.

BOARD ACTION
A Motion was made by Mr. James Edgerton to approve the by-laws; seconded by Mr. Phillip Golden. Motion passed.

11. UPDATES
A. MCO Consolidation/Medicaid Reform
Chief Executive Officer, Ellen Holliman, provided an overview of the MCO Consolidation/Medicaid Reform plan as presented at the February, 26, 2014, meeting of the Medicaid Reform Advisory Committee. Ms. Holliman stated that as mentioned at this meeting the current plan is a compromise as it differs from the initial plan; LME/MCOs are part of the new Medicaid reform which includes a consolidation from ten MCOs to four.

BOARD ACTION
The Board accepted the update. No further action required.

12. CLOSED SESSION
The Area Board had a closed session in accordance with NC General Statute 143-318.11(a) (6) to discuss the qualifications and conditions of appointment of a public employee.

BOARD ACTION
A Motion was made by Commissioner Kenneth Edge to enter into closed session; seconded by Mr. Scott Taylor. Motion passed.

A Motion was made by Dr. George Corvin to return to open session; seconded by Mr. George Quick. Motion passed.

A Motion was made by Commissioner Caroline Sullivan to approve all of the Employee Agreement except section four; seconded by Ms. Cynthia Binanay. Motion passed.

A Motion was made by Dr. George Corvin to approve section 4.5 of the Employee Agreement and exclude items 2 and 4 of the agreement; seconded by Mr. Scott Taylor. Motion passed.
13. ADJOURNMENT
With all business being completed the meeting adjourned at 6:37 p.m.

Next Board Meeting
Thursday, April 3, 2014
4:00 – 6:00

Respectfully submitted:

[Signature]

Ellen S. Holliman, Chief Executive Officer

4/3/2014
Date Approved
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**BOARD ACTION**
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13. **ADJOURNMENT**

With all business being completed the meeting adjourned at 6:37 p.m.

Next Board Meeting
Thursday, April 3, 2014
4:00 – 6:00

Respectfully submitted:

[Signature]

Ellen S. Holliman, Chief Executive Officer

4/3/2014

Date Approved
ITEM: Finance Committee Minutes from February 6, 2014 meeting

DATE OF BOARD MEETING: March 6, 2014

BACKGROUND:
The Finance Committee’s function is to review financial statements and recommend policies/practices on fiscal matters to the Area Board. The Finance Committee meets monthly at 3:00 PM prior to the regular Area Board Meeting. The quarterly financial statements and ratios for the period ending December 31, 2013, and the draft minutes of the February Finance Committee are attached.

REQUEST FOR AREA BOARD ACTION:
Accept the report as presented.

CEO RECOMMENDATION:
Accept the report as presented.

RESOURCE PERSON(S):
Ellen Holliman, Kelly Goodfellow, Sara Pacholke
Alliance Behavioral Healthcare
Finance Committee Minutes
February 6, 2014

Members Present: Phillip Golden, BS, Lascel Webley, Jr, MBA, MHA, George Quick, MBA, Vicki Shore, Chris Bostock,

Members Absent: Ann Akland, Jim Edgerton, BS

Guest Present: William Stanford (Board Member, guest of Finance Committee)

Staff Present: Ellen Holliman, BS, Kelly Goodfellow, MBA, Sara Pacholke, BS, CPA, Rob Robinson, LCAS

Staff Absent: N/A

Opening: Meeting opened by George Quick at 2:59 at Alliance Behavioral Healthcare’s corporate office

Approval of Minutes: Chris Bostock made a motion to approve the minutes from the December 5, 2013 meeting with a second from Phil Golden.

Agenda Items

Quarterly Financial Statements and Ratios
Sara Pacholke presented the December 2013 Statement of Net Position, Statement of Revenue and Expenses and ratios. The Statement of Net Position is showing a positive unrestricted balance. Revenues and expenses were in line with expectations for the sixth month of the year. Alliance currently meets the financial ratios required by Senate Bill 208 and the ratios monitored by DMA.

Budget Retreat
Kelly Goodfellow discussed the upcoming budget retreat. It’s being requested that it will be held in March due to a Network and Service Continuum discussion being held at Alliance in February. This meeting will discuss the future direction of Alliance Behavioral Healthcare’s services with representation from CFAC.

Wake Discussion
Rob Robinson discussed the proposal regarding Wake County. Wake LME and The Durham Center both had different ways of accounting for state funding. Wake LME historically would post the payment received from the State back to the prior month for services, The Durham Center would use the payment received from the State for current month services. When Alliance was formed, they adopted The Durham Center’s accounting method and posted money received from the State in the current month. During FY13 Alliance received 12 Single Stream payments from the State as anticipated, however Wake County was expecting the July payment made to Alliance to come back to them to be posted in June. There was a motion to use approximately $1,330,000 from the restricted net position to pay Wake to settle the differences in accounting. The motion was approved by Phil Golden with a second from Lascel
Webley. The motion will be taken to the Area Board for approval along with a request to unrestrict the funds.

**Loan Deferment**

Ellen Holliman gave an update on the loan deferment request. Ellen and Rob have meet with Wake County and Cumberland County explaining the request is to defer the loan for 2 years to help prepare for Medicaid reform. They will be meeting with Durham County before bringing the motion to the Area Board.

Meeting adjourned at 3:36 pm.

Respectfully submitted,

Sara Pacholke  
Finance Director
## Statement of Revenue and Expenses - Actual and Budget
For the Six Months Ending December 31, 2013

### REVENUES

<table>
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<tr>
<th>Service</th>
<th>Original Budget</th>
<th>Amendment</th>
<th>Current Period</th>
<th>Year to Date</th>
<th>Balance</th>
<th>Expended</th>
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<tr>
<td><strong>Revenue</strong></td>
<td></td>
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<tr>
<td>Service</td>
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</tr>
<tr>
<td>County</td>
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<td>$35,854,085.62</td>
<td>($42,183.41)</td>
<td>$17,785,679.46</td>
<td>$18,068,406.16</td>
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<td>State</td>
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<td>39,357,963.96</td>
<td>2,757,266.41</td>
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<td>Federal</td>
<td>7,640,334.00</td>
<td>7,170,888.00</td>
<td>796,740.55</td>
<td>2,683,534.51</td>
<td>4,487,453.49</td>
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<td>Medicaid and CAP Pass Through</td>
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<td>9,673.04</td>
<td>15,685.40</td>
<td>(15,685.40)</td>
<td>0.00%</td>
<td></td>
</tr>
<tr>
<td>Medicaid Waiver</td>
<td>307,626,720.00</td>
<td>312,525,545.00</td>
<td>21,854,456.13</td>
<td>162,816,153.04</td>
<td>149,709,391.96</td>
<td>52.10%</td>
</tr>
<tr>
<td>Miscellaneous Revenue</td>
<td>500,000.00</td>
<td>(183,366.15)</td>
<td>89.50</td>
<td>(89.50)</td>
<td>0.00%</td>
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<td><strong>Total Service Revenue</strong></td>
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<td>25,192,586.60</td>
<td>201,353,917.49</td>
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<td>1,815,854.42</td>
<td>42,183.41</td>
<td>601,320.54</td>
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<td>State</td>
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<td>2,109,265.39</td>
<td>2,479,216.61</td>
<td>54.03%</td>
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<td>Medicaid and CAP UR</td>
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<tr>
<td>Medicaid Waiver</td>
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<td>31,747,176.00</td>
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<td>15,239,653.30</td>
<td>15,239,653.30</td>
<td>52.00%</td>
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<tr>
<td>In Kind Revenue</td>
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<td>1,130,287.00</td>
<td>143,430.00</td>
<td>986,857.00</td>
<td>143,430.00</td>
<td>12.69%</td>
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<td>Miscellaneous Revenue</td>
<td>25,000.00</td>
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<td>65.00</td>
<td>49,337.06</td>
<td>50.11%</td>
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<tr>
<td><strong>Total Administrative Revenue</strong></td>
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<td><strong>Total Revenues</strong></td>
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<td>221,134,968.28</td>
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### EXPENDITURES

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<td></td>
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<tr>
<td>County</td>
<td>36,047,755.00</td>
<td>36,047,754.96</td>
<td>6,924,873.61</td>
<td>17,347,767.01</td>
<td>18,699,988.02</td>
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<td>State</td>
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<tr>
<td><strong>Total Service Expenditures</strong></td>
<td>389,488,205.00</td>
<td>395,102,251.00</td>
<td>27,152,015.54</td>
<td>195,064,837.42</td>
<td>200,037,413.65</td>
<td>49.37%</td>
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</tr>
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<td>Operational</td>
<td>5,814,903.05</td>
<td>6,963,065.93</td>
<td>270,092.80</td>
<td>1,579,725.91</td>
<td>5,383,340.02</td>
<td>22.69%</td>
</tr>
<tr>
<td>Salaries, Benefits, and Fringe</td>
<td>25,945,140.63</td>
<td>26,033,262.75</td>
<td>2,046,152.22</td>
<td>11,636,383.34</td>
<td>14,396,879.41</td>
<td>44.70%</td>
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<td>Professional Services</td>
<td>4,990,161.32</td>
<td>5,060,413.32</td>
<td>29,701.33</td>
<td>1,325,763.33</td>
<td>3,734,649.99</td>
<td>26.20%</td>
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<tr>
<td>In Kind Expenses</td>
<td>1,130,287.00</td>
<td>1,130,287.00</td>
<td>0.00</td>
<td>143,430.00</td>
<td>12.69%</td>
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</tr>
<tr>
<td><strong>Total Administrative Expenditures</strong></td>
<td>37,880,492.00</td>
<td>39,187,029.00</td>
<td>3,243,020.72</td>
<td>19,781,050.79</td>
<td>19,599,646.59</td>
<td>50.23%</td>
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<td><strong>Total Expenditures</strong></td>
<td>427,368,697.00</td>
<td>434,289,280.00</td>
<td>28,435,607.32</td>
<td>221,134,968.28</td>
<td>213,154,311.68</td>
<td>48.30%</td>
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### REVENUES OVER EXPENDITURES

0.00 0.00 (1,062,354.57) 11,384,828.28
### REVENUES

<table>
<thead>
<tr>
<th>Service</th>
<th>County</th>
<th>State</th>
<th>Federal</th>
<th>Medicaid and CAP Pass Through</th>
<th>Medicaid Waiver</th>
<th>Miscellaneous Revenue</th>
<th>Total Service Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td>State</td>
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<tr>
<td></td>
<td>Medicaid and CAP UR</td>
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<td></td>
<td>Medicaid Waiver</td>
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<td></td>
<td>In Kind Revenue</td>
<td></td>
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<tr>
<td></td>
<td>Miscellaneous Revenue</td>
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<td></td>
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<td></td>
<td>Total Revenues</td>
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### EXPENDITURES

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<th>Service</th>
<th>County</th>
<th>subtracted .07 to balance</th>
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<td></td>
</tr>
<tr>
<td></td>
<td>Federal</td>
<td></td>
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<tr>
<td></td>
<td>Medicaid and CAP Pass Through</td>
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<td></td>
<td>Medicaid Waiver</td>
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<td></td>
<td>Total Service Expenditures</td>
<td>subtracted .07 to balance</td>
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<table>
<thead>
<tr>
<th>Administrative</th>
<th>Operational</th>
<th>Salaries, Benefits, and Fringe</th>
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<tr>
<td></td>
<td>Professional Services</td>
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<tr>
<td></td>
<td>In Kind Expenses</td>
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<td></td>
<td>Total Administrative Expenditures</td>
<td></td>
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<tr>
<td></td>
<td>Total Expenditures</td>
<td>subtracted .07 to balance</td>
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</table>

### REVENUES OVER EXPENDITURES

changes to budget column

added .04 to balance

subtracted .07 to balance
## ASSETS

### Current Assets
- Cash and Cash Equivalents: $39,109,272.73
- Service Restricted Cash: 9,454,240.00
- Due from Other Governments: 6,555,139.39
- Accounts Receivable, Net of Allowance for Uncollectible Accounts: 16,664.96
- Sales Tax Refund Receivable: 102,279.20
- Prepaid Expenses: 294,855.70
- **Total Current Assets**: $55,532,451.98

### Capital Assets
- Furniture and Fixtures: 681,127.27
- Computer Equipment: 62,912.39
- Vehicles: 67,253.00
- Software: 137,560.00
- Less Accumulated Depreciation and Amortization: (214,145.40)
- **Property and Equipment - Net**: 734,707.26

### Noncurrent Assets
- Restricted Cash: 6,432,048.25
- Security Deposits: 94,934.99
- **Total Other Assets**: 6,526,983.24
- **Total Assets**: $62,794,142.48

## LIABILITIES

### Current Liabilities
- Notes Payable - Current Portion: $1,600,000.00
- Accounts Payable and Other Current Liabilities: 3,254,156.63
- Accrued Liabilities: 8,042,006.26
- Accrued IBNR: 21,919,318.00
- **Total Current Liabilities**: 34,815,480.89

### Noncurrent Liabilities
- Notes Payable: 5,600,000.00
- Accrued Vacation: 386,550.00
- **Total Long-Term Liabilities**: 5,986,550.00
- **Total Liabilities**: 40,802,030.89

## NET POSITION
- Invested in capital assets, net of related debt: 734,707.26
- Restricted for:
  - Risk Reserve at BOY: 2,893,250.37
  - Services Restricted at BOY: 9,454,240.35
- Unrestricted
  - Related to Risk Reserve: 3,538,797.88
  - Related to Services: 2,750,282.19
  - Related to Administration: 2,620,833.54
- **Total Net Position**: 21,992,111.59
- **Total Liabilities and Net Position**: $62,794,142.48
Alliance Behavioral Healthcare
Benchmark Ratios
As of December 31, 2013

**CURRENT RATIO**

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<td>MAR-13</td>
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**PERCENT PAID**

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**DEFENSIVE INTERVAL**

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**MEDICAL LOSS**

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<td>JUL-13</td>
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<td>DEC-13</td>
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ITEM: Consumer and Family Advisory Committee (CFAC) Report

DATE OF BOARD MEETING: March 6, 2014

BACKGROUND:
The Alliance Consumer and Family Advisory Committee, or CFAC, is made up of consumers and/or family members that live in Durham, Wake, or Cumberland Counties who receive mental health, intellectual/developmental disabilities and substance use/addiction services. CFAC is a self-governing committee that serves as an advisor to Alliance administration and Board of Directors.

State statutes charge CFAC with the following responsibilities:
- Review, comment on and monitor the implementation of the local business plan
- Identify service gaps and underserved populations
- Make recommendations regarding the service array and monitor the development of additional services
- Review and comment on the Alliance budget
- Participate in all quality improvement measures and performance indicators
- Submit findings and recommendations to the State Consumer and Family Advisory Committee regarding ways to improve the delivery of mental health, intellectual/other developmental disabilities and substance use/addiction services.

The Alliance CFAC meets at 5:30pm on the first Monday in the months of February, April, June, August, October and December at the Alliance Corporate Office, 4600 Emperor Boulevard, Durham. Sub-committee meetings are held in individual counties, the schedules for those meetings are available on our website.

The Alliance CFAC tries to meet its statutory requirements by providing you with the minutes to our meetings, letters to the board, participation on committees, outreach to our communities, providing input to policies effecting consumers, and by providing the Board of Directors and the State CFAC with an Annual Report as agreed upon in our Relational Agreement describing our activities, concerns, and accomplishments.

The Alliance CFAC is currently chaired by Dan Shaw while Maribel Rivera-Elias serves as vice-chair.

REQUEST FOR BOARD ACTION:
Receive the draft minutes of February 3, 2014, from the full Alliance CFAC.

CEO RECOMMENDATION:
Receive the draft minutes.

RESOURCE PERSON(S):
Doug Wright, Dan Shaw, Maribel Rivera-Elias
MEMBERS PRESENT: Dan Shaw- Chair, Marisol Rivera Elias- Co chair, Denise Wood, Lotta Fisher, Casey Bullard, Rebecca Page, Marc Jacques, Carolina Ambrose, Anna Cunningham, David Smith, Tammy Harrington, David Curro, Kurtis Taylor, Felishia McPherson, Joe Kilsheimer, Colleen Kilsheimer, Debra Duncan, Doug Wright, Roanna Newton

GUEST(S) PRESENT: Israel Pattison, Rob Robinson

1. WELCOME AND INTRODUCTIONS

2. REVIEW OF THE MINUTES

<table>
<thead>
<tr>
<th>AGENDA ITEMS:</th>
<th>DISCUSSION:</th>
<th>NEXT STEPS:</th>
<th>TIME FRAME:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Comment – 10 minutes</td>
<td>NC Mental Health 25th Conference is on June 21-22, 2014 in Raleigh. CASA is opening a new apartment Complex for Veterans with Disabilities on the corner of Sedgefield and Guess Roads.</td>
<td></td>
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</tr>
<tr>
<td>Rob Robinson – introduction as new CEO – 15 minutes</td>
<td>Rob Robinson was named the New CEO of Alliance Behavioral Healthcare. Rob is a member of a Medicaid Advisory group. This group was formed to make recommendations to the legislature on Medicaid reform. CFAC discussed advocating for quality services and for Alliance Behavioral Healthcare to continue to shine in the state of NC. CFAC will be included in the Needs /Gap Analysis in February/March, Budget Retreat in March, and the Strategic Planning session in Late March/April 2014.</td>
<td>Rob will begin as CEO in April 2014. A retirement party for Ellen Holliman is being planned by the Alliance Behavioral Healthcare staff, more details will be shared. CFAC discussed purchasing a gift for Ms. Holliman. A restructure study will take place to determine how and when Rob will be replaced as the Deputy Director. Recommendations by the advisory committee will be submitted to the legislature in Late March or early April 2014.</td>
<td></td>
</tr>
<tr>
<td>AGENDA ITEMS:</td>
<td>DISCUSSION:</td>
<td>NEXT STEPS:</td>
<td>TIME FRAME:</td>
</tr>
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<td>---------------------------------------</td>
<td>-------------------------------------------------------------------------------------------------------</td>
<td>-------------------------------------------------------------------------------------------------------</td>
<td>-------------------------------------------------------------------------------------------------------</td>
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<tr>
<td>Committee Reports</td>
<td>QM did not meet in January.  Doug shared data from Alliance Behavioral Healthcare.  The CFAC requested data concerning: reconsiderations and hospital re-admits.  The Durham Area Board approved 46 providers to be offered contracts (most were one year contracts but a few were 6 month provisional contracts).  Felishia McPherson (CFAC member) participated in this process.  She was unpleasantly surprised by some of the responses by providers about CIT, CFAC and peer support.  Alliance Behavioral Healthcare hosted a meeting with select providers about Peer Support Services.  CFAC requested Data on Peer Supports hired by providers.  They also questioned whether Vocational Rehabilitation can assist with the training of the Peer Supports.</td>
<td>Data Com will meet on February 10, 2014 at 5:00.  Doug Fuller and On Pulse are invited to discussion communication strategies.  Community Forums are now being planned.</td>
<td></td>
</tr>
<tr>
<td>County Subcommittee Reports</td>
<td>A copy of the Needs/Gaps Analysis was shared with the group.  Lena Klumper was unable to attend the CFAC meeting.  February 5, 2014 the board presentation discussion will take place.  A power-point is being developed around the budget and the need/Gaps Analysis by an Ad Hoc committee.</td>
<td>Kurtis Taylor shared Keith Gibson’s contact information (919-673-1042) with the Cumberland group.  Mr. Gibson may be able to assist with coordinating SA representation on the Cumberland CFAC.  CFAC asked if a list of all services for the IDD community (all possible that are offered by Alliance Behavioral Healthcare providers) can be created and posted on the website or on NOC.</td>
<td></td>
</tr>
<tr>
<td>State Update</td>
<td>Roanna Newton shared the Consumer Empowerment Newsletter.</td>
<td>Kerry Fraser will send it electronically.</td>
<td></td>
</tr>
<tr>
<td>MCO Updates</td>
<td>Mental Health First Aid for Youth Train the trainer is being attended by Amanda Graham and Doug Wright.  Alliance Behavioral Healthcare will have a MERCER Review on February 13 and 14, 2014.</td>
<td>Amanda and Doug will offer 6 opportunities per year for the training once trained.</td>
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</tr>
<tr>
<td>AGENDA ITEMS:</td>
<td>DISCUSSION:</td>
<td>NEXT STEPS:</td>
<td>TIME FRAME:</td>
</tr>
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<tr>
<td>Announcements</td>
<td>The Next Alliance Behavioral Healthcare Board meeting is February 6, 2014.</td>
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</tr>
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</table>

5. ADJOURNMENT
ITEM: Executive Committee Report

DATE OF BOARD MEETING: March 6, 2014

BACKGROUND:
The Executive Committee sets the agenda for Area Board meetings and acts in lieu of the Area Board between meetings. Actions by the Executive Committee are reported to the full Area Board at the next scheduled meeting. Attached are the minutes from the December 10, 2013, and January 14, 2014, Executive Committee meetings and the January 8, 2014, Joint County Commissioner Advisory Committee and Executive Committee meeting.

REQUEST FOR AREA BOARD ACTION:
Accept the report as presented.

CEO RECOMMENDATION:
Accept the report as presented.

RESOURCE PERSON(S):
Ellen Holliman, Rob Robinson
1. WELCOME AND INTRODUCTIONS – Chairman Webley

2. REVIEW OF THE MINUTES – The motion was made by Jim Edgerton to approve the November 12, 2013 minutes. Second was made by Scott Taylor. Motion passed

<table>
<thead>
<tr>
<th>AGENDA ITEMS:</th>
<th>DISCUSSION:</th>
<th>NEXT STEPS:</th>
<th>TIME FRAME:</th>
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</thead>
</table>
| 3. Board membership categories for revised by-laws | The Executive Committee discussed and recommended the following categories for the board by-laws:  
- Consumer or family member representing the interest of individuals with mental illness, intellectual or other developmental disabilities or substance abuse  
- CFAC member  
- An individual with health care expertise and experience in the fields of mental health, intellectual or other developmental disabilities, or substance abuse services.  
- Individual with financial expertise  
- Individual with provider experience in a manage care environment. | Include these categories in the revised by-laws to be presented to the board at the February 6, 2014 meeting. | February 6, 2014 |

The EC suggested for the two unexpired terms (one Wake and one Durham) that we advertise for individuals with clinical expertise in the field of MH and/or SA as a person with an insurance background.

4. January 9, 2014 Board agenda | The January 9th Board meeting will be held for the purpose of approving agencies who were successful in the recent RFP process for the following services: intensive in-home; SAIOP; Community Support Team and Supportive Employment. | | January 9, 2014 |
**AGENDA ITEMS:**

<table>
<thead>
<tr>
<th><strong>DISCUSSION:</strong></th>
<th><strong>NEXT STEPS:</strong></th>
<th><strong>TIME FRAME:</strong></th>
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</thead>
<tbody>
<tr>
<td>5. Process for appointing a new area director</td>
<td>The EC committee discussed the pros and cons of establishing a search committee to find a replacement for the current area director. The following motion was made: Scott Taylor made the motion to appoint Rob Robinson as the Alliance CEO. The Second was made by Bill Stanford. Motion passed.</td>
<td>The Chairman and Vice Chairman will call each board member to explain today’s discussion and the recommendation. A closed session will be planned for the January 9, 2014 area board meeting.</td>
</tr>
<tr>
<td>6. Preparing for the future of Alliance</td>
<td>The EC had a general discussion on what we need to do in preparation for MCO consolidation and the next phase of the Secretary’s Medicaid Reform plan.</td>
<td>Schedule a County Commissioner Advisory Committee meeting prior to the January 9th board meeting to discuss our FY15 budget and other issues related to our solvency.</td>
</tr>
<tr>
<td>7. Executive Committee meeting date and time</td>
<td>The Executive Committee discussed the 8:15 hour as a problem with members coming from Cumberland. By consensus, the EC changed the time to 4:00 pm on the second Tuesday of each month.</td>
<td>Ms. Holliman was also requested to move forward to get AV equipment installed in either the small conference room or the board room so members could participate via computer.</td>
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8. **ADJOURNMENT**
1. WELCOME AND INTRODUCTIONS – Chairman Webley

2. REVIEW OF THE MINUTES –

<table>
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<th>AGENDA ITEMS:</th>
<th>DISCUSSION:</th>
<th>NEXT STEPS:</th>
<th>TIME FRAME:</th>
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<tbody>
<tr>
<td>3. FY 15 Budget Request</td>
<td>Ms. Holliman introduced a request for the 3 counties (Durham, Wake and Cumberland) to forgive/defer county loan payments. Kelly Goodfellow, CFO, prepared a power point and provided related financial reports (see attached) to the Board members present. Included in the presentation was: background, rationale, purpose and recommendations which included two options (forgive or defer loans). The committee members were supportive of plan and recommended deferment for 2 years (FY14 and FY15). They also requested more specifics as to what the money will be used for.</td>
<td>1. Ms. Goodfellow to develop more specifics for utilizing the load money if deferred? 2. Ms. Holliman and Mr. Robinson to meet with each of the 3 counties to discuss further the proposal</td>
<td></td>
</tr>
<tr>
<td>4. MCO Consolidation Update</td>
<td>Ms. Holliman gave a brief report of the State CEO meeting and her meeting with Victoria Whitt, CEO from Sandhills. The next step in this process is to develop a timeline based on the Medicaid plan to be presented to the Legislature in March, 2014.</td>
<td>1. Ms. Holliman to continue to keep the Committee abreast of consolidation and/or Medicaid Reform activities.</td>
<td></td>
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7. HANDOUTS:
- PowerPoint
- Proformas
### Alliance Behavioral Healthcare

#### Proforma

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<td>Miscellaneous Revenue</td>
<td>($320,797)</td>
<td>$183,456</td>
<td>$440,294</td>
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<td><strong>Total Service Revenue</strong></td>
<td>$31,455,411</td>
<td>$176,161,331</td>
<td>$386,552,165</td>
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<td>Administrative</td>
<td></td>
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<td>County</td>
<td>$559,137</td>
<td>$1,341,929</td>
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<td>$410,833</td>
<td>$2,092,963</td>
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<td>Medicaid and CAP UR</td>
<td>0</td>
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<td>Medicaid Waiver</td>
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<td>$13,693,004</td>
<td>$31,747,176</td>
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<td>In Kind Revenue</td>
<td>$143,430</td>
<td>$143,430</td>
<td>$143,430</td>
<td>$143,430</td>
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<tr>
<td>Miscellaneous Revenue</td>
<td>$1,215</td>
<td>$49,496</td>
<td>$118,790</td>
<td>$75,000</td>
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<td><strong>Total Administrative Revenue</strong></td>
<td>$3,206,684</td>
<td>$16,538,030</td>
<td>$37,939,807</td>
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<td><strong>EXPENDITURES</strong></td>
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<td></td>
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<td></td>
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<td>Service</td>
<td></td>
<td></td>
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<td>County</td>
<td>$1,867,375</td>
<td>$10,422,893</td>
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<td>Medicaid and CAP Pass Through</td>
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<td>Medicaid Waiver</td>
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<td>$167,912,822</td>
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<tr>
<td>MLR</td>
<td>78.7%</td>
<td>95.3%</td>
<td>101.4%</td>
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<td>Operational</td>
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<td>$3,254,028</td>
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<td>Salaries, Benefits, and Fringe</td>
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<td>$9,590,231</td>
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<td>Professional Services</td>
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<td>$3,947,514</td>
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<td>In Kind Expenses</td>
<td>$143,430</td>
<td>$143,430</td>
<td>$143,430</td>
<td>$143,430</td>
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<tr>
<td><strong>Total Administrative Expenditures</strong></td>
<td>$2,666,447</td>
<td>$12,339,356</td>
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<tr>
<td><strong>Total Expenditures</strong></td>
<td>$27,434,335</td>
<td>$180,252,178</td>
<td>$424,005,367</td>
<td>$434,513,635</td>
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<tr>
<td><strong>REVENUES OVER EXPENDITURES</strong></td>
<td>$7,227,760</td>
<td>$12,447,183</td>
<td>$486,606</td>
<td>$110,645</td>
</tr>
</tbody>
</table>
Executive Committee
County Commissioner Advisory Committee

January 8, 2014

Serving Durham, Wake, Cumberland and Johnston Counties
Background

• Merger agreement between Durham and Wake

• Proforma financial statements completed

• $8M for 5 years with 1% annual interest, balloon payment in FY17
  • Merger costs
  • Phone and IT
  • Staff costs
July 2013

- Merger agreement between Cumberland, Durham and Wake

- Balance as of July 1, 2013 - $7.2M

- Split per seats
  - Durham - $2,808,000 – 39%, 7 seats
  - Wake - $2,808,000 – 39%, 7 seats
  - Cumberland - $1,584,000 – 22%, 4 seats

- Cumberland – 50% paid in July 2013, sent to Durham and Wake, 50% will be paid in July 2014
Present and Future

- MCO consolidation
- Medicaid reform possibilities
- Growth and better positioning
- Strengthen staffing and technology
Present and Future

• Proformas through FY15

• Current ratio impact

• Long term investment in Alliance
  • Technology and Equipment
  • Staffing
  • Merger costs
  • Unexpected costs
Technology and Equipment

• Disaster recovery
• Server/network monitoring tools
• Software tools for EDI, coding and QA
• Consultants and training
• Computers/laptops
• Policy and procedure software
Staffing

- Provider Network Evaluation
- Investigation
- Care Coordination
- IT
- Training and expertise
Loan Options

• Forgiveness
  • $2.5M for FY14 focus would be IT and staffing
  • Long term, $1.8M would be allocated to staffing, training, consultation, merger costs, and additional improvements in infrastructure

• Deferment
  • 10 year payment plan, 2019 – 2028, $396K in total interest
  • 20 year payment plan, 2019 – 2038, $756K in total interest
MEMBERS PRESENT: Lascel Webley, Bill Stanford, and Scott Taylor
Staff PRESENT: Ellen Holliman, Rob Robinson

1. WELCOME AND INTRODUCTIONS – Chairman Webley

2. REVIEW OF THE MINUTES –

<table>
<thead>
<tr>
<th>AGENDA ITEMS:</th>
<th>DISCUSSION:</th>
<th>NEXT STEPS:</th>
<th>TIME FRAME:</th>
</tr>
</thead>
<tbody>
<tr>
<td>3. Report from the MCO/CEO meeting on January 9, 2014</td>
<td>Ms. Holliman gave a brief report of the State CEO meeting and her meeting with Victoria Whitt, CEO from Sandhills. Ms. Holliman shared the Sandhills report with the EC. The next step in this process is to develop a timeline based on the Medicaid plan to be presented to the Legislature in March, 2014.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Follow-up from the Joint County Commissioner Advisory Committee and the Exec. Committee meeting</td>
<td>As discussed on January 8th, meetings will be scheduled with each county to discuss the possibility of deferring our loan payment for two years. The Cumberland County meeting is scheduled for Feb. 5th with Commissioner Edge, James Martin, Amy Cannon, Ellen Holliman, Rob Robinson and Kelly Goodfellow. The Wake and Durham meetings are not scheduled at this time.</td>
<td>The Durham meeting will be scheduled once the new County Manager is named. The Wake meeting has been confirmed for Wednesday, January 29th with Commissioner Sullivan and Wake County staff.</td>
<td></td>
</tr>
<tr>
<td>5. Board Retreat</td>
<td>The EC discussed several options for our FY15 budget retreat but felt it may be time to have a broader discussion with the full board before the agenda and date is scheduled.</td>
<td>This will be added as a discussion item on the Feb. board agenda.</td>
<td></td>
</tr>
<tr>
<td>6. February Board agenda</td>
<td>The following items were approved for the February agenda: By-laws, Budget retreat; Committee reports; Resolution to name the central regions; QM Report; and a presentation on our work with the justice systems in each county. We will also schedule a closed session to discuss a personnel matter.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

7. ADJOURNMENT
ITEM: Consent Agenda

DATE OF BOARD MEETING: March 6, 2014

REQUEST FOR BOARD ACTION: Approve the draft minutes from the February 6, 2014, Board meeting.

CEO RECOMMENDATION: Approve the minutes as presented.

RESOURCE PERSON(S): Ellen Holliman, Veronica Ingram
DRAFT MINUTES

PLACE: Alliance Behavioral Healthcare, 4600 Emperor Blvd., Room 208, Durham, NC 27703

MEMBERS PRESENT: Ann Akland, Cynthia Binanay, Christopher Bostock, Dr. George Corvin, Kenneth Edge, James Edgerton, Lodies Gloston, Phillip Golden, Dr. John Griffin, Ellen Holliman, George Quick, Vicki Shore, William Stanford, Caroline Sullivan, Scott Taylor, Amelia Thorpe and Lascel Webley, Jr., Chairman.

MEMBERS ABSENT: Michael Page

GUESTS PRESENT: Denise Foreman with Wake County, Yvonne French, Nanette Matthews

STAFF PRESENT: Hank Debnam, Doug Fuller, Kelly Goodfellow, Amanda Graham, Tina Howard, Carlyle Johnson, Geyer Longenecker, Beth Melcher, Janis Nutt, James Osborn, Ann Oshel, Sara Pacholke, Monica Portugal, Rob Robinson, Al Ragland, Dr. Khalil Tanas, Jim Wall, Doug Wright

1. CALL TO ORDER:
Chairman Lascel Webley, Jr. called the meeting to order at 4:05 pm.

2. ANNOUNCEMENTS
A. Mercer Review
Chairman Webley reminded the Board of the Mercer review next Thursday and Friday and thanked staff for their continued hard work.

B. IT Adjustments
Ellen Holliman, Chief Executive Officer, provided updates on the local wireless connection and a recent change in emails sent from Alliance to public domain emails. The email change was due to updated privacy guidelines. Ms. Holliman mentioned that Board members with public domain email addresses will be able to access emails.

C. Executive Committee Meeting
Chairman Lascel Webley, Jr., announced that Executive Committee meetings will now be the second Tuesday of each month at 4:00 p.m.
3. **AGENDA ADJUSTMENTS**

None

**BOARD ACTION**

A Motion was made by George Quick to approve the agenda; seconded by Christopher Bostock. Motion passed.

4. **PUBLIC COMMENT**

None

5. **FINANCE COMMITTEE REPORT**

The Finance Committee’s function is to review financial statements and recommend policies/practices on fiscal matters to the Board. The Finance Committee meets monthly at 3:00 p.m. prior to the regular Board meeting. Draft minutes and financial information from the December 5, 2013, meeting are attached.

Finance Committee Chairman, George Quick, presented an update to the Board. Mr. Quick mentioned the recommendation to unrestrict funds to adjust the budget and the recommendation to issue payment to Wake County. Board members discussed the recommendations in detail specifically the two different accounting methods from former separate entities: The Durham Center and Wake LME and the recommendation to issue payment to Wake County.

**BOARD ACTION**

A Motion was made by George Quick to unrestrict funds; seconded by Commissioner Caroline Sullivan. Motion passed.

A Motion was made by George Quick to authorize payment of 1.3 million to Wake County; seconded by Dr. George Corvin. Motion passed.

6. **Board By-Laws**

NC General Statues 122C-117, 122C-118.1 and 122C-119 outline the powers, duties, structure and organization of the area authority. In addition to the general statues, the Board by-laws provide the operational basis for the area authority. Changes to the current by-laws were needed to reflect recent legislation as noted in Senate Bill 208 and 191.

Ellen Holliman, Chief Executive Officer, presented an overview of the proposed changes included in the Board packet and asked that additional input be communicated to members of the Policy Committee for review. Ms. Holliman mentioned that the Policy Committee will then present the revisions at a future Board meeting.

**BOARD ACTION**

The Board discussed proposed changes to the by-laws. No further action required.

7. **COMMITTEE REPORTS**

A. Quality Management Report

B. Human Rights Committee Report
C. Consumer and Family Advisory Committee Report

Chairman Webley stated that the Board received the Committee Reports in the Board packet.

**BOARD ACTION**
A Motion was made by George Quick to accept the reports as presented; seconded by Commissioner Caroline Sullivan. Motion passed.

8. **CONSENT AGENDA**
A. Draft Board minutes from the December 5, 2013, and January 9, 2014, Board meetings
B. Alliance Behavioral Healthcare Consumer and Family Advisory Committee (CFAC) Relational Agreement
C. Employee Time and Attendance Policy and Leave Policy

Chairman Webley stated that the Board received the Consent Agenda in the Board packet.

**BOARD ACTION**
A Motion was made by George Quick to approve the Consent Agenda as presented; seconded by Christopher Bostock. Motion passed.

9. **RECOMMENDATION FOR REAPPOINTMENTS TO ALLIANCE BOARD OF DIRECTORS**
Ellen Holliman, Chief Executive Officer, presented recommendations to Wake and Durham’s Boards of County Commissioners for the reappointments of three Board members: Lascel Webley, Jr., Dr. George Corvin and James Edgerton.

**BOARD ACTION**
A Motion was made by George Quick to recommend the reappointments of James Edgerton, Lascel Webley, Jr. and Dr. George Corvin as presented; seconded by Commissioner Kenneth Edge. Motion passed.

10. **FY 15 BUDGET RETREAT**
Kelly Goodfellow, Chief Financial Officer, provided an overview of previous retreats and requested input from the Board regarding the upcoming Board retreat. This retreat will be in March 2014. The Board discussed the upcoming Board retreat and provided direction to staff including choosing the date of March 26, 2014.

**BOARD ACTION**
The Board accepted the overview. No further action required.

11. **BOARD REPORT: HIGHLIGHTS OF ALLIANCE BEHAVIORAL HEALTHCARE’S NC MEDICAID WAIVER ANNUAL REPORT**
Alliance Behavioral Healthcare’s contract with DMA requires submission of an annual report of performance measures. This information was submitted in December 2013. Beth Melcher, Chief of Network Development and Evaluation, presented a review of data from the first five months of operation; also, Dr. Melcher introduced new staff member, Geyer Longenecker, Quality Management Director.
Board members discussed data presented and clarified the number of lives covered versus number of Alliance consumers.

**BOARD ACTION**
The Board accepted the report as presented. No further action needed.

12. **REQUEST FOR PROPOSAL (RFP) RECOMMENDATIONS**
Carlyle Johnson, Clinical Program Development and Design Administrator, presented a detailed PowerPoint presentation including background, an overview of the RFP process and staff recommendations for MH/SA Supported Employment and Long Term Vocational Supports (SE/LTVS) providers. Dr. Johnson mentioned that funding is limited for this service and that is reflected in the number of providers recommended. In anticipation of increased funding and expansion staff recommended a learning collaborative to include additional providers.

Staff recommendations for contracts for SE/LTVS included the following providers: Community Partnerships, Easter Seals UCP and Monarch.

Staff recommendations to develop SE/LTVS learning collaborative included the following providers: CPI, Easter Seals, Monarch, Durham Exchange Club Industries, Family Preservation, Johnston County Industries, Service Source and Visions Counseling Studio.

Dr. Johnson provided an update from last month’s RFP recommendations including staff recommendation to issue a six month contract for Intensive In-Home (IIH) services to Pathways to Life.

**BOARD ACTION**
A Motion was made by Lodies Gloston to approve staff recommendations for SE/LTVS contracts, SE/LTVS learning initiative and IIH contract; seconded by George Quick. Motion passed.

13. **BOARD TRAINING:**
**COMMUNITY RELATIONS COLLABORATION WITH THE LEGAL SYSTEM**
Chairman Lascel Webley, Jr., mentioned that this training will be postponed until the March 2014 Board meeting.

**BOARD ACTION**
No further action was required.

14. **CLOSED SESSION**
The Area Board had a closed session in accordance with NC General Statue 143-318.11(a) (6) to discuss the qualifications and conditions of appointment of a public employee.

**BOARD ACTION**
A Motion was made by Commissioner Caroline Sullivan to enter into closed session; seconded by William Stanford. Motion passed.
A Motion was made by Commissioner Kenneth Edge to return to open session; seconded by Dr. George Corvin. Motion passed.

16. **ADJOURNMENT**
   With all business being completed the meeting adjourned at 6:15 pm.

**Next Board Meeting**
**Thursday, March 6, 2014**
**4:00 – 6:00**

Respectfully submitted:

[Signature]
Ellen S. Holliman, Chief Executive Officer

[Signature]
Date Approved
ITEM: Revised Area Board Member Compensation Policy

DATE OF BOARD MEETING: March 6, 2014

BACKGROUND:
The Area Board Member Meeting Compensation Policy provides guidelines for Board members’ compensation as depicted in G.S. 122C-120. This revision will include compensation for committee meetings that do not occur on the same day as the Area Board meeting.

REQUEST FOR AREA BOARD ACTION:
Approve the policy as presented.

CEO RECOMMENDATION:
Approve the policy as presented.

RESOURCE PERSON(S):
Ellen Holliman, Chief Executive Officer
Monica Portugal, Corporate Compliance Officer
I. PURPOSE

To provide formal guidelines for compensation that Area Board Members are entitled to receive under G.S. 122C-120.

II. POLICY STATEMENT

All members of the Area Board are entitled to receive a payment of $50.00 per meeting for attendance at the following meeting(s):

- Regular Monthly Area Board Meetings
- Committee Meetings that occur on a day besides an Area Board Meeting

Each member has the right to decline this compensation by giving written notice to the Area Director.

III. PROCEDURES

Compensation shall be made consistent with the fiscal procedures of the Area Authority.
**ITEM:** Community Relations - Collaboration with the Legal System

**DATE OF BOARD MEETING:** March 6, 2014

**BACKGROUND:**
Each of our four communities employs a Jail Liaison as a member of the Community Relations Team. This position is tasked with designing a system of services and supports in partnership with our legal and criminal justice partners to better address the needs of individuals with behavioral health issues when they interface with the criminal justice system. The ultimate goal is to reduce the length of stay in local detention facilities, improve release planning to reduce re-arrest rates, promote CIT as a pre-book ing diversion and increase engagement and retention in services.

A fifteen minute presentation will be provided to update the board on the collaboration that occurs between the legal and criminal justice system, and Alliance’s Community Relations department. The presentation will cover the following:
- The role of the Crisis and Incarceration Manager and Jail Liaisons
- CIT (Crisis Intervention Team) activities
- Data – what is being measured, and what are the outcomes
- Specialty services and providers for those who are criminal justice involved
- The involuntary commitment process and assisted outpatient treatment (outpatient commitments)
- Priority strategic areas

**REQUEST FOR AREA BOARD ACTION:**
Accept the training as presented.

**CEO RECOMMENDATION:**
Accept the training as presented.

**RESOURCE PERSON:**
James Osborn, Crisis and Incarceration Manager
Collaborative Efforts with the Legal and Criminal Justice Systems

March 6, 2014
Crisis and Incarceration Manager

• Promote a System of Care approach across the life span and across multiple systems

• Systems-level approach to identify strengths and potential barriers impacting consumer access to care, and identify needs and gaps in the crisis continuum

• Focus on strategies and models to divert individuals from incarceration to community-based treatment

Serving Durham, Wake, Cumberland and Johnston Counties
Jail Liaison

• Designs a system of services and supports to:
  o Reduce length of stay in local detention facilities
  o Increase engagement and retention in services for high risk consumers

• Improve release planning to reduce re-arrest rates

• Promote CIT as a pre-booking diversion

Serving Durham, Wake, Cumberland and Johnston Counties
Crisis Intervention Team (CIT)

- Increase utilization of facility-based and mobile crisis services across the four counties
- Increase utilization of first-responder activities of clinical home providers
- Reduce psychiatric hospital readmissions
- Opportunity for earlier engagement of client
- More positive/productive MH service engagement

Serving Durham, Wake, Cumberland and Johnston Counties
Crisis Intervention Team (CIT)

- Jail diversion to more appropriate solution
- Ensuring public safety while getting someone the treatment they need
- Reduce officer/consumer injuries through verbal de-escalation techniques
- Partners in advocacy and educational efforts

Serving Durham, Wake, Cumberland and Johnston Counties
Crisis Intervention Team (CIT)

- Well established in all four counties
- CIT Leadership Committees provide feedback and guidance on program improvement
- Curriculum has been updated
- Expansion to include all First Responders, EMS, fire and 911 operators
- Working on CIT Report data collection and reports

Serving Durham, Wake, Cumberland and Johnston Counties
## CIT Training

CIT Training is serving Durham, Wake, Cumberland, and Johnston Counties.

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<tr>
<th>County</th>
<th>Number Trained</th>
<th>Established</th>
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<td>Cumberland</td>
<td>445</td>
<td>2009</td>
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<tr>
<td>Durham</td>
<td>456</td>
<td>2007</td>
</tr>
<tr>
<td>Johnston</td>
<td>40</td>
<td>2011 (five classes in two years)</td>
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<tr>
<td>Wake</td>
<td>757</td>
<td>2005</td>
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<tr>
<td>Total</td>
<td>1698</td>
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Serving Durham, Wake, Cumberland, and Johnston Counties.
Specialty Services and Providers

- Drug Treatment Court
- Forensic jail services
- Assertive Outreach Program (Durham)
Commitments

• Involuntary commitment
• Outpatient commitment
  o Assisted Outpatient Treatment (AOT)
Collaborative Efforts

• Education
  - Developed a three-hour mental health training for First Responders
  - Trained every First Responder in Durham County and the City of Durham
  - Trained Durham County security officers
  - Trained Wake EMS
  - Trained Durham County School Resource officers

Serving Durham, Wake, Cumberland and Johnston Counties
Collaborative Efforts

• Participate in Crisis Collaboratives in Wake, Durham and Cumberland counties

• Host Jail Coordination meetings in Wake and Durham
Priority Strategic Areas

• Mental Health Court (Wake)
• Vet Court (Durham)
• Develop robust crisis continuum in all our communities
• Continue to develop and monitor utilization and performance expectations of mobile crisis providers
• Decrease daily census of inmates identified with mental health issues

Serving Durham, Wake, Cumberland and Johnston Counties
ITEM: Innovations Waiver Training and Overview

DATE OF BOARD MEETING: March 6, 2014

BACKGROUND:
Alliance is charged with administering the Medicaid C (Innovations) waiver in the Alliance catchment area. Several of the core components of managing this waiver include care coordination, utilization management and ensuring a qualified provider network. The training will provide a general overview of these areas including data specific to our C waiver.

REQUEST FOR BOARD ACTION:
Accept the training as presented.

CEO RECOMMENDATION:
Accept the training as presented.

RESOURCE PERSON(S):
Andrea Kinnaugh, IDD UM Manager
Suzanne Goerger, IDD Care Coordination Director
NC Innovations

1915 (c) Waiver for Individuals with Intellectual and Developmental Disabilities
Eligibility for I/DD Services

- Must meet the state definition of a Developmental Disability
  - Lifelong disabling condition
  - Present prior to age 22 (unless a Traumatic Brain Injury)
  - Expected to continue indefinitely
  - Results in substantial functional limitations in at least 3 areas of the person’s life

- Most common are
  - Intellectual Disability (IQ < 70)
  - Autism
  - Cerebral Palsy
  - Traumatic Brain Injury

- For State Funded Services, income must be at or below 300% poverty
Innovations is 1 of 4 Funding Options

1. State Funding (IPRS)
2. Medicaid (Health Insurance)
3. NC Innovations (formerly CAPIDD)
4. Fee for Service/Private Pay
Non-Waiver IDD Services

**Medicaid Funded**
- Community Guide
- Personal Care (not managed by MCO)

**State (IPRS) Funded**
- Developmental Therapy (Skill Development)
- Personal Assistance
- Vocational/Day Activity

**Medicaid or State Funded**
- Residential services
- Respite Care
Access to Care

- Contact I/DD Access Department
- Eligibility Determination; if potentially eligible

- Registry of Unmet Needs

- ICF Level of Care Determination; if eligible
- Assignment of Innovations Slot
Access to Care

- Slots are allocated by DMA
- Alliance has 1,826 Innovations slots
- Terminated or transferred slots can be refilled by individuals from the waiting list
- Slots go to those who have been waiting longest or who meet criteria for an emergency or other set aside slot
- Currently there are 1,838 children and adults waiting for Innovations funding
Access to Care

• IDD Access Coordinators screen individuals for potential eligibility for NC Innovations

• If found potentially eligible and there are no available slots, they are placed on the Registry of Unmet Needs and referred for other available services and supports

• Alliance maintains one Registry of Unmet Needs, broken out by county.

• Available slots are distributed equitably across counties based on population and waitlist size
Eligibility Determination

- When an NC Innovations slot is available, the Level of Care (LOC) process is completed for the next person on the Registry of Unmet Needs.

- The LOC is completed by a Psychologist or Medical Doctor who is not an employee of Alliance.

- The LOC is submitted to Alliance to determine eligibility:
  - 4% of the LOCs have been denied.

- Beneficiaries on the waiver will be referred to this process if it appears they no longer meet ICF level of care.
NC Innovations was designed to:

- Support participants to be fully functioning members of their community

- Offer service options to support participants living where they want and having meaningful work and community participation

- Offer the opportunity to self-direct services

- Provide natural supports education

NOTE: CMS never intended the Innovations Waiver to meet all the needs of the recipient. Natural and community supports remain an important aspect in each participant’s life.
The Individual Support Plan documents the participant’s strengths, preferences, and needs for support

- Developed by the ISP Planning Team
- Driven by the participant/guardian to the extent possible
- Completed at time of enrollment and annually thereafter
- Identifies the Long Range Outcomes to be achieved as the result of services
- Supports the need for services requested
- Monitored throughout the year to identify progress and/or need for revision
Base Services

- Residential Supports
- In-Home Skill Building Individual and Group
- In-Home Intensive Supports
- Respite
- Personal Care Services
- Community Networking: Service, Class or Conference, Transportation
- Day Supports Individual, Group, Developmental Day
- Supported Employment Individual, Group
Add on Services

• Assistive Technology Equipment and supplies
• Home Modifications
• Vehicle Modifications
• Community Transition
• Community Guide Periodic, Monthly
• Crisis Services: Primary Response, Behavioral Consultation, Out of Home
• Natural Supports Education Individual, Conference
• Specialized Consultative Services
• Individual Goods and Services
# Limits on Sets of Services

<table>
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<tr>
<th>Participant Age/Status</th>
<th>Living in Residential Setting, including AFL</th>
<th>Living in Private Home</th>
</tr>
</thead>
</table>
| **Adult**              | No more than 40 hours per week any combination:  
  - Community Networking  
  - Day Supports and/or Supported Employment Services  
  May receive up to one daily unit of Residential Supports | No more than 84 hours/week any combination:  
  - Community Networking  
  - Day Supports  
  - Supported Employment  
  - In-Home Skill Building and/or Personal Care |
| **Child during school year (Ages 0 to 17 unless 18 and older and enrolled in school)** | No more than 20 hours per week any combination:  
  - Community Networking  
  - Day Supports and/or Supported Employment Services  
  May receive up to one daily unit of Residential Supports | No more than 54 hours/week any combination:  
  - Community Networking  
  - Day Supports  
  - Supported Employment  
  - In-Home Skill Building and/or Personal Care |
| **Child when school is not in session (Ages 0 to 17 unless 18 and older and enrolled in school)** | No more than 40 hours per week of any combination:  
  - Community Networking  
  - Day Supports and/or Employment Services  
  May receive up to one daily unit of Residential Supports | No more than 84 hours/week of any combination:  
  - Community Networking  
  - Day Supports  
  - Supported Employment  
  - In-Home Skill Building and/or Personal Care |
Innovations

• There are 11 individuals currently receiving In Home Intensive Support

• 3% of the Individuals receiving Innovations have a restrictive behavior plan

• All innovations beneficiaries have a budget limit of $135,000 per year.
  • The average budget is $54,699.00
  • There are 15 individuals with budgets that exceed $100,000
Waiting List Movement

• **New Slots**
  - 109 slots were allocated to Alliance in February 2013
  - Distributed by population and wait list size
    - Wake – 64 (> 2005)
    - Durham – 13 (> 2007)
    - Cumberland – 18 (>2007)

• **Reserve Slots (for all four counties)**
  - CAP/C Age Out - 4
  - Statewide DI (children leaving ICFs) - 8
  - Emergency – 7
  - Money Follows the Person - 20+

• **Terminated Slots**
  - Can be refilled at beginning of new waiver year (Aug 1st)
  - 18 people have withdrawn from Waiver Services
Questions?

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Andrea Kinnaugh  
I/DD Utilization Management Manager  
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Thank You!
ITEM: Board By-Laws

DATE OF BOARD MEETING: March 6, 2014

BACKGROUND:
NC General Statues Chapter 122C-117: 122C-118.1 and 122C-119 outline the powers, duties, structure and organization of the area authority. By virtue of the powers contained in these statutes, the area authority is responsible for comprehensive planning, budgeting, implementing and monitoring of mental health, IDD and substance abuse services to meet the needs of individuals in Cumberland, Durham, Johnston and Wake Counties. In addition to the general statutes, the board by-laws provide the operational basis for the area authority. Changes to the current by-laws were needed to reflect changes in recent legislation noted in 2013 Senate Bill 208, Senate Bill 191 and the July 8, 2013, Joint Resolution between Cumberland, Durham, and Wake Counties. The Policy Committee met on February 19, 2014, and approved the by-law changes.

REQUEST FOR AREA BOARD ACTION:
Approve the by-laws as presented.

CEO RECOMMENDATION:
Approve the by-laws as presented.

RESOURCE PERSON(S):
Ellen Holliman
AREA BOARD
POLICIES AND PROCEDURES

SUBJECT: By-Laws
LINES OF BUSINESS: Governance
RESPONSIBILITY: Area Board
NUMBER: BL
URAC: REFERENCE: NC G.S. 122C
APPROVAL DATE: 5/3/2012
LATEST REVISION DATE:
LATEST REVIEW DATE:
APPROVAL AUTHORITY:
Chairperson, Area Board

AREA BOARD BY-LAWS

ARTICLE I

PURPOSE

The Alliance Behavioral Healthcare Board of Directors, also known as the Area Board, by virtue of powers contained in Chapter 122C of the North Carolina General Statutes is responsible for comprehensive planning, budgeting, implementing and monitoring of community based mental health, developmental disabilities and substance abuse services to meet the needs of individuals in the Durham, Wake and Cumberland County catchment area. These responsibilities shall be carried out in partnership with the Durham, Wake and Cumberland County Boards of County Commissioners hereinafter referred to as County Commissioners.

MISSION STATEMENT

The mission of the Area Board is to support and enhance the quality of life of those citizens affected by mental illness, intellectual/developmental disabilities and substance abuse.

VISION STATEMENT

The Area Board seeks to develop and maintain a network of quality providers whose services are evidence based or best practice and who embrace people with disabilities as equal partners and valued citizens. The entire community benefits when citizens with disabilities reach their full potential.

VALUES STATEMENT

The Area Board, its administration and employees value the following:

1. Discovering ways to nurture community strengths in order to accomplish what none of us can do alone.
2. Involving stakeholders for the advancement of all citizens in our diverse community.
3. Partnerships with community agencies that assure that best practices are applied through person-centered planning.
4. Community resources that offer enduring ways to support people with disabilities.
5. Community partnerships that leverage resources to respond to the mental health, intellectual/developmental disabilities and substance abuse services (mh/idd/sa) needs of all citizens.
6. Advocacy efforts that challenge the mh/idd/sa delivery system to improve continuously.
7. Accountability of all parties in the system.
8. Exemplary practices that lead to meaningful outcomes and are cost effective.
9. High level of satisfaction among consumers, families, and funders.
10. Collaboration with our community partners and stakeholders.
11. Building community capacity that includes the identification of existing community resources and gaps.
12. Services and supports that are consumer and family friendly, age appropriate and culturally competent.
13. The flexibility of the mh/idd/sa system to provide programs and supports when needed, at the level needed, and in the amount necessary. This is important so that people may enter and exit components of the system as their needs change and without fear of re-entry complications.
14. Ongoing community education that assists in the elimination of stigma and discrimination.

**ARTICLE II**

**STRUCTURE**

**A. AUTHORITY**

1. The Area Board is accountable to the citizens of Durham, Wake and Cumberland Counties.
2. The authority for the Area Board derives from General Statute 122C-117.
3. General duties of the Area Board include:
   a. Defining services to meet the needs of citizens (within the parameters of the law) through an annual needs assessment.
   b. Adoption of operational policies to meet all requirements.
   c. Evaluation of quality and availability of services in meeting the needs of the population.
   d. Fiscal oversight.
   e. Hearing complaints and appeals from consumers, providers and the general public.
   f. Community education and advocacy.
   g. Appointing an area director in accordance with General Statute 122C-121 (d). The Area Director is an employee of the Area Board and shall serve at the pleasure of the Area Board.
   h. Evaluate annually the area director for performance based on criteria established by the Secretary of NCDHHS and the area board.
   i. Delegating responsibility to the Area Director who shall be responsible for the appointment of employees, the implementation of the policies and programs of the Area Board, for compliance with the rules of the North Carolina Commission for Mental Health, Developmental Disabilities and Substance Abuse Services, and NCDHHS, supervision of all employees and management of all contract providers.
   j. Empower the Area Director to sign official contracts and agreements, where appropriate.
   k. Developing plans and budgets for the area authority subject to the approval of the Secretary of NCDHHS. The area authority shall submit the approved budget to the boards of county commissioners and the county managers.
   l. Providing quarterly and annual reports to the Wake, Durham and Cumberland County Commissioners.
   m. Maintaining open communication with the Consumer and Family Advisory Committee (CFAC).

**B. COMPOSITION**

1. The Area Board shall consist of nineteen (19) members.
2. The Area Board shall work in conjunction with the Durham, Wake and Cumberland County Commissioners.
3. The Durham and Wake County Commissioners shall appoint seven members respectively and the Cumberland County Board of Commissioners will appoint four (4) members. During the effective period of the Interlocal Agreement between the Area Board and the Johnston County Area Authority,
the Alliance Area Board will appoint one member from Johnston County. All seats will be appointed at large.

4. The appointment process shall be consistent with the process outlined in the Joint Resolution between Cumberland, Durham and Wake Counties effective July 8, 2013. The Area Authority will advertise, accept applications, interview and recommend appointments to the respective boards of commissioners.

5. Area Board membership may consist of the following:
   1. Consumer or family member representing the interest of individuals with mental illness, intellectual or other developmental disabilities or substance abuse.
   2. CFAC member
   3. An individual with health care expertise and experience in the fields of mental health, intellectual or other developmental disabilities or substance abuse services.
   4. Individual with financial expertise
   5. Individual with provider experience in a managed care environment.

6. The Area Board shall assure that there is at least one representative of each of the three disability categories, i.e., mental illness, intellectual/developmental disabilities and substance abuse, on the board.

7. No individual who contracts with the Area Authority for the delivery of mental health, intellectual/developmental disabilities, or substance abuse services may serve on the Area Board during the period in which the contract for services is in effect.

C. TERMS AND CONDITIONS OF OFFICE

1. Terms of membership shall be for three years except the terms of the County Commissioner members on the Area Board shall be concurrent with their terms of office. The initial terms of office will be staggered in accordance with General Statute 122C-118.1.d. Each of the initial staggered terms of office shall be considered a full term.

2. Members other than County Commissioners shall not be appointed for more than three consecutive terms.

3. Members of the Area Board may be removed with or without cause by the appointing authority.

4. Area Board members may resign at any time, upon written notification to the Chairperson or the Executive Secretary of the Area Board.

5. Vacancies on the Area Board shall be filled by the County Commissioners before the end of the term of the vacated seat or within 90 days of the vacancy, whichever comes first. Appointments shall be for the remainder of the unexpired term.

6. Area Board members are responsible for disclosing and may not vote on any issue in which they have a direct or indirect financial interest or personal gain. All Board members are expected to exhibit high standards of ethical conduct, avoiding both actual conflict of interest and the appearance of a conflict of interest.

7. Neither Area Board members nor members of their families will receive preferential treatment through the Area Authority’s services or operations.

8. Area Board members must be current with all property taxes in their respective counties.

9. Membership is based on the rules and regulations of the Area Board policies and all applicable North Carolina General Statutes.

10. Area Board members are required to comply with the Area Board Code of Ethics, policies and all applicable North Carolina General Statutes.

D. OFFICERS

1. The officers of the Area Board shall be chosen for a one-year term at the final meeting of the fiscal year in which the Area Board is serving, and shall be as follows:
   a. Chairperson, and
   b. Vice-Chairperson.
2. With the exception of the position of Executive Secretary (which shall be filled by the Area Director/CEO), no officer shall serve in a particular office for more than two consecutive terms.
3. Each Area Board member shall be eligible to serve as an officer.
4. Duties of officers shall be as follows:
   a. Chairperson – this officer shall preside at all meetings and generally perform the duties of a presiding officer. The Chairperson shall appoint and be an ex-officio member of all Area Board committees.
   b. Vice Chairperson – this officer shall be familiar with the duties of the Chairperson and be prepared to serve or preside at any meeting on any occasion where the Chairperson is unable to perform his/her duties.
   c. Executive Secretary – The Area Director/CEO (or his/her designee) shall serve as the Executive Secretary. The Area Director/CEO shall not be an official member of the Area Board nor have a vote. As Executive Secretary, the Area Director/CEO shall:
      1) Send Area Board packets of information.
      2) Maintain a true and accurate account of all proceedings at Area Board meetings.
      3) Maintain custody of Area Board minutes and other records.
      4) Notify the County Commissioners of any vacancies on the Area Board or attendance compliance issues.

E. COMMITTEES

1. STANDING COMMITTEES - Annually, the Area Board Chairperson shall appoint committees that are required by law, regulation, accrediting bodies or contract as well as other committees, at the discretion of the Area Board. These committees shall have the responsibility of making policy recommendations to the Area Board regarding matters within each committee’s designated area of concern. The composition of each committee shall comply with the relevant statute, regulation or contract requirements. These standing committees shall be as follows:

a. Finance Committee (NCGS 122C-119 (d))
   i. This committee shall be composed of the Finance member designees of the Area Board plus three other Area Board members. (The Finance Officers of Durham, Cumberland and Wake Counties may serve as ex-officio members)
   ii. The Committee’s functions include:
       1) Recommending policies/practices on fiscal matters to the full Area Board.
       2) Reviewing and recommending budgets to the entire Area Board.
       3) Reviewing and recommending approval of audit reports (following a meeting by a designee of this committee with the auditor and receipt of the management letter) and assure corrective actions are taken as needed.
       4) Reviewing and recommending policies and procedures for managing contracts and other purchase of service arrangements.
       5) Reviewing financial statements at least quarterly.
       6) Reviewing the financial strength of the Area Authority

b. Human Rights Committee (Contract with DMH/DD/SAS)
   i. The Human Rights Committee shall consist of 12 members and include at least 3 board members. Other members include consumers and family members representing mental health, developmental disabilities and substance abuse.
   ii. The Human Rights Committee functions include:
       1) Reviewing and evaluating the Area Authority’s Client Rights policies at least annually and recommending needed revisions to the Area Board.
2) Overseeing the protection of client rights and identifying and reporting to the Area Board issues which negatively impact the rights of persons served.
3) Reporting to the full Area Board at least quarterly.
4) Submitting an annual report to the Area Board which includes, among other things, a review of the Area Authority’s compliance with NCGS 122C, Article 3, DMHDDSAS Client Rights Rules (APSM 95-2) and Confidentiality Rules (APSM 45-1).

iii. The Human Rights Committee shall meet at least quarterly.

c. Quality Management Committee (Contract with DMHDDSAS)

i. The Quality Management Committee shall consist of 7 members to include 3 board members, two (2) members from CFAC and 2 non-voting provider representatives. The Board QM Committee will meet at least 6 times a year.

ii. The Committee shall review statistical data and provider monitoring reports and make recommendations to the full Area Board or other Area Board committees. The Quality Management Committee serves as the Board’s Monitoring and Evaluation Committee charged with the review of statistical data and provider monitoring reports. The goal of the committee is to ensure quality and effectiveness of services and to identify and address opportunities to improve LME/MCO operations and local service system with input from consumers, providers, family members, and other stakeholders.

d. Executive Committee - The Area Board shall have an Executive Committee. All actions taken by the Executive Committee will be reported to the full Area Board at the next scheduled meeting.

i. The Executive Committee shall be composed of the officers of the Area Board, Chairpersons of standing committees (who are Area Board members), the past Board chairperson or at-large member.

ii. The Area Board Chairperson shall serve as the Chairperson of the Executive Committee.

iii. The Chairperson shall call the meetings of the Executive Committee. Any member of the Area Board may request that the Chairperson call an Executive Committee meeting.

iv. The Executive Committee shall be responsible for the following:

1. Function as the grievance committee to hear complaints regarding board member conduct and make recommendations to the full Area Board.
2. Establish agendas for full Area Board meetings.
3. Act on matters that are time-sensitive between regularly scheduled board meetings.
4. Provide feedback to the Area Director/CEO concerning current issues related to services, providers, staff, etc.
5. Fulfill other duties as directed by the full Area Board.

v. Notice of the time and place of every Executive Committee meeting shall be given to the members of the Executive Committee in the same manner that notice is given of Area Board meetings.
e. Policy/By-law Committee
   i. The Policy/By-law Committee shall consist of at least 3 board members and shall meet at least 3 times a year

   ii. The Committee’s functions include:
       1. Developing, reviewing and revising Area Board By-Laws and Policies that Govern the LME/MCO.
       2. Recommending policies to the full Area Board to include all functions and lines of business of the LME/MCO.
       3. Reviewing Area Board Policies at least annually, within 12 months of policies’ approval. The Committee reviews a number of Policies each quarter in order to meet the annual review requirement.
       4. Revising Policies to ensure compliance with applicable law, federal and state statutes, administrative rules, state policies, contractual agreements and accreditation standards.
       5. Ensure that a master Policy Index is kept current indicating policy names, original approval dates, all revision dates, all review dates, accreditation standards, and references to applicable law, federal and state rules and regulations and state policies.

f. County Commissioner Advisory Board
   Consistent with NCGS 122c-118.2, the Area Authority shall have a county commissioner advisory board consisting of one commissioner from Cumberland, Durham and Wake Counties. The Commissioner appointed to the Alliance Area Authority will serve on the County Commissioner Advisory Board (CCAB). The duties of the CCAB include serving as the chief advisory board to the area authority and to the director of the area authority on matters pertaining to the delivery of services for individuals with mental illness, intellectual or other developmental disabilities and substance abuse disorders in the catchment area. Meetings will be scheduled quarterly.

2. AD HOC COMMITTEES
   a. Ad hoc committees, may be appointed by the Area Board Chair with the approval of a majority of the Area Board members who are present at the meeting during which approval is given.
   b. These committees shall carry out their duties as designated by the Area Board and shall report their findings to the Area Board or its committees.

3. CONSUMER AND FAMILY ADVISORY COMMITTEE – Consistent with NCGS 122C-170, the Area Authority shall have a committee made up of consumers and family members to be known as the Consumer and Family Advisory Committee (CFAC). The Consumer and Family Advisory Committee shall be self-governing and self-directed. The CFAC shall advise the Area Board on the planning and management of the local mental health, intellectual/developmental disabilities and substance abuse services system.

ARTICLE III

MEETINGS
A. REGULAR MEETINGS

Regular meetings shall be held at least six times each year at a location and time designated by the Area Board. The annual meeting for the election of officers shall be the final meeting of each fiscal year. All meetings of the Area Board shall be conducted in accordance with provisions set forth in Article 33C of GS 143 (the Open Meetings Act).

B. SPECIAL MEETINGS

Special meetings may be called by the Area Board Chair or by three or more members of the Area Board after notifying the Area Board Chair in writing. Notice of special meetings shall be provided in a manner consistent with those utilized to notify Area Board members (and others) of regularly scheduled meetings.

C. EMERGENCY MEETINGS

Emergency meetings may be called for unexpected circumstances that require immediate consideration by the Area Board. Due to the urgent need to assemble a meeting as soon as possible, any requirements regarding advanced notice for regularly scheduled meetings may be waived and emergency meetings shall be held as soon as a quorum of the Area Board can be convened.

D. NOTICE OF MEETINGS

Notification of Area Board meetings shall be sent out no later than 48 hours before the regular meeting and in accordance with requirements set forth in the Open Meetings Statute, Article 33C. The Area Board is scheduled to meet on the first Thursday of each month at the Area Authority facility. Notice of the date, time and place shall be sent to each board member in the form of an Area Board agenda. Information concerning Board meetings shall also be made available to the local news media in accordance with Article 33C. Notice for all board meetings including the board packet will be posted on the Alliance website.

E. CONDUCT OF MEETINGS

Area Board meetings shall be conducted under parliamentary procedures.

Significant actions by the Area Board require fifteen (15) affirmative votes, or a 75% majority in the event the number of board members changes or there are vacant seats on the Board. Significant actions shall include: (1) policy decisions which affect consumer benefit plans, admit or exclude providers, or set provider rates, (2) any action or decisions concerning the annual budget and amendments according to the Local Government Budget and Fiscal Control Act (NCGS 159), (3) personnel policies, (4) employee benefit plans, (5) the selection and dismissal of the Chief Executive Officer, (6) changes to the Area Board structure, (7) execution of contracts or leases for real or personal property including accepting any assignment thereof, (8) acceptance of grants, (9) settlement of liability claims against the Area Authority or its officers or employees, (10) approval or amendment of the Area Authority’s by-laws, and, (11) any other matter so designated by the Area Authority Board. Participation in Area Board meetings via electronic means, e.g. telephone, video conferencing, is permissible to the extent allowed by law. Such participation includes the right to vote on issues that arise during the course of the meeting.

F. QUORUM

A majority of the actual membership of the Area Board, excluding vacant seats, shall constitute a quorum and shall be required for the transaction of business at all regular, special and emergency meetings. A majority is more than half.
G. ABSENCES

1. Absence from three (3) consecutive meetings without notification to the Executive Secretary shall constitute resignation from the Area Board.
2. Absence from more than twenty-five percent (25%) of the meetings during a 12 month period may also constitute resignation from the Area Board.
3. In computing absences, absence from two Area Board committee meetings may constitute one absence from a regular Area Board meeting.

ARTICLE IV

GENERAL PROVISIONS

A. AMENDMENTS

1. These By-Laws may be amended or repealed as necessary.
2. New or amended By-Laws may be adopted by the affirmative vote of fifteen (15) Board members, or a corresponding majority of Board members in the event the number of Board members changes or there are vacant seats on the Board, during any regular (or other) meeting of the Area Board.
3. Notice of proposed changes must be given to the Area Board members at least thirty (30) days prior to the change.

B. SUSPENSION OF BY-LAWS

The Area Board has the authority to suspend the By-Laws by an affirmative vote of fifteen (15) Board members, or a corresponding majority of Board members in the event the number of Board members changes or there are vacant seats on the Board.

C. REVIEW OF BY-LAWS AND AREA BOARD GOVERNANCE POLICIES

These By-Laws and all Area Board governance policies shall be reviewed at least annually.

Approved by: Alliance Behavioral Healthcare Area Board, March 6, 2013
ITEM: MCO Consolidation/Medicaid Reform Update

DATE OF BOARD MEETING: February 6, 2014

BACKGROUND:
In April 2013, Governor McCrory and Secretary Wos announced their framework for a new Medicaid reform that would provide sustainability and integrate physical and behavioral health. During the past year DHHS has worked with stakeholders including Alliance staff and NC Council to develop a plan that would build on existing strengths of our Medicaid system. A five member committee, known as the Medicaid Advisory Committee will recommend the plan to General Assembly on March 15, 2014. The plan was released and discussed at the Advisory Committee meeting on February 26, 2014. An overview of the plan will be presented at the March Board meeting.

REQUEST FOR BOARD ACTION:
Accept the update as presented.

CEO RECOMMENDATION:
Accept the update as presented.

RESOURCE PERSON(S):
Ellen Holliman
CORE PRINCIPLES

a) Put patients first: Improve quality of care and health outcomes for Medicaid beneficiaries — and incorporate quality performance into the payment framework

b) Secure budget predictability and cost savings for the Medicaid program — to this end, risk-based solutions are essential

c) Build on what we have in North Carolina: Partner with North Carolina’s health care community as the first line strategy for achieving a and b — providers will lead the new organized systems of care, and LME-MCOs and CCNC will have key roles

PHYSICAL HEALTH

Recommendation 1: North Carolina Medicaid services for physical health will be coordinated through accountable care organizations (ACOs) that share savings and losses with the State and are responsible for quality.

ACOs will begin in July 2015 with an opportunity to share in savings produced by managing population health and coordinating patient care. ACOs will also share in the loss if medical costs exceed targets. The risk of loss will be substantially mitigated at the outset. Quality of care will also be a key factor in the ACO incentive formula. ACOs will proceed along a pathway of increasing risk assumption over time.

To implement shared-risk ACOs, DMA will need CMS approval of a state plan amendment and possibly a modest program waiver (Section 1915b).

Recommendation 2: ACOs’ coverage of the population and financial accountability will rise progressively; DHHS will benchmark progress.

By July 2018, ACOs will be expected to cover at least 80% of the Medicaid population. ACOs also will have accepted the major share of financial risk for costs incurred by Medicaid beneficiaries. Further, they will continue along the pathway toward full risk.

If the ACO initiative as a whole achieves interim and final benchmarks for beneficiary access, budget impact, quality of care, and other key measures set forth up front, it will continue.

At such point that full-risk contracts may be entered, DMA will need a federal demonstration waiver (Section 1115) in order to continue the safety net supplemental payments that today are tied to the fee-for-service payment structure.
MENTAL HEALTH, INTELLECTUAL/DEVELOPMENTAL DISABILITIES AND SUBSTANCE ABUSE SERVICES

Recommendation 3: Enhance the state’s Medicaid mental health, substance abuse and intellectual/developmental disability service delivery system.

- Consolidate to 4 strong LME-MCOs
- Enhance performance measures and add financial penalties and incentives
- Standardize processes across all LME-MCOs in the state
- Intensify monitoring and technical assistance aimed at system improvement
- Integrate care between LME-MCOs and ACOs; DMA may pilot programs within regions
- Explore ways to reduce the waiting list for waiver services to increase access to care

LONG-TERM SERVICES & SUPPORTS (LTSS)

Recommendation 4: Streamline and strengthen case management for long-term services and supports

By July 2015, DMA will institute uniform, holistic needs assessment and care planning for beneficiaries requiring LTSS, at the time of intake into Medicaid or the emergence of LTSS need for existing Medicaid beneficiaries. Needs assessment and care planning will be followed by case management of an intensity appropriate to each client, with a focus on managing transitions between care settings. An experienced contractor(s) may be engaged to perform some or all of these functions.

Recommendation 5: Shape the ultimate direction of LTSS

Throughout 2014 and into 2015, DHHS will facilitate a strategic planning process, inclusive of providers, beneficiaries and other stakeholders, around the long-range design of the LTSS service delivery system. Analysis and planning will include, but will not be limited to, assessing the viability of a risk-based, managed LTSS delivery model that spans all LTSS services.

The 1115 waiver described under Recommendation 2 would also apply to this activity if full-risk contracting is to be pursued.
ITEM: Mercer Review Update

DATE OF BOARD MEETING: March 6, 2014

BACKGROUND:
As part of Alliance’s contracts with the Department of Health and Human Services, the annual Intra-Departmental Team (IMT)/Mercer site visit was scheduled for Thursday and Friday, February 13 and 14. Due to the inclement weather, the state cancelled the visit two hours before it was scheduled to start. Amanda Graham will give a very brief overview of the extraordinary preparations implemented by Alliance essential staff in anticipation of the Mercer visit. The visit has been rescheduled for May 8 and 9, 2014.

REQUEST FOR AREA BOARD ACTION:
Accept the update as presented.

CEO RECOMMENDATION:
Accept the update as presented.

RESOURCE PERSON(S):
Amanda Graham, MS, LPC, NCC, Medicaid Program Director