

**MINUTES OF THE
BOARD OF DIRECTORS' MEETING
OF
CENTRAL FLORIDA CARES HEALTH SYSTEM, INC.**

A regular meeting of the Central Florida Cares Health System, Inc. (CFCHS) Board of Directors was held on Thursday, February 20, 2014, at 3 p.m. at 707 Mendham Blvd., Suite 104, Orlando, Fl. 32825.

Mr. Dick Jacobs called the meeting to order at 3 p.m.

I. QUORUM.

A quorum was declared present based on the presence of the following directors:

Richard Barlow, Park Place Behavioral	Debbie Owens, Seminole Prevention Coalition
Mike Bryant, CBC of Central Florida	Ken Peach, Health Council of East Central Florida
Ian Golden, Brevard Cty Housing & Human Services	David Solomon, Walt Disney World
Kristen Hughes, Lassiter-Ware	Myles Thoroughgood, Community Member
Dick Jacobs, The Center for Drug-Free Living	Lori Tomlin, Human Services Associates, Inc.
Jerry Kassab, Lakeside Behavioral Healthcare	Valerie Westhead, MH/SA Task Force
Don Lusk, CareerSource Brevard	James Whitaker, Circles of Care

The following directors declared present via conference call:

Kristy Dunlap, Community Member
Tara Hormell, Children's Home Society of Florida

The following directors were confirmed absent from the meeting:

Bakari Burns, Health Care Center for the Homeless	Joe Mendoza, Community Advocate
Buddy Carpenito, Technology Solutions, Inc.	Amy Ouellette, BankUnited
Belinda Cornett-Johnson, Osceola Cty Health Dept.	Eddie Soler, Florida Hospital
Jeff Jones, Littler-Mendelson	Carol Wick, Harbor House of Central Florida

In addition to the CFCHS Directors, the following individuals were in attendance:

Maria Bledsoe, CFCHS, Chief Executive Officer
Anna Fedeles, CFCHS, Chief Operating Officer
Linda Lawrence, CFCHS, Recording Secretary
Claudia Mason, CFCHS, Chief Financial Officer
Melanie McPeak, Moore Stephens Lovelace CPA
Charles Rogers, Florida Traditions Bank
Craig Woolard, The Grove Counseling Center

II. WELCOME/INTRODUCTIONS.

CFCHS hosted the meeting which included Board of Directors, CFCHS staff, and community guests. Participants were asked to introduce themselves and were notified that the meeting was being recorded. Meeting minutes will be taken and are available for public review on the CFCHS website, centralfloridacares.org.

III. APPROVAL OF MEETING MINUTES.

A **MOTION** was made by Ken Peach to approve the December 19, 2013 and January 9, 2014 Board of Directors' meeting minutes. The motion was seconded by Myles Thoroughgood and adopted by the unanimous vote of the Directors eligible to vote to include Tara Hormell and Kristy Dunlap.

IV. ACTION ITEMS

AUDITOR'S REPORT

The Auditor's Report concerning June 30, 2013 CFCHS' F990 tax return was presented by Melanie McPeak, Moore Stephens Lovelace CPA.

Melanie noted that the return was positive and had been approved by the Finance Committee.

It was noted that the Board was given the opportunity to review the 990 during Melanie's on-screen presentation.

Jerry Kassab noted that the founding members took a pre-existing organization that was available from Seminole Behavioral Healthcare and its tax-exempt status to create CFCHS. Melanie stated that the auditor will be notifying the IRS of the changes. She further noted that there would not be any issues with the IRS concerning the changes. Melanie stated that an extension was submitted and the return is due May 15, 2014.

A **MOTION** was made by Richard Barlow to approve the CFCHS F990 Tax Return for June 30, 2013 as presented. The motion was seconded by Mike Bryant and adopted by the unanimous vote of the Directors entitled to vote to include Tara Hormell and Kristy Dunlap.

RESOLUTIONS

The following resolution and motions were covered during the Executive Committee meetings. The motions and resolutions were reviewed with the Board of Directors for affirmation and vote.

➤ **Resolution 2013-14 EC004 (affirmation)**

Affirmation was made by Dick Jacobs on behalf of the Executive Committee, with regard to the **Resolution 2013-14 EC004**. The affirmation was adopted by the unanimous vote of the Directors entitled to vote on February 20, 2014

The resolution was presented to the Executive Committee with a request to elect Charles Rogers as a member of the Board of Directors.

A **MOTION** was made by Jerry Kassab to elect Charles Rogers as a member of the Board of Directors. The motion was seconded by Kristen Hughes and adopted by the unanimous vote of the Directors entitled to vote to include Tara Hormell and Kristy Dunlap

➤ **Resolution 2013-14 EC005 (affirmation)**

Affirmation was made by Dick Jacobs, on behalf of the Executive Committee, with regard to the **Resolution 2013-14 EC005**. The affirmation was adopted by the unanimous vote of the Directors entitled to vote on February 20, 2014.

The resolution was presented to the Executive Committee with a request to sign Amendment 7 concerning the National Voter Registration Act of 1993 by an authorized signer on behalf of the Board of Directors.

A **MOTION** was made by Ian Golden to sign Amendment 7 concerning the National Voter Registration Act of 1993 by an authorized signer on behalf of the Board of Directors. The motion was seconded by Debbie Owens and adopted by the unanimous vote of the Directors entitled to vote to include Tara Hormell and Kristy Dunlap.

➤ **Resolution 2013-14 EC006 (affirmation)**

Affirmation was made by Dick Jacobs, on behalf of the Executive Committee, with regard to the **Resolution 2013-14 EC006**. The affirmation was adopted by the unanimous vote of the Directors entitled to vote on February 20, 2014.

The resolution was presented to the Executive Committee with a request to sign the FivePoints contract by an authorized signer on behalf of the Board of Directors.

A **MOTION** was made by Dick Jacobs to sign a new FivePoints contract in the amount of \$180K plus maintenance fees by an authorized signer on behalf of the Board of Directors. The motion was seconded by Ian Golden and adopted by the unanimous vote of the Directors entitled to vote to include Tara Hormell and Kristy Dunlap.

A **MOTION** was made by Kristen Hughes to adopt the new Strategic Plan/FY 13-14 Goals and deliverable timeframes. The motion was seconded by Myles Thoroughgood and adopted by the unanimous vote of the Directors entitled to vote to include Tara Hormell and Kristy Dunlap. Ken Peach abstained.

A **MOTION** was made by David Solomon to adopt the draft Vision and Mission statements as noted below. The motion was seconded by Richard Barlow and adopted by the unanimous vote of the Directors entitled to vote to include Tara Hormell and Kristy Dunlap. Ken Peach abstained.

Draft Mission

Central Florida Cares Health System is a resource center that utilizes state, federal and innovative funding sources, promising practices, and/or pilot programs to support our providers as they address identified behavioral health needs of the community.

Draft Vision Statement

Achieve a comprehensive and seamless behavioral health system promoting recovery and resiliency.

Ian Golden questioned if CFCHS had staff members available to locate any innovative funding sources. He questioned if the Board would consider approving a grant writer or such to support CFCHS and the Providers noting that some Providers do not have the resources to have such a position. Dick noted that the Innovation Committee is charged with reviewing those resources.

Ken Peach recommended listening to Mark Brewer with Central Florida Foundation as he had presented a program on ways to find alternative funding.

Maria stated that as a result of CFCHS' attorney's recommendation, and based on research concerning using state fund's with regard to a 501(c)6, unless a different funding stream is found, CFCHS will not join the Florida Association of Managing Entities.

A **MOTION** was made by Ian Golden to follow the CFCHS' attorney recommendation to not join the Florida Association of Managing Entities, unless an alternative funding source, other than state or federal dollars, is made available to pay the membership at which time joining the Association would be pursued. The motion was seconded by Charles Rogers and adopted by the unanimous vote of the Directors entitled to vote to include Tara Hormell and Kristy Dunlap.

Mike Bryant stated that using state funds for lobbying is not permitted; however, it is put CFCHS at a disadvantage to not be involved with the Association. He suggested that CFCHS attempt to find a way to work with the Association without jeopardizing the tax-exempt status.

Dick clarified to the Board that CFCHS would not be able to use state or federal funds for lobbying; however, if an additional funding source was found, those funds could be used and would not affect the organization's tax-exempt status. The membership fee is \$25K annually.

A **MOTION** was made by Myles Thoroughgood to accept the revised CFCHS Bylaws dated February 20, 2014. The motion was seconded by Jerry Kassab and adopted by the unanimous vote of the Directors entitled to vote to include Tara Hormell and Kristy Dunlap.

The following adjustments will be made to the CFCHS Bylaws:

- Page 6 - include secretary as officer and state, "officers plus two members at large"
- Page 6 – Add Executive Committee
- Page 7 – delete "Subject to the Board" and replace with "according to the Board's directive"
- Page 7 – Change sentence to "however, written minutes"

The following change will be made to the Board of Directors' Bylaws and resubmitted to the Board for review no later than 30-days prior to the April 17, 2014 Board Meeting.

- Page 6 – include secretary as an officer of the Executive Committee

A **MOTION** was made by Ian Golden to accept the revised Board of Directors' Policies and Procedures dated February 20, 2014, minus page 29. The motion was seconded by Ken Peach and adopted by the unanimous vote of the Directors entitled to vote to include Tara Hormell and Kristy Dunlap.

The following changes will be made to the Board of Directors' Policies and Procedures and resubmitted to the Board for review no later than 30-days prior to the April 17, 2014 Board Meeting.

- Page 2 – delete "Subject to the Board" and replace with "according to the Board's directive"
- Page 2 – Change sentence to "however, written minutes"
- Page 2 – Ad hoc Committee will be include committees such as nominating or contract as needed
- Page 6 – include secretary as officer and state, "officers plus two members at large"
- Page 6 - delete "Subject to the Board" and replace with "according to the Board's directive"

The following change will be made to the Board of Directors' Policies and Procedures and resubmitted to the Board for review no later than 30-days prior to the April 17, 2014 Board Meeting.

- Page 6 – include secretary as an officer of the Executive Committee

V. TREASURER/FINANCE REPORTS.

Claudia Mason reported on December's financial information. At the end of December, the overall underspending is \$490K which is better than the prior year. If the PPW funding is removed, the underspending is \$200K. CFCHS' budget is underspent by \$389K and the operation is fully staffed with 17 people. The total underspending with CFCHS and the Providers is \$880K in comparison to last year's underspending which was \$1.5M

Dick understood that the \$490K from the Providers will be spent; however, he questioned what would be the outcome for the \$389K CFCHS dollars. Claudia noted that it would be rolled forward.

Claudia presented information regarding Provider underspending with detailed explanations for each Provider as well as spending comparisons from the previous year. She noted that many of the Providers underspent levels were lower than they were last year. Claudia also reviewed the change in spending by program which showed that adult substance had the highest change with \$1.4M spent more than last year; excluding the PPW the total would be \$852K.

Claudia stated that the administrative rate cannot go over 15 percent according to contract. In the previous fiscal year, she stated that the Providers' maximum rate was 14.25 percent; this year their maximum rate is 10.92 percent. Overall the Provider Network is 7.93 percent with an actual overall for this year is 10.62 percent. CFCHS administrative rate is 2.69 percent.

Claudia explained the number of days it takes DCF to deposit funds after an invoice is submitted versus the number of days that CFCHS pays the Providers. Currently, CFCHS has been able to pay the Providers within 22 to 27 days after their invoice date. She also noted that DCF deposits are received between 29 to 41 days.

Claudia stated that in February there may be an issue paying all of the Providers. Previously, CFCHS was able to pay the Providers due to the advance. She confirmed that all of the managing entities have this issue. She noted that CFCHS will pay all of the Providers what is available based on the case balance and the dollar amount of their invoice.

Richard Barlow stated that in a recent Finance Committee meeting, the group discussed this issue. He said that last year, CFCHS chose to not pay any of the Providers which cause some strain on the smaller Providers. This year, the discussion was for CFCHS to pay a percentage of what they can afford to pay and when paid, CFCHS will pay the remaining funds due. The proposed percentage would be 85 percent of the invoice for every Provider; however, it would depend on the available funds and could change from month to month.

Mike Bryant stated that the Provider contract be reviewed concerning this recommendation. Anna Fedeles responded that the contract stated that CFCHS will pay 7 days after payment by DCF. Ian added to the question if there was any language about partial payments. Claudia noted that the contract states "availability of funds." Anna further explained that the contract states that the Providers would be paid 7 days after payment from DCF. If CFCHS has not been paid by DCF, the payments are more than what is required.

Dick stated that the recommendation from the Finance Committee would include clarification to the Providers of what this payment would be. The clarification would be included in their contracts. It was confirmed that from the time approved invoices are received, DCF has 45 days to make payment.

A **MOTION** was made by Debbie Owens to approve a policy for a percentage payment of invoices to Providers based on the availability of funds and to ensure that Providers are informed of the payments and are subject to change from month to month. The motion was seconded by Mike Bryant and adopted by the unanimous vote of the Directors entitled to vote to include Kristy Dunlap. As Providers, Valerie Westhead, Jerry Kassab, Dick Jacobs, Lori Tomlin, Tara Hormell, and Richard Barlow abstained.

Mike recommended that CFCHS submit to the Board a resolution stating a minimum amount of funding that would be set aside (e.g., 60 days of operating costs, 12 percent of operating costs, etc.) to cover operating costs in case of need. Ian added that such a policy would include the Board's ability to waive these funds in case of emergency.

Claudia received information and was able to report on January. The underspent for Providers is \$559K; minus the PPW funding that total would be \$295K. CFCHS is underspent by \$438K. Overall, the network is underspent by \$997K compared to the pro-rata.

Mike recommended that another staff position be established to handle revenue maximization. He stated that DCF funds could be used for grant writing, not fundraising.

A **MOTION** was made by Kristen Hughes to approve the Treasurer/Finance Report. The motion was seconded by Jerry Kassab and adopted by the unanimous vote of the Directors entitled to vote to include Tara Hormell and Kristy Dunlap.

VI. BOARD MEMBER REPRESENTATION.

Maria stated that she had been working with Ken on establishing the new Board Member representation. She will be sending an email to all Board Members whose terms are going to expire and to confirm their interest in extending their terms. Board positions will be established on the vacancies and the county seating requirements according to current county population (Brevard 6, Orange 12, Osceola 3, and Seminole 4). Ken has provided Maria with some contacts to who may be able to make some recommendations for possible Board openings.

VII. BOARD MEMBER EDUCATION.

Anna presented information on funding FY14-15 Contracts. She noted that state funds that are "carry-over funds" lose their identity according to DCF.

With regard to FY13-14 amendments, Anna stated that the budget will need to be balanced. The budget was not received until December 2013, although the budget became effective in July 2013. She said that there will be several amendments prepared to balance the network versus actual budget.

Anna noted that the Needs Assessment has not been completed and asked that the Providers submit their FY14-15 and use FY13-14 as a guide. However, if a Provider locates a gap, and is able to justify such, it may be considered. She confirmed that RFPs will not be done at this time until the Needs Assessment is available and reviewed.

Anna also suggested should a Provider want funding changes to include increases, they should request such. After CFCHS has reviewed the Needs Assessment, discussions and decisions can be made.

Anna informed the Board that the funding detail, or the Provider's budget, will now be done electronically. Training is currently underway.

Maria noted when contract negotiations take place and approvals are needed, this information will be brought before the Board. Jerry noted that the approvals are all pending upon the budget that the legislature approves. Anna noted that all contracts have to be executed by 30th of June.

Anna confirmed that the contracts will be presented to the Board during the June Board meeting.

A **MOTION** was made by Ken Peach to approve the Procurement Process and Funding Allocation Policy presented on February 20, 2014, for FY14-15. The motion was seconded by Ian Golden and adopted by the unanimous vote of the Directors entitled to vote to include Kristy Dunlap. As Providers, Valerie Westhead, Jerry Kassab, Dick Jacobs, Lori Tomlin, and Richard Barlow abstained.

VIII. COMMITTEE REPORTS.

Minutes from the Finance and Program Committees were distributed to the Board and are available on the CFCHS website.

Ian said that the Quality Committee established a Charter to identify membership, goals, and responsibilities. He also described the Conflict of Interest Matrix that is used to detail Board Members and their confirmed conflicts by CFCHS.

A **MOTION** was made by Myles Thoroughgood to approve the Quality Committee Charter. The motion was seconded by Ken Peach and adopted by the unanimous vote of the Directors entitled to vote to include Kristy Dunlap.

IX. OTHER.

Maria reported that the second Quarterly Provider Network and Indigent Care Follow-up meetings were held and the results were positive.

The Frequently Asked Questions Provider Contracts document was distributed to the Board, shared with the Provider Network, and placed on the CFCHS website.

Maria confirmed that a tour will be held at Lakeside Behavioral Healthcare on March 7 at 2 p.m.

X. MOTION TO ADJOURN.

A **MOTION** was made by Myles Thoroughgood to adjourn. The motion was seconded by Jerry Kassab and adopted by the unanimous vote of the Directors entitled to vote to include Kristy Dunlap.

The meeting adjourned at 5:01 p.m.

Kristen Hughes
Board Secretary

Linda Lawrence
Recording Secretary

XI. TO DO.

- Check on Mark Brewer about alternative funding
- Attempt to set up a relationship with FAME in order to have a working relationship
- Establish a resolution/policy to maintain a minimum amount of funding for CFCHS
- Investigate an additional staff position for revenue maximization
- Provider contract on partial payments

DRAFT