

**Texana Center  
Board of Trustees  
Minutes  
Date: December 9, 2015**

On the above date the regular meeting of the Texana Center Board of Trustees was held in the Auditorium in Building G at 4910 Airport Avenue in Rosenberg, Texas.

**MEMBERS PRESENT:**

Dianne Wilson, Board Chair  
Anita Christensen, Secretary  
Sue Fagan  
J.C. Whitten  
May Tape  
Anita Christensen  
Mary Rose Zdunkewicz  
Randy Reichardt

**MEMBERS ABSENT:**

Dennis W. Young, Vice Chair  
Willie Greer

**STAFF PRESENT:**

George Patterson, Chief Executive Officer  
Amanda Darr, Chief Financial Officer  
Shena Timberlake, Director, Behavioral Healthcare  
Dot Preisler, Director, Human Resources  
Tracey Shaw, Director, Development & Community Relations  
Sheri Talbot, Director, Authority and Admissions  
Kevin Barker, Director, Provider Services  
Kate Johnson-Patagoc, Director, IDD Specialized Services  
Lori Marcus, Compliance Officer  
Rhonda Hodges, Recording Secretary

**GUESTS:**

Shirley Jennings, Chairman of NAMI Fort Bend  
Pat Sumner, President of NAMI Fort Bend  
Carol Harris, NAMI Fort Bend  
Larry Davis, NAMI Fort Bend  
Melody Lin, NAMI Fort Bend  
Margo Johnson, NAMI Fort Bend

I. CALL TO ORDER, INVOCATION, DETERMINATION OF QUORUM, RECOGNITION OF GUESTS, AND CORRESPONDENCE

The meeting was called to order at 9:00 A.M. by Dianne Wilson, Chair. Kevin Barker said the invocation. The Board Chair determined there was a quorum present to conduct the meeting. Dianne welcomed guests who were in attendance. There was no correspondence to discuss.

II. RECOGNITION OF ABSENCES

Dianne recognized Dennis Young and Willie Greer as being absent from the meeting.

III. PUBLIC COMMENT

Dianne recognized Shirley Jennings, Pat Sumner and Carol Harris as wanting to make a public comment.

Shirley Jennings began by mentioning she was a Chairman for the NAMI of Fort Bend. She mentioned NAMI was having a 5 K Run / Walk on April 9, 2016 at the Sugar Land Memorial park to raise money to build or obtain facility (Clubhouse) for adults who have struggled with mental illness as a way of integrating them back into society. She invited all who were interested to come out and support their worthy cause.

Pat Sumner began by mentioning she was the President of NAMI Fort Bend. She discussed concerns about Assisted Out-Patient Treatment (AOT), Substance Abuse and Mental Health issues asking that Texas continue to help by raising awareness and by discussing these issues with Legislature.

Carol Harris began by mentioning she was the Vice-President of NAMI Fort Bend. She mentioned there was a need for additional Peer-Specialists and asked that Texas hire more at each of their facilities.

IV. APPROVAL OF MINUTES

1. September 23, 2015 – Board of Trustees Meeting
2. October 7, 2015 – Board of Trustees Meeting

Dianne questioned whether the Board had any additions or corrections to the minutes being submitted from the September 23, 2015 and the October 7, 2015 Board of Trustees meetings.

A motion was made by J. C. Whitten to approve the minutes as submitted. Mary Zalunkewicz seconded the motion. ***Motion Carried.***

V. CONSENT AGENDA ITEMS

- Approval of Leases

Dianne asked Kevin to present information on the Rustic Trail Group Home located in Richmond, Texas. Kevin mentioned the Landlord was the Arc of Fort Bend County and that the total rent amount was \$1,300 per month. Dianne asked Kevin Barker if the home was in good condition. Kevin responded that the home was in good condition and the landlord was maintaining good care of the property. Dianne called for a motion.

A motion was made by Randy Reichardt to approve the Chief Executive Officer to execute the lease for real property located at 2402 Rustic Trail, Richmond, Texas in the amount of \$1,300 per month beginning February 1, 2016 and ending January 31, 2018. Anita Christensen seconded the motion. *Motion Carried.*

VI. THE BOARD WILL CONSIDER AND TAKE ACTION ON THE FOLLOWING ITEMS:

*A short video featuring Texana Center was shown to the Board (9 minutes) prior to review of the Action Items.*

1. Review and Consider Approval of Financial Reports

Dianne asked Amanda Darr to present the financial reports to the Board.

Amanda provided a detailed review of the following information to the Board:

After the first two months of operations for FY 2016 the Center has achieved an excess of expenditures over revenues of (\$1,081,886) primarily as a result of timing of payments for the DSRIP projects.

**Highlights include:**

The BH Division has an excess of revenues over expenditures of \$16,416. The Department of State Health Services (DSHS) initially only processed the performance contract for the base amount of funding from 2015 and did not include the new equity funds or crisis service funding. A contract amendment was processed to include these funds effective 11/1/15. Thus, there is negative budget variance of \$223,384 on DSHS – General Revenue as well as \$195,791 on the Contracts – External Provider which are the contracted rapid stabilization crisis beds.

IDD Provider Services Division has an excess of expenditures over revenues of \$43,862 year to date. A large capital expenditure to replace the exterior siding on one of the group homes in El Campo that was completed in September was not included in the original budget resulting in a \$30,129 variance under building operations – maintenance and repairs. It was difficult to predict the impact of the

Community First Choice (CFC) that rolled out statewide for Medicaid recipients. Participation has snowballed, increasing over 110% from June 1<sup>st</sup> to September 30<sup>th</sup> for the existing waiver clients that Texana Center is allowed to serve under CFC. This resulted in large revenue variances for HCS and Texas Home Living and a corresponding variance for the expenditure Contract – External Provider. A budget revision will be considered at the December Board meeting to address the issues associated with CFC.

IDD Authority Services Division has an excess of expenditures over revenues of \$18,407 year to date. The service coordination caseload for Community First Choice (CFC) has grown much more slowly than anticipated due to a sluggish response for the local managed care organizations, resulting in a variance of \$75,651 on Medicaid IDD Service Coordination. A budget revision will be considered at the December Board meeting to address the issues associated with CFC.

IDD Specialized Services has an excess of revenues over expenditures of \$5,911 year to date and is on track with budget projections.

The DSRIP Projects are basically on track from a budget perspective, but continue to place a significant drain in the cash flow resources of the Center. Due to the delayed timing of the DSRIP payments, the Center is spending over \$500,000 each month to operate the five DSRIP projects. With annual metrics defined for each project the Center is basically paid once a year for the projects resulting in over \$6,000,000 in expenditures before any payment is received.

Operating expenses have been incurred to operate these five programs from 10/1/14 – 9/30/15 (Demonstration Year 4) that are just now approaching the payment date in January, 2016. Four of the five projects achieved the metrics for payment and a federal payment of \$4,603,995 is expected 1/29/16. The BH Crisis Center has not yet achieved the DY 4 metrics and thus a payment of \$2,044,150 is not yet available. The next available opportunity to report on the late achievement of this metric will be in April with payment not made until 7/29/16.

Following Amanda's review, Dianne questioned whether the SLT could develop a diagram of what is happening with the State Agencies and the effects it is having on Texana and other agencies. She would like to see Texana sharing this information with the Legislators as early as possible to ensure they are well informed in preparation for Legislative Sessions. Amanda agreed they could develop a diagram which could be shared with them. Following a brief discussion, Dianne called for a motion.

A motion was made by J. C. Whitten to approve the October 2015 Financial Report as submitted. Randy Reichardt seconded the motion. **Motion Carried.**

## 2. Review and Consider Approval of FY 2016 Budget Revision

Amanda Darr provided the following information to the Board regarding the FY 2016 Budget Revision for IDD Provider Services and IDD Authority Services:

**IDD Provider Services:**

IDD Provider Services is submitting a budget revision to reflect increased revenues and expenses generated through Community First Choice – Medicaid Waiver services, increased staffing needs due to number of individuals with medical and behaviors needs Texana Center is currently serving, the closure of one group home facility to address current group home vacancies and to reflect organizational changes that have occurred since the original budget was submitted. It also reflects a redistribution of General Revenue funds to address needs in IDD Authority Services and increase the amount set aside for safety net services.

**Revenue Summary:**

IDD Provider Services is projecting an overall increase in revenues from what was budgeted at the beginning of the year of \$1,216,540. This was due to the influx of people choosing Texana Center as the provider for Texas Home Living and Home and Community-Based Services. The majority of the enrollees are selecting Community First Choice Services.

We anticipate a -\$10,081 decrease in County Funds based upon our earnings year to date. We project an increase in Contracts and Other Services of -\$33,299 due to new contracts we received through the Texas Industries for the Blind and Handicapped (TIBHD), which are services provided to state offices that are set aside for workings who are blind or have another type of disability. We also project an increase in DARS – Rehabilitation Services of +\$20,425 as a result of the influx of referrals we are receiving from the Department of Assistive and Rehabilitation Services. We expect to receive approximately -\$77,400 less in Miscellaneous funds based upon earnings year to date.

Our Private Pay fees will be reduced by -\$17,600 from what was projected due to the closure of one group home in Bay City to fill current vacancies in 3 group homes. The Private Pay fees previously reflected that the vacancies would be filled by new consumers. In the original budget we tracked part of the Community First Choice Waiver services revenues under Medicaid – Professional Services. Since the services we provide in Community First Choice are only to Texas Home Living and Home and Community-Based Services clients, we will now track those revenues through the waiver they are enrolled, which is reflective of the decrease of -\$103,162 in Medicaid – Professional Services. We expect to receive an increase of -\$453,749 in Home and Community-Based Services revenue due to new enrollments.

We have experienced a significant increase in the number of individuals being served in Texas Home Living due to Community First Choice waiver services.

which is provided through the person's managed care provider. Due to this increase we expect to receive an additional 18974,965 in revenues.

We have decreased the General Revenue funding by -\$57,655 to address current needs in IDD Authority Services.

Expense Summary:

IDD Provider services projects an overall increase in expense of +\$1,178,100 from what was initially budgeted.

IDD Provider Services Salary expense reflects an overall increase of +\$81,097. The increase in salary represents the addition of PRN staff salary and overtime hours we project to incur due to the increased medical and behavioral needs of the clients we serve. It also reflects increases in salaries for staff as a result of reorganization and assignment of additional duties. The budget includes an increase in salary for 3 managers for additional duties as a result of eliminating one management position (Residential and Respite Manager). There is an overall increase in Benefits expense of +\$69,180.

Contract External Provider expenses are projected to be increased by +\$1,091,068 due to the significant increase in Community First Choice contractors as well as, an increase in Host Home and Companion Care (Foster Care) contractors and Respite Contractors. We project a decreased travel expense of -\$7,000 due to the regionalization of services and increase in contracted workforce. We have budgeted an increase in insurance of +\$2,028 from what was originally budgeted based upon current coverage. We will have a cost savings of -\$4,300 in food expense due to the closure of one group home facility. In addition we will have a decrease in the cost of consumable supplies of -\$2,030 and a decrease in the cost of Program Training Expense of -\$1,285 as a result of the closure of a group home and by monitoring utilization.

We have an added furniture expense of +\$2,750 to replace furniture in two group homes as a result of wear and tear. We have a reduction in our Property Lease payments of -\$5,200 due to the closure of 1 group home. We will have an overall Property Purchase expense of \$352,044 for the properties we currently own. We project a decrease of -\$2,000 in Building Operated Contracted services due to the closure of a group home. We project to reduce our Building Operation Maintenance and Repairs due to routine maintenance of current property by -\$107,343 due to delaying capital improvement projects previously budgeted. There will be a projected reduction in transportation expenses by -\$33,850 due to the increased use of contracted providers and reduction of one group home. We have projected a decrease in utilities of -\$4,150 based upon current utilization. We have included an additional expense of +\$800.00 in telephone services for staff working in the community. We are projecting to reduce costs for information services by -\$240.

IDD Authority Services:

#### Revenue Summary:

- County Funds decreased to \$73,260 (5,544), annualized projection based on September/October history.
- Private Pay Fees no change to \$8,832, 100% of FY 2015 annualized projection.
- Contracts Other Services no change to \$102,000 internal agreement between BH and IDD Authority for IDD Authority to complete PASRR evaluations for both BH and IDD clients residing in Nursing Facilities (supporting 2 FTEs).
- Texas Rehab no change to \$2,748, 100% of FY 2015 annualized projection.
- Miscellaneous Income decreased to \$17,703 (4,471), annualized based on September/October history.
- Medicaid IDD Service Coordination increased to \$2,791,585 (32,285) for expansion of waiver participants.
- Medicaid – Administrative Claiming decreased to \$407,745 (4,059) annualized projection based on September/October history.
- General Revenue was shifted from Provider Services to Authority Services in the amount of \$100,000 by more closely managing the funding allocated for contract respite services.
- DADS – Money Follows the Person increased by \$1 to accurately reflect allocation for Enhanced Service Coordination.

#### Expense Summary:

- Salaries increased to \$3,000,642 (68,157) based on addition of Service Coordination Trainer/QA position, one HCS Service Coordinator (caseload growth) 1 and transition of 7 Service Coordinators to Service Coordinator/Mentor (an increase of \$1,000 per Service Coordinator). These changes were suggested by DADS Access and Intake Management to address turnover rate for Service Coordination. Removed lapse of \$2,125 monthly was budgeted for Cost Center 3215 (HCS), due to 59% turnover rate in FY 2015.
- Benefits increased to \$766,607 (26,763) based on Salary Increase and annualized projection based on September/October history.
- External Contracts no change to \$20,700.
- Travel increased to \$51,565 (2,925) based annualized projection based on September/October history.
- Insurance increased to \$33,870 (2,898) based on annualized projection based on September/October history.
- Consumable Supplies no change to \$31,947.
- Program Training no change to \$1,440.
- Equipment Purchase no change to \$300.
- Equipment Lease no change to \$21,648.

- Property Purchase no change to \$126,000.
- Building Operations/Contract Services no change to \$21,432.
- Building Operations/Maintenance & Repair no change to \$8,496.
- Transportation slight decrease to \$24,349 (\$891) based annualized projection based on September/October history.
- Utilities no change to \$24,888.
- Telephone increased to \$90,341 (2,789) to support 2 new positions.
- Licensure no change to \$824.
- Information Technology increased to \$7,200 (6,000) to support 2 new positions.

Critical Risks for FY 2016:

- Uncertainty of PASRR revenue, expenses, and processes.
- Uncertainty of Medicaid Administrative Claiming revenues.
- Uncertainty of Medicaid Service Coordination revenues. Medicaid billable services (HCS/TxHmL/GR) must meet benchmarks to meet budget expectations. DADS continues expansion of HCS and TxHmL enrollments, and new positions may be needed to keep pace with the caseload growth. (Note: This budget revision includes the addition of one HCS SC position due to caseload growth. DADS did not release additional TxHmL slot offers in October and November).
- Uncertainty of Medicaid Service Coordination for Community First Choice Waiver. The rollout for this initiative has been at a much slower pace than anticipated. Projections were for 90 enrollments by 9/1/15, and we had 18. Revenue estimations are based on needs to support positions required to complete the Intake, Assessments and ongoing service coordination. Note: This budget revision includes adjustments in the revenue earning for CFC due to the slow rate of enrollment.
- Balancing our General Revenue based on Provider service delivery to the number of required targets (181) in order to meet the new Performance Contract requirements for Authority services. Note: This budget revision includes shifting revenue from Provider Services to Authority Services.
- Reducing turnover rate for Service Coordination (59% turnover rate in FY 2015). Note: This budget revision includes measures to address the turnover rate (Addition of the Service Coordination Trainer/QA position, designation of Service Coordinator Mentors on 7 teams, and addition of one HCS Service Coordinator position for caseload growth).



Amanda questioned whether the Board members had any questions for her regarding the Budget revisions being presented. There were no questions from the Board members. Dianne called for a motion from the Board.

A motion was made by Randy Reichardt to approve the FY 2016 Budget Revision as submitted. Sue Pagan seconded the motion. *Motion Carried.*

3. Review and Consider Approval of Change to the Crossroads Villas Board of Directors

George mentioned discussions he had with Amanda Darr and Shena Timberlake regarding Amanda's removal from the Crossroads Villas Board. It was decided that he would replace Amanda on the Board since it has become more operational. He mentioned Amanda would still be involved in the financial aspects of Crossroads Villas on an as needed basis. George asked that the Board consider approving the reappointments along with the initial appointment of himself to the Board for a two year term.

A motion was made by May Tape to approve the reappointments of Larry Davis, J.C. Whitten and Shena Timberlake and the initial appointment of George Patterson to the Crossroads Villas Board of Directors for two year terms beginning 12-9-2015 and expiring 12-9-2017. Mary Zdunkewicz seconded the motion. *Motion Carried.*

4. Planning & Network Advisory Committee – Review and Consider Appointment of new Members

J. C. Whitten mentioned the PNAC Committee held meetings on October 7, 2015 and November 2, 2015. The following recommendations were made at these two meetings:

1. October 7, 2015 – Recommendation that the Texana Staff develop a Mitigation Plan for the continuation and discontinuation of 1115 Waiver programs with the least disruption to services in the community. Motion was made by Steve Macko; seconded by Barbara Stringer; and approved by the committee.
2. December 2, 2015 – Recommendation that the Board of Trustees for Texana Center consider the qualifications of the four applicants and appoint three to the PNAC Committee, filling the three current membership vacancies and maintaining the current membership requirements. Motion was made by Doris Osui; seconded by Steve Macko; and approved by the committee.

A motion was made by J.C. to approve increasing the total number of PNAC Members 9 to 11 and accept Kim Fritzsching, Carol Harris, and Eugene Piekenbrock as new members of the PNAC Committee replacing Elizabeth Briggs, Barbara Stogmann and Barbara Stringer. Randy Reichardt seconded the motion. *Motion Carried.*

VII. THE BOARD WILL DISCUSS THE FOLLOWING ITEMS WITH NO ACTION REQUIRED:

- Update on Matagorda County IDD Services

Dianne asked Kevin to provide an update on Matagorda County IDD Services.

Kevin mentioned that Texana was informed about a week ago, that the Arc of Matagorda County did not plan on renewing our Lease for the Learning Center. The Arc of Matagorda County recently held a meeting in which they officially voted not to extend the lease to Texana Center. George and Kevin met with Judge Nate McDonald to inform him of the situation. Judge McDonald agreed to look into other property which might be a fit for our Learning Center and would notify us if he finds any. Kevin will also be looking into the possibility of leasing other property. Kevin and Sheri will be working with family members to discuss future services for their family members. The lease will expire effective February 29, 2016.

VIII. AN EXECUTIVE (CLOSED) SESSION WILL BE HELD FOR THE FOLLOWING PURPOSES:

*The Board entered into Executive Session at 10:35 A.M.*

- Deliberation Regarding Current, Pending, or Anticipated Litigation
  - Madhu Rao v. Texana Center
  - Pulco v. Texana Center
  - Jessica Spencer and Shalaina James v. Texana Center

IX. EXECUTIVE SESSION RETURN TO OPEN SESSION AND CONSIDER TAKING ACTION ON THE FOLLOWING:

*The Board resumed Open Session at 10:47 A.M.*

- Deliberation Regarding Current, Pending, or Anticipated Litigation

There was no action taken from Executive Session.

X. OTHER BUSINESS

A Schedule of the IDD Holiday Celebrations was provided as a handout to all Board members.

XI. NEXT BOARD OF TRUSTEES MEETING

Dianne announced that the next Board of Trustees meeting would be held on Wednesday, January 27, 2016.

XII. ANNOUNCEMENTS

There were no other announcements.

XIII. ADJOURN

The meeting adjourned at 10:49 A.M.

Respectfully submitted,

  
Rhonda Hodges  
Recording Secretary

Approved:

 1/27/16  
Dianne Wilson      Date  
Board Chair