



**Board of Trustees
Meeting Minutes
Date: October 18, 2023**

On the above date, the regular meeting of the Texana Center Board of Trustees was held at 2330 Graeber Road in Rosenberg, Texas.

Board Members Present:

Sue Fagan, Board Chair
Dennis W. Young, Vice Chair
John Robson, Secretary
Leroy Cerny
Linda Harnist
Toi Blakley Harris (Zoom)
Sarah Hudgins
Asim Shah (Zoom)
Lt. Jerome Ellis (ex-officio via Zoom)

Members absent:

Willie Greer
Sheriff Skipper Osborne (Ex Officio Member)

Staff Present:

George Patterson, Chief Executive Officer
Amanda Darr, Chief Financial Officer
Kevin Barker, Director, IDD Provider Services
Dot Preisler, Director, Human Resources
Sheri Talbot, Director, IDD Authority and Admissions (zoom)
Shena Ureste, Director, Behavioral Healthcare
Jordan Lessnau, Compliance Manager

Staff Absent:

None

Guests:

None



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

Sue Fagan, Board Chair, called the meeting to order at 9:00 A.M. Sue asked Dennis Young to give the invocation. Sue confirmed that there was a quorum for the meeting.

II. RECOGNITION OF ABSENCES

Willie Greer
Sheriff Skipper Osborne

III. PUBLIC COMMENT

Board Member Sarah Hudgins, acting in her role as Chair of the Arc of Wharton, expressed the Arc members' concern about the closure of the Learning Center at Wharton by combining it with the Learning Center at El Campo. Although understanding the significance of funding issues that necessitate reducing costs by merging the two centers, they are deeply concerned by the fact that the Wharton facility has been the "home" for many clients who live in Wharton for many years. She advised that there would be a meeting of the Arc later that evening and that she would advocate for the members to do whatever they can do to work out an alternative solution.

APPROVAL OF MINUTES

Sue presented the minutes from the July 26, 2023 meeting and asked the board if there were any questions or changes needed. There were none. John Robson made the motion to approve the minutes. Leroy Cerny seconded the motion. **Motion Carried.**

IV. THE BOARD WILL CONSIDER AND TAKE ACTION ON THE FOLLOWING CONSENT AGENDA ITEMS:

There were no consent items on the agenda.

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

1. Review and Consider Approval of FY24 Operating Budget

Amanda reported that this budget represents the 25th budget for Texana Center since its inception. Highlights include:

- The FY 24 budget of \$74,619.35 represents an 8% increase over the FY23 budget of \$69,027,666.
- Rate increases for HCS and Texas Home Living moving from a base rate of \$8.85 to \$10.60 resulting in an additional revenue estimated at \$261,863.



- An updated Management Services Agreement with HHSC increases the rate to 4.5% as well as a settle up provision if the audited cost exceeds the rate. This resulted in a \$349,438 increase in revenue over the FY23 amount.
- One of our long standing private foundations has agreed to provide operating support in the amount of \$150,000 to be used wherever the center determines the highest need to be.
- To achieve cost savings, we will consolidate the Learning Center in Missouri City with the Learning Center in Rosenberg, and the Learning Center Wharton with the Learning Center in El Campo. Employees affected by the restructure will be able to apply for other open positions in IDD Services.
- Interest rates paid on our investment funds were near zero in January 2022 and have risen to 5.512%. Interest income earned on our fund balance is being directed to our IDD service divisions. Interest income for FY2024 is \$1,396,828, an increase of \$171,331 over FY23.
- An increase in funding for the Children’s Autism Program funded by HHSC for low income and insured children results in an increase by \$687,004, more than doubling the prior year.
- The three locations of the Children’s Center for Autism are almost back to pre-pandemic levels. Revenues for private insurance and private pay fees are up \$277,262 and \$110,926 respectively over FY23.
- Funding for Private Psychiatric Beds (PPB) receive a significant investment this legislative session to address capacity issues across the state. Texana received an increase of \$2,661,363, 150% over current funding.
- The 88th Legislature included funds for workforce issue in centers. The LMHA contract has not yet been amended and is not included in this budget. The amount of increase for the LIDDA is \$60,085 and is included in this budget. This represents the first increase in funding for the LIDDA since 2011.

On a motion to approve the report from Dennis Young and second by Linda Harnist the FY 2024 Budget was unanimously approved.

2. Review and Consider Approval of PNAC Report

The PNAC met on Wednesday, August 16, 2023. The agenda focused on the Fiscal Year 2024 Texana Center budget. Division Directors shared both challenges and opportunities in their respective division for the upcoming fiscal year. The PNAC requested leadership to develop and provide discussion points document to guide PNAC members in future meetings with local legislators.

On a motion from Leroy Cerny and second by Linda Harnist, the PNAC Report was unanimously approved.



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

- 4th Quarter FY 2023 Financial Report

FY 2023 was a year of investment and transition out of the long shadow of the pandemic. The year began with approximately 25% of Texana employees earning less than \$15 per hour and a 40% vacancy rate in residential and other IDD community based services. By investing in our workforce through an increase in the minimum base wage rate of \$15 for all employees, we added over 71 employees and reduced our vacancy rate in these positions to 15%. Funding from two local foundations totaling \$1,000,000 allowed us to implement this \$15 rate effective 9-1-2022. The IDD Provider Division ended the year with an excess of revenues over expenses of \$40,000.

In the 1st quarter, we completed the capital project for the renovation of the Children's Center for Autism and the Behavior Improvement Center located on Campus 1. The completion of this project allowed for the full use of all of the buildings and the continued ramping up of autism services that were disrupted by the ongoing construction and pandemic. In April, we purchased 5.2 acres for the new Rosenberg MH Clinic to replace the current clinic built in 1982. The new clinic will include a purpose-built space for primary care and specialty teams that are now housed in insufficient space or adjacent buildings. The new design will also enable Texana to move the pharmacy from Wharton to the new centralized location in Rosenberg and add a drive through for patient convenience. Throughout the year, we completed the installation of sprinkler systems in five of the Wharton area group homes to better protect our aging and more medically fragile individuals residing in the group homes.

The Children's Center for Autism (CCA) continued to rebuild after the impact of the pandemic, which caused the complete shut down and furlough all employees in March 2020. Census was almost back to pre-pandemic levels and revenues for private insurance exceeded budget projections by \$300,000 resulting in an excess of revenues over expenditure of \$279,000 for the CCA and an overall surplus of \$93,000 for the Specialized Services Division.

IDD Authority Services implemented a new operational structure to better manage the ever-increasing responsibilities and workload that are being place on the Local Intellectual Development and Disability Authority (LIDDA). As an example, in the 2000-2001 Biennium, Authority Services was responsible for contacting 611 people on the Waiver Interest List. In the 2022-2023 Biennium, Authority Services was responsible for contacting 6,085 people on the Waiver Interest List. The investment through the addition of two new Practice Managers to assist with quality assurance program development, staff supervision and to direct NCQA processes resulted in a score of 100% on the NCQA recertification of the LIDDA this summer. Though the IDD Authority



Division ended the year in a slight deficit position of \$82,000, the investments made in staff, structure and processes set a foundation for greater sustainability moving forward.

The Behavioral Healthcare Division ended the year with an excess of revenue over expenses of \$2.5 million due to additional 1115 Waiver funds earned. Both the Charity Care Payment the Directed Payment Program (DPP) payments benefited from an enhanced federal medical assistance percentage (FMAP) during the period of the public health emergency. Texana also fared well on the reconciliation for the DPP for year 1. The Center's performance in relation to the baseline number of service units projected compared to other centers resulted in an increased payment through the statewide reconciliation process.

- Texas IDD System Discussion

The Texas Council Board of Directors, Community Center Executive Directors/CEOs, and Chairs/Co-chairs of the Texas Council IDD Directors Consortium, Local Authority Workgroup and Provider Opportunity Workgroup met on Friday, August 18, 2023 for a discussion led by the Texas Council leadership on the current crisis facing the IDD system in Texas. Texana Center attendees included Sue Fagan, George Patterson, Kevin Barker and Sheri Talbot.

Key Information Presented:

- Historical Catalysts for Change in the IDD System: Legislative, Medicaid
- Population Data by Setting and Program
- Role of the Local IDD Authority
- Appropriations by Setting and Program
- Impact of the 88th Legislature
- Strategies for Moving Forward

Planned Strategies for Texana Center

- Inform the Board of Trustees and gain commitment for community engagement
- Gain direction and guidance from Texas Council leadership
- Develop strategic plan for education, engagement, relationships with legislators, and leading our community partners to embrace a platform for change
 - Continue to demonstrate excellence and leadership in our community (Safety Net, Medicaid Waiver Services, Crisis Services, NCQA Accreditation for Casemangement, Provider Network and Regional Partnerships)



- IDD Provider Services FY24 Budget Summary and Operating Plan

A major barrier to our budgeting process for FY24 was due to an unfavorable funding decision by the Legislature that impacted all community centers in Texas. Although a number of advocates asked that the direct care wage portion of the rate be moved to \$15.00 per hour (which is the average amount most centers and private providers are paying), the Legislature only funded an increase from the current rate of \$8.85 per hour to \$10.60 per hour. In comparison State Supported Living Centers, who are direct competitors to centers, received increases of \$17.71 to \$24.57 per hour.

The increased cost of services and the lower expected direct care wage has forced IDD Provider Services to consolidate two learning centers into one in both Fort Bend and Wharton Counties in January 2024. The staff in Provider Services will continue to work with both the Arc of Wharton and the Arc of Fort Bend to find a solution that may positively impact these plans.

VII. AN EXECUTIVE SESSION WILL BE HELD FOR THE FOLLOWING PURPOSE

- CEO evaluation – the evaluation was completed with a rating of Excellent. No other action was taken.

VIII. NEXT BOARD OF TRUSTEES MEETING

The next Board of Trustees meeting will take place on January 24, 2024.

IX. ANNOUNCEMENTS

X. ADJOURN

The Texana Center Board of Trustees meeting ended at 10:41 A.M.

Minutes Approved:

A handwritten signature in blue ink that reads "Sue Fagan". The signature is written in a cursive style and is positioned above a horizontal line.

Sue Fagan, Board Chair