



ADVANTAGE

**Advantage Behavioral Health Systems
Mental Health, Developmental Disabilities, and Addictive Diseases
Service Board Meeting #220
January 27, 2015**

Board Members Present:

Linda Vinson - Walton
Mae Davis - Elbert
Barbara Fuqua - Greene
R. Charles White - Walton
Charles Hunt - Oconee

Frusanna Hayes - Morgan
Pat Ellis - Jackson
David Kidd - Oglethorpe
Kevin Poe - Jackson

Board Members Absent:

Shirley Segars - Barrow (EX)
Vacant - Athens-Clarke
Vacant - Barrow

Doc Eldridge - Athens-Clarke (EX)
Vacant - Madison

Advantage Behavioral Health Systems Staff Present:

O. J. Booker
Sherrie Maxwell
Shelly Winkle
Evan Mills

Lisa Williams
Barbara Geter
Tammy Dalton

- 1.0 Call to order** at 4:00 p.m. by Community Service Board Vice Chairperson, Linda Vinson
 - 1.1 Review and acceptance of the agenda:** Motion to approve the agenda (David Kidd); Seconded (Mae Davis); Passed (Unanimously).
- 2.0 Reading and Approval of Minutes:** Pat Ellis noted that that Charles Hunt, David Kidd and Kevin Poe were not listed as present Board members on the minutes for the previous meeting and that Oconee, Oglethorpe and Jackson was shown as vacant and they are in fact filled. Motion was made to correct, then approve the minutes for the November 18, 2014 CSB Meeting. Moved (Pat Ellis); Seconded (Mae Davis); Passed (Unanimously).
- 3.0 Oath of Office:** Barbara Fuqua of Greene County was sworn into office by Linda Vinson.
- 4.0 Presentation - Jackson BH Clinic:** Emily Gundlach, Operations Manager of the Jackson MH Clinic gave a brief overview of the clinic. The clinic is located in Jefferson and that they provide individual, group and family counseling services to adults and children four days a week. On staff are three full time clinicians, one part time clinician, one fulltime medical assistant, one fulltime LPN and a rotating staff of one Nurse Practitioner and one MD on staff. The clinic is home to two specialty courts, drug court and the mental health court. A liaison works at both of those courts and coordinates counseling services for clients as needed. The Jackson County drug court was awarded a grant which has allowed the Clinic to double the amount of clients that they serve and they are now looking at ways to offer services to the families of the clients as well as the client. A new staff member has been hired to assist in this capacity. Clinic staff are working with the county to improve the external appearance of the facility by having the outside of the building painted and new flooring installed in hope to become more appealing to clients who in the past have gone

to private practices or have gone elsewhere. In 2012 they served roughly 370 clients and in 2014 they are up to over 600 active clients, they are a small clinic but are growing nicely.

Mr. Booker asked how many employees are there total at Jackson and how many of those are clinicians. Emily responded that there are five clinical staff (eight if you count the specialty courts) and two operational staff. This does not include the rotating staff.

Mr. Booker requested that Evan Mills further explain the grant that Emily mentioned. Evan reported that we were awarded a jointly funded SAMHSA-BJA adult drug court grant in partnership with the Piedmont Judicial Circuit to expand the treatment and operational services of the Jackson County Drug Court. The requirements of the grant have us venturing into the area of medication assistance treatment programs which help fund the cost of prescriptions that aid in the individuals with addictions. This is new to Advantage and there are precautions that need to be taken. The planning for this began October 1, 2014 with an operations date set for February 1, 2015, but we have already begun. This is a three year continuation grant for approximately \$900,000, which means it is not guaranteed and that we need to submit a continued application on March 1, 2015 for the second year. Our current reports of success will really help us in receiving the second portion of this grant.

5.0 Report from Chief Executive Officer:

5.1 Mr. Booker reported that Brenda Smith retired after thirty years of service and that Shelly Winkle has taken her place. Another direct report that is new to Advantage is Lisa Williams, CPA, she has been with us since December 3rd and she and her staff have already done some pretty remarkable things.

5.2 Mr. Booker reported that the Mitchell Bridge Road project is coming along very well. He stated that he had a phone conversation with the architect and real estate appraiser today and the due diligence is going forward. We will have complete digital drawings of the building by the end of the week. Plans are to schedule an internal meeting after those drawings become available to determine department placement within the building. Engineering and finishes studies are underway now. The roof may need to be replaced. Kevin Poe asked if any appraisals had been done. Mr. Booker responded that several appraisals had been done. Kevin Poe also when they anticipate the building being available. Mr. Booker responded that the Clarke District Administration intimated that they could vacate the building quickly if needed. After renovation of the property, the plan is to vacate the three Athens facilities and move all functions into the new building.

6.0 New Business:

6.1 Administrative Reports: (Received in Board packages for review.)

6.1.1 Chief Operating Officer Report - Sherrie Maxwell introduced and welcomed three new staff members: Dr. Wight, Dr. Cone and Vernell Flood who is our new certified nurse specialist. Sherrie reported that we submitted our first report to the State for core re-design. The next core re-design report will be due in May.

6.1.2 Clinical Services Report - Laurie Wilburn Bailey was not present. No questions resulting from her report.

6.1.3 Developmental Disabilities Report - Barbara Geter was present but there were no questions.

6.1.4 Quality Assurance Report - Janice Callaway was not present. Debbie Loftiss was available for questions regarding the trend report but there were none.

7.0 Old Business:

7.1 No old business.

8.0 Board Reports:

Finance Workgroup:

Lisa Williams, CFO reported that the Finance Workgroup reviewed the six month period ended December 31, 2014. Mr. Booker stated that December's deficit of \$682,173 is not reflective of a single month's performance but is reflective of the prior six month accounts receivable adjustments and two expenses improperly accrued in December.

- \$478,518 for an allowance for uncollectable accounts relative to receivables due from Medicaid, Medicaid, CMOs, commercial insurance and client-self payers: The allowance is based upon billing and collection activities over the six-month period July through December 2014 but was booked in December because the books for the prior five months were closed. Mr. Booker said the allowance currently averages 35% of aged gross receivables based on historical experience and conservatism. He added that given the MTM work that began in July/August 2014 and the restructuring of the billing department, he fully expects the percentage to drop significantly going forward.
- \$239,000 (approx.) in expense paid and expensed in December for November compensation expense: Mr. Booker explained that recording compensation expense on an accrual basis, or GAAP, requires an expense accrual for the number of days worked in any given month that will be paid for in the following month. Mr. Booker explained that the accrual for the last six work days in November was missed, causing compensation expense for December to be high by approximately \$239,000. Further, he said this correction was not pushed back to November because requests for expense reimbursement for November (e.g. MIER) had already been made and thus reimbursements for this expense would be lost.

Ms. Williams continued the financial review by reviewing each of the four-page financial report.

- Sustainability Measures - Page 1 : Ms. Williams reported two measures of ABHSq sustainability by stating fund balances were almost \$4 million, at \$3,888,707, and that given the December 31st unrestricted cash balance and a six-month average of cash expenditures per day, cash without the addition of new revenue would fund operating expenses for approximately 50 days.
- Statement of Revenues and Expenditures - Page 2 : Regarding the P&L, Ms. Williams said activities for the six-month period resulted in a surplus of \$46,514. She indicated that this surplus was more than twice the \$20,480 projected for the entire year, and also stated that the variances of six-month actuals-to-annual budget for total revenue and total expenses were at 47% each - meaning that of the total revenue and expense budgeted for 12 months, at the six-month mark, actuals were almost at the 50%, half-year mark. She said that adjustments were made in December to convert accounting practices from a cash basis to a full accrual or GAAP basis. Ms. Williams cautioned that she and her staff will continue to review each account in comparison to budget and prior period activity and will make adjustments going forward to correct prior period mistakes.
- Statement of Financial Position/Balance Sheet - Page 3: She said the \$1,467,178 and \$51,390 line items titled *Account Receivable* and *Accounts Receivable GIA/DD* represent monies due from contracts and grants such as the MIER contract and HUD grants. Ms. Williams said these balances are expected to be collected within 30-days, with the exception of receivables for DD services that lag approx. 45-days.

She reported that the \$1,410,444 line item titled *Accounts Receivable-Care.Caid.CMOs.Comm'l.SelfPay* represents monies due from fee-for-service business. She said that collectability of these balances is based on billing effectiveness, and that given errors in billings, some billings are initially denied and must be re-worked (e.g. denials by payers due to lack of/improper eligibility, authorizations and service provider credentials). She stated that these balances are aged in 30-day increments and are collectible up to twelve months from Medicare and six months from all the other payers. Ms. Williams explained that the allowance of \$478,518 was calculated at increasing rates ranging from 10% to 60% based on the age of the receivables. Ms. Williams reported that ABHS's current liabilities totaling \$1,858,379 are routine vendor and compensation-related liabilities, and the MIER payable. She said ABHS has no long-term loans but does have a \$510,244 long-term liability for 80% of accrued PTO . Paid Time Off titled *Compensated Absences Payable* that is classified as long-term because 80% of total PTO has historically been banked by employees and taken at retirement or past one year of earning it.

- CSB Board Report- Page 4:
Ms. Williams reported that of the Board's \$10,630 annual budget, \$4,225 or 40% had been spent on supplies, food, travel and training year-to-date. Ms. Vinson asked that if the budget was not fully spent at year-end, whether the Board should consider appropriating the savings to a charitable cause in its name. Mr. Booker stated that appropriating budget savings in any particular cost center or department was not a current practice, but rather it was company practice to use all budget savings to build capacity for the entire organization and redistributed more along strategic lines.
- 8.1** Recruitment and Retention Work Group - Fru Hayes reported that our next priorities are to fill the vacancies in Madison, Clarke and Walton Counties as well as the need to fill spots for those seats that will soon be leaving.
- 8.2** Advocacy and Awareness Work Group - no report requiring an action.
- 8.3** Bylaws & Policy Committee - Pat Ellis, no report requiring an action. Mr. Booker suggested a formatting change.
- 8.4** Rights of Persons Served Committee - Mae Davis, no report requiring an action.
- 8.5** Board Education and Planning Work Group - Charles White reported that HIV Education would present to the Board next month.
- 8.6** Ad Hoc Friends of Advantage Committee - Tammy Dalton thanked the CSB for their attendance at the Annual Meeting. Tammy reported that Friends of Advantage (FOA) now has a functioning website that provides information on the Address a Need projects Designers Challenge and Top Models. FOA currently has all county service areas represented except Greene County. FOA has two missions, one is to educate our communities and the second is to raise funds to bridge gaps that insurance, government or families do attend to. However, FOA considers themselves as a last resort for funding. They make certain that all other avenues have been resourced first before funds are distributed. Tammy asked everyone to please go to www.friendsofadvantage.org and view the new website and show your support by voting for our models. Tammy also reported that she is currently in the process of getting Amazon.com to offer a portion of proceeds spent to be donated to FOA if you click on Amazon Smile.
- 8.7** Staff Support Work Group - Linda Vinson, no report requiring an action.
- 8.8** CSB Association Update - Fru Hayes stated that was no report requiring an action however she announced that she, Mr. Booker and Sherrie Maxwell were attending the

CSB Day at the Capitol on February 12, 2015 in the morning and a DBHDD meeting that afternoon.

9.0 Report from CSB Chairperson:

9.1 Mr. Booker reported that there are grants that require a Resolution from the Board as proof that we were approved to receive the Shelter-Plus Care grant. The RESOLUTION reads as follows:

Advantage Behavioral Health Systems (hereinafter referred to as ~~%Sponsor+~~)
WHEREAS, Sponsor has been offered an award of funds (the ~~%agreement+~~) from the Georgia Department of Community Affairs for the Shelter-Plus Care program serving eligible clients (as applicable); and
WHEREAS, Sponsor has reviewed the Agreement and finds the terms to be acceptable; and
WHEREAS, Sponsor acknowledges that payment under this program will be based on representations and certifications made by representatives of Sponsor, as designed herein.
NOW, THEREFORE, BE IT RESOLVED, by the board of Directors of Sponsors that the terms of the agreement be accepted by Sponsor and the President and Secretary, or others specifically named by Sponsor, be authorized to accept the terms of the Agreement and to sign any and all pertinent documents pertaining thereto on behalf of Sponsor:
NOW, THEREFORE, BE IT FURTHER RESOLVED, that the following persons be authorized (at least 2 signature are required per draw) to draw funds from DCA on behalf of Sponsor:
Nicolette Tobin, Evan Mills, Kathy Bennett, Laurie Bailey
NOW, THEREFORE, BE IT FURTHER RESOLVED, that this Resolution be executed in two parts, and together with a certified copy of the minutes of the meeting, returned as an exhibit to each Agreement as follows: State Housing Trust Fund, GA Department of Community Affairs, 60 Executive Park South NE, Atlanta, GA 30329.

Motion to approve the RESOLUTION. Moved (David Kidd); Seconded (Mae Davis); Passed (Unanimously).

Evan Mills asked the Board for two signatures for acceptance of these grants, Linda Vinson and Pat Ellis both signed.

9.2 Linda Vinson stated with the passing of May Jo Matthews that the Secretary position was now vacant, a nomination was made to appoint Pat Ellis as Secretary for the remainder of the term. Moved (Kevin Poe); Seconded (Fru Hayes); Passed (Unanimously).

10.0 Public Access:

10.1 No one present to address the Board.

11.0 Executive Session:

11.1 Motion to enter into Executive Session (Kevin Poe); Seconded (Pat Ellis); Passed (Unanimously).

12.0 Regular Session:

12.1 Motion to move into Regular Session. Moved (David Kidd); Seconded (Kevin Poe); Passed (Unanimously).

12.2 Pat Ellis made a motion to offer Mr. Booker an extension of his current contract for one year after corrections to paragraph two to include current compensation; Seconded (Kevin Poe); Passed (Unanimously).

13.0 Adjournment:

13.1 Motion to adjourn. Moved (Pat Ellis); Seconded (Barbara Fuqua); Passed (Unanimously).

13.2 Meeting adjourned at 6:00 p.m.

Date:

Approved By: Linda Vinson
Vice Chairperson

Submitted By: Shelly Winkle
Exec. Admin. Asst.

Approved By: Pat Ellis
Secretary