

**BEXAR COUNTY BOARD OF TRUSTEES FOR  
MENTAL HEALTH MENTAL RETARDATION SERVICES d/b/a**

**THE CENTER FOR HEALTH CARE SERVICES**

Regular Board Meeting  
Monday, January 24, 2011  
3031 IH 10 West  
San Antonio, Texas 78201  
6:00 p.m.

**TRUSTEES PRESENT:** Rebecca G. Brown, Acting Chair  
Harry Griffin, Treasurer  
Mary Rose Brown  
Dianna M. Burns-Banks, M.D.  
Richard P. Usatine, M.D.  
Ruben D. Zamora

**TRUSTEES ABSENT:** Sam Williams Jr., Secretary  
Ted Terrazas

**STAFF PRESENT:** Leon Evans, President/Chief Executive Officer  
Charles H. Boone, Chief Operations Officer  
Mark A. Carmona, Chief Administrative Officer  
Sarah S. Rasco, M.D., AMH Services Medical Director  
John A. Smith, General Counsel  
Linda Rodriguez, Executive Assistant/Board Liaison  
(Staff Attendance List on File)

**GUEST PRESENT:** Milo Martinez, Managing Partner, Martinez/Rosario & Company, LLP  
Patrick Bernal, Denton/McKamie & Navarro  
Gregg Dreier, Executive Vice President, Frost Bank

The regular meeting of the Bexar County Board of Trustees for Mental Health Mental Retardation Services d/b/a The Center for Health Care Services was held on Monday, January 24, 2011, at 3031 IH 10 West, San Antonio, Texas.

**CALL MEETING TO ORDER  
CERTIFICATION OF QUORUM**

The meeting was called to order by Rebecca G. Brown, Acting Chair, at 6:08 p.m., with the following trustees present: Ms. Mary Rose Brown, Messrs. Griffin and Zamora, and Dr. Usatine, thereby establishing a quorum. Dr. Burns-Banks arrived after the meeting was called to order.

Ms. Brown briefly introduced herself as the Acting Chair and stated that she was saddened by the resignation of Ms. Vera from the board.

**INVOCATION** – Ms. Brown asked that a silent prayer be offered at this time.

**PLEDGE OF ALLEGIANCE** – Led by Mr. Harry Griffin

**1. APPROVAL OF MINUTES**

Mr. Griffin moved that the board approve the Minutes of the Regular Board Meeting of November 1, 2010 as presented. Dr. Usatine seconded the motion; motion carried. Ms. Rebecca Brown abstained since she was not present for this meeting.

Ms. Mary Rose Brown moved that the board approve the Minutes of the Board Retreat of December 10<sup>th</sup> and 11<sup>th</sup>, 2011 as presented. Mr. Zamora seconded the motion; motion carried. Ms. Rebecca Brown abstained since she was not present for this meeting.

**CITIZENS TO BE HEARD** – No citizens presented to be heard.

**PRESENTATION ON HEALTH CARE REFORM**

- Dr. Ron Manderscheid, NACBHDD Executive Director

Mr. Evans introduced Dr. Ron Manderscheid, Executive Director for the National Association of County Behavioral Health and Developmental Disability Directors (NACBHDD), and noted that he was an expert in the area of health care reform. He announced that Dr. Manderscheid had been visiting with Center staff, family members and consumers, and touring some of our programs. He would also be meeting with the Community Medical Directors Round Table Task Force, members of the community and also with a State-wide delegation being brought together by the Texas Council.

*Dr. Burns-Banks arrived at this time.*

Dr Manderscheid stated that he did not know of any organization in the United States that has brought together all of the necessary services as the Center has done and would like to assist us in getting the Center designated as a Center of Excellence.

Dr. Manderscheid presented on the Affordable Care Act (ACA), which represents the vision of Franklin D. Roosevelt (1944) of basic affordable health care. He outlined the key features of the five components of the ACA: 1) Insurance Reform; 2) Coverage Reform; 3) Quality Reform; 4) Payment Reform; and 5) IT Reform.

Ms. Brown and Mr. Evans thanked Dr. Manderscheid for his presentation and leadership.

At this time, Ms. Brown entertained a motion to amend the agenda to move into Executive Session. Dr. Usatine moved to amend the agenda; Mr. Zamora seconded the motion. Motion carried. The session of the meeting was temporarily adjourned and the board moved into Executive Session at 7:42 p.m. to discuss the items as agendized.

**EXECUTIVE SESSION (Closed)**

Executive Session Deliberation per Texas Government Code, Sections:

551.074(a) (1) (Personnel Matters): For the purpose to deliberate the appointment, employment, evaluation, reassignment of duties, discipline, or dismissal of a public officer or employee

- a. 2010 Evaluation of the Executive Director – President/Chief Executive Officer

551.071 (2) (Pending Litigation): Receive a Case Summary Status Report and Advise from Attorney in pursuing trial strategy and mediation efforts for settlement purposes relating to:

- a. Cause No. 2007-CI-18001/288<sup>th</sup> Judicial District Court, Bexar County, Texas

551.071 (Consultation with General Counsel): Advice on matters in which the duty of the General Counsel to the Center under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter 552 of the Texas Government Code.

## **OPEN SESSION**

At 8:12 p.m., Ms. Brown reconvened the meeting into Open Session and announced that no action had been taken during Closed Session and no recommendations were being made in Open Session regarding any of the items discussed in Closed Session.

*At this time, the board returned to the original agenda.*

## **REVIEW AND APPROVAL OF THE CENTER'S FY 2010 ANNUAL INDEPENDENT AUDIT AS PRESENTED BY MARTINEZ, ROSARIO & COMPANY**

Mr. Milo Martinez, Managing Partner for Martinez/Rosario & Company, LLP, reported that the Center's financial and compliance records had been audited in accordance with auditing standards generally accepted in the United States and standards applicable to financial audits contained in the Government Auditing Standards.

He reported that this was an unqualified opinion and that there were no material weaknesses in the internal control over financial reporting and no instances of non-compliance noted. The Center was also in compliance with the requirements of its major state and federal programs and there were no material weaknesses noted in the internal control over major programs. There were four federal programs (Federal MH Block Grant, Head Start, Special Education (ARRA), and the Early Childhood Intervention Program) and the State General Revenue audited at this time.

Mr. Martinez briefly summarized the Letter of Communication and reported that there had been no difficulties encountered during the process of the audit, that there were no comments to report on, and only one item to be followed up on.

Ms. Brown congratulated Mr. Guevara, the staff and the Finance Committee for all of their hard work. Mr. Carmona additionally commented that Justin Marshall, Accounting Manager, was also to be commended for his work during the auditing process.

Upon conclusion of the review, Ms. Mary Rose Brown moved to approve the Center's FY 2010 Annual Independent Audit as presented by Martinez, Rosario & Company. Dr. Usatine seconded the motion; motion carried unanimously.

*The agenda was modified once more to take action on the following item:*

- 6.2 Acceptance of the 2010 4<sup>th</sup> Quarter Performance Report of the Center's 401(a) and 457(b) Accounts from Frost Bank – *Robert Guevara*

Mr. Drier, Executive Vice President for Frost Bank, reported on the performance of the 401(a) portfolio noting a 12.64% return. He reported that a change to the asset allocation had been made as of December 31, 2010, increasing the allocation to fixed income.

On the 457(b) plan, he reported that as of December 31, 2010, participation in the plan had increased to 386 (from 129 on December 31, 2009). He reported on the allocation of the portfolio and stated that the plan was doing well and no recommended changes were being made at this time.

Dr. Usatine moved that the board accept the 2010 4<sup>th</sup> Quarter Performance Report of the Center's 401(a) and 457(b) accounts from Frost Bank; Dr. Burns-Banks seconded the motion. Motion carried.

*The board returned to the original agenda at this time.*

## **2. BOARD CHAIRMAN'S REPORT**

- Report on Federal Review of Head Start Program – *Zaida Yzaguirre*

Ms. Yzaguirre, Director of the Early Childhood Intervention Program, reported that the Center had received a letter from the City of San Antonio regarding an audit of the Head Start Program which was conducted by the US Department of Health and Human Services. She stated that the Center was not mentioned in the audit but received a copy as a partner with the City of San Antonio.

Ms. Brown asked if she felt there was anything in the audit report that might pertain to the Center and Ms. Yzaguirre responded no but that we could learn from it.

- Update on the Expansion Project at 601 N. Frio – *Mark A. Carmona*

Mr. Carmona briefly reported on the expansion project at 601 N. Frio and stated that the final design meeting was scheduled for this coming Thursday. Mr. Evans has asked that the project be fast-tracked in that he feels it will benefit the Center with the budget cuts. The initial timeline was 15-18 months but we are asking them to expedite the project.

### **3. PRESIDENT/CHIEF EXECUTIVE OFFICER'S REPORT**

- President/CEO's Report of Activities for the months of November and December 2010
- Status Report on the Service Redesign – Charles H. Boone
- Medical Director's Report – Dr. Sarah Rasco

Dr. Rasco reported that the Texas Department of State Health Services (DSHS) was requesting that the board review and approve the Prescribing Practices Policies and Procedures, which have been distributed to the board for review under this report. Upon discussion, it was suggested that the board authorize the President/CEO to approve those policies and procedures. Counsel was asked to develop policy to that effect.

Dr. Rasco also reported that all the units are now utilizing the Electronic Medical Record (EMR) which unifies the Center in a more timely and effective manner. Dr. Usatine asked what was being done about the old hard copy charts and it was noted that they were being electronically scanned. Discussion ensued regarding the certification of the EMR and staff reported that the Center's vendor had guaranteed certification although the letter they sent was not certified.

She also briefly reported on the Medical Directors Consortium which she attended recently and stated that Dr. Emilie Becker, the Medical Director for Behavioral Health Services at DSHS, had sung the praises of the Center's Outpatient Commitment Program.

- Contracts executed by the President/CEO over \$50,000 and under \$100,000 for the months of November and December 2010
- Key HR Metrics for the month of October, November and December 2010

Ms. Bunch briefly reported that the Key HR Metrics had remained flat for the periods noted.

### **CONSENT AGENDA**

#### **4. PLANNING & OPERATIONS COMMITTEE REPORT** *(Dr. Dianna Burns-Banks, Chair)*

1. Approval of the Home Health Agency Professional Advisory Committee Appointments – *Doreen Vernon*
2. Approval of the Proposed Contract with UTHSC-SA Department of Psychiatry for Outpatient Services – *Charles H. Boone*

Dr. Burns-Banks moved that the board approve the Consent Agenda as posted; Harry Griffin seconded the motion. Motion carried.

### **INDIVIDUAL ITEMS FOR REPORT, DISCUSSION & APPROPRIATE ACTION**

#### **5. PLANNING & OPERATIONS COMMITTEE** *(Dr. Dianna Burns-Banks, Chair)*

1. Review and Approval of a Revision to the Process for Considering and Recommending Approval of Revenue Contracts – *Charles H. Boone*

Mr. Griffin moved that the Board of Trustees approve the revision to the process for considering and recommending approval of revenue contracts; Dr. Usatine seconded the motion. Motion carried.

The revision to the process states that the committee will review the details specific to the contract and if agree to the negotiated terms, will approve recommendation to the full board pending receipt of final contract with review and approval from General Counsel.

2. Approval of the “Prospects Courtyard” (PCY) Interlocal Agreement Between the City of San Antonio and the Center Pending Receipt of the Final Contract, Review and Approval as to Form by General Counsel – *Charles H. Boone*

Dr. Usatine moved that the Board of Trustees approve the Prospects Courtyard (PCY) Interlocal Agreement between the City of San Antonio and the Center pending receipt of the final contract, and review and approval as to form only by General Counsel. However, it was noted that the final contract had been received and was reviewed and approved as to form by General Counsel. Ms. Mary Rose Brown seconded the motion; motion carried.

## 6. **FINANCE COMMITTEE** (*Harry Griffin, Chair*)

1. Review and Acceptance of the Center’s Financial Statements for the Period Ending December 31, 2010 – *Robert Guevara*

Mr. Guevara reported that the Center had ended the month of December 2010 with a positive contribution to fund balance of \$137,525; which resulted in a year-to-date operational fund balance of \$189,874. He reported that for the fourth consecutive month, the Center had exceeded its service revenues, and that beginning this month, they were budgeted to increase an average of \$103,836 through the end of the year. Discussion ensued regarding the Medicaid budget for Methadone and the need for immediate relief on the situation.

Investments in TexPool were reported to have a beginning balance of \$3,849,842 and an ending balance of \$9,549,842 for a net increase of \$5,700,000. Interest earned for the month was \$1,287 for an average yield of .1677%. Mr. Guevara reported that the investments were in compliance with the Center’s investment policy and the Public Funds Investment Act. However, staff is looking at other options to increase the Center’s investment return in TexPool. Ratios were also reported within their limits.

Upon conclusion, Mr. Zamora moved that the Board of Trustees accept the Center’s Financial Statements for the period ending December 31, 2010 as presented; Ms. Mary Rose Brown seconded the motion. Motion carried.

3. Approval of the Revised Corporate Compliance Plan – *Bren Manaugh*

Dr. Usatine moved that the Board of Trustees approve the revised Corporate Compliance Plan as presented; Dr. Burns-Banks seconded the motion. Motion carried.

4. Review and Approval for the Center to Proceed with Exploring Options for a Self-Funded Employee Health Insurance Plan to include following the Process for a Request for Proposal – *Janice Bunch*

That the Board of Trustees receives research and rationale regarding possible change from current fully insured to a self-funding arrangement of the Center's Employee Health Plan and approve staff to initiate the Request for Proposal (RFP) process to explore fiscal, administrative and employee advantages of self funding the Center's health plan.

Ms. Bunch reported that in reviewing 2009 claims, the Center could have saved \$150,000 - \$200,000 had we been self-insured. She stated that half the centers today are self-insured noting that there are risks and benefits involved.

Upon further discussion, Dr. Usatine moved that the Board of Trustees authorize staff to proceed with the development of an RFP to explore fiscal, administrative and employee advantages of a self-funding health plan for the Center. Ms. Mary Rose Brown seconded the motion; motion carried unanimously.

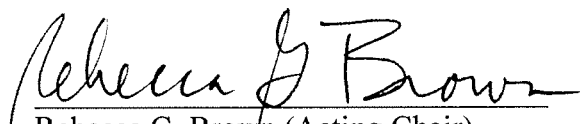
**REPORT FROM MR. SAM WILLIAMS, JR., ON THE ACTIVITIES OF THE TEXAS COUNCIL OF COMMUNITY MHMR CENTERS, INC. BOARD**

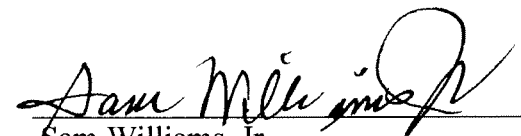
Due to Mr. Williams' absence, there was no report available.

**ADJOURNMENT**

There being no further business to discuss, Dr. Usatine moved for adjournment of the meeting; Mr. Zamora seconded the motion. Motion carried, and the meeting was adjourned at 9:15 p.m.

Passed and approved this 28<sup>th</sup> day of MARCH, 2011.

  
Rebecca G. Brown (Acting Chair)  
Vice Chairman

  
Sam Williams, Jr.  
Secretary