

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

Regular Board Meeting (via Zoom)

Tuesday, April 14, 2020
San Antonio, Texas 78213
6:00p.m.

TRUSTEES PRESENT:

Daniel T. Barrett, Chairman
Mary Rose Brown, Vice Chairman (via zoom)
Donnie W. Whited, Secretary (via zoom)
Margaret A. Kelley, M.D., Treasurer (via zoom)
Graciela A. Cigarroa (via zoom)
Laura L. Parker, Judge (via zoom)
Javier Salazar, Sheriff (via zoom)
Richard P. Usatine, M.D. (via zoom)
Margaret M. Vera (via zoom)

TRUSTEES ABSENT:

Polly Jackson Spencer, Ret. Judge

STAFF PRESENT:

Jelynn LeBlanc Burley, President/Chief Executive Officer
Adrienne Alcazar, VP/People & Culture
Brad Benoit, VP/IDD, Long Term Care
Tremaine Butler, Chief Information Officer
Tom Cobb, Director/Financial Planning & Analysis
April Johnson-Calvert, Chief Financial Officer
Frank Garza, General Counsel
Lauro Garza, VP/Operational Safety Risk Management
Allison Greer, VP/External Communications
Robert Guevara, Chief Operations Officer
Justin Marshall, Director/Accounting Services
Ruth Morgan, M.D., Medical Director/Primary Care
Rene Olvera, M.D., Chief Medical Officer
Juanita Cordero-Rodriguez, VP/Adult Behavioral Health
Omar Qassom, VP/External Providers Network
Adam Velez, Director/Contracting & Procurement
Linda Costilla, Senior Executive Assistant/Board Liaison

GUEST PRESENT:

Rene Gonzales, Senior Partner, Garza/Gonzales & Associates
Kim Lopez-Gonzales, Partner, Garza/Gonzales & Associates
Jason Hyde, Manager, Garza/Gonzales & Associates
Hunter Stanco, Senior Vice President/
The Hunter Stanco Group at Morgan Stanley

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 Tuesday, April 14, 2020, via video conferencing, in San Antonio, Texas 78213.

**CALL MEETING TO ORDER
CERTIFICATION OF QUORUM**

Upon certification of a quorum by Counsel, Chairman Dan Barrett called the meeting to order at 6:00 p.m. with the following trustees present: Mses. Brown, Cigarroa, Parker, Vera and Dr. Kelley. Ms. Whited, Sheriff Salazar and Dr. Usatine joined later on in the meeting.

PLEDGE OF ALLEGIANCE - Led by Mr. Barrett

CITIZENS TO BE HEARD – There were no citizens to be heard

I. APPROVAL OF MINUTES

The minutes of the Regular Board Meeting of February 11, 2020 were presented for review and approval. Ms. Cigarroa moved for approval as presented; Ms. Vera seconded the motion. Motion carried.

II. BOARD CHAIRMAN'S REPORT

There was no report at this time.

III. PRESIDENT/CHIEF EXECUTIVE OFFICER'S REPORT

- Leadership Briefing – *Jelynne LeBlanc Burley*

Ms. Burley provided the following synopsis of Center activities during COVID-19:

- On March 13th staff begin conducting daily operational calls anticipating what could happen in Bexar County as it related to the ongoing threat of shelter-in-place or community spread of COVID-19.
- On March 16th we initiated screenings of all consumers at the clinics and begin drafting the necessary administrative policies to allow employees to work from home, and also provide guidance in relation to school closures. Spring breaks had been extended but actual school closures had not been activated that week.
- On March 23rd several declarations had been issued at various levels of government; CHCS was designated as an essential business.
- We begin discussions with HHSC to determine if they were going to relax the engagement rules for our consumers so that we could continue to see them as needed. We were ultimately given permission to relax the engagement rules.
- As the declarations began to become more stringent, enforcing stay at home, we designated an appropriate work from home schedule for most of our employees, established 12 hour schedules for others, and established temporary office locations to meet social distancing requirements.
- Also, in partnership with Haven for Hope, we suspended all intake activities at our

- ITP until HFH reopens intake for their overall consumers.
- CHCS also participates, on a daily basis, in the emergency operations calls with the City of San Antonio. Dr. Ruth Morgan also participates in conference calls with Metro Health where information is disseminated to all primary care physicians in the city.
- Staff were issued PPE guidelines in alignment with the level of risk that they are presented with in their day-to-day role within the organization.
- On March 31st we expanded screening at all of our facilities for all of our consumers, employees and visitors.
- We also consolidated some of our clinics, targeting those with the lowest census counts. Consumers were notified that their visits would be continued by either telehealth or if needed, they would be seen at the PEC Clinic.
- The University Health System also asked if we needed assistance with screening activities at our open clinics and assigned ten individuals to assist.
- Work schedules were modified at Central Administration as well, establishing rotating schedules to either work in the office or work from home.
- Staff members who are licensed but do not work in direct service were assigned to secondary roles to assist as needed.
- Also, during the week of March 31st, it was determined that the Federal Family First Expanded Leave Act did not apply to the Center as we elected not to participate since we are a medical health care facility. We did inform the staff and offer them alternative leave options.
- As of April 6th we continue to work with consolidated clinics, alternative work schedules, still in alignment with all of the declarations in force. We have a low census at all of our facilities but we continue to see all of our consumers, the majority through telehealth.
- Ms. Burley commended the staff on how they have come together as a team throughout this pandemic, being flexible, moving quickly and being very understanding. The Center has received lots of assistance, internally and externally, including several private citizens who have contributed masks for the staff.

Sheriff Salazar joined the meeting at this time.

Other business –

- Creating a digital marketing plan to promote Center Care – this should be in effect by the end of the week.
- Also in contract negotiations with Wellvona to expand referrals for Center Care.
- Have submitted a proposal through the State for a federal grant program to provide additional crisis counseling in Bexar County.
- Requested a bed rate increase from the state for our private psychiatric beds and received approval. Also received approval to modify our HB292 contract and move away from crisis stabilization but still be able to use those beds for crisis response and jail diversion.
- Although the March 28th Board retreat was cancelled, staff have moved forward in initiating the FY21 budget planning process utilizing our six-month actuals. Ms. Burley would like to present the budget assumptions at the May Finance Committee for review, prior to bringing the actual budget to the Board in August.

- Our benefits RFP has been advertised for some time now; overall have received twenty-five respondents. This included medical, vision, dental, stop loss, and short/long term disability.

Ms. Whited joined the meeting at this time.

- Chief Medical Officer's Report – *Dr. Rene Olvera*

Dr. Olvera echoed what Ms. Burley had stated in that staff has been incredible in the last two weeks, their dedication and professionalism in responding to our consumers' needs has been outstanding. Our community partners have also been exceptional during this crisis, keeping the lines of communication open and ensuring that the standards of care are being met at all levels.

During the first week of March, when we were still doing business as usual, we were averaging about 3500 different kinds of interactions on a daily basis. 80% were face-to-face and 19% were either by tele-med or telephone. After the Governor's declaration of emergency, we saw a drop in terms of visits. But once we were allowed to not only use the standard tele-med but also the telephone to reach out to our patients, our face-to-face numbers dropped from 81% to about 50/50 and then 60/30. In the last two days, they have seen about 500 patients face-to-face. From a safety point, the Center has achieved what it was supposed to in terms of social distancing.

Lost internet connectivity at 6:16 p.m.

- Contracts executed by the President/CEO over \$50,000 and under \$10,000 for the months of February & March 2020

IV. REVIEW AND APPROVAL OF THE CENTER'S INDEPENDENT FINANCIAL AUDIT REPORT FOR FISCAL YEAR 2019 CONDUCTED BY GARZA/GONZALEZ & ASSOCIATES

Ms. Lopez-Gonzales reported that the requirements of the Health and Human Services Commission (HHSC) were that the Center submit its audit by February 1st of each year. However, due to circumstances occurring at the Center, an extension was approved by HHSC for the draft report to be submitted by February 28th and the final report to be submitted by tomorrow upon approval at tonight's board meeting.

She proceeded to report that the Center's financial statements for the period ending August 31, 2019 had been audited in accordance with generally accepted auditing standards, Government Auditing Standards, Uniform Guidance, and the State of Texas Single Audit Circular.

An unmodified opinion, which is the same type of opinion which they have rendered in previous years, was issued in that all financial statements presented fairly in all material respects. There were no material weaknesses or significant deficiencies to be noted. This is the best type of opinion that an entity can receive. This audit included the National Center and the pension plan.

There were two major Federal programs (Medical Assistance Program, and Substance Abuse and Mental Health Services Projects of Regional and National Significance) and two State programs (General Revenue and Senate Bill 292) audited. An unmodified opinion was also issued in that the Center complied with all material aspects in compliance with the requirements of each major federal and state program as required by the Uniform Guidance and the State of Texas Single Audit Circular, and there were no findings to report.

The report of Conduct of Audit noted that there were no difficulties encountered in performing and completing the audit. In conclusion, Ms. Lopez-Gonzales reported that there were no material weaknesses or significant deficiencies identified in internal control and no findings to report.

Judge Parker moved that the Board of Trustees accept the Center's Independent Financial Audit Report for FY 2019 as presented; Dr. Kelley seconded the motion. Motion carried unanimously.

V. INDIVIDUAL ITEMS FOR REPORT, DISCUSSION & APPROPRIATE ACTION

FINANCE COMMITTEE *(Mary Rose Brown, Chair)*

1. Acceptance of the 2019 Fourth Quarter Performance Report of the Center's 401(a) and 457(b) Accounts from Morgan Stanley –*Hunter Stanco*

Mr. Stanco reported that the 401(a) and 457 plans had done excellent during the 4th quarter as well as for the full calendar year.

For the 1st quarter, he reported that the 401(a) was down 11.73% year-to-date; and the 457 was down 11.72% year-to-date.

Performance year-to-date for each of the portfolios was reported as follows:

Conservative	3%
Moderate Conservative	7%
Moderate	10%
Moderate Aggressive	14%
Aggressive	20%

He indicated that if you look at each individual benchmark, obviously the conservative portfolios can hold up better than the more aggressive one. Overall, the plans have held up pretty well, and have maintained in alignment with the global stock market.

He also reported that he had called for a special-called meeting of the IPS Committee on March 18th to request approval to rebalance the accounts and purchase equities, but also to extend portfolios more into equities. As of today, it depends on which market index you are looking at, markets are off broadly. Entire global stock markets are off about 20%.

Ms. Brown moved that the Board of Trustees accept the 2019 Fourth Quarter Performance Report of the Center's 401(a) and 457(b) Accounts from Morgan Stanley; Ms. Cigarroa seconded the motion. Motion carried.

2. Acceptance of the Center's Financial Statements for the period ending December 31, 2019 and January 31, 2020 – *Tom Cobb*

Mr. Cobb reported that the Center's financial statements for the period ending December 31, 2019 had ended with an operating loss of (\$1,198,841). With added planned reserve expenditures of \$1,336,920; the Center ended the month with a net operating loss of (\$628,234). This was as a result of the cyber-attack that the Center experienced during the month of December. However, there will be new revenue dollars to be recognized as being presented this evening. Those dollars will mitigate some of those losses. Cash balance ending the month of December was reported at \$7.9 million; in-flows at \$13.8 million; out-flows at \$7.9 million; and ending cash balance at \$13.8 million.

Center financials for the month of January 2020 ended with an operating loss of (\$626,078). Planned reserve expenditures were reported at \$1,667,995; that's \$124,000 below budget for planned expenditures this year. Taking into account these planned expenditures make the operating loss (\$923,237) through the month of January. New revenue amendments being presented tonight will help to offset some of these losses. Waiver expenditures were reported at about \$900,000 below budget and cash balance for the month of January was reported at \$7.7 million.

Revenue budget ending December 2019 was at \$47.6 million; actual earned revenue through the month of January was reported at \$41.1 million; for a variance of \$6.5 million. Service revenues year-to-date through January were reported at \$4.1 million; a variance of \$1.1 million from the actual budget of \$5.2 million. The monthly service revenue budget was reported at \$1.1 million; actual earned revenue was \$992,132; which was up from \$808,607 in December. Daily billable service revenue earned per day was reported at \$47,244; an increase of \$8,739 over the December average of \$38,505. Average billing per day was reported at \$44,405. Medicaid Rehab and Case Management billing was reported at \$296,300; up from December (\$261,442) by \$34,858.

The January Fund Balance was reported at \$32,540,300; investments in TexPool decreased (\$5,037,061); and days of operation were above suggested range at 72. The profit margin is negative (2.24%) at this time with planned expenditures through the month of January. Cash flow ending the month of January was reported at \$13.8 million; in-flows at \$6 million; outflows at \$11.3 million; and ending cash balance at \$8.5 million due to three payrolls during the month of January.

Dr. Usatine joined the meeting at this time.

Judge Parker moved that the Board of Trustees accept the Center's financial statements for the periods ending December 31 2019 and January 31, 2020 as presented. Ms. Cigarroa seconded the motion; motion carried.

3. Approval of the Center's Fiscal Year 2020 Budget Amendment No 1 to revise the Overstated Revenue Targets, Adjust the Expense Targets, and Fund Balances for the Impacted Business Units – *Tom Cobb*

Mr. Cobb reported that in a review of the quarterly performance metrics, it was discovered that the service revenue budget had not been reduced to align with the forecast methodology which had been approved by the board at its' August 13, 2019 meeting. This amendment will align those revenue targets with the methodology by approximately \$2 million.

Dr. Usatine moved for approval of the budget amendment as presented; Ms. Whited seconded the motion. Motion carried.

4. Approval of the Center's Fiscal Year 2020 Budget Amendment No 2 Accepting New Revenue Sources and Retroactively Recognizing these Revenue Items as Applicable – *Tom Cobb*

Mr. Cobb reported that additional funding from the State for FY20, Southwest Texas Regional Advisory Council (STRAC), and an increase in local match dollars from the University Health System totaled \$3,436,980 in new revenue funding. Additional expenses for a non-physician mental health professional, a mental health first aid outreach worker, private psychiatric beds, and post-discharge medications for civil commitments in the amount of \$822,000 were offset with some of those new revenue dollars. Additional reduction adjustments in fund balance designations totaled (\$3,162,762). This brought the original budget from \$114,858,165 to a revised budget of \$115,132,378. This amendment does not include the recently announced new University Health System funding of approximately \$1.5 million. Authorized positions will remain the same with this budget amendment.

Dr. Kelley moved for approval of the budget amendment as presented; Ms. Whited seconded the motion. Motion carried.

5. Approval for the President/CEO to negotiate and execute a contract with Garza, Gonzalez & Associates for the provision of Auditor Services for a Term of Three Years with Two Additional One Year Extensions – *Adam Velez*

Ms. Brown moved that the Board of Trustees approve for the President/CEO to negotiate and execute a contract with Garza, Gonzalez & Associates for the provision of auditor services for a term of three years with two additional one-year extensions. If approved, this contract will go into effect on May 1, 2020.

Ms. Whited seconded the motion: motion carried.

6. Approval to Authorize the President/CEO to execute all related documents to secure funds needed for the 1115 Waiver Inter-Governmental Transfer on Terms and Conditions Acceptable to the Center and Subject to Legal Review by General Counsel – *Robert Guevara*

Mr. Guevara reported that last year, the Center applied for IGT funding in the amount of \$12,015,738 and received \$28,382,902 which leverage \$16,367,465 in additional federal funding. In order to meet both the cash needs of the 1115 Waiver and the day-to-day operations, the Center is exploring the following three options to secure the \$13 million needed:

- 1) Renewing the non-revolving Revenue Anticipation Notes with our current financial institution;
- 2) Negotiating with the Center sponsoring entities to allow the Center to borrow funds for the IGT transfer;
- 3) Acquire a traditional commercial loan with other banking institutions.

Ms. Vera moved for approval as presented; Ms. Whited seconded the motion. Motion carried.

REPORTS

- Texas Council of Community MHMR Centers, Inc. Board – *Daniel T. Barrett*
- Texas Council Risk Management Fund Board – *Robert Guevara*
- Tejas Health Management Board – *Robert Guevara*

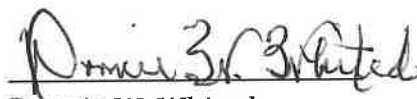
There were no reports at this time; no meetings have taken place.

ADJOURNMENT

There being no further business to discuss, Mr. Barrett called for a motion to adjourn. Ms. Vera moved for adjournment of the meeting; Ms. Whited seconded the motion.

Passed and approved this 9th day of June, 2020.


Daniel T. Barrett
Board Chairman


Donnie W. Whited
Board Secretary