

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

Regular Board Meeting

Tuesday, April 13, 2021

(Via Zoom)

6:00 p.m.

TRUSTEES PRESENT:

Daniel T. Barrett, Chairman
Mary Rose Brown, Vice Chairman
Donnie Windham Whited, Secretary
Graciela Cigarroa, Treasurer
Roberta L. Krueger, M.D.
Polly Jackson Spencer, Ret. Judge
Richard Usatine, M.D.

TRUSTEE ABSENT:

Laura Parker, Judge
Margaret M. Vera
Sheriff Javier Salazar

STAFF PRESENT:

Jelynn LeBlanc Jamison, President/Chief Executive Officer
Tremaine Butler, Chief Information Officer
James Chapman, Chief Compliance Officer
Robert Guevara, Chief Financial Officer
Rene Olvera, M.D., Chief Medical Officer
Adrienne Alcazar, VP/People & Culture
Brad Benoit, VP/IDD & Long Term Care
Juanita Cordero-Rodriguez, VP/Adult Behavioral Health
Lauro Garza, VP/Occupational Safety Risk Management
Jesse Peralez, VP/Restoration & Transformation
Omar Qassom, VP/External Provider Network Development
Melissa Tijerina, VP/Child Behavioral Health
Ruth Morgan, M.D./Medical Director/Primary Care
Marshall Smith, M.D./Medical Director/ABH
Edward Benavides, Director/Authorization Services
Ashley George, Director/Integrated Marketing & Communications
Jennifer Hussey, Director/Compliance & Internal Review
Sascha Kaster, Director/Facilities, Infrastructure/Security Operations
Leonard Rodriguez, Director/Development
Adam Velez, Director/Contracting & Procurement
Jennifer Flores, Manager/Call Center/Performance Management
Lauren Estrada, Clinical Administrator/UM/Continuity of Care
Frank Garza, General Counsel
Linda Cantu-Costilla, Senior Executive Assistant/Board Liaison
Maritza Farias, Senior Executive Assistant

GUEST PRESENT: Hunter Stanco, CFA / Senior Vice President, The Hunter Stanco Group
Rene Gonzalez, Senior Partner, Garza/Gonzalez & Associates
Kim Lopez-Gonzalez, Partner, Garza/Gonzalez & Associates
Jason Hyde, Manager, Garza/Gonzalez & Associates

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 13, 2021 via zoom.

**CALL MEETING TO ORDER
CERTIFICATION OF QUORUM**

Mr. Barrett called the meeting to order at 6:04 p.m., with the following trustees present: Mses. Brown, Cigarroa, Spencer, Whited; and Drs. Krueger and Usatine; thereby establishing a quorum.

PLEDGE OF ALLEGIANCE - Led by Chairman Daniel Barrett

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

1. APPROVAL OF MINUTES

Minutes of the Regular Board Meeting held on February 9, 2021 were presented for review and approval. Ms. Whited moved for approval as presented; Dr. Usatine seconded the motion. Motion carried.

2. BOARD CHAIRMAN'S REPORT

Mr. Barrett thanked everyone for attending and indicated that the board would hear some exciting opportunities for potential growth later on in this meeting.

3. PRESIDENT/CHIEF EXECUTIVE OFFICER'S REPORT

- Leadership Briefing
 - The health department sponsored a vaccine clinic today for Center employees and family members. Over 100 employees and family members were vaccinated today. Another day will be scheduled for the second vaccine.
 - The Executive Leadership Team will be meeting on Saturday to kick-off their planning and strategy setting session for FY 22. As we prepare for the budget in upcoming committee meetings, staff will report to the committees on the status of their planning session.
 - Once the board returns to normal board meetings, she will be meeting with the Board Chair to discuss bringing the board together for a strategic planning session/retreat.

- Melissa Tijerina was asked to reach out to the Office of Refugee Resettlement this afternoon. Although the Center has not had any issues with the children being housed at the Joe Freeman Coliseum, they were informed that there were some children that had to be taken to the ER. Melissa informed them of the protocols for crisis management, the warning signs, and how they could call the mobile outreach team for assessments if necessary.
 - The board will see a presentation this evening on the creation of a fund development strategy which she thinks they will find very useful. Going forward, this will be the one document that will capture all of the Center's funding sources and give the board visibility into the terms of those funding sources and help with strategy on the financial stability of the Center going forward.
 - They will also share this document with the Foundation board later this month because they also identified several strategies that will benefit the Foundation as well.
- Chief Medical Officer's Report – *Dr. Rene Olvera*
 - New hire, Dr. Marshall Smith, ABH Medical Director – retired colonel, 30 years, trained in general psychiatry and forensic psychiatry
 - New Child Adolescent psychiatrist – Dr. Travis Barton – currently at UTHSC in Houston, graduating in June and will join the Center in July
 - New forensic psychiatrist, Dr. Emily Attwell – worked at state level for many years, just came on board a week ago, working at the Palo Alto Clinic
 - Continuing to work with the state for a supply of vaccines for our patients. We were in the final steps in positioning ourselves for the J&J vaccine given the fact that it only requires one dose. However, as most of you know, those vaccines were suspended. The advisory council will move to re-examine the matter and CHCS will wait for further guidance from the FDA/CDC.
 - Mr. Barrett congratulated Dr. Olvera on his recruitment efforts.
 - Dr. Usatine mentioned that they had vaccinated some CHCS staff members last night through UTHSC at the Alpha Center.
 - He also mentioned that the University Health System was allowing walk-ins for their vaccine clinic at Wonderland Mall.
 - Contracts executed by the President/CEO over \$50,000 and under \$100,000 for the months of February & March 2021 – None to report

4. **CONSENT AGENDA**

Ms. Brown moved for approval of the Consent Agenda as presented; Dr. Usatine seconded the motion. Motion carried.

FINANCE COMMITTEE (*Mary Rose Brown, Chair*)

Approval for the President/CEO to negotiate and execute a contract with AT&T Corporation for the Wide Area Network Services – *Adam Velez*

5. INDIVIDUAL ITEMS FOR REPORT, DISCUSSION & APPROPRIATE ACTION

FINANCE COMMITTEE (*Mary Rose Brown, Chair*)

1. Acceptance of the Center's Independent Financial Audit Report for the Fiscal Year 2020 as conducted by Garza/Gonzalez & Associates – *Kim Lopez-Gonzalez*

That the Board of Trustees accepts the Center's Independent Financial Audit Report for FY 2020 as conducted by Garza/Gonzalez & Associates.

Ms. Lopez-Gonzalez reported that Jason Hyde had presented the audit report to the Finance Committee on March 24, 2021 and had reviewed the audit summary in detail with the committee.

She proceeded to report that the Center's financial statements for the period ending August 31, 2020 had been audited in accordance with generally accepted auditing standards, Government Auditing Standards, Uniform Guidance, and the State of Texas Single Audit Circular.

She indicated that this was a very clean and positive audit. An unmodified opinion was rendered in that all financial statements presented fairly in all material aspects. This report was due to the State by February 1, 2021. However, there was an extension granted by HHSC. Upon board approval this evening, management will submit the report to the State shortly thereafter.

An unmodified opinion was also issued in that the Center complied with all material aspects of 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. There were no material weaknesses, no significant deficiencies, and no non-compliance matters.

The report of Conduct of Audit reflected no difficulties encountered in performing and completing the audit, and there were no material weaknesses or significant deficiencies identified in internal control and no findings or comments to report.

Mr. Barrett acknowledged Mr. Guevara and his team for the good work done in ensuring a clean and unmodified audit. He added that he had the opportunity to meet with the CARF surveyors during the accreditation process and he was happy to hear that they find the Center to be exceptional nationwide. Ms. Brown also added that this was a true testament to the great work that everyone is doing.

Ms. Brown moved that the Board of Trustees accept the Center's Independent Financial Audit Report for FY 2020 as conducted by Garza/Gonzalez & Associates; Ms. Whited seconded the motion. Motion carried.

2. Acceptance of the 2020 Fourth Quarter Performance Report of the Center's 401(a) and 457(b) Accounts from Morgan Stanley – *Hunter Stanco*

Mr. Stanco reported that the performance of both the 401(a) and 457(b) plans for the fourth quarter had been very robust. As of today, performance for the last twelve months has been very good with the exception of bond performance. All other portfolios have outperformed its custom benchmark. Overall, the 401(a) gained 10.79% net of all fees and expenses for the quarter; the 457(b) gained 11.02%.

He also reported that they have fully established their part of the Center's financial wellness program, so they are now able to directly communicate with participants via their web portal at Morgan Stanley and are beginning to receive lots of feedback.

Participation in the 457 remains high at about 88%.

Lastly, Mr. Stanco restated that at the last Investment Policy Statement Committee meeting, there had been discussions and recommendations to make changes to portfolio allocations relating to the moderate portfolio and he just wanted to inform committee members that all of those recommended changes had been executed last week.

Ms. Brown moved that the Board of Trustees accept the 2020 Fourth Quarter Performance Report of the Center's 401(a) and 457(b) retirement plans as presented; Dr. Usatine seconded the motion. Motion carried.

3. Acceptance of the Center's Financial Statements for the period ending December 31, 2020 and January 31, 2021 – Robert Guevara

Mr. Guevara reported that the Center's Financial Statements for the period ending December 31, 2020 had closed with a loss to fund balance of about (\$14 thousand); bringing the year-to-date total to a positive \$249 thousand. This does not include planned reserve expenditures of \$2.1 million. With all funding recognized, the Center's total fund balance was reported at slightly under \$2.4 million for the month of December. Revenue budget through the month of December was reported at \$38.1 million; actual y-t-d was reported at \$33.5 million. It was reported that the variances noted have little or no impact to the Center's overall finances because there are no costs incurred; they are mainly cost reimbursement or fund balance designated. Strategic Plan Revenues were reported under budget by (\$475 thousand); however, those revenues are offset by \$3.8 million in below budget expenses. The Service Revenue budget was reported at \$3.9 million y-t-d; actual earned was reported at \$4.1 million so we are exceeding our budget by \$227 thousand. Service Revenues for the month of December were reported at \$1.077 million, exceeding the target of \$1.039 million. This is the fourth consecutive month that the Center has exceeded its target. He additionally reported that due to the winter storm, approximately 1200 appointments had to be cancelled during the month of February. Anticipating that the target would not be met for the month, a recovery effort was put into place and the target was only missed by about \$47 thousand.

Then in March, the budget was exceeded by about \$126 thousand, making for a really substantial recovery. Average daily billable through the month of December was reported at \$48 thousand. This fiscal year, we are averaging about \$50 thousand, whereas last year, the average was about \$46 thousand, increasing our daily average by about \$4400 per day. We also exceeded the Medicaid Rehab budget of \$299 thousand by about \$9,000 for the month of December. Overall fund balance was reported at \$35.8 million; investments in TexPool increased by \$2.8 million with interest earned of \$1100. The overall profit margin was reported at (-2.659%); however, after recognizing all of the funds, we are at a positive 5.9%.

Financial statements for the period ending January 31, 2021 had a loss of \$206 thousand; and an overall y-t-d positive of \$43 thousand. This does not include planned reserve expenditures of \$2.6 million. With all funds recognized, we have a positive \$2.7 million for the month of January. Revenue budget through the month of January was reported at \$47.6 million; actual y-t-d was reported at \$42.2 million. Strategic Plan Revenues were reported under budget by (\$550 thousand); however, those revenues are offset by controlled spending of \$1.5 million. The Service Revenue budget was reported at \$4.8 million y-t-d; actual earned was reported at \$5.1 million, exceeding the target by \$315 thousand. Service Revenues for the month of January were reported at \$1.027 million, exceeding the target of \$945 thousand. This is the fifth consecutive month that the Center has exceeded its target. Daily Billable also went up again to \$51 thousand, adding about \$4400 per day. Medicaid Rehab and Case Management is right on budget at \$300 thousand. Fund balance was reported at \$35.4 million; investments in TexPool decreased by (\$1.9 million) with \$897 in interest earned. The overall profit margin was reported at (-3.117%); however, once all funds are recognized, we are at a positive 5.7%.

Ms. Brown moved that the Board of Trustees accept the Center's Financial Statements as presented; Dr. Usatine seconded the motion. Motion carried.

4. Acceptance of the Center's Fiscal Year 2021 Budget Amendment – *Robert Guevara*

Mr. Guevara reported that in preparation for the budget amendment being presented, he wanted to share with the Board an estimate of where we may be at the end of the fiscal year.

Estimated FY21 Current Operating Revenue	\$100,033,877
Additional FY21 Revenue	\$ 6,162,294
Total Projected FY21 Revenue	\$106,196,171
Estimated Current Operating Expense	\$104,473,532
Estimated Reserve Spending for FY 21	\$ 6,406,149
Estimated Operating Gain with Reserve Spending	\$ 8,128,788
Net Operating Gain without Reserve Spending	\$ 1,722,639

He proceeded to report that since the budget was adopted for FY2021, the Center has received additional funding streams that need to be recognized. Budget changes also need to be made to address caseloads and level of care as well as technology and data enhancements. Revenues associated with this amendment will be retroactively recognized in the various programs.

Major revenue adjustments were stated as follows:

- CARES Act Provider Relief Fund - \$699,792
- HHSC Pregnant Parenting Intervention - \$330,000
- Southwest Texas Regional Advisory Council (STRAC) - \$631,914
- University Health System (Eastside Clinic Expansion) - \$1,500,000
- Bexar County (for various services and COVID modifications to the Paul Elizondo Clinic) - \$3,955,925
- City of San Antonio - \$442,000

Mr. Guevara stated that he wanted to acknowledge that when staff initially presented the FY21 budget for approval, a request was made for \$4.2 million to fund balance. With this budget amendment, they are requesting to decrease that fund balance designation due to the positive performance the Center has had.

- Original FY21 Budget \$114 million
- Revenue Changes \$ 6.3 million
- Decrease in Fund Balance \$ 1.4 million
- Revised FY21 Budget \$119 million

As part of this budget amendment, there is also a request to add an additional 81.80 to the authorized headcount. The majority of the increase in headcount is for new programs that are being funded with the new revenue sources. Additional headcount will also add medical staff to reduce contract utilization; clinical staff to address caseloads and level of care treatment; operational support positions to address medical record and business support, and administrative positions to address technology and data enhancement as we move forward with implementation of the Electronic Health Record and other major support systems. Amended authorized headcount – 1,153.96.

Ms. Brown moved that the Board of Trustees approve the budget amendment to the FY21 budget; Dr. Usatine seconded the motion. Motion carried.

FOR INFORMATIONAL PURPOSES ONLY

FINANCE COMMITTEE *(Mary Rose Brown, Chair)*

- Fund Development Strategy – *Leonard Rodriguez*

Mr. Rodriguez presented the Fund Development Plan, stating that this plan would ensure reliable streams of income and organizational financial health.

This plan would complement the existing revenue sources and provide strategic direction at expanding existing revenues and/or generating new revenues. The plan identifies twenty strategies to include feasible goals, clear action steps, timelines, and cost consideration for each. This development plan also informs the fundraising capabilities of the Center's Foundation.

PLANNING & OPERATIONS COMMITTEE (*Polly Jackson Spencer, Chair*)

- HHSC Performance Contract Metrics Report – Jennifer Flores

Ms. Flores reported on the Center's performance measures for the first six months of FY 2021 for the following programs/services:

Adult – Improvement & service provision, level of care, employment, education, residential stability, jail diversion

Child & Youth – Improvement & service provision, school performance, youth services, avoidance of juvenile justice, family partner support, living & family situations

Crisis Services – effective crisis response & follow/up, hospitalization, frequent admission, hospital 7-day follow/up

- Utilization & Management Report – Lauren Estrada

Ms. Estrada reported on the Center's utilization management for the first six months of FY 2021 for the following programs/targets:

Adult – Service targets, skills training, meds coordination, meds and psychosocial rehab team, ACT-4, early onset, crisis follow/up/transitional, TAY (transitional age youth), discharge reasons

Child & Youth – Service targets, medication management, targeted services, complex services, intensive family services, early onset, young child, YES waiver, transitional services, TAY (transitional age youth), discharge reasons

- Contracts & Procurement Update – Adam Velez

Mr. Velez provided a mid-year report on contract monitoring for FY 2021. Forty-six (46) contracts were reviewed, completing a total of ninety-two (92) contract reviews. Twenty (20) were revenue contracts, twenty-six (26) were expense contracts, including five (5) host home provider agreements.

As a result and through mid-year, there were sixty-seven (67) findings reported. Contract monitors collaborated with programs and providers to discuss findings, provide clarification and ensure understanding to increase compliance.

As a result, fifty-eight (58) findings were resolved upon notification; three (3) were resolved during the thirty (30) day follow/up, and the remaining six (6) are being addressed.

Findings included performance measures, documentation, invoice reconciliation and service delivery.

- Compliance Report – Jennifer Hussey

Ms. Hussey provided an overview of the FY 2021 2nd Quarter Internal Program Review for the following programs: Adult BH, Child BH, Restoration & Transformation, IDD & Long Term Care, and Medical Program & Services.

Overall, Compliance reviewed forty-four (44) programs during the 2nd Quarter; average review score was reported at 95%. 77% met their target; 23% did not meet their target. Most impacted programs were reported as Child BH Outpatient, Adult FACT Team, and Adult PEC Westside Clinic.

EXECUTIVE SESSION

At 7:38 p.m., Mr. Barrett moved the Board into Executive Session per Texas Government Code, Sections:

551.071 (Consultation with General Counsel) and 551.074 (Personnel Matters)

OPEN SESSION

The Board reconvened into Open Session at 8:08 p.m., at which time it was announced that no formal action or votes had been taken in closed session.

Mr. Barrett called for a motion to authorize the President/CEO to negotiate and execute the sale of the 3551 Culebra and 3602 Culebra properties. Ms. Brown moved for approval; Ms. Whited seconded the motion. Motion carried.

Mr. Barrett called for a motion to authorize a 4.95% incentive for the President/CEO in accordance with her employment contract. Ms. Whited moved for approval; Ms. Cigarroa seconded the motion. Motion carried.

Mr. Barrett commented that it takes a tremendous amount of management to handle such a difficult year not to mention the efforts to secure additional funding from the County for the COVID modifications at the Paul Elizondo Westside Clinic, the new Electronic Health Record, and all of the other initiatives currently underway.

Ms. Jamison thanked the Board for their support and expressed her appreciation of the staff, noting that it's been a difficult two years and 2021 has proved to be just as challenging but the staff has just been amazing. Everything asked of them, they have managed to pull through.

REPORTS

- **TEXAS COUNCIL OF COMMUNITY MHMR CENTERS INC. BOARD** – *Daniel T. Barrett*

Mr. Barrett reported that the Texas Council Board of Directors had met and discussed the legislative agenda for this session. He briefly highlighted on some of the bills – HB 4, HB 290, HB 133 as well as the 1115 waiver, and stated that all of these bills are being supported by our local delegation and our medical community.

He also stated that the Biden Administration was talking about an additional \$5 billion for mental health funding.

- **TEJAS HEALTH MANAGEMENT BOARD** – *Robert Guevara*

Ms. Jamison reported that Charlie Boone has officially retired and the Board has appointed Hollie Chenault as the Interim CEO. The board is excited about Holly's leadership and Charlie will continue to remain on contract providing support to Holly in her transition. They plan, at a later date, to recruit for a permanent CEO.

They continue to provide services to all of the LMHA's and are currently working on negotiating a new contract with Superior. They have reinstated our member fees while negotiations continue with Superior but once they have secured those negotiations, they will make a decision on what they plan to do with monthly fees from member organizations. We supported that effort to keep Tejas afloat in the interim.

El Paso has given notice that they will be leaving in August so the board's challenge will be how to structure future contracts with Emergence since they continue to receive services from Tejas.

Their next meeting is on April 19th.

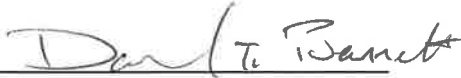
- **TEXAS COUNCIL RISK MANAGEMENT FUND BOARD** – *Robert Guevara*

Mr. Guevara announced that the Fund Board meets on May 6th and that he is meeting with Greg Womack on Friday in regards to workers comp.

ADJOURNMENT

There being no further business to discuss, Mr. Barrett called for a motion to adjourn. Ms. Whited moved for adjournment; Ms. Brown seconded the motion; and the meeting was adjourned at 8:16 p.m.

Passed and approved this 8th day of June, 2021.



Daniel T. Barrett
Board Chairman



Donnie Windham-Whited
Board Secretary