

April 28, 2022

**TRILLIUM HEALTH RESOURCES
GOVERNING BOARD MEETING MINUTES**

The Trillium Health Resources Governing Board met on Thursday, April 28, 2022, at 4:02 p.m. via WebEx.

Members Present: Gary Bass, Sandra Buckman, David Clegg, Mary Ann Furniss, Charles Jordan, Ron Lowe, Janice Nichols, Dr. Denauvo Robinson, Lea Wolf.

Members Absent: Ann Floyd Huggins, Jim Madson, Melissa Owens, Emmie Taylor and Rob Zapple.

Staff Present: Bland Baker, Cindy Ehlers, Joy Futrell, Josh Garrett, Senitria Goodman, Mike Lewis, Dave Peterson, Dr. Michael Smith, Dennis Williams and Lisa Fuller, Clerk.

Guests: Lisa Jackson, liaison with the NC Department of Health and Human Services (DHHS).

I. CALL TO ORDER

Ms. Furniss called the April 28, 2022 meeting to order at 4:02 p.m.

II. CONSENT AGENDA

Ms. Furniss called for a motion to approve the consent agenda to include the following item:

- February 24, 2022 Governing Board minutes

Mr. Lowe moved to approve the consent agenda item. The motion, seconded by Ms. Nichols, was unanimously approved.

III. PUBLIC COMMENTS

None

IV. ADOPTION OF AGENDA

Ms. Furniss called for a motion to adopt the agenda. Dr. Robinson so moved. The motion, seconded by Commissioner Jordan, was unanimously approved.

V. BOARD COMMENTS/CONCERNS

None

VI. CONVENE FINANCE COMMITTEE MEETING

Ms. Furniss entertained a motion to recess the Governing Board meeting and to convene the Finance Committee meeting. Mr. Clegg so moved. The motion, seconded by Ms. Nichols, was unanimously approved.

VII. DRAFT BUDGET FOR FISCAL YEAR 2022 -2023

Ms. Futrell presented the draft budget to the Board in the absence of Ms. Owens. There is no action required at this time. This gives the Board an opportunity for input, prior to the public hearing at the June meeting. At which time the Board will need to take action on the budget.

Normally July 1st starts with our State funds (current allocations), less any one-time money. These funds are typically steady and we should see the same types of numbers.

There may be some changes in Medicaid. In the past we had one Medicaid plan, within the plan, Innovations along with our regular services. DHHS has split our Medicaid work into two plans, the Tailored Plan and Medicaid Direct. The Tailored Plan – the integrated care plan which includes physical health care and pharmacy. Medicaid Direct – is very similar to what we do today, we will continue to manage behavioral health. The physical health care and pharmacy will be processed by Medicaid fee for services. The populations that have been carved out of managed care, include individuals who have dual eligibility, Medicaid and Medicare and children in foster care. We have not received updated numbers since the RFP was released two or three years ago. Therefore, the numbers in the draft may not be as accurate.

The budget went from \$970 million to today's budget of \$685 million. The \$300 million difference is the fiscal health care, pharmacy claims and the administration associated with it, the net new work that we do not have today. The final budget will show the break down by categories. You will also see the separation of work, to give a better perspective, we are doing 100% of the Medicaid work. We continue to work with our Standard Plan Partner, Carolina Complete Health, to work with us on the Tailored Plan and to subcontract some of that work to them.

Ms. Buckman expressed concern regarding constructing the budget without updated information (numbers) from DHSS. Ms. Futrell stated that the information was requested from the department, and she was assured that the numbers for the Tailored Plan would be updated in draft form by May 1, 2022.

Ms. Furniss inquired about the zero ABC funds for Brunswick County in the draft budget. Ms. Futrell stated that these funds are distributed by the county instead of going through Trillium.

Ms. Futrell discussed the higher than normal employment turnover rate that is effecting Trillium as well as the nation. The first quarter of this year the Trillium turnover rate was at 2%, and increased to 3% during the current quarter. As we prepare the budget we would like to ask the Board to consider a 2% cost of living increase. In July we plan to roll-out a performance based pay system and would like to incorporate a one-time bonus. Some adjustments will need to be made to the salary line items. The draft includes a 2% increase. When we get the final numbers from the State, we will present it to the board in detail at the June meeting.

VIII. FINANCIAL AUDIT CONTRACT FY 2022

Trillium submitted a bid for auditors and received only one response, Cherry Bekaert, LLP. There are very few auditors that have the required local government training to perform the type of financial audits Trillium requires. Although it will be the same team of auditors, the auditors are rotated each year. Ms. Futrell recommended to the board that Trillium continue with Cherry Bekaert, LLP for fiscal year 2022-2023 in the amount of \$66,780.

Mr. Clegg inquired, as to how many single audits would be needed. Ms. Futrell replied, that would depend on the number of grants that hit that threshold. Mr. Clegg stated we would be lucky to keep the audit under

\$100,000. Ms. Futrell stated you may be right, I will get an update from Ms. Owens on how many may have already hit that threshold.

Mr. Clegg moved to accept the recommendation of management and approve the contract for Cherry Bekaert, LLP in the amount of \$66,780. The motion seconded by Ms. Buckman, and unanimously approved.

IX. DESIGNATION OF FINANCE OFFICER

Ms. Futrell announced that Michelle Martin, Trillium's Finance officer since December 2018, her last day will be April 29, 2022. Ms. Futrell explained that the Board appoints the Finance officer based on N.C.G.S 159 and requested that they appoint Melissa Owens as Finance Officer upon Ms. Martin's departure.

Mr. Clegg moved to appoint Melissa Owens as Finance Officer. The motion, seconded by Mr. Lowe, was unanimously approved.

X. EBCH TRUST

Josh Garrett explained to the Board before the inception of Trillium, both ECBH and Coastal Care has maintained the post retirement benefit trust for employees that met certain eligibility requirements. The way the Coastal Care Trust is structured, Trillium's Chief Financial Officer serves as the trustee. We have moved that corpus to the North Carolina Department of State Treasurer for investment. The reason for the move, is that the Department of State Treasurer has some investment vehicles available to them; that are not available to private companies that will generate better rates of return.

Trillium hired outside council who specialize in trusts to help with the process. We have amended the Trust Resolution to remove Reliance the current trustee from that position and insert Melissa Owens, Trillium's Chief Financial Officer. It authorizes Ms. Owens, acting as CFO to deposit those funds with the Department of State Treasurer for investment. It will also allow the governing law to be changed to North Carolina. It had been Georgia, because Reliance is a company incorporated in Georgia.

The Resolution, approves the amendment, removes Reliance as trustee, and approves Trillium to pay Reliance for any outstanding fees accrued while acting as trustee. It authorizes Trillium to deposit funds for investment with the Department of State Treasurer, and reiterates funds can only be used for the purposes outlined in the trust document. Which is to pay post-retirement benefits for former ECBH employees now Trillium employees.

Ms. Futrell added, when the funds are in the State Treasurer's account, Reliance will not have insight as they do today. Where the money resides, the trustee will need to have insight. There is no disagreement from Reliance, regarding giving up the role as trustee.

Mr. Lowe moved to approve the resolution to amend the ECBH Trust Agreement. The motion, seconded by Commissioner Jordan, unanimously approved.

XI. DIRECTOR'S REPORT

Tailored Plan Activities

We are continuing to rely on and work closely with our Standard Plan Partner, Carolina Complete Health.

The first phase of readiness reviews will be on May 10th, on our service support lines via WebEx. The first set of documents have been submitted for desktop review, we should receive feedback on May 11th and then we begin phase two.

We finalized the LOA with Perform Rx our PBM, within the required timelines for Tailored Plan go live.

NC DHHS

The Department is proposing a statewide Foster Care Program. The RFP will be released in the Summer of 2022, awarded in Fall of 2022 and launch in December 2023. There are approximately 31,000 children in the Foster Care Program. All of the children are currently receiving services by the LMEs in the counties where they receive Medicaid. All six of the LME/MCO's believe that the children will receive the best services through their local LMEs; where they are closer and will benefit from connections formed over the years.

The LME/MCO's have received support at the State level. The North Carolina Commissioner's Association wrote a letter of support. Counties have also sent letters to Secretary Kinsley, and legislators expressing concerns. All urging the Department to reconsider the timing of an RFP, as LME/MCO's are preparing to implement the Tailored Plan. No formal response from the Department as of today.

Ms. Futrell thanked Ms. Furniss, Mr. Lowe and Ms. Buckman for their support with the Foster Care plan concerns. You were the first to come as a group to support Trillium in this effort, and I believe it really made a difference.

General Assembly

The NCGA will reconvene for the short session on May18, 2022, we will continue to follow closely.

Mobile Clinics

Plans are being made to have the Mobile Clinics staffed and operating on a regular schedule soon. We received notification from the Department that allocation is pending. Ms. Ehlers was able to secure additional one-time federal funding for two additional mobile clinics. The additional units will be used to address access in the rural areas.

We will be receiving additional one-time funding to support the Oxford House and a few other projects throughout our catchment area.

Ms. Nichols inquired as to Pender County being on the list to receive services from one of the Mobile Clinic units. Ms. Ehlers stated, with the addition of more units, one of the units will target Columbus County, the largest geographic in our catchment area. That would free up days for the Coastal Horizons vehicle that is split between Columbus and Brunswick, to service Brunswick and Pender counties. We are trying to ensure we cover the areas we have already promised adequately. Then we will look at expanding in the future.

Personnel Changes

LaDonna Battle joined Trillium in March 2022, as the Executive Vice President of Care Management. The recruitment for a Deputy Chief Medical Officer with managed care experience is ongoing.

Other

Dru Fulcher was hired in June of 2021, as the DEI Director. He is working with staff and offering training related to diversity, equity and inclusion. The work has been well received.

XII. CFAC REPORT

Ms. Furniss Southern Region CFAC designee, Mr. Lowe, Northern Region CFAC chair, and Ms. Buckman, Central Region CFAC chair, gave reports on behalf of their respective committees.

XIII. CHAIR'S REPORT

Ms. Furniss expressed her appreciation to the Trillium staff for the Mobile Clinics for our rural counties. She appreciated the opportunity to attend and speak at the Brunswick County ribbon cutting. Ms. Furniss shared how proud she is of Trillium, and the work that is being done on the Tailored Plan.

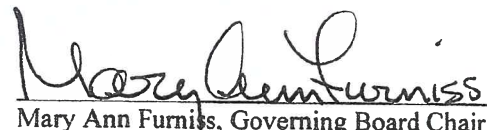
XIV. ADJOURNMENT

With there being no other business, Ms. Furniss called for a motion to adjourn. Mr. Lowe so moved. Commissioner Jordan seconded the motion, which was unanimously approved.

The meeting adjourned at 5:04 p.m.



Lisa Fuller, Clerk to the Board



Mary Ann Furniss, Governing Board Chair

