

December 12, 2019

**TRILLIUM HEALTH RESOURCES
GOVERNING BOARD MEETING MINUTES**

The Trillium Health Resources Governing Board met on Thursday, December 12, 2019, at 4:00 p.m. at the Trillium office located at 201 W. First Street in Greenville, NC.

Members Present: David Clegg, Jimmy Farrington, Mary Ann Furniss, Jim Madson, Ed Masters, Dr. Denauvo Robinson, Sheri Slater (via phone), Tom Savidge and Lea Wolf (via phone).

Members Absent: Ernestine Bazemore, Tracey Johnson, Ron Lowe, and Emmie Taylor-Ortiz.

Staff Present: Bland Baker, Joy Futrell, Richard Leissner, Mike Lewis, Michelle Martin, Dave Peterson, Leza Wainwright, Dennis Williams and Rita Joyner, Clerk.

Guests: Kody Kinsley, Deputy Secretary for Behavioral Health and Intellectual and Developmental Disabilities, Department of Health and Human Services (DHHS); (former) Senator Tommy Tucker, now a consultant to DHHS.

I. CALL TO ORDER

Ms. Furniss called the December 12, 2019 meeting to order at 4:10 p.m.

II. CONSENT AGENDA

Ms. Furniss called for a motion to approve the consent agenda items including the October 24, 2019 Governing Board minutes and the October 24, 2019 closed session minutes. Mr. Masters so moved. The motion, seconded by Commissioner Farrington, was unanimously approved.

III. PUBLIC COMMENTS

There were no public comments.

IV. ADOPTION OF AGENDA

Mr. Clegg moved to adopt the agenda. The motion, seconded Dr. Robinson, was unanimously approved.

V. DISCUSSION OF DHHS VISION FOR TAILORED PLANS AND REINVESTMENT

Deputy Secretary Kody Kinsley stated he believes this visit signifies the start of what will probably be at least an annual time to make the Department leadership available to the board. He explained that we are moving in a direction of maturing our managed care operation in North Carolina and gave an overview of things that are underway now as a part of that strategy that the Department started talking about with the LME/MCOs CEOs several months ago. It is the Department's goal to have a new set of rules or standards for all LME/MCOs by the end of January. These include a new

solvency standard in an effort to create consistency around solvency, IBNR standards, and basic cash reporting standards. The attempt of all of these standards is that each LME/MCO can think about what is the appropriate amount of resources from its reinvestment plan it can use to invest in becoming a Tailored Plan. DHHS is asking boards to play a vigorous role in the reinvestment plan approval. It is the hope of the Department to put out a first draft balanced score card in January to be able to convey to all of our partners, including those in the legislature, clarity about what resources are available, the fact that the Risk Reserve is not an available resource, and to highlight the services rendered. A key part of this entire effort to create consistency was also right-sizing or creating an equity formula for Single Stream funding. This has just been rolled out and was a business decision to take the resources across the state and think about how to equitably allocate them based off of a formula. The objective is to be able to represent to the legislature that we have equity in our Single Stream funding for the uninsured population, we have consistency about how the Medicaid PMPM functions are working, and transparency and clarity about the funding levels of each of the LME/MCOs and the outcomes that they have.

Senator Tommy Tucker shared, from a legislative perspective, insights regarding LME/MCOs and what he has learned from visiting each LME/MCO in the state since August 15, 2019. He stated that he wrote the legislation for LME/MCOs to exist and that he and the Department wants to see us succeed. He is engaging his former colleagues in the General Assembly to try to help them better understand the environment in which the LME/MCOs operate and the good work many are doing.

VI. BOARD COMMENTS/CONCERNS

Jim Madson inquired about the restructuring Trillium has done and the impact this may have if the implementation of Standard Plans is delayed. Ms. Wainwright explained that we are still ahead of the game, because this is the direction the State is moving in. She cited an example of how a position created as a requirement of the Standard Plan RFP has already served us well.

Ms. Slater asked for an update on the closing of The Harbor in Wilmington. Ms. Wainwright reported that New Hanover Regional Medical Center has given RHA an extension of until at least September 30, 2020.

VII. CONVENE FINANCE COMMITTEE MEETING

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

VIII. SALE OF PROPERTY

Ms. Futrell reported that two offers have been received on one of three properties owned by Trillium and previously approved by the board to be sold. This property is in Perquimans County on ARPDC Street in Hertford. The tax value of the property is a little over \$423,000. The appraisal, based on the market value, is approximately \$280,000. The Town of Hertford made an offer of \$200,000 and Perquimans County offered \$250,000. It was also brought to our attention by a Perquimans County Commissioner that the land the building was built on was originally donated by Perquimans County to Albemarle Mental Health. The county also said that if their offer was approved, they would find space for PORT to continue to operate in that community. Ms. Futrell recommended that the offer of \$250,000 from Perquimans County be accepted, contingent upon the county finding space for PORT to continue their services.

Mr. Madson made a motion to approve the recommendation made by Ms. Futrell. Ms. Slater seconded the motion, which was unanimously approved.

IX. DIRECTOR'S REPORT

Ms. Wainwright discussed the following items from her written report.

Medicaid Reform

DHHS continues to say that Tailored Plan activities scheduled for early 2020, most notably the release of the Tailored Plan RFA, will not be impacted due to the budget impasse. However, if Standard Plans do not go live by July 1, 2020, Tailored Plan implementation could be impacted, because the legislation that authorized Tailored Plans stipulates that they cannot be implemented until a year after Standard Plan implementation.

Trillium Preparation for Tailored Plan

Trillium continues to make this work a priority, since the Department is still saying that the Tailored Plan RFA will still be released in February. A gap analysis is being conducted to identify things we still need to do.

We had in-person presentations from the top 3 bidders that responded to our Pharmacy Benefit Manager RFP. We are continuing to work through that process.

State Budget

Ms. Wainwright discussed the plan used by the Division of Mental Health, Developmental Disabilities and Substance Abuse Services (DMHDDSAS) to allocate the remaining Single Stream funding resulting in a total allocation of \$39,000,613, or \$11.6 million less than the previous base allocation. She explained that using last year's expenditures as a baseline had a negative impact on us and ignored the significant impact of Hurricane Florence. This allocation also provides no funding for non-Medicaid administrative cost, resulting in an additional \$6.8 million reduction which we will need to make up through use of fund balance. Management recommends that we spend the additional funds this year because people need services, and because of a commitment from DHHS that they intend to do this type of re-allocation every year and if we spend the money this year it will be taken into account in future years.

One other issue that was identified in this year's allocation letter that has not been previously stipulated, is that State Single Stream funds cannot be used for anyone who has Medicare funding.

Pinehurst Conference

Trillium won an Innovation award for our Safe Schools Healthy Kids NC website and Trillium-sponsored Ainsley's Angels won in the category of Individual and Family Initiatives.

X. CFACREPORT

Ms. Furniss, Southern Region CFAC designee and Mr. Masters, Central Region CFAC chair gave reports on behalf of their respective committees. Due to illness, Mr. Lowe was unable to submit his report from the Northern Region CFAC.

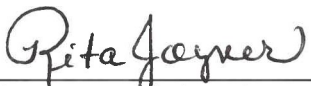
XI. CHAIR'S REPORT

With nothing further to report, Ms. Furniss thanked everyone for their hard work and wished all a great holiday.

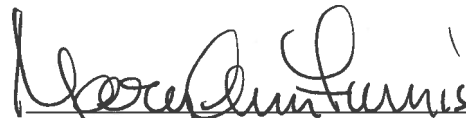
XII. ADJOURNMENT

With there being no other business, Ms. Furniss called for a motion to adjourn. Mr. Clegg so moved. The motion, seconded by Dr. Robinson was unanimously approved.

The meeting adjourned at 5:50 p.m.



Rita Joyner, Clerk to the Board



Mary Ann Furniss, Chair