



**The Guilford Center
Special Called Board Meeting Minutes**

**The Guilford Center
232 N. Edgeworth Street
Greensboro, NC
March 27, 2006
6:30 PM – 7:55 PM**

BOARD MEMBERS PRESENT: Marshall Abee, George Coates, Paula Cox-Fishman, Ann Gibbs, W. A. Goodson, John Hemphill, Mildred Hoffler-Foushee, Kathryn Lindley, Linda Myers, Jane Perrin, Ray Pysher, Martha Stewart, Sheron Sumner, David Talbot, and William Tankersley

BOARD MEMBERS EXCUSED: Margaret Arbuckle, Paul Gibson, Pamela Palmer, Dianne Walton-Munden

STAFF PRESENT: Dena Bailey, Susan Campbell, Penny Casto, Ida Glasgow, Glenna Harford, Anne Kimball, Billie Pierce and Tana Wirtz

- I. CALL TO ORDER AND MOMENT OF SILENCE** **Sheron Sumner**
The meeting was called to order at 6:30 p.m. and a moment of silence was observed.

- II. ANNOUNCEMENTS** **Sheron Sumner**
Chairperson Sumner welcomed our newest Board member, John Hemphill and members of the Consumer and Family Advisory Committee who attended the meeting.

- III. REVIEW OF RECENT EVENTS** **Ida Glasgow**
Deputy Director, Ida Glasgow reviewed for the Board the recent events leading up to the Secretary's latest announcement. These events include:
 - Numerous applications to the State for the Guilford Center to become a lead LME and provide UM/UR and After-Hours STR on behalf of CenterPoint;
 - Revised Divestiture Plan (divesting services more fully and quickly than we had been in order to become a lead LME)
 - New State Medicaid Plan containing new service definitions which went into effect March 20, 2006. A requirement of the new service definitions is that any organization providing the new services must be endorsed.
 - Application and State Review Endorsement process which shortened our endorsement period by six months; resulting in a reduction in force (RIF) of approximately 130 staff by December 31, 2006.

In each previous application to provide UM/UR and STR functions, the Guilford Center had always been approved. Following our latest application, we again

expected to be approved as a lead LME. Instead, on March 22, 2006, we received a letter from Secretary Carmen Hooker Odom stating that she has decided not to have lead LME's, rather that the authorization function for Medicaid services state-wide will be given to ValueOptions. The Guilford Center will still be, at least for some unknown period of time, authorizing state-funded services. We do not know at this point how much of a cut that will be because the whole thrust of lead LME's was to save money. Under the worst case scenario it would be in the neighborhood of \$2.3 million if we lost everything. Because we will retain authorization of state-funded services, we do not think it will be quite that bad – but we have no way of knowing. It could be anywhere from \$1 million or more.

Billie Pierce and Ida held emergency staff meetings all day Wednesday, March 20th (after receiving the letter from the Secretary) because once we know that cut, we are going to have to lay off staff on the LME side. We don't know how many at this point, but it could, and probably will, touch every single unit within the LME. These RIFs must take place by June 30, 2006.

IV. IMPACT OF SECRETARY'S DECISION

Billie Pierce

Ms. Pierce reviewed with the Board several handouts including:

- March 17, 2006 letter from Mike Mosely indicating that divestiture must be speeded up and must effectively be done by December 31, 2006.
- Secretary Odom's 3/22/06 decision letter
- Legislative Oversight Committee's Update
- News Articles quoting Secretary Odom and Mike Moseley

The Secretary's position is that she has made her decision based upon economics and efficiencies. She will have one vendor to deal with and they are the low-cost vendor. This decision creates basically a state-run system with the LME's having very little function as opposed to the degree of responsibility and authority we thought the LME's were going to have. If an LME does not endorse a community provider and the State feels that this provider should be endorsed, they will endorse the provider over our objections. If the State feels an LME is not being fair to the provider community, they will send staff from the Department to assist the LME with developing capacity and that they will do additional intervention when necessary. At last Thursday's Forum in Cumberland County, Mike Moseley, Director of the State Mental Health Division, told the group that reform will shift mental health services out of large government clinics and into the offices of private providers. Secretary Odom was quoted as saying "The change will give consumers more choice when they seek treatment and will reduce inefficiency and overspending in bloated local centers." This is the tone and tenor regarding what the Department is saying about LME's.

The Board discussed at length its concerns about the Secretary's decision including the rapid divestiture timeframe, the transition of intensive services to external providers and the Reduction in Force of approximately 130 employees by December 31, 2006. Ray Pysheer made a motion that the Board write a letter to Governor Easley with a copy to Secretary Odom expressing these concerns. Marshall Abee seconded the motion. The motion carried.

Chair Sumner concluded the meeting by thanking Billie Pierce and the Guilford Center Staff for all their hard work and dedication. She also thanked the Board members for their support and for attending this meeting on short notice.

V. ADJOURNMENT – 7:55 p.m.

There being no further business, Chair Sumner adjourned the meeting.

**Approved by:
Sharon Sumner**

On-site minutes by: Dena Bailey
Date: March 27, 2006