# Tri-County Services Board of Trustees' Meeting

August 25, 2011



Serving individuals with mental illness and developmental disabilities

# AGENDA

Notice is hereby given that a regular meeting of the Board of Trustees of Tri-County Services will be held on Thursday, August 25, 2011. The Business Committee will convene at 9:00 a.m., the Program Committee will convene at 9:30 a.m. and the Board meeting will convene at 10:00 a.m. at 1506 FM 2854, Conroe, Texas. The public is invited to attend and offer comments to the Board of Trustees between 10:00 a.m. and 10:15 a.m.

#### ltem

١.	Organizational	Items

- A. Chairman Calls Meeting to Order
- B. Public Comment
- C. Quorum
- II. Approve Minutes - July 28, 2011
- III. **Longevity Recognition**

#### IV. Executive Director's Report - Cindy Sill

- A. DSHS
  - 1. Legislative Changes
  - 2. Managed Care Expansion
  - **Brief QM Review** 3.
- B. DADS
  - 1. Texas Home Living Enrollments and FY 2012 Slots
  - Program Changes
- C. Texas Correctional Office on Offenders with Medical or Mental Impairments (TCOOMMI)
- D. ETBHN
  - 1. **Board Retreat**
  - **Business Expansion**
- E. Texas Council Risk Management Fund Board Meeting Update
- F. Texas Council of Community Centers
  - Monthly Managed Care Calls 1.
  - HHSC and DSHS Initiatives 2.

#### V. Chief Financial Officer's Report - Millie McDuffey

- A. Fixed Asset Inventory
- B. FY 2011 Audit
- C. Cleveland Properties
- D. CFO Consortium
- E. Random Moment in Time for MAC
- F. Surplus Vehicle Disposition

#### VI. Program Committee

Action Items

A.	Approve FY 2012 Goals & Objectives	Pages 9-11
B.	ETBHN Regional Planning and Network Advisory Committee Review of Adult	
	Mental Health Screening and Intake Processes	Pages 12-1:
Inf	ormation Items	
C.	Community Resources Report for July 2011	Pages 16-18
D.	Consumer Services Report for July 2011	Pages 19-20
E.	Program Updates for July 2011	Pages 21-24

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VII.	Exe	cutive Committee	
		on Items	
	A.	Annual Election of FY 2012 Board Officers	Page 25
		Executive Director's Evaluation, Compensation & Contract for FY 2012	Page 26
	C.	Nominations for the Texas Council Risk Management Fund's Board of Trustees	
		Places 4, 5, & 6	Pages 27-30
		ormation Items	
	D.	Personnel Report for July 2011	Pages 31-32
	E.	Texas Council Quarterly Meeting Report_	Page 33
VIII.	Bu	siness Committee	
		tion Items	
	A.	Approve July 2011 Financial Statements	Pages 34-47
	B.	Approve FY 2011 Year End Budget Revision	Pages 48-49
	C.	Approve Proposed FY 2012 Operating Budget	Pages 50-52
		Approve FY 2012-2013 Department of State Health Services Performance Contract	Page 53
	E.	Approve FY 2012-2013 Department of Aging & Disabilities Services Performance	
		Contract	Pages 54-81
	F.	Approve Revisions to Board Policy on Retention of Fund Balance	Pages 82-86
	G.	Approve the FY 2012 ICF/MR Services Contract with Empowerment Options	Page 87
	Η.	Approve FY 2012 Avail Solutions Contract	Page 88
	1.	Approve FY 2012 Kingwood Pines Inpatient Hospital Contract	Page 89
	J.	Approve FY 2012 Cypress Creek Inpatient Hospital Contract	Page 90
	K.	Approve Replacement of Roof at Riverpointe Building #3	Pages 91-93
		formation Items	
	L.	Medicaid Services Revenue Settle-up Position for the Period of October 2010 to	2 010
		September 2011	Pages 94-95
	M.	July 2011 Board of Trustees' Unit Financials	Pages 96-97

Posted By:

Stacy Blake Executive Assistant

# **Tri-County Services**

P.O. Box 3067 Conroe, TX 77305

#### BOARD OF TRUSTEES' MEETING July 28, 2011

**BOARD MEMBERS PRESENT:** 

**BOARD MEMBERS ABSENT:** 

Cecil McKnight
Len George
Mark Maltsberger
Sharon Walker
Brad Browder
Janet Qureshi

Patti Atkins David Walker Morris Johnson

TRI-COUNTY STAFF PRESENT:

Cindy Sill, Executive Director
Millie McDuffey, CFO
Evan Roberson, Director of Organizational Support
Don Teeler, Director of Operations
Sandy Kelly, Director of Administrative Services
Stacy Blake, Executive Assistant
Shane Burks, Coordinator of Community Resources
Heather Robison, Staff
John Bragg, Staff
Mary Lou Flynn-Dupart, Legal Counsel

#### **GUESTS:**

Genelle Edwards, Empowerment Options Cindy Best, Empowerment Options Penny Wilson, Montgomery County Hospital District

**CALL TO ORDER:** Chairman, Cecil McKnight, called the meeting to order at 10:00 a.m. at 1506 FM 2854, Conroe, TX.

**PUBLIC COMMENT:** There were no public comments.

QUORUM: There being eight (8) members present, a quorum was established.

**RESOLUTION #07-11-01** 

MOTION MADE BY: Mark Maltsberger SECONDED BY: Patti Atkins, with affirmative votes by Cecil McKnight, Len George, Sharon Walker, Brad Browder, David Walker and Janet Qureshi that it be...

**RESOLVED:** 

That the Board excuse the absence of Morris Johnson.

**RESOLUTION #07-11-02** 

MOTION MADE BY: Janet Qureshi

**SECONDED BY:** Sharon Walker, with affirmative votes by Cecil McKnight, Len George, David Walker, Brad Browder,

Patti Atkins, and Mark Maltsberger that it be...

**RESOLVED:** 

That the Board approve the minutes of the May 26, 2011

meeting of the Board of Trustees.

#### **EXECUTIVE DIRECTOR'S REPORT:**

The Executive Director's report is on file.

#### CHIEF FINANCIAL OFFICER'S REPORT:

The Chief Financial Officer's report is on file.

#### PROGRAM COMMITTEE:

**RESOLUTION #07-11-03** 

MOTION MADE BY: Len George

**SECONDED BY:** Janet Qureshi, with affirmative votes by Cecil McKnight, Sharon Walker, David Walker, Brad Browder,

Patti Atkins, and Mark Maltsberger that it be...

**RESOLVED:** 

That the Board approve the FY 2011-2012 Montgomery

County United Way Funding Agreement.

The May & June 2011 Community Resources Report were reviewed for information purposes only.

The May & June 2011 Consumer Services Reports were reviewed for information purposes only.

The June 2011 Program Updates were reviewed for information purposes only.

The 3<sup>rd</sup> Quarter FY 2011 Corporate Compliance Report and the 4<sup>th</sup> Quarter FY 2011 Corporate Compliance Training were presented for information purposes only.

The FY 2011 Year to Date Goals & Objectives were presented for information purposes only.

Program Presentation – Heather Robison and John Bragg presented information about the Psychiatric Emergency Treatment Center.

#### **EXECUTIVE COMMITTEE:**

Cecil McKnight, Chairman, appointed the nominating committee for FY 2012 Board Officers. The committee members are as follows:

- Sharon Walker Chair
- Morris Johnson
- Patti Atkins

Cecil McKnight, Chairman, appointed members to the Executive Director's Annual Evaluation Committee as prescribed by Board policy. The committee members are as follows:

- Len George Chair
- Brad Browder
- David Walker

The May and June 2011 Personnel Reports were reviewed for information purposes only.

Mary Lou Flynn-Dupart presented information regarding Social and Electronic Media for information purposes only and recommended development of a policy for Tri-County staff.

#### **BUSINESS COMMITTEE:**

**RESOLUTION #07-11-04** 

MOTION MADE BY: Brad Browder

**SECONDED BY:** Janet Qureshi, with affirmative votes by Cecil McKnight, Len George, Mark Maltsberger, David Walker,

Patti Atkins and Sharon Walker that it be...

**RESOLVED:** 

That the Board approve the May 2011 financial statements.

**RESOLUTION #07-11-05** 

MOTION MADE BY: Brad Browder

**SECONDED BY:** Patti Atkins, with affirmative votes by

Cecil McKnight, Len George, Janet Qureshi, Mark Maltsberger,

David Walker and Sharon Walker that it be...

RESOLVED:

That the Board approve the June 2011 financial statements.

**RESOLUTION #07-11-06** 

MOTION MADE BY: Brad Browder

**SECONDED BY:** Sharon Walker, with affirmative votes by Cecil McKnight, Len George, Janet Qureshi, Mark Maltsberger,

David Walker and Patti Atkins that it be...

**RESOLVED:** 

That the Board approve the Medicaid Provider Agreement for the Provision of Mental Retardation Service Coordination and authorize

the Executive Director to execute.

**RESOLUTION #07-11-07** 

MOTION MADE BY: Brad Browder

**SECONDED BY:** Janet Qureshi, with affirmative votes by Cecil McKnight, Len George, Patti Atkins, Mark Maltsberger,

David Walker and Sharon Walker that it be...

**RESOLVED:** 

That the Board approve the recommendation to solicit an audit

engagement letter from Carlos Taboada & Company, P.C.

for the FY 2011 Independent Financial Audit.

**RESOLUTION #07-11-08** 

MOTION MADE BY: Sharon Walker

**SECONDED BY:** Janet Qureshi, with affirmative votes by Cecil McKnight, Len George, Brad Browder, Mark Maltsberger,

David Walker and Patti Atkins that it be...

**RESOLVED:** 

That the Board approve the recommendation to declare a 1999 Ford Escort as surplus and approve the sale to the highest

bidder.

**RESOLUTION #07-11-09** 

MOTION MADE BY: Brad Browder

**SECONDED BY:** Janet Qureshi, with affirmative votes by Cecil McKnight, Len George, Patti Atkins, Janet Qureshi,

Mark Maltsberger, and Sharon Walker that it be...

RESOLVED:

That the Board approve the changes in deductibles for professional

liability and errors and omissions coverage to \$10,000 each.

**RESOLUTION #07-11-10** 

MOTION MADE BY: Sharon Walker

**SECONDED BY:** Brad Browder, with affirmative votes by Cecil McKnight, Patti Atkins, David Walker, Janet Qureshi,

Mark Maltsberger, and one abstention that it be...

RESOLVED:

That the Board authorize the loan of \$15,000 for FY 2011 and \$20,000 for FY 2012 to Montgomery Supported Housing, Inc. for first year operating deficits and authorize that these amounts

be included in the FY 2011 and 2012 budgets.

**RESOLUTION #07-11-11** 

MOTION MADE BY: Brad Browder

**SECONDED BY:** Patti Atkins, with affirmative votes by Cecil McKnight, Len George, David Walker, Janet Qureshi,

Mark Maltsberger, and Janet Qureshi that it be...

**RESOLVED:** 

That the Board approve the renewal of listing agreements for properties located at 406-B North Washington and 117 North College Street, Cleveland, Texas with Cameron Real Estate and authorize the Executive Director to execute

listing agreement extensions for six months.

**RESOLUTION #07-11-12** 

MOTION MADE BY: Brad Browder

**SECONDED BY:** Janet Qureshi, with affirmative votes by Cecil McKnight, Len George, David Walker, Sharon Walker,

Mark Maltsberger, and Patti Atkins that it be...

#### **RESOLVED:**

That the Board approve the recommendation for Aetna to provide Tri-County Services' FY 2012 Employee Health Insurance and that MetLife provide FY 2012 Long Term Disability, Life and Accidental Death & Dismemberment insurance.

The 3<sup>rd</sup> quarter FY 2011 Investment Report was reviewed for information purposes only.

The May and June 2011 Board of Trustees' Unit Financial statements were reviewed for information purposes only.

The Montgomery Supported Housing Inc. update was reviewed for information purposes only.

There was no need for Executive Session.

**RESOLUTION #07-11-13** 

MOTION MADE BY: Sharon Walker

**SECONDED BY:** Brad Browder, with affirmative votes by Cecil McKnight, Len George, Janet Qureshi, Patti Atkins,

David Walker and Mark Maltsberger that it be...

**RESOLVED:** 

That the July 28, 2011 meeting of the Board of Trustees be

adjourned at 11:45 a.m.

ADJOURNMENT:			ATTEST:			
Cecil McKnight		Date	/Janet Qureshi	,	Date	,
Chairman	O	Dato	Janet Qureshi Secretary		Date	

Agenda Item: Approve FY 2012 Goals and Objectives

**Board Meeting Date** 

August 25, 2011

Committee: Program

#### **Background Information:**

The Board of Trustees and Leadership Team met on July 23, 2011 for the annual strategic planning retreat and to develop the Goals for FY 2012. Goals were discussed and a consensus was reached. Subsequently, the Leadership Team developed objectives for each of the goals. These goals are in addition to the contractual requirements of the Center's contracts with the Department of State Health Services and the Department of Aging and Disability Services.

After adoption by the Board, staff will provide quarterly progress reports to the Board.

#### **Supporting Documentation:**

Draft FY 2012 Goals and Objectives

#### **Recommended Action:**

Review and Discuss Proposed FY 2012 Goals and Objectives and Approve as Presented or Revised

# **Draft FY 2012 Goals and Objectives**

## **GOAL #1**

Provide Training and Education for Staff, Consumers/Clients, Community Stakeholders

#### Objective #1

Provide at least 6 education and professional development events for staff.

#### Objective #2

Develop and routinely distribute topical electronic bulletins for specific stakeholder groups, such as attorneys, judiciary and law enforcement and general stakeholder groups.

#### Objective #3

Develop and routinely distribute electronic bulletin for consumers/ clients and families.

#### Objective #4

Submit at least 12 press releases to area newspaper.

# **GOAL #2**

## **Recruit and Retain Quality Staff**

#### Objective #1

Analyze effectiveness of incentive plans, modify and implement as needed.

#### Objective #2

Enhance employee recognition through gift cards, merchant discounts and other methods.

#### Objective #3

Analyze effectiveness of RN recruitment and retention strategies and modify as needed.

# **GOAL #3**

#### **Develop Additional Resources to Support Center Services**

#### Objective #1

Streamline volunteer application and training process (in compliance with law and TAC).

#### Objective #2

Expand volunteer involvement in Center services and recognize them for the service.

#### Objective #3

Expand opportunities for interns and practicum students.

#### Objective #4

Write and submit at least 8 grant and/or contract proposals.

# GOAL #4

## **Explore and Implement Additional Operational Efficiencies**

#### Objective #1

Consolidate operations when efficiencies can be gained.

#### Objective #2

Automate additional processes and practices.

#### Objective #3

Analyze electrical and utilities usage efficiencies.

**Agenda Item:** ETBHN Regional Planning and Network Advisory Committee Review of Adult Mental Health Screening and Intake Processes **Board Meeting Date** 

August 25, 2011

Committee: Program

#### **Background Information:**

The ETBHN Regional Planning and Network Advisory Committee (RPNAC) recently completed a review of the member Centers' adult mental health screening and intake processes to identify best practices, efficiencies, effectiveness and client satisfaction. The review and analysis provided a wealth of information about how varied our processes are. While the report did not conclude that one system was better than the other, it did highlight the need for further investigation and analysis to determine the best processes.

#### **Supporting Documentation:**

Copy of ETBHN Regional Planning and Network Advisory Committee Review of Adult Mental Health Screening and Intake Processes

#### **Recommended Action:**

Review the ETBHN RPNAC Report and Take Action as Appropriate

# REGIONAL PLANNING AND NETWORK ADVISORY COMMITTEE EVALUATION OF SERVICES

#### SERVICE: ADULT MENTAL HEALTH SCREENING AND INTAKE

LOCAL AUTHORITY: TRI-COUNTY SERVICES

#### **EXECUTIVE SUMMARY:**

It is the policy of TRI-COUNTY SERVICES to have a procedure in place for the systematic and objective evaluation of services on a routine basis and that best use of public money is considered in Network Development. To ensure this, TRI-COUNTY SERVICES will assure that each of its decisions involving Network Development and Provider Procurement considers the results of service evaluations. In general, a service evaluation determination is an evaluation of the overall worth of a service. Many subjective elements are involved in such an assessment, but it is the role of the Center Board, the Center staff, and the Regional Planning and Network Advisory Committee (RPNAC) to attempt to quantify and qualify various aspects of services into objective measures that can be applied to all services and providers.

The RPNAC will make reports to each East Texas Behavioral Health Network (ETBHN) members' board/governing body regarding planning, development, design, management, and evaluation of the local provider network, including but not limited to:

- Client care issues in Network development;
- Consumer choice issues in Network development;
- Ultimate cost-benefit issues in Network development; and
- Best use of public money in Network development.

The FY 2011 Department of State Health Services and Department of Aging and Disability Services Performance Contracts requires that each Local Authority have a process to establish outcome and reporting requirements. For the Member Centers of ETBHN, the Regional Planning and Network Advisory Committee is charged with this required evaluation. The ETBHN Regional Oversight Committee selects the services for evaluation. The final recommendations from the RPNAC are compiled for distribution to the respective Centers' Board of Trustees.

This evaluation represents part of an ongoing effort to gather information to assure the Local Authority Management Team and Board of Trustees that any problems identified are properly understood and addressed. While the purpose of these evaluations is to examine the Local Authority's needs and capabilities of the current system, it is also important to note that, in time, this process will also allow Local Authorities to utilize trends in provider services and consumer utilization. In turn, a Local Authority can use this data to ensure the proper capacity of its provider network to ensure the best interests of the consumers are met.

The Regional Planning and Network Advisory Committee is comprised of members representing each of the eleven Centers of the East Texas Behavioral Healthcare Network, appointed by the Local Authority Board/Governing Body of each respective Member Center.

#### **SERVICE DEFINITION:**

Screening and Intake services cover the initial call made by a consumer up to the point that the consumer is either admitted and seen by a doctor or denied services based on pre-set criteria. Both face to face and telephone screenings are included in this assessment of service.

#### **REVIEW METHODOLOGY:**

In April 2011, the RPNAC began discussing the different practices that were in place with varying results at each Center. The Center Liaisons from each ETBHN Member Center were asked to submit data on certain questions regarding the intake and screening process at their Center to ETBHN offices. That data was compiled and placed in a format used to compare the process at each Center, including but not limited to:

- Credentials of staff conducting the screening and intake processes
- Number of days between screening and intake
- Number of days between intake and a doctor visit
- Appeals process
- Number of Counties in Center catchment area
- Face to face versus video intake

The spread sheet attached contains the results of the comparison.

Both center liaisons and ETBHN staff compiled this information and the RPNAC completed its evaluation of services on July 12, 2011. Committee members and center liaisons identified outliers and preferred practices and determined recommendations to be made to each center based on the outcomes of the evaluation.

#### FINDINGS AND STATISTICS:

Findings for FY 2011 were compiled in spreadsheet format, which is attached to this report.

#### **RECOMMENDATIONS:**

Based on the findings from the service evaluation of TRI-COUNTY SERVICES Adult MH Screening and Intake Services in comparison to other ETBHN Centers, it is recommended that the Board of Trustees of TRI-COUNTY SERVICES discuss and take action when deemed appropriate; however, the recommendations are that the RPNAC actually complete the following actions first and send a second report from the next meeting to complete the recommendation process:

- 1. Review Spindletop's intake process, which includes seeing the doctor on the first visit.
- 2. Review Pecan Valley's video intake process.
- 3. Determine if it is possible to find out how many clients are dropping out between the intake and doctor's evaluation (excludes Spindletop). May look at the waiting list or the number of people entering into crisis services.
- 4. Review Bluebonnet's answer on question 13. 800 screened 75 intakes. Does not seem accurate.
- 5. Determine why Gulf Coast's intake process takes 4 hours.
- 6. Review the satisfaction surveys from Tri-County and TRI-COUNTY SERVICES. Would like to see the questions that pertain to the screening/intake process.
- 7. Review the raw numbers of personnel involved in the intake process at each center.
- 8. Review the Spindletop process of not screening anyone out by offering other billable services to clients.
- 9. Make sure, that the new ETBHN Telemed/Intake Coordinator follows up on the recommendations.

Agenda Item: Community Resources Report for July 2011	Board Meeting Date		
Committee: Program	August 25, 2011		
Background Information:			
None			
Supporting Documentation:			
Community Resources Report for July 2011			
Recommended Action:			
For Information Only			

# Community Resources Report July 2011

# **Volunteer Hours:**

Location	July
Conroe	31.5
Cleveland	4.5
Liberty	27
Huntsville	22.5
Total	85.5

# **COMMUNITY ACTIVITIES:**

8/4/11	Walker County Community Resource Coordination Group	Huntsville
8/4/11	Children's Safe Harbor Network Luncheon	Conroe
8/4/11	Cleveland Chamber of Commerce Luncheon	Cleveland
8/5-8/7	22 <sup>nd</sup> Annual Burnham Classic Golf Tournament	Liberty
	Montgomery County United Way Public Service Division	
8/9/11	Campaign Meeting	Conroe
8/9/11	Montgomery County Mental Health Court Board Meeting	Conroe
8/10/11	Montgomery County United Way Funded Partners Meeting	The Woodlands
8/11/11	Huntsville Chamber of Commerce Breakfast	Huntsville
8/11/11	Walker County Community Resource Coordination Group	Huntsville
8/15/11	Aging and Disability Resource Center Meeting	Houston
8/15/11	Montgomery County United Way Campaign Luncheon	The Woodlands
8/16/11	Montgomery County United Way Disaster Recovery Taskforce	The Woodlands
8/16/11	Montgomery County Forensic Hospital Advisory Board Meeting	Conroe
8/16/11	CASA (Court Appointed Special Advocate) Presentation	Liberty
8/16/11	Montgomery County Community Resource Coordination Group	Conroe
8/18/11	Montgomery County United Way Well Being Council Meeting	The Woodlands
8/19/11	Panda Express Fundraiser for Tri-County	Conroe
8/23/11	Aging and Disability Resource Center Meeting	Houston

# **UPCOMING ACTIVITIES:**

8/30/11	Breakfast Honoring Montgomery County Commissioner Ed Chance	The Woodlands
8/30/11	Montgomery County Area Business Women's Meeting	Conroe
8/31/11	Liberty/Dayton Chamber of Commerce Luncheon	Liberty
	Montgomery County United Way Campaign Cabinet Webinar	
8/31/11	Meeting	Conroe
9/1/11	Cleveland Chamber of Commerce Luncheon	Cleveland
9/2/11	Montgomery County United Way Campaign Cabinet Meeting	The Woodlands
9/7/11	Liberty County Community Resource Coordination Group	Dayton
9/8/11	Walker County Community Resource Coordination Group	Huntsville

9/8/11	Huntsville Chamber of Commerce Breakfast	Huntsville
9/13/11	Montgomery County Jail Diversion Working Group	Conroe
9/15/11	Montgomery County United Way Kick Off	The Woodlands
9/16/11	Panda Express Fundraiser for Tri-County	Conroe
9/20/11	Montgomery County Community Resource Coordination Group	Conroe
9/20/11	Montgomery County United Way Disaster Recovery Taskforce	The Woodlands
	Montgomery County Forensic Hospital Advisory Committee	
9/20/11	Meeting	Conroe
9/27/11	Montgomery County Jail Diversion Executive Task Force Meeting	Conroe
9/27/11	Aging and Disability Resource Center Meeting	Houston
9/27/11	Montgomery County Area Business Women's Meeting	Conroe
9/28/11	Montgomery County United Way Campaign Cabinet Meeting	The Woodlands

Agenda Item: Consumer Services Reports for July 2011	Board Meeting Date		
Committee: Program	August 25, 2011		
Background Information:			
None			
Supporting Documentation:			
Consumer Services Reports for July 2011			
Recommended Action:			
For Information Only			

# CONSUMER SERVICES REPORT July 2011 - FY 2011

Crisis Services, MH Adults/Children	MONTGOMERY COUNTY	CLEVELAND	LIBERTY	WALKER COUNTY	TOTAL
Persons Screened, Intakes, Other Crisis Services	270	24	24	19	337
Crisis and Transitional Services (SP 0, SP5)	60	5	1	11	77
Crisis Residential Unit (CRU) Served	47	5	4	3	59
Crisis Residential Unit (CRU) bed days	188	26	25	15	254
Total Contract Hospital Admissions	8	1	3	0	12
Total State Hospital Admissions	39	3	4	7	53
Persons Served by Program, MH Non-Crisis					_
Adult Service Packages (SP 1-4)	762	89	60	109	1020
Adult Medication Services	589	59	58	87	793
Child Service Packages (SP 1.1-4)	326	14	7	51	398
Child Medication Services	150	6	3	21	180
Adult Jail Diversion Services	9	1	0	0	10
Juvenile Detention Diversion Services	4	0	0	0	4
TCOOMMI (Adult/Child)	109	4	5	7	125
Persons Served by Program, IDD					
Number of New Enrollments for IDD Services	12	0	1	0	13
Service Coordination/Case Management	396	24	38	50	508
Center Waiver Services (HCS, Supervised Living, TXHmL)	33	8	14	15	70
Contractor Provided ICF-MR	18	12	12	6	48
Autism Services	12	0	1	1	14
Substance Abuse Services					_
Children and Youth Prevention Services	0	0	0	0	0
Youth Substance Abuse Treatment Services/COPSD	10	0	1	0	11
Adult Substance Abuse Treatment Services/COPSD	21	0	1	0	22
Waiting/Interest Lists					
Department of State Health Services-Adults	255	26	44	9	334
Department of State Health Services-Children	6	1	0	0	7
Home and Community Based Services Interest List	1076	94	92	94	1356
Persons Served Outside of the State Contracts					=
Benefit Package 3 Adult/Child	40	2	0	4	46
July Served by County					
Adult Mental Health Services	1272	143	105	154	1674
Child Mental Health Services	331	13	8	52	404
Intellectual and Developmental Disabilities Services	457	52	45	57	611
Total Served by County	2060	208	158	263	2689
June Served by County					
Adult Mental Health Services	1268	149	131	167	1715
Child Mental Health Services	363	15	8	57	443
Intellectual and Developmental Disabilities Services	469	42	52	56	619
Total Served by County	2100	206	191	280	2777
May Served by County					
Adult Mental Health Services	1252	139	127	185	1703
Child Mental Health Services	368	15	11	60	454
Intellectual and Developmental Disabilities Services	424	42	52	55	573
Total Served by County	2044	196	190	300	2730

Agenda Item: Program Updates for July 2011	Board Meeting Date			
Committee: Program	August 25, 2011			
Background Information:				
None				
Supporting Documentation:				
Program Updates for July 2011				
Recommended Action:				
For Information Only				

# Program Updates July 2011

#### **MH Crisis and Admission Services**

- A. Key Statistics:
  - 1. Number of new admissions during the month: 120
  - 2. PETC average daily census: 9.9
- B. Program Comments:
  - 1. Reduced the census at PETC due to nursing shortages.
  - 2. Contract inpatient usage has increased due to fewer beds at PETC and fewer beds at Rusk State Hospital.
  - 3. Hired a part time Psychiatrist who will work exclusively in crisis services.

#### **MH Adult Services**

- A. Key Statistics:
  - 1. Number of adults served during the month: 1642
  - 2. Number of adults served in Medication Services: 785
- B. Program Comments:
  - 1. Hired another Advanced Practice Nurse for medication services.
  - 2. We are increasing caseload size for all adult rehabilitation staff and focusing on increased productivity targets.

#### **MH Child Services**

- A. Key Statistics:
  - 1. Number of children served during the month: 403
  - 2. Number of children served in Medication Services: 180
- B. Program Comments:
  - 1. We have decreased the number of staff in MH Child Services and increased caseload size.
  - 2. We are actively recruiting for a new Family Partner staff due to a recent resignation of our existing staff member. This has a focused contract target we must meet.
  - 3. Assimilation of juvenile probation children into our services due to funding loss from TCOOMMI Criminal Justice Juvenile Services.

#### **Criminal Justice Services**

#### A. Key Statistics:

1. Number of Children and Adults Served Through Texas Office on Offenders with Medical and Mental Impairments (TCOOMMI):

29 Juvenile; 98 Adults

2. Number of Jail/Juvenile Diversions:

5 Jail Diversions in the month of July; 5 Juvenile Diversions

#### B. Program Comments:

- 1. TCOOMMI cut funding for juvenile services requiring us to eliminate staff positions and transfer children to other service areas.
- Child juvenile detention diversion services are be redesigned due to funding loss.
- 3. Requested that TCOOMMI allow us to retain more earned Medicaid to minimize state GR reductions.

#### **Substance Abuse Services**

#### A. Key Statistics:

- 1. Number of children served in prevention services: 0 (none in the summer)
- Number of adults served in substance abuse/COPSD treatment services: 22 (13 COPSD; 22 OUTPATIENT)
- 3. Number of children served in substance abuse treatment services: 11

#### B. Program Comments:

- 1. Attempting to fill two substance abuse intern positions funded by Montgomery County United Way.
- 2. Continuing efforts with DSHS to secure license for the Huntsville facility for expanded substance abuse services.
- 3. Substance Abuse Prevention Services have been severely reduced due to schools being closed this summer.

#### **IDD Services**

#### A. Key Statistics:

- 1. Total number of admissions for the month: 13
- 2. Total number enrolled in the HCS program for the month: 73
- 3. Total number served in all IDD services for the month: 653

#### B. Program Comments:

- 1. We continue to train service coordinators on the new Medicaid service processes and reimbursement system that becomes effective September 1.
- 2. We are actively admitting new Medicaid applicants into services and working very closely with enrollments into the Texas Home Living Program.

3. Due to the elimination of state funding for In Home Family Support, we have been actively communicating to families and making referrals to other agencies.

#### **Personnel Information**

A. We are exploring ideas to overcome RN recruitment problems.

#### **Support Information**

- A. **Veterans' Services**: The Veterans' Services Liaison was appointed as the president of the Collegiate Veterans Association at Sam Houston State University. This will allow greater access to veterans on campus.
- B. **Quality Management**: The Administrator of Quality Management submitted the Treatment Plan Corrective Action Plan to DSHS by the August 1<sup>st</sup> deadline.
- C. **ETBHN/Regional Authorization**: The Betty Hardwick Center joined the ETBHN authorization program on August 15<sup>th</sup>. There are now 10 Centers utilizing ETBHN authorization full time.
- D. Information Services:
  - 1. The Information Services Department trained all clinical staff in the new version of Anasazi throughout the month of August.
  - 2. Equipment and software was ordered to begin the Electronic Medical Record (EMR) scanning program.
- E. **Intellectual and Developmental Disabilities Planning Network Advisory Committee (IDDPNAC)**: The IDDPNAC met on August 11<sup>th</sup> and discussed changes associated with reductions in allocations for IDD services and associated program redesigns.
- F. **Planning Network Advisory Committee**: We currently have 3 vacancies on the Planning Network Advisory Committees.

## **Community Activities**

- A. The 22<sup>nd</sup> Annual Burnham Classic Golf Tournament was held at the Magnolia Ridge Country Club in Liberty on August 5<sup>th</sup> through 7<sup>th</sup>.
- B. Tri-County Services' Panda Express fundraiser was held on August 19<sup>th</sup>. The next Panda Express fundraiser is scheduled for September 16<sup>th</sup>.

Agenda Item: Annual Election of FY 2012 Board Officers

Board Meeting Date
August 25, 2011

Committee: Executive

Background Information:

The Tri-County Board of Trustees' By-Laws call for the election of Board Officers each year. Sharon Walker, Nominating Committee Chair, will present the slate of officers for election. Other Nominating Committee members were Morris Johnson and Patti Atkins.

Supporting Documentation:

None

Recommended Action:

Elect Officers for FY 2012 Board of Trustees

Agenda Item: Executive Director's Annual Evaluation,

Compensation and Contract FY 2012

**Board Meeting Date** 

August 25, 2011

Committee: Executive

#### **Background Information:**

Annually, the Board of Trustees reviews the Executive Director's performance and considers the terms of the contract and annual compensation. Performance evaluation surveys and a FY 2011 Progress Report on Goals were distributed to all Trustees and members of the Leadership Team. The results of the surveys were compiled by Len George, Chairman of the Evaluation Committee; other committee members are Brad Browder and David Walker.

#### **Supporting Documentation:**

Information will be distributed at the meeting by Len George, Chairman of the Executive Director Evaluation Committee and considered in Executive Session.

#### **Recommended Action:**

Review Executive Director's Evaluation, Compensation and Contract Extension and Take Appropriate Action

Agenda Item: Nominations for Texas Council Risk Management

Fund's Board of Trustees, Places 4, 5 and 6

**Board Meeting Date** 

August 25, 2011

Committee: Executive

#### **Background Information:**

On Friday, November 18, 2011 the annual meeting of the Texas Council Risk Management Fund will take place. At that time, elections will be held to fill the positions of Trustees in Places 4, 5 and 6. Prior to that, Centers have an opportunity to nominate the incumbents or submit a write-in nomination. Nominations are due by September 16, 2011.

#### Incumbents:

Place 4: Judge Van L. York Place 5: Mr. J.C. Whitten Place 6: Mr. Gus Harris

#### **Supporting Documentation:**

Memorandum from the Texas Council Risk Management Fund Nominating Committee

**Nomination Form** 

#### **Recommended Action:**

Nominate Candidates for Places 4, 5 and 6 for the Texas Council Risk Management Fund's Board of Trustees

July 26, 2011

# MEMORANDUM

TO:

Members, Texas Council Risk Management Fund

FROM:

Nominating Committee

SUBJECT:

NOMINATIONS FOR PLACES 4, 5, and 6, OF THE BOARD OF

TRUSTEES

On Friday, November 18, 2011 the annual meeting of the Texas Council Risk Management Fund will take place. At that time, elections will be held to fill the positions of Trustees in Places 4, 5, and 6, whose terms will expire at 12:01 a.m., January 1, 2012.

The Trustees currently holding those positions are:

Place 4:

Judge Van L. York

Judge York is a member of the Board of Directors of the Permian Basin Regional Planning commission., and has retired as the Judge for Borden County. He has served on the Fund's Board since 2010.

Place 5:

Mr. J.C. Whitten

Mr. Whitten is a member of the Board of Trustees for Texana Center and has served on the Fund's Board since 2001. He recently retired as the Director of Administrative Services for Fort Bend County.

Place 6:

Mr. Gus Harris

Mr. Harris has been a member of the Board of Trustees for Spindletop Center for 29 years and has served on the Fund's Board since 1998. He is currently Stark Foundation Chief Properties Officer responsible for numerous buildings and other physical assets of the foundation.

In accordance with the Fund Bylaws, the Nominating Committee will present a slate of nominees for election by the members. A mail ballot will be compiled listing the nominees chosen by the Nominating Committee. The mail ballot will be sent to each center before the end of September so that ballots may be returned and tabulated prior to the annual meeting Friday, November 18<sup>th</sup>.

In addition to the nominations submitted by the Nominating Committee, each member has the opportunity to submit nominations of their own. These nominations must be received

# TCRMF Board of Trustees Nomination Page 2

no later than Friday, <u>September 16, 2011</u>. The qualifications set out in the Fund Bylaws state that all nominees for the Board must be trustees of a member community MHMR center.

In accordance with the Fund's Board Policy on Nominations and Elections, the Nominating Committee is responsible for preparing the list of candidates (ballot) to be considered for election at the annual meeting. The Nominating Committee does not have to include all candidates recommended by the Board of Trustees or nominated by members. The Nominating Committee is also responsible for determining the place for which each candidate will be considered and may nominate more than one candidate for each place.

If your center would like to submit a nomination, please complete the attached form. Also include a biographical sketch of your nominee(s) along with a brief statement from the nominee(s) outlining their goals and objectives for serving on the TCRMF Board of Trustees. The nomination form, biographical sketch, and statement of goals and objectives should be returned to the Texas Council Risk Management Fund, Attention: Nominating Committee, P.O. Box 26655, Austin, Texas 78755-0655. You may also return the requested items by fax to (512) 346-9321 or by email to marilyn.wood@jicompanies.com.

If you have any questions, please contact Greg Womack or Marilyn Wood at 1-800-580-MHMR (6467)

Remember, you will need to return your nomination form by September 16, 2011.

Thank you for your attention to this matter.

cc: Board of Trustees, Texas Council Risk Management Fund Advisory Committee, Texas Council Risk Management Fund Danette Castle, Texas Council of Community MHMR Centers, Inc. Brian Crews, General Counsel, Texas Council Risk Management Fund

#### NOMINATION FORM

The undersigned Center would like to make the following nomination(s) for election to the Board of Trustees of the Texas Council Risk Management Fund:

NOMINATION	
I understand that any mailed or faxed nominations a cannot be considered. In addition, I recognize that no qualification of being a Trustee of a community MHM as stated in Article IV, Section 2 of the Fund Bylaws.	ominees for Trustee must meet the required
Respectfully submitted, this day of	, 2011.
CENTER	
Signature	
Name	
Title	

# Please return by September 16, 2011, to:

Texas Council Risk Management Fund Attention: Nominating Committee P.O. Box 26655 Austin, Texas 78755-0655

FAX #: (512) 346-9321 - Attn: Marilyn Wood

Agenda Item: Personnel Report for July 2011	Board Meeting Date			
Committee: Executive	August 25, 2011			
Destruction.				
Background Information:				
None				
Supporting Documentation:				
Personnel Report for July 2011				
Personnel Report for July 2011  Recommended Action:				

# TRI-COUNTY SERVICES PERSONNEL BOARD REPORT JULY 2011

STAFF	NEW HIRES		SEPARATED		VOLUNTARY SEPARATION		INVOLUNTARY SEPARATION		BUDGETED	FILLED	MONTHLY TURNOVER	YEARLY TURNOVER
CLASSIFICATIONS	MO.	YTD.	MO.	YTD.	MO.	YTD.	MO.	YTD.		POSITIONS	PERCENT	PERCENT
Bachelor's											-	
Qualified Mental Health Professional		16	6	26	6	19		7	85	70	9%	37%
Qualified Mental Retardation Professional (State Title)		1							14	13	0%	0%
Licensed Staff		5		2		1		1	14	11	0%	18%
Medical												
Physicians				1				1	5	4	0%	25%
Advanced Practice Nurse	1	1							2	2	0%	0%
RN's		1		1		1			10	9	0%	11%
LVN's			1	3	1	1		2	11	9	11%	33%
Techs/Aides												
МН		2		3		2		1	12	9	0%	33%
IDD		6	1	12		7	1	5	53	49	2%	24%
Supervisor/Manager												
МН		1		1				1	13	13	0%	8%
IDD				1				1	5	4	0%	25%
Program Support		3	1	6	1	5		1	38	37	3%	16%
Central Administration	1	5		4		4			17	16	0%	25%
Business Services			1	2	1	2			16	15	7%	13%
Maintenance/Janitorial/Lawn		2		1		1			25	25	0%	4%
GRAND TOTALS	2	43	10	63	9	43	1	20	320	286	3%	22%
Previous YTD											3%	22%

Agenda Item: Texas Council Quarterly Board Meeting Update	Board Meeting Date
Committee: Executive	August 25, 2011
Background Information:	
The Texas Council has requested that Center representatives regarding their quarterly Board meeting. A verbal update Walker.	0 1
Supporting Documentation:	
None	
Recommended Action:	
For Information Only	

Agenda Item: Approve July 2011 Financial Statements	<b>Board Meeting Date</b>
Committee: Business	August 25, 2011
Background Information:	
None	
Supporting Documentation:	
July 2011 Financial Statements	
Recommended Action:	
Approve July 2011 Financial Statements	

#### **July 2011 Financial Summary**

Revenues for July 2011 were \$2,038,143 and operating expenses were \$1,827,814 resulting in a gain in operations of \$210,329. Capital Expenditures and Extraordinary Expenses for July were \$38,113 resulting in a gain of \$172,216. Total revenues were 98.54% of the monthly budgeted revenues and total expenses were 96.59% of the monthly budgeted expenses.

Year to date revenues are \$23,032,159 and operating expenses are \$20,393,603 leaving excess operating revenues of \$2,638,556. YTD Capital Expenditures and Extraordinary Expenses are \$1,940,996 resulting in a gain YTD of \$697,560. Total revenues are 100.09% of the YTD budgeted revenues and total expenses are 96.91% of the YTD budgeted expenses.

#### **REVENUES**

YTD Revenue items that are below the budget by more than \$10,000:

Revenue Source	YTD	YTD	% of	\$
	Revenue	Budget	Budget	Variance
HCS Program – Title XIX	1,793,302	1,826,957	98.16%	33,655
Rehab – Title XIX	1,473,135	1,545,487	95.32%	72,352
DSHS – Veteran's Services	27,268	38,729	70.41%	11,461
DSHS – SA Treatment - Youth	16,616	69,423	23.93%	52,807
Services				
DSHS - SA Prevention	91,461	118,648	77.09%	27,187

<u>HCS Program – Title XIX</u> – This line item reflects a decrease in consumers receiving Foster Care, Day Habilitation and nursing services for the month of July. New projections are entered into the FY 2012 budget based on current enrollment.

<u>Rehab – Title XIX</u> – This line item continues to trend lower. There have been numerous vacancies in Rehab positions that have been difficult to fill. We continue to recruit for these positions in various ways and have not been successful in hiring for all vacancies. We will continue to monitor this line item and will adjust during the final budget revision for this fiscal year.

<u>DSHS - Veteran's Services</u> – This line item is a cost reimbursement program for Veteran's services. The program had a large amount of money budgeted for expenses relating to group activities and training that have not been utilized as planned.

<u>DSHS – SA Treatment - Youth Services</u> – This program is new this fiscal year. We are still making adjustments to this program and anticipate that the DHSH revenue will increase as the program continues to grow.

<u>DSHS – SA Prevention</u> – This is a cost reimbursement program. We have been understaffed in this program and have recently hired a new employee so revenue should increase. This line will be adjusted during the end of year budget revision.

#### **EXPENSES**

YTD Individual expense items that exceed the YTD budget by more than \$10,000:

Revenue Source	YTD Expenses	YTD Budget	% of Budget	\$ Variance
Building Repairs & Maintenance	239,569	183,199	130.77%	56,370
Contract Empowerment Options	2,433,325	2,409,710	100.98%	23,615
Contract Hosp - Adult	203,725	186,725	109.10%	17,000
Contract Hosp - Child	76,725	49,000	156.58%	27,725

<u>Building Repairs & Maintenance</u> – This line item is over budget mainly due to construction costs for Truman Street renovations. The project cost came in higher than initially planned mainly due to City of Cleveland requirements for the facility.

<u>Contract Empowerment Options</u> – This line item shows expenses are higher than budgeted amounts however; we are billing higher amounts of revenue that offset this overage.

<u>Contract Hosp – Adult</u> – This line item is over budget for the month mainly due to an increase of the number of adults admitted to contract hospitals during the initial start up phase of the Crisis Stabilization unit (CSU). We anticipate a decrease in these admissions once we are fully operational.

<u>Contract Hosp – Child</u> – The number of children admitted to contract hospitals is higher than budgeted this fiscal year. This line item is adjusted during the end of year budget revision.

## TRI-COUNTY SERVICES CONSOLIDATED BALANCE SHEET As of July 31, 2011

	TOTALS COMBINED FUNDS July 2011	TOTALS COMBINED FUNDS June 2011	Increase (Decrease)
ASSETS	-		
CURRENT ASSETS	_		
Imprest Cash Funds	4,025	4,025	-
Cash on Deposit-General Fund	5,880,803	7,223,140	(1,342,337)
Cash on Deposit-Debt Fund	399,365	323,139	76,226
Accounts Receivable	1,567,400	403,306	1,164,094
Inventory TOTAL CURRENT ASSETS	33,689 7,885,282	33,500 7,987,110	<u>189</u> (101,829)
TOTAL CURRENT ASSETS	7,005,202	7,967,110	(101,629)
FIXED ASSETS	5,050,968	5,050,968	-
OTHER ASSETS	57,688	74,467	(16,779)
AMOUNT TO BE PROVIDED FOR THE			
RETIREMENT OF LONG TERM DEBT	1,720,257	1,720,257	(440,000)
TOTAL ASSETS	14,714,194	14,832,801	(118,608)
LIABILITIES, DEFERRED REVENUE, FUND BALANCES	-		
CURRENT LIABILITIES	700,005	1,050,161	(350,156)
NOTES PAYABLE	407,690	407,690	-
DEFERRED REVENUE	1,028,471	1,051,531	(23,060)
LONG-TERM LIABILITIES FOR	_		
Capital Leases-Equipment	82,567	82,567	-
Bond Series 1995	-	4 000 000	-
Bond Series 2004	1,230,000	1,230,000	-
EXCESS(DEFICIENCY) OF REVENUES OVER EXPENSES FOR			
General Fund	750,529	578,313	172,216
Debt Service Fund	(93,327)	(169,554)	76,227
FUND EQUITY	_		
Reserved for Fixed Assets	5,050,968	5,050,968	-
Reserved for Worker Comp	274,409	274,409	-
Reserved for Debt Retirement	1,230,000	1,230,000	-
Reserved for Debt Service	492,693	492,693	-
Reserved for Board Policy Requirements	879,405	879,405	-
Reserved for Equipment Reserve	354,290	354,290	
Reserved for Current Year Budgeted Reserve	67,833	61,666	6,167
Reserved for Inventory Reserve	32,973	32,973 2,000,000	-
Reserved for Operations and Programs Unrestricted and Undesignated	2,000,000 225,690	2,000,000 225,690	-
TOTAL LIABILITIES/FUND BALANCE	14,714,194	14,832,801	(118,605)
IVIAL LIADILITILO/I VIID DALAIIVL	17,117,134	17,032,001	(110,003)

### TRI-COUNTY SERVICES CONSOLIDATED BALANCE SHEET As of July 31, 2011

TOTALS

	General			TOTALO	
	Operating Funds	Debt Service Funds	General Fixed Assets	Memorano	•
				July 2011	August 2010
ASSETS					Final
CURRENT ASSETS					
Imprest Cash Funds	4,025			4,025	2,975
Cash on Deposit-General Fund	5,880,803			5,880,803	4,887,535
Cash on Deposit-Debt Fund		399,365		399,365	558,805
Accounts Receivable	1,567,400			1,567,400	1,534,673
Inventory	33,689			33,689	32,515
TOTAL CURRENT ASSETS	7,485,917	399,365	-	7,885,282	7,057,981
FIXED ASSETS			5,050,968	5,050,968	5,050,968
OTHER ASSETS	57,688			57,688	44,819
AMOUNT TO BE PROVIDED FOR THE					
RETIREMENT OF LONG TERM DEBT		1,720,257		1,720,257	2,125,257
TOTAL ASSETS	7,543,604	2,119,622	5,050,968	14,714,194	14,102,677
LIABILITIES, DEFERRED REVENUE, FUND BAI	LANCES				
CURRENT LIABILITIES	700,005			700,005	1,569,628
NOTES PAYABLE		407,690		407,690	407,690
DEFERRED REVENUE	1,028,471			1,028,471	(35,546)
LONG-TERM LIABILITIES FOR					
Capitol Leases	-	82,567		82,567	82,567
Bond Series 1995	-	-		-	<del>-</del>
Bond Series 2004		1,230,000		1,230,000	1,635,000
EXCESS(DEFICIENCY) OF REVENUES OVER EXPENSES FOR					
General Fund	750,529			750,529	52,969
Debt Service Fund	-	(93,327)		(93,327)	(15,188)
FUND EQUITY					
Reserved for Fixed Assets	-		5,050,968	5,050,968	5,050,968
Reserved for Worker's Compensation	274,409			274,409	274,409
Reserved for Debt Retirement	1,230,000			1,230,000	
Reserved for Debt Service	070.467	492,693		492,693	573,993
Reserved for Board Policy Requirements	879,405			879,405	2,109,405
Reserved for Equipment Reserve	354,290			354,290	354,290
Reserved for Current Year Budgeted Reserve Reserved for Inventory Reserve	67,833 32,973			67,833 32,973	32,973
Reserved for Operations and Programs	2,000,000			2,000,000	2,000,000
Unrestricted and Undesignated	225,690			225,690	144,390
TOTAL LIABILITIES/FUND BALANCE	7,543,605	2,119,622	5,050,968	14,714,194	14,102,677

# TRI-COUNTY SERVICES Revenue and Expense Summary For the Month Ended July 2011 and YTD as ofJJuly 2011

INCOME:	MONTH OF  July 2011	YTD July 2011
Local Revenue Sources	140,149	2,768,933
Earned Income	815,338	9,227,282
General Revenue-Contract	1,082,656	11,035,944
TOTAL INCOME	2,038,143	23,032,159
EXPENSES:		
Salaries	957,671	10,735,652
Employee Benefits	193,178	2,232,025
Medication Expense	32,150	369,444
Travel-Board/Staff	30,560	344,382
Building Rent/Maintenance	15,274	265,966
Consultants/Contracts	391,780	4,340,199
Other Operating Expenses	207,202	2,105,934
TOTAL EXPENSES	1,827,814	20,393,603
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	210,329	2,638,556
CAPITAL EXPENDITURES		
Capital Outlay-FF&E, Automobiles, Building	<del>-</del>	1,520,871
Capital Outlay-Debt Service Bonds	38,113	420,125
TOTAL CAPITAL EXPENDITURES	38,113	1,940,996
GRAND TOTAL EXPENDITURES	1,865,927	22,334,599
Excess (Deficiency) of Revenues and Expenses	172,216	697,560
=		

# TRI-COUNTY SERVICES Revenue and Expense Summary Compared to Budgeted Year to Date as of July 2011

	YTD July 2011	APPROVED BUDGET	Increase (Decrease)
INCOME:			
Local Revenue Sources	2,768,933	2,661,363	107,570
Earned Income	9,227,282	9,311,586	(84,304)
General Revenue-Contract	11,035,944	11,038,827	(2,883)
TOTAL INCOME	23,032,159	23,011,776	20,383
EXPENSES:			
Salaries	10,735,652	10,870,707	(135,055)
Employee Benefits	2,232,025	2,434,710	(202,685)
Medication Expense	369,444	513,560	(144,116)
Travel-Board/Staff	344,382	397,952	(53,570)
Building Rent/Maintenance	265,966	206,024	59,942
Consultants/Contracts	4,340,199	4,365,370	(25,171)
Other Operating Expenses	2,105,934	2,210,218	(104,284)
TOTAL EXPENSES	20,393,603	20,998,541	(604,938)
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	2,638,556	2,013,235	625,321
CAPITAL EXPENDITURES			
Capital Outlay-FF&E, Automobiles	1,520,871	1,628,283	(107,412)
Capital Outlay-Debt Service Bonds	420,125	419,831	294
TOTAL CAPITAL EXPENDITURES	1,940,996	2,048,114	(107,118)
GRAND TOTAL EXPENDITURES	22,334,599	23,046,655	(712,056)
Excess (Deficiency) of Revenues and Expenses	697,560	(34,879)	732,439
Debt Service and Fixed Asset Fund:			
Bond Payments Receipts	420,125	419,831	294
Bond Payments Disbursements	720,123		-
Interest Income			_
Excess(Deficiency) of revenues over Expenses	420,125	419,831	294
, , , , , , , , , , , , , , , , , , , ,	,		

# TRI-COUNTY SERVICES Revenue and Expense Summary Compared to Budget For the Month Ended July 2011

INCOME:	MONTH OF July 2011	APPROVED BUDGET	Increase (Decrease)
Local Revenue Sources	140,149	104,757	35,392
Earned Income	815,338	887,282	(71,944)
General Revenue-Contract	1,082,656	1,076,202	6,454
TOTAL INCOME	2,038,143	2,068,241	(30,098)
EXPENSES:			
Salaries	957,671	981,045	(23,374)
Employee Benefits	193,178	225,198	(32,020)
Medication Expense	32,150	50,881	(18,731)
Travel-Board/Staff	30,560	38,873	(8,313)
Building Rent/Maintenance	15,274	16,225	(951)
Consultants/Contracts	391,780	381,305	10,475
Other Operating Expenses	207,202	189,078	18,124
TOTAL EXPENSES	1,827,814	1,882,605	(54,791)
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	210,329	185,636	24,693
CAPITAL EXPENDITURES			
Capital Outlay-FF&E, Automobiles	-	10,939	(10,939)
Capital Outlay-Debt Service Bonds	38,113	38,170	(57)
TOTAL CAPITAL EXPENDITURES	38,113	49,109	(10,996)
GRAND TOTAL EXPENDITURES	1,865,927	1,931,714	(65,787)
Evene (Deficiency) of Boyenyas and Eveness	172,216	136,527	35,689
Excess (Deficiency) of Revenues and Expenses	172,210	130,321	33,069
Debt Service and Fixed Asset Fund: Bond Payments Receipts Bond Payments Disbursements	38,113	38,170 -	(57) -
Interest Income Excess(Deficiency) of revenues over Expenses	38,113	38,170	(57)

# TRI-COUNTY SERVICES Revenue and Expense Summary With July 2010 Comparative Data Year to Date as of July 2011

INCOME:	YTD July 2011	YTD July 2010	Increase (Decrease)
Local Revenue Sources	2,768,933	1,558,499	1,210,434
Earned Income	9,227,282	8,679,318	547,964
General Revenue-Contract	11,035,944	11,160,590	(124,646)
TOTAL INCOME	23,032,159	21,398,407	1,633,752
EXPENSES:			
Salaries	10,735,652	10,196,122	539,530
Employee Benefits	2,232,025	2,128,606	103,419
Medication Expense	369,444	600,010	(230,566)
Travel-Board/Staff	344,382	331,565	12,817
Building Rent/Maintenance	265,966	268,783	(2,817)
Consultants/Contracts	4,340,199	4,196,014	144,185
Other Operating Expenses	2,105,934	2,086,992	18,942
TOTAL EXPENSES	20,393,603	19,808,092	585,511
CAPITAL EXPENDITURES Capital Outlay-FF&E, Automobiles Capital Outlay-Debt Service Bonds	2,638,556 1,520,871 420,125	1,590,315 387,764 495,812	1,048,241 1,133,107 (75,687)
TOTAL CAPITAL EXPENDITURES	1,940,996	883,576	1,057,420
GRAND TOTAL EXPENDITURES	22,334,599	20,691,668	1,642,931
Excess (Deficiency) of Revenues and Expenses	697,560	706,739	(9,179)
Debt Service and Fixed Asset Fund: Bond Payments Receipts Bond Payments Disbursements Interest Income Excess(Deficiency) of revenues over Expenses	420,125 	495,812 	(75,687) - - - ( <b>75,687</b> )
Excess(Denoising) of revenues over Expenses	720,123	733,012	(13,301)

# TRI-COUNTY SERVICES Revenue and Expense Summary With July 2010 Comparative Data For the Month July 2011

INCOME:	MONTH OF July 2011	MONTH OF July 2010	Increase (Decrease)
Local Revenue Sources	140,149	116,082	24,067
Earned Income	815,338	861,436	(46,098)
General Revenue-Contract	1,082,656	1,069,992	12,664
TOTAL INCOME	2,038,143	2,047,510	(9,367)
EXPENSES:			
Salaries	957,671	980,676	(23,005)
Employee Benefits	193,178	198,029	(4,851)
Medication Expense	32,150	55,232	(23,082)
Travel-Board/Staff	30,560	32,299	(1,739)
Building Rent/Maintenance	15,274	33,917	(18,643)
Consultants/Contracts	391,780	378,749	13,031
Other Operating Expenses	207,202	257,329	(50,127)
TOTAL EXPENSES	1,827,814	1,936,231	(108,417)
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	210,329	111,279	99,050
CAPITAL EXPENDITURES			
Capital Outlay-FF&E, Automobiles	-	846	(846)
Capital Outlay-Debt Service Bonds	38,113	45,160	(7,047)
TOTAL CAPITAL EXPENDITURES	38,113	46,006	(7,893)
GRAND TOTAL EXPENDITURES	1,865,927	1,982,237	(116,310)
Excess (Deficiency) of Revenues and Expenses	172,216	65,271	106,943
Debt Service and Fixed Asset Fund:			
Bond Payments Receipts Bond Payments Disbursements	38,113	45,160	(7,047) -
Interest Income			

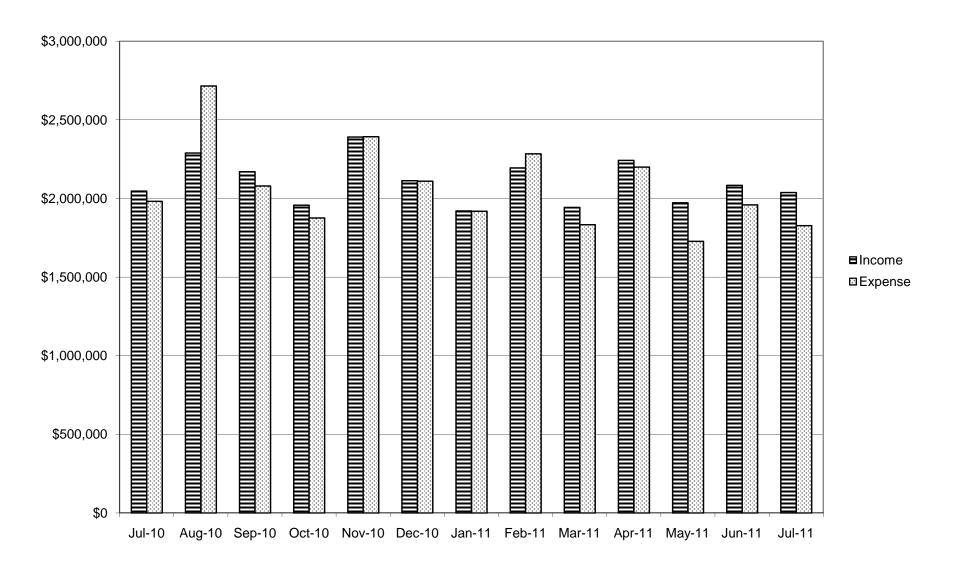
## TRI-COUNTY SERVICES Revenue and Expense Summary With June 2011 Comparative Data As of July 2011

INCOME:	MONTH OF July 2011	MONTH OF June 2011	Increase (Decrease)
Local Revenue Sources	140,149	107,532	32,616
Earned Income	815,338	904,210	(88,872)
General Revenue-Contract	1,082,656	1,072,431	10,225
TOTAL INCOME	2,038,143	2,084,174	(46,030)
EXPENSES:			
Salaries	957,671	985,124	(27,453)
Employee Benefits	193,178	199,409	(6,231)
Medication Expense	32,150	31,349	801
Travel-Board/Staff	30,560	34,813	(4,253)
Building Rent/Maintenance	15,274	74,719	(59,445)
Consultants/Contracts	391,780	438,262	(46,482)
Other Operating Expenses	207,202	196,182	11,020
TOTAL EXPENSES	1,827,814	1,959,858	(132,043)
Excess(Deficiency) of Revenues over			
Expenses before Capital Expenditures	210,329	124,316	86,013
CAPITAL EXPENDITURES Capital Outlay-FF&E, Automobiles Capital Outlay-Debt Service Bonds	- 38,113	3,208 38,113	(3,208)
TOTAL CAPITAL EXPENDITURES	38,113	41,321	(3,208)
GRAND TOTAL EXPENDITURES	1,865,927	2,001,179	(135,251)
Excess (Deficiency) of Revenues and Expenses	172,216	82,995	89,221
Debt Service and Fixed Asset Fund: Bond Payments Receipts	38,113	38,113	_
Bond Payments Neceipts  Bond Payments Disbursements  Interest Income	30,110	30,113	-
Excess(Deficiency) of revenues over Expenses	38,113	38,113	-

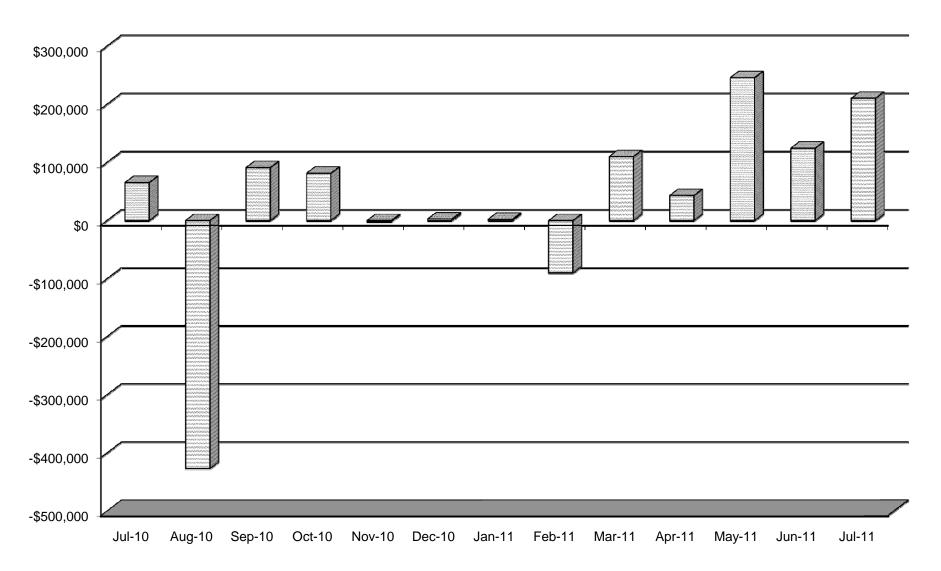
## TRI-COUNTY SERVICES Revenue and Expense Summary by Service Type Compared to Budget As of YTD Ended July 31, 2011

INCOME:	YTD Mental Health July 2011	YTD IDD July 2011	YTD Other Services July 2011	YTD Agency Total July 2011	YTD Approved Budget July 2011	Increase (Decrease)
Local Revenue Sources	2,759,430	(148,577)	158,080	2,768,933	2,661,363	107,570
Earned Income	2,679,462	5,412,909	1,134,911	9,227,282	9,311,586	(84,304)
General Revenue-Contract	9,348,586	1,687,358		11,035,944	11,038,827	(2,883)
TOTAL INCOME	14,787,478	6,951,690	1,292,991	23,032,159	23,011,776	20,383
EXPENSES:						
Salaries	7,900,373	2,107,445	727,834	10,735,652	10,870,707	(135,055)
Employee Benefits	1,583,999	501,189	146,838	2,232,025	2,434,710	(202,685)
Medication Expense	358,426	-	11,019	369,445	513,560	(144,115)
Travel-Board/Staff	220,410	81,924	42,048	344,382	397,952	(53,570)
Building Rent/Maintenance	190,396	75,358	213	265,966	206,024	59,942
Consultants/Contracts	842,183	3,431,345	66,671	4,340,199	4,365,370	(25,171)
Other Operating Expenses	1,340,985	526,402	238,546	2,105,933	2,210,218	(104,285)
TOTAL EXPENSES	12,436,772	6,723,663	1,233,169	20,393,603	20,998,541	(604,939)
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	2,350,706	228,027	59,822	2,638,555	2,013,235	625,322
CAPITAL EXPENDITURES						
Capital Outlay-FF&E, Automobiles	1,518,722	1,005	1,144	1,520,871	1,628,283	(107,412)
Capital Outlay-Debt Service Bonds TOTAL CAPITAL EXPENDITURES	285,932 1,804,654	105,423	28,770 <b>29.914</b>	420,125	419,831	294
TOTAL CAPITAL EXPENDITURES	1,804,654	106,428	29,914	1,940,996	2,048,114	(107,118)
GRAND TOTAL EXPENDITURES	14,241,426	6,830,091	1,263,083	22,334,599	23,046,655	(712,057)
Excess (Deficiency) of Revenues and						
Expenses	546,052	121,599	29,908	697,560	(34,879)	732,440
Debt Service and Fixed Asset Fund:						
Bond Payments Receipts Bond Payments Disbursements Interest Income	285,932	105,423 - -	28,770 - -	420,125 - -	419,831 - -	(133,899) - -
Excess(Deficiency) of revenues over Expenses	285,932	105,423	28,770	420,125	419,831	(133,899)

### TRI-COUNTY SERVICES Income and Expense



### TRI-COUNTY SERVICES Income after Expenses



Agenda Item: Approve FY 2011 Year End Budget Revision	Board Meeting Date
Committee: Business	August 25, 2011
Background Information:	
None	
Supporting Documentation:	
Summary and FY 2011 Year End Budget Revision	
Recommended Action:	
Approve FY 2011 Year End Budget Revision	

### Tri-County Services PROPOSED YEAR-END FY 2011 BUDGET COMPARED TO CURRENT FY 2011 BUDGET

Explanation of line items that have material changes from Year-End Revision FY 2011 Budged compared to the Current FY 2011 Approved Budget.

#### **REVENUES:**

<u>Local Revenue</u> - Local Revenue is projected to have an overall increase mainly due to receiving more CDBG funds for the CSU facility, as well as Tradition Bank installments and an increase in interest income from Certificate of Deposits.

<u>Earned Income</u> - This line item reflects an overall decrease mainly due to the Rehabilitation revenue based on actual year to date and various other programs such as HCS, Substance Abuse Prevention, TCOOMMI and NISH.

<u>General Revenue</u> - This line item shows an overall increase for General Revenue from DSHS Adult program as well as a Contract Amendment for Children's Wait List. This line item also reflects decreases based on actual revenue earned for the new Substance Abuse Treatment programs for both Adults and Youth and also the Veterans Services program.

#### **EXPENSES:**

<u>Salaries</u> – The salary line item shows an overall decrease mainly due to positions being vacant throughout the fiscal year and restructuring positions that became vacant where possible to be more efficient.

**Employee Benefits** – This line item shows an overall decrease as a result of year to date lapse and projected retirement forfeitures.

<u>Travel – Board/Staff</u> – This line item shows a decrease in the travel expenses based on a local annual conference and staff vacancies so fewer miles were driven.

<u>Medication Expense</u> - This line item was decreased based on the actual expenses year to date which continue to decline mainly due to patient assistant programs that are available.

<u>Building Rent/Maintenance</u> – This line item represents an increase based on the actual costs being higher than originally budgeted for Truman Street. Also, this line item shows an increase for a roof replacement at River Pointe as well as work to be done on the parking lot at the same location.

<u>Consultants/Contracts</u> - This line item reflects an overall increase mainly based on Contract Hospital expense year to date for both Adult and Children. This is expected to continue until the PETC is up to full capacity.

<u>Other Operating Expenses</u> - This line item is budgeted to increase mainly based on some year-end purchases for software license renewal and an increase in some of our supply lines for the PETC based on the spending since opening the new facility. This line item also has some slight increases in some utility lines based on the PETC and vehicle repairs being higher than projected.

<u>Capital Outlay-FF&E</u>, <u>Automobiles</u> - This line item has a budgeted increase based on possible change orders in the completion of the PETC facility.

**Capital Outlay - Debt Service Bonds** – This line has a variance under \$10,000.

### TRI-COUNTY MHMR SERVICES PROPOSED YEAR END FY 2011 BUDGET COMPARED TO CURRENT FY 2011 BUDGET

INCOME:	PROPOSED YEAR END FY 2011 BUDGET	CURRENT FY 2011 BUDGET	Increase (Decrease)
Local Revenue Sources	3,268,972	2,960,856	308,116
Earned Income	9,843,209	10,197,966	(354,756)
General Revenue	12,147,608	12,114,524	33,084
TOTAL INCOME	25,259,789	25,273,346	(13,557)
EXPENSES:			
Salaries	11,759,472	11,831,799	(72,327)
Employee Benefits	2,324,318	2,661,317	(336,999)
Travel-Board/Staff	388,823	436,823	(48,000)
Medication Expense	411,104	564,471	(153,367)
Building Rent/Maintenance	322,163	222,249	99,914
Consultants/Contracts	4,807,531	4,748,589	58,942
Other Operating Expenses	2,440,089	2,390,967	49,122
TOTAL EXPENSES	22,453,500	22,856,215	(402,715)
Excess (Deficiency) of Revenues over Expenses before Capital Expenditures	2,806,289	2,417,131	389,158
CAPITAL EXPENDITURES			
Capital Outlay - FF&E, Automobiles	1,979,012	1,874,131	104,881
Capital Outlay - Debt Services Bonds	458,501	458,000	501
TOTAL CAPITAL EXPENDITURES	2,437,513	2,332,131	105,382
GRAND TOTAL EXPENDITURES	24,891,013	25,188,346	(297,333)
Excess (Deficiency) of Revenues and Expenses	368,776	85,000	283,777
Novelides and Expenses	300,110	00,000	200,111

Agenda Item: Approve Proposed FY 2012 Operating Budget

Board Meeting Date

August 25, 2011

Committee: Business

**Background Information:** 

None

**Supporting Documentation:** 

Copy of Proposed FY 2012 Operating Budget with Narrative of Increases or Decreases of More than \$10,000

**Recommended Action:** 

**Approve Proposed FY 2012 Operating Budget** 

## Tri-County MHMR Services Proposed FY 2012 Budget Compared to Final FY 2011 Approved Budget

Explanation of line items that have material changes from Proposed FY 2012 Budget compared to the Final FY 2011 Approved Budget.

#### **REVENUES:**

<u>Local Revenue</u> - Local Revenue is projected to decrease based on PETC building construction funding that was received in FY 2011.

<u>Earned Income</u> - This line item reflects a decrease based on program reductions for TCOOMMI, HCS and ICF rate reductions. In addition to changes in rates for other Medicaid programs.

<u>General Revenue</u> - This line item is projected to decrease based a large cut on the DADS General Revenue as well as an amount received in FY 2011 from DSHS that was a one-time amount.

#### **EXPENSES:**

<u>Salaries</u> – The salary line item reflects a decrease based on staff cuts in FY 2011 due to reduced funding.

<u>Employee Benefits</u> – This line item shows an increase based on the final FY 2011 budget numbers that included a large forfeiture amount that returned to the center from the Retirement fund.

<u>Travel – Board/Staff</u> – This line item reflects an increase based on projections for travel for the fiscal year.

<u>Medication Expense</u> - This line item was increased slightly just to cover possible increases to medication costs.

<u>Building Rent/Maintenance</u> - This line item reflects a decrease back down to normal maintenance levels as compared to FY 11 where we incurred costs for a roof at River Pointe 3 and other renovations completed at Truman Street.

<u>Consultants/Contracts</u> - This line item reflects a decrease based on rate reductions in the ICF program which is contracted to Empowerment Options as well as a projected decrease in use of Contract hospitals once the PETC is at full capacity.

<u>Other Operating Expenses</u> - This line item is budgeted to increase slightly based on increases in various utilities and a full year of PETC expenses for new utilities.

<u>Capital Outlay-FF&E</u>, <u>Automobiles</u> - This line item has a budgeted decrease based on the completion of the PETC and lower than normal projected expenditures for computer replacement.

<u>Capital Outlay - Debt Service Bonds</u> – This line item is based on our Bond Amortization schedule for the Series 2004 bonds.

### TRI-COUNTY MHMR SERVICES PROPOSED FY 2012 BUDGET COMPARED TO FINAL YEAR END FY 2011 BUDGET

INCOME:	PROPOSED FY 2012 BUDGET	FINAL FY 2011 BUDGET	Increase (Decrease)
Local Revenue Sources	1,643,383	3,268,972	(1,625,589)
Earned Income	9,520,624	9,843,209	(322,585)
General Revenue	11,246,913	12,147,608	(900,695)
TOTAL INCOME	22,410,920	25,259,789	(2,848,869)
EXPENSES: Salaries Employee Benefits Travel-Board/Staff Medication Expense Building Rent/Maintenance Consultants/Contracts Other Operating Expenses TOTAL EXPENSES	11,237,457 2,493,298 416,040 433,200 202,815 4,706,591 2,460,950 21,950,350	11,759,472 2,324,318 388,823 411,104 322,163 4,807,531 2,440,089 22,453,500	(522,015) 168,980 27,217 22,096 (119,348) (100,940) 20,861 (503,150)
Excess (Deficiency) of Revenues over Expenses before Capital Expenditures	460,570	2,806,289	(2,345,719)
CAPITAL EXPENDITURES Capital Outlay - FF&E, Automobiles Capital Outlay - Debt Services Bonds TOTAL CAPITAL EXPENDITURES	19,000 441,570 <b>460,570</b>	1,979,012 458,501 <b>2,437,513</b>	(1,960,012) (16,931) <b>(1,976,943)</b>
GRAND TOTAL EXPENDITURES	22,410,920	24,891,013	(2,480,093)
Excess (Deficiency) of			
Revenues and Expenses		368,776	(368,776)

Agenda Item: Approve FY 2012-2013 Department of State Health

Services Contract

**Board Meeting Date** 

August 25, 2011

Committee: Business

#### **Background Information:**

As of Thursday, August 18<sup>th</sup>, we have not received the FY 2012-2013 Department of State Health Services (DSHS) contract. If the contract is received prior to the Board meeting, we will forward a summary of changes and the substantive portions of the contract to Board members.

If the contract is not received prior to the meeting, the Board will need to determine whether to grant the Executive Director the authority to sign the contract and ratify at the September 22<sup>nd</sup> Board meeting. DSHS funds will not be disbursed until they receive a signed contract.

#### **Supporting Documentation:**

None – Contract Not Received Prior to Distribution of Board Materials

#### **Recommended Action:**

Approve the FY 2012-2013 Department of State Health Services Contract and Authorize the Executive Director to Execute

Agenda Item: FY 2012-2013 Department of Aging and Disability

Services (DADS) Contract

**Board Meeting Date** 

August 25, 2011

#### Committee: Business

#### **Background Information:**

The Center received its FY 2012-2013 Department of Aging and Disability Services (DADS) contract on August 15<sup>th</sup> with a decrease in general revenue of \$529,287, representing the Center's pro rata share of the overall DADS reduction for IDD services. Additionally, the Legislature eliminated the In Home and Family Support program and our reduction for that program is \$100,045; these funds were provided directly to consumers and their families to help them remain in their homes and independent.

The following are the substantive changes in the contract:

- 1. The performance measure to conduct an annual contact of every consumer on the Local Authority's (LA) interest list in quarterly increments of 25% has changed. The LA will be required to conduct a biennial contact of every consumer on the HCS interest list in annual increments of 50% (i.e., 50% by the end of FY 2012 and 100% by the end of FY 2013).
- 2. The requirement to "annually develop or update" the LA's quality management plan has changed to "develop and update as necessary."
- 3. Quarterly monitoring responsibility for data verification has been eliminated.
- 4. Requires the LA to *assist* a resident of a State Supported Living Center (SSLC) with completing a move from the SSLC within 180 days after the Interdisciplinary Team (IDT) refers the resident for community placement.
- 5. The requirement to submit preliminary Cost Accounting Methodology (CAM) data has been deleted. Only final CAM data is submitted.
- 6. Centers will receive their general revenue allocations as follows: 1<sup>st</sup> quarter -- 40%, 2<sup>nd</sup> quarter -- 30%, and 3<sup>rd</sup> and 4<sup>th</sup> quarter -- 15% each.
- 7. Numerous other reporting requirements have been eliminated or the frequency of reporting has been reduced.

The most significant service delivery change in the IDD Service Coordination arena; both the service delivery protocols and reimbursement methodology are new effective September 1<sup>st</sup>. We have been preparing for this change all year.

#### **Supporting Documentation:**

Copy of the FY 2012-2013 DADS Contract

#### **Recommended Action:**

Approve FY 2012-2013 Department of Aging and Disability Services (DADS) Contract and Authorize the Executive Director to Execute



FYs 2012 and 2013 PERFORMANCE CONTRACT

### Department of Aging and Disability Services FYs 2012 and 2013 PERFORMANCE CONTRACT

This Performance Contract (this Contract) is by and between the Texas Department of Aging and Disability Services (DADS), a state agency created pursuant to Texas Human Resources Code (THRC), Chapter 161, and <u>Tri-County MHMR Services DBA Tri-County Services</u>, the Local Authority (LA), a community center, created by Texas Health and Safety Code (THSC), Chapter 534, Subchapter A. This Contract shall be effective from September 1, 2011, through August 31, 2013, except that those provisions which require additional actions after the expiration of this Contract shall continue as provided in the provisions.

#### ARTICLE I. RECITALS

WHEREAS, pursuant to THSC §533.035(a) and §534.054, the LA is the designated local mental retardation authority for the local service area (LSA) consisting of the following counties: Liberty, Montgomery and Walker;

WHEREAS, pursuant to THSC §533.035(a), DADS hereby delegates to the LA the authority and responsibility for planning, policy development, coordination, including coordination with criminal justice entities, resource allocation, and resource development for and oversight of intellectual and developmental disability (IDD) services in the most appropriate and available setting to meet individual needs in the LSA; and

THEREFORE, for the consideration set forth herein, DADS and the LA hereby enter into this Contract to ensure the provision of IDD services in accordance with THSC §534.054, and agree to fulfill their respective responsibilities set forth herein.

#### ARTICLE II. REQUIREMENTS OF THE LOCAL AUTHORITY

#### A. AUTHORITY FUNCTIONS

The LA shall:

- Conduct local planning, develop policy, coordinate, develop and allocate resources, and provide oversight for IDD services in the LSA in accordance with Attachment H (Authority Functions); and
- Supervise and ensure the provision of IDD services identified in Attachment F
  (Description of IDD Services) to consumers identified in Attachment E
  (Description of Consumers), within the LSA.

#### B. GENERAL PROGRAM

The LA shall:

- Provide services to all consumers without regard to the consumer's criminal history;
- Provide consumer benefits assistance in accordance with Attachment L (Consumer Benefits Assistance Requirements) and comply with THSC §533.008(e) regarding consumer benefits training;
- 3. Ensure all service coordinators are able to access and use: www.hhs.state.tx.us/tirn/tirnhome.shtml;

- As requested by DADS, assist in transferring a consumer's ICF/MR Program or HCS Program services from one program provider to another due to closure of the provider's facility or termination of the provider's contract;
- Provide meaningful access to its programs, services, and activities and ensure adequate communication through language assistance services for consumers and legally authorized representatives (LARs) with limited English proficiency, sensory impairments, and/or speech impairments; and
- Cooperate with other LAs, Area Agencies on Aging (AAAs), and DADS local community services regional offices to ensure efficient access and intake processes for all DADS services and programs.

#### C. IDD SERVICES

The LA shall:

- Meet the quarterly Service Targets identified in Attachment A (Service Targets) and quarterly performance measures and outcome targets as identified in Attachment B (Performance Measures and Outcome Targets);
- 2. Obtain written approval from DADS prior to using contract funds to:
  - a. develop a new residential program location; or
  - b. provide residential services to a consumer;
- Comply with the following Medicaid-related items:
  - Contract with DADS to participate in Targeted Case Management (TCM)
     (i.e., service coordination for Medicaid recipients) and contract with HHSC
     to participate in Administrative Claiming;
  - b. Limit its participation as a waiver program provider to the capacity indicated in the CARE Action Code C70, except that DADS may grant a temporary increase in the enrollment capacity as a result of appropriate documentation of consumer choice:
  - Perform the enrollment for the waiver programs in accordance with Attachment K (Medicaid Program Enrollment Requirements) and DADS rules governing the HCS Program and the TxHmL Program;
  - d. Perform the Medicaid Estate Recovery Program responsibilities in accordance with Attachment R (Medicaid Estate Recovery Program); and
  - e. Refrain from providing TCM to a consumer who is receiving TCM through the local mental health authority;
- Assist a resident of a state supported living center (SSLC) with completing a move from the SSLC within 180 days after the IDT refers the resident for community placement (as indicated on the CARE Xporter report HC023200);
- 5. Provide services to consumers referred by the Texas Youth Commission, pursuant to 37 TAC Chapter 87, Subchapter B, Special Needs Offender Programs, §87.79, (relating to Discharge of Non-sentenced Offenders with Mental Illness or Mental Retardation);
- 6. Ensure the provision of all required services identified in Attachment F (Description of IDD Services) each quarter;

- Submit all required service encounters per the IDD Service Grid Instructions, DADS Service Grid and Field Definitions, and submit supplemental assignment data in CARE as necessary to ensure accuracy of individual consumer service record;
- 8. Review annually with each consumer currently receiving General Revenue services or the consumer's LAR the *Explanation of IDD Services and Supports* referenced in Attachment M (Options for IDD Services and Supports); and
- 9. Ensure the LA staff monitoring a consumer, who is on community placement status from an SSLC, complies with the applicable requirements of §2.278 of 40 TAC Chapter 2, Subchapter F (Continuity of Services—State Mental Retardation Facilities). The LA shall submit the first written report required by §2.278 to the SSLC within the first 90 days after the consumer has moved from the SSLC and submit subsequent reports at least every 90 days thereafter for the duration the LA is responsible for monitoring the consumer in accordance with §2.278.

#### D. ADMINISTRATIVE

The LA shall:

- Provide and expend required local match, as defined in the THSC §534.066, in the amount and percentage indicated on Attachment D (Required Local Match Schedule);
- Develop an annual budget, in the format of Report III-IDD Budget, using the amounts indicated in Attachments C and D (Allocation Schedule and Required Local Match Schedule, respectively), and earn and expend funds according to that budget;
- Expend funds allocated by DADS and required local match (the "contract funds") solely for IDD services and administrative overhead authorized in Article II.D.8.;
- Ensure no contract funds are used to supplement the rate-based payment the LA receives to fund its cost as a provider of waiver programs or ICF/MR programs;
- Comply in all respects as directed by DADS with the Uniform Grant Management Standards (UGMS), promulgated pursuant to the Uniform Grant and Contract Management Act, TGC, Chapter 783;
- 6. Obtain prior written approval from DADS for selected items of cost as specified in Attachment V (UGMS Allowable Costs);
- 7. Comply with the program income requirements in UGMS and:
  - Report all sources of program income that meet the criteria defined in the Instructions for Report III-IDD;
  - b. Use program income to offset expenditures within the GR strategies;
  - c. Use program income to offset expenditures, unless the unrestricted fund balance in the prior year is less than 60 days of operations; and

- Restrict the program income used to build reserves to the 60 days of operations level to finance expenditures in the GR strategies;
- 8. Maintain administrative overhead to perform the requirements of this Contract at a rate not to exceed 10% of the contract funds. If the LA's administrative overhead expenses exceed 10%, the LA shall use earned income or other funds, other than contract funds, to pay for the excess;
- 9. Maintain accounting systems that comply with UGMS, Subpart C Post-Award Requirements-Financial Administration. The LA must separately report actual expenditures and actual revenues attributable to Mental Health Adult, Mental Health Children, and IDD Programs. The LA shall report expenditures by object of expense and method of finance in accordance with the strategies indicated in Report III-IDD Budget. On a quarterly basis, the LA is required to reconcile accounting transactions from its general ledger to Report III-IDD Budget by object of expense and method of finance;
- 10. Use the Cost Accounting Methodology Manual (CAM Manual) to provide a consistent methodology for determining the cost of services, which includes an analysis of provider productivity. Using the CAM data, develop and implement management processes for the allocation and development of resources and the oversight of services, as required in Attachment H (Authority Functions). The LA shall submit preliminary CAM reports one month prior to the final CAM reports submission;
- Maintain productivity benchmarks for each service type, as defined in the CAM Manual, Schedule C;
- 12. Obtain a comprehensive financial and compliance audit for the previous state fiscal year prepared in accordance with THSC §534.068, 40 TAC Chapter 1, Subchapter G, and the Health and Human Services Commission's Guidelines for Annual Financial and Compliance Audits of Community MHMR Centers (21st Revision February 2005) (the "Audit Guidelines");
- 13. Engage the same audit firm for no more than any six (6) consecutive years from the initial date of engagement;
- Obtain affidavits executed by each board member, on Form A, and by the executive director, on Form B, annually and when changes occur;
- 15. Comply with requirements of the 2009 General Appropriations Act, Article IX, §17.02 of the 2009 General Appropriations Act (GAA). The following does not limit the requirements:
  - a. GAA, Article IX, Parts 2 and 3, except there is no requirement for increased salaries for LA employees. Upon request, DADS will provide assistance in determining the appropriate classification. In the alternative, the LA may conduct a market analysis or internal study in accordance with THSC, §534.011, to establish salaries for certain positions. However, no contract funds may be used to fund salaries to the extent they exceed the maximum amount of the employee's classification on the salary schedules for the appropriate salary group;

- b. GAA, Article IX, §6.13, relating to performance rewards and penalties;
- c. GAA, Article IX, §7.01, relating to budgeting and reporting;
- d. GAA, Article IX, §7.02, relating to annual reports and inventories;
- e. TGC, Chapter 556, relating to political activities by certain public entities and individuals:
- f. TGC, §2102.0091, relating to reports of periodic audits; and
- g. TGC, §§2113.012 and 2113.101, relating to alcoholic beverages;
- Participate in the Secretary of State's training regarding voter registration procedures and perform the responsibilities described in Attachment U (Voter Registration);
- 17. Make a good faith effort to locate and consider a Historically Underutilized Business (HUB), as defined in TGC §2161.001(2), when subcontracting any portion of this Contract, and submit, in accordance with Attachment N (IDD Submission Calendar), the LA's subcontracts report on the Annual HUB Sub-Contracting Report (Form F);
- Enter and submit accurate data:
  - Upon submission of this Contract in Report III-IDD Budget:
    - i. The budget developed in accordance with Article II.D.2; and
    - ii. Projected in-kind local match for this Contract for each fiscal year of the term of this Contract; and
  - b. In accordance with Attachment N (IDD Submission Calendar):
    - All data necessary to calculate number of persons served, by type of service, and to complete quarterly CARE reports; and
    - ii. All data to complete the quarterly Report III-IDD Budget;
- 19. Submit accurate and timely information to DADS including the information described in Attachment N (IDD Submission Calendar), as follows:
  - A completed Certification Regarding Lobbying (Form D) and updates as necessary:
  - b. A copy of the LA's quarterly financial statements for the general fund account groups, including the balance sheet and income statement and general fund balance for LA in total, as prepared for presentation to the LA's governing body, and a certification of the accuracy of such statements, on the *Financial Statement Certification* (Form G). The originally signed Form G or a copy of the originally signed Form G is acceptable;
  - If requested by DADS, monthly financial data in a format determined by DADS;
  - d. When necessary, a request to amend this Contract, on the Contract Amendment Request (Form C);
  - e. Five (5) copies of a comprehensive financial and compliance audit for the previous state fiscal year: four (4) copies to DADS and one (1) copy to the Office of Inspector General, Single Audit, HHSC, Office of Inspector General, Compliance/Audit, Mail Code 1326, P.O. Box 85200, Austin, TX 78708:
  - f. A Corrective Action Plan (CAP) as required in the Audit Guidelines, 21<sup>st</sup> Revision. If the independent audit reports and management letter have no

- findings, then submit a letter stating that corrective action is not necessary;
- GAM report information according to the procedures, instructions, and schedule provided by DADS;
- Supporting reports, data, work papers, and information, requested by DADS; and
- As necessary, all other submissions described in Attachment N (IDD Submission Calendar);
- Submit timely monthly encounter data files for all IDD services, which has a rejection rate of less than 1% of the total number of records, in accordance to Attachment N;
- 21. Submit accurate and comprehensive monthly encounter data for all IDD services, including all required data fields and values, in accordance with the IDD Service Grid Instructions, DADS Service Grid and Field Definitions as well as procedures and instructions established by DADS;
- 22. Submit online the Single Audit Determination Form as required by the Office of Inspector General (OIG) at https://oig.hhsc.state.tx.us/Single\_Audit/. If the LA fails to complete the Single Audit Determination Form within the thirty (30) days after notification by OIG to do so, the LA shall be subject to sanctions and remedies for non-compliance with this Contract;
- 23. Report aggregate critical incident data via CARE Screen 686 in accordance the Mental Retardation Authority User Guide at http://www2.mhmr.state.tx.us/655/cis/training/MRAGuide.html;
- 24. Retain for six (6) years following the later date of the expiration or termination of this Contract or the termination of services, protected health information and all records, reports, and source documentation related to service event data sufficient to support an audit concerning contracted expense and services, including work papers used to calculate individual costs;
- 25. Retain for six (6) years following the expiration or termination of this Contract all documents required under this Contract, including:
  - Internal monitoring records of the quality and appropriateness of Medicaid program participation and compliance;
  - b. All accounting and other financial records;
  - c. Real and personal property leases;
  - d. Policies, manuals, and standard operating procedures;
  - e. Provider credentialing records;
  - f. Records relating to insurance policies;
  - g. Employment records;
  - Licenses and certifications:
  - i. Records required by DADS;
  - j. Subcontracts;
  - k. Records relating to matters in litigation, and
  - Claims payment histories;

- 26. Use CARE to collect, record, and electronically submit information to DADS, and to generate reports concerning performance under this Contract, in accordance with the CARE Reference Manual, CARE User's Manual, and CARE Reporting Manual;
- 27. Maintain access to the following DADS databases:
  - a. Community Services Interest List (CSIL); and
  - b. Service Authorization System Online (SASO);
- 28. Collect, record, and maintain information in accordance with Attachment J (HCS Interest List Maintenance) and the HCS Interest List Manual regarding consumers who have requested HCS services;
- 29. Authorize DADS, the Department of State Health Services (DSHS), the Health and Human Services Commission (HHSC), and their designees, as well as the State of Texas through any authorized representatives, to have unrestricted access, with reasonable notice, to all facilities, records, data, and other information, including service event data, under the control of the LA or its subcontractors as necessary to enable DADS, DSHS, and HHSC to audit, monitor, and review the LA's compliance with the requirements of this Contract;
- 30. In compliance with the TGC, §2262.003, agree that:
  - The state auditor may conduct an audit or investigation of any entity receiving funds from the state directly under this Contract or indirectly through a subcontract under this Contract;
  - b. Acceptance of contract funds directly under this Contract or indirectly through a subcontract under this Contract acts as acceptance of the authority of the state auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with the contract funds; and
  - c. Under the direction of the legislative audit committee, an entity that is the subject of an audit or investigation by the state auditor must provide the state auditor with access to any information the state auditor considers relevant to:
    - Evaluating the entity's performance under this Contract or subcontract;
    - ii. Determining the state's rights or remedies under this Contract; or
    - iii. Evaluating whether the entity has acted in the best interest of the state;
- 31. Certify by execution of this Contract that the LA:
  - a. Is not currently held in abeyance or barred from the award of a federal or state contract, and that the LA will provide immediate written notification to DADS if the LA becomes held in abeyance or barred from the award of a federal or state contract during the term of this Contract; and
  - b. Under Section 2261.053, Government Code, the contractor (LA) certifies that the individual or business entity named in this contract is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate;

- 32. Comply, and require its subcontractors to comply, with all laws, rules and regulations, current and future, that are applicable to the LA or its subcontractors, including but not limited to the following:
  - Rules.
    - i. 40 TAC 1-G (Community MHMR Centers):
    - ii. 40 TAC 2-A (Mental Retardation Authority Notification and Appeal);
    - iii. 40 TAC 2-B (Contracts Management for Local Authorities);
    - 40 TAC 2-C (Charges for Community Services);
    - v. 40 TAC §2.151(1)(F) (Most Appropriate Available Treatment Alternative) and §2.152(e) (Special Considerations);
    - vi. 40 TAC 2-F (Continuity of Services State Mental Retardation Facilities);
    - vii. 40 TAC 2-G (Role and Responsibilities of an MRA);
    - viii. 40 TAC 2-L (Service Coordination for Individuals with Mental Retardation);
    - ix. 40 TAC 4-A (Protected Health Information);
    - x. 40 TAC 4-C (Rights of Individuals with Mental Retardation);
    - xi. 40 TAC 4-D (Administrative Hearings Under the PMRA);
    - xii. 40 TAC 4-K (Criminal History and Registry Clearances);
    - 40 TAC 4-L (Abuse, Neglect, and Exploitation in Local Authorities and Community Centers);
    - xiv. 40 TAC 5-A (Prescribing of Psychoactive Medication);
    - xv. 40 TAC 5-C (Use and Maintenance of TDMHMR Drug Formulary);
    - xvi. 40 TAC 5-D (Diagnostic Eligibility for Services and Supports Mental Retardation Priority Population and Related Conditions);
    - xvii. 40 TAC 5-J (Pre-admission Screening and Resident Review Mental Retardation Services);
    - xviii. 40 TAC 8-K (Deaths of Persons Served by TXMHMR Facilities or Community MHMR Centers);
    - xix. 40 TAC 9-D (Home and Community-based Services (HCS) Program);
    - xx. 40 TAC 9-E (ICF/MR Programs Contracting);
    - xxi. 40 TAC 9-N (Texas Home Living (TxHmL) Program);
    - xxii. 40 TAC 72-L (MOU-Capacity Assessment for Self-Care and Financial Management); and
    - xxiii. 1 TAC Chapter 383 (Interstate Compact on Mental Health and Mental Retardation);
  - b. Federal Laws.
    - i. Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, ADA, and the Age Discrimination in Employment Act of 1967, and all amendments to each, and all requirements imposed by the regulations issued pursuant to these acts. These laws provide in part that no person in the United States shall, on the grounds of race, color, national origin, sex, age, disability, political beliefs or religion be excluded from participation in, or denied, any aid, care, service, or other benefits provided by federal and/or state funding, or otherwise in any way be subjected to discrimination. Title VI of the Civil Rights Act of 1964 also prohibits employers from failing or refusing to refer for employment, or to discharge any individual or otherwise discriminate against any individual with respect to his compensation, terms, conditions,

- privileges or deprive or tend to deprive any individual of employment opportunities, because of the individual's race, color, religion, sex, or national origin; and
- 42 CFR Part 2 (concerning the confidentiality of alcohol and drug abuse patient records) and 45 CFR Parts 160 and 164 (concerning standards for protected health information (i.e., HIPAA regulations));
- State Law. THSC Chapter 85 (concerning HIV/AIDS workplace and confidentiality guidelines);
- 33. Comply with the special terms and conditions in Attachment I (Special Terms and Conditions), if applicable;
- 34. Direct all inquiries and requests to DADS concerning or required by this Contract, including requests for amendment, to the Contract Manager or other individual designated as a Point of Contact under Article VI.L, unless otherwise provided in this Contract;
- 35. As required by 1 TAC Chapter 202, comply with the following portions of the HHSC Enterprise IT Division Policies, Standards & Procedures (which can be found at: http://hhscx.hhsc.state.tx.us/tech/policy/default.shtml):
  - Security Policy; and
  - b. Security Standards and Guidelines;
- 36. Use encryption software that is compatible with DADS' encryption software;
- 37. Develop and maintain an effective Emergency Plan as prescribed by Attachment W (Emergency Plan Requirements);
- Comply with the IDD PASARR Handbook regarding the provision of specialized services to nursing facility residents who have been identified through the Preadmission Screening and Resident Review (PASARR) process as needing such services;
- Comply with the Health and Human Services Contract Council's policy regarding definition and disposition of equipment and controlled assets, which can be found at: http://hhscx.hhsc.state.tx.us/ContractingSupport/UGMS\_1AB.DOC;
- 40. Establish a public phone number for each county in the LSA to access IDD services and ensure the phone number remains dedicated for that purpose and is not reassigned. The LA may have the same phone number for more than one county. The phone number(s) for the county or counties must be submitted on Form S:
- 41. Agree that if it permits the use of electronic signatures to document any aspect of the provision of services under this Contract, the LA will maintain appropriate safeguards to assure the authenticity of the electronic records and signatures. The LA agrees that if it permits an electronic signature to be used on a document, the LA cannot challenge the authenticity or admissibility of the signature or the document in any audit, review, hearing, or other proceeding

conducted by DADS, HHSC, the State Auditor's Office, a federal funding source, or a federal or state court;

#### 42. Develop internal procedures for:

- processing requests when consumers or their LARs or actively involved family members indicate a preference for a service or support on the Identification of Preferences form (Form 8648); and
- b. ensuring documentation of the individual's preferences of a service or support exists to substantiate their preference and the date the preference was indicated; and
- 43. Comply with all Attachments to this Contract.

#### ARTICLE III. REQUIREMENTS OF DADS

#### A. FUNDING AND ADJUSTMENTS

- DADS shall authorize the Texas Comptroller of Public Accounts Office (the Comptroller) to release funds indicated on Attachment C (Allocation Schedule), for fiscal year 2012 as follows: 40% at the commencement of the first quarter, 30% at the commencement of the second quarter, and 15% at the commencement of the third and fourth quarters.
- DADS may adjust the LA's reported service performance as necessary to correct inaccuracies.
- 3. DADS may adjust the allocation of contract funds that supports programs refinanced to Medicaid during the term of this Contract.
- 4. The annual GR allocations include the state match for Medicaid Administrative Claiming (MAC) in Attachment C and DADS may adjust those amounts if the LA does not fulfill the requirements of the LA's contract for MAC.
- 5. This Contract is contingent upon the continued availability of funding. If funds indicated on Attachment C (Allocation Schedule) become unavailable through lack of appropriations, budget cuts, transfer of funds between health and human service agencies, amendment to the General Appropriations Act, agency consolidation, or for any other disruption of current appropriated funding for this contract, DADS may restrict, reduce, or terminate funding under this Contract. DADS will provide prior written notice to the LA, when feasible, of any action taken under this provision.
- 6. The term of this Contract is for two fiscal years as defined in Article VI.A. DADS contract funds and service targets are appropriated by fiscal year for this Contract. The contract funds and service targets for the second fiscal year will be added to this Contract by a contract amendment prior to the beginning of the second fiscal year.

- 7. If the LA is not able to expend the allocations within the fiscal year in a reasonable and allowable manner, as determined by DADS, then DADS may, at any time after consultation with the LA, reduce the allocation for the fiscal year and reallocate to other LAs, and may also reduce the allocation for future fiscal years.
- Any payments due under this Contract will be applied towards any debt that the LA owes to the State of Texas.

#### B. GENERAL REQUIREMENTS

DADS shall:

- Consider requests from the LA to allow 90 days to make significant changes to the LA's information system required by a contract amendment that affects the LA's information system;
- Direct all requests and inquiries concerning this Contract to the LA's Executive Director, or other individual designated as the Point of Contact under Article VI.L;
- Designate a DADS employee to oversee management of this Contract and to communicate official clarifications to this Contract;
- Make available technical assistance for services, functions, and other requirements of this Contract, upon written request from the LA's Executive Director and approval by DADS;
- 5. Monitor the LA for programmatic and financial compliance with this Contract. Monitoring activities may include but are not limited to on-site reviews and desk reviews of documents submitted by the LA and data submitted electronically by the LA. Reviews include quality assurance, priority population, Medicaid waiver authority, and financial. When possible, DADS will coordinate on-site reviews with DSHS;
- Conduct exit conferences with designated representatives of the LA prior to distributing findings of DADS' monitors, auditors, or other staff conducting audits or reviews; however, DADS is not required to conduct exit conferences in cases of investigations involving possible criminal activity; and
- 7. Maintain and make available formats necessary for the LA to complete Reports III-IDD Budget and its instructions without amending this Contract.

#### ARTICLE IV. NON-COMPLIANCE BY LA

#### A. REMEDIES AND SANCTIONS

- Remedies. DADS may impose one or more of the remedies described below for noncompliance with a contract requirement:
  - a. Require the LA to submit a Corrective Action Plan (CAP) to DADS for approval. The LA must submit the CAP to the Contract Manager within 30 calendar days after receiving a notice of deficiency. The CAP must include the following:

DADS FYs 2012 and 2013 Contract

Contract Document

- i. The date by which the deficiency will be corrected. For a quality assurance review, the date may not exceed 90 days after the day of the exit conference unless DADS approves an additional amount of time prior to the expiration date. For any other deficiency, the date may not exceed 90 days after the date of the notice of deficiency unless DADS approves an additional amount of time prior to the expiration date. DADS may designate the timeframe to correct the deficiency;
- ii. Identification of the party responsible for ensuring the deficiency is corrected:
- iii. The actions that have been or will be taken to correct the deficiency; and
- iv. A description of the systematic change and monitoring system implemented to ensure the deficiency does not re-occur, including the frequency of the monitoring and the party responsible for monitoring:
- Impose special conditions or restrictions following identification of the LA as High Risk, as described in Article IV.D.;
- Require the LA to retain a consultant or obtain technical training or assistance or managerial assistance;
- d. Establish additional prior approvals for expenditure of contract funds;
- e. Require submission of additional, more detailed financial or programmatic reports; and/or
- f. Impose any other remedies provided by law.
- 2. Mandatory Sanctions. DADS will impose sanctions as described below:
  - a. Recoup contract funds from the LA, for failing to meet a quarterly Service Target identified in Attachment A (Service Targets), based on the statewide case rate. The statewide case rate is the ratio of statewide contract funds to total statewide budgeted costs for each target, as determined by DADS. Services not counted toward service target performance may be considered in determining the LA's liability for recoupment;
  - Impose penalties for failing to meet a quarterly outcome target for a performance measure identified in Attachment B (Performance Measures and Outcome Targets);
  - c. Impose penalties for failing to correct a finding on an annual quality assurance review within the timeframe stated in the CAP that was accepted to correct the finding. DADS will consider the LA's non-compliance from the previous fiscal years when imposing penalties in this subsection 2.c.;
  - d. Impose penalties for failing to submit information in any item described in Article II.D.19.a.-h. and II.D.20. in accordance with Attachment N (IDD Submission Calendar). DADS will impose penalties each month thereafter for continued failure to submit the information in the item; and/or
  - e. Impose penalties for failing to ensure the provision of a required IDD service quarterly as stipulated by Article II.C.6.
- 3. <u>Discretionary Sanctions</u>. DADS may impose one or more of the sanctions described below for non-compliance with a contract requirement:
  - a. Impose penalties for failing to comply with any contract requirement except those described in 2.b.-e. above, in accordance with the penalty chart in 4. below;
  - Impose penalties for failing to correct a finding within the timeframe stated in the CAP that was accepted to correct the finding, except for a finding from a quality assurance review as provided for in 2.c. above;

- Temporarily withhold contract funds pending resolution of issues of noncompliance with contract requirements or indebtedness to the United States or to the State of Texas.;
- Permanently withhold allocated funds, or require the LA to return contract funds for:
  - i. Unallowable, undocumented, inaccurate, or improper expenditures;
  - ii. Failure to comply with contract requirements; or
  - ii. Indebtedness to the United States or to the State of Texas;
- e. Reduce the contract term:
- f. Limit allocations to monthly distributions;
- g. Require removal of any officer or employee of the LA:
  - Who has been convicted of the misuse of state or federal funds, fraud, or illegal acts that are a contraindication to continued performance of obligations under this Contract, as determined by DADS; or
  - Who has committed an egregious violation of policies and procedures of the terms of this Contract, as determined by DADS;
- h. Suspend all or part of this Contract. Suspension is, depending on the context, either: (1) the temporary withdrawal of the LA's authority to obligate contract funds pending corrective action by the LA or pending a decision to terminate or amend this Contract; or (2) an action taken to immediately exclude a person from participating in contract transactions for a period, pending completion of an investigation and such legal or debarment proceedings as may ensue. The LA's costs resulting from obligations incurred by the LA during a suspension are not allowable unless expressly authorized by the notice of suspension;
- i. Deny additional or future contracts or renewals with the LA; and/or
- j. Terminate this Contract, as described in Article IV.F.
- 4. DADS will use the following penalty chart for imposing penalties for mandatory sanctions described in 2.b., 2.c., 2.d., and 2.e. above, and for the discretionary sanctions described in 3.a and 3.b. above. Adjusted annual allocation means any adjustments made to the total annual allocation that are not one-time funding adjustments. A one-time funding adjustment is an amount that will not be calculated into the next fiscal year's allocation. The penalty chart will be applied separately to each of the six sanctions.

LA Total Adjusted Annual Allocation	Failure to Correct
Up to \$1.5 million	\$1,000
Not to exceed	\$6,000
Up to \$3 million	\$2,000
Not to exceed	\$12,000
Greater than \$3 million	\$3,000
Not to exceed	\$18,000

If the LA reaches the "Not to Exceed" amount, DADS will require the LA's Board of Trustees to pass a resolution to obtain assistance as described in Article IV.A.1.c. DADS retains the right to impose discretionary sanctions for additional violations.

Payments to LA may be withheld to satisfy any recoupment or penalty imposed by DADS. 6. Penalties may not be paid from contract funds or interest earned from contract funds.

#### B. PROCEDURES FOR IMPOSING REMEDIES AND SANCTIONS

- The Contract Manager shall send to the LA notice of the LA's alleged contract noncompliance and the specified remedy or sanction to be imposed.
- 2. The LA may submit a written request for an informal review to the DADS MRA Section Director of the imposition of a remedy. The request for the informal review must be received within ten (10) business days after the date of receipt of the notice. The request for informal review must demonstrate that the allegation of non-compliance is invalid or that the allegation does not warrant the imposition of the remedy. If a timely request for informal review is not submitted, DADS will impose the remedy. A timely request for informal review of a remedy based on failure to submit information in accordance with Attachment N (IDD Submission Calendar) must include written proof that the LA submitted the information by the due date.
- 3. The LA may submit a written request for reconsideration to the Sanction Action Review Committee of the imposition of a discretionary or mandatory sanction at: DADS COS, Attn: SARC Chair, Mail Code W340, P.O. Box 149030, Austin, TX 78714-9030. The request for reconsideration must be received within ten business days after the date of receipt of the notice. The request for reconsideration must demonstrate that the allegation of non-compliance is invalid or that the allegation does not warrant the imposition of the sanction. If a timely request for reconsideration is not submitted, DADS will impose the sanction. A timely request for reconsideration of a sanction based on failure to submit information in accordance with Attachment N (IDD Submission Calendar) must include written proof that the LA submitted the information by the due date.
- The DADS MRA Section Director shall notify the LA in writing of DADS' final determination.
- 5. If DADS' final determination is to uphold the sanction, the LA shall remit to DADS any monetary amounts assessed within 30 days following the date specified in the notice of alleged non-compliance or DADS' final determination, whichever date is later, or interest will accrue on the unpaid amounts at the rate of 5% per annum.

#### C. EMERGENCY ACTION

In an emergency, DADS will immediately impose a sanction by delivering written notice to the LA by any verifiable method when the LA's act or omission is endangering or may endanger the life, health, welfare, or safety of a consumer.

Whether the LA's conduct or inaction is an emergency will be determined by DADS on a case-by-case basis and will be based upon the nature of the non-compliance or conduct.

#### D. IDENTIFICATION OF HIGH RISK

DADS may identify the LA as High Risk in accordance with the UGMS, Grant Administration, Section III, Subpart B, paragraph \_.12, Office of Budget and Management Circular A-110, Subpart B, paragraph \_.14, and DADS policies. DADS will inform the LA of the identification as High Risk in writing. DADS will state the effective date of the identification as High Risk, the nature of the issues that led to the identification as High Risk, and any special conditions or restrictions. The identification as High Risk remains in

effect until DADS has determined that the LA has taken corrective action sufficient to resolve the issues that led to the identification as High Risk.

#### E. MANAGEMENT TEAM

DADS may appoint a manager or management team to manage and operate the LA in accordance with THSC §§534.038-534.040 if the Commissioner finds that the LA or an officer or employee of the LA:

- Intentionally, recklessly, or negligently failed to discharge the LA's duties under this Contract;
- 2. Misused state or federal money;
- 3. Engaged in a fraudulent act, transaction, practice, or course of business;
- 4. Endangered or may endanger the life, health or safety of a consumer;
- 5. Failed to keep fiscal records or maintain proper control over the LA's assets as prescribed by TGC, Chapter 783 and this Contract;
- 6. Failed to respond to a deficiency in a review or audit;
- Substantially failed to operate within the functions and purposes defined in the LA's center plan; or
- Otherwise substantially failed to comply with THSC Chapter 534, Subchapter A or DADS rules.

#### F. TERMINATION

- If DADS determines the LA is unable or unwilling to fulfill any of its requirements under this Contract to ensure the provision of services or exercise adequate control over expenditures or assets, DADS may initiate termination of this Contract in whole or in part, as follows:
  - a. DADS shall provide 30 days written notice of proposed termination to the LA;
  - b. The LA may request a hearing to appeal the proposed termination;
  - c. If the LA files a timely request for a hearing, the hearing shall be conducted in accordance with 1 TAC Chapter 357, Subchapter I, and 40 TAC Chapter 91; and
  - d. In lieu of contract termination, DADS may appoint a manager or management team to manage and operate the LA in accordance with THSC §§534.038-534.040.
- DADS and LA may mutually agree to terminate this Contract, in whole or in part.
- The LA may terminate this Contract in whole and without cause by giving 90 days
  written notice to DADS and submitting a transition plan that ensures there is no
  disruption in services to consumers.

#### ARTICLE V. NON-COMPLIANCE BY DADS

If DADS fails to perform any responsibility set forth in this Contract the LA may send notice of such failure to DADS. DADS shall respond to the LA in writing within 30 days following receipt of the notice.

#### ARTICLE VI. MISCELLANEOUS PROVISIONS

#### A. TERM OF CONTRACT

The term of this Contract is September 1, 2011, through August 31, 2013.

#### B. WAIVER

Acceptance by either party of partial performance or failure to complain of any action, non-action, or default under this Contract shall not constitute a waiver of either party's rights hereunder.

#### C. VENUE

Proper venue for any litigation arising from this Contract shall be Travis County.

#### D. AMENDMENTS

This Contract may only be amended by written agreement between DADS and the LA. Amendments will be signed by the DADS Assistant Commissioner for Access and Intake and the LA's Executive Director, unless written notice otherwise is provided pursuant to Article VI.K.

#### E. ENTIRE AGREEMENT

This Contract contains the entire understanding of the parties.

#### F. SURVIVAL

The expiration or termination of this Contract shall not affect the rights and obligations of the parties accrued prior to the effective date of expiration or termination and such rights and obligations shall survive and remain enforceable.

#### G. ASSIGNMENT

Neither party may assign any of its rights or obligations, in whole or in part, under this Contract without the written consent of the other party, and such consent may be withheld for any reason by either party, except as otherwise provided by law.

#### H. INDEPENDENT CONTRACTOR

In the performance of all services hereunder, the LA shall be deemed to be and shall be an independent contractor of DADS and, as such, shall not be entitled to any benefits applicable to employees of DADS. The LA shall direct and be responsible for the performance of its employees, subcontractors, joint venture participants, and agents.

#### I. SIGNIFICANT CHANGE

If, as a result of a change to a rule, or state or federal law, the contractual obligations of the LA are materially changed or a significant financial burden is placed on the LA, the parties may negotiate in good faith to amend this Contract.

#### J. REFERENCES

Captions contained in this Contract are for reference purposes only and do not affect the meaning of this Contract. Unless otherwise noted, all references in this Contract to "days" mean calendar days. A day that is referenced as a "business" day means any day other than a Saturday, a Sunday or a day in which DADS Offices located at 701 W. 51<sup>st</sup> Street, Austin, Texas, are authorized or obligated by law or executive order to be closed.

#### K. NOTICE

Any notice given under this Contract shall be made by any method of delivery that verifies receipt of the notice. Notice shall be sent to the address shown on the execution page or as otherwise agreed by the parties.

#### L. POINTS OF CONTACT

The LA shall designate its Executive Director to serve as the LA's single point of contact for all communications between the LA and DADS concerning this Contract. Notwithstanding this provision, the LA may designate an individual other than the Executive Director to serve as the single point of contact by notifying DADS in writing of such other designation.

DADS shall designate a Contract Manager to serve as DADS' single point of contact for all communications between DADS and the LA concerning this Contract. Notwithstanding this provision, DADS may designate an individual other than the Contract Manager to serve as the single point of contact by notifying the LA in writing of such other designation.

#### M. TRANSFER OF RESPONSIBILITIES

Upon expiration or termination of this Contract, the LA and DADS shall cooperate to the fullest extent possible to ensure the orderly and safe transfer of responsibilities under this Contract to DADS or other entity designated by DADS.

#### N. RETURN OF FUNDS

Upon termination or the end of each fiscal year of this Contract, the LA shall return to DADS all funds allocated under this Contract that have not been encumbered for purposes authorized by this Contract. A transfer to the LA's fund balance or reserves is not a purpose authorized by this Contract.

#### O. CONTRACT INSTRUCTIONS

Instructions clarifying the preparation requirements of this Contract have been developed by DADS. However, nothing in such instructions shall be interpreted as changing or superceding the terms of this Contract.

#### P. EXCHANGE OF PROTECTED HEALTH INFORMATION

Except as prohibited by other law, the LA and DADS shall exchange protected health information without consent of consumers in accordance with 45 CFR §164.504(e)(3)(i)(B), THSC §533.009 and 40 TAC Chapter 4, Subchapter A. The LA shall disclose information described in THSC §614.017(a)(2) relating to special needs offenders, to an agency described in THSC §614.017(c) upon request of that agency, unless the LA documents that the information is not allowed to be disclosed under 45 CFR Part 164.

#### Q. BUY TEXAS

The LA shall purchase products and materials produced in Texas when the products and materials are available at a price and delivery comparable to products and materials produced outside of Texas, as required by TGC, Chapter 2155, §2155.4441.

#### R. WEB LINK REFERENCES

The referenced web links in this Contract are subject to change without notice. DADS will notify the LA of changes to web addresses when possible.

#### T. IMMUNITY NOT WAIVED

The Parties expressly agree that no provision of this Contract is in any way intended to constitute a waiver by DADS or the state of Texas of any immunity from suit or from liability that DADS or the state of Texas may have by operation of law.

#### ARTICLE VII. ACRONYMS

ABL	Adapted Behavior Level
ADA	Americans with Disabilities Act
CAM	Cost Accounting Methodology
CAP	Corrective Action Plan
CARE	Client Assignment and Registration System
CFR	Code of Federal Regulations
CRCG	Community Resources Coordination Group for Children
CSIL	Community Services Interest List
DADS	Department of Aging and Disability Services
DARS	Department of Assistive and Rehabilitative Services
DB-MD	Deaf Blind-Multiple Disabilities
DFPS	Department of Family and Protective Services
DMR	Determination of Mental Retardation
DSHS	Department of State Health Services
ECI	Early Childhood Intervention
GAA	General Appropriations Act
GR	General Revenue
HCS	Home and Community Based Services
HHSC	Health and Human Service Commission
HIPAA	Health Insurance Portability and Accountability Act
HIV/AIDS	Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome
HUB	Historically Underutilized Business
ICD-9	International Classification of Diseases, 9th Revision
ICF/MR	Intermediate Care Facility for Persons with Mental Retardation
IDD	Intellectual and Development Disability
IDT	Interdisciplinary Team
IHFS	In-Home and Family Support
IPC	Individual Plan of Care
IQ	Intellectual Quotient
IT	Information Technology
LA	Local Authority
LAR	Legally Authorized Representative
LOC	Level of Care

DADS FYs 2012 and 2013 Contract

Level of Need

LON

Contract Document

LSA Local Service Area

MAC Medicaid Administrative Claiming

MBOW Mental Retardation Behavioral Health Outpatient Data Warehouse

MERP Medicaid Estate Recovery Program MOU Memorandum of Understanding

MR Mental Retardation

MR/RC Mental Retardation/Related Condition

MRA Mental Retardation Authority
MSA Management Service Agreement
OBRA Omnibus Budget Reconciliation Act

OIG Office of Inspector General

PASARR Preadmission Screening and Resident Review

PDP Person Directed Plan
PHC Primary Home Care
Pl Promoting Independence

PMRA Persons with Mental Retardation Act

PNAC Planning and Network Advisory Committee

QA Quality Assurance RN Registered Nurse

SASO Service Authorization System Online

SAVERR System for Application, Verification, Eligibility Referral and Reporting

SSA Social Security Administration
SSDI Social Security Disability Income
SSLC State Supported Living Center
SSI Supplemental Security Income
TAC Texas Administrative Code
TCM Targeted Case Management

TDMHMR Texas Department of Mental Health and Mental Retardation (Legacy)

TEA Texas Education Agency
TGC Texas Government Code
THRC Texas Human Resources Code
THSC Texas Health and Safety Code

TxHmL Texas Home Living

UGMS Uniform Grant Management Standards

UR Utilization Review

STATE AUTHORITY	LOCAL AUTHORITY		
Department of Aging and Disability Services (DADS)	Tri-County MHMR Services DBA Tri-County Services		
Gary Jessee Date Assistant Commissioner Access and Intake Division	Cecil McKnight Date Chair, Board of Trustees*		
	Cindy Sill Date Executive Director*		
DADS ADDRESS Department of Aging and Disability Services DADS Performance Contracts Mail Code W354 P.O. Box 149030 Austin, TX 78714-9030	P.O. Box 3067 Conroe, TX 77305 1506 FM 2854 Conroe, TX 77304		
Department of Aging and Disability Services DADS Performance Contracts Mail Code W354 701 W. 51 <sup>st</sup> Street Austin, TX 78751			

<sup>\*</sup>Pursuant to Article VI.D, amendments will be signed by the LA's executive director, unless written notice otherwise is provided pursuant to Article VI.K.

#### Attachment A Service Targets for FY 2012

Service Targets computed quarterly as follows: Month 1 + Month 2 + Month 3 divded by 3

Comp Code	LA Name	Total Quarterly Consumer Targets	Appropriations Adjustments	Adjusted FY 2012 Targets	
440	Anderson-Cherokee Community Enrichment Services	118	(31)	87	
190	Andrews Center	132	(35)	97	
030	Austin Travis County Integral Care	340	(101)	239	
010	Betty Hardwick Center	88	(26)	62	
051	Alamo Local Authority for IDD	393	(117)	276	
460	Bluebonnet Trails Community Services	311	(81)	230	
485	Border Region MHMR Community Center	116	(30)	86	
250	MHMR Authority of Brazos Valley	100	(30)	70	
260	Burke Center	87	(26)	61	
490	Camino Real Community Services	95	(25)	70	
060	Center for Life Resources	59	(15)	44	
040	Central Counties Center for MHMR Services	142	(37)	105	
070	Central Plains Center	58	(15)	43	
475	Coastal Plains Community Center	141	(37)	104	
160	MHMR Services for the Concho Valley	69	(21)	48	
300	Metrocare SERVICES	898	(235)	663	
400	Denton County MHMR Center	192	(57)	145	
090	El Paso MHMR	187	(56)	131	
110	Gulf Bend MHMR Center	39	(10)	29	
100	Gulf Coast Center	197	(52)	145	
280	MHMR Authority of Harris County	1,157	(303)	854	
220	Heart of Texas Region MHMR Center	162	(48)	114	
230	Helen Farabee Centers	119	(31)	88	
470	Hill Country MHDD Centers	205	(54)	151	
480	Lakes Regional MHMR Center	229	(60)	169	
410	LifePath Systems	129	(34)	95	
150	Lubbock Regional MHMR Center	132	(39)	93	
180	MHMR of Nueces County	73	(22)	51	
350	Pecan Valley Centers	73	(19)	54	
170	Permian Basin Community Centers	108	(28)	80	
240	Community Healthcore	142	(37)	105	
140	Spindletop Center	303	(79)	224	
200	MHMR of Tarrant County	741	(194)	547	
430	Texana Center	258	(77)	181	
020	Texas Panhandle Centers	257	(67)	190	
290	MHMR Services of Texoma	81	(21)	60	
380	Tri-County Services	162	(42)	120	
130	Tropical Texas Behavioral Health	222	(66)	156	
450	West Texas Centers	109	(29)	80	
	LA Total Per Quarter	8,424	(2,287)	6,147	

The service targets identified in this attachment are average monthly persons served.

# ATTACHMENT B Performance Measures and Outcome Targets

	Performance Measure	Outcome Target
#1	Percent of all enrollments into HCS that meet timelines specified in Attachment K.	at least 95% for each quarter
#2	Percent of permanency plans completed that meet timeline requirements specified in Attachment S.	at least 95% for each quarter
#3	Percent of all enrollments into TxHmL that meet timelines specified in Attachment K.	at least 95% for each quarter
#4	Percent of HCS interest list population contacted for biennial review as required in Attachment J, Section I.	at least 50% by end of FY12
		at least 100% by end of FY13

# Attachment C Allocation Schedule FY 2012 Summary Original Allocation

Comp#	Community Center	General Revenue	Permanency Planning	CLOIP	<b>Total LA Allocation</b>
440	Anderson-Cherokee Community Enrichment Services	996,545	9,513	1.00	1,006,058
190	Andrews Center	1,222,625	20,755	-	1,243,380
30	Austin Travis County Integral Care	2,655,100	33,725	322,348	3,011,173
10	Betty Hardwick Center	632,566	25,078	382,042	1,039,686
051	Alamo Local Authority for IDD	3,411,959	70,911	208,531	3,691,401
460	Bluebonnet Trails Community Centers	2,550,222	15,566		2,565,788
485	Border Region MHMR Community Center	1,455,300	3,459		1,458,759
250	MHMR Authority of Brazos Valley	817,193	13,836	279,368	1,110,397
260	Burke Center	789,977	26,808	308,817	1,125,602
490	Camino Real Community Services	1,416,321	1,730		1,418,051
60	Center for Life Resources	481,759	8,648		490,407
40	Central Counties Center for MHMR	1,230,422	22,484		1,252,906
70	Central Plains Center	482,088	1,730		483,818
475	Coastal Plains Community Center	1,259,876	1,730		1,261,606
240	Community Healthcore	1,230,104	37,185		1,267,289
	MHMR Services for the Concho Valley	516,941	19,025	211,715	747,681
300	Metrocare SERVICES	7,063,374	49,292	-	7,112,666
400	Denton County MHMR Center	1,291,489	21,619	492,674	1,805,782
	El Paso MHMR	1,682,830	12,972	103,470	1,799,272
	Gulf Bend MHMR Center	335,940	4,324		340,264
100	Gulf Coast Center	1,793,256	28,538		1,821,794
	MHMR Authority of Harris County	8,681,794	121,933		8,803,727
	Heart of Texas Region MHMR Center	1,256,867	18,160	327,123	1,602,150
	Helen Farabee Centers	1,089,519	14,701		1,104,220
	Hill Country MHDD Centers	1,787,386	12,972		1,800,358
480	Lakes Regional MHMR Center	1,965,829	28,538		1,994,367
	LifePath Systems	1,167,464	12,107		1,179,571
150	Lubbock Regional MHMR Center	982,249	21,619	206,939	1,210,807
	MHMR of Nueces County	501,687	15,566	269,817	787,070
350	Pecan Valley Centers	630,283	21,619	1.00	651,902
	Permian Basin Community Centers	901,880	11,242		913,122
	Spindletop Center	3,238,517	19,890	-	3,258,407
	MHMR of Tarrant County	6,124,140	54,481	-	6,178,621
	Texana Center	2,428,001	23,349	382,042	2,833,392
20	Texas Panhandle Centers	3,211,415	16,431		3,227,846
	MHMR of Texoma	727,894	6,053	781	733,947
4.77	Tri-County Services	1,637,009	13,836	-	1,650,845
	Tropical Texas Behavioral Health	2,286,852	14,701	59,694	2,361,247
450	West Texas Centers	970,844	8,648	(=)	979,492
	Community Services TOTAL	72,905,517	864,774	3,554,580	77,324,871

#### Allocation Schedule Quarterly Payments

	Community Center	Quarter 1 (40%)	Quarter 2 (30%)	Quarter 3 (15%)	Quarter 4 (15%)	Total Local Authorities Allocation
	Anderson-Cherokee Community Enrichment Services	402,423	301,817	150,909	150,909	1,006,058
190	Andrews Center	497,352	373,014	186,507	186,507	1,243,380
30	Austin Travis County Integral Care	1,204,469	903,352	451,676	451,676	3,011,173
10	Betty Hardwick Center	415,874	311,906	155,953	155,953	1,039,686
051	Alamo Local Authority for IDD	1,476,560	1,107,420	553,710	553,711	3,691,401
460	Bluebonnet Trails Community Centers	1,026,315	769,736	384,868	384,869	2,565,788
485	Border Region MHMR Community Center	583,504	437,628	218,814	218,813	1,458,759
250	MHMR Authority of Brazos Valley	444,159	333,119	166,560	166,559	1,110,397
260	Burke Center	450,241	337,681	168,840	168,840	1,125,602
490	Camino Real Community Services	567,220	425,415	212,708	212,708	1,418,051
60	Center for Life Resources	196,163	147,122	73,561	73,561	490,407
40	Central Counties Center for MHMR	501,162	375,872	187,936	187,936	1,252,906
70	Central Plains Center	193,527	145,145	72,573	72,573	483,818
475	Coastal Plains Community Center	504,642	378,482	189,241	189,241	1,261,606
240	Community Healthcore	506,916	380,187	190,093	190,093	1,267,289
160	MHMR Services for the Concho Valley	299,072	224,304	112,152	112,153	747,681
300	Metrocare SERVICES	2,845,066	2,133,800	1,066,900	1,066,900	7,112,666
400	Denton County MHMR Center	722,313	541,735	270,867	270,867	1,805,782
90	El Paso MHMR	719,709	539,782	269,891	269,890	1,799,272
110	Gulf Bend MHMR Center	136,106	102,079	51,040	51,039	340,264
100	Gulf Coast Center	728,718	546,538	273,269	273,269	1,821,794
280	MHMR Authority of Harris County	3,521,491	2,641,118	1,320,559	1,320,559	8,803,727
220	Heart of Texas Region MHMR Center	640,860	480,645	240,323	240,322	1,602,150
230	Helen Farabee Centers	441,688	331,266	165,633	165,633	1,104,220
470	Hill Country MHDD Centers	720,143	540,107	270,054	270,054	1,800,358
480	Lakes Regional MHMR Center	797,747	598,310	299,155	299,155	1,994,367
410	LifePath Systems	471,828	353,871	176,936	176,936	1,179,571
150	Lubbock Regional MHMR Center	484,323	363,242	181,621	181,621	1,210,807
180	MHMR of Nueces County	314,828	236,121	118,061	118,060	787,070
350	Pecan Valley Centers	260,761	195,571	97,785	97,785	651,902
170	Permian Basin Community Centers	365,249	273,937	136,968	136,968	913,122
140	Spindletop Center	1,303,363	977,522	488,761	488,761	3,258,407
200	MHMR of Tarrant County	2,471,448	1,853,586	926,793	926,794	6,178,621
430	Texana Center	1,133,357	850,018	425,009	425,008	2,833,392
20	Texas Panhandle Centers	1,291,138	968,354	484,177	484,177	3,227,846
290	MHMR of Texoma	293,579	220,184	110,092	110,092	733,947
380	Tri-County Services	660,338	495,254	247,627	247,626	1,650,845
130	Tropical Texas Behavioral Health	944,499	708,374	354,187	354,187	2,361,247
450	West Texas Centers	391,797	293,848	146,924	146,923	979,492
	Community Services TOTAL	30,929,948	23,197,462	11,598,733	11,598,728	77,324,871

# Attachment D FY 2012 Local Authorities Required Local Match

Component#	LOCAL AUTHORITIES	Total Original Allocations Requiring Local Match	Required Match %	Required Local Match \$ Amount
440	Anderson-Cherokee Community Enrichment Services	996,545	7.2%	71,751
190	Andrews Center	1,222,625	9.0%	110,036
30	Austin Travis County Integral Care	2,655,100	10.5%	278,786
10	Betty Hardwick Center	632,566	9.1%	57,564
051	Alamo Local Authority for IDD	3,411,959	9.4%	320,724
460	Bluebonnet Trails Community Centers	2,550,222	8.9%	226,970
485	Border Region MHMR Community Center	1,455,300	5.7%	82,952
250	MHMR Authority of Brazos Valley	817,193	8.0%	65,375
260	Burke Center	789,977	8.2%	64,778
490	Camino Real Community Services	1,416,321	6.6%	93,477
60	Center for Life Resources	481,759	8.2%	39,504
40	Central Counties Center for MHMR	1,230,422	10.0%	123,042
70	Central Plains Center	482,088	7.5%	36,157
475	Coastal Plains Community Center	1,259,876	8.1%	102,050
240	Community Healthcore	1,230,104	9.3%	114,400
160	MHMR Services for the Concho Valley	516,941	9.1%	47,042
300	Metrocare SERVICES	7,063,374	11.8%	833,478
400	Denton County MHMR Center	1,291,489	10.1%	130,440
90	El Paso MHMR	1,682,830	7.6%	127,895
110	Gulf Bend MHMR Center	335,940	9.3%	31,242
100	Gulf Coast Center	1,793,256	10.2%	182,912
280	MHMR Authority of Harris County	8,681,794	12.5%	1,085,224
220	Heart of Texas Region MHMR Center	1,256,867	8.1%	101,806
230	Helen Farabee Centers	1,089,519	9.5%	103,504
470	Hill Country MHDD Centers	1,787,386	9.0%	160,865
480	Lakes Regional MHMR Center	1,965,829	8.5%	167,095
410	LifePath Systems	1,167,464	11.9%	138,928
150	Lubbock Regional MHMR Center	982,249	8.8%	86,438
180	MHMR of Nueces County	501,687	9.6%	48,162
350	Pecan Valley Centers	630,283	8.7%	54,835
170	Permian Basin Community Centers	901,880	10.7%	96,501
140	Spindletop Center	3,238,517	9.7%	314,136
200	MHMR of Tarrant County	6,124,140	10.2%	624,662
430	Texana Center	2,428,001	11.2%	271,936
20	Texas Panhandle Centers	3,211,415	9.1%	292,239
290	MHMR of Texoma	727,894	8.6%	62,599
380	Tri-County Services	1,637,009	10.9%	178,434
130	Tropical Texas Behavioral Health	2,286,852	5.5%	125,777
450	West Texas Centers	970,844	8.1%	78,638
	Local Authority Total	72,905,517		7,132,354

## ATTACHMENT E Description of Consumers

#### A. PRIORITY POPULATION

The priority population consists of:

- persons with intellectual disability, as defined by Texas Health and Safety Code §591.003;
- individuals with a developmental disability classified as a pervasive developmental disorder, as defined in the current edition of the Diagnostic and Statistical Manual, including autism;
- individuals with a developmental disability classified as a related condition, listed in http://www.dads.state.tx.us/providers/guidelines/ICD-9-

CM\_Diagnostic\_Codes.pdf, who are eligible for, and enrolling in services in the ICF/MR Program, Home and Community-based Services (HCS) Program, or Texas Home Living (TxHmL) Program;

nursing facility residents who are eligible for specialized services for intellectual disability or a related condition pursuant to Section 1919(e)(7) of

the Social Security Act; and

children who are eligible for Early Childhood Intervention services through the Department of Assistive and Rehabilitative Services (DARS).

The determination of eligibility for priority population must be made through the use of assessments and evaluations performed by qualified professionals. Individuals who are members of the priority population are eligible to receive IDD services identified in Attachment F, as appropriate for the individual's level of need, eligibility for a particular service, and the availability of that service.

Since resources are insufficient to meet the service needs of every consumer in the priority population, services should be provided to meet the most intense needs first. Intense needs are determined as follows:

- an individual is in danger or at risk of losing his or her support system, especially the living arrangement or supports needed to maintain self;
- an individual is at risk of abuse or neglect;
- an individual's basic health and safety needs not being met through current supports;
- an individual is at risk for functional loss without intervention or preventive or maintenance services; or
- an individual demonstrates repeated criminal behavior.

#### B. Miscellaneous

An LA may serve consumers who have resided in a state supported living center on a regular admission status, but who may not be in the priority population.

Agenda Item: Approve Revisions to the Board Policy on

Retention of Fund Balance

**Board Meeting Date** 

August 25, 2011

Committee: Business

#### **Background Information:**

Based on changes made by the Government Accounting Standards Board in GASB Statement No. 54 that is titled Fund Balance Reporting and Governmental Fund Type Definitions we are recommending changes to our Board Policy on Retention of Fund Balance.

Also at the July Board meeting, the Board of Trustees approved a change in our insurance deductibles for various coverages. With this change, it was decided that we would have a designated fund for estimates in case of claims. Therefore, we are adding the following fund: Reserve for Insurance Deductibles.

#### **Supporting Documentation:**

Current Board Policy on Retention of Fund Balance E.24 with Revisions Shown

Revised Board Policy on Retention of Fund Balance E.24 Final Version

#### **Recommended Action:**

**Approve Revisions to the Board Policy on Retention of Fund Balance** 

#### TRI-COUNTY MENTAL HEALTH MENTAL RETARDATION SERVICES

STATEMENT OF PO	<u>OLICY</u>	
		Cecil McKnight, Chairman
		Date
Original Date:	February 26, 1992	
<b>Revision Date:</b>	March 22, 2007	
	December 9, 2010	
	August 25, 2011	

Subject: Board Policy on Retention of Fund Balance

It is the policy of the Board of Trustees of Tri-County Mental Health Mental Retardation Services that the Center establish adequate reserve funds as a prudent business practice. The expectation is that the Center has a goal of a minimum of 120 days in designated reserves for operations. These funds are for major business changes, sufficient funds to handle fiscal emergencies such as short term cash flow problems, unanticipated reductions or loss of funding, or unanticipated losses and/or deterioration of physical assets.

In order to comply with Government Accounting Standards Board, fund balances shall be classified in accordance with GASB Statement 54 – "Fund Balance Reporting and Governmental Fund Type Definitions" as follows:

- Non-Spendable Fund Balance includes amounts not in spendable form, such as inventory, prepaids, or amounts required to be maintained intact legally or contractually (Fixed Assets, Inventory)
- Restricted Fund Balance includes amounts constrained for a specific purpose by external parties (Debt Retirement, Debt Services)
- Committed Fund Balance includes amounts constrained for a specific purpose by a
  government using its highest level of decision making authority (Board Policy
  Retirements, Operations and Programs, Equipment Reserve)
- Assigned Fund Balance includes general fund amounts constrained for a specific purpose by a governing board or by an official that has been delegated authority to assign amounts (Current Year Budget Reserve, Worker's Compensation, Insurance Deductibles)
- Unassigned Fund Balance is the residual classification for the general fund

The Board of Trustees is the Center's highest level of decision making authority and the formal action that is required to be taken to establish, modify, or rescind a Restricted, Committed or Assigned fund balance is a resolution approved by the Board at a Board meeting. The resolution must either be approved or rescinded prior to the last day of the fiscal year for which the commitment or assignment is made.

When multiple categories of fund balance are available for expenditure, the Center will spend funds from the most restricted category first and then from the next category in the hierarchy with available funds.

The Board of Trustees can designate money to the following reserve funds:

- A. Board Policy Requirements (Committed Fund)
- B. Reserve for Operations and Programs (Committed Fund)
- C. Reserve for Current Year Budgeted Reserve (Assigned Fund)

Further, the Board of Trustees will also designate money in the following funds:

- A. Reserve for Debt Service (Restricted Fund) a designated fund equal to the current fiscal year's debt service; and
- B. Equipment Replacement Reserve (Committed Fund) a designated fund equal to 20% of the approximate replacement cost of capital equipment plus 1% of the cost of owned facilities and their improvements.
- C. Reserve for Debt Retirement (Restricted Fund) a designated fund equal to the total amount of long term debt owed by the center less the amount in Reserve for Debt Service as stated above.
- <u>D.</u> Reserve for Worker's Compensation (Assigned Fund) a designated fund based on maximum -contributions expected by policy.
- C.E.Reserve for Insurance Deductibles (Assigned Fund) a designated fund based on deductibles set by Board on coverage types.

The <u>six eight</u> designated funds may periodically be adjusted by Board Resolution when necessary and/or when excess funds are available in a fiscal year.

The six-eight designated funds shall be semi-permanent in nature, and that monies so designated shall be invested in U.S. Government backed securities (at least one year maturities). In order to meet the Texas Department of Aging and Disability Services (DADS) and the Texas Department of State Health Services (DSHS) matching funds requirements, interest earned on the investment of designated funds shall continue to be recognized as local revenues rather than compounding as designated fund.

FINAL E.24.1

#### TRI-COUNTY SERVICES

STATEMENT OF PO	<u>OLICY</u>	
		Cecil McKnight, Chairman
		Date
Original Date: Revision Date:	February 26, 1992 March 22, 2007	
Revision Date:	December 9, 2010	

August 25, 2011

Subject: Board Policy on Retention of Fund Balance

It is the policy of the Board of Trustees of Tri-County Services that the Center establish adequate reserve funds as a prudent business practice. The expectation is that the Center has a goal of a minimum of 120 days in designated reserves for operations. These funds are for major business changes, sufficient funds to handle fiscal emergencies such as short term cash flow problems, unanticipated reductions or loss of funding, or unanticipated losses and/or deterioration of physical assets.

In order to comply with Government Accounting Standards Board, fund balances shall be classified in accordance with GASB Statement 54 – "Fund Balance Reporting and Governmental Fund Type Definitions" as follows:

- Non-Spendable Fund Balance includes amounts not in spendable form, such as inventory, prepaids, or amounts required to be maintained intact legally or contractually (Fixed Assets, Inventory)
- **Restricted Fund Balance** includes amounts constrained for a specific purpose by external parties (Debt Retirement, Debt Services)
- Committed Fund Balance includes amounts constrained for a specific purpose by a government using its highest level of decision making authority (Board Policy Retirements, Operations and Programs, Equipment Reserve)
- **Assigned Fund Balance** includes general fund amounts constrained for a specific purpose by a governing board or by an official that has been delegated authority to assign amounts (Current Year Budget Reserve, Worker's Compensation, Insurance Deductibles)
- Unassigned Fund Balance is the residual classification for the general fund

The Board of Trustees is the Center's highest level of decision making authority and the formal action that is required to be taken to establish, modify, or rescind a Restricted, Committed or Assigned fund balance is a resolution approved by the Board at a Board meeting. The resolution must either be approved or rescinded prior to the last day of the fiscal year for which the commitment or assignment is made.

FINAL E.24.2

When multiple categories of fund balance are available for expenditure, the Center will spend funds from the most restricted category first and then from the next category in the hierarchy with available funds.

The Board of Trustees can designate money to the following reserve funds:

- A. Board Policy Requirements (Committed Fund)
- B. Reserve for Operations and Programs (Committed Fund)
- C. Reserve for Current Year Budgeted Reserve (Assigned Fund)

Further, the Board of Trustees will also designate money in the following funds:

- A. Reserve for Debt Service (Restricted Fund) a designated fund equal to the current fiscal year's debt service; and
- B. Equipment Replacement Reserve (Committed Fund) a designated fund equal to 20% of the approximate replacement cost of capital equipment plus 1% of the cost of owned facilities and their improvements.
- C. Reserve for Debt Retirement (Restricted Fund) a designated fund equal to the total amount of long term debt owed by the center less the amount in Reserve for Debt Service as stated above.
- D. Reserve for Worker's Compensation (Assigned Fund) a designated fund based on maximum contributions expected by policy.
- E. Reserve for Insurance Deductibles (Assigned Fund) a designated fund based on deductibles set by Board on coverage types.

The eight designated funds may periodically be adjusted by Board Resolution when necessary and/or when excess funds are available in a fiscal year.

The eight designated funds shall be semi-permanent in nature, and that monies so designated shall be invested in U.S. Government backed securities (at least one year maturities). In order to meet the Texas Department of Aging and Disability Services (DADS) and the Texas Department of State Health Services (DSHS) matching funds requirements, interest earned on the investment of designated funds shall continue to be recognized as local revenues rather than compounding as designated fund.

Agenda Item: Approve the FY 2012 ICF/MR Services Contract with

**Empowerment Options** 

Committee: Business

**Board Meeting Date** 

August 25, 2011

#### **Background Information:**

Tri-County Services has eight Intermediate Care Facilities for Persons with Mental Retardation (ICF/MR) homes for persons with intellectual and developmental disabilities in our service area. There are three homes in Montgomery County, four in Liberty County and one in Walker County. Empowerment Options has been the provider of these services for many years.

Each year, staff has revised the contract to reflect changes in law and modify existing language to address any areas of concern. Tri-County and Empowerment Options staff has agreed upon contract language for the FY 2012 contract period. Significant changes in the FY 2012 contract include:

- A streamlining of the review process by Tri-County staff for potential residents of the homes;
- A requirement for Empowerment Options to train their staff in Satori Alternatives for Managing Aggression (SAMA) training rather than using Tri-County trainers;
- A reduction in rent for each of the homes (by \$100 each a month) to help lessen the impact of ICF/MR rate cuts; and,
- A revised Business Associates Agreement to include references to new confidentiality laws.

These contract changes have been made in consultation with legal counsel from Jackson Walker.

#### **Supporting Documentation:**

The Complete Contract will be Available for Review at the Board Meeting

#### **Recommended Action:**

Approve the FY 2012 ICF/MR Services Contract with Empowerment Options

Agenda Item: Approve Avail Solutions FY 2012 Contract

**Board Meeting Date** 

August 25, 2011

**Committee:** Business

#### **Background Information:**

Avail Solutions has performed crisis hotline assessment services for many years for our Center. They are the major contract provider of crisis hotline services for community centers in Texas. They answer our crisis hotline 24 hours per day, 7 days per week. When a face-to-face crisis assessment is required, they contact our Center staff to conduct the assessment.

The total contract amount for FY 2012 is \$66,000, the same amount that we paid in FY 2011.

#### **Supporting Documentation:**

Complete Contract will be Available for Review at the Board Meeting

#### **Recommended Action:**

**Approve Avail Solutions FY 2012 Contract** 

Agenda Item: Approve Kingwood Pines Inpatient Hospital

FY 2012 Contract

Committee: Business

#### **Board Meeting Date**

August, 25, 2011

#### **Background Information:**

Tri-County Services has utilized Kingwood Pines for inpatient contract services for several years. This service is utilized for individuals with psychiatric acuity levels that exceed the resources and service capabilities for our Psychiatric Emergency Treatment Center (PETC) program. This includes persons who are very aggressive and a threat to others, and who need longer term inpatient treatment than that permitted in the PETC.

The Kingwood Pines contract for FY 2012 is \$70,000.00. The terms of the contract are the same as in FY 2011.

#### **Supporting Documentation:**

The Complete Contract will be Available for Review at the Board Meeting

#### **Recommended Action:**

**Approve Kingwood Pines Inpatient Hospital FY 2012 Contract** 

Agenda Item: Approve Cypress Creek Inpatient Hospital FY

2012 Contract

Committee: Business

#### **Board Meeting Date**

August, 25, 2011

#### **Background Information:**

Tri-County Services has utilized Cypress Creek for inpatient contract services for several years. This service is utilized for individuals with psychiatric acuity levels that exceed the resources and service capabilities for our Psychiatric Emergency Treatment Center (PETC) program. This includes persons who are very aggressive and a threat to others, and who need longer term inpatient treatment than that permitted in the PETC.

The Cypress Creek contract for FY 2012 is \$70,000.00. The terms of the contract are the same as in FY 2011.

#### **Supporting Documentation:**

The Complete Contract will be Available for Review at the Board Meeting

#### **Recommended Action:**

**Approve Cypress Creek Inpatient Hospital FY 2012 Contract** 

Agenda Item: Approve Replacement of Roof at Riverpointe

Building #3

**Board Meeting Date** 

August 25, 2011

Committee: Business

#### **Background Information:**

The roof at Riverpointe building #3 has been repaired a number of times during 2011 and continues to leak when it rains. We have only been able to obtain two quotes for the roof to date. The Leadership Team is recommending Will Cox Roofing/Barica, Inc. who has completed satisfactory work for Tri-County in Cleveland at the Legion Street House and the College Street facility. Additionally, we will continue to work with our energy consultant so that maximum operational efficiency incentives will be realized.

#### **Supporting Documentation:**

Quote from Will Cox Roofing/Barica, Inc.

Quote from Arnold Construction Company, Inc.

#### **Recommended Action:**

Approve Replacement of Roof at Riverpointe Building #3

Company, Price & Warranty	BBB Info	References	Years in business	
Arnold Construction: \$34,129.00- 15 year warranty	A+	David Douglas-City of Dayton-936-258-2642: He said Arnold Construction does a lot of different types of work for them on a regular basis and has been using them for a long time. He said when they tell you they will do something they stand by their word. Very happy with all that they have done. He commented on the work that Arnold Construction had done on the renovation for the new school football stadium as well and said they did a great job.  Doug Coleman-Dayton ISD-936-258-2667: Very happy with their work. They built their Bronco Stadium for the high school as well as having done other various jobs in the school. They also built their administration building for them. They are always involved in their bid process and have used them for years and will continue to use them.	29 years	
		Bruce Shoemaker-Stallion Oilfield Services-936-258-7373: Highly recommends them. Has done a lot of work for them including concrete work, buildings etc and they continue to use them. He said they stick by their word and that no one can go wrong by using them.		

Company, Price & Warranty	BBB Info	References	Years in Business
Will Cox Roofing: \$19,150 15 Year Warranty	A+ and BBB Accredited	Marion Moors-713-553-4307: She highly recommends them. They replaced her roof and she still has their company sign in her front yard and is keeping it there. She said their crew is top notch.  Harvey Stanley-713-203-0017: Said they are top notch. Very professional. They replaced 3 roofs. No problems with crew or clean up. The roofs are now 13 years old and have never had a problem and would highly recommend them.  This company has done work for us in the past as well.	34 Years

Agenda Item: Medicaid Services Revenue Settle-up Position for

the Period of October 2010 to September 2011

**Board Meeting Date** 

August 25, 2011

Committee: Business

#### **Background Information:**

The Department of State Health Services (DSHS) and the Department of Aging & Disability Services (DADS) has adopted a reimbursement methodology that provides for settle-up in relation to Medicaid services. If Tri-County's actual costs are below 95% of the statewide rate, the methodology requires that we reimburse DSHS/DADS for excess payments received as a result of billing at 100% of the rate. If Tri-County's actual costs are between 100.1% and 125% of the statewide rate, we will be reimbursed by DSHS/DADS for the excess cost.

Additionally, the methodology states that the settle-up is based on only the federal share of the rate. A portion of Medicaid rates is paid with federal funds and the remaining is paid with state funds. The current federal portion of the rate is 59.44%.

After six months of operation, we are above the statewide rate for settle-up purposes. We have estimated that we will receive a combined payment from DSHS/DADS totaling \$153,090. This amount will not be reimbursed for approximately two years and will not be booked as revenue until the money is actually received.

FY 2011 will be the last fiscal year that the settle-up process will be used. The new rates are going into effect September 1, 2011. The rates are based on state average costs.

#### **Supporting Documentation:**

Settle-up Calculation Report Estimated Through September 2011

**Recommended Action:** 

For Information Only

# TRI-COUNTY SERVICES MEDICAID SERVICES SETTLE-UP ESTIMATE FOR FY 2011 THROUGH SEPTEMBER 2011 ACTUALS THROUGH MARCH 2011

		Medicaid Units Provided	Esitmated Settle-up Amount			Federal Share
MR - Service Coordin.	16-A	5150	\$	(23,072.00)	\$	(13,714.00)
TCM - Routine Adult	16-B	2786	\$	33,655.61	\$	20,004.89
TCM - Routine C&A	16-C	4632	\$	22,476.78	\$	13,360.20
TCM - Intensive C&A	16-D	558	\$	479.88	\$	285.24
Day Program for Acute Needs	17-A	486	\$	2,466.45	\$	1,466.06
Crisis Intervention Serv.	17-B	338	\$	2,621.19	\$	1,558.04
Med Trng & Sup - Indiv.	17-C	70	\$	189.70	\$	112.76
Med Trng & Sup- Grp Adult	17-D	0	\$	ш-	\$	<u> </u>
Med Trng & Sup- Grp C&A	17-E	0	\$	-	\$	_
Psychosocial Rehab Inv	17-F	51392	\$	91,477.76	\$	54,374.38
Psychosocial Reh-Grp	17-G	1232	\$	1,074.92	\$	638.93
Rehab Counsel & PsyInv	17-H	0	\$	-	\$	-
Rehab Counsel & PsyGrp	17-1	0	\$	770	\$	-
Skills Training-Ind	17-J	43512	\$	126,184.80	\$	75,004.25
Skills Training-Group	17-K	0	\$	<b>5</b> ,	\$	.85,
Skills Training-Group	17-L	0	_\$_		_\$_	
	Totals	110,156.00	\$	257,555.09	\$	153,090.74

Agenda Item: July 2011 Board of Trustees' Unit Financial	Board Meeting Date							
Statements	August 25, 2011							
Committee: Business	August 25, 2011							
Committee. Dusiness								
Background Information:								
None								
Commonting Decommontation								
Supporting Documentation:								
July 2011 Board of Trustees' Unit Financial Statements								
Recommended Action:								
Recommended Action:								
For Information Only								

### Unit Financial Statement

Revenues		July 11 Actuals		July 11 Budgeted		Variance		YTD Actual		YTD Budget		Variance	Percent	Budget	
80103998 Allocated Revenue	\$	3,108.00	\$	3,108.00	\$	-	\$	34,192.00	\$	34,192.00	\$	-	0.00%	\$	37,300.00
Total Revenue	\$	3,108.00	\$	3,108.00	\$	-	\$	34,192.00	\$	34,192.00	\$	-	0.00%	\$	37,300.00
Expenses															
80105275 Food Items	\$	-	\$	208.00	\$	(208.00)	\$	1,647.76	\$	2,292.00	\$	(644.24)	71.89%	\$	2,500.00
80105320 Insurance-Worker Compensation	\$	31.30	\$	23.00	\$	8.30	\$	191.58	\$	227.00	\$	(35.42)	84.40%	\$	400.00
80105388 Legal Fees	\$	1,500.00	\$	1,500.00	\$	-	\$	16,500.00	\$	16,500.00	\$	-	100.00%	\$	18,000.00
80105415 Miscellaneous Expense	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	0.00%	\$	-
80105605 Postage-Express Mail	\$	0.44	\$	-	\$	0.44	\$	0.44	\$	-	\$	0.44	0.00%	\$	-
80105715 Supplies - Office	\$	21.52	\$	25.00	\$	(3.48)	\$	91.68	\$	275.00	\$	(183.32)	33.34%	\$	300.00
80105750 Training	\$	-	\$	375.00	\$	(375.00)	\$	5,319.00	\$	4,125.00	\$	1,194.00	128.95%	\$	4,500.00
80105755 Travel - Local	\$	141.94	\$	100.00	\$	41.94	\$	1,083.14	\$	1,100.00	\$	(16.86)	0.00%	\$	1,200.00
80105757 Travel - Non-local Mileage/Air	\$	-	\$	333.00	\$	(333.00)	\$	2,428.27	\$	3,667.00	\$	(1,238.73)	66.22%	\$	4,000.00
80105758 Travel - Non-local Hotel	\$	-	\$	458.00	\$	(458.00)	\$	2,464.25	\$	5,042.00	\$	(2,577.75)	48.87%	\$	5,500.00
80105759 Travel - Meals	\$	-	\$	75.00	\$	(75.00)	\$	821.77	\$	825.00	\$	(3.23)	99.61%	\$	900.00
Total Expenses	\$	1,695.20	\$	3,097.00	\$	(1,401.80)	\$	30,547.89	\$	34,053.00	\$	(3,505.11)	89.71%	\$	37,300.00
Total Revenue minus Expenses	\$	1,412.80	\$	11.00	\$	1,401.80	\$	3,644.11	\$	139.00	\$	3,505.11	-89.71%	\$	

#### **UPCOMING MEETINGS**

#### SEPTEMBER 22, 2011 - Board Meeting

- Approve Minutes from August 25, 2011 Board Meeting
- > Reappoint MHPNAC Members
- Reappoint IDDPNAC Members
- Planning Network Advisory Committee Annual Reports
- ➤ Annual Corporate Compliance Report and 1<sup>st</sup> Quarter Corporate Compliance Training
- Community Resources Report for August 2011
- Consumer Services Report for August 2011
- Program Updates for August 2011
- Final FY 2011 Goals & Objectives Progress Report
- Appoint Texas Council Representative and Alternate for FY 2012
- ➤ Board of Trustees' Reappointments and Oaths of Office
- Board of Trustees' Committee Appointments
- ➤ Analysis of Board Member's Attendance at FY 2011 Regular and Called Board Meetings
- Personnel Report for August 2011
- Review August 2011 Preliminary Financial Statements
- > 401(a) Account Review
- August 2011 Board of Trustees' Unit Financials
- Montgomery Supported Housing, Inc. Quarterly Update
- Other Business Committee Issues

#### OCTOBER 22, 2011 - Board Meeting

- > Approve Minutes from September 22, 2011 Board Meeting
- Community Resources Report for September 2011
- Consumer Services Report for September 2011
- Program Updates for September 2011
- Year to Date Goals & Objectives Progress Report
- Appoint Texas Council Representative and Alternate for FY 2012
- Personnel Report for September 2011
- September 2011 Board of Trustees' Unit Financials
- Other Business Committee Issues

#### Executive Director's Report August 25, 2011

#### Information

- The next regularly scheduled meeting is Thursday, September 22<sup>nd</sup>. The Center will be closed in observance of Labor Day, Monday September 5<sup>th</sup>; all crisis services will be operational.
- The October Board meeting is being changed to October 20<sup>th</sup>; the fall quarterly Texas Council Board and executive director meetings are being held the 4<sup>th</sup> week of October.
- The Burnham Golf Tournament was a great success and the Burnham families and Cecil and Mable McKnight did another wonderful job.
- We received the Texas Council dues commitment this week and this will be on the September agenda for your review and consideration. There is a slight dues increase.
- Tracy Sorensen, "our Board member in training", collected donations and then purchased school supplies for the children in Walker County who needed such assistance. A copy of the press release and a photo are attached.

#### **Operations**

Department of State Health Services (DSHS) – There were several bills and riders that were passed in the 82<sup>nd</sup> Legislative Session that will become effective in the coming fiscal year that impact our community mental health services. These include: cost containment for state hospitals – only 1 week of medications will be provided at discharge from state hospitals, but centers negotiated to receive a prescription for an additional 2 week supply; reductions in Medicaid reimbursement rates; development of a request for proposal to privatize at least 1 state hospital and save at least 10%; and conduct a study to analyze the efficiency and effectiveness of the community mental health system of care compared to the NorthSTAR behavioral health care system. Additionally, there is a task force revising the mental health code and any recommended changes will be filed in the 83<sup>rd</sup> session.

All Medicaid reimbursable services will be administered through managed care companies in FY 2012. The first expansion begins September 1<sup>st</sup> and the remainder of the state will begin March 1, 2012. Fortunately, Tri-County has several years of experience operating with managed care companies.

DSHS is conducting a brief QM review of our services this morning. The DSHS QM specialist told me she would arrive at 9 a.m. today and would likely complete her review by noon. She will be looking at a random sample of client charts, reviewing our organizational chart and reviewing our process to check the criminal history of all employee candidates. We do not anticipate any significant problems and I will report their findings at the September meeting.

Department of Aging and Disability Services (DADS) – We received 32 Texas Home Living (TxHmL) waiver slots in FY 2011 and are enrolling these individuals into these services. Those centers who did not receive sufficient TxHmL slots to offset the loss of general revenue are receiving additional slots to bring more resources into the community. We were notified on Friday, August 19<sup>th</sup> that another 45 slots are being authorized for the Tri-County service area and our staff will assist these individuals with their enrollment. Consumers and their families will be advised of all the TxHmL waiver providers in our 3 county area.

As discussed at previous meetings, as a result of the loss of DADS general revenue, we are closing the Conroe Life Skills programs, reducing our supported employment staff by two (2) and are closing our Autism Spectrum Disorders program. Many of the Life Skills consumers will receive their habilitation services from our Cleveland and Huntsville programs and others will receive services from private providers. Consumers and families were notified earlier this month and individuals are being assisted with these changes.

- Texas Correctional Office on Offenders with Medical and Mental Impairments (TCOOMMI) — Due to Legislative funding reductions, TCOOMMI did not fund our juvenile criminal justice program. The TCOOMMI juvenile funding was cut by 40%. Most of the youth in this program were transferred to our children's mental health program and will receive some services from those staff. We determined that it was particularly important to ensure that these children continued to receive their psychotropic medications and other supports.
- <u>East Texas Behavioral Healthcare Network (ETBHN)</u> -- The ETBHN Board retreat is September 8-9, in Galveston. The meeting will begin at 1 p.m. on Thursday and conclude at noon on Friday. A copy of the draft agenda is attached.

The Betty Hardwick Center, headquartered in Abilene, began contracting with ETBHN to provide mental health authorizations and the Texas Panhandle Center is very interested in the authorizations as well. Several centers in north Texas have requested proposals for pharmacy services. ETBHN staff are also working diligently to begin providing tele-psychiatry services for some of the more rural member centers who have difficulty recruiting and retaining psychiatrists, particularly child psychiatrists.

- The Texas Council Risk Management Fund (TCRMF) held its quarterly Board meeting on August 12<sup>th</sup> and approved the business plan and operating budget for FY 2012. A summary of the Board meeting is attached.
- The Texas Council is beginning a series of monthly conference calls to discuss managed care issues and assist centers with these new processes; these calls begin September 1<sup>st</sup>. Several of our staff will participate in these calls.

Melissa Rowan, the Texas Council Healthcare Director, has been very helpful and very active with both DSHS and the Health and Human Services Commission (HHSC) in negotiating system standards for mental health and substance abuse treatment services. She has also been advocating for centers as the state is preparing its Medicaid waiver application for mental health services.



Tri-County Services
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Shaneb@tricountyservices.org

For Immediate Release August 18, 2011

Media contact: Shane Burks

#### SCHOOL SUPPLIES DONATE TO TRI-COUNTY SERVICES' CLIENTS

Tri-County Services would like to thank the many groups and individuals that donated school supplies to our clients in Walker County. On August 16, dozens of bags of school supplies were donated to Tri-County Services' Huntsville location at 7045 Hwy 75 South. The school supplies will be used by the children that we serve for the upcoming school year. Tracy Sorensen, Board of Trustee applicant for Tri-County Services, organized this effort.

Tri-County Services wishes to thank the following individuals and organizations for their gracious donations:

Bennie D. Rush, Attorney at Law William Savoie, Attorney at Law

Habern, O'Neil & Pawgan

Constance Heiland

Carol Hayes Robyn Flowers Katy Duncan

Ila Martinez Julia Roberts

Walker County Republican Women

Gaye Clements Mekenna Davis Casey Robertson Pam Young

Jody Curtis Grace Hardy

Honorable Eric Andell

2E Stables Cody Sorensen Lloyd C. Martin, Attorney at Law Hal R. Ridley, Attorney at Law Honorable Donald L. Kraemer Walker County Bar Association

Marce Welch Linda Rushing Pamela Turner

Honorable Janie Farris

Beth Strange Kathy Davis Liz Billnoske Wes Hammit Celeste Blackburn Dolores Labay

Service Ready Mix Concrete, Inc.

Kim Bartee Charlotte Swor Riata Echtler Services works to ensure the provision of quality services for individuals with mental illness, substance abuse disorders and intellectual/developmental disabilities to enhance the quality of life in our community. For more information about all programs provided by Tri-County Services, call 936-521-6100 or visit <a href="https://www.tricountyservices.org">www.tricountyservices.org</a>.

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## East Texas Behavioral Healthcare Network Board of Trustees Retreat Agenda

#### THURSDAY, SEPTEMBER 8, 2011

1:00 PM - 1:15 PM Welcome and Announcements

Mike Winburn, CEO, Gulf Coast Center

1:15 PM - 3:15 PM Managed Care and National Healthcare as relates to ETBHN

Speaker: Melissa Rowan, Texas Council

3:15 PM – 3:30 PM Break (Refreshments)

3:30 PM - 4:30 PM ETBHN Contracting/Legal Status Issues & Legalities of the Medical Director Role

<u>Speaker</u>: Linda Bell, Gulf Coast & ETBHN, Attorney

4:00 PM - 5:00PM Legislative Updates & Results

Speakers: Mike Winburn, Gulf Coast Center, CEO

Allyn Lang, ACCESS, CEO

#### FRIDAY, SEPTEMBER 9, 2011

7:30 AM - 8:30 AM **Breakfast** 

8:30 AM - 10:00 AM Strategic Plan Discussion

Facilitator: Susan Rushing, Burke Center, CEO

Charlie Harris, Spindletop, CEO

10:00 AM – 10:15 AM **Break** (Refreshments)

10:15 AM – 10:30 AM Business Opportunities

Facilitator: Charlie Harris, Spindletop, CEO

10:30 AM - 11:00 AM Center Updates

Facilitator: Susan Rushing, Burke Center, CEO

11:00 AM – 12:00 PM Board of Trustees Roundtable Discussion

Facilitator: Jamie Travis, Trustee, Gulf Coast Center



#### Board Update August 2011

The Board of Trustees and Advisory Committee held a regular Board meeting on August 12. Following are some highlights of the meeting.

- ➢ Board and Advisory Committee members heard a report from Danette Castle, Chief Executive Officer of the Texas Council of Community Centers. She discussed the Texas Council's activities during the 2011 Texas legislative session and potential funding issues for the next biennium. Board and Advisory members also heard a special report from Pam Beachley, a consultant on workers' compensation issues, regarding legislation that was considered during the 2011 session.
- The Board approved a surplus management strategy for the workers' compensation, liability, and property programs. The Fund's actual surplus is expected to exceed its target by approximately \$8.7 million for the current year. Approximately \$1.5 million of this surplus is designated for use in rate reduction during the coming year.
- The Board approved the renewal of the annual contracts for legal services with Brian Crews and Pam Beach. Brian Crews will continue to serve as General Counsel for the Fund through May 31, 2012. Pam Beach will continue to provide legal loss prevention services for the Fund through August 31, 2012.
- > The Board approved renewal of the memorandum of agreement with the Texas Council of Community Centers, Inc. for administrative support services provided to the Fund. The renewal agreement is for a three-year period.
- ➢ Board and Advisory Committee members were informed that four member centers had requested bids for their insurance coverage for the upcoming year. Three of the four centers elected to remain in the Fund. Lakes Regional MHMR Center has elected not to remain with the Fund and will terminate membership and coverage effective August 31, 2011.
- ➤ The Board approved the Fund's final budget for the 2011-2012 Fund year. The budget reflects an overall 23 percent decrease in contributions. Rates are offset by the use of approximately \$1.3 million in surplus for the workers' compensation program and \$180,000 in surplus for the liability program.
- > The Board approved renewal of the agreement with the Fund's investment advisor, Patterson & Associates, for a one-year period.
- ➤ The Claims and Loss Control Committee discussed the need for an alternative to the Prevention and Management of Aggressive Behavior (PMAB) training program in light of the fact that the state will no longer certify instructors after December 2012. Committee members asked the Fund Administrator to conduct a survey to determine how member centers are approaching this issue and how the Fund might assist in the effort.

The next Board of Trustees meeting will be held on November 18, 2011 in Austin.

#### CHIEF FINANCIAL OFFICER'S REPORT August 25, 2011

**Fixed Asset Inventory** — We are continuing to work on the fixed asset inventory process, which includes implementing the Fixed Asset module in Anasazi. We have gotten some information from other centers that currently use this module and anticipate that this will help with the process. We are looking forward to having this complete sometime late September.

**FY 2011 Audit** – We have started the preliminary work for the FY 2011 audit. This consists of account reconciliations, copies of contracts, board minutes, backup and approval for any fixed asset purchases. We anticipate that Carlos or his staff will be on site late September or early October to begin the actual fieldwork.

**Cleveland Properties** – We are still talking with our realtor regarding interest expressed in our vacant properties in Cleveland. We have had two interested parties. One of the parties had a contractor tour the building to get an estimate for moving walls, etc. Our realtor states that he hopes to have some type of offer within the next couple of weeks.

**CFO Consortium** – The quarterly CFO meeting is scheduled to be held in Austin on October 6<sup>th</sup> and 7<sup>th</sup>. The topics of discussion will focus on the FY 2012 Performance Contracts and any changes that occurred, Public Investment training, and updates from both DADS and DSHS.

Random Moment in Time for MAC – For the past few years, HHSC has been talking about going from a paper bubble log time study period for MAC (Medicaid Administrative Claiming) to a Random Moment Time Study system. They have finally decided to make the change effective October 1<sup>st</sup>. The Random Moment Time Study (RMTS) is a big change for all centers. You will still have the same staff participating in the Time Study but the staff will be randomly selected by the state RMTS system to receive a contact email with a question relating to their activities. They must respond within a certain time frame in order to be included as a valid part of the time study process.

**Surplus Vehicle Disposition** - At the July Board meeting, the Board approved the sale of a 1999 Ford Escort. Just wanted to update you that the vehicle did sell for \$850.