

NORTHEAST DELTA HUMAN SERVICES AUTHORITY (NEDHSA)

Board Meeting MINUTES

January 10, 2017

Ouachita Parish Health Unit – Community Room
1650 DeSiard Street, Monroe, LA 71202

5:30PM

Call to Order Meeting called to order and quorum met. Prayer led by Alisa Lear.

Adopt Agenda: A Motion was made by Michael Shipp and seconded by Kathy Waxman to approve /accept the Agenda. Motion passed unanimously.

Adopt Minutes of December 13: A Motion was made by Lorraine Reed and seconded by Kathy Waxman to approve / accept the Minutes. Motion passed unanimously.

Board Members Present:

Dr. E. H. Baker, Lorraine Reed, Mike Shipp, Melba Sandifer, Alisa Lear, Yvonne Lewis and Kathy Waxman.

Absent: Thelma Merrells , Laura Nettles, Gina Jones and Lekeisha Powell

Ownership Linkage-Recognition of Guests: None

Northeast Delta HSA staff present: Dr. Monteic Sizer and Delores Harris.

BOARD EDUCATION/ ENDS Items for DISCUSSION-

Upcoming Events/Community Action

NEDHSA will host a regional Tobacco Cessation Summit Friday, January 27, 2017, at the West Monroe Civic Center from 8:00 am - 4:30 pm. 200 people are expected to attend.

NEDHSA will start its bi-annual Legislative audit the third or fourth week of January 2017 and NEDHSA staff is currently preparing and gathering necessary documentation.

GOVERNANCE PROCESS/EXECUTIVE LIMITATIONS for DECISIONS

ED – Report - Motion made by Mike Shipp and seconded by Lorraine Reed to approve / accept the ED report as submitted. Motion passed unanimously.

Financial Planning & Budgeting – Year to Date report submitted by CFO

Financial Condition and Activities – *With respect to the actual, ongoing financial condition and activities, the ED shall not cause or allow the development of fiscal jeopardy or a material deviation of actual expenditures from board priorities established in Ends policies.* This Executive Limit has not been exceeded according to the ED report.

State and LGE budgets were presented and discussed several weeks ago during a House Appropriation Committee meeting ahead of the Governor’s Executive Budget. The Governor’s FY18 budget should be presented in the next months. The Revenue Estimating Committee and the JLB will be meeting in the coming days to determine state FY18 revenue projections. There is still no decision on whether another FY17 budget cut will happen. It is still not known how much or if LGEs will be impacted at this

writing. LDH (formerly DHH) had a mid-year surplus and the state is yet to receive its share of the Affordable Healthcare Act dollars. The state is also waiting on federal disaster relief dollars. These two large sums of money could soften the FY18 budget impact.

As of this meeting, the Executive Director reported that DOA and LDH asked NEDHSA to prepare a 5% and 10% FY17 budget reduction scenario. A 5% cut equals \$450,834 and a 10% cut equals \$901,667. No contractor has been cut or reduced to date due to only \$50,000 being cut from our FY17 budget. We have been able to direct a LCS contract to bill Medicaid before billing NEDHSA with the Medicaid expansion.

BOARD –

Board Governance Manual Update - Presented to board by Alisa Lear. Update accepted and will be provided to members after ED's job description, organizational chart and list of NEDHSA Clinics has been received from Dr. Sizer and Delores Harris to include in Governance Manual Appendix section.

Prioritized Strategic Initiatives for upcoming year - No changes to current Strategic Plan

Slate of Offices/2017–

Mike Shipp, Lincoln Parish – Board Chair

Laura Nettles, Ouachita – Vice Chair

Kathy Waxman, Richland - Treasurer

Alisa Lear, Union Parish – Secretary

BOARD MANAGEMENT

Board Development/Parish Outreach – Discussion re inclusion of Police Juries in sharing of Minutes, Notifications of funds used in individual Parishes, etc. Boards will discuss. This outreach remains ongoing.

Board members Terms/ Renewal of Appointments –Board Members retiring from board: Melba Sandifer, West Carrol Parish, currently serving as Board Chair. Gina Jones, Lincoln Parish and Lakeisha Lucas Powell, East Carrol Parish, both resigned via email, citing personal reasons for being unable to continue to serve at this time.

Reappointments are being requested from Police Jury for those members needing reappointment letters: EH Baker (Ouachita), Lorraine Reed (Morehouse), Alisa Lear (Union), Mike Shipp (Lincoln).

Board Education: Discussion re: first 30 minutes of Governance Training Video
Travel Forms for 2016-2017 due MONTHLY

Adjourn -Next Meeting – Tuesday, **February 14, 2017** - Ouachita Parish Health Unit –
Community Room, 5:30PM

ATTACHMENT:

NORTHEAST DELTA HUMAN SERVICES AUTHORITY

Executive Director's Report

Dr. Monteic A. Sizer

1/4/2017

A. Financial Condition and Activities:

Accordingly, the ED shall not:

1. Use any Non-Appropriated Funds in a manner that does not comply with Non-Appropriate Funds Policy.
 - a. Funds are handled according to internal NEDHSA policy, established accounting standards, and according to intended purposes.
2. Fail to maintain integrity in expenditures of categorical funding services.
 - a. The Executive Directors maintains integrity in categorical funding services. Financial staff examines monthly categorical expenditures and provides the Executive Director monthly reconciliation reports. These reports are also provided to the Board. NEDHSA financial staff also reviews and generate business objects financial reports (i.e., reports that detail monthly expenditures and receipts found on the state's financial system).
3. Acquire, encumber, or dispose of real property in violation of state and federal law.
 - a. All property is handled according to state, federal law, and agency policy. Asset reports will be provided to the Board. Asset report will be provided to the Board.
4. Fail to aggressively pursue receivables after a reasonable grace period.
 - a. All receivables are actively pursued within allowable time periods pursuant to a fully functional EHR. Additionally, the finance team evaluates monthly receivables and determines appropriate strategies for maximizing collections. The Executive Director also receives a monthly report of receivable activity and tactics to ensure concentrated receivable collection efforts. Also, NEDHSA's CFO has been directed to work with all billing staff to ensure timely claims filling and processing. Relative to billing statements, staff is working with ClaimTrak, our electronic health record company, to correct errors recently found. Staff have engaged ClaimTrak representatives multiple times to correct this problem. Once billing statement issues have been resolved, NEDHSA's billing and collections unit will immediately begin to send out corrected statements. It is not advisable to send out problem billing statements.

Executive Limits: Financial Planning and Budgeting:

Accordingly, the ED shall not allow budgeting which:

1. Contains too little information to enable credible projection or revenues, separation of capital and operational items, cash flow, and disclosure of planning assumptions.
 - a. The Executive Director and finance team members receive and monitor an independent monthly appropriations report (income vs. expenditure reports) that's sent from the Louisiana Office of

Management and Finance. NEDHSA staff also prepares and submits a similar report using a different format to LDH's Budget Office. b. The CFO and finance team keeps a running total of all income and agency expenses by category and type. The Executive Director receives weekly reports and a monthly report from NEDHSA staff.

c. At the end of each month, finance team members conduct monthly account reconciliations and overall agency financial reviews. The Executive Director is provided a report and is briefed by the CFO.

d. The CFO produces a monthly income vs. expense report and provides a copy to the Executive Director and the NEDHSA Board of Directors.

e. The FY17 budgeting process has begun. It is being spread according to NEDHSA's strategic plan. NEDHSA will operate at the \$13.5 million level even though our appropriated budget authority is \$15,149,236. The Division of Administration asked all state funded agencies to do a 7% budget reduction scenario. For NEDHSA, this would equate to \$634,667. A few days later, agencies were asked to scenario plan for a 15% state reduction. This amount is approximately \$1,360,000 for NEDHSA. Remember, we were currently operating at a reduced budget level in anticipation of a FY 16-17 state budget cut. We are able to absorb the 7% cut with no problem, with no impact to staff or contractors due to our budgeting. However, the 15% cut creates a significant challenge for a couple of contractors only this current fiscal year. UPDATE: the first round of actual cuts to NEDHSA's budget was only \$50,000. No one knows what the actual percentage will be should additional cuts be required to balance the FY17 budget. All state agencies and LGEs are still in a wait and see mode.

2. Plans the expenditure in any fiscal year of more funds than are conservatively projected to be received in that period. All budget expenditures are projected based on revenue projections.

a. At no time are expenditures projected to exceed expected appropriated funding levels. NEDHSA's CFO and members of the finance team conducts monthly reviews and reconciliations to ensure income remains higher than agency expenses. The CFO briefs the Executive Director on NEDHSA's financial position weekly and provides the Executive Director a monthly financial report. The CFO will also continue presenting current budget data to members of the Board monthly.

b. NEDHSA's FY16-17 appropriated budget is \$15,149,236. Our SGF = \$9,151,140. Our IAT = \$3,285,507. Self-generated = \$2,664,300. Federal = \$48,289.

c. No contractor has been cut or reduced to date due to only \$50,000 being cut from our FY17 budget. We have also been able to free up dollars due to a LCS contract not being fully utilized as a result of Medicaid expansion. This contractor is required to bill Medicaid before billing NEDHSA.

3. Provides less for board development, training and monitoring during the year than is annually set forth by the Board and is in compliance with the Cost of Governance policy and the operational plan.

a. All applicable governance policies/plans are followed to ensure compliance.

4. The DOA submission is attached for your review.

Other Relevant Information:

a. NEDHSA will host a regional Tobacco Cessation Summit Friday, January 27, 2017, at the West Monroe Civic Center from 8:00 am to 4:30 pm. We are expecting 200 plus people. b. NEDHSA will start its bi-annual Legislative audit the third or fourth week of January 2017. NEDHSA staff are currently preparing and gathering necessary documentation. The process should go rather smoothly.

c. State and LGE budgets were presented and discussed several weeks ago during a House Appropriation Committee meeting ahead of the Governor's Executive Budget. The Governor's FY18 budget should come out in another month or so. The Revenue Estimating Committee and the JLB will be meeting in the coming days to determine state FY18 revenue projections. There is still no decision on whether another FY17 budget cut will happen. It is still not known how much or if LGEs will be impacted at this writing. LDH (formerly DHH) had a mid-year surplus and the state is yet to receive its share of the Affordable Healthcare Act dollars. The state is also waiting on federal disaster relief dollars. These two large sums of money could soften the FY18 budget impact.