

**Southwest Family Care Alliance (SFCA) Board  
Minutes for Meeting on February 16, 2009**

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**Members present:** Carla Cady, Joan Fordham, David Hammer, Betty Irwin, Jeanetta Kirkpatrick, Ron Leys, Harvey Mandel, Philomena Poole, Ray Schmitz, Karen Thomas, Larry Wolf, Dave Wytenbach

**Members absent:** Betty Broadbent, Dwayne Hiltbrand, Beverly Larson.

**Others present:** Teri Buros, Tammy Garrelts, Joan Hansen, Stacy Hach, Greg Holcomb, Audrey Johnston (Southwest Opportunity Inc), Patty Kemerling, Fred Naatz, Bill Orth, Linda Overbeek, Andy Phillips, Steve Ruff, Tom Schraeder (Hodan Center), Sherrie Sime.

**Roll Call Attendance:** Chair Ray Schmitz called the meeting to order at 3:35 p.m., and Linda Overbeek took roll call attendance. A quorum was present.

**Review and Approve Agenda and Posting:** Motion by Larry Wolf, seconded by Harvey Mandel, to approve the agenda and posting. Motion carried.

**Consider Motion to Convene in Closed Session pursuant to Wis. Stats 19.85(1)(c) and/or 19.85(1)(f) relating to an employee personnel issue:** Motion by Harvey Mandel, seconded by David Wytenbach, that the Board convene in Closed Session for a report from the Chief Executive Officer Teri Buros regarding an employee personnel issue and that Andy Phillips and Stacy Hach also participate in the Closed Session. A roll call vote was taken, and the motion carried by unanimous vote.

Following the report, motion by Joan Fordham, seconded by Betty Irwin, that the Board reconvene in Open Session.

**Approve Minutes of the January 19, 2009 Board Meeting** (Mail Out #1) It is unclear who or if the minutes of the January 19<sup>th</sup> Board Meeting were approved. **NOTE:** Approval for January minutes will be on the March Board agenda.

**Citizen Comments:** Ms. Buros reported that Governor Doyle's presentation of his proposed budget will be televised on February 17, 2009. SFCA management staff will develop contingency plans to deal with the consequences of any cut-backs in the State's budget.

**Discuss and Approve Hiring of Internal Auditor Position** (Mail Out #2): The Board was asked to approve filling an Internal Auditor position now, instead of waiting until 2010 when it was scheduled to be added. It's proposed that, instead, plans to fill a currently vacant Data Analyst position be postponed until 2010. The effect of this switch would be cost neutral for SFCA. The Internal Auditor position would be responsible for focusing on back-end processes, auditing claims payments, and dealing with other issues which SFCA management now have identified as having a higher priority than the Data Analyst duties. If SFCA management deemed it necessary to fill the Data Analyst position prior to 2010, they would bring a request to do so to the Board. Motion by Joan Fordham, seconded by Philomena Poole, to approve hiring of the Internal Auditor position. Motion carried.

**Approve Additional Grievance and Appeal Committee** Members (Mail Out #3): Two additional people were proposed for Richland County CMU's Grievance and Appeal Committee, and one member of Sauk County CMU's Grievance and Appeal Committee, approved at last month's Board meeting, had to withdraw from the Committee. Motion by Betty Irwin, seconded by Karen Thomas, to approve the changes. Motion carried. Joan Hansen noted that more people are being sought to serve on Sauk County CMU's Grievance and Appeal Committee.

**Report on MIDAS System Transition Progress and Issues:**

- Transition from the Lifespan system to the MIDAS system occurred January 1, 2009. The transition was not without difficulty, coding being a major source of the problem. MIDAS has more controls than Lifespan, and the transition of data from Lifespan has resulted in the need for a lot of cleanup.
- Coding issues related to the new system's requirements caused significant problems for providers and consumers. Some of the Board members indicated that they had received related complaints from providers/members, primarily about delayed payments and customer service from WPS.
- SFCA staff reported they have identified the main factors causing most of the problems and have a good handle on addressing them, though it will take a little time yet to address the issues. SFCA staff have spent a lot of time working with providers and CMU staff on issues and reviewing training, and WPS has done on-site training with some providers.
- SFCA staff are meeting daily to keep on top of the problems. Improved claim tracking processes have been put into place. A newsletter has been added to MIDAS to alert CMU and SFCA staff as to what's new.
- Apart from the customer service problems providers and consumers have reported having with WPS, Ms. Garrelts advised that WPS has been very responsive to SFCA in working to address problems. They agree problems have resulted in a credibility problem for them and for SFCA.
- SFCA may hire some Limited Term Employees to assist with the data entry/data cleanup process at a cost of \$8 - \$10 per hour.
- Ms. Buros encouraged Board members to report problems they hear about from providers or constituents to SFCA staff, so that any such issues can be addressed.

**Development and Potential Approval of Board Policies** (Mail Out #4): The Board Policy Book developed by Northern Bridges was presented as an example of Board policy development. Andy Phillips reviewed the different components and facilitated the SFCA Board discussion.

**Section I: Outcomes Policies**

- The Mission, Value Statements, and Guiding Principles are drawn from SFCA's By-laws.
- The Board should use the Value Statements to guide every decision it makes.
- The Board needs to identify what it wants to achieve.
- The Board can add as much specificity to its policies as it chooses, but micro-management should be avoided.

**Section II: Management Limitations**

- The Board should focus on the end results it wants to see, the parameters within which the CEO operates, and the goals the Board will hold the CEO responsible for achieving.
- CEO should report to the Board on Revenue/Expenses.

- SFCA Board wants to be made aware of “red flags” and to establish an expense limit under which CEO can operate without having to come to the Board.
- CEO must request Board’s approval to encumber long-term debt.
- CEO must inform the Board of expenses that the CEO anticipates will be outside the norm.
- CEO is to provide recommendation(s) to Board on matters brought before the Board, whether those are initiated by the CEO or by the CEO’s subordinate(s).
- The Board shall be involved in the hiring of the CEO, CFO, and COO positions and in the creation of any new positions that may be added. (Reference: SFCA Board meeting of November 17, 2008.)
- SFCA must have a Board-approved Employee Handbook in place. (Treatment of Employees)
- The CEO has the discretion to grant wage increases not to exceed a set amount or percentage; What that amount or percentage is needs to be determined.
- CEO must inform the Board of all instances where SFCA has not met regulatory and/or statutory requirements and must advise the Board what SFCA has done or is doing to correct the deficiencies (Family Care Contractual and Regulatory Compliance).
- A Board policy around SFCA’s Grievance and Appeal process/committee potentially should be created (Quality Management).
- A Board policy around SFCA’s Quality Management policies/processes potentially should be created. SFCA’s Board would like to see quality of care data on a regular basis (grievances & appeals).
- 13b probably is adequate (regarding CEO demonstrating continuous improvement in all aspects of MCO’s performance).

### **Section III: Board/CEO Relationships**

- The CEO is the Board’s only employee, and this should be reflected in Board policies.
- The Board should define goals and parameters for the CEO and then allows the CEO to accomplish the desired end results.
- The Board could set specific conditions for “CEO Termination”, e.g., that it be only “For Cause”, that any such Board action require a certain number or percentage of Board member votes, etc.
- “Monitoring CEO Performance” would be a good place for more specificity, good both for the Board and for the CEO. Both the Board and the CEO would be clear as to what’s expected.
- The Board could choose to create an Executive Committee, though there was some feeling that this would restrict the rest of the Board members from fully understanding and participating in the Board’s responsibilities.
- SFCA Board members like seeing the Enrollment/Disenrollment data that has been provided to them at previous Board meetings. Perhaps other benchmarks could be incorporated.
- The Board may want to see an annual report from the CEO which would include “...cost and outcome data, analysis, comparisons and trends”, but it’s premature to expect that right now at this early stage of SFCA’s operations.
- The Board may specify particular information that it expects the CEO to present to it, e.g., the CEO’s annual budget, audited financials, unaudited financials, etc., and to establish a schedule for when the Board wants to see that information, e.g., that the CEO must present SFCA’s annual budget to the Board annually in October, etc.
- A written contract between the Board and the CEO is recommended, so that both the Board and the CEO are clear as to what’s expected of the CEO and by what standards the CEO will be

evaluated. Possibly there should be a Board policy around how the CEO will be evaluated, and an evaluation tool should be created.

- A Board policy could be created to define Board members responsibilities in situations where a constituent feels their concerns have not been resolved satisfactorily utilizing SFCA's standard processes.

#### **Section IV: Board Processes**

- Development of a Board member job description is recommended.
- Having Board policy(ies) having to do with conflict of interest is recommended. The Board asked that Andy Phillips get them some sample wording to review.
- Some specificity added to #3, "Governing Style", could be helpful.
- A policy establishing board meeting attendance standards could be helpful.
- Self-monitoring is critical for the Board to engage in continually but doesn't necessarily have to be a specific agenda item.
- Setting Board agenda items should be done as expeditiously as possible, so that the Board can focus on its purpose and not get mired in details.

#### **Next Steps**

- Using the sample Board Policy Book language reviewed at today's meeting, Andy Phillips will incorporate comments/suggestions offered by SFCA Board members at the February 16 meeting.
- Linda Overbeek will mail that updated Board Policy Book language to SFCA Board members for their review.
  - SFCA Board members should put a red star next to any language where they feel more specificity is needed and should make a notation elaborating on the kind of detail they have in mind. Board members should identify their priorities.
  - SFCA Board members should X out any language they feel should be deleted.
  - SFCA Board members should bring their written comments to the SFCA Board's next meeting on March 16.
- Discussion of Board policy development will continue at the Board's March 16 meeting.

**Confirm Next Meeting Data/Location and Solicit Agenda Items:** Monday, March 16, 3:30 p.m. – 7:00 p.m. at the Spring Green Community Library. Suggested items for the March agenda – Board Policies, SFCA financials, MIDAS. Outcomes-based planning should be the Board's meeting agenda in three or four months.

**Adjourn:** Motion to adjourn by Ron Leys and seconded by Philomena Poole. Motion approved. Meeting adjourned at 6:55 p.m.

Respectfully submitted,



Linda Overbeek  
Executive Assistant  
Southwest Family Care Alliance