

**Southwest Family Care Alliance (SFCA) Board
Minutes for Meeting on June 15, 2009**

Members present: Betty Broadbent, Carla Cady, Joan Fordham, David Hammer, Dwayne Hiltbrand, Beverly Larson, Ron Leys, Harvey Mandel, Ray Schmitz, Karen Thomas, Larry Wolf, Dave Wyttentbach

Members absent: Betty Irwin, Jeanetta Kirkpatrick, Philomena Poole

Others present: Neil Blackburn, Teri Buros, Tammy Garrelts, Joan Hansen, Stacy Hach, Randy Jacquet, Patty Kemerling, Bill Orth, Linda Overbeek, Steve Ruff, Sara Ryan, Tom Schraeder (Hodan Center), Sherrie Sime, Jack Vig (Vig & Associates).

Roll Call Attendance: Chair Ray Schmitz called the meeting to order at 3:30 p.m., and Linda Overbeek took roll call attendance. A quorum was present.

Review and Approve Agenda and Posting: Motion by David Hammer, seconded by Karen Thomas, to approve the agenda and posting. Motion carried.

Approve Minutes of the May 18, 2009 Board Meeting (Mail Out #1) Motion by Beverly Larson, seconded by Joan Fordham, to approve the minutes. The motion carried.

Citizen Comments: None.

Receipt of or Elect Board Members Whose Terms Are Expiring: Joan Fordham has been reappointed by the Sauk County Board of Supervisors and Harvey Mandel by the Green County Board of Supervisors to serve on the SFCA Board. Jeanetta Kirkpatrick is expected to be reappointed at the June 16 meeting of the Richland County Board of Supervisors. Randy Jacquet explained that, even though the reappointment would be not be made until tomorrow, June 16, there would be no interruption of representation as it is practice of the Richland County Board that renewals of appointments result in a continuous service on the Board or Committee regardless of the actual date of the reappointment. Motion by Betty Broadbent, seconded by Carla Cady, to receive Joan Fordham, Harvey Mandel, and, contingent upon her being reappointed by the Richland County Board of Supervisors, Jeanetta Kirkpatrick, as county representatives on the SFCA Board. Motion carried.

It was noted that there is no need for the SFCA Board to elect officers, as the terms of the current Officers do not expire until 2010.

Review 2008 Audited Financial Report; Take Action on Same, if any: Stacy Hach handed out copies of the "Financial Statements with Independent Auditors' Report" for 2008. She explained that it is still a "draft" report because SFCA had just recently received its Retrospective Rate from the Department of Health Services and that figure impacts SFCA's bottom line. It's expected that this analysis and related questions will be concluded within the next few weeks at which point the 2008 Audited Report can be finalized. This preliminary report presumes that DHS will approve SFCA's proposal on risk sharing. The audit was conducted by the independent auditing firm of Vig and Associates. Jack Vig of Vig and Associates was introduced. He reviewed the financial highlights and key aspects of the report, noting that he expects the report to be finalized by June 30.

Motion by Joan Fordham, seconded by David Hammer, that the SFCA Board receive the preliminary 2008 audited financial report. Motion carried. SFCA management will update the Board regarding the final audited report at the Board's July meeting. SFCA Board members felt that it was not necessary for Mr. Vig to return for that meeting, unless there would be significant differences between the final report and the preliminary report received today by the Board.

Discuss Bank's Receipt of Monies under U.S. Treasury's Capital Purchase Program (Mail Out #4):

The Board agreed to move this item up on the agenda, in order for Jack Vig to be present for the discussion. SFCA Board member, Dwayne Hiltbrand, had noted that the Milwaukee Journal Sentinel reported the parent company of Community First Bank, where SFCA has its accounts, had accepted money from the U.S. Treasury's capital purchase program, part of the Federal Government's attempt to improve the economy. The matter up for discussion was whether the bank's acceptance of that funding could be considered as having any impact on SFCA. Stacy Hach explained that the funds SFCA has on deposit at Community First Bank are backed by investments, and SFCA's accounts are fully protected, backed either by FDIC insurance, Federal Bonds, or the State Investment Pool. In the extreme and unlikely instance that SFCA had to take possession of the bonds that back our funds, i.e., if the bank closed, SFCA would have access to the collateral that's pledged to cover 100% of SFCA's deposits.

Jack Vig noted that the arrangement that SFCA has with Community First Bank is pretty typical. His only concern would be that, as SFCA's deposits increase/decrease, that SFCA monitor that there's adequate collateral. Ms. Hach indicated that she receives and monitors reports daily from Community First Bank.

Presentation of 2008 Annual Report; Take Action on Same, if any: Teri Buros distributed copies of SFCA's Annual Report for 2008, briefly describing its contents and acknowledging the monumental challenges and changes that occurred in 2008. In particular, she was pleased to report that, through the efforts of everyone involved, SFCA met every milestone as planned and under budget. Each of the SFCA management team then reported briefly on 2008 activities within their departments – Fiscal, Information Technology, Human Resources, Provider Network, and Quality. Motion by Karen Thomas, seconded by David Hammer, that the SFCA Board receive SFCA's 2008 Annual Report. Motion carried.

Motion by Joan Fordham, seconded by Betty Broadbent, that SFCA prepare enough copies of SFCA's 2008 Annual Report so that each member of the eight County Boards could be given one as part of a brief, appropriate presentation to the County Boards, perhaps by the Director in that County and/or by SFCA's Chief Executive Officer. Motion carried.

Discuss SFCA Strategic Plan and Business Planning Process (Mail Out #2): Referring to Mail Out #2 Ms. Buros explained that, in preparation for the 2010 budget process, SFCA's management team had drafted an internal work plan for a strategic planning process, identifying milestones, target dates, and identifying person(s) responsible for accomplishing the tasks identified. Ms. Buros emphasized that, while SFCA has to be sure that it meets requirements set by the Department of Health Services, the essential importance of those requirements rests in how they serve to further SFCA's vision. Ms. Buros' question to the SFCA Board was when and in what ways would the SFCA Board wish to participate in SFCA's strategic planning process. Page one of Mail Out #2 describes some ways the Board might participate, and the last three pages of Mail Out #2 are a draft Table of Contents for SFCA's 2010 Strategic and Business Plan. Ms. Buros shared information about a facilitator, Judy Spring/Spring and Associates, who has experience working with organizations in developing strategic plans.

After some discussion, the SFCA Board indicated that they'd like SFCA to lay the groundwork with Judy Spring first and, following that, to bring this back to the Board for review and to set priorities. Ms. Buros will work with the SFCA management team to gather their thoughts about SFCA's mission, vision, and values and will bring their ideas to the Board at their July meeting. She'll also confirm Judy Spring's availability to come to the July Board meeting to support the Board in working through a mini-SWOT analysis.

Discuss SFCA Board Member Policies/Handbook; Take Action on same, if any (Mail Out #3): Page one of the Mail Out identifies: 1) changes made to the draft Board Policy Manual per the Board's comments and discussion at the May Board meeting, and 2) some thoughts to promote discussion about a potential policy on Board Conduct. Page three of the Mail Out contains some input from Jeanetta Kirkpatrick as to possible

Board policies. The last several pages of the Mail Out contain an updated draft of a Board Manual Table of Contents.

Ray Schmitz agreed to facilitate discussion on a Board Conduct policy. Ms. Buros reviewed elements of the “Discussion Guide for BOARD CONDUCT” (page two of the Mail Out), and Board discussion/comments touched on the following:

- 1.1.1 - Instead of using the term “loyalty”, use wording that speaks to Board members not having conflicts of interest, about being committed to the mission/values of the organization, and about abiding by the By-laws. What action can/should the Board take if any feel that a Board member is not complying with Board Conduct policy?
- 1.1.2 - Board members should support decisions made by the Board. Language of this policy statement is okay.
- 1.1.3 - Board members shall not attempt to influence SFCA management/staff. Board members should contact the Board Chair about Board agenda items. Is it okay for Board members to go right to the State on issues/concerns?
- 1.1.4 - Language is okay.
- 1.1.5 - Language is okay.
- 1.1.6 - Language is okay.
- 1.1.7 - Board members must routinely attend Board meetings. The Board would like SFCA to track attendance and to bring attendance issues to the Board for their consideration and possible recommendation/action. An attendance issue would be if a Board member misses either three consecutive Board meetings or four in one calendar year.

Review of SFCA’s Financials: Stacy Hach distributed and reviewed SFCA’s financial reports for January through May 2009, i.e., a Profit & Loss Statement, a Balance Sheet, a Statement of Cash Flows, and Monthly Enrollment Activity by Target Group.

- Ms. Buros stated that bringing care under management is critical to the long term solvency of the organization and is a priority for the organization.
- These financial reports do not reflect the 1st quarter acuity adjustment, as that figure had not been received as of the date these reports were run.
- Cash flow appears to be adequate for now. Monies advanced to providers during the transition to the new system are now being paid back and being funneled back into SFCA’s cash flow.
- CMU care management costs are projected over the whole year and divided by 12.
- **Motion by Betty Broadbent, seconded by Larry Wolf, to receive SFCA’s financials. Motion carried.**

Discuss Contracts with Care Management Units of Crawford, Juneau, and Lafayette; Take Action on same, if any: Ms. Buros requested Board approval for SFCA to contract with the Care Management Units of Crawford, Juneau, and Lafayette for care management services effective July 1, 2009, as SFCA had done previously with Sauk, Richland, and Green. **Motion by Betty Broadbent, seconded by Dwayne Hiltbrand, to approve the request. Motion approved**

Update on Conflict of Interest Policy for Aging and Disability Resource Centers and Managed Care Organizations; Take Action on Same, if any (Mail Out #5): An updated version of the State’s “Proposed Policy on Avoiding Conflicts of Interest Between ADRCs and MCOs” dated 6-5-09 was received by SFCA after the agenda and documents were mailed to Board members for today’s meeting. Copies of the updated proposed policy were handed out. Ms. Buros noted that DHS had heard the MCO’s concerns and that language the MCOs felt to be most onerous had been removed. This newest version of the policy is much more acceptable.

Larry Wolf indicated that he is on both the Grant County's Social Services Committee and the Center on Aging Committee and wondered if that would be considered as a conflict of interest. Ms. Buros will look into this.

Consider motion to convene in Closed Session pursuant to Wis Stats 19.85 (1)(c) (Considering employment, promotion, compensation or performance valuation data of any public employee over which the governmental body has jurisdiction or exercises responsibility) to wit: report from the Personnel Committee and Executive Director relating to the hiring of a Chief Financial Officer. Upon conclusion of the business to be discussed in closed session, the Board shall immediately reconvene in open session and, if appropriate, take action on the matter discussed in closed session. Motion by Betty Broadbent, seconded by Joan Fordham, that the Board convene in Closed Session for a report from the Personnel Committee and Executive Director relating to the hiring of a Chief Financial Officer. A roll call vote was taken, the motion carried by unanimous vote, and the Board moved into Closed Session.

Following the report, there was a motion by Karen Thomas, seconded by Joan Fordham, that the Board reconvene in Open Session. The motion carried by unanimous vote.

The Board having reconvened in Open Session, Betty Broadbent offered a motion that an offer of employment be extended to Terry Metzger for the position of Chief Financial Officer. The motion was seconded by David Hammer and approved by unanimous vote.

Confirm Next Meeting Date/Location and Solicit Agenda Items: The next scheduled Board meeting will be Monday, July 20, 3:30 p.m. – 7:00 p.m., at the Spring Green Community Library. The agenda will include strategic planning, SFCA wages and compensation for 2010, and possibly allowing SFCA staff to be able to donate sick days.

Adjourn: Motion to adjourn by Carla Cady and seconded by Betty Broadbent. Motion approved. The meeting adjourned at 7:20 p.m.

Respectfully submitted,



Linda Overbeek
Executive Assistant
Southwest Family Care Alliance