

**Southwest Family Care Alliance (SFCA) Board  
Minutes for Meeting on October 19, 2009**

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**Members present:** Betty Broadbent, Carla Cady, Joan Fordham, David Hammer, Dwayne Hiltbrand, Betty Irwin, Jeanetta Kirkpatrick, Beverly Larson, Ron Leys, Philomena Poole, Ray Schmitz, Karen Thomas, Larry Wolf, Dave Wyttenbach

**Members absent:** Harvey Mandel

**Others present:** Teri Buros (SFCA), Tammy Garrelts (SFCA), Joan Hansen (SFCA), Stacy Hach (SFCA), Randy Jacquet (Richland), Patty Kemerling (SFCA), Tom MacDonald (Lafayette), Terry Metzger (SFCA), Fred Naatz (Grant), Linda Overbeek (SFCA), Tom Schraeder (Hodan Center), Sherrie Sime (SFCA), Jean Zweifel (Greenco Industries).

**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 Carla Cady, seconded by David Hammer, to approve the agenda and posting. The motion carried.

**Approve Minutes of the September 28, 2009 Board Meeting** (Mail Out #1) Motion by Karen Thomas, seconded by Beverly Larson, to approve the minutes. The motion carried.

**Citizen Comments:** Sara Ryan expressed serious concerns about State-proposed changes to prevocational services for consumers. Her concerns were echoed by Tom Schroeder (Hodan Center), Jean Zweifel (Greenco Industries) and various SFCA Board members. While very supportive of integrated employment, they took issue with the fact that these changes were being implemented without any opportunity for public input and failed to acknowledge that some individuals will need prevocational services on a long-term, even life-long, basis. It's not known whether the proposed changes would allow for any exceptions.

Tom Schoeder handed out copies of the Fall 2009 issue of *The Centerline*, a newsletter published by Hodan Center three times a year.

**Executive Report to the Board:** Ms. Buros reported to the Board. It has been, and is, a challenging time for SFCA, but SFCA has laid a solid foundation for the future and is poised for 2010. SFCA staff and partners are to be commended.

**Discuss Meeting Dates/Location for 2010:** Linda Overbeek distributed a list of dates that the Board meetings would fall on in 2010, assuming that the Board would decide to continue meeting on the 3<sup>rd</sup> Monday of each month; she had confirmed that the Library is available on those dates. Motion by Betty Broadbent, seconded by Carla Cady, that the SFCA Board continue their practice of meeting on the 3<sup>rd</sup> Monday of the month in the Spring Green Community Library. Motion carried. Linda Overbeek will confirm that the Library's availability does include the 3<sup>rd</sup> Monday of January 2010, which is a federal holiday.

**Confirm Next Meeting Date/Location and Solicit Agenda Items:** The SFCA Board's November 2009 meeting will fall on November 16. With respect to possible agenda items, Ms. Buros asked the Board if they were still interested in seeing an educational presentation about outcome-based, member-centered planning. The Board indicated that they are, and Ms. Buros will have someone from one of the Care Management Units to do the presentation; this will be the feature segment of the November Board meeting.

**Approve Appointments to Grievance and Appeal Committee, Take Action on Same, If Any:**  
There were none to consider.

**Approve 2010 Provider Network Listing** (Mail Out #2):

- The Listing's reference to "2009" will be changed to 2010.
- Asked what she sees as the biggest deficiency in SFCA's 2010 provider network, Patty Kemerling indicated that transportation, or the lack of, continues to be an issue for SFCA, as it is for all rural parts of Wisconsin.
- The Board would like to see provider and service utilization reports for year-to-date 2009; SFCA will prepare some sample reports for the next Board meeting.
- Motion offered by Carla Cady, seconded by Joan Fordham, to approve the 2010 Provider Network Directory Listing. Motion carried.
- SFCA comes to the Board twice a year to request approval of SFCA's Provider Network. The Board indicated that, going forward, they'd like to see what changes to the provider network are proposed, additions or deletions, where SFCA staff feel the network is deficient, where dollars are being spent, etc., rather than seeing the detailed Listing.
- Grant/Iowa County providers are not yet included in SFCA's Provider Network Listing, as those counties won't implement the Family Care program until April 2010. Those providers will be added to SFCA's Provider Network Listing early in 2010.

**Approve SFCA Program Integrity Plan** (Mail Out #3): SFCA must have an approved Program Integrity Plan each year. SFCA is not proposing any changes to the Program Integrity Plan for 2010 compared to the Plan that the Board approved for 2009 and requests that the Board approve the same Plan for 2010. Motion by Betty Broadbent, seconded by Beverly Larson, to approve the Program Integrity Plan as presented. The motion carried.

**Review and Discuss 2009 September Financials and Enrollment Report; Take Action on Same, If Any:** Terry Metzger distributed and reviewed copies of SFCA's Financials as of September 30, 2009 (Income Statement, Balance Sheet Statement of Cash Flows, and Notes to the Financial Statements) and a report on 2009 Monthly Enrollment Activity by Target Group.

- Revenue year-to-date, as of September 30, is down \$738,000 from what was budgeted for the same time period. September revenue, however, is up somewhat over August.
- Direct Member Services continue to make up the majority of SFCA's expenses.
- Care Management expenses continue to drive downward and are less than had been projected.
- Losses are similar to what had been forecast.
- No big changes to Assets or Receivables recorded.
- SFCA will enter into budget discussions with the Department of Health Services (DHS) regarding SFCA's three-year plan to achieve solvency protection requirements following DHS' review of SFCA's Business Plan.

- SFCA's Cash Flow position is good, partly a matter of timing. SFCA receives its per member per month payment from DHS at the beginning of each month but doesn't receive/pay bills until the end of that month, or later, depending on when the provider bills are received.
- SFCA regularly monitors cash flow but will be paying particular attention as it gets closer to July 2010, when DHS will "stretch" payments to the MCOs for two months. SFCA will plan accordingly.
- Other items of note are listed in the "Notes to the Financial Statement" that are a part of the handout.
- SFCA has 18 more members enrolled at the Non-Nursing Home level of care than at the Nursing Home level. This has a fiscal impact as SFCA receives a much lower dollar amount from DHS for the Non-Nursing Home level of care.
- SFCA has found that it's not necessary to maintain both a checking account and a "sweep" account. There was a handout on SFCA's checking and municipal savings accounts.

Motion by Larry Wolf, seconded by Karen Thomas, to receive the financials, as presented. Motion carried.

**Review and Discuss 2009 End of Year Fiscal Projections; Take Action on Same, If Any:** This was discussed as part of the previous agenda item.

**Break** (A short break will occur at some point in the agenda at the Board's discretion)

**Approve 2010 Business Plan and Budget** (Mail Out #4): Terry Metzger gave a presentation on SFCA's Business Plan. The draft SFCA Strategic and Business Plan and description of Abbreviations used in the Plan had been mailed out to Board members in advance of today's meeting. In addition, copies of an October 2009 SFCA Organization Chart and a copy of the budget presentation were handed out.

- Ms. Buros described the business planning process. SFCA's internal process to draft the Strategic and Business Plan began in May 2009. The SWOT analysis (strengths, weaknesses, opportunities, and threats) that Judy Spring facilitated this summer with SFCA management and staff, CMUs, and the SFCA Board also has been included in the Business Plan.
- SFCA's Business Plan is due to the Department of Health Services (DHS) on or before October 30. DHS will review it and will meet with SFCA management on November 30 to discuss it. Per State statute, DHS must turn over SFCA's Business Plan/Budget to the Office of the Commissioner of Insurance (OCI) by December 15.
- Section I of SFCA's Business Plan provides an overview of SFCA. Section II addresses operational goals. Section III focuses on efforts directed toward bringing care under management. Section IV contains the budget numbers (enrollment, expense, and revenue projections). Section V will contain the various documents referred to throughout the business plan.
- The SFCA Board is not being asked to approve the plan/budget at today's meeting, given that related discussions with DHS shall occur in November. Rather, Ms. Buros is requesting that the Board approve the principles upon which the plan/budget is based. The Board approval process will remain open while discussions with DHS continue. SFCA management will come back to the Board, probably at the December Board meeting, to approve SFCA's 2010 contract with the DHS and will be asked to approve the budget at that same time. Administrative and care management costs will not change, but service costs and revenue projections remain open for now.

- Members of SFCA's management team reviewed their respective sections of SFCA's business plan, focusing on the top three proposed initiatives in the various facets of SFCA's operations: administrative/executive, care management, fiscal management, human resources, information technology, provider operations, quality management, as well as the efforts that will focus directly on bringing care under management, which will be the underlying consideration for many of the initiatives.
- The Board asked that they be kept apprised on issues around urgent service placements in mental health institutions.
- A Board member commented that the amount of liability insurance SFCA carries seemed low. Ms. Buros explained that SFCA benefits in that regard as it's considered a public entity; as result, the amount is lower than would be necessary for private entities.
- Terry Metzger gave a PowerPoint presentation to the Board, focusing on the budget numbers and the rationale for the numbers. Achieving solvency will be a challenge and will be the subject of on-going discussions with DHS. SFCA management expects that SFCA will not hit liquidity until calendar year 2012.

Motion by Karen Thomas, seconded by Joan Fordham, that:

- the Board approve the principles and initiatives of the proposed business plan, as discussed,
- that the Board approve SFCA management presenting the 2010 Strategic Business Plan/Budget to the Department of Health Services by the October 30 due date, while continuing revenue/solvency discussions with the Department, and
- SFCA management bring the final budget to the Board at a future Board meeting before the end of this calendar year, for approval along with SFCA's 2010 contract with DHS.

The motion carried.

**Discuss and Take Possible Action On Procedure To Be Utilized In Filling CEO Position. As part of this discussion, the Board may consider a motion to convene into closed session pursuant to Wis. Stat. § 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: to discuss performance evaluation of Interim. The Board shall immediately reconvene in open session and, if appropriate, take action on the matter discussed in closed session:** While still in open session, Board members discussed options for proceeding, i.e., conducting a full search for a CEO candidate or offering the position to Ms. Buros. Ms. Buros indicated that, if a full search were conducted, she would apply. Mr. Metzger advised that he would not be interested in the CEO position.

Sherrie Sime distributed information on recruiting a permanent CEO along with information she'd compiled on three executive search firms – WIPFLI, Seabury OCI, and River Lake Associates, Inc – including what each would charge for doing a search for CEO candidates. Costs ranged from \$16,500 (not including advertising) to \$34,000, depending on what was/was not included in the search.

- **Moving to Closed Session:** Motion by David Hammer, seconded by Joan Fordham, that the Board move into Closed Session. A roll call vote was taken, and the motion carried by unanimous vote, and the Board moved into closed session.

- **Returning to Open Session:** Motion by Betty Broadbent, seconded by David Hammer, that the Board return to open session. The motion carried by unanimous, and the Board returned to open session.

Upon returning to open session, there was a motion by David Hammer, seconded by Betty Broadbent, that the SFCA Board authorize that a two-year contract as Chief Executive Officer be offered to Teri Buros and that the contract be effective immediately. A roll call vote was taken with 10 voting in favor and four voting against. The motion carried. Those voting against the motion either preferred offering Ms. Buros a one-year contract or thought that it'd be best practice to conduct an open search.

**Adjourn:** Motion to adjourn made by David Hammer and seconded by Betty Broadbent. The motion carried. The meeting was adjourned at 7:10 p.m.

**Next Meeting Date/Location/Solicit Agenda Items:** The next scheduled Board meeting is scheduled for Monday, November 16, 3:30 p.m. – 7:00 p.m., at the Spring Green Community Library.

Respectfully submitted,



Linda Overbeek  
Executive Assistant  
Southwest Family Care Alliance