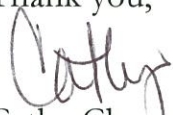


## NOTICE OF MEETING

### MEMBERS OF THE BOARD OF TRUSTEES

The Gulf Coast Center Board of Trustees meeting for the month of January will be held on Wednesday, **January 23, 2018** at **6:15 p.m.** at the **Brazoria County Community Service Center** located at **101 Tigner, Angleton, Texas.**

Thank you,



Cathy Claunch-Scott  
Secretary to the Board of Trustees

cc: January Board of Trustees File



**"Better community healthcare promoting healthy living."**

1. **Call To Order**..... Jamie Travis, Board Chair
2. **Citizens' Comments**
3. **Program Report:** Audit Presentation.....Eide Bailly, LLP  
ISC Group, Inc.....Mannix Keith Smith, VP
4. **Board Member Reports**
  - a. Texas Council of Community Centers ..... Jamie Travis, Board Chair
  - b. Texas Council Risk Management Fund.....Mary Lou Flynn-Dupart, TCRMF Board Chair
5. **CEO Report** ..... Melissa Tucker, CEO
  - a. Organizational/Operational Highlight:
  - b. 1115 Waiver Update:
  - c. Legislative Focus:
6. **Operations Report**.....Jerry Freshour, COO
  - a. 1<sup>st</sup> Quarter Board Report (**Pg. 1-3**)
7. **Budget, Finance and Admin Reports** ..... Rick Elizondo, CFO
  - a. Financial & Operational Monthly Report & YTD Summary (**Pg. 4-6**)
  - b. Sale of Property Update
  - c. Corporate Compliance Annual Training & Report (**Pg. 7-12**)
8. **Consent Agenda**.....Linda Bell, JD  
**Consideration and Approval of Recommendations and Acceptance of Consent Agenda Items.** (*Consent agenda items may be pulled from this consideration for individual action or presentation.*)
  - a. Review and approval of December 5, 2018 board meeting minutes. (**Pg. 13-16**)
  - b. Review and approval of December 2018 check register.
9. **Action Items**.....Linda Bell, JD

- a. Consider the acceptance of the FY2018 Financial and Compliance Audit.
- b. Consider the approval of the request to declare Vehicle #4496 surplus and authorized for disposal. This vehicle is a 2011 Ford Winstar Van, Vin#2FMZA51471BC14496, License Plate #124-6110, has 192,489 miles, and is no longer cost effective to maintain in the fleet.
- c. Consider approval of the Construction Contract with **A-1 Construction Services** for Pedestrian-Transit Access Improvements in Angleton, Texas. Professional Services and Material Testing (design, bid, and construction phase): \$67,500.00 Construction Cost: \$99,190 Current Total Estimated Cost: \$166,690.00. Gulf Coast Center Grant Expenditure: \$133,352 and City of Angleton Expenditure: \$33,338
- d. Consider the ratification of the renewal lease agreement (Amendment #16) with **Shearn Moody Plaza** for 13,256 square feet of the fourth floor at 123 Rosenberg, Galveston, Texas. Term: September 1, 2017 to August 31, 2019.
- e. Consider approval of the new agreement with **Cardinal360, LLC** for financial consultation services. Term: FY19 Reimbursement: \$25/hr for 8 hours/month plus expenses.
- f. Consider the final sale of the Lone Oak Ranch property at the price of \$706,500.00.
- g. Consider the approval of an increase in the Center's mileage reimbursement rate from \$0.545/mile to \$0.58/mile effective January 1, 2019 for any mileage paid on or after this date. The revised rate is consistent with the IRS allowable mileage rate for use of personal vehicle, as well as the State of Texas travel policy, both which were revised effective January 1, 2019 for the \$0.58 per mile rate.

#### 10. Pending or Revised Action Items.....Linda Bell, JD

*Pending or revised items are those items which were on a prior board agenda but not completely resolved or there has been a revision since approval. The items may be listed for update purposes or final action by the Board.*

#### 11. Calendar.....Jamie Travis, Board Chair

Date	Event	Time	Location
February 27, 2019	Board Meeting	6:15 p.m.	Administration (Mall of the Mainland) Texas City
March 27, 2019	Board Meeting	6:15 p.m.	Angleton
April 24, 2019	Board Meeting	6:15 p.m.	Administration (Mall of the Mainland) Texas City
May 22, 2019	Board Meeting	6:15 p.m.	Angleton
June 2019	No meeting due to Texas Council Annual Conference: June 19-21, 2019 Houston Galleria		
July 24, 2019	Board Meeting	6:15 p.m.	Administration (Mall of the Mainland) Texas City
August 28, 2019	Board Meeting	6:15 p.m.	Angleton

## **12. Executive Session**

*As authorized by Chapter §551.071 of the Texas Government Code, the Board of Trustees reserves the right to adjourn into Executive Session at any time during the course of this meeting to seek legal advice from its Attorney about any matters listed on the agenda.*

## **13. Action Regarding Executive Session**

## **14. Adjourn**

## FY19 HHSC Priority Performance Measures

### MH Adult

Employment  
Housing  
Community Tenure  
Improvement  
Monthly Service Provision (Engagement)

### MH Child

Juvenile Justice Avoidance  
Community Tenure  
Improvement  
Monthly Service Provision (Engagement)

### Crisis

Hospital  
Jail Diversion  
Effective Crisis Response  
Frequent Admissions  
Access to Crisis Services

### FY19 1st Half Year Performance

Measure	Description	Target 6 month	Actual 6 month	Potential Penalty
Effective Crisis Response	% of individuals receiving crisis services who avoid admission to a state funded inpatient bed within 30 days of crisis service	>=75.1%	65.45%	\$11,247 potential penalty
Monthly Service Provision	% of clients receiving at least 1 F-T-F contact per month	>=65.6%	62.4%	\$74,000 potential penalty

#### **Notes/Action Plan:**

#### **Effective Crisis Response-**

Hired a crisis director for better oversight of crisis services and to lead our crisis services for increased community involvement.  
Crisis director working with the hotline on ways to increase MCOT community response.  
Crisis director will work with the AMH director to prepare clinics for walk in/ drop off crisis for the hotline to offer that alternative.  
Crisis director to meet law enforcement to increase awareness of mobile crisis outreach services.  
Established a workgroup to improve collaboration of all service areas that serve the crisis population.  
Crisis follow up protocol for first follow up contact, prescriber visit, weekly contact for 30 days, bi-weekly for 60 days & linkage to non-crisis LOC.  
Worked with the HCA emergency rooms to call MCOT before sending crisis persons inpatient for MCOT to offer lesser restrictive options.  
Worked with Brazoria County district attorney and sheriff to require MCOT involvement before courts grant transfers to state beds.  
Utilization Management reviewing hospital patients' to determine appropriate level of care and substance use disorder needs at discharge.  
Increased utilization of hospital step down resources including respite transition for persons discharging from local beds.

#### **Monthly Service Provision-**

Turnover in 10 MH adult case management positions impacted our capacity for MH monthly service provision.  
We have cross trained staff to assist the MHA clinics to meet the measure for the half year.  
Adult MH director and COO monitoring reports to track performance to meet the measure by the end of the 1<sup>st</sup> half year

#### **FY18 1st Half Year Performance:**

Effective Crisis Response- 66.01% (waiver requested)  
Monthly Service Provision- 64.60% (waiver requested)

#### **FY18 2nd Half Year Performance:**

Effective Crisis Response- 60.36% (waiver requested)  
Monthly Service Provision- 66.40%

## FY19 Performance Summary by Service Area

### MH Adult Services

Measure	Target	FY19 Qtr 1	FY18 Qtr 1	FY19 Qtr 2	FY18 Qtr 2	FY19 Qtr 3	FY18 Qtr 3	FY19 Qtr 4	FY18 Qtr 4
Waiting List		0	0		0		0		0
Total Served	2,764	2,890	2,047		2,482		2,737		2,856
Patient Assistance Program (PAP) - # Rx Provided		625	886		600		475		862
PASRR Evaluations	As assigned	105	45		48		344		42
Veterans Total Served		4,564	4,104		3,716		4,064		2,555
Community Linkage (Crisis Services-Annual)	>=23%	18.2%	23.4%		27%		26.3%		23.4%

### MH Child/Adolescent

Measure	Target	FY19 Qtr 1	FY18 Qtr 1	FY19 Qtr 2	FY18 Qtr 2	FY19 Qtr 3	FY18 Qtr 3	FY19 Qtr 4	FY18 Qtr 4
Total Served	255	283	300		303		333		311
Avg. Days for Intake Admission (Brazoria/Galv.Co)		54/69	Unavailable		77/38		39/58		50/59
Family Partner Support Services	>=10%	12.5%	10.1%		10.34%		11.80%		12%

### IDD Services

Measure	Target	FY19 Qtr 1	FY18 Qtr 1	FY19 Qtr 2	FY18 Qtr 2	FY19 Qtr 3	FY18 Qtr 3	FY19 Qtr 4	FY18 Qtr 4
GR Interest List		248	217		217		215		217
HCS Interest List		1,722	1,675		1,715		1,742		1,693
TxHmL Interest List		1,330	1,267		1,305		1,338		1,298
Monthly Average (GR)	145	140	152		139		124		138
Permanency Plans	95%	100%	100%		100%		100%		100%
PASRR Evaluations	As assigned	21	24		30		20		16
PASRR Caseload		75	62		70		72		72

### Recovery Services

Measure	Target	FY19 Qtr 1	FY18 Qtr 1	FY19 Qtr 2	FY18 Qtr 2	FY19 Qtr 3	FY18 Qtr 3	FY19 Qtr 4	FY18 Qtr 4
Adult Waiting List: Outpatient/Residential		105	320		110		397		398
Adult Total Served: Outpatient/Residential		136	345		259		357		341
Total Served: HEI	29	19	37		33		16		18
Total Contacts: HIV	1,000	1,205	1,081		539		561		661
Total Contacts: YPS		1,694	2,155		1,768		933		1,125
OSAR Screenings	268	819	539		649		804		837
Drug Court Completions (Brazoria/Galveston)	2	7	17		12		5		10

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**TCOOMMI**

Measure	Target	FY19 Qtr 1	FY18 Qtr 1	FY19 Qtr 2	FY18 Qtr 2	FY19 Qtr 3	FY18 Qtr 3	FY19 Qtr 4	FY18 Qtr 4
Assessments (Eligibility Determination)		45	60		57		55		51
Intakes		31	41		44		35		25
Brazoria County Caseload(Northern/Southern)	20	20/21	20/21		18/20		19/20		19/21
Galveston County Caseload	20	20	20		21		21		20
Galveston County Caseload (Probation/Parole)	20	20	20		20		22		21

**Regional Hospital (St. Joseph)**

Measure	Target	FY19 Qtr 1	FY18 Qtr 1	FY19 Qtr 2	FY18 Qtr 2	FY19 Qtr 3	FY18 Qtr 3	FY19 Qtr 4	FY18 Qtr 4
Total Admissions		171	205		182		183		199
Utilization Rate (CARE)	90%	83%	85%		80%		98%		85%
Avg. Length of Stay		11.63	10.48		9.23		10.11		9.52
Avg. number of bed days		22.61	28.48		18.66		20		20.82
Readmissions w/in 30 days		10	9		6		10		13
Transfers to State Hospital	<=10	1	3		1		1		0

**Connect Transit**

Measure	Target	FY19 Qtr 1	FY18 Qtr 1	FY19 Qtr 2	FY18 Qtr 2	FY19 Qtr 3	FY18 Qtr 3	FY19 Qtr 4	FY18 Qtr 4
Demand Response: Total Trips (one-way)	Open	7,341	9,683		7,355		7,072		7,734
Fixed Routes: Total Trips (one-way)	Open	43,615	58,025		46,432		47,798		46,772
Park-n-Ride Routes: Total Trips (one-way)	Open	11,692	17,392		16,327		14,206		12,948

**Risk/Liability/QA: 1st Quarter**

Type	FY19 Qtr 1 Total	Description	FY18 Qtr 1 Total
On-the-Job Injuries	1		1
Consumer Complaints	6	1 (SBCSC), 1 (Consumer Accounts), 2 (IDD), 1 (GICSC), 1 (Permanent Housing)	8
Compliance/Code of Conduct Violations	7	Medication errors (3), Unencrypted email (1), Info sent to wrong MCO (2), Unauthorized client audio recording (1)	10
Staff Turnover	9.91%		8.4%
Training Non-compliance	14.23%		12.9%

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The Gulf Coast Center Fiscal Year 2019 Board Operational Budget Schedule					
EXPENSES - OPERATING					
	FY2019 Annual Budget Preliminary	FY2019 Sep-18	FY2019 Oct-18	FY2019 Nov-18	FY2019 Dec-18
Salary and Wages	15,005,170	1,006,356.89	1,064,112.89	1,162,413.74	1,067,620.51
Fringe Benefits	5,601,972	388,203.19	413,163.56	431,634.02	454,178.06
Travel	232,417	13,557.90	21,863.16	10,685.68	14,002.46
Consumable Supplies	542,286	14,263.39	39,477.65	28,181.03	24,051.75
Pharmaceuticals/Laboratory	245,386	19,510.05	18,881.98	28,484.29	25,760.97
Capital Outlay - Furniture/Equipment/Facilities	552,874	26,878.70	18,136.01	72,140.48	25,830.39
Facilities - Rent/Maintenance/Utilities	1,244,595	117,502.83	100,988.21	84,231.88	107,933.66
Other Operating Expenses	2,292,345	174,920.83	199,542.12	191,052.96	185,753.34
Client Support Costs	537,157	50,687.25	30,211.70	28,119.44	27,388.74
Consultant/Professional Providers	10,560,642	605,512.75	718,906.32	680,774.99	662,206.12
TOTAL EXPENSE	\$ 36,814,843	\$2,417,393.78	\$ 2,625,283.60	\$ 2,717,718.51	\$ 2,594,726.00
REVENUES - OPERATING					
Local Funds					
County Funds	1,146,995	95,708.10	102,877.91	102,474.94	102,083.18
Patient Fees Insurance/Reimbursement	871,625	45,130.55	1,481.67	51,131.98	61,255.52
Miscellaneous Local Income	1,767,561	59,945.43	333,031.46	139,011.40	85,893.46
Earned/Grant Income	3,786,181	200,784.08	437,391.04	292,618.32	249,232.16
HUD - Transitional/Permanent Housing Recovery - Fee for Services / Grants	677,234	42,001.00	73,542.32	65,199.97	70,100.00
Title XIX - Medicaid	4,350,299	283,097.04	317,116.00	276,309.75	309,745.80
Transportation - Federal/State	3,930,516	141,547.92	81,562.62	159,786.29	174,720.90
Medicaid 1115 Waiver/Misc Federal	4,214,864	204,896.35	319,075.08	270,073.60	240,833.04
Other State/Federal Funds/MAC	3,537,756	272,535.69	290,461.02	281,506.60	261,251.39
Performance Contract DSHS & DADS	1,240,300	70,485.83	61,465.17	75,788.72	69,188.96
General Revenue - MH (Adult & Child & Vets) - 10%	17,950,968	1,014,563.83	1,143,222.21	1,128,664.93	1,125,840.09
General Revenue - Regional Hospital	6,609,440	556,072.41	555,174.85	554,574.85	554,174.83
General Revenue - NGM (Adult & Child)	4,058,304	340,187.20	340,187.20	340,187.20	340,187.20
General Revenue - Crisis Services - 10%					
General Revenue/Permanency Plan - IDD	1,124,716	107,393.10	107,393.10	107,393.10	107,393.10
Federal Block - MH (Adult & Child) and Crisis	2,223,852	171,896.15	178,666.31	180,437.59	180,659.28
TOTAL REVENUES	1,061,382	82,948.58	82,948.58	105,298.82	82,948.58
SUBTOTAL OPERATING (Rev-Exp)	15,077,694	1,258,497.44	1,264,370.04	1,287,891.56	1,265,362.99
	\$ 36,814,842	\$2,473,845.35	\$ 2,844,983.29	\$ 2,709,174.81	\$ 2,640,435.24
	\$ (1)	\$ 56,451.57	\$ 219,699.69	\$ (8,543.70)	\$ 45,709.24
FUND BALANCE EXPENDITURES (NOT Inc. above)					
Flexible Spending					
Flexible Spending - MH Adult	-	404.00	2,600.00	300.31	604.07
Flexible Spending - IDD Services	-	2,100.00	485.32	594.88	-
All Center Staff Recognition	-				
IDD Services - Community Support	-	5,988.00	4,814.40	5,215.50	4,963.50
Connect Transit	-	-	-	-	-
Connect Transit - Brazoria County	-	-	-	-	-
Asset Management - Special Facility Projects	-	-	-	-	-
Capital Projects - MIS Services	-	-	-	-	-
Capital Projects - Major Facility/Equipment	-	-	-	-	-
SUBTOTAL FUND BALANCE EXPENSE	\$ -	\$ 8,492.00	\$ 7,899.72	\$ 6,110.69	\$ 5,567.57
VARIANCE (REV-EXP) - w/o Self Funded Health Plan	\$ -	\$ 47,959.57	\$ 211,799.97	\$ (14,654.39)	\$ 40,141.67
SELF FUNDED HEALTH INSURANCE PLAN (NOT Inc. above)					
Health Insurance Fund Expenses (Claims & Admin)	-	206,083.21	200,030.34	174,702.51	201,890.44
Health Insurance Funding	-	233,458.34	253,963.23	261,820.13	261,698.78
SUBTOTAL HEALTH INSURANCE PLAN	\$ -	\$ 27,375.13	\$ 53,932.89	\$ 87,117.62	\$ 59,808.34
OVERALL FINANCIAL VARIANCE (REV-EXP) - w/Self Funded Health	\$ -	\$ 75,334.70	\$ 265,732.86	\$ 72,463.23	\$ 99,950.01

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**The Gulf Coast Center**  
**FY2019 Monthly Board Financial Review**

Unaudited as of 12/31/2018

**Fiscal Year 2018 Unaudited Centerwide General Fund Balance Status**

Total General Fund Balance as of 08/31/18 (Unaudited)..... \$ (3,042,723)

**FY2018 Year-to-Date Reported Expense and Revenue Totals (Unaudited)**

Expenditures	Operational	10,355,122		
	Non-Operational	-		
	Fund Balance	28,070	10,383,192	
Revenues	Operational	10,668,463		
	Non-Operational	-	10,668,463	\$ 285,271

Total General Fund Balance Year-to-Date (Unaudited)..... \$ (3,327,994)

**Board Committed Use General Funds (Fiscal Year Committed)**

Capital Projects - Facility (FY2008-FY2011)	(200,000)			
Capital Projects - Facility (FY2013)	(100,000)			
Capital Projects - Facility (FY2014)	(100,000)			
Capital Projects - Facility (FY2015)	(150,000)	(550,000.00)		
fy2008-fy2015 Expenditure		408,065.86		
fy2016 Expenditure		31,088.00		
fy2017 Expenditure		-		
fy2018 Expenditure		-		
			(110,846)	
Capital Projects - IT (FY2003-FY2014)	(600,000)			
Capital Projects - IT (FY2015)	(150,000)			
Capital Projects - IT (FY2017)	(140,000)	(890,000.00)		
fy2003-fy2015 Expenditure		677,587.43		
fy2016 Expenditure		-		
fy2017 Expenditure		66,432.75		
fy2018 Expenditure		-		
			(145,980)	
IDD Community Service Support (FY2011-2014)	(300,000)			
IDD Community Service Support (FY2016)	(100,000)			
IDD Community Service Support (FY2018)	(100,000)	(500,000.00)		
fy2005-fy2016 Expenditure		320,406.95		
fy2017 Expenditure		27,159.00		
fy2018 Expenditure		62,298.00		
fy2019 Expenditure		20,981.40		
			(69,155)	
Connect Transit (FY2015) LJ Urban	(320,000)	(320,000.00)		
fy2016-fy2017 Expenditure		-		
fy2018 Expenditure		-	(320,000)	
Connect Transit (FY2013) General Services	(422,869)	(422,869.00)		
fy2015-fy2016 Expenditure		300,000.00		
fy2017 Expenditure		-		
fy2018 Expenditure		-		
			(122,869)	
Major Facility Repairs (FY2014)	(186,940)	(186,940.00)		
fy2014-fy2015 Expenditure		186,940.00		
fy2016 Expenditure		-		
fy2017 Expenditure		-		
fy2018 Expenditure		-		
			-	
Flexible Spending Supports (FY2004-2013)	(500,000)			
Flexible Spending Supports (FY2018)	(100,000)	(600,000.00)		
fy2005-fy2016 Expenditure		475,482.60		
fy2017 Expenditure		9,984.17		
fy2018 Expenditure		15,893.58		
fy2019 Expenditure		7,088.58		
			(91,551)	(860,401)

Total General Fund Balance Year-to-Date (Unaudited)..... \$ (3,327,994)

Unrestricted Use General Fund Balance (Unaudited)..... \$ (2,467,593)

The Gulf Coast Center

FY2019 Monthly Fund Balance Report

*Unaudited as of 12/31/2018*

**Fiscal Year 2019 Unaudited Centerwide General Fund Balance Status**

Total General Fund Balance as of 08/31/18 (Unaudited)..... \$ (3,042,723)

**FY2019 Monthly Reported Expense and Revenue Totals (Unaudited)**

	September	October	November	December	January	February	March	April	May	June
<i>Operational Expenses:</i>	2,417,394	2,625,284	2,717,719	2,594,726	-	-	-	-	-	-
<i>Non-Operational Expenses:</i>										
<i>Fund Balance Expenses:</i>	8,492	7,900	6,111	5,568	-	-	-	-	-	-
<i>Total Expenses:</i>	2,425,886	2,633,183	2,723,829	2,600,294	-	-	-	-	-	-
<i>Operational Revenues:</i>	2,473,845	2,844,983	2,709,175	2,640,435	-	-	-	-	-	-
<i>Non-Operational Revenues:</i>										
<i>Fund Balance Revenues:</i>										
<i>Total Revenues:</i>	2,473,845	2,844,983	2,709,175	2,640,435	-	-	-	-	-	-
<i>Net increase/decrease to Fund Balance</i>	47,960	211,800	(14,654)	40,142	-	-	-	-	-	-
<i>Total General Fund Balance:</i>	(3,090,683)	(3,302,483)	(3,287,828)	(3,327,970)	(3,327,970)	(3,327,970)	(3,327,970)	(3,327,970)	(3,327,970)	(3,327,970)
<i>Total Unrestricted Fund Balance</i>	(2,208,071)	(2,390,755)	(2,369,990)	(2,467,593)						
<i>Avg. Cost per day:</i>	80,580	84,687	90,591	83,701	-	-	-	-	-	-
<b>DAYS OF OPERATION OF TOTAL FUND BALANCE</b>	38	39	36	40	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
<b>DAYS OF OPERATION OF UNRESTRICTED FUND BALANCE</b>	27	28	26	29	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

Gulf Coast Center

Corporate Compliance  
Annual Report

Fiscal Year 2018

Submitted by:  
Cindy Keggs, Corporate Compliance Officer  
Gulf Coast Center  
January 2018

**Gulf Coast Center**  
**Corporate Compliance Annual Report**  
**Fiscal Year 2018**

Gulf Coast Center's ongoing commitment to preventing, identifying and correcting behavior that may result in fraud, waste or abuse remained an organizational priority during FY 2018. The Center's Corporate Compliance Plan and Business Code of Conduct have been in place since FY 2002 and provide the foundation for the compliance efforts within the organization. The Center continues to demonstrate a good faith effort to comply with applicable laws and regulations and promote ethical and responsible conduct. This report reflects key components of the Center's compliance program with corresponding activities of FY 2018, as well as comparison figures from FY 2002 through FY 2018 where indicated. The report also includes a summary of accomplishments from the Federal fiscal year (October 2017 – September 2018) as reported by the Office of Inspector General (OIG) and the Department of Justice (DOJ).

**Corporate Compliance Training**

The Office of Inspector General's guidance on compliance training clearly conveys the expectation that organizations will develop and implement regular and effective training for all employees. Educating employees on the expectations set forth in the organization's Compliance Plan and Business Code of Conduct is fundamental to an effective compliance strategy and vital to the overall success of the program. To help ensure that Gulf Coast Center staff maintain an acceptable level of knowledge, mandatory compliance training is required of all staff, interns and volunteers. Compliance training is included in New Employee Orientation (NEO) and is available to all staff. The Center's Human Resources Department increased the frequency of NEO from once monthly to twice monthly during FY 2018. This not only affords more frequent and timely training for new employees, but also offers increased opportunities for existing staff to attend annual compliance training. In addition, the Compliance Officer and General Counsel completed a compliance training video in October 2017. The video provides another option for compliance training when the Compliance Officer is unavailable to present. The Compliance Officer provided twenty-two (22) Corporate Compliance Trainings during FY 2018, with two (2) additional presentations provided via video. A total of two hundred and fifty-three (253) participants attended. As in past years, a compliance exemption test was available to eligible staff in lieu of attending a scheduled training. An additional seventy-eight (78) eligible staff<sup>1</sup> opted to take the test and passed with the required score of 80% or better. Confirmation of attendance / successful test completion is maintained by both Human Resources and the Compliance Officer.

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<sup>1</sup> 1) have been employed with the Center at least 5 years (60 months); 2) have not been the subject of a compliance investigation; and 3) have not caused a payback of greater than \$50

### Compliance Reports / Investigations

The Center's Compliance Officer received nineteen (19) compliance concerns impacting one-hundred and nineteen (119) individuals during FY 2018. All incidents were related to confidentiality/HIPAA violations and included unencrypted emails, incorrect fax numbers / mailing addresses and client information released without a signed authorization. The majority of incidents impacted nine (9) individuals or less with 78% of these events affecting only one (1) individual. One FY 2018 incident involving an unencrypted email impacting seventy-four (74) individuals was recently determined by MIS to have a secure server connection so no breach occurred. This brought total FY 2018 incidents to eighteen (18) with forty-five (45) individuals impacted.

The below table denotes the number and type of compliance concerns reported to the Compliance Officer since the initiation of the compliance program in FY 2002.

(Numbers in parenthesis represent incidents resulting in a refund. For example: 2 (1) reads 2 investigations, 1 of which resulted in a refund. Similarly, the *Medicaid Refund* column denotes in parenthesis the number of incidents responsible for the refund for that fiscal year).

FY	Confidentiality	Billing/ Documentation	Credentials	Fraud Allegations Unconf. / Conf.		Contract/ Other	TOTAL	Medicaid Refund
2002	0	2 (1)	2 (1)	0		2	6	\$9,821.31 (2)
2003	1	3 (1)	3 (1)	0		1	8	\$3,654.20 (2)
2004	11	2 (1)	0	3 (1)	1 (1)	0	17	\$15,437.36 (3)
2005	14	2	0		1 (1)	0	17	\$17,699.55 (1)
2006	8	3 (1)	0	1 (1)		0	12	\$12,471.46 (2)
2007	11	3 (2)	0	0		0	14	\$14,994.83 (2)
2008	5	0	0		2	0	7	(0)
2009	5	2	0		3 (3)	0	10	\$27,672.28 (3)
2010	4	0	0	3 (3)	1 (1)	0	8	\$22,168.46 (4)
2011	7	0	0	0		1	8	(0)
2012	22	2 (1)	0	1		1	26	\$46.76 (1)
2013	18	1	0		1 (1)	2	22	\$275.22 (1)
2014	22	0	0	0	0	0	22	(0)
2015	18	2	0	0	0	0	20	(0)
2016	111	1	0	0	0	0	112	\$2,585.28 (1)
2017	25	0	0	0	0	0	25	(0)
2018	18	0	0	0	0	0	19	(0)
Total	300	23	5	8	9	7	353	\$126,826.71 (22)

### Annual Compliance Survey

The annual *Corporate Compliance Survey* was distributed to all staff in September 2018. The survey serves as a follow-up to the FY 2018 compliance training and evaluates staff competency on basic compliance information. The survey further evaluates staffs' perception of the compliance plan through questions related to the successful resolution of reported concerns, if applicable, as well as management support. In addition, the survey provides another mechanism for staff to identify compliance issues or concerns that were not previously reported. Follow-up was completed with one (1) staff to further explore comments made on the survey. Several other reported issues were either already being addressed or were program specific and directed to the manager. Overall survey responses indicated that staff were both knowledgeable and satisfied with the manner in which reported issues were addressed during FY 2018.



### **Corporate Compliance Committee**

The Corporate Compliance Committee meets regularly and continues to advise and assist the Compliance Officer with monitoring the compliance program and ensuring that the Center's compliance efforts are both effective and responsive to the needs of the organization. The committee convened quarterly during FY 2018 with meetings on September 25, 2017; December 19, 2017; March 20, 2018; and June 19, 2018.

Committee membership remained constant during FY 2018; however, two staff changes prompted the committee to consider new appointments for FY 2019. Monica Mehalshick, Director of Recovery Programs left the committee after moving to a part-time consulting position within the program. In addition, long standing committee member Pam Melgaras, Chief Information Officer retired from the Center in FY 2018. Committee appointments representing both Recovery Services and MIS were deferred until these positions are filled. Although the Director of Recovery Programs position remains vacant, Reginald Brumfield was hired as the Center's new Chief Information Officer in August 2018 and was recommended for committee membership in September 2018. Melissa Tucker, CEO approved his committee appointment on September 21, 2018.

Membership during FY 2018 included the following individuals and is reflective of the major service areas:

Amy McMahon, Director of Youth Behavioral Services  
Casey Duty, Manager of Utilization Services  
Cindy Kegg, Corporate Compliance Officer  
Donna Gordon, Director of Reimbursement Services  
Jeanine McNulty, Chief Human Resources Officer  
Jerry Freshour, Chief Operating Officer  
Melissa Hollman, Contract Manager/QM Supervisor  
Monica Mehalshick, Recovery Services Director (retired from the committee)  
Pam Melgaras, Chief Information Officer (retired from the Center)  
Timothy Ornelas, IDD Crisis Intervention Specialist

In addition to addressing and responding to any specific concerns identified during the quarterly meetings, the committee routinely reviews the following:

- Compliance reports and incidents
- Compliance investigations
- Business Code of Conduct Violations
- Overpayments / refunds / fee collection
- Audit findings
- Quality Management activities
- Drug and alcohol testing (Connect Transit and other Center programs)
- Licensure / website verifications / exclusion lists / background check issues
- HITECH Breach Notification issues
- The Compliance Plan, Compliance Procedures and Business Code of Conduct

- Risk and Compliance Annual Assessment
- MIS Security Risk Assessment

### **Fiscal Audit**

The Center's Annual Financial and Compliance Audit for the year ending August 31, 2018 was completed by Eide Bailey (formerly Davis Kinard) in January 2019. Although the final report had not been received by the date this Annual Compliance Report was submitted, per Chief Financial Officer, Rick Elizondo there were no Federal or State compliance findings. The audit will be presented to the Center's Board of Trustees for review and approval at the January 23, 2019 Board Meeting.

### **Compliance – A Federal Perspective**

On December 3, 2018 the Health and Human Services Office of Inspector General posted the OIG's Semi-Annual Report to Congress covering April 1, 2018 – September 30, 2018. The report highlighted the achievements of the 2018 Federal fiscal year (October 1, 2017 through September 30, 2018) and included the below accomplishments:

- expected investigative recoveries of \$2.91 billion;
- criminal actions against 764 individuals or entities that engaged in crimes against HHS programs;
- exclusion of 2,712 individuals and entities; and
- civil actions against 813 individuals or entities.

On December 21, 2018 a press release from the *Office of Public Affairs* reported that the Department of Justice recovered over \$2.8 billion in settlements and judgments from civil cases involving fraud and false claims against the government in the fiscal year ending Sept. 30, 2018. According to the release, recoveries since 1986, when Congress substantially strengthened the civil False Claims Act, now total more than \$59 billion. Accomplishments highlighted in the DOJ report include:

- Of the \$2.8 billion in settlements and judgments, \$2.5 billion involved the health care industry and included drug companies, hospitals, pharmacies, laboratories and physicians.
- Whistleblowers filed 645 *qui tam*<sup>2</sup> suits in fiscal year 2018. *Qui tams* suits account for a large percentage of False Claim Act cases and have increased significantly since 1986. Of the \$2.8 billion in total settlements and judgments during fiscal year 2018, over \$2.1 billion arose from *qui tam* lawsuits which averaged more than 12 new cases every week. The government paid \$301 million to the individuals who exposed fraud and false claims by filing these actions.

### **Conclusion**

The Gulf Coast Center recognizes that although a compliance program may not entirely eliminate improper activities, a firmly established and effectively communicated commitment

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<sup>2</sup> *Qui tam* provisions allow private citizens to file suits alleging false claims on behalf of the government. If the United States prevails in the action, the whistleblower, known as a relator, receives up to 30 percent of the recovery.

to compliance may significantly reduce the risk of improper, unlawful and unethical conduct within the organization. Through the expectations set forth in the Compliance Plan and Business Code of Conduct, the Center continues to demonstrate a good faith effort to promote honest and responsible behavior by educating staff, conveying clear expectations of conduct, detecting errors and correcting identified problems. The Compliance Officer, Compliance Committee, General Counsel and Executive Management will continue to work collaboratively to support and maintain a compliance strategy that effectively promotes organizational integrity and reduces the risk of illegal or unethical conduct.

## THE GULF COAST CENTER

Regular Board of Trustees Meeting  
Mall of the Mainland – Admin  
10000 E. F. Lowry Expwy Suite 1220, Texas City, TX  
Wednesday, December 5, 2018  
6:15 pm



**"Better community healthcare promoting healthy living."**

### Minutes

- 1) **Call To Order**– Jamie Travis, Board Chair of the Board of Trustees, convened the regular meeting on Wednesday, December 5, 2018 at 6:28 p.m. at the Mall of the Mainland-Admin Office located at 10000 E.F. Lowry Expressway, Suite 1220, Texas City, Texas.

**The following Board Members were present:** Vivian Renfrow, Linda Coleman, Jaime Castro, Caroline Rickaway, Rick Price, Lori Rickert, Stephen Holmes and Mary Lou Flynn-Dupart

**The following Board Members were absent:**

**Also present were:** Melissa Tucker, CEO – Gulf Coast Center, Chris Cahill - The Cahill Law Firm, and several Center staff.

- 2) **Citizens' Comments**: NONE

- 3) **Program Report**: Jason Andrews-McIntosh, Staff Development Coordinator, presented to the Board on Mental Health First Aid Training. Mental Health First Aid teaches a person how to identify, understand and respond to signs of mental illness and substance use disorders in the community. Gulf Coast Center was recognized by the National Council as 2018 Summer Champions of Mental Health First Aid. To receive this honor, a community center or organization must have taught at least five courses at organizations with fewer than 20 faculty instructors and teach at least 10 courses at organizations with 20 or more faculty instructors. The Center trained 238 community members in FY2018 and 176 community members in FY2019. In FY2018 and FY2019, 162 internal Center employees have been trained in Mental Health First Aid.

- 4) **Board Member Reports**:

- a. Texas Council of Community Centers: No Report. Jamie Travis, Chair stated that the next meeting will be held in January 2019.
- b. Texas Council Risk Management Fund: Mary Lou Flynn-Dupart, TCRMF Board Chair, gave a brief update on the Texas Council Risk Management Fund Board meeting that was held in November 2018.

- 5) **CEO Report**: Melissa Tucker, CEO

- a. CCBHC/Transition Update: Melissa Tucker, CEO, provided an update on the completed tasks associated with the TICTOC 2.0 Learning Collaborative for which Gulf Coast Center is a participant. Core Implementation Team has been created with

representation of each clinical area. All Center Staff Meeting and Wellness Conference served as a large-scale kickoff of initiatives. December through January will involve facility specific kick-off meetings to encourage buy-in to organizational change. Trauma-informed care training provided by Texas Children's Trauma & Grief Center will follow in January and February. Melissa Tucker provided a transition update that included a general discussion on the following: recent all-staff survey response, HR recruitment strategies, vacancies, and salary gaps.

- b. Community Collaboration: Melissa Tucker, CEO, highlighted community collaborative efforts on which she has been focused over the last two months, since the October meeting. Examples were provided and discussion held.
- c. Legislative Update: Melissa Tucker, CEO, used the time to provide the board with an 1115 review and update. Emphasis was placed on education specific to the DSRIP timeline, funding forecast, and review of the two proposed models gaining traction in Texas to potentially replace the current 1115 model in hopes for Texas to continue accessing available federal dollars.

**6. Operations Report: NONE**

**7. Budget, Finance and Admin Reports:**

- a. Financial & Operational Monthly Report & YTD Summary: Rick Elizondo, CFO, reported for the month of October the Center's preliminary year-to-date operational expenses totaled \$5,042,677.38 and operational revenue totaled \$5,318,828.64; for an operational surplus of \$276,151.26.
- b. Sale of Property Update: Rick Elizondo, CFO, reported that The Jones Building has had 3 to 4 inquires and tours. No change in status of Lone Oak Ranch at this time. May consider changing to a different Real Estate Agency.

**8. Consent Agenda:**

**Consideration and Approval of Recommendations and Acceptance of Consent Agenda Items.**

*(Consent agenda items may be pulled from this consideration for individual action or presentation.)*

**a. Review and approval of October 24, 2018 board meeting minutes.**

On motion by Caroline Rickaway, seconded by Mary Lou Flynn-Dupart, the board voted the approval of the October 24, 2018 board meeting minutes with changes. The motion carried with all members voting in favor.

**b. Review and approval of October & November 2018 check register:**

On motion by Caroline Rickaway, seconded by Mary Lou Flynn-Dupart, the board voted the approval of the October & November 2018 check register. The motion carried with all members voting in favor.

**9. Action Items:**

- a. **Consider approval of the renewal lease agreement (Amendment #2) with CUK PROPERTIES LLC for MH Child Adolescent-Galveston County, Juvenile Justice,**



**AIR, Yes, Program Administration, HR training and Medication Support office space. Term: December 1, 2018 to November 30, 2022. Service Area: MH Child & Adolescent, other programs as listed above. County of Service: Galveston Amount for Lease FY19: \$8500.00 per month (No change from FY18).**

On motion by Mary Lou Flynn-Dupart, seconded by Jaime Castro the board voted the approval of the renewal lease agreement (Amendment #2) with **CUK PROPERTIES LLC** for MH Child Adolescent-Galveston County, Juvenile Justice, AIR, Yes, Program Administration, HR training and Medication Support office space. Term: December 1, 2018 to November 30, 2022. Service Area: MH Child & Adolescent, other programs as listed above. County of Service: Galveston Amount for Lease FY19: \$8500.00 per month (No change from FY18). The motion carried with all members voting in favor.

- b. Consider approval of the Gulf Coast Center Resolution to approve submission and receipt of the grant application for the Santa Fe Community Response Team through the Office of the Governor.**

On motion by Mary Lou Flynn-Dupart, seconded by Rick Price, the board voted the approval of the Gulf Coast Center Resolution to approve submission and receipt of the grant application for the Santa Fe Community Response Team through the Office of the Governor. The motion carried with all members voting in favor.

- c. Consider approval of the RESOLUTION BY THE BOARD OF TRUSTEES OF THE GULF COAST CENTER APPROVING THE GOODMAN CORPORATION WORK ORDER #17 FOR A LAKE JACKSON OPERATIONS AND MAINTENANCE FACILITY.**

On motion by Mary Lou Flynn-Dupart, seconded by Rick Price, the board voted the approval of the RESOLUTION BY THE BOARD OF TRUSTEES OF THE GULF COAST CENTER APPROVING THE GOODMAN CORPORATION WORK ORDER #17 FOR A LAKE JACKSON OPERATIONS AND MAINTENANCE FACILITY. The motion carried with all members voting in favor.

- d. Consider the approval of the Goodman Corporation's work Order #17 and budget for the design and construction of the Southern Brazoria County Maintenance facility to be located within the City of Lake Jackson's existing fleet maintenance and fueling complex. Project total cost is approximately \$2,455,000 (\$250 for Design, Schematics, and Estimates) and \$2,250,000 for construction and soft cost.**

On motion by Mary Lou Flynn-Dupart, seconded by Caroline Rickaway, the board voted the approval of the Goodman Corporation's work Order #17 and budget for the design and construction of the Southern Brazoria County Maintenance and fueling complex. Project total cost is approximately \$2,455,000 (\$250 for Design, Schematics, and Estimates) and \$2,250,000 for construction and soft cost. The motion carried with all members voting in favor.

- e. Consider approval of the recommended best value respondent from RFP#092018 Public Relations/Strategic Communications Consultant ROWANCOMMUNICATION.**

On motion by Mary Lou Flynn-Dupart, seconded by Rick Price, the board voted the approval to the recommended best value respondent from RFP#092018 Public Relations/Strategic Communications Consultant ROWANCOMMUNICATION. The motion carried with all members voting in favor.

**f. Consider approval of the new FY19 IDD Provider Services Network Agreement with THE HARMONY PLACE COMMUNITY CARE, LLC. Term: November 15, 2018 to August 31, 2019.**

On motion by Mary Lou Flynn-Dupart, seconded by Caroline Rickaway, the board voted the approval of the new FY19 IDD Provider Services Network Agreement with The Harmony Place Community Care, LLC. The motion carried with all members voting in favor.

**10. Pending or Revised Action Items: NONE**

*Pending or revised items are those items which were on a prior board agenda but not completely resolved or there has been a revision since approval. The items may be listed for update purposes or final action by the Board.*

**11. Calendar.....Jamie Travis, Board Chair**

Date	Event	Time	Location
January 23, 2019	Board Meeting	6:15 p.m.	Angleton
February 27, 2019	Board Meeting	6:15 p.m.	Administration (Mall of the Mainland) Texas City
March 27, 2019	Board Meeting	6:15 p.m.	Angleton
April 24, 2019	Board Meeting	6:15 p.m.	Administration (Mall of the Mainland) Texas City
May 22, 2019	Board Meeting	6:15 p.m.	Angleton
June 2019	No meeting due to Texas Council Annual Conference: June 19-21, 2019 Houston Galleria		
July 24, 2019	Board Meeting	6:15 p.m.	Administration (Mall of the Mainland) Texas City
August 28, 2019	Board Meeting	6:15 p.m.	Angleton

**12. Executive Session: NONE**

*As authorized by Chapter §551.072 of the Texas Government Code for deliberations related to real property.*

**13. Action Regarding Executive Session: NONE**

**14. Adjourn:**

There being no further business to bring before the Board of Trustees the meeting was adjourned at 7:12 p.m.

Respectfully,

Approved as to Content and Form,

Cathy Claunch-Scott

Jamie Travis

Secretary to the Board of Trustees

Board Chair