



Magellan of Arizona Regional Behavioral Health Administration

Governance Board Minutes of August 22, 2007

Attendance:

Absent: Dan Wendt - Chief Quality Officer, Maricopa County RBHA

Community Members of Governance Board:

- Trish Bleth, CEO SELFF, Inc. – Adult Service Recipient Representative
- Sue Davis, Vice President (emerita) NAMI - Family Member Representative
- Nick Margiotta, Phoenix Police Department – Community Member Representative
- Luz Sarmina, CEO Valle Del Sol – CEO Children Provider Representative
- Ted Williams, CEO ABC Housing – CEO Adult Provider Representative
- Valerie Van Auker – Family Member of Child Recipient Representative

Magellan Members of Governance Board:

- Russ Petrella – Representative of the Chief Executive Officer, Maricopa County RBHA
- Chris Carson - Chief Medical Officer, Maricopa County RBHA
- Erin Somers – Representative of the Chief Community Relations Officer, Maricopa County RBHA
- Gaye Tolman - Chief Recovery and Resiliency Officer, Maricopa County RHBA
- Brenda Benage –Chief System Transformational Officer, Maricopa County RBHA

Staff to Governance Board

Lynette Tolliver – Governance Board Administrator

In Session 10:08am

Russ Petrella, President of Magellan Behavioral Health opened the meeting by introducing Brenda Benage as Magellan of Arizona’s Chief System Transformation Officer.

IMPLEMENTATION UPDATES

Russ let the Board know that Magellan initially proposed to hire 266 staff in our proposal, and as we’ve continued to learn about additional functions that the RBHA requires in order to become fully operational, we continue to add more staff to accommodate the need. We have hired 263 individuals to date with our new target at 295. We continue to build out our offices with the first phase scheduled for completion on August 29, 2007. We are continuing to provide training for the new employees that are joining us on a daily basis now. Russ updated the board by advising that our official go-live date of September 1, 2007 is on the weekend which will allow for an easier transition considering only 3 clinics are open on that day. At 12:01am, there will be a live transfer with the crisis lines. Russ stated that we are cautiously confident and not naïve about the amount of work that is needed, and we have a number of contingency plans in place for all our programs. Russ

commented on the enormous amount of work done to-date to get us prepared for where we are today. This would include the IT systems being designed and built while identifying data bases that are needed and building those accordingly, scheduling of reports, space planning and coordination, as well as contracting oversight. Co Chair Ted Williams advised the audience the board would not entertain questions from the audience based on time constraints for board business.

Pharmacy Update

Chris Carson M.D., Chief Medical Officer, Magellan AZ explained to the board that all the pharmacy contracts are in place with all the pharmacies in Maricopa County. This would allow recipients to be able to get their medications easily. In addition our proposed formulary was approved by the ADHS. The remaining areas of focus are around the two in-house pharmacies that the current RBHA owns and operates. Value Options will close those pharmacies effective 8/31/07 and Magellan will have access to them on September 1, 2007. We're currently working on developing a Clozaril Management Program. We are also preparing a backup plan by having a stock supply of medications in all the clinics available.

Substance Abuse Funding Update

During the August 1, 2007 Governance Board meeting in the finance overview discussion a handout was distributed that listed funding sources and amounts for the RBHA in a pie chart. A question was asked at that meeting whether the substance abuse funds were included. Shannon Sieverling, Chief Financial Officer, confirmed that they were included in the amounts and that they were just inadvertently left off the diagram. Shannon also shared with the board that the non-titled levels of funding for this year is relatively flat, in comparison to last year.

Designated Representatives Update

During the August 8, 2007 Board meeting, the question was asked whether the Designated Representative topic would be addressed in the Member Handbook. Erin Somers, Acting Chief Community Relations Officer, Magellan of AZ commented to the board that it is included and will be accessible as of September 1, 2007 on the www.MagellanofAZ.com website.

Another question was presented regarding the completion of the new website by the go-live date. Erin responded by affirming that everything was on track for the new website to be fully populated and in effect as of September 1, 2007. MagellanforMaricopa.com is still available and will link and point visitors to the new website.

Additional discussion ensued about access to the new website and whether it would be fully populated by September 1, 2007.

Russ provided an overview of the contract and the financial circumstances facing the RBHA. Based on the quality of the encounter data that we are working with it is sometimes difficult to interpret how the funding was allocated in the past.

Magellan is aware that providers were given an increase in funding for the last two months of their contracts. In reviewing the data, it doesn't appear that the system will be able to sustain this increase on an annualized basis.

He reiterated that Magellan will remain transparent on how the financial model will continue to evolve as we receive more information. Shannon Sieverling provided a general overview of the block funding model and specifics of the children's funding. Discussion ensued about the challenges of the upcoming contract including penalties around the 100% encounter threshold in the provider contracts, PNO encounter relief, and the reimbursement rates including their history and what is included in the rates, (ie administration costs).

Russ stated that we will be discussing with the state the above concerns and will report back to the Board the results. Concern was raised by the board that contracts might not be signed in a timely basis based on providers concerns. Magellan will be meeting with providers individually to discuss their contract and funding amounts.

Overall the board was concerned that the language in the Maricopa RBHA contract was not consistent with the rest of the state RBHA contract language which results in putting the Maricopa system at a disadvantage.

NEW BUSINESS

Crisis Response Unit/PRC–West Physicians Issues

Brenda Benage, Chief System Transformation Officer, Magellan AZ updated the board on the Medical Doctor concerns at PRC West. PRC West was not sure if they would have enough doctor coverage for the facility.

Historically the Doctors have been employed by the RBHA directly and the rest of the PRC is operated by a local provider: Recovery Innovations (RI). The Doctors have raised compensation concerns if they were to be moved to RI and voiced their preferences about remaining as RBHA employees. The issues surrounding whether the RBHA should continue to employ the Doctors were discussed with the board agreeing that stability of the system during the transition should drive the decision making.

The Board reached consensus that Magellan would employ the doctors during the transition in order to meet the needs of the greater

Service Delivery Transition Committee

Brenda Benage advised the board that the overview, application, and press release of the Service Delivery Transition Committee will be online by Thursday, August 23, 2007 for the community to access. Lynette Tolliver will be the point of contact for interested applicants. The board raised concerns about the aggressive timeline. After discussion about alternative timelines and consequences, the board agreed to attempt to meet the deadline, but if needed an impromptu meeting would be scheduled later in the week to complete the selection process in time for the first SDTC committee to begin on September 19, 2007.

Platform for audience to have their questions heard and answered

Ted agreed to be a point of contact for the community board members to get their issues or topics of interest on the Board agendas.

Approval of Board Minutes - August 8, 2007:

August 8th minutes were presented to the board for approval. Luz Sarmina requested that the minutes reflect the changes that were mentioned in the August 1, 2007 minutes (page 2, bullet 2), as well as address the response to her concerns in the August 1st minutes. Luz will be contacted directly to ensure all edits are correctly implemented.

August 1st minutes were submitted to the board. There were no motions for edits; however the board agreed to address at the next board meeting for a final approval on minutes.

Nick Margiotta requested to have a copy of the Request for Proposal (Section H – Part 3) to be provided at future board meetings. Lynette Tolliver, Governance Board Administrator will ensure the request is met. Nick also commented that he got the documents within 2-3 days prior to the board meeting; however it is still not enough time for review and requested that we send information out 5 days prior. Lynette assured the board this request would be met.

Proposed Meeting Schedule & Agenda

A preliminary meeting schedule through the end of October was reviewed and approved by the Board. The Board will meet on the following dates:

- Wednesday, September 5, 2007 - Doubletree Guest Suites 320 N. 44th Street, Phoenix AZ
- Wednesday, September 19, 2007
- Wednesday, October 3, 2007
- Wednesday, October 17, 2007
- Wednesday, October 31, 2007

All meetings will take place from 10am-12noon at a location to be determined if not listed.

Among the key items at the next Board meeting will be September 1st 2007 transition and continued discussion around the Ad Hoc Service Delivery Transition Committee, which will make recommendations to the Board for the transition of the direct service clinic sites to the PNO's.

The board adjourned at 12:02pm