

**Minutes-DRAFT**  
**NorthernBridges**  
**Board of Directors Meeting**  
**March 1 & 2, 2010**  
**Flat Creek Inn, Hayward**

**Board Members Present:** Dave Willingham, Jeff Kieffer, Mike Hamm, Bob Kopisch, Terri Stone, Mark Novotny, Ken Mosentine, Dee Kittleson, Mike Linton, Jack Sweeney, Don Quinton, Larry Main, Sue Zieke, Dale Schleeter, David Markert

Other: Don Percy of the Bardish Group, Dennis Liphart of Pathways to Independence, Terry Perry of Ashland County Human Services and Joe Wacek of Catholic Charities/DSI

**1. Call to Order**

Dave Willingham called the meeting to order at 9:07 a.m.

**2. Roll Call**

All members present with the exception of Tom Innes who was excused.

**3. Approval of Minutes from February 1 & 2, 2010**

Mike Hamm moved to approve the February 1 & 2, 2010 meeting minutes. Don Quinton seconded. Motion was carried by voice vote without negative vote.

**4. Review & Approval of Agenda**

Hearing no additions or changes the chair approved the agenda.

**5. Public Comments**

Dennis Liphart of Pathways to Independence stated that he was glad to see NorthernBridges has applied for a Pathways grant directed toward supportive employment. The intent of the grant is to train our care managers on how to work with members who want to become employed.

**6. Executive Committee Report**

Executive Committee met on 2.17.10 at NorthernBridges headquarters and minutes from that meeting were posted on Sharepoint on 2.25.10. Dave encouraged the board members to read these. All members of the EC were present and joined by John McMahon and Don Percy, and for a brief time district counsel Andy Phillips by phone. There were no public comments. The EC approved the minutes from the 1.18.10 EC meeting and discussed follow up to the February board meeting. Bob Kopisch updated on the teleconference with Deb Welch of Clifton Gunderson and Bob will give a report of that conversation today. Don Percy reviewed the process and format of the upcoming meeting of the At Large Directors Vetting Committee held later that afternoon. Phone call with Andy Phillips to discuss the COI Procedural Guideline language which has its first meeting today at 3:00. Discussion of annual meeting coming up in May and reviewed the list of necessary items that need to be discussed at that meeting according to our bylaws and procedures. Discussed draft of March board meeting agenda, and added a report to the agenda from FMPMC Chair Bob Kopisch. Convened to closed session to discuss the CEO employment agreement renewal. Reviewed the NB Performance Management System with John McMahon and Janelle Gruetzmacher and there will be a presentation on this at tomorrow's portion of the board meeting. Next Executive Committee meeting is scheduled for March 9th. Chair Dave Willingham sat in on the At-Large Director interviews.

**7. Update on Discussion with Clifton Gunderson Governance Questionnaire**

Bob Kopisch reported on the teleconference with Deb Welch of Clifton Gunderson to review the questions discussed at the last board meeting. Bob went through the answers that the board gave at the February meeting and it was accepted and Bob didn't detect that there were issues. Clifton Gunderson is at NB all week working on their audit and Bob did inform Deb Welch that the board is meeting these 2 days in case she needed anything else. Dave Willingham commented that Bob did a great job relaying the information to Deb Welch.

## 8. Financial Statement Report

Brian Ahlgren reviewed the financial statements for January 31, 2010. Loss of \$56,000 compared to budgeted loss of \$45,000. Overall average is down a little from what was budgeted. Direct member service expenses continue to be a challenge but we are seeing some progress with our Care Under Management Initiative as authorizations are being decreased. Care Management expenses continue to be under budget and that has to do with staff positions open right now. Expenses continue to be under budget by approximately \$30,000 and a lot of this is timing with items hitting the general ledger. Cost share revenue is good. NB just denied over 250 claims in accordance with our 90 day claims limit process. We will share authorization analysis with the board next month. Cash moved up \$1.8M due to the advance of \$2.7M in our risk sharing agreement, thus A/R is down because we received that risk sharing money. No additional funding of risk sharing and solvency until after June. Did see IBNR decrease by \$177,000 and Brian applied the Care Management Initiative to this. Brian distributed the hub financial statement. Rice Lake has by far the largest DD population of any of the hubs which incurs the most expense. We'll be doing the financial statements by hub, by region and consolidated. Brian discussed 2010 Budgeted Operational Cash Flow and the state is not scheduled to give us a capitation payment until July. Concern is how we are going to get through June and we've started having that conversation with the state. Brian and John have been in contact with Tom Lawless & Susan Crowley and we hope to know by April 1<sup>st</sup>.

## 9. CEO Report

- **Recruiting/Personnel**

This is the second month we've used the new form which gives a little more data. NB currently employs 129 staff and provides services to 1,771 members. We are currently recruiting for a financial analyst position, along with SSCM's & RNCM's. NB is hiring some care managers that will work out of more than 1 hub. Care Specialists provide administrative support to the Care Managers - data entry into ES, reviewing ISP's. Behavioral Health Specialists support the teams by doing evaluations and assessments for those members with either mental health or behavioral issues and can recommend interventions that support better behavior. They know medications and how to interpret behaviors. NB asks that the behavioral health specialists review the care plans of these members to be sure we are providing the services they need.

- **Member Demographics**

John reviewed the Member Demographics report which shows member count by month (which fluctuates daily), enrollment type by month which includes transition, wait list & non-wait list (urgent referrals, nursing home relocations), disenrollments by month & type, member count by age range, target group and gender.

- **Care Under Management Initiative**

Russ Lutz discussed our performance expectations from the state and one of our commitments is to review all of our care plans by 3.31.10. The document shows our initial steps, provider contracting, and also our authorizations. Care Managers are reviewing plans for every member and the Kohl sheet is being used by Care Managers. This details actual vs. authorized costs and can help us detect opportunities for provider fraud. Personal Care Screening tool and the RAD are also being used to help us adjust authorizations. NB holds weekly meetings with the Care Management Directors to go over the results of these tracking tools. PND has started the Preferred Provider Program and we have selected these providers and are enforcing those services that were already imbedded in a service. Residential Rate setting methodology is being delayed as we're not able to apply our Care Under Management to some of the personal care and transportation costs. We need to look at this again before we try to analyze and need to be sure we have appropriate levels of service first. Also, the acuity numbers don't look correct - aren't matching up. Finance & IT provide support services for Care Managers & PND by providing the budget and tracking tools. Authorization page shows December 2009 as compared to March 2010 in terms of authorization. Care Managers are determining where services are over-authorized.

- **Residential Rate Setting**

Sarah Benson reviewed the Rate Setting Methodology Overview . PND conducted Provider Informational sessions in late January and came back to the table and discussed all provider feedback from those meetings. By delaying the implementation of the residential rate setting, we should see a greater cost savings than the initial 2% that we had factored in and we want to have all of the factors

that determine acuity – there are still flaws in the design. Notification went to all providers in February regarding the delay. New 2010 contracts which become effective April 1, 2010 are being mailed today. Also effective April 1<sup>st</sup> is the Room & Board Rate Setting Methodology using HUD Fair Market Rent figures with a standardized board calculation of \$190. We will also enforce the contract addendums. Care Managers are using the Personal Care screening tool and determining the personal care hours that residential members need. We will also be reviewing the top 100 members according to PMPM variance and will be sending this information to the Care Managers to evaluate the accuracy of the long term care functional screens – are they current? NB will be implementing a uniform Respite Policy for Owner Occupied Adult Family Homes to eliminate duplication of payment.

**10. NB Board Committee Basic Reference Document 1.0: COI Policy Monitoring Committee**

Don Percy stated that the COI is the 4<sup>th</sup> and final of the new committees to have their organizational meeting. COI is unique in that it deals with board process policies and its heaviest schedule will be between now and June. COI has to have a number of things in place for the upcoming annual disclosure report submission period. Need to work on a form and a procedural guideline for COI. 1.0 is the basic reference document. It is anticipated that one of the new directors will be appointed to fill the remaining director vacancy on this committee.

**11. NB Board Committee Basic Reference Document 2.0: Procedural Guideline PG.1, 2<sup>nd</sup> Edition-Draft #1**

The 2.0 Procedural Guideline has been amended once and a final draft will be presented to the Committee for review on April 5<sup>th</sup> and reported to the Board for action the following day. The various drafts have been shared with the board during this developmental process, so the directors will be able to cast an informed vote on the final product.

**12. NB Board Committee Basic Reference Document 3.0: Non-Director Members on COI Policy Monitoring Committee**

This document sets forth the rationale and expectations for the two non-director members of the committee. Dave Willingham asked the board to let him or Don Percy know if they have any suggestions for where we might look for the 2 non-director members. Given the special character and role of these two members, we will likely have to make a directed search for qualified candidates.

**13. Board will consider a motion to convene at 1:00 p.m. in closed session pursuant to Wis. Stat. 19.85(1)(c for the purpose of considering specific personnel matters, to wit: consideration of report of At-Large Directorship Applicant Vetting Committee**

David Markert moved to convene to closed session at 1:16 p.m.. Ken Mosentine seconded.

**14. Motion to return to open session and act on any closed session items**

Mike Linton moved to return to open session at 2:01p.m.. Dave Markert seconded. Motion was carried by voice vote without negative vote.

Based on the board's careful vetting and review of the Vetting Committee's report on the candidates, Dale Schleeter moved to appoint Susan Reinardy and Howard Johnson as the new At Large Directors on the NorthernBridges Board of Directors effective March 2, 2010. Ken Mosentine seconded. Motion was carried by voice vote without negative vote and was passed unanimously.

Jack Sweeney left the meeting at 2:30 p.m..

Meeting was recessed at 2:41 p.m. to allow for the COI Policy Monitoring Committee meeting at 3:00 p.m..

**MARCH 2, 2010 CONTINUATION OF THE BOARD MEETING**

Dave Willingham called the 2<sup>nd</sup> day of the meeting to order at 9:05 a.m..

All members present with the exception of Tom Innes & Mike Linton who were excused.

## **15. Seating of At-Large Directorship Appointee(s)**

Don Percy introduced Susan Reinardy & Howard Johnson, the 2 new At-Large Directors on the board. Dave Willingham officially welcomed them on behalf of the board. Dave mentioned that there will be an orientation for Susan and Howard in the near future.

### **CEO Report (Continued)**

- **Performance Management System**

The NorthernBridges Performance Management System will provide a consistent process to drive desired behaviors within the organization. This process will help build our culture and align around our Mission, Vision and Values. John McMahon stated that the Performance Management System is how we will deliver on our results oriented process and we want to recognize and reward outstanding performance and set the tone for the future that this is the expectation around what we do and how we meet our Mission, Vision and Values. This is not an entitlement system where staff will automatically receive increases for “showing up”. We have emphasized with staff that effort alone does not necessarily equate to results. We want to recognize results. Janelle Gruetzmacher reviewed the Performance Management System which consists of:

- Annual Reward for Results (Exceeds Expectations, Meets Expectations, Developing & Does Not Meet Expectations)
- Self Assessment (partners with Reward for Results and this is done on the anniversary date of the employee where the employee does an assessment along with the supervisor)
- Professional Development Plan – approx. 1 month after the Reward for Results is discussed the supervisor & employee discuss what further training or education the employee may require
- 3 Month Check-In - Every employee will have this with their supervisor and this starts the Performance Mgmt. System Process
- Mid Year Check In – Used every year
- Performance Improvement Action Plan – Opportunity for NB and supervisor and employee to partner to look at results not being achieved and discuss what can be done to achieve the results. Action plan generally runs for a 2 week time period but can be shorter or longer.
- Disciplinary Action - Documented conversation regarding an inappropriate or unprofessional behavior or conduct.
- Grand Slam Recognition – Recognizes staff for going above and beyond.

Janelle explained that the first assessments/reviews are based on the core competencies set in staff’s position descriptions.

NB supports continuous feedback using a 1 on 1 check in process. We will celebrate Home Runs and work with staff for improvement on Foul Balls.

How is NB going to ensure consistency and fairness with the Reward for Results? We have implemented training with Team Leads and will be taking the whole program to all NB staff. We would like to roll this out in April and May and then re-evaluate to see if the tool is being used in a consistent manner and see how things are being measured. We need to agree on what the criteria are to be applied to specific goals.

Part of the Management Limitation Policy that needs to be completed is how the results of the Performance Mgmt. System are reported back to the board. Dave Willingham also clarified that the only expectations that the board is responsible for measuring is for the CEO and how he meets the policy expectations.

First rule of successful companies is highly engaged employees. We want to retain the high performers. We’ve been very intentional about creating a NorthernBridges culture and the core competencies are based on the NB Mission, Vision & Values.

John shared the Reward for Results outline which addresses a specific increase percentage for Exceeding, Meeting & Developing, and the One Time Start-Up Acknowledgment. NB budgeted 3% for

salary increases for 2010. Healthcare industry salary increases for 2010 are averaging 2.5% with 3.5% on the high end.

Dave Willingham commented that since Day 1, we agreed that we would not follow the county or traditional models for compensation. Also, getting Care Under Management needs to be done regardless of what we do with employee compensation and they should not be tied together. We have to make sure we carry through with a consistent philosophy.

- **Care Management Expansion Review**

Gail Nordheim reviewed the Findings & Next Steps. Gail has been working with NB developing the Quality Management Program. MetaStar is the external organization that monitors quality of MCO's under contract with the state. The purpose of the review is to provide data about the quality of care management services provided to Family Care members affiliated with NorthernBridges. They reviewed 100 member records and looked at assessments, care planning, service coordination and delivery and participant centered focus. This is based on a series of indicators and for each indicator it determined whether the indicator was "met" or "not met". NorthernBridges scored well on a number of quality indicators, and there were also areas where scores were substantially lower, many of these being timeliness in meeting contractual deadlines. Some timeliness issues have a lot to do with the rollout of 11 counties within 4 months time, but still needs to be addressed and improved. Our actions in response to the MetaStar review:

- Care Management Quality Review Tool – Each hub Team Lead will use this for sampling 4 member records per month and enter results into the ES system and give immediate feedback to the care managers and generate reports to identify system-wide & hub specific strengths and weaknesses. Spooner hub has tested the tool and it is now undergoing a final pilot test in the Park Falls hub.
- Improving Timeliness – A standardized timeliness tracking tool is being developed within the Enterprise system. There will be follow-up with hubs whose "average" timeliness score significantly lags the others to review and improve their systems for assuring timeliness. Information from internal reviews using the tool will be used to identify areas of strength and weakness around timeliness, so that quality improvement efforts can be targeted to areas of greatest need.
- Improving Comprehensiveness – Enterprise to assure that information is carried over between documents. Assessments and plans that scored well are being compared to assessments and plans that scored poorly.
- Risk Assessment Tool – Will improve ability to consistently address and assess member risk.

MetaStar will return for the NB Annual Quality Review and will be looking at 44 member records at the end of March and beginning of April and meeting with Care Management staff at the hubs conducting interviews with the Care Managers. They'll also be talking to administrative staff and pulling personnel files to make sure things such as background checks, etc. are done. They will also review provider records. There will be an exit conference with MetaStar and management staff in mid-April.

Dave Markert left the meeting at 11:19 a.m..

- **Care Under Management Metrics**

Jason Kohl and Brian Ahlgren gave an overview of the Qlikview business intelligence software which will help us to retrieve more specific member information.

Larry Main left the meeting at 11:32 a.m..

## **16. April Meeting Agenda/Date**

April 5 & 6, 2010. The COIPMC will meet at 3:00 on April 5<sup>th</sup>. The FMPMC will meet at 4:00 on April 5<sup>th</sup>. Also on the board agenda will be Committee assignments for new members and appointing the consumer representative vetting committee.

## **17. Public Comments**

None.

## **18. Correspondence**

John reviewed NB's letter to Representative Mary Hubler in response to her letter of February 15, 2010. The content of her letter was very general. Our response discussed how we handle provider payments and our state requirement to institute a residential rate setting methodology. In response to the comment in her letter of care givers feeling undervalued and out of the loop, we noted that the Care Managers sit down with members and the members have the right to decide who's involved with that process, and member do not always request that providers are involved. We have had situations where providers have told members that they will lose money if their services are reduced. We have had providers who have received a new authorization for less services and they call the members and tell the members that they need more services. IT staff will be getting John a current report on claims paid. Facilities that provide residential care have to meet the state requirements for disability accessibility and safety. Don Percy commented on our need for establishing a standard and thorough process for preparing responses to letters responding to concerns emerging from anonymous complaints. Dale Schleeter suggested, in the case of member concerns, we also reference in any that we have a grievance policy for our members. Providers with concerns about timeliness of payments, should be reminded that their contract with NB includes right to appeal NB's handling of a particular claim. John & Don will work on a procedure for addressing the response letters.

## **19. Meeting Review & Discussion**

Terri Stone & Jeff Kieffer monitored the March board meeting.

- Terri felt the agenda was full and very informative. Discussions were lively and we stayed on course. Overall one of our better informative meetings with the presentations and also because the chair did not use his "3 puns per meeting" allotment.
- Jeff felt that, as always, if anything we err on the side of excess before coming to a decision. Good meeting.
- Dave Willingham once again thanked the board members for their effort and hard work and welcomed Susan & Howard again.

Don Quinton and Mark Novotny volunteered to monitor the April board meeting.

## **20. Adjourn**

Ken Mosentine moved to adjourn the meeting at 11:58 a.m. Bob Kopisch seconded. Motion was carried by voice vote without negative vote.

Recorder,

Colleen Dressen