



**BOARD OF DIRECTORS
VIRTUAL MEETING AGENDA**

**September 10,
2020**

Board of Directors Members present:

North Sound Behavioral Health Administrative Services Organization (ASO) staff present:

Guests present:

1. **Call to Order and Introductions** – Chair Johnson
2. **Revisions to the Agenda** – Chair Johnson
3. **Approval of the August 13th, 2020, Minutes, Motion #20-39** – Chair Johnson.....Attachment
4. **Comments & Announcements from the Chair**
5. **Reports from Members**
6. **Comments from the Public**
7. **Report from the Advisory Board**.....Available at Meeting
8. **Report from the Executive Director** Available at Meeting
 - **Fraud, Waste and Abuse Training:** Charles DeElena, Compliance Officer
9. **Report from the Finance Officer**Available at Meeting
10. **Report from the Governance Operations Committee**

All matters listed with the Consent Agenda have been distributed to each Member for reading and study, are considered to be routine, and will be enacted by one action of the Executive Committee with no separate discussion. If separate discussion is desired, the item may be removed from the Consent Agenda and placed on the Regular Agenda by request of a Member.

Consent Agenda.....Available at Meeting

Motion #20-40

- To review and approve the North Sound Behavioral Health Administrative Services Organization claims paid from August 1st, 2020, through August 31st, 2020 in the amount of **\$1,523,183.62**. Payroll for the month of August in the amount of **\$144,572.66** and associated employer benefits in the amount of **\$57,034.82**.

11. Action Items

For Executive Committee Approval

Remediating the Remaining BHO Close out Liability

Summary:

Health Care Authority [HCA] Fiscal Staff and North Sound BH-ASO staff have jointly developed an estimate as to what the amount of remaining liability is from the close out of the North Sound Behavioral Health Organization [BHO]. At the “close-out” of the North Sound BHO at the end of December 2019, the BHO had a negative fund balance due to unreimbursed IMD expenses. It is estimated that there is a residual **Medicaid** fund balance of **\$6,038,523**. This must be paid back to CMS. HCA will be able to cover part of the shortfall. After returning the remaining BHO cash on hand, the North Sound BH-ASO is proposing to cover the remaining shortfall with a combination of unspent BH-ASO Medicaid fund balance and excess BH-ASO state general funds. There are 2 motions below: one to return the remaining BHO unspent funds and one to provide funds out of some of the BH-ASOs unspent Medicaid and State General Fund balances. The final amounts due have not yet been certified by HCA leadership.

Motion #20-41:

- Authorize the North Sound BH-ASO Executive Director to return the remaining BHO unspent funds estimated at **\$1,144,515** to the Health Care Authority as part of the “close-out” of the BHO.

Motion #20-42:

Authorize the North Sound BH-ASO Executive Director to cover the remaining BHO close out liability from the BH-ASO Medicaid Fund balance as of the end of June 30, 2020 and a portion of excess state General Fund balance not to exceed \$2,000,000.

College Way Lease.....Attachment

Summary:

As detailed in the Executive Director Memo the following motions are presented for approval of either Option A or Option B.

Below is a synopsis of Option A and Option B.

- **Option A:** The Landlord will agree to amortize expenses over the five (5) year term of the lease. The Landlord will provide an Escape Clause after the third year if funding to NSBHASO is eliminated by the Federal and State Legislature and NSBHASO agrees to reimburse the Landlord the unamortized fees of approximately **\$48,000**. (\$154,026 annual lease payment)
- **Option B:** If the Tenant agrees to sign a five (5) year lease without an escape clause, the Landlord will fund the current construction costs. (**\$127,836** annual lease payment)

Motion #20-43:

▪ **Option A:**

Authorize the North Sound BH-ASO Executive Director to execute a lease at 2021 E College Way, Mt Vernon WA for a five (5) year term with a three (3) year escape clause. The expiration of this lease will be December 31, 2025 unless terminated and/or renewed.

▪ **Option B:**

Authorize the North Sound BH-ASO Executive Director to execute a lease at 2021 E College Way, Mt Vernon WA for a five (5) year term. The expiration of this lease will be December 31, 2025 unless terminated and/or renewed.

12. Adjourn

Next meeting: October 8th, 2020