

ADAMHS BOARD OF CUYAHOGA COUNTY

EMERGENCY MEETING MINUTES APRIL 2, 2012

Board of Directors Present:

Rev. Charlotte Still Noble, Chair	J. Robert Fowler, Ph.D.
David E. Biegel, Ph.D.	Pythias Jones, M.D.
Reginald C. Blue, Ph.D.	J. Richard Romaniuk, Ph.D.
Pastor Charles E. Brown	Harvey A. Snider
Eugenia Cash, MSSA, LSW	Ericka L. Thoms
Marc G. Crosby, MBA	Mary R. Warr, M.Ed.
Richard A. Folbert	Anngela Williams

Absent: Rick A. Kemm, MNO, Rev. Benjamin F. Gohlstin, Sr.

ADAMHS Board Staff Present: William M. Denihan, C.E.O., Christina Delos Reyes, M.D., Tami Fischer, Cheryl Fratalonie, John Garrity, Ph.D., Valeria Harper, Carol Krajewski, Esmat Nasr, Scott Osiecki, Ralph Piatak, Cassandra Richardson, Starlette Sizemore-Rice, Linda Torbert

1. CALL TO ORDER

Vice Chair, Harvey Snider, called the Emergency Meeting of the ADAMHS Board of Directors to order at 4:00 p.m. and thanked Board members for their attendance in order to discuss the potential closing of Bridgeway, Inc.

Given that Rev. Noble, Board Chair, was out of town for the past month and unfamiliar with this subject, she asked Mr. Snider to preside over the Emergency Meeting as Acting Chair. Mr. Snider recommended entering an Executive Session for the purpose of discussing legal issues raised.

Motion to enter an Executive Session for the purpose of discussing legal issues.

MOTION: R. Fowler / SECOND: C. Noble / Roll call vote taken. AYES: C. Noble, D. Biegel, R. Blue, C. Brown, E. Cash, M. Crosby, R. Folbert, R. Fowler, P. Jones, R. Romaniuk, H. Snider, M. Warr, A. Williams / NAYS: None

Motion passed.

Board members adjourned to the Cuyahoga Conference Room to meet in Executive Session. Ms. Thoms arrived after the roll call vote and joined the Executive Session. When Board members returned to the Ohio Room, a motion was made to exit the Executive Session and resume the Emergency Meeting.

Motion to exit the Executive Session. MOTION: R. Fowler / SECOND: E. Cash / A roll call vote was taken.

AYES: C. Noble, D. Biegel, R. Blue, C. Brown, E. Cash, M. Crosby, R. Folbert, R. Fowler, P. Jones, R. Romaniuk, H. Snider, E. Thoms, M. Warr, A. Williams / NAYS: None / **Motion passed.**

BACKGROUND INFORMATION

Mr. Snider reported that the ADAMHS Board was informed on March 23, 2012 by the leadership team of Bridgeway, Inc. of their impending closure by April 30, 2012. The request from Bridgeway is for the ADAMHS Board to allocate \$287,925.00 in order to maintain the salaries and operations of the programs until April 30, 2012. The Board has been advised that if the request to the ADAMHS Board is not approved, Bridgeway will file for Chapter 7 Bankruptcy no later than April 4, 2012.

Mr. Snider stated that it is the ADAMHS Board's understanding that the Chapter 7 proceedings are inevitable regardless of the request. This raises a number of potential legal issues pertaining to the distribution of funds, claims and the automatic stay in bankruptcy. Therefore, a vote is necessary regarding the request made by Bridgeway, Inc. as the payment of these funds is deemed paramount from their perspective to maintain services to their consumers. Mr. Snider stated that this issue is very important for the ADAMHS Board to review and decide.

Rev. Noble moved the adoption of Resolution No. 12-04-01 entitled, Pending Chapter 7 Bankruptcy and Closing of Bridgeway, Inc. Transition Plan. The motion was seconded by J. Robert Fowler, Ph.D. Acting Chair, Harvey Snider, read the resolution into the record, shown below:

Pending Chapter 7 Bankruptcy & Closing of Bridgeway, Inc. Transition Plan

WHEREAS, Bridgeway, Inc., notified William M. Denihan, CEO of the ADAMHS Board of Cuyahoga County, on Friday, March 23, 2012, of the impending Chapter 7 bankruptcy and closure of Bridgeway, because of the following reasons:

- \$2.1 million in debt.
- Insolvent for the last 6 months.
- No longer paying vendors or utility bills.
- Needs to close to stabilize Community Care Network and Cleveland Christian Home; and,

WHEREAS, The ADAMHS Board of Cuyahoga County's **ultimate goal is the continuity of care and a seamless transfer** of nearly 400 Medicaid consumers/clients to other providers and sustaining an additional 100 consumers residing in independent, crisis and residential care facilities; and,

WHEREAS, Bridgeway, Inc., originally requested \$288,000 to keep the agency operating through April 30, 2012, to assist in the transition of consumer/clients, then revised the request to \$262,000 adjusting for reduced staff; and,

WHEREAS, ADAMHS Board staff has carefully reviewed Bridgeway's request, obtained permission from ODMH and ODADAS to provide direct services, reached out to behavioral health providers, and developed the attached plan for transition; and,

WHEREAS, Behavioral Health providers have committed to provide services through their agencies and hire Bridgeway employees where appropriate; and,

WHEREAS, Bridgeway's FY9 & FY10 independent financial audits were delinquent and required a corrective action plan by the auditor, and the FY11 audit is presently delinquent; and,

WHEREAS, ADAMHS Board has rejected Bridgeway's request for funding because of the following concerns:

- Providing back pay to Bridgeway staff for work performed in March.
- Staff would only be paid for work performed through April 13, 2012.
- Any funds provided to Bridgeway by the ADAMHS Board could be subject to the bankruptcy.

WHEREAS, The ADAMHS Board, with authority provided under the Ohio Revised Code (38 O.R.C. § 340.03), will assume responsibility to transition the Medicaid consumers and maintain the consumers in independent, crisis and residential care facilities through independent contracts with former Bridgeway staff; and,

WHEREAS, The ADAMHS Board of Cuyahoga County previously allocated \$3,054,168 in Non-Medicaid funding to Bridgeway for crisis stabilization, residential and AOD UNBAR program, and as of April 1, 2012, there is approximately \$857,795 remaining on the contract, which can be used to transition and keep consumers in residential care facilities and provide independent contracts with former Bridgeway staff to provide services.

NOW, THEREFORE, BE IT RESOLVED:

1. The ADAMHS Board of Cuyahoga County allocates up to \$857,795 to use to transition consumers/clients to other providers, and employ former Bridgeway staff through independent contracts so that consumers may continue to reside in independent, crisis and residential care facilities through June 30, 2012.
2. The ADAMHS Board allocates up to \$50,000 in potential attorney fees that will be covered through our Operating Budget.
3. The ADAMHS Board allocates \$75,000 to assist with the transition and sustainability of the UNBAR program through June 30, 2012.
4. As former Bridgeway consumers and staff are transitioned to other providers, the independent contracts will terminate.

RESOLUTION NO. 12-04-01**PENDING CHAPTER 7 BANKRUPTCY & CLOSING OF BRIDGEWAY, INC. TRANSITION PLAN****Motion to approve Resolution No. 12-04-01.** MOTION: C. Noble / SECOND: R. Fowler

Mr. Snider invited feedback from Board members regarding the proposed motion and resolution.

Board member input:

- Rev. Noble thanked Mr. Snider for chairing this very important meeting and appreciated his leadership on this issue. She noted that the first concern for Board members is the continuity of services for clients/consumers and she believes that this resolution directs efforts to assure that this happens. Our provider network is strong and can step up to help our Board and staff with the transition. She supports the transition plan as outlined in the resolution.

Mr. Denihan noted that this was a very difficult and painful decision. The ADAMHS Board recognizes the great history of Bridgeway, but the reality is that Bridgeway will close. The questions--when will this happen and what will be the result of the legalities around its funding—still remain. The most important goal for the system is continuity of care for clients/consumers and to provide a smooth transition to other agency providers.

Part of Bridgeway's request for funding was to pay back wages to workers. The Board is not insensitive to this request. In discussions with Bridgeway leaders, Board staff understands that some money will be coming forward to the agency that might be used to make payroll; however, that is the agency's decision not the Board's.

Mr. Denihan noted in an All Provider Meeting earlier in the day, that providers have risen to the occasion and have offered to assist with the transition. The providers noted their interest in hiring Bridgeway staff. The challenging part is the residential piece. Board staff intend to go to each residential facility tomorrow to speak with Bridgeway staff to offer them an opportunity to be hired on an independent contract basis. Although the proposal received from Bridgeway was made in good faith, the ADAMHS Board does not agree with the recommendation. Mr. Denihan wished to clarify that Mr. McCafferty has inherited this very complex situation.

- Ms. Warr appreciated the leadership provided by the ADAMHS Board and the collaboration of the providers around the proposed transition plan. Based upon her history with Bridgeway since 2009, she noted her unhappiness and anger with the situation. She has consistently recognized the quality of services provided by Bridgeway; however, she registered her disappointment with the leadership of the agency.
- Dr. Biegel noted that this is a sad day for Bridgeway, its consumers, its staff and the overall mental health community. Having served for a number of years as a Bridgeway Board of Trustee, Dr. Biegel finds this very troubling; however, he supports the resolution because he feels it presents the best solution for the consumers of Bridgeway.

Audience Input:

- Betty Pettit, Nurse Practitioner at Bridgeway's Crisis Stabilization Unit for the past 17 months, noted that she has a very deep ethical and moral commitment to her clients. She stated that this situation is very difficult for clients and advocated for allowing time for them to make decisions about where to receive future services.
- As a follow-up to this comment Board member, Ericka Thoms, asked for additional information about the transition plan and efforts taken to assure sensitivity to the process. Ms. Valeria Harper, Chief Operating Officer, noted that the Board shares the compassion for clients and recognizes that change particularly for vulnerable individuals is managed and handled very differently. With regard to continuity of quality services, Board staff recommends that independent contracts should be offered to Bridgeway staff in an effort to provide consistency and aid in relieving anxiety for clients/consumers. The Board is willing, able and committed to assure that individuals are being made aware of the best possible options to meet their behavioral health needs and has a strong track record of providing support and sensitivity when executing a transition plan.
- Dr. Helen Vafaie, a staff psychiatrist/independent contractor working with Bridgeway's Crisis Stabilization Unit, asked questions about the grant funds to Bridgeway for services and who is responsible and accountable for oversight. She noted that, personally, she had not been paid for four months.

Mr. Denihan noted that the ADAMHS Board does provide oversight. The State of Ohio recently took over the responsibility for Medicaid payments. The resolution addresses the delinquency of the agency's financial audits and the corrective action plans required by the auditor. Ms. Richardson, Chief Financial Officer, added that the funds going to Bridgeway were not grants; all grants were pulled over two years ago. Bridgeway submits claims to the Board for services performed. Independent audits are performed to assure that dollars are being used properly. Ms. Richardson reported that the Board has not received the Bridgeway 2001 audit, due at the end of December 2011.

- Mr. Andres Gonzalez, newly elected Bridgeway Board Chair, spoke on behalf of the Bridgeway Board, staff and consumers and stated that the fact of Bridgeway closing is a very sad situation. When the new leadership team was put in place, the Bridgeway Board tried to get their arms around the operations; however, soon after, the Bridgeway Board realized that the organization was not financially viable. The Board is also interested in focusing on the continuity of consumer services and will abide by the decision of the ADAMHS Board. The Bridgeway Board has spent countless hours around the issues of trying to preserve the organization and its services and wishes to express that it has been extremely ethical and transparent once the financial situation was realized. Mr. Gonzalez assured the ADAMHS Board that quality of services was never in question but that the financial piece was the problem.
- Mr. Ralph Fee, former Executive Director of Bridgeway, Inc. & West Side Community Mental Health Center, who retired in June 2005 stated that words cannot describe the devastation and anger he feels about what has transpired and provided a brief historical sketch of the agency which included the merger of Hill House and WSCMHC as Bridgeway, Inc. Mr. Fee expressed his disappointment with various scenarios that have contributed to the current financial straits.

Mr. Snider thanked Mr. Fee for his comments but noted that he did not recall Mr. Fee attending any ADAMHS Board meetings over the past five years to register any of the concerns referenced.

- Mr. McCafferty added one item for consideration. When looking to contract with Bridgeway employees, please remember that personal service contracts do not include health care insurance for these employees. Mr. McCafferty noted that he did not agree with everything stated by Mr. Fee and felt that it is neither the time nor the place. A member of Mr. McCafferty's staff would be asked to contact Bridgeway employees to encourage them to come to work to talk with ADAMHS Board staff tomorrow.

- Larry Kappler, Chief Operating Officer of Bridgeway and Cleveland Christian Home since 2009, noted that the comments made today are very sad; he felt that staff did a great job for the consumers and do care about them.
- Judy Peters, former Executive Director of Hill House, noted that she has a heavy heart about this situation. Regarding staffing issues with residential facilities, she suggested that the Board should look to others in the system that might be willing to offer their time to help provide support.
- Esther Pla, C.E.O. of Connections, noted that she will have staff ready tomorrow to start the intake process and would appreciate help from the Bridgeway staff. She agreed that it is a sad day for the community but that the behavioral health system will help to serve the consumers where needed.
- Greg Uhland of ORCA House noted that he preceded Mr. Kaplan as Chief Operating Officer of Bridgeway, and wished to say thank-you to the wonderful Bridgeway staff; the assembly responded with applause.

Rev. Noble called for the question. Mr. Snider noted that a revised resolution was distributed that corrected several typographical errors and added one item of clarification to the document's second page. The additional item reads:

1. "The ADAMHS Board rejects Bridgeway's request for funding to keep the agency operating through April 30, 2012."

Motion to amend Resolution No. 12-04-01 noting additional language (as listed above).

MOTION: R. Fowler / SECOND: M. Crosby / AYES: D. Biegel, R. Blue, C. Brown, E. Cash, M. Crosby, R. Folbert, R. Fowler, P. Jones, R. Romaniuk, E. Thoms, M. Warr, A. Williams / NAYS: None / ABSTAIN: None

Motion to amend the resolution carried.

Motion to approve Resolution No. 12-04-01 as amended. AYES: D. Biegel, R. Blue, C. Brown, E. Cash, M. Crosby, R. Folbert, R. Fowler, P. Jones, R. Romaniuk, H. Snider, E. Thoms, M. Warr, A. Williams / NAYS: None / ABSTAIN: None / **Motion passed unanimously.**

Mr. Denihan invited Bridgeway staff in the audience to stay after the meeting to meet with Ms. Valeria Harper to answer any questions they may have about continued employment.

On behalf of the full Board, Mr. Snider thanked the ADAMHS Board Executive Staff for the numerable hours spent over and above working hours regarding this crisis situation. He thanked staff for their assistance in helping the Board of Directors come to a very difficult decision.

There being no further business, the Vice Chair adjourned the meeting at 5:55 p.m.

Submitted by: Carol Krajewski, Executive Specialist

*Approved by: _____
Harvey A. Snider, Vice Chair of the ADAMHS Board of Cuyahoga County*