

**Lighthouse Youth & Family Services
Administrative Committee Minutes
August 20, 2019**

Members in attendance: Dawn Green, Stephen Peterson, Lisa O'Brien, Tim Timmel and Ken Feldmann

Members absent: Mary Bob Rubenstein and Larry Sheakley

Staff in attendance: Paul Haffner*, Jodi Harding, Jessica Wabler, Cathy Goold and Judy Oakman, (*also a Member).

Mr. Peterson called the meeting to order at approximately 12:00 pm. As the first order of business the Committee, upon motion by Ms. O'Brien, seconded by Mr. Timmel, unanimously approved the minutes of the June meeting.

Ms. Oakman then reviewed the financial report, focusing on healthcare expenses which were significantly higher than expected for the year ending June 30, 2019 (\$277,000). The agency was still able to achieve an overall surplus figure of \$960,186 with the Lighthouse programs having an operating surplus of \$216,000. This led into a robust discussion on the next item concerning the bonus plan. In order to qualify for the agency portion to be paid, the Lighthouse programs must be able to contribute .5% of gross revenue to the Foundation. For FY2019 that amounts to approximately \$145,000.

Ms. Oakman noted to post a reserve for Medicaid receivables. She is uncertain of the number but it could very well be in the \$200,000 - \$400,000 range. This would impact the bonus discussion. Mr. Feldmann, however, noted \$150,000 had already been paid in FY2019 from the programs to the Foundation. This payment was made early in the fiscal year and related back to the 2018 program year. Accordingly, this could essentially be added back to the \$216,000 surplus figure. Mr. Haffner did note the Administrative Committee also has discretion to view a one-time non-recurring item in deciding about the bonus plan. The Committee discussed the impact of the Behavioral Health Redesign which Ms. Harding had explained in detail. This directly impacted the Medicaid receivable number and the necessity to reserve additional amounts. The Committee decided to defer further discussion until Executive Session after Management Team has been excused from the meeting.

As the next order of business, the Committee discussed the electronic health record vendor. Ms. Goold and Ms. Harding explained Lighthouse as an organization has made the difficult decision to move forward with replacing Core Solutions with Qualifacts and their product CareLogic. We like Qualifacts because there are over 95 Ohio implementations including peer agencies in Cincinnati like St. Joseph and Talbert House. We will have a robust user group and clinical documentation all in one place. Mr. Haffner and Ms. Goold are actively working through the contract with Qualifacts and we will be working with Core to get termination assistance and support.

The Committee discussed potential challenges and whether there was any risk with the termination with Core. Mr. Haffner explained there was definitely risk with the contract

with Core. We could have been stronger in terms of our right to terminate and the assistance provided by the vendor after termination. Still, Ms. Goold and Mr. Haffner believe there will be an amicable solution as we have some leverage with held back payments and Core should not want a black mark on their record. We believe they will help us see through this transition over the next 18 months and deserve some revenue for them. The Committee asked specifically about costs and the impact to the organization of this switch. Ms. Goold explained there should be approximately \$10,000 to \$15,000 in incremental additional costs on a quarterly basis going with this new system. There will also be new implementation fees and approximately 12 to 18 months of overlapping systems as we wind down Core and ramp up Qualifacts. Therefore, the all in estimate for switching could be \$250,000. There could also be some additional legal fees if things do not go well with Core. After additional discussion, the Committee unanimously approved a motion by Ms. Green, seconded by Ms. O'Brien, to approve management terminating the contract with Core Solutions, engaging in a contract with Qualifacts, and requesting up to \$300,000 from the Beacon for Youth Foundation to support the EHR transition over the next 12 - 18 months.

Ms. Wabler and Mr. Haffner then reviewed the 50th anniversary campaign and events. Another \$50,000 donation came in from an anonymous donor for "The Next 50 Years" campaign. Fall Event signups are going well with a couple new sponsors including the architect and general contractor of the substantial renovations to the historic host home. We also celebrated the great presence Lighthouse had at the Black Family Reunion parade just this past Saturday. Mr. Haffner specifically noted Ms. Wabler's dedication and coordination of that event. The Blink parade will be Thursday, October 10 in the evening.

Moving quickly into Executive Briefs, the Committee noted the start of the Lighthouse Community School year and the continued progress on the Agricultural Learning Center. Mr. Haffner asked committee members to confirm their availability for the Sherrod Brown event on Thursday, August 29 at the Sheakley Center from 10:30 to noon.

The Committee then went into Executive session to discuss the CEO's performance review and compensation.

(Note: Executive Session – Committee determined the agency bonus allowed in part with overall payout at 90% so Mr. Haffner can now clear balance of executive management and vice presidents.)

Paul Haffner
President & CEO