



**BOARD OF DIRECTORS
MEETING
June 25, 2013**

**Health District Office Building
120 Bristlecone Drive, Fort Collins**

MINUTES

BOARD MEMBERS PRESENT: Bernard J. Birnbaum, MD, Vice President
Timothy S. O'Neill, Secretary
Steven J. Thorson, MD, Treasurer
Joe D. Hendrickson, Liaison to PVHS Board

BOARD MEMBERS ABSENT: Celeste Holder Kling, President

STAFF PRESENT: Carol Plock, Executive Director
Gail Bridger, Support Services
Bruce Cooper, M.D., Medical Director
Richard Cox, Communications Director
Lorraine Haywood, Finance Director
Sue Hewitt, Evaluation Coordinator
Laura Mai, Accountant
John Newman, Medical Services Director
Dan Sapienza, Policy Coordinator
Chris Sheafor, Support Services Director
Karen Spink, Special Projects Director
Nancy Stirling, Assistant to Executive Director

OTHERS PRESENT: Steve Collins, Sample & Bailey
Molly Lockman, Sample & Bailey
Eric Sutherland, Public

CALL TO ORDER; APPROVAL OF AGENDA

Vice President Bernard Birnbaum called the meeting to order at 5:52 p.m. Changes to the meeting agenda included removing the Executive Session portion of the meeting, and adding the Final December 2012 Financials to the Consent Agenda.

MOTION: To approve the agenda as amended.
Motion/Seconded/Carried Unanimously

PUBLIC COMMENTS

Mr. Eric Sutherland informed the Board of his opinion that rules and regulations concerning tax increment financing are not being complied with in Larimer County. It is his opinion that the

amount of tax increment that the County Assessor is awarding to the local Urban Renewal Authority (URA) is more than is legal. He stated that statewide, there is a move to legislatively reform what is happening; the law is not the worst law, but just needs to be followed. He believes that the City of Fort Collins is retaining TIF funds that should be going to taxing entities such as the Health District. He suggests that the Health District Board appeal to the Larimer County Assessor regarding compliance with TIF rules. He would like to see that these rules are complied with so that tax payers can be assured that their money is going where it is supposed to go.

Staff informed the Board that representatives from the City of Fort Collins and from the County were invited to attend this evening's meeting to offer their perspectives on the issue. However, the representative from the City was unable to attend, so the issue was delayed until a future meeting that works for both the City and the County.

Dr. Thorson commented that on the evening of Thursday, June 27, there is to be a public forum held concerning tax increment financing at the City Council Chambers. A Health District staff member will plan to attend.

DISCUSSION & DECISIONS

2012 Audit Report

Mr. Steve Collins and Ms. Molly Lockman attend this evening's board meeting as representatives of Sample & Bailey, the company which conducts the Health District's annual audit. Mr. Collins and Ms. Lockman presented the audit documents to the Board for their review and offered their comments regarding the audit process. Overall, the audit went very well and the Finance team was commended for their efforts which provided a smooth audit process.

The auditors were able to issue an unmodified opinion, and said that everything looks great. The Health District is doing a good job of budgeting revenue to expenses; they are on budget. Approximately \$6.2 million of the Health District's revenues were dedicated to health services, with very little going towards administration. Notes within the audit mostly pertain to changes with the lease agreement.

The Management Report is a report from Sample & Bailey to the Board concerning the audit process. Of note, the process went very well this year and showed good controls, good processes in place, and good adherence to processes. The Health District is a well managed organization that budgets well and adheres to the budget. There were no significant concerns or issues pertaining to accounting practices or transactions, and the main changes were the lease agreement changes mentioned previously.

Ms. Plock and the Board commended Ms. Haywood and the Finance Team for another exceptional audit.

MOTION: To approve the 2012 Audit as presented.
Motion/Seconded/Carried Unanimously

Policy: Marijuana Regulation

In November 2012, the voters of Colorado passed Amendment 64 legalizing the possession and use of marijuana for recreational purposes and allowing the development of a commercial market

for the cultivation and sale of marijuana and marijuana products. The 2013 Legislative session passed several bills creating the regulatory structure for "adult use marijuana." Certain state departments are tasked with the responsibility for developing rules and regulations for enforcement and implementation for marijuana businesses.

Staff provided for the Board a document titled, "Marijuana Regulation Overview." The document gives a brief overview of probable health effects and considerations, health policy considerations in a regulatory environment allowing recreational sales, local decisions and options (with a closer look at Larimer County and Fort Collins), as well as a listing of state rules and regulations by various state departments.

Dr. Bruce Cooper presented on the health impacts of marijuana use. It was noted that marijuana is the most common illicit drug outside of alcohol and tobacco. Perhaps most concerning is the increase in marijuana consumption by adolescents in the past 5 years, which seem to correlate to the perception among youth that marijuana is not a health risk. In his presentation, Dr. Cooper presented a summary of what is known and what is not known about potential adverse mental and neurological effects from marijuana use. Much is known about the acute impact of marijuana. The target organ for marijuana's impact is the brain, and it marijuana use has an impact on memory, thinking, concentration, sensory and time perception, coordinated movements and pleasure. Acute effects include impairment in reaction time and motor performance. Marijuana use can double the risk of accidents, which is a significant increase - though not as significant as alcohol overuse, which can increase the rate of accidents by 6-15 times. When marijuana and alcohol are combined, there is a synergistic effect on motor vehicle accidents that is worse than either substance alone. Acute use can also cause interference with education/learning and work performance due to its impact on memory, learning, concentration, and coordination.

Less is known about the impacts of chronic use. While the impact on performance in adult chronic users goes away after about a month, for adolescents there may be long term cognitive effects. In one 38-year prospective study, heavy use in adolescence was linked to an 8 point reduction in IQ between 13 and 38 years (at a time when IQs usually increase some). Chronic use by adolescents has shown evidence of impaired psychosocial development. Several quality studies indicate that heavy use in adolescence also appears to lead to an increased risk of developing psychosis, although it is difficult to say with complete certainty whether marijuana was the causal factor. There exists some evidence of links to depression, suicide, and anxiety disorders, though the evidence for these disorders is less strong. There is about a 10% incidence of developing a dependence on marijuana for general users, which rises to 17% if the person begins using in adolescence, and to 25-50% for those who are heavy daily users.

Since marijuana can cause an increase in the pulse rate, there are particular risks for those with coronary artery disease and those who have had a prior heart attack, and these risks can be fatal. Though there have been incidences of marijuana poisoning in children leading to hospitalization, there are no reported deaths from accidental poisoning that we are aware of. Chronic use can also contribute to impairment of the respiratory system, and bronchitis. It is less clear whether it creates a risk of cancer; there does not appear to be a confirmed increase in lung cancer, although one study showed a possible risk for testicular cancer. While there is a distinct burden to health caused by marijuana, it is less than the burdens of either alcohol or tobacco.

Mr. Dan Sapienza, Policy Coordinator, continued the presentation with a review of health policy considerations, including the possibility of using local regulations relating to consumer protections, public safety, availability, preventing underage use, preventing accidental use by children, and social norming. Advertising, messaging, labeling, packaging, and hours of access can also make a significant difference. There is evidence from years of experience with alcohol and tobacco that the messages conveyed will impact usage, particularly among children and youth. For example, it has been shown that exposure to tobacco marketing more than doubles the odds that children under age 18 will become tobacco users. A study on alcohol advertising showed that for each additional dollar spent per capita on alcohol advertising in a local market, young people drank 3% more. The marijuana industry has developed products that are particularly enticing to children and youth, including marijuana-infused lollipops, sodas, candies, and cookies – and some have remarkably high potency levels.

The consideration of local regulations can have a significant impact on the health of a community. Just as with alcohol and tobacco, there are options for cities and counties to create local regulation policies that can reduce access to and use of marijuana, such as policies that restrict time (hours of operations), place (locations of businesses), manner (advertising practices), and number of businesses (density).

Several neighboring cities, including Berthoud, Greeley, Wellington, as well as unincorporated Weld County, have already implemented a ban on marijuana businesses. It is also looking likely that Loveland will also implement a ban. The Town of Estes Park has imposed a moratorium to allow time to learn what the state is going to do in regard to regulation and implementation. At this time, it is unknown what direction the City of Fort Collins will go on this issue. City Council has put off discussion until their August 13 work session. Larimer County, however, is scheduled to have a discussion with staff on July 1. If the board is interested in communicating any kind of a position on the issue to the County, this is a good time.

Board Discussion: In general, board members felt the information presented this evening to be an important presentation on the issues, which included both the health impacts and the potential policy implications, and were supportive of sharing this information with interested City and County decision makers. However, Mr. O'Neill expressed concern with sharing the analysis as it is currently written, stating that he feels the presentation was not as balanced as it could be because it did not go far enough in comparing marijuana's health risks to other key substances such as alcohol or tobacco. Board members agreed that it would be appropriate to include language indicating that both tobacco and alcohol have higher health risks, although they also mentioned that "less harmful" does not mean "harmless." While marijuana does not pose the same health risks as tobacco, for example, it does pose some serious health effects – it is not benign – and the Health District seems to have an obligation to share them. The Board shared a particular concern with impacts on adolescents. Staff suggesting bringing back to the Board at their next meeting a written analysis that includes more comparison as well as more content about some of the strategies used to mitigate tobacco and alcohol use that decision makers could refer to as they consider marijuana regulations and policies.

MOTION: To share information concerning the health impacts of marijuana and considerations for regulation and implementation, as presented to the Board, with City and County decision makers and staff.

Motion/Seconded/

Discussion: Mr. O'Neill again expressed his concern that the current draft is not ready to be shared; that it needs improvements to make it more objective and to provide more comparison. Board and staff discussed the option of a compromise that would allow the staff to get some basic information to County staff and, in the meantime, by the next board meeting, have staff continue to work on an improved analysis for the board to review and consider. The Board discussed the possibility of amending the above motion to let City and County decision makers and staff know that the Health District has significant information available and are willing to share, as well as let them know that Health District staff are continuing to work to gather more comprehensive information that will be available at a later time. Most board members believe it would be timely to share what information we now have, particularly with the County since they are going to be considering the issue in a week. No formal amendment was made.

MOTION: To share information concerning health impacts of marijuana and considerations for regulation and implementation as presented to the Board with City and County decision makers and staff.
Motion/Seconded/Carried [2-Yeas; 1-Oppose (O'Neill); 1-Abstain (Birnbaum)]

Ms. Plock summarized that staff will carefully share information with the County, using and including Board comments from this meeting; and staff will also bring a revised analysis to the Board for consideration at their next meeting.

Wyoming Survey & Analysis Center (WYSAC) Consulting Services Agreement
Included in the meeting packet for the Board's review is a copy of a Consulting Services Agreement with the Wyoming Survey and Analysis Center (WYSAC). WYSAC conducted the previous Health District survey and staff would like to engage in an agreement with them again for this year's health assessment survey. Due to the amount of the agreement, board policy requires board approval before it can be signed by the Board President.

MOTION: To approve Wyoming Survey & Analysis Center Consulting Services Agreement as presented.
Motion/Seconded/Carried Unanimously

Staff are also pursuing fund raising efforts with other entities in the community so that we can include the south part of the county in the survey.

Cash-in-lieu-of Paying for Health Insurance Policy

Mr. Chris Sheafor introduced Ms. Gail Bridger to the board and staff. Ms. Bridger was hired to replace Ms. Judy Robison Bullard who retired in December. She serves as Administrative Assistant to both Mr. Newman and Mr. Sheafor, as well as a back-up to Ms. Stirling, and will also be the Designated Election Official for next year's board election. Ms. Bridger previously worked in the Dental Clinic for four years before taking this position.

In previous years, the Board has instructed staff to be sure that when employee benefits are periodically reviewed, they are in line with or similar to our benchmark organizations. Since early in the Health District's history, staff who received or purchased health insurance elsewhere (i.e., from a spouse's employer) were offered "cash-in-lieu-of" – the employee would receive an amount equal to what it costs the Health District to insure an employee. In comparison with other

similar organizations, it has recently been discovered that none of the other organizations we use as benchmark organizations provide this benefit.

Currently there are 20 employees who receive this payment rather than use the Health District provided insurance. These are either employees who are grandfathered into the benefit or who work between 20 and 29 hours per week and have chosen not to take Health District insurance. New employees who work 30 hours or more are required to take our insurance as required by our insurance carrier. Employees working less than 20 hours are ineligible for insurance benefits.

Staff would like the board to consider 3 potential options for this policy:

- 1) Keep the benefit as it currently is, knowing that it is different from our benchmark agencies;
- 2) Stop the benefit for new employees, but continue to grandfather the 20 current employees on the program at the current payment level as long as they choose to keep receiving the benefit; or
- 3) Stop the cash-in-lieu-of benefit to new employees, and phase out the benefit for employees currently receiving the payments over ten years.

Reasons for considering a change would be to bring our policies in line with other benchmark organizations and to potentially have a modest savings. However, a change could be seen as a decrease in compensation by those employees who have been receiving this benefit.

The board considered the options offered. Another option was suggested where rather than cutting off the benefit amount altogether, salaries could be increased for current recipients by the amount they are receiving so as not to be perceived as a loss of compensation. That option, however, had two issues: first, it could put an employee at a higher compensation level than another employee performing the same duty for the long-term future (when our goal is to carefully set our pay at the appropriate level for market and performance), and second, if that employee later chose to opt-in to our insurance, they would actually be receiving double compensation.

**MOTION: To approve Option 3: Stop the Cash-in-Lieu-of benefit to new employees and phase out with current benefit recipients over 10 years.
*Motion/Seconded/Carried Unanimously***

UPDATES & REPORTS

Status of Assistance Site Program

Although the Assistance Site Program, like most programs in the state, will receive less funding than originally applied for, the overarching approach of the program remains the same. Changes have been made to the number of staffing needed and to our partnership arrangements. There will be 5 assistance site locations throughout the county which will offer health insurance assistance to individuals through the marketplace and for CHP+ and Medicaid. Assistance will also be provided to small businesses through the SHOP program. Staffing was reduced from 15.5 FTEs to 12 FTEs. Initially, the Health District would have hired 7.5 of the original 15, but due to some necessary changes to partnership arrangements with the Larimer County Human Services and Health and Environment departments, the Health District will now be responsible for hiring and overseeing all 12 staff members. Both county agencies have high indirects which are required of them, and since the Health District has a bit more flexibility, it was agreed that the

Health District would be the lead in this program. The County departments still have a critical role in the partnership in that they have access to a huge portion of the population through the wide variety of services they provide (i.e., health inspectors who have access to small businesses and day care facilities, etc) that can assist with getting the word out about the assistance services.

The current status is that staff have presented a revised budget to the state and funding is expected to begin July 1. The majority of the positions have been posted. There is an incredible amount of work to do to before the October 1 enrollment start date, including: hiring staff, finding a location for the main staff group, figuring out logistics for all 5 site locations, determining equipment, supply and furniture needs and ordering them, meeting with Information Technology (IT) folks, establishing evaluation measures, creating appointment and data collection systems, etc.

Other organizations in the community have also received funding for this program. The Women's Resource Center received \$125,000 for outreach to women. The Northern Colorado Health Alliance applied to be a regional hub (to 18 counties) and an assistance site. They received over \$600,000 dollars. There are a handful of other entities that are more statewide or regional. Efforts are being made to ensure that we are careful not to duplicate efforts with those other community agencies.

The Board suggested that part of the project include educating physicians on how to share information with their patients, since they are unlikely to know the details of how to answer questions.

Executive Director Updates

In addition to filling all the Assistance Site staff positions, there are currently several positions staff are working to fill, including: Evaluations Specialist (which became vacant when Dr. Daniel Vigil left to pursue his residency in Preventive Medicine), Dental Connections Program Coordinator, Communications Specialist, and the new positions with the Mental Health and Substance Abuse Partnership.

Ms. Plock informed the Board about an issue concerning the Health District's lease arrangement with Touchstone Health Partners for the building that currently houses the Mental Health Connections program. THP recently upgraded the carpet at the facility and has requested that the Health District pay for the portion/space used by our staff. Funding is available from the funds set aside within the budget to purchase the Connections building if that were ever needed, and staff intend to approve the expenditure. The Health District's portion of the cost to re-carpet will be added to the monthly rent amount we currently pay to THP.

In the most recent state budget, funds were approved to support mental health crisis stabilization units. Conversations have already begun between Touchstone and the hospital on what a crisis stabilization site might look like for our community. Considerations thus far include having a site that is in close proximity to the hospital that would have 5 to 6 beds for crisis stabilization. There was a board concern that if there is any alternative facility in the community not result in a loss of services at Mountain Crest.

Ms. Plock informed that Board that she has been invited to St. Joseph, Missouri to give a presentation to the local community about our historical success with the Mental Health and Substance Abuse Partnership.

PVHS Liaison Report

The PVHS board met in June to discuss and define their role within the University of Colorado Health system to make sure PVHS is being represented and that they have a voice. On August 27 there is going to be a Joint Board meeting of all 4 boards – PVHS, UC Health, Memorial, and University Hospital boards. One of the issues to be discussed concerns the role of local boards, which is spelled out in the agreement, but there has been no interpretation of what it means.

Check on Board Availability for July & August Meetings

The July meeting will need to be rescheduled due to board member schedule conflicts.

CONSENT AGENDA

The Board decided not to consider the 2012 December Final Financials at this time. The financials were removed from the Consent Agenda and will instead be held over to the next board meeting.

- **Approval of the April 30, 2013 Board Meeting Minutes**

MOTION: To approve the agenda as presented.
Motion/Seconded/Carried (Dr. Thorson absent for vote.)

ANNOUNCEMENTS

- July 23 – Regular Board of Directors Meeting (to be rescheduled.)
- August 15, 4:00 to 7:00 pm – Annual Staff Summer Picnic at City Park
- August 27, 5:30 pm – Regular Board of Directors Meeting

As always, members of the Board are invited to attend the annual Staff Summer Picnic. This year's picnic will be on August 15 at City Park.

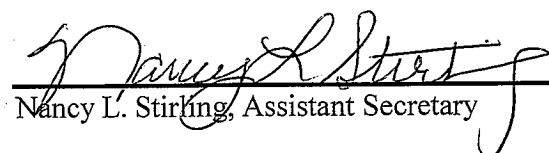
Mr. O'Neill offered an invitation to all board members and Health District staff to attend Foothill Gateway's 40th Anniversary Celebration on July 19.

ADJOURN

MOTION: To adjourn the meeting.
Moved/Seconded/Carried Unanimously

The meeting was adjourned at 8:55 p.m.

Respectfully submitted:

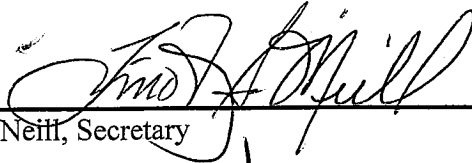

Nancy L. Stirling, Assistant Secretary

[ABSENT FROM JUNE 25 Meeting]

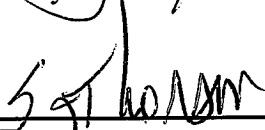
Celeste Holder Kling, President



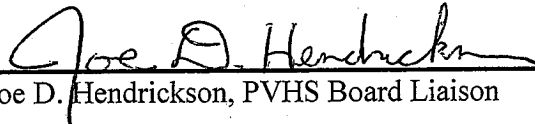
Bernard J. Birnbaum, MD, Vice President



Timothy S. O'Neill, Secretary



Steven J. Thorson, MD, Treasurer



Joe D. Hendrickson, PVHS Board Liaison