



**BOARD OF DIRECTORS
MEETING
October 25, 2011**

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

MINUTES

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

STAFF PRESENT: Carol Plock, Executive Director
Lorraine Haywood, Finance Director
Laura Mai, Accountant
John Newman, Clinical Services Director
Cheri Nichols, Health Promotions Nurse Supervisor
Chris Sheafor, Support Services Director
Nancy Stirling, Assistant to Executive Director
Lin Wilder, Community Impact/Health Promotion Director
Kristan Williams, Health Promotion Coordinator

OTHERS PRESENT: Kendra Carberry, Attorney
Charles Washington, Citizen
Dr. Gerald Weiss, Citizen
Ms. Doris Whitely, Citizen

CALL TO ORDER; APPROVAL OF AGENDA

President Celeste Kling called the meeting to order at 5:55 p.m. A motion was offered to approve the agenda.

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

Staff and Guests introduced themselves. Guests present were Mr. Charles (Chuck) Washington, a retired resident; Ms. Doris Whitely, a Fort Collins resident, and Dr. Gerald Weiss, a retired surgeon and tax payer.

PUBLIC COMMENTS

Dr. Gerald Weiss, Mr. Chuck Washington, and Ms. Doris Whitely attend this evening's board meeting to bring to the Board's attention a concern they share of lack of public transportation

options for those who live in the southern-most area of the District boundaries, particularly seniors and those with disabilities (includes the area East of College Avenue and South of Harmony Road). City-provided transportation (bus and Dial-a-Ride) was available in that area until 2007 when the City cut services. While the SAINT program is still available, it is limited and takes time to reserve. Without public transportation, it is difficult for many residents who live in the south area of the District (some of whom should not be driving due to age-related issues or disabilities, or who do not have any other means of transportation) to access health care providers and facilities. Dr. Weiss, Ms. Whitely, and Mr. Washington have approached several groups, including the City's Senior Advisory Board, seeking support and funding solutions for this issue. They hope the Health District Board will support District residents affected by this issue by encouraging the City of Fort Collins to extend current public transportation routes as far as Trilby or Carpenter Road.

In another matter, Dr. Weiss mentioned that he has inquired of several entities, including the County, concerning the Health District's mill levy limits. He stated his belief that in 1960, when the Poudre Valley Hospital District was created to govern the Poudre Valley Hospital, the District's property tax mill levy was not to exceed 2 mills. He also noted that since that time the mill levy has gone as high as 2.5 mills and is now set at 2.17 mills, the rate it's been for several years now. Dr. Weiss would like to know what legislation or statute exists to allow the mill levy to be above the original 2 mills.

President Kling thanked the guests for their comments and asked if Ms. Lorraine Haywood, Finance Director or Ms. Plock could respond to the mill levy question. Ms. Haywood has checked this issue with the Health District's organizing documents and with the Colorado Department of Local Affairs (DOLA). Any limits on the Health District's mill levy come only from current state statutes, the Board of Directors, and local voters, should they be asked to approve an increase, as explained below. The Health District is required to follow current state special district statutes, and DOLA is responsible for helping special districts understand the requirements. At some point after the Health District was established, state statutes allowed special district boards to raise or lower the mill levy as needed to balance their budgets. The increase in the Health District's mill levy from 2 mills to 2.304 mills came in those years, before the Health District privatized the hospital. When the TABOR changes were voted in by the people of Colorado, the Health District was required to follow TABOR. In subsequent years after TABOR, the mill levy was lowered from 2.304 to 2.167 mills to comply with TABOR. In 2000, voters approved exempting the Health District from certain TABOR requirements, but the Health District would still have to go to the voters to approve any increase in mill levy. The Board of the Health District has not chosen to ask for any increases since TABOR was enacted, and the mill levy remains at 2.167. At the present time, DOLA confirms that state statutes do not have any limit to the mill levy amount that health districts can charge, but any increase over current amounts would have to be proposed by the board of health district, and approved by voters.

DISCUSSION AND POSSIBLE ACTION

Brief Introduction to the 2012 Budget

Per State requirements, the Board received a copy of the proposed 2012 Budget on October 14. Ms. Plock reviewed this year's budget development process which included: expected expense increases (cost increases for health insurance (20%), dental insurance, and workers compensation; figuring in costs associated with this year's furlough; a small amount for salary

increases) and revenue decreases (due to lower property tax received and loss of revenue for the upcoming closure of the Healthy Weighs/Nutrition program and flu clinics per the Board's previous decision); consideration of recommended cuts received from Coordinators and Directors (keeping in mind the objective to not create a long-term lower quality of care or services); and consideration of position eliminations or reductions.

As seen in the proposed budget, position cuts hit middle management in nearly every program. Ultimately, the proposed budget includes the elimination of 5 positions (Health Promotions Coordinator, Dental Practice Manager, two Nutritionists, and the Physical Activity Counselor), as well as PRN (temporary) nurse hours, and 5 other positions had hours reduced. Another 5 positions which are currently flexible or unfilled also received reduced hours. Careful consideration was made to ensure that quality of services were maintained, as well as ensuring the flexibility to move into the new areas that the Board has requested we research in the coming year.

This has been the most challenging budget process experienced in the history of the Health District. While it makes sense in light of current economic times, cutting positions and hours is the most difficult part of this process. It was noted that while the Health District has reserves that could perhaps bridge a program or positions for awhile, the tax declines that we are experiencing will last for years, so the more responsible approach is to preserve the reserves for their traditional uses and for emergencies, and to make the cuts.

On behalf of the Board, President Kling expressed her heartfelt apology to the individuals affected by the cuts and who were losing their employment with the Health District. The Board acknowledged that these employees have been outstanding in their responsibilities and the services they provided. Unfortunately, due to these difficult circumstances, the Board finds themselves having to make hard decisions during these tough times.

Separation Assistance

In regard to those individuals whose positions are being eliminated, decisions need to be made regarding separation assistance. A detailed proposal has not yet been drafted and there are still some issues which need to be researched, however, Ms. Plock was able to provide for the Board an overview of past circumstances concerning separation pay as well as results of inquiries of other local public organization's practices. (See handout, "Separation Pay Questions/Discussion Overview" for details.)

The Health District does not have a severance pay policy. In the past, there have only been very few occasions when positions have been terminated due to a program being eliminated or to a restructuring, including in 2004, when the Health District decided to close its Health Van Program, and this year, when the Childhood Immunization Outreach program was ended.

In this instance, employees are getting a little more than 2 months notice. There has not been time to do a thorough analysis of all of the issues, but the key issues under consideration are whether to offer any separation pay; whether or not to create a severance pay policy; whether we might use incentive pay for staying, severance pay, or nothing; amount to be offered, if any; and if outplacement assistance is offered, whether or not to include business development assistance.

After looking into what other public organizations currently do for employees whose positions are being terminated due to budget cuts, one option, which falls somewhat in the middle, would be to offer incentive pay (for those in regular job status who work at least 20 hours/week and based on the number of years of service) to stay through the end of the year, at the rate of 4 weeks' pay for those with 1-4 years of service, with 1 additional week/year for each full year of service over 4 years, capped at 8 weeks.. Outplacement assistance up to \$500 is an option, which could potentially include the option of business development services, depending on what our research shows about the implications. In total, it would cost about \$26,000 to provide this level, and funds are available in this year's budget.

The Board discussed whether it would be best to develop a formal policy or to continue to make decisions on a case-by-case basis. While a policy would make the separation pay process clear, it would not allow for flexibility. Even without a policy, there is the possibility of setting a precedent, even though the organization may prefer flexibility. The Board, while not required to make a full decision at this time, did express the desire to consider the issue more thoroughly in the future. Some were in favor of separation assistance and felt the proposed amount was reasonable; others were more hesitant to offer assistance.

MOTION: To support the proposed separation assistance level as a reasonable amount to be pursued and to direct Management to research and present information on how to implement it with the most flexibility.
Motion/3 Yes, 2 No/Carried

Set Budget Public Hearing Date

A motion was made set the Budget Public Hearing date:

MOTION: To set the 2012 Budget Public Hearing for the November 15, 2011 Health District Board of Director's meeting.
Motion/Seconded/Carried Unanimously

UPDATES & REPORTS

3rd Quarter Program Summary and Executive Director Report

A copy of the 3rd Quarter Program Summary report was included in the meeting packet. Ms. Plock provided a brief update on the Medicaid Accountable Care Collaborative's Community Care Coordination (CCC) Team's trip to Fargo recently. The purpose of the trip was for members of the CCC Team to observe a best practice model for helping people with complex needs using the evidence-based Integrated Dual Disorders Treatment approach, and providing intensive care coordination. The trans-disciplinary approach in Fargo includes individuals representing various disciplines who are cross-trained and work in teams to meet the needs of their clients, with a team member from any discipline able to step in and intervene when needed. The team in Fargo allowed our team to shadow them throughout the day and to observe everything they do, as well as spending time with their top level managers. Overall, the visit gave the CCC Team some unique ideas to utilize as they create their local service approach.

In reference to the quarterly summary report, Dr. Birnbaum inquired about the unfilled psychiatry position and the change in responsibility for completing intakes for Medicaid clients in Connections. He is hopeful that the psychiatry position will be filled as he sees it as a utilized service that is very needed. The position is expected to be filled as soon as we find an

appropriate candidate. In regard to Connections, staff noted that the program is having to relook at work load since LCMH took on the responsibility of doing intakes for Medicaid clients, a responsibility which used to be conducted by Connections. To take on the new responsibility, LCMH removed one of their employees from Connections, leaving Connections with decreased staff, but also with less individuals to serve.

Mental Health & Substance Abuse & Dental Health Partnerships Updates

Ms. Lin Wilder, Director of Community Impact & Health Promotion, provided a brief update on the following projects:

- MHSA/Crisis Response System – The first meeting of the group that will be working on the mid-course correction to this system will be tomorrow morning; hopefully it will lead to commitments to work together on improvements.
- MHSA/Complex Needs – The project is planning a series of more structured, focused, coordinated community discussion in order to make progress on this priority.
- MHSA/Early Identification and Early Intervention (EIEI) – The next report is nearly completed; it will compare the committee list of appropriate service levels with what is currently being provided in the community.
- Dental Connections – The program is still in the pilot phase and has just begun to see a few clients. The Women's Resource Center has provided a list of individuals needing services. Staff is working through the list to determine if services are still needed and, if so, scheduling appointments with our dental providers. As more dentists are recruited and offices trained, the number of clients the program will be able to serve will increase.

EXECUTIVE SESSION

A motion was made to go into Executive Session.

MOTION: For the purpose of discussion pertaining to negotiations pursuant to §24-6-402(4)(e) of the C.R.S., and for the purpose of discussion with an attorney for the district for the purpose of receiving legal advice on specific legal questions per §24-6-402(4)(b) of the C.R.S.
Motion/Seconded/Carried Unanimously

The Board retired to Executive Session at 7:05 p.m.

The Board came out of Executive Session at 8:12 p.m.

PVHS Liaison Report

Mr. Hendrickson noted two items: the decision concerning the Cancer Center and the recent Board retreat. The PVHS Board decided to remodel the current cancer center location on the Harmony Campus rather than developing a new facility. From a fiscal perspective, remodeling is significantly less expensive and would provide almost the same amount of space. It is going to be a very comprehensive facility once completed.

The retreat focused more on strategic planning rather than growth issues this time. Discussions revolved around what the system needs to do strategically to improve, and how to move the priority towards the patient rather than placing quite so much emphasis on the staff.

President Kling thanked Mr. Hendrickson for his participation and service with the PVHS Board.

CONSENT AGENDA

- Approval of the September 27, 2011 Regular Board Meeting Minutes

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

OTHER

The Board had a brief discussion about the transportation issues raised by guests earlier in the meeting. While the Health District has no expertise in the transportation issue, it is concerning if there is a significant gap in transportation accessibility in the southern part of the district, and that situation could impact people who are trying to access Health District services, which are mostly located on the north end of Fort Collins. Since the Health District will be looking into the issue of the upcoming major increases in the aging population, and its relation to health, this issue may be related to our concerns. The Board is interested in learning more about the issue, understanding whether it affects other parts of the district (for example, LaPorte and further), and determining whether there is an appropriate role for the Health District in advocacy. Ms. Plock will check with Mr. Rulon Stacey, CEO of PVHS, who has commented that they may provide some transportation on the south side of town, and contact Mr. Chuck Washington to begin learning more about the issue.

SCHEDULE

Draft 2012 Board Meeting Schedule

A draft schedule of 2012 Board of Directors meetings was included in the meeting packet for the Board's review. If there are any conflicts, Board members should let Ms. Plock know. The Board inquired about setting a date for the annual Board retreat. Staff will have a better sense of a target time period once they have completed their timeline for preparation of the board materials; the issue was postponed to a future board meeting. Mr. Hendrickson commented that the next PVHS retreat is scheduled for April 12-18, 2012; the Health District Board will avoid that week for its retreat.

ANNOUNCEMENTS

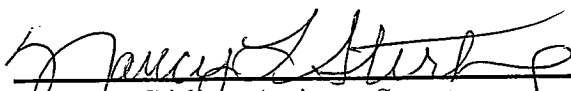
- October 30 – November 2 – APHA Annual Conference, Washington DC
- November 15, 5:30 pm – Regular Board Meeting (and Budget Hearing)
- December 14, 5:30 pm – Regular Board Meeting

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

Celeste Holder Kling

Celeste Holder Kling, President

Bernard J. Birnbaum

Bernard J. Birnbaum, MD, Vice President

Timothy S. O'Neill

Timothy S. O'Neill, Secretary

Steven J. Thorson

Steven J. Thorson, MD, Treasurer

Joe D. Hendrickson

Joe D. Hendrickson, PVHS Board Liaison