



**BOARD OF DIRECTORS
MEETING
June 23, 2015**

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

MINUTES

BOARD MEMBERS PRESENT: Bernard J. Birnbaum, MD, President
Tess Heffernan, M.Ed., Vice President
Michael D. Liggett, Esq., Secretary
Tracy L. Nelson, Ph.D., Treasurer
Steven J. Thorson, MD, Liaison to PVHS Board

STAFF PRESENT: Carol Plock, Executive Director
Bruce Cooper, M.D., Medical Director
Richard Cox, Communications Director
Lorraine Haywood, Finance Director
Laura Mai, Accountant
John Newman, Clinical Services Director
Chris Sheafor, Support Services Director
Nancy Stirling, Assistant to Executive Director
Lin Wilder, Community Impact Director

OTHERS PRESENT: Steve Collins, Eide Bailly
Kathryn Sellars, Hoffman, Parker, Wilson, & Carberry

CALL TO ORDER; APPROVAL OF AGENDA

President Bernard Birnbaum called the meeting to order at 5:54 p.m. Suggested changes to the agenda include: take the minutes off the Consent Agenda so that only board members who were in attendance at certain board meetings would approve those specific meeting minutes and for an amendment to the May 24 meeting minutes; add to the Discussion and Action section of the agenda discussion of additional documents pertaining to the Poudre Valley Hospital reconstruction project that were not included in the meeting packet.

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

PUBLIC COMMENTS

None.

DISCUSSION AND ACTION: AUDIT
2014 Health District Financial Audit

Ms. Lorraine Haywood introduced Mr. Steve Collins, a representative of Eide Bailly which performed the Health District's 2014 Audit. Ms. Haywood expressed her appreciation to the Eide Bailly team for their input, insight and thoroughness. The Board had copies of the complete Audit Report which includes the Independent Auditor's Report, Management's Discussion and Analysis, and the Financial Statements.

Mr. Collins briefly commented on a few parts of the Financial Statements, noting that the Health District is in a very strong financial position with roughly half of the assets being in property, the other half in finance, and no debt except normal operating obligations such as payroll, etc. Overall, the Health District experienced a small net profit, and spent less than it brought in in virtually every category. There were no particular highlights or changes to the Notes. The auditors did pay particular attention to the Note pertaining to Lease of Assets and the Health District's lease agreement with Poudre Valley Health Care Inc, which was amended in 2012 when PVHC/PVHS entered a joint operating agreement with University of Colorado Hospital and goes out 47 more years.

In regard to the audit process overall, Mr. Collins noted that the District has great controls, there were no unresolved issues or difficulty with performing the audit, and no disagreement with Management.

MOTION: To approve the 2014 Audit as presented.
Motion/Seconded/Carried Unanimously

EXECUTIVE SESSION

A motion was made to go into Executive Session.

MOTION: For the purpose of discussion of matters under C.R.S. §24-6-402(4)(d) required to be confidential by federal or state law or rules and regulations pursuant to C.R.S. §7-74-701 *et seq.*

**AND for the purpose of determining positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators pursuant to C.R. S. §24-6-402(4)(e)
[Building Lease]**

Motion/Seconded/Carried Unanimously

The Board retired to Executive Session at 6:14 p.m, and the Auditor, Financial Director, and Counsel were included in the session.

The Board came out of Executive Session at 7:04 p.m.

DISCUSSION AND ACTIONS

Documents related to the renovation of Poudre Valley Hospital

On May 22, Ms. Plock was notified by Mr. Russ Woolley, Vice President of Operations for Poudre Valley Hospital and Medical Center of the Rockies, that several documents pertaining to the renovation of Poudre Valley Hospital's A-Wing would be requiring Health District Board approval and signature. In addition to the major A-wing renovations already presented to the Board, renovation plans also include razing the Medical and Dental Arts property just north of PVH to build a parking lot. Documents pertaining to the Medical and Dental Arts property have

been reviewed by the Health District's attorney and are included in the meeting packet for the Board's consideration. The Board had no questions regarding these documents.

MOTION: To approve the following documents as presented:

- 1) **Termination Agreement of Amended Condominium Declaration and Condominium Map (Amended) for Medical and Dental Arts Associates**
 - 2) **Bargain and Sale Deed**
 - 3) **Real Property Transfer Declaration (TD-1000)**
 - 4) **Exhibits A, B, C, and D Surveyor Reports**
- Motion/Seconded/Carried Unanimously*

Other documents regarding the A-wing renovations have been under discussion between the PVHS and Health District attorneys, however just last Friday, the Health District's attorney received additional documents pertaining to the hospital A-Wing renovation and worked quickly to figure out those last documents in time for tonight's board meeting. These additional documents were distributed to the Board members at the meeting.

Ms. Kathryn Sellars, representing Hoffman, Parker, Wilson & Carberry, provided a brief overview of the documents and the attorney's efforts to ensure the Health District's interests are covered. In particular, there will be a specific Indemnification Agreement to indemnify the Health District in all agreements. The attorney continues to work with the project engineer and the City of Fort Collins to work out a few remaining minor concerns. These documents are still in draft form and not yet ready for signatures. The Board decided to give its approval on the condition that once the final documents are available, they be reviewed and approved by the Executive Director and the attorney before obtaining a signature.

MOTION: To approve the following documents in substantially the form submitted, subject to final approval by the Health District's counsel and the Executive Director:

- 1) **Development Agreement**
 - 2) **Indemnification Agreement**
 - 3) **Deed of Dedication for Right-of-Way**
 - 4) **Deed of Dedication of Easement (Utility)**
 - 5) **Deed of Dedication of Easement (Emergency Access)**
 - 6) **Poudre Valley Hospital Third Filing Plat**
- Motion/Seconded/Carried Unanimously*

Draft Lease Agreement for the CDDT/ACT Building on Shields Street

Included in the meeting packet are documents pertaining to the new CDDT/ACT building at 2001 Shields Street. The building is being leased to Touchstone Health Partners for \$1 per year with Touchstone being responsible for operating costs. If Touchstone ever chooses to stop using that building for the CDDT/ACT program, the lease would be terminated. One issue still being researched regards the issue of any potential property tax.

It was noted that as owners of property in the Spring Creek Professional Park P.U.D., the Health District will have a voting membership on the property association. Mr. Sheafor will be the Health District's representative on that association. The Board inquired if flood insurance was needed for the property. While the building itself is above the floodplain, the road in front of the

building is not. The Health District has \$2 million through CEBT for flood insurance. The Health District also has title insurance.

MOTION: To approve the lease agreement with Touchstone Health Partners (once document is finalized).
Motion/Seconded/Carried Unanimously

PRESENTATION

Brief Overview of Health District Work – in preparation for Board Retreat

In preparation for the upcoming Board Retreat, the Executive Director reviewed the “Potential Areas of Key Future Focus” document which outlines the Board’s priorities from last year’s retreat as well as what has been accomplished thus far.

Over the past several months, the Board has heard presentations from some of the Health District’s key programs which included program progress, impacts of the Affordable Care Act, etc. Items marked with a checkmark on the “Key Future Focus” document note that the item has been started. Items without a checkmark have not yet begun at this point. (See “Key Future Focus” document for details.) A final brief update before the retreat was given:

- Larimer Health Connect – Emphasis in this program has been on preparing for and running the open enrollment periods, and adapting to the reduction in budget and staffing when the initial significant federal funding ended. New grants have been applied for and a smaller team continues to provide assistance for life changes and Medicaid and CHP applications during the off-season. Staff are also working on a data collection system to track assistance and individuals served.
- Dental Care – While continuing to provide care in a busy clinic, dental staff have been working to understand and work with Medicaid, which has proven to be more difficult than anticipated due to changing rules and processes, change in staffing, etc. With the new Medicaid coverage for dental care, expectations were that the clinic would be overwhelmed, however, demand is slowing. Staff are working to be sure that those on Medicaid are aware that dental services are included, and that dental clinic clients who are eligible for Medicaid enroll.
- Mental Health / Pain Management / Addictions / etc. –
 - Integrated Care - Staff have been working with the Fort Collins Salud Family Health Center, the Family Medicine Center, and Touchstone on changes to integrated care that will include Touchstone providing some services in the clinics.
 - The Pain Management project has been quite active in its research phase. Ms. Erin Hall and Dr. Cooper have interviewed around 40 people and are gathering and organizing research materials. They will present their findings to the board in coming months.
 - The Medicaid Accountable Care Collaborative (MACC) continues to work on developing ways to implement and improve care coordination.
 - The CDDT/ACT Building will soon be open for business, once renovations are complete.
 - An analysis on the availability locally of treatment approaches for addictions is nearly finished.
 - Mental Health First Aid is part of helping individuals to connect to care.

- Early Identification and Early Intervention – Significant work on how a robust EIEI community approach can be developed is in progress; staff is close to having a picture of what it could look like, who would play what part, and how it could all work together.
- A Frequent Utilizer Study was completed.
- Tobacco – The Board received information in a previous presentation about the work of the Smoking Cessation program; staff continue to make changes as indicated to the program to improve effectiveness.
- Focused Communications on Key Issues – Communications have been done on distracted driving and alcohol. Hypertension/cholesterol still to be done.

Other Tasks: Of the items on this list (on the back side of the Focus document) which are less urgent but desirable, the only item where work has begun is HealthInfosource. The re-creation of the web site has begun but has been slow to progress; we have assigned Jim Becker to the project in order to make faster progress.

Overall, much of staff focus has been on dealing with the health care reform changes for the past year. Efforts to adapt to the changes are not complete, but we are well on our way, and can see the time when staff will be able to shift some focus to other areas.

The Board commented that they are not concerned with the pace of these priorities and noted that significant progress is being made in important areas.

In regard to the Board Retreat, Ms. Plock and Dr. Birnbaum will be working together to come up with the agenda for the retreat. If any of the board members have a suggestion for the retreat agenda, they are encouraged to submit it to Ms. Plock and/or Dr. Birnbaum. The Retreat notebook will be distributed to board members at least a week prior to the retreat. Board members were asked to set aside time to review notebook contents once they receive it.

UPDATES & REPORTS

Annual Investment Report

Total net investment earnings for 2014 was \$18,477. The Health District splits its investment dollars between a professionally managed, local government investment pool and Certificates of Deposit and Savings. (See “Annual Investment Report 2014” for full details.) Interest rates continue to remain low. Finding places to invest funds continues to be challenging due to investment limitations as well as the very few number of authorized banks willing to accept public funds.

The Board inquired if the Health District will get any return from Lehman Brothers Trust. This year we did receive approximately \$6,000 to \$8,000 – not a lot of money, but is slowly trickling in. There is a possibility of receiving additional funds in the future but there is no certainty. Ms. Haywood will provide further information on what the Health District has received thus far at a future meeting.

1st Quarter Program Summaries and Executive Director Updates

The 1st Quarter Report is not yet complete at this time but will be coming soon.

Executive Director Updates

In addition to what has been formerly discussed,

- PVH documents – Much time has been spent on reviewing and finalizing documents pertaining to the PVH renovation project and working with and facilitating communication between Health District and PVHS attorneys.
- The MACC Team has asked the Health District to be responsible for hiring a Population Health Analyst for the project; we will begin the development of a job description and process shortly.

UCHealth-North/PVHS Board Liaison Report

The Health District Board recently met with the PVHS board members in a joint meeting, and board members indicated interest in improving the relations between the two boards. The outgoing Health District board members, Dr. Thorson and Dr. Birnbaum, encouraged the other board members to make relationship-building with the PVHS board a priority going forward – making sure that the PVHS board understands the Health District’s fiduciary responsibilities as well as its role in the health of the community. Though the two entities have different focuses, priorities, and perceptions, they can work together for the betterment of the community. The remaining board members will need to carefully consider a replacement for Dr. Thorson as Liaison to the PVHS Board when his term expires in April.

The Board expressed their appreciation to Ms. Plock and her presentation at the joint meeting, stating that she laid out some important community issues.

CONSENT AGENDA

All minutes were removed from the Consent Agenda in order to be approved individually.

- Approval of the Final December 2014 and May 2015 Financial Statements.

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

- Approval of the March 24, 2015 Board Meeting minutes.

MOTION: To approve the March 24, 2015 Board Meeting minutes as presented.
Motion/Seconded/Carried Unanimously

- Approval of the April 16, 2015 Board Meeting minutes.

MOTION: To approve the April 16, 2015 Board Meeting minutes as presented.
Motion/Seconded/Carried [T. Heffernan Abstained]

- Approval of the April 28, 2015 Board Meeting minutes.

MOTION: To approve the April 28, 2015 Board Meeting minutes as presented.
Motion/Seconded/Carried [M. Liggett Abstained]

The May 26 meeting minutes had a small error. On Page 7, in the first paragraph, it should read: “Total cost for the facility is \$17 million”, not “\$70 million.”

- Approval of the May 26, 2015 Board Meeting minutes.

MOTION: To approve the May 26, 2015 Board Meeting minutes as amended.

Motion/Seconded/Carried Unanimously

ANNOUNCEMENTS

- July 21, 1:00 pm to 9:00 am – Annual Board Retreat
- July 28, 5:30 pm – Regular Board of Director's meeting
- July 29-31 – Colorado Health Foundation's Health Symposium

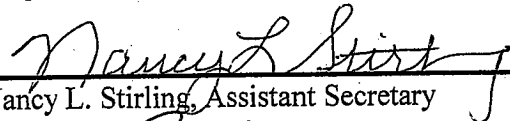
In light of the upcoming July 21 Board Retreat and the July 28 regular board meeting being just a week after, the July 28 board meeting will be cancelled if it is determined not to be necessary.

ADJOURN


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

The meeting was adjourned at 8:12 p.m.

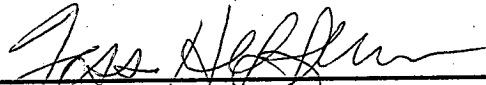
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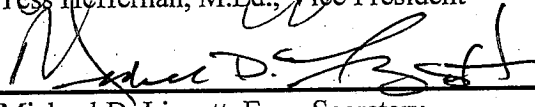
Nancy L. Stirling, Assistant Secretary



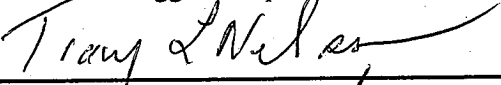
Bernard J. Birnbaum, M.D., President




Tess Heffernan, M.Ed., Vice President



Michael D. Liggett, Esq., Secretary



Tracy L. Nelson, Ph.D., Treasurer



Steven J. Thorson, M.D., UCHHealth-North (PVHS) Board Liaison