



**BOARD OF DIRECTORS
MEETING
September 22, 2015**

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

MINUTES

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

BOARD MEMBERS ABSENT: Bernard J. Birnbaum, MD, President

STAFF PRESENT:
Carol Plock, Executive Director
Bruce Cooper, M.D., Medical Director
Richard Cox, Communications Director
Molly Gutilla, Evaluation Specialist
Lorraine Haywood, Finance Director
Sue Hewitt, Evaluation Coordinator
Laura Mai, Accountant
John Newman, Clinical Services Director
Dan Sapienza, Policy Coordinator
Chris Sheafor, Support Services Director
Karen Spink, Assistant Director
Nancy Stirling, Assistant to Executive Director
Lin Wilder, Community Impact Director

OTHERS PRESENT: Stacy Colby, RN, Banner/FHSU

CALL TO ORDER; APPROVAL OF AGENDA

Dr. Steven Thorson called the meeting to order at 5:50 p.m. Dr. Birnbaum had to be absent from this meeting and Ms. Heffernan and Ms. Nelson participated via conference phone. Additions to the meeting agenda included approving a Board Resolution concerning purchases of Certificates of Deposit and a correction to the August 25 Board minutes. Ms. Stacy Colby attended to observe the meeting.

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

PUBLIC COMMENTS

None.

PRESENTATIONS, DISCUSSION, ACTIONS

Pre-2016 Budget

Ms. Carol Plock, Executive Director, provided a brief look at the revenue outlook for the Health District. As predicted, 2016 will be the first year the Health District is fully out of the most recent recession, and the first year with a significant gain in revenue since 2008. The anticipated net property tax revenue to the Health District will be about \$6.6 million, which is just over a 15% increase from 2015.

With this increase in revenue in mind, there are two main objectives with the 2016 budget: to determine how the increases can be used to address our core purpose: increase our impact on the health of the community, and to do some limited catch-up in employee pay, after several years when after the recession when pay lagged behind inflation.

Pay for Performance Pool Process and Estimate for 2016

Mr. Chris Sheafor, Support Services Director, provided a refresher for the Board on the Health District's Pay for Performance Management System, which has been utilized by the Health District since 1998. The goals for this system have been to: allow the Health District to compete for quality candidates, retain quality employees, and provide value for funds spent on compensation.

Briefly, the Pay for Performance process includes 4 steps: 1) a bi-annual market survey of all positions to ensure the Health District is paying its employees within range of the rest of the market; 2) a budget analysis, conducted during the development of the annual budget, where staff look at expected revenue and recommend how much should be set aside for pay increases; 3) ongoing employee performance management throughout the year; and 4) pay increase allocation and adjustments based on market survey and performance evaluation. [See slides for further details.]

While pay increases tended to exceed inflation prior to 2003, the small recession in 2001-2002 and the major recession in 2007-2008 created a situation where, cumulatively, inflation has exceeded pay increases from 2003-2014. For the 2016 year, a 4-5% pay for performance pool for employee salaries is being proposed, with a particular staff members' increase tied to several factors used in the organization's process, with an emphasis on pay for performance. The ideal annually would be for any employer to have enough funds to both adjust employees' salaries for inflation and also reward high performance, although that is challenging in this economy.

MOTION: To approve the inclusion of a pay for performance pool within the range of 4-5% for the proposed 2016 budget.

Motion/Seconded/

Board Questions: The Board inquired as to whether this proposal would move the pay levels above the inflation rate. While that would be ideal, at this point, this proposed amount would not catch up for the cumulative gap. Another question concerned the performance evaluation scale – have there been cases of “score creep”, where everyone gets an “A”? Mr. Sheafor responded that this system has been developed to make sure that does not happen. Programs are compared against each other and there have not been any major jumps in any program versus another. Each

employee is analyzed and scored individually, and if the committee sees any possible anomalies, they address them with the supervisor.

MOTION: To approve the inclusion of a pay for performance pool in the range of 4-5% for proposed 2016 budget.

Motion/Seconded/Carried Unanimously

Expanding Our Impact: Grant Applications under consideration or Submitted Colorado Health Foundation's Advance Care Planning Grant

At the last board meeting, staff provided information on several grants being looked at, including the Advance Care Planning grant from the Colorado Health Foundation. At that time, staff were considering whether there was enough community interest in the grant, who would take the lead for the grant, as well as the possibility of Health District contributing to funding.

At a recent meeting with people interested in the proposal, the Health District was asked to take a more pivotal role. It was determined that this should be a community effort, but since the Health District had a neutral position and the expertise to move through the proposal process quickly, the Health District was asked to be the lead agency and author of this grant. The possibilities of significantly expanding advance care planning in our community are very exciting, and the partners are enthusiastic. Details of the project are in development.

The grant application is due October 15. The Board has already approved the concept of using some Health District reserve dollars as match for this grant. If the grant is approved, the Health District's role would be to hire and manage staff, and provide matching funding. The Board has expressed support in the past for addressing aging issues and expressed again this evening their agreement that this is an area of need and interest where the Health District can have a role in serving the community as a whole. It was noted that more advance care planning would help solve a lot of challenges in the medical provider arena..

Bohemian Foundation: National Expertise – Best Practices in Substance Use Disorder Treatment

One of the objectives of the Bohemian Foundation is to “strengthen our vibrant community through learning.” This aligns perfectly with the growing community focus to take the learnings gained around substance abuse treatment over the last decade and move the field forward in our community. The proposal is to bring in a national speaker to provide excellent motivational and topical information about best practices in the field – how the field has evolved and where it is now - to community providers (and decision makers). This could then be followed with specific organizing to help providers and organizations do the work it takes to transform existing practices into newer best practices (such as medication assisted treatment). There are already funds in the budget for Mental Health Connections staff to do the marketing and organizing of the trainings if we are fortunate to be award the grant.

Other Grant Opportunities

- Staff have been working with the Early Childhood Council (the ECC would be the lead on the grant) on a planning grant opportunity called “LAUNCH Together”. This grant focuses on the 0 to 8 age group and fits into the Early Identification and Early Intervention (EIEI) vision. The grant is initially a planning grant with the possibility of some significant funding over a period of several years. Exact content is not yet determined, but may involve such activities as: enhanced home visiting, integration of behavioral health into primary care, early

childhood support, etc. The Health District would have a role in overseeing the process and helping it to fit into some of Mental Health Connections' work (screening, assessment, and linkages) and with other community partners.

- The Denver Foundation has a grant opportunity for behavioral health treatment. They have joined it with a population health component of the SIM (State Innovation Model). The Denver Foundation side is about actual treatment and the SIM piece focuses on screening and assessment and referral systems, which could help us take the next big step in the creation of the early identification and early intervention (EIEI) Child and Family Services at Connections that we have been working on. The application deadline for this grant is October 16.
- Frequent Utilizers Updates – One of things mentioned at the last board meeting was the need for more data pertaining to utilization of primary care for the Frequent Utilizers Study. Additional information was obtained and noted in an updated handout provided for the board. Of note was that out of the 155 jail high utilizers in either 2012 or 2013, 18% were Salud Clinic patients and 16% were Family Medicine Clinic patients. While it is not possible to determine whether those individuals only frequented a certain clinic or whether they presented at more than one clinic, or whether some individuals may have been seen at other primary care clinics, the 34% appears to be a low number in a population that might be expected to utilize safety net clinics (where integrated care is available).

Dr. Thorson expressed his appreciation for the additional information provided and commented that he has already shared information presented at the last meeting with PVHS/UCHealth-North Board members and received some positive feedback from them.

Larimer Health Connect: Open Enrollment 3

Ms. Karen Spink, Assistant Director, provided a brief overview on enrollment successes, highlights from the Colorado Health Access Survey, and preparations for Open Enrollment #3. Colorado is setting records in making significant gains in reducing the number of uninsured. In 2013, 15.1% of the population in Larimer County were uninsured. In 2015, the rate dropped to just 6%. There are now more than 278,000 people covered, with almost 18,000 remaining without insurance. In addition to the challenge of getting those 18,000 individuals connected to insurance, it's essential to also help ensure that people with insurance are maintaining their coverage, if we are to be successful in maintaining or reducing the number of uninsured in our community.

Key takeaways from the Colorado Health Access Survey are as follows:

- Medicaid Expansion resulted in higher than expected enrollment.
- The number of those who are uninsured is down, but under-insurance is up. People have opted for low premiums, however these usually come with very high deductibles.
- Cost is still the number one reason for lack of insurance; health care still costs too much for many.

It was noted that 27% of Marketplace enrollees were eligible for cost sharing reductions – reductions which help to reduce out of pocket expenses (sometimes very significantly) - but did not receive them because they selected non-qualifying plans. People often make their decision based on the premium price and don't take into consideration the other costs they may face.

Potential customers for Larimer Health Connect will be, of course, those still uninsured, as well as people new to the Marketplace, those who've lost employment insurance, dropped off of Medicaid, or are losing a grandfathered plan. However, focus continues to need to be directed towards assisting those returning and renewing customers – assisting them to understand changes to their insurance benefits and premiums (every year there will be significant changes), and whether their current plan continues to meet their needs. A challenge for the program will be reserving enough appointment slots to help the uninsured as well as the insured, plus follow-up appointments.

Preparing for Open Enrollment #3:

- Staffing – At the state level, grant funding was greatly reduced which also reduced the number of Guides throughout the state. Larimer Health Connect was able to up-staff for open enrollment through a combination of grants and Health District funding, at a level almost equal to the staffing we had this past enrollment period.
- Locations – For this year's open enrollment period, there will be 3 locations instead of the 5 used last year. The main locations are the Mason Street Office in Old Town Fort Collins, the Health District offices at 120 Bristlecone Drive, and another at the Loveland Community Life Center, with some presence at the Loveland Public Library. Information from the survey may also be used to identify other pockets and areas of the community where it might be possible to do "pop-up" services. Weekend and evening hours are being incorporated.
- Important Dates – The first day to begin shopping and enrolling in health plans is November 1. December 15 is the last day people can enroll for coverage to begin on January 1, and January 31, 2016 is the last day people can enroll for 2016 coverage.

Board Questions – Ms. Heffernan inquired as to whether efforts are being made to assist large employers who have people who might be entering retirement but are not 65 years old. Larimer Health Connect staff did conduct presentations for City of Fort Collins staff last year and plan to do that again this year. The presentations provided outreach as well as appointments for those interested in assistance. This year there is still a focus on targeting individuals who are retiring as well as small businesses concerned with getting their employees covered. The Board expressed their delight in the drop in numbers of uninsured in our community. Mr. Liggett commented that it would be interesting to see more data pertaining to targeted populations and what might be learned from them in terms of targeting efforts.

Policy

In response to a previous request from Dr. Thorson for information on the CARERS Act of 2015, included in the meeting packet is a policy brief on the Act. The Compassionate Access, Research Expansion, and Respect States (CARERS) Act would reform federal provisions relating to medical marijuana, without changing law related to recreational use of cannabis. The policy brief provides a look at key components of the Act as well as pros and cons for each component. [See policy brief for full details.] Because the Act is currently not moving, it is not necessary for the Board to take a position on this matter at this time. Staff did not do a presentation on the brief, but invited questions.

Board Questions – The Board inquired as to the chances of this Act moving forward. Since legislators' attention has recently been on whether or not there will be a shut-down, and will soon move to budget and appropriations, there is little chance that it will move forward anytime soon. It is anticipated that there will be a short-term continuing resolution that will maintain current

funding through December 1. During that time, the government will take a look at 12 appropriations.

The Board commended Mr. Sapienza for another complete, well-balanced, and informative report. Staff will keep apprised of the CARERS issue and bring it back to the Board at such time as it might be appropriate to make a decision (if there starts to be action on it at the federal level).

An inquiry was also made by a board member in regard to the issue of prescription drug pricing. What was once "old" and inexpensive medication is now in some cases coming back at very costly prices – an example was raised of a medication that originally cost \$1/pill, then rose to \$13.50, and then to \$750/pill. While staff is not prepared to discuss the issue yet, there could be some federal legislation addressing the issue in the future, and the board asked staff to track proposals and keep the board informed about the issue.

Resolution to Approve Signators for Certificate of Deposit Accounts

Ms. Lorraine Haywood, Finance Director, while researching banks that would accept public funds to purchase certificates of deposit, noticed that the Resolution approving signators on CD accounts was out of date and did not include the appropriate and current board member names. An updated Resolution with appropriate names of Board signators is presented for the Board's approval.

MOTION: To approve Resolution 2015-03, allowing purchases of Certificates of Deposits, as presented.
Motion/Seconded/Carried Unanimously

UPDATES & REPORTS

2015 1st and 2nd Quarter Program Summary Reports and Executive Director Report

Staff had been dealing with several challenges in data this year, which has delayed the quarterly reporting. At this point, the data has been corrected, although there was one last error to correct in one program. An Addendum to the Mental Health Connections portion of the 2nd Quarter Program Summary Report was distributed to Board members.

Executive Director Report:

The most intense activity recently has been in planning the future of the Health District and its programs and initiatives, through the budgeting and grant writing processes. The Directors have just submitted their budget requests for the Executive Director's review and consideration, and significant activity is on working with community partners on the various grant goals, plans, and applications.

This morning, Ms. Plock and Ms. Spink were involved in a phone call with a person from a venture capital company (working with some key people in our state) who works to gather resources from major foundations, banks, corporations, etc. and redirect those dollars towards health and human services programs that will have the most measurable impact – utilizing the Pay for Success or Effective Altruism concepts. He was very interested in the SIM process and learning more about our programs. The conversation was a stimulus to re-thinking, in particular, our approaches to projects like EIEI and Frequent Utilizer interventions.

UCHealth-North/PVHS Board Liaison Report

Dr. Steve Thorson provided a brief update of the recent PVHS/UCHealth-North Board Retreat:

- There is a transition happening at both the state and national levels towards patient-centered medical homes (PCMHs) - where an patient has one primary access source which helps that patient to negotiate the whole wheel of health services they might need. It is an interesting concept and people are trying to figure out how to pay for it.
- There is a drive towards Accountable Care Organizations (ACOs), where bundled or capitated payments are made, and the organization is responsible for the care of that population. Large organizations become more responsible for the health of a population, and assume financial risk. It does not appear to be coming locally in the near future.
- Also presented was a report of the quality assurance program at both PVH and MCR. Both PVH and MCR scored very high in standardized measures of quality. They also continue to do well with Patient Care questionnaires, however employee satisfaction remains a work in progress.
- UC Health is actively working to retain/increase market share in its various communities (which is highest in the north). Competition is noteworthy, and the system is actively and closely monitoring the actions of insurance companies and competitors in order to retain excellent financial performance.

CONSENT AGENDA

Before approving the Consent Agenda, Dr. Thorson noted a correction for the August 25 Board meeting minutes. The wording for the second bullet at the top of Page 7 should read, "Presently, there are 367 physicians, and 88 allied health practitioners, employed by Colorado Health Medical Group (CHMG). CHMG is a subsidiary of PVHS."

- Approval of the August 25, 2015 Board Meeting Minutes.

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

ANNOUNCEMENTS

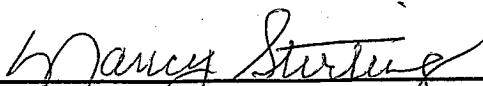
- Draft 2016 Budget to Board Members on October 15
- October 27, 5:30 pm – Board of Directors Regular Meeting

ADJOURN

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

The meeting was adjourned at 7:34 p.m.


Respectfully submitted:



Nancy L. Stirling, Assistant Secretary

[Absent from 9/22/15 Meeting]

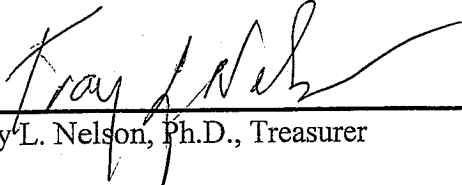
Bernard J. Birnbaum, M.D., President



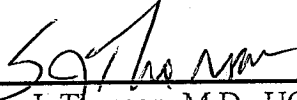
Tess Heffernan, M.Ed., Vice President



Michael D. Liggett, Esq., Secretary



Tracy L. Nelson, Ph.D., Treasurer



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