



- Organizational Update
- Legislative Update
- State Activities
- Mill Levy Update



Organizational Update

- General Update – Shari
 - Human Resources
 - Compliance & Quality
 - Service Coordination

- Program Services Update – Ford



Service Coordination Update

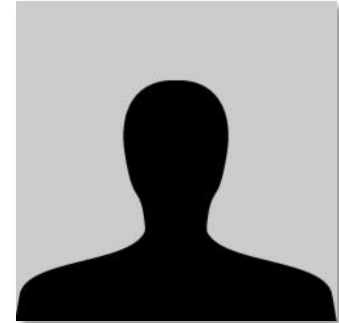
- Jenny Smith started as Director
4/24/17

- Background in I/DD direct services,
HCBS Case Management



- Focuses:
 - Recruitment of Service Coordination staff
 - Improvements to training program
 - Implementing new statewide system for provider HCBS claims payments
 - Working with HCPF lead on implementing Consumer Direction program in FY18

- Director position will be posted
6/5/17



- Focuses:
 - Developing plan to grow residential services
 - Identifying efficiencies and implementing improvements in LEPN program
 - Preparing for audit from CDPHE

Developmental & Behavioral Health Update

- Early Intervention program: incorporating new state database system, working with DPS to reduce wait times for interventions.
- Developmental assessments and diagnostic evaluations being completed in under two months, compared to community average of six months

Mill Levy

- Simplifying program to reflect two doors of access:

Clients

Providers

- Revising reporting formats to reflect 7 prioritized areas of need from our stakeholders
- Developing service plan process to identify client needs for coverage by Mill Levy funds

Legislative Update

- Alliance Membership
- State Budget
- 2017 Session Bills
 - HB17-1045-Extend Home Care Allowance
 - HB17-1284-Data System Check for Employees
 - HB17-1343-Conflict Free Case Management
 - SB 17-287-Sustainability of Rural Colorado

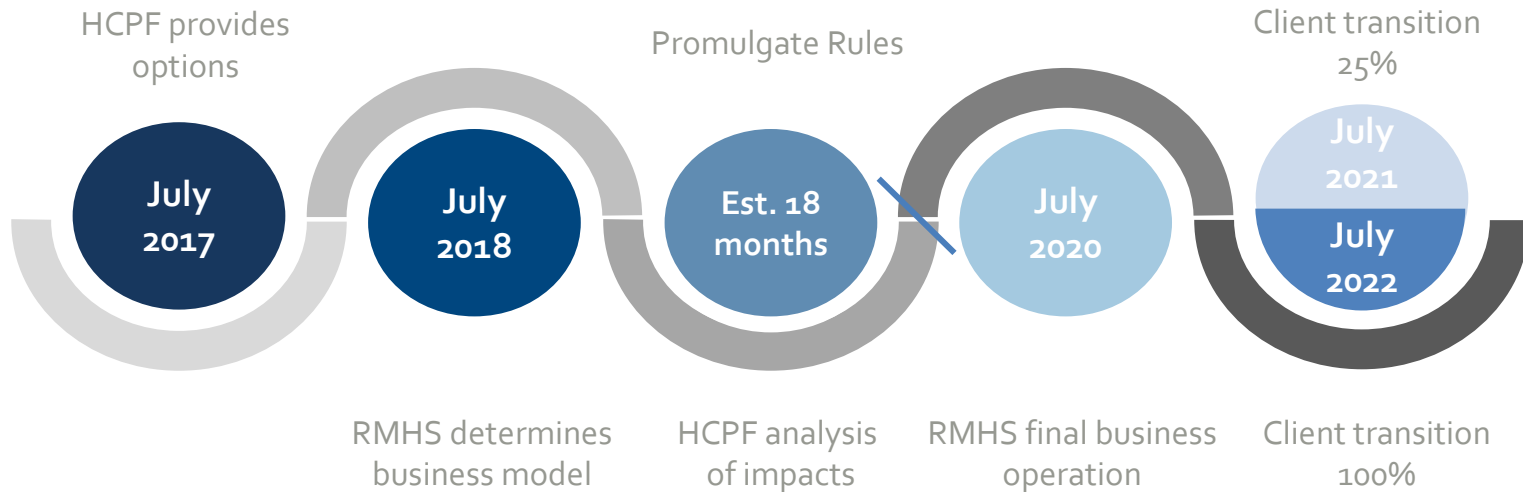


Legislative Update

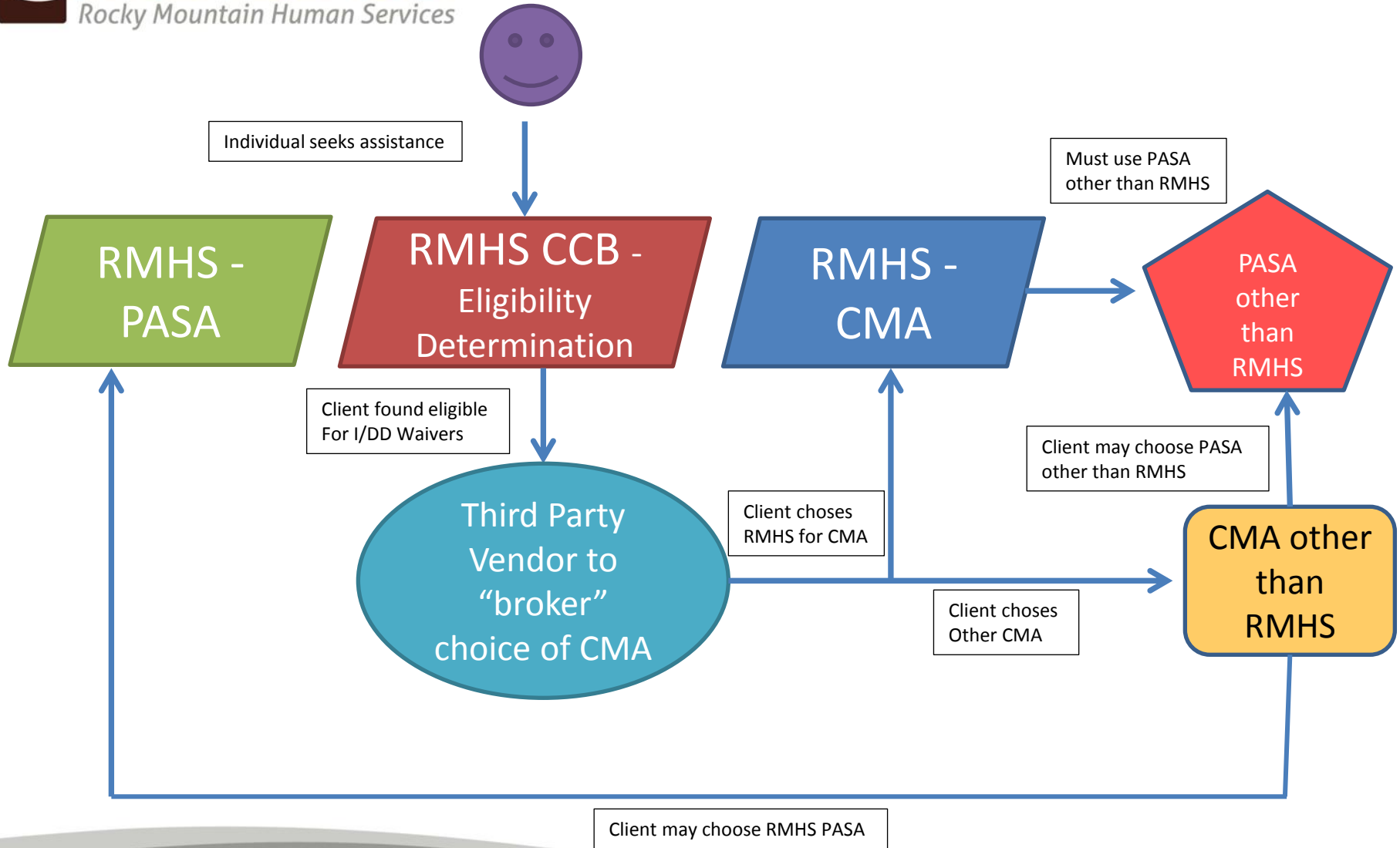
- Conflict Free Case Management
 - Creates 3 Entities (CCB, CMA, PASA)
 - Defines roles at a high level
 - Holds \$ from cash fund to cover state expenses
 - Creates a 3rd party mechanism for choice
 - Requires rules on specific topics
 - Addresses rural area capacity
 - Establishes timelines



Legislative Update



Proposed Conflict Free Model



State Activities

- Redesign of HCBS Waivers –
 - Changes the services and how provided
 - Rate methodology
 - Settings Rule
- Accountable Care Collaborative (ACC 2.0)
 - Delivery of Medicaid/Medicare physical health
 - RFP – Integrate Behavioral Health
 - Coordinate Long Term Services/Supports

State Activities

- Long Term Services & Supports
 - No Wrong Door
 - Data System Changes
 - Consumer Direction Program (CDASS) in SLS Waiver
 - HCPF staffing changes

Mill Levy – 2017

- Jan. 7 – City Council
- Feb. 21 – Community Advisory Council
- March 2 – RMHS Community Forum
- April 5 – Council Committee Report
- April 18 & 22 – DHS Community Forum
- May 16 – Community Advisory Council
- May 17 – Council Committee Report – DHS
- Monthly Contract Meetings with DHS

Mill Levy – 2017

- Review 1st Quarter Results
- Follow up items from Council –
 - Mill Levy Advisory Committee
 - Procurement Process
- Contract Negotiations
- Contract Approval



Finance Committee Report

April YTD Financial Results

- Completed on May 18th ✓
- Revenues excluding Mill Levy are on budget ✓
 - Third party insurance offsetting Medicaid shortfalls
 - Mill Level spending is under budget \$1.5mil – overhead savings/lag in new spending
 - Total revenues 4.3% under budget
- Total expenses are 5.0% under budget ✓
 - \$1,559k under budget is due to \$897k in staffing savings, \$708k in overhead savings (includes some staffing savings)
 - Surplus is \$180k over budget – achieved FY17 budget

FY17 Wrap Up

- Received approval on new major Mill Levy project from DHS and expect to see April/May bump in new Mill Levy project spending from recent contracts and added family distributions
- Working to get some budgeted IT work done by June 30th
- Capacity building funds to help with
 - Recruitment
 - Retention
 - Client service
 - Billing systems
- Closing out two Veteran's programs – consolidating Colorado Springs offices



- Cash held up despite revalidation issues
- Receivables are netted against Medicaid advances
 - Lost some level of quality in receivables
- Debt continues to decline
 - Currently at \$12.0 million
- Net equity turned positive in March
 - Now exceeds \$250k

The Board accepts the April 2017 financials as submitted

Financial Auditors

- *Kundinger, Corder & Engle, P.C.* completed last year's audit on time. Finance Committee and Board of Directors were pleased with the timeliness and the quality of the audit
- KCE has offered to do audits for a slight fee reduction from FY16 rate
- The Board approves engaging Kundinger, Corder & Engle, P.C. for the FY17 financial and A-133 audits

Bank Loan

- In 2012, RMHS took out a \$1.0 million line of credit, which was renewed multiple times and changed to a term loan in June of 2016 with a 36 month amortization and a balloon payment due August 1, 2017.
- Colorado Business Bank has agreed to extend the payment at the same monthly rate so that the loan is paid on or before June 1, 2019.
- The Board authorizes the Executive Director and CFO to execute the necessary documents to extend the loan

Corporate Insurance

- All insurance coverage renewed May 15th
- IMA is our insurance broker – presented to Finance Committee earlier this year. Rebid significant parts of the policies but stayed with existing insurance companies.
- Philadelphia Insurance initially declined to renew D&O
- With documentation of governance improvements offered higher limits
- State requirements required some increased coverage

FY17/18 Planning Calendar

June

Draft budget to
Finance
Committee

July

Budget at next
Board Meeting

Aug.

Sept.

Unaudited FY17
Results

Ongoing updates on DHS contract

Oct.

Nov.

Auditor
presentation to the
Finance Committee

Auditor
Presentation

Dec.

Board Training

Budget Update

- Compensation plans
 - Salary
 - Benefits
 - 403b
- Contract renegotiations
 - Homes for All Veterans grants – renewal
 - Mill Levy contract with DHS
- New state funding
- EI issues

Other Updates

- Mill Levy contract update
- Technology update
 - Efficiency
 - Security
 - Capital expense issues
- Revalidation
 - Internal issues
 - External issues

Compliance Update