

CHIEF EXECUTIVE OFFICER'S REPORT

FEBRUARY 2019

Future Expansion Needs - I want to clear up any potential misconception of our space need and what the future may hold with program expansion. I apologize for not attending the January board meeting. Please note that we currently have the ability to expand to 17 workstations with the existing space throughout our facility network. We can address our immediate needs with nine workstations and the balance of eight are for any potential needs in 2020. The reason I wanted to start the conversation on expansion is because we worked with the architect to have a draft of a building structure on the vacant lot east of the Café. At the time, the board of 2015 indicated that they would like to take a break from building. We have placed this vacant lot on hold for 4 years and I believe it is time to engage the architect on a concept design for future opportunities. A motion passed to engage the architect once again and I am currently working with Ron Mazzeo. This topic will be part of the agenda at the retreat.

Health Colorado - I have made a contact with each board member to explain the transition of staff out of HC, which including Mr. Payne, his assistant Kiera, and Mr. Alvarez. Tina continues her employment with HC and has requested administrative leave for a personal matter. This prompted the board to execute an emergency plan that required Health Solutions to offer their COO, Jason Chippeaux to back fill the day to day operations and for our center to offer our CFO, Cathy Michopoulos to cover Tina's responsibilities. We have to cover these vacancies for a minimum of two months. Even though we are transitioning into new leadership, please note the company is healthy and was the only RAE to meet the deliverable on KPIs. We have arranged internally to back up Cathy's area of responsibilities as she engages HC duties.

Potential Budget Amendments - There appears to be a need to revisit our strategy on how we factor in the RVU cost formula in overall agency costs. As you have learned that, they Myers and Stafford Auditing Firm contracted by Health Care Policy and Finance (HCPF) has been drilling into the weeds of mental health center costs. We continue to learn what costs are under scrutiny and this has caused us to look at our leases. We have learned that our costs related to the leases would not be allowed, which totals almost a million dollars. This caused the board to direct staff to stop this practice, thus eliminating the revenue being recognized by the Asset Corp.

We have not amended the budget because we have learned that there may be some rethinking on leases. If we are allowed to recognize these costs, the red/deficit reflected in the Asset Corp will move from red to green. If not we will ask that the budget be amended at the next board meeting to reflect the revenue deficit.

Crisis Contract – We are in year 2 of the expansion 207 crisis contract. As we have been presenting to the ever-evolving contract here is the most recent update. Part of the 207 dollars were distributed to our center on the anticipation we could come up with the transportation model to handle M1 transports. We have now been able to demonstrate the transport services we provide are very effective and have the support from all six counties. Our meeting with the Office of Behavioral Health has been successful in that our 2-year pilot will be extended another three years. We are working with OBH to have the extended three years pilot be adequately funded. We are also hopeful that the funding shortage of 100,000 will be covered with unspent funding in our RAE.

Board Retreat/ Work Session – The board retreat will be in Santa Fe at the Hilton Buffalo Resort on April 5 & 6. Dawn will be getting out the reminders and we will be putting together an agenda with the executive committee on the board.