

CHIEF EXECUTIVE OFFICER'S REPORT

JUNE 2018

ICHP (Integrated Community Health Partners) – The company will officially end June 30, 2018, but there may be a close out of residual items through December 2018. We are under the impression that there will be closeout costs that will take the majority of any anticipated revenue we thought might come our way at closing of the company. At this point, any revenue beyond what our monthly payments will not be anticipated or planned for. Lisa Clemens is the one responsible for the close out and reports that she is attending to more deliverables than she expected. The one remaining staff is housed at the SyCare office.

CHP (Colorado Health Partners) – Arnold is winding down the company and he will be active in the closeout through December of 2018. Health Colorado on July 1, 2018 as well as Sandy Gutierrez will hire Tina McCoy.

The other mental health centers that did not win and have become providers are noticeably distraught. Many are reporting not having a contract signed and ending up with operating agreements up to 120 days. No one has been able to do a budget with not having a contract in place and many are in the process of downsizing staff counts.

Health Colorado – The funding strategies are in place and is driven by an encounter base model. We hope that the model will sustain all the partners in the first year, but it demands creative thinking and a strong need to maintain encounter integrity. Alonzo is still learning his new job and what it will take to keep the company balanced for the staff and the partners as well. He is in the process of relocating to Pueblo so that he can pay more attention to the daily grind of the company and provide leadership in what is turning out to be a company with high demands.

SEA (Strategic Executive Advantage) – This is Arnolds' consulting company and where his career is now headed. Our center will be contracting with him as we go into the new contract. He will be contracting with Solvista and Southeast in our region. He is entering into other contracts with mental health centers across the state and I want to wish him the very best as he moves in this direction.

Valley Wide – Their world is starting to change and in this environment they have been awarded integration funding. This type of funding is moving them into our space in behavioral health. It appears we will be in competition for the same workforce and some version of client services. We are supportive of the direction they are moving into, but we see some pitfalls looming out there for two small companies trying to do great client care. The challenge will be to stay in contact and work as a team so that we do not lose our friendship. We will make every effort to help them sort out what is best for them and our center as well.