

CHIEF EXECUTIVE OFFICER'S REPORT

JANUARY 2017

Community Corrections – I have been working with Doug Carrigan from Advantage Treatment Center on a management service agreement. He has agreed to sign the document and will begin his review and management of the program on February 9th. We are asking him to make all the modifications necessary to operate a small program with the goal of transition to ownership. All the staff have been informed of the pending changes and seem to be very supportive.

We have entered into contract with Realty Advisors to have the CC property appraised and they are the same company we used 4 years ago. Given that they have the base data the time frame will be short. If the transition effort is successful, we will have the appraisal to start the conversation about the potential lease or sale of the building.

The 12th Judicial District Board was introduced to Mr. Carrigan as he was able to attend the quarterly meeting this month. From my perspective, he is very well liked and will have a good relationship with the board if he decides to be the contractor for the district.

ICHP – A vote was taken to terminate the company as soon as the contract ends, which is still up in the air given the many changes at the federal level. The ICHP brand cannot be used as the entity to peruse the RFP, which means a new company has to be formed. In addition, the company will be filing for the license to qualify as a bidder in the RFP. We are in preliminary discussion on the type of license and currently the interest is to apply for an HMO license. We believe that the partners in the new company should be the SyCare mental health centers, Valley Wide, Beacon/Value Options, St. Mary Corwin Hospital and there may be others. We are currently talking with Valley Wide and St Mary Corwin to determine their level of interest. We have about two months to settle the partnership make up before all the documents are filed for the new company and license.

We are currently working with the ICHP director to satisfy the contract deliverables and terminate the company with integrity.

CBHC – There have been concerns raised by the membership that the original intend of integration as outline in the preliminary meetings leading up the RFP outline is missing. There is a list of concerns that are being drafted to share with the HCPF, with the intention of working with them to address these concerns. There are other efforts to determine if the new RAE districts have enough of a population base to support programing, which translates into an adequate rate structure that is actuarially sound. The month of February will be a very interesting as these facts and concerns are disclosed.

Hill Day was on January 19, 2017 and the turnout was absolutely amazing. Both Representative Donald Valdez and Senator Larry Crowther attended the luncheon and were very impressed with how many legislators were there in support of mental health. I was able to spend a good part of the morning with Representative Valdez. He was very interested in mental health and asked a lot

of questions. I also met with both legislators on community corrections and they liked the plan we are working on. Sandy Gutierrez from SyCare was very supportive and helped with the presentation.

Snow Removal – Costilla County is buried under a lot of snow and our snow removal efforts in all areas of the valley is unprecedented. The declaration of a state of emergency prompted the closing of the mental health center office in San Luis. I visited the command center in San Luis to let them know we are there to support rescue efforts. The major task was attempting to conduct home checks on snowmobiles and relocated vulnerable individuals to shelters. They were pleased with their progress as the day progressed.

SyCare – Under the umbrella of SyCare is PHII which is the holding company for the Kavely's building, including the leasing of its space. The new trends that are anticipated in the RFP and the end of the BHO has prompted the need to determine the future of this holding as soon as possible. I am assisting Sandy who is contacting several individuals in Alamosa that may have an interest in this property and current business model. The partnerships will work to liquidate this asset in a very timely manner.