

CHIEF EXECUTIVE OFFICER'S REPORT

NOVEMBER 2016

Community Corrections - We have not received any official notice from the Division of Criminal Justice. It may be the holiday that has delayed their notice to us on what they will be perusing given their concerns. We hope that they will allow for a smaller program that we truly believe can be implemented. Robert Pacheco, CFO and his staff are looking at the overall current financial position to date and what may occur in the immediate future. Kristina is at the program daily and continues to monitor compliance. We have not enrolled any new offenders into the IRT program and are currently in holding pattern. We continue to work with the screening committee to assess referrals for placement and they appreciate our input.

There is an ongoing review of the proposed new standards that will impact the industry. The goal is to achieve a higher level of accountability and work towards better outcomes with the offender population. At this time, we are not sure when the final implementation date will be.

ICHP - Chris continues to work hard meeting the terms of our contract. She is working on getting prepared to address the RFP and knows that there are several concerns that have to be work on by the partners. This may hinder her progress given the time it may take to resolve the concerns. We continue to have a great working relationship with Valley Wide and both organizations work towards a common goal of improving the lives of our citizens. We should have more information in the next month on the direction ICHP will be headed in. Public hearings regarding the RFP are ongoing and the CBHC membership will begin submitting question through this venue.

SyCare - Sandy is working hard to determine what options are out there to create another opportunity for Kavery's. She is interested in meeting with the City of Alamosa and the president of the University to explore potential partnership options. The concerns are that the CHP lease ends in 18 months and we will have to find a replacement. The partners have also expressed some concern given that the IPN network is still growing and distribution will continue to be affected. The IPN is a subject matter that we have had several conversations about this over the last three years and I am sad to say that this will continue to be a pressing concern. We have been informed that the PMPM will again be adjusted from \$5.00 back up to \$6.00. The immediate affect will be a \$33,000 reduction in our payment. If it remains at this level the reduction will be \$20,000 per month until it changes again. The expansion of the IPN will continue to be one of our biggest concerns. The IPN in Health Solutions and Solvista's area is where the primary growth is happening.

I will be meeting with my management to set out a plan to begin addressing the short fall. The preliminary work will be to review vacant positions and consumable operating line items. We will put this effort on a fast track once staff return from the holiday break.

CMCHC Cost Report Review - Myers and Stauffer is the firm that has been contracted by Colorado department of Health Care Policy and Financing (HCPF) to perform reviews of our 2016 Cost Report. This firm will review all mental health centers cost reports for this time period. Three of the bigger centers have gone through the review and were able to alert us to some their findings.