

CHIEF EXECUTIVE OFFICER'S REPORT

JUNE 2015

COMMUNITY CORRECTIONS – The meeting with Glenn Tapia is scheduled for June 24th. The purpose of the meeting is to get a better understanding of how he interprets the foot note that designates 36 IRT beds for the San Luis Valley.

I have been asked by the board to continue the search for a prospective buyer and to follow up on any inquiries on our interest to sell. I have started to put the word out that we are interested in getting out of the business and have hope to hear from programs that are doing business in Colorado.

The Alamosa Sheriff continues to show interest in housing female offenders at our facility and we continue to work on how the program will work. We are in the process of developing an MOU and a budget for his consideration. We have not met with the Alamosa County Commissioners and hope to soon now that they have hired a County Administrator.

ANNEXATION – We have had our property surveyed and plated as part of the application for annexation. The annexation application also includes road abandonment which requires the Alamosa County Commissioners to sign off on the plat. The documents have been delivered to Gigi Dennis who is the new administrator. She has not contacted me for a follow up meeting at this time.

ICHP – We continue to struggle with our partners in developing a strategy to prepare for the RFP. Arnold has been our negotiator with our FQ partners and he reports some progress but can't seem to convince them on a strategy that he has developed on the mental health centers behalf. The Pueblo FQ continues to be difficult and has complicated the short time lines that we are under. At this time ICHP does not know if it will be the entity to go after the RFP given that the board is still not in agreement with a strategy.

The ICHP board is in the process of Donna's annual evaluation. I believe that she has done a good job and expect the board to retain her.

CHP – Arnold reports that the BHO structure will be eliminated in the next RFP. This means that in 2017 there will be a new structure that will replace the BHO model. He continues to work on understanding what the state wants in the new RFP and also will try to help guide them so that the service that have evolved over time in each community will be preserved. He is concerned that the state may revert back to a fee for service model, which will create a financial hardship on the all the centers across the state. This the first time that the discussion has surfaced on what strategies we will use if we do not win the RFP.

OFFICE OF BEHAVIORAL HEALTH (OBH) – There has been no changes in the administration of OBH after several articles have appeared about the Director. The shift in resources continues and we will not be able to meet our contract this year based on the fact that the majority of the indigent population now has insurance. We have been given an extension to locate eligibles that meet the criteria and hope to increase our number by new contacts and data mining for individuals that may have been missed. If we do not meet our contract numbers there will be a payback and the worst case scenario for our center will be about \$100,000. We hope to decrease this amount by the end of June, but will not have a final until the end of June.

The new OBH contract for FY 15-16 has been signed and submitted. Our new revenue projection for the new contract is \$334,689 which is about a 50% decrease from last year.

CBHC - George reports that he continues to meet with OBH on a number of matters pertaining to the contract and is very concerned that they are moving to a fee for service environment. He is helping with the transition given his pending departure in August and hopes to help even after he is officially gone. He has concerns with how the RFP will evolve in the next two years and is concerned that outside vendors will have a strong showing. He is not convinced that the state really understands the services in place throughout Colorado and infrastructure that supports it. He is concerned that we may have to go back to old systems of accountability, which have proven to be counterproductive.

He is very active in developing a new company under CBHC that will market services throughout Colorado with providers that need to have a mental health benefit attached to their services. The startup cost for developing the company will be \$10,000 to our center. This is on the agenda as an action item.