

San Luis Valley Behavioral Health Group
October 27, 2015

Members Present: Richard Pacheco, Jerry Gallegos, Brenda Vialpando, Louise Sanchez, Harry Larsen, Alonzo Payne, Marcella Garcia, Pat Stanford and Fernando Martinez

Members Excused: Laurie Rivera

Staff Present: Kristina Daniel, Robert Pacheco, Cindy Lopez and Dawn Loch

1. Roll Call/Declaration of Quorum

2. Approval of Agenda

It was M/S by Louise Sanchez and Alonzo Payne to approve the agenda as presented. Motion carried.

3. Approval of Minutes:

It was M/S by Louise Sanchez and Alonzo Payne to approve the minutes dated September 29, 2015. Motion carried.

4. Correspondence Review

Richard Pacheco reviewed the correspondence for the month.

5. Financial Committee Report

Fernando Martinez explained that the finance committee met and reviewed the Statement of Expenditures and Revenues for the month ending September 30, 2015. It was M/S by Brenda Vialpando and Louise Sanchez to file the financial statements for audit. Motion carried.

6. 2014-15 Audit Report – Ron Farmer

It was M/S by Jerry Gallegos and Louise Sanchez to accept the audits as presented. Motion carried.

Engagement Letter – Fernando recommendation is to engage with Ron Farmer to do the audit for FY 2015-16. It was M/S by Louise Sanchez and Pat Stanford to accept Fernando's recommendation and authorize him to sign the engagement letter with Ron Farmer. Jerry abstained, Alonzo and Marcella opposed. Motion carried.

Fernando will investigate different options for next year and bring in bids from different Audit Firms.

7. Sandy Gutierrez – Executive Director of SyCare

Sandy has been busy the last two and a half months visiting with all the appropriate people that are involved with SyCare. She has spent a lot of time with the CPA and has contacted our legislators and encouraged them to visit the Mental Health Centers. One project she has been working on is researching the status of the application with the IRS to become a non-profit entity. After her research and not being able to prove that SyCare

is a charitable or educational entity she has recommended withdrawing the application with the IRS. Sandy is also working on rebranding SyCare and changing the logo.

8. Review of Minutes – SLV Asset Management

Fernando explained that we covered the favorable cash position. The big payouts that we were hit with were paid out of reserves. We purchased the property at 311 San Juan by obtaining a loan at the Alamosa State Bank in the amount of \$337,000 and used the duplexes as collateral. We will replace the roof and are doing some remodeling to the inside. We will move the programs that are housed at 721 3rd Street and 521 Main Street into this property.

9. Review of Minutes – SLV Community Corrections Board

Alonzo reported that the board met this afternoon and received a favorable report on the financial statements showing revenue over expenses by \$78,275.00. We received a full facility and an IRT audit. We will receive their report in 90 days and we will review it and will have the opportunity to respond. We are expecting a good report.

10. SyCare

Sandy Gutierrez covered SyCare in her presentation.

11. Class A – Back to the Future – Power Point

In response to the States ACC2.0 document, all of the CHP partners were disappointed in the direction the state is taking with the RFP for the next bid cycle for Behavioral Health Services. Fernando and Robert highlighted key slides from Arnold Salazar's Class A presentation, which outlines the States proposal to move BH services back to fee-for-service based on encounters. There are many ideas as to how to challenge the States decision but also how to move forward as an entity that can provide services in a new environment of payment.

12. CEO Report

Community Corrections – The DCJ auditors arrived at the facility on Monday to begin a full facility audit that includes Community and IRT programs. There are a total of 5 auditors that will be at the facility for the entire week. We will participate in the exit review on Friday. The facility has not had an audit of this type in 4 years and we are anxious to see how we score. The audit is intense and staff is holding up well.

The referrals continue to be steady and we have not had any community issues that have surfaced that need our attention. We are still supported by law enforcement and Parole. There is movement to shorten the length of Parole from 5 years to 2 years. The argument for such a radical change has to do with the projected savings to the state in dollars, officer time on violations, local jail time and related processing costs. The concern for community corrections is the potential dwindling of this type of referrals. It appears to have support from a very wide support group throughout the judiciary and law enforcement. We will keep you updated as information comes our way.

ICHP – The job description for the Executive Director position has finally been agreed upon and is now posted. There are some board members that want to remove VO from providing financial service and keeping it in-house. The interest is to move away from

VO and take on these tasks internally and thus give the new Executive Director more control. There is no support for this by other board members who wish to continue with the same model. The model in question is similar to what Arnold and CHP use, which has been very successful. At the end of the day there continues to be a power struggle to see who will have control over ICHP going forward.

The Department of Health Policy and Finance has developed a concept paper to help move the discussion on how to guide the Accountable Care Collaborative Phase II. This document is designed to eliminate capitation as we know it today. The model that they want to replace it with is fee for service. As you guessed the proposal is very concerning given that we have been successful in taking risk. The trend to change is very strong in the departments and now that the concept paper is out we will regroup and work to develop a response to this new system of care proposal.

The new RFP will have this payment model and many more changes that we have yet to understand. As you can imagine this creates a very big challenge for the next director of ICHP as both care coordination and behavioral health care are put into one entity.

Building purchase – We purchased the Sigmond building on October 21, 2015. We will start the repairs identified in the property inspection report and hope to have the building available to emergency services and crisis teams sometime in December. The property was purchased with a commercial loan from Alamosa State Bank and we used the duplex apartment units as collateral so that agency funds would not be needed to secure the loan. We hope to put in place an aggressive payment schedule on the loan amount of \$337,000.

2014 Audit – Ron Farmer will be presenting the audit.

Special guest- Sandy Gutierrez, Executive Director of SyCare will join us for the board meeting.

13. Executive Session

The board went into Executive Session at 8:00 pm

The board resumed its regular meeting at 8:10 pm

Richard reported that while in Executive Session Robert Pacheco was appointed the position of Chief Financial Officer.

14. Other Business

There was no other business to report.

15. Next Meeting

The next meeting will be on November 24, 2015

16. Adjournment

The meeting adjourned at 8:15 p.m.

