



BOARD OF DIRECTORS MEETING MINUTES – JUNE 29, 2021

PRESENT FROM BOARD:

Tawny Espinoza, Krista Ubersox, Jim Grisier, Dave Hayden, Randy Brown, Terry Pickens, Scott Coleman, Mike Nordine, Tamara Krizman

EXCUSED ABSENCE(S):

Justin Aubert, Stephanie Keller, Steve Ammentorp

PRESENT FROM STRIVE:

Grant Jackson, Mary Anne Lawrie, Chris Bergquist, Cassie Williams, Khristina Kukus

OVERVIEW OF MEETING
Old business consisted of the Board approving April’s minutes, March Financials and STRIVE & DD Housing’s Slate of Officers and Directors for FY2021-2022.
Grant provided State and organizational updates.
Cassie presented on the new COVID policy for In-Person Contact. The Board approved this policy. Khristina provided an overview of a new policy pertaining to Palliative Care. The Board approved Policy #11-4, Continuity of Care – Palliative Care.
The Financials were reviewed and accepted. The budget for FY2021-2022 was presented.

A quorum was achieved at 12:02 p.m. Tawny Espinoza presided

OLD BUSINESS

Since a quorum was not achieved at the May meeting the following action items need to be approved:

- April Board Minutes
- April Financial Report
- STRIVE & DD Housing’s Slate of Officers & Directors for FY21-22

It was M/S/P (Ubersox/Pickens) to approve the action items above.

PRESIDENT/CEO REPORT

COVID cases are on the rise in Mesa County along with the increase of the Delta variant locally and nationwide. The State has implemented a different set of regulations for long term care facilities and group homes. All group home staff, regardless of if vaccinated or not, will have to wear masks, etc., as it was prior to pre-vaccines. Thankfully, staff have accepted this without any uprisings. Unfortunately, some staff who have been vaccinated are contracting the virus and we are trying to figure out what the actual protocol is with them that are showing signs and their testing is coming back positive. We are in constant contact with the local and state Health Departments for clarification and how we should approach these cases along with unvaccinated staff and the length of quarantine periods. So now, we are experiencing a staffing shortage in the group homes and having to pull

Krista Ubersox 8/31/21

vocational staff to fill the open shifts. We are currently in a holding program on our day programs until we can get more staff through the door. We did offer a sign on bonus but that has not been successful as like many businesses are experiencing nationwide. One member went back to the vaccination issue and suggested to continue the communication with the local and state health departments. Secondly, were there any motivational tools implemented to staff to encourage them to get vaccinated, if not, maybe the agency should consider that. Grant reminded Board members of the Rocky Mountain Health Plan grant for staff wellness that was received and were told that this could be used as an incentive. Grant delved further into what other organizations were doing nationwide and this revealed that it was not very successful as well. We have opted to have a raffle for big items, i.e., TV, computer, gift cards, weekend getaways, etc., and will be planning to conduct that the middle of next month.

POLICIES

Tawny announced that the policies will be addressed now so that more time can be spent on the financials and the proposed budget for FY21-22.

CASE MANAGEMENT – COVID 19 POLCY FOR IN-PERSON CONTACT

Cassie informed the Board that Health Care Policy & Financing (HCPF) implemented new guidelines for in-person meetings for individuals who reside in a private residential setting. These guidelines do not apply to group homes and/or long-term care facilities. There are several things a Case Manager are required to do to conduct these meetings. They must be fully vaccinated, wear a mask as well as everyone in the meeting during the whole time, have been symptom free and/or no exposure to COVID along with limiting their contacts with individuals to three per day. Prior to these meetings, they must contact the person or guardian and review the rules of contacts whether the visit is indoors or out, maintaining social distancing and washing their hands before and after the meeting. A question arose in relation to maintaining a log of Case Management in-person contacts. Cassie confirmed that a log is kept on each Case Manager of all their symptoms, if any, and temperatures. This information is then inputted into the data base for tracking purposes and will be reviewed on a weekly basis.

POLICY #11-4 – CONTINUITY OF CARE – PALLIATIVE CARE

Khristina informed members the State did an audit in April and suggested that we need to have a policy and procedure in place for palliative care agencies to ensure that we are ensuring that they are doing the work that is needed and we are monitoring that care for the individual as well. This policy was originally for the Crisis Care Project and has been altered to fit the State requirements and guidelines. The STRIVE team will coordinate with hospice, other team members and guardians in developing a continuity of care for an individual who is admitted to and receive services from Palliative Care Services. The Standard Operating Procedure (SOP) will not only be attached to the policy along with the team member taking to the planning meeting to ensure protocols are being met.

It was M/S/P (Fitzgerald/Grisier) to approve the policies mentioned above policies.

FINANCIAL REPORT

Chris commented that he will be reviewing the financials quickly since our focus will be on the proposed budget for FY 21-22 and if there are any questions to stop him. Chris went ahead and reviewed the May report. Operational income reflects a deficit of \$12K. Adding donations back in reflects a net income loss of \$3K. Chris reminded members the State had

approved a 27% rate increase retroactive to July 1, 2020. With that, all billing had to be backed out and resubmitted at the new rate. So now we are catching up on revenue that was not recorded in the months it should have been causing a large increase in revenue from a year-to-date perspective, operating income reflects a \$204K deficit, adding donations back in reflects a net income over \$2.1 million.

Attention was turned to the financials and review of the various graphs:

- Revenue is over expectation due to the rate increases recognized in the last couple of months.
- Operating expenses are slightly under forecast
- Personnel expenses are over forecast due the addition of four house managers which was not factored into the budget. There is nothing too noteworthy besides running extremely lean. Chris did discount the forecast to capture the staffing shortage.
- Operating and net income is break even for the month.

Chris then reviewed the metric analysis:

- Total residential occupancy is at 96.1%. 3.10% over the target goal.
- Group home residential occupancy continues to be an issue with vacancies. There has not been a lot of referrals for group home placement.
- Behavior billing is greatly reduced since we are unable to bill.
- Vocational billing is down due to program closures which makes it very difficult to forecast.
- Hourly staff continues to run under target.
- Operating costs are slightly under the target amount.

The balance sheet reflects all cash metrics are up in comparison to last month and last year except for debt to equity and accounts receivable.

It was M/S/P (Grisier/Nordine) to accept the May Financial Report as presented.

PROPOSED BUDGET FOR FY 2021-2022

Major assumptions for FY2021-2022 entail:

Revenue

- A 2.5% rate decrease on all waiver services. Chris reminded the Board of the 27% rate increase that was retroactive back to July 1, 2020. This increase is not on top of that so in reality it is a 24.5% decrease from the current rate.
- Vocational revenue is very difficult to predict and is based on roster submitted. Chris reviews the roster on staff frequency and then discounts the forecast based on vacation and sick leave.
- The Mesa County allocation is projected to be the same.
- State and Family Support Services proposed amounts are budgeted and just waiting on finalization of the allocation for amounts.
- Assuming transportation to be back to some form of normalcy. Again, this is a very difficult area to predict.

Expenses:

Personnel:

- HR Manager has been hired and assumed the salary into the budget

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- Recruitment efforts for a Behavior Director continue but has been difficult based on the state credentials required for this position. The salary has also been factored into the budget.

Operating:

- These are somewhat predictable and budgeted on current run rates.

Fundraising:

- Chris projected \$177K in fundraising this year.

Taking all assumptions, this gives us a deficit budget of \$760K. Grant informed the Board that the proposed budget was reviewed by the Finance Committee. A large bulk of our loss is the group homes. Grant has had conversations with the State regarding the financial impact of the homes and the need for a rate increase. Their suggestion was to look at requesting SIS level increases for all individuals residing in this setting which we have started the process. In the event all level increase requests are approved, this would wipe out a major chunk of the deficit. The other driving factor is the staff shortages and the inability to recruit potential candidates due the current benefits people are receiving with unemployment. Until we go through these processes, we are not going to have the full picture of what our true financial situation is. With that being said, the Finance Committee was uncomfortable with the budget and moved not to approve. The next steps are to do the level increases and submit to the State for approval. This process will take around two months to collect all the data. There are other CCBs that are experiencing the same problem with their group homes due to the current rates and staffing issues. A meeting was scheduled with Gayle, Bernie and Janice Rich but canceled until we know the outcome of our request and what the agency's true financial picture is whether requests are approved and/or denied before discussions enlisting their assistance. A question arose on the number of group homes we currently have. Grant responded we operate 4 with around 25-28 individuals that reside there. We further collect all the information pertaining their needs, i.e., nursing, occupational therapies, etc. and submit to them. The State makes the determination if rate is appropriate or if the individual should be compensated at a higher rate.

Tawny commented the next steps would be to either not approve the budget for two to four months until a determination has been made by the State for a rate increase and then reapprove or completely disapprove the budget for FY21-22. This led to an in-depth discussion regarding approval to bill for some of the auxiliary services, i.e. OT/PT and dietary therapies, which we never billed which would amount to \$100K, development policies and procedures on continuing to reassess SIS levels as an individual's supports albeit residential and vocational settings, potential retroactive payments on therapies and/or risk need assessment, recommendation for Grant to keep Board members regularly updated on process, doing an interim approval of the budget with the intent of revisiting it, meeting with state and local legislators for assistance, individuals preferring a host home setting more so than group home setting, developing new programs consisting of a smaller group home structure, potential closure of homes and options available to these individuals, regional centers rates compared to provider rates, developing a process plan in approving a budget, not approving the budget from a tax standpoint. After further discussion, the Board with a 4-step process:

- Delay approval of the budget
- Continue the process with re-evaluation of increasing SIS levels

- Meet with local and state legislators
- Re-evaluate the budget in September

One member thought this laid out what needs to be done but when the conversations with the State officials occur, the message needs to be very clear and direct on getting this issue resolved and he further disagrees with approving an intermediate temporary budget based on the operating and recommends not approving the budget; which also would make a strong statement when talking with the State; and take the additional three steps along with updated progress reports. There was some confusion on the action to be taken with further discussion taking place in reference to strong conversations with state officials on rate increases, potential board participation on these conversations, timeframe on approval or disapproval of the level increases, and the appropriate wording of the motion.

It was M/S/P (Brown/Ubersox) to take the following action on the Proposed Budget for FY21-22:

- **Not to approve the budget.**
- **Grant and staff will continue with the SIS reassessments, ideally in the July timeframe, and update the Board at the August meeting or sooner, via email.**
- **Arrange meetings with local and state legislators in August and update the Board at their meeting or sooner, via email.**
- **Re-evaluate the budget in September.**

On a final note, it was suggested to “test the waters” and have the August Board meeting in-person or, if members were not comfortable, could attend by Zoom. Grant mentioned that some department meetings are now be conducted in person. It was the consensus of the Board, to schedule a “hybrid” meeting, i.e., in-person and via Zoom if needed, for the August meetings.

It was M/S/P (Ubersox/Pickens) to adjourn the meeting at 1:23 p.m.

Respectfully submitted,

MaryAnne Lawrie
Sr. Executive Assistant