



**BOARD OF DIRECTORS
MEETING
December 14, 2009**

**Health District Building
Conference Room**

MINUTES

BOARD MEMBERS PRESENT: Joe D. Hendrickson, President
Celeste Holder Kling, Vice President
Bernard J. Birnbaum, Secretary
Steven J. Thorson, Treasurer

ABSENT: Lee Thielen, PVHS Board Liaison

STAFF PRESENT: Carol Plock, Executive Director
Carrie Cortiglio, Policy Analyst
Richard Cox, Communication Director
Lorraine Haywood, Finance Director
John Newman, Clinical Services Director
Chris Sheafor, Support Services Director
Nancy Stirling, Assistant to Executive Director
Lin Wilder, CI & HP Director

CALL TO ORDER; INTRODUCTIONS; APPROVAL OF AGENDA

Vice President Celeste Kling called the meeting to order at 6:00 p.m. (President Hendrickson was delayed). Changes suggested for the meeting agenda included: moving the Reserves Plan report to the budget section of the agenda, and adding a briefing on the Beacon Community Cooperative Agreement to the Staff Reports section.

MOTION: To approve the agenda as amended.
Motion/Seconded/Carried Unanimously

PUBLIC COMMENT

None.

DISCUSSION & ACTION

Five-Year Reserves Plan

Ms. Plock distributed to the Board a "Five-Year Reserves Guide". The purpose of the guide is to project usage of reserve funds and ensure that the board-directed reserve minimum is achievable over that time period. The guide is not required by law, but is the Executive Director's tool to assure that an adequate reserve is maintained.

There was a question regarding whether there might ever be a time when we might need to consider raising the minimum level of reserves. The minimum maintained in reserves was originally meant to be used in case we need to replace, repair and/or build a new building. The amount of reserve necessary depends on the purpose of the reserves – for example, whether it is meant to be the source of total building replacement. It’s been several years since building costs and supplies were valued, or the board’s intention revisited; that issue can be considered carefully during the budget process next year.

2010 Budget Approval

The Board received a revised proposed budget for 2010. The final valuations received from the County showed a very small revenue increase of \$1,372 from the projected valuation, which has been included in the revised budget. There was a question about the expense of \$8,115 for AWP (Average Wholesale Price) software used by Prescription Assistance, which was noted because it was moved from the capital expenditures line item to the non-capital expenditure line item from reserves. The question was whether the book of AWP prices, plus updates, would suffice. The software provides average wholesale pricing of medications which are used as a base in working with pharmacies for discounts on medications the Health District vouchers. While there are other less expensive methods of obtaining pricing, the AWP program offers timely information by providing real-time access to the same up-to-date pricing used by the pharmacies (thereby eliminating differences in billing and financial staff time), and significantly reduces the time it takes Prescription Assistance and Financial staff to look up prices. During its first year of use, we discovered that we were sometimes overcharged; the program assures accurate billing.

Investment Realities

A year ago, the Board agreed to place some of its investments with CDAR – the Certificate of Deposit Account Registry service – a service that complies with the legal limits that we can invest in any one institution (and the specific institutions in which we are allowed to invest) by accepting our funds, then investing them for us in various banks. The rate for those CDs was 2.62%, and the length was for one year. The best rate we can get now with CDAR is 1%. Staff have researched other possibilities for investments, but have not been able to find other better options that meet all our legal requirements.

MOTION: To approve Resolution 2009-9 to adopt the budget.
Motion/Seconded/Carried Unanimously

MOTION: To approve Resolution 2009-10 to set mill levies.
Motion/Seconded/Carried Unanimously

MOTION: To approve Resolution 2009-11 to appropriate sums of money for the 2010 Budget.
Motion/Seconded/Carried Unanimously

The staff will fulfill the requirements for certifying the tax levies.

Intermediate Medical Leave Proposal

After researching and comparing sick/extended leave and disability leave/insurance provisions provided to employees of benchmark organizations, it became clear that all of our typical benchmark organizations provided at least partial solutions for providing paid time off for employees who experience a serious medical illness for the time period between the start of the

illness and when long-term disability would begin. The Health District has no similar benefit, and has helped employees experiencing this need in the past only by authorizing a voluntary flex time donation program. To address this gap, staff considered many different options but developed a recommended “intermediate medical leave” option for the Board’s consideration. The proposal would put the Health District neither at the top nor the bottom of benchmark organizations, but would provide a similar benefit in an area that is currently missing from our benefits package.

Ms. Plock reviewed the proposal, including eligibility, how it would work, and funding. (See “Pilot Intermediate Medical Leave Proposal” for details.) In brief, this benefit would only be available to employees who have completed at least one year’s service and who have a verifiable medical problem that would require them to be out for more than two consecutive work weeks. The employee would be required to use their accumulated flextime the first two weeks of the leave (if the employee does not have enough flextime to cover the full two weeks, leave time not covered will be unpaid leave). Thereafter, the intermediate medical leave benefit would pay 66% of the employees’ salary until the employee is no longer required to be on such leave or up to a maximum of 90 days, when long-term disability would kick in. The benefit would only be available once within a rolling 12-month period. For the year 2010, the benefit would be funded out of the premium holiday awarded in December 2009 by CEBT (the trust created by special districts to provide health insurance for their employees, in which the Health District participates). Beginning in 2011, the Health District would review the experience of the fund, and likely change its paid time off policy to reduce by one day per year the accumulation of paid time off (flextime) for each employee who has worked at the Health District for one or more years. Beginning in 2012, the Health District may need to also allocate up to \$10,000 per year from the regular operating budget, depending upon the benefit’s experience.

A question about the proposal was whether the complexity of the system would be overly burdensome for staff to administer and monitor. The staff reply was that while there will be certain added tasks in order to implement and administer the benefit, much of it is already being accomplished by meeting requirements for FMLA, including obtaining doctor information and tracking usage. Although there will be some additional tracking, it is likely to actually be less than the current donated flextime system. And the number of incidences likely to take place in any one year is fairly low.

The Board directed that three amendments be made to the proposal before it is made into formal policy: 1) Note that the Health District will pay the cost of an independent medical evaluation, if one is needed; 2) Require that the medical status of the employee be updated every 30 days; and 3) Define physician as either an MD or a DO.

The Board commented that they believed that this is an important benefit for those employees who might really need it, although the numbers will likely be small each year (last year, there might have been 6-8 employees who would have qualified, and most would have not needed the full time). Although it is a minor increase in benefits, it is also a way that we can show our employees that they are valued in a time when pay increases have been very minimal to non-existent.

MOTION: To approve the proposal of the Pilot Intermediate Medical Leave program, effective January 1, 2010.
Motion/Seconded/Carried Unanimously

Recovering Lehman Funds: Request from Boulder County

Ms. Plock received a letter from the Boulder County Treasurer's Office describing the formation of a coalition of more than 150 local government officials from around the country working together to recover money invested in highly rated Lehman securities. While the coalition has made some progress, they are seeking help in two areas: 1) to write a letter to our national delegates to encourage them to use their influence with the White House; and 2) to consider providing financial assistance to help with costs incurred by efforts to recover money lost by Lehman. Our "fair share" to support these efforts was set at \$515.90, and it would go towards helping with lobbying and letters. While we don't know if what the chance is of recovering any of the monies lost, if we were to get all or a portion of the money returned, it is a relatively small investment for a possibly significant amount of money.

MOTION: To approve the authorization to expend \$515.90 to support Boulder County Treasurer's Office efforts to recoup investment funds and to send the related letters to our legislators.
Motion/Seconded/Carried Unanimously

STAFF REPORTS

Upcoming Policy Issues

Ms. Carrie Cortiglio, Policy Analyst for the Health District, informed that there are three ballot initiatives recently certified by the Secretary of State that could be of concern. All three would make changes to the state constitution and have a direct impact on revenue the Health District receives from specific ownership and property taxes.

Proposition 101 is a measure that would change state statute. The proposition reduces the State income tax, various motor vehicle fees and taxes and eliminates virtually all state and local taxes for telecommunication with the exception of Emergency 911. It would significantly reduce state and local tax revenues.

A second initiative, Amendment 60 (formerly Initiative 12) is an add-on to TABOR and would amend the Constitution to establish new limits on property taxes. As yet, there is not information on what the fiscal impact might be from this.

The third initiative, Amendment 61 (formerly Initiative 21) concerns state and local debt limitations and forbids the state from borrowing of any kind. One intent of the writers of this initiative appears to be to prevent the State from moving funds from cash funds to general fund.

There have been some complaints that petitioners have violated the campaign practices laws and there are questions of the validity of signatures making it likely that there will be efforts to challenge these initiatives.

In regard to the Fair Campaign Practices Act, we need to carefully review again what the Health District is allowed to do. We believe that the Health District is restricted from spending any state dollars on ballot initiatives, including staff time and lobbying. If we are correct, the Board, however, can request/receive already published education materials that include pros and cons

for review and discussion and take a position on the issue which would then be posted on the Health District's web site per usual practice with policy issues.

H1N1 Mass Vaccination Clinics and other News

Thus far, the Health Department, with help from several Health District staff, has provided 7 clinics and given 11,720 vaccinations. Over 500 workers staffed the clinics – 304 of which were community volunteers, and 31 Health District employees were involved in one way or another. There is one more clinic being scheduled for January 10 with the location still being determined. While this clinic will most likely be open to all, it is difficult to determine what the demand will be from the public since it will be past the time most people are used to receiving flu shots. In the meantime, the Health Department is holding several small clinics at their facilities in Loveland and Fort Collins.

Beacon Community Cooperative Agreement Program

A federal opportunity for communities to apply for a cooperative process to accelerate health information exchange, and its use to redesign processes for health improvement, was announced just last week. There will be \$295 million available for communities to apply for; communities selected must be leaders in both technology and process redesign. The application timeline is very short and competition could be stiff, but there are several entities in both Weld and Larimer County considering whether a regional approach might be possible. The Health District has been asked to participate in discussions.

Dr. Cooper and Ms. Plock have met with interested parties to learn more about the grant opportunity and possible options. Since there are many parties involved, the Health District would not be the lead applicant, but we may be able to play a role in assisting in the facilitation of the process, and would like to pursue the possibilities; it's not yet clear whether our community has the qualifications to apply. Dr. Thorson commented that we should carefully consider the impact such implementation and changes may have on provider practices, in terms of costs to obtain and set up programs and the time spent by staff to utilize. He noted that some studies have found that electronic health records (EHR) can increase the time spent by practitioners while not necessarily saving dollars. Dr. Birnbaum noted that in his practice, one of the greatest values has been that it has improved patient safety, and that though it has been a challenge, most practitioners, once on an EHR system, would not want to go back. He noted that other studies have found that although there is a significant up-front cost, most practices find that within 2 ½ - 3 years, the system no longer costs more. Staff will do more research on this opportunity and report back at the next meeting.

DISCUSSION

APHA Learnings

Staff who attended the recent American Public Health Association annual conference briefly discussed the topics they found most valuable from the conference. Dr. Birnbaum attended a seminar that presented on saving money on prescription drugs. Efforts are being undertaken to address the issue via policy changes to: limit the access pharmacy representatives have to physician offices, license all pharmaceutical detailers, use licensure fees to regulate that portion of the industry and also develop an "academic detailing" organization.

The physicians on the board noted that more and more practices are refusing to see drug reps, that academic detailing would be very useful, and that many physicians have no idea what the cost of drugs are as they are prescribing them.

Dr. Birnbaum also noted that he attended a very informative session on early intervention in mental illness.

Ms. Lin Wilder attended three particularly useful seminars: 1) A report on the Institute of Medicine's Dental Workforce study, which included information on virtual dental homes that has already been useful in the Oral Health initiative, 2) The session mentioned by Dr. Birnbaum, on the topic of early intervention and prevention in mental illness, and people with complex situations. In this session, there is also a new IOM report stating that early identification is the wave of the future, and that mental illness needs to be considered a developmental disease that puts people at risk for other diseases. There was a remarkable model for people with complex situations (FUSE – frequent users of service enhancement) that was reporting incredible outcomes, including the reduction of ER usage by 60% when the hospital paid just \$5,000 per patient annually. 3) Obesity: both the IOM and the CDC have recently made recommendations regarding sugar sweetened beverages, and some of the biggest sources are sweetened coffees, energy drinks, and sodas – all popular with teens. It was noted that child care centers are key points for influencing beverage ingestion, and California's "Soda-Free Summer" was discussed.

UPDATES & REPORTS

3rd Quarter Program Reports & Executive Director Updates

The board noted that we are exceeding what we thought we were going to do in almost all areas (while staying within budget), remarking that it says something about the caliber of staff we have working at the Health District and the importance of finding ways to retain and recognize staff when it can't always be money. We are lucky to have the people we have and need to do what we can to keep them.

PVHS Liaison Report

Ms. Lee Thielen, Liaison to the PVHS Board, was absent, so there was no report this evening.

CONSENT AGENDA

- Approval of the October 2009 Financial Statements
- Approval of the November 5 and 17, 2009 Board Meeting Minutes
- Resolution 2009-12: Approve Signators for CD Accounts

MOTION: To approve the Consent Agenda as presented.
Motion/Seconded/Carried Unanimously

ANNOUNCEMENTS

- January 23 – Annual Health District Winter Party; details forthcoming
- January 26, 5:30 pm – Board of Directors Meeting

The meeting was adjourned at 8:00 p.m.

Respectfully submitted:

Nancy L. Stirling, Assistant Secretary

Joe D. Hendrickson, President

Celeste Holder Kling, Vice President

Bernard J. Birnbaum, Secretary

Steven J. Thorson, Treasurer

[Absent from 12/14/09 Meeting]

Lee Thielen, PVHS Board Liaison