

DEVELOPMENTAL PATHWAYS, INC.
Board of Directors Virtual Meeting Minutes
Tuesday, February 16, 2021

Members Present: Lois Vaughan, Diane Holbert, Monique Peyton, Beth Klein, Kristin Hoover, Commissioner Nancy Sharpe, Adam Horney, Lynn Myers, Dr. Michaela McDonnell, Daniel Sampson, Commissioner Abe Laydon, Tim Batz

Members Absent: Mayre Lynn Schmit, Judge Don Toussaint, JoAnne Zboyan

Others Present: Matt VanAuken, Bob Ward, Selina Griggs, Cindy Lichti, Karen Flores, Erica Kitzman, Gill Kennedy, Daniel Harcey, Charlie Villarreal, Casey Garcia, Kim Tenure, Ed Bowditch, Brenda Poage

The meeting of the Developmental Pathways, Inc. Board of Directors was called to order by the Board President, Ms. Hoover, at 5:30 p.m. Ms. Vaughan established a quorum.

Guests: None

Conflict of Interest

None.

Public Comment

None.

Consent Agenda

Approval of Regular Board Minutes – December 15, 2020

MOTION: Ms. Holbert moved for the approval of Consent Agenda items as presented; Mr. Horney seconded the motion. A unanimous voice vote approved the motion.

Executive Committee – Ms. Hoover

Legislative Update – Mr. Bowditch

Mr. Bowditch provided the following legislative update to the Board. The Colorado General Assembly convened three days in January 2021 to swear in new members and act on COVID-specific bills. The General Assembly is scheduled to reconvene on February 16, 2020 and stay in session through May 2021. The JBC (Joint Budget Committee) approved additional funding for providers' various sustainability rates, including Adult Day Care, Day Habilitation, Supported Employment, and Non-Medical Transportation. These rate increases of 27.4% are retroactive to July 2020 and are temporary for FY2021. The JBC has also approved a 2.5% increase in provider rates that will begin in FY2022. An 8% temporary rate increase for group homes and a 10% rate increase for non-residential services has been approved for one quarter.

Mr. Bowditch stated that there would be legislation in 2021 to end subminimum wage in Colorado. There will be a multi-year implementation timeline for impacted agencies. HCPF (Health Care Policy and Financing) is coordinating the introduction of a case management redesign bill in 2021. The goals are to build a conflict free case management system to serve all populations, including the IDD community, older adults, persons with physical disabilities, and persons with mental health needs. This system will go into effect on July 1, 2024.

There are two law enforcement bills being introduced. The first is the Disability Symbol Identification Document, which gives the option for a person with a disability to request that the Department of Revenue place a discreet disability identifier on the person's driver's license. The second is the Peace Officer Neurodiversity Training bill, which requires that Peace Officer Standards and Training Board report to the General Assembly by December 31, 2021, on training law enforcement officers to interact with people with intellectual and developmental disabilities. Mr. Bowditch is watching these two bills closely.

CCI (Colorado Counties, Inc.) is exploring legislation to establish an alternative response pilot program where a participating county department receives a report of mistreatment or self-neglect of an at-risk adult identified as a lower risk, as defined by rules promulgated by the Colorado Department of Human Services. Commissioner Laydon stated that it is early in the process and that the focus from a Douglas County perspective on the Human Services Steering Committee is twofold. It is a modification to the state statute around domestic violence to include the definitions including manipulation abuse as part of that domestic relations code. Commissioner Laydon spoke on the 3-digit mental health line 988, creating a local linkage between federal legislation. This is another bill important to Douglas County and relevant to Developmental Pathways on the Human Services front.

Mr. Bowditch stated that Alliance is supporting legislation to shift non-medical transportation oversight from the Public Utilities Commission to HCPF. This is intended to eliminate specific Medicaid transport requirements for IDD providers. Mr. Bowditch concluded that the Governor's Office requested a legislative change to shift the oversight of Early Intervention from the Department of Education to the Department of Human Services. Mr. Bowditch is unaware of any legislator introducing the request to legislation. Mr. Bowditch reminded the Board that his full report is available for viewing on the Board Portal.

2021 Board Retreat – Ms. Hoover

Ms. Hoover and Mr. VanAuken will create a draft agenda to be reviewed by the Board and the Developmental Pathways Executive Team. Ms. Hoover will be sending a survey to Board members regarding the upcoming Retreat and Board needs. The Board Retreat will be from 10:00 a.m. – 2:00 p.m. via Zoom. Ms. Griggs will be sending an updated calendar invite.

Conflict of Interest Statement – Ms. Flores

Ms. Flores reminded the Board that the Conflict of Interest Statement is required annually as part of the 990 tax return compliance. Board members and key staff fill out the form and are evaluated for conflicts to see if anything needs to be addressed or someone needs to be excused from business determinations. Ms. Flores informed the Board that a new question had been added to the form regarding being convicted of a criminal offense. This question is a new requirement of our Board members and Executive staff as part of the Medicaid revalidation application process to be an approved Medicaid provider. Ms. Griggs will be emailing the Board members through DocuSign and ask that everyone return the form by the end of next week.

Finance Committee – Ms. Holbert

Updated Investment Strategy Related to Risk Tolerance Survey – Ms. Holbert

Ms. Holbert reminded the Board that the Risk Tolerance Survey is posted to the Board Portal under Reference Documents for review and asked if anyone had any questions to reach out to her or Ms. Flores. Based on the results from the Survey, the following motion was made.

MOTION: Ms. Klein moved for approval to implement the updated investment strategy based on survey results; Commissioner Sharpe seconded the motion. A unanimous voice vote approved the motion.

Board Quarterly Financial Statement Review and Approval – Ms. Flores

Ms. Flores stated that Developmental Pathways has a positive bottom line of \$3.6 million. Of the \$3.6 million, \$1.9 million is unbudgeted investment earnings. Developmental Pathways continues to monitor the new rate changes within Case Management and Program Quality as they are currently running about \$200,000 negative to budget. However, there are cost savings in salaries and benefits related to open positions that were not filled. All other programs are running positive to budget due to the timing of expenditures and spending of those dollars. As a reminder, full financial statements are posted to the Board Portal for review.

Balance Sheet:	
Assets	\$35,692,082
Liabilities	\$2,452,998
Fund Balance	\$33,239,084

Statement of Operations

	Actual	Budget
Revenues	\$23,863,826	\$23,936,759
Expenses	\$(20,266,537)	\$(23,125,379)
Excess of Revenues Over Expenses	\$3,597,289	\$811,380

In accordance with SB16-38, we are required to review and approve financial statements at least once a quarter. With that said, we will not present financials at every Board meeting but rather on a quarterly basis. Financial reports are posted on the Board portal approximately one week prior to Board meetings. Ms. Flores provided a brief overview of the December 2020 YTD Financials.

MOTION: Ms. Peyton moved for the approval of the December 2020 YTD financials; Mr. Horney seconded the motion. It was approved by a unanimous voice vote.

3 Ethos – Ms. Holbert

Ms. Holbert provided information on 3 Ethos, a governance training program provided by Innovest that encourages fiduciary responsibility to tie in leadership, governance, and stewardship. This training will require a minimal time commitment from the Board and is an excellent opportunity to take advantage of additional training. Ms. Holbert will update the Board as more information becomes available.

FY22 Budget Review and Q&A Session – Ms. Flores

Ms. Flores informed the Board of the upcoming FY2022 Budget Review and Q&A Session meeting scheduled for June 8, 2021, at 10:30 a.m. The FY2022 Budgets will be available for review on the Board Portal in May. This is an optional meeting and will be held over Zoom. If you are unable to attend, please email Ms. Flores with your questions. All Q&A will be captured and shared with the Board. We will ask the Board to approve the FY2022 budget at the June Board meeting. Ms. Griggs will be sending a calendar invite with meeting details.

Nominating Committee – Mr. VanAuken and Ms. Hoover

Mr. VanAuken and Ms. Hoover thanked Ms. Myers and Ms. Zboyan for their many years of service with the Developmental Pathways Board. During their shared time on the Board, they helped navigate many challenging moments. They celebrated numerous triumphs, including transitioning to a new C-Suite team, reimagining the IDD system, assisting with corporate structure, and conflict free case management. The Board wished them well and encouraged them to join future public Board meetings and Developmental Pathways events.

Public Affairs – Ms. Kennedy

Ms. Kennedy informed the Board that the Colfax Marathon is scheduled for October 16-17, 2021. Public Affairs will be partnering with Community Engagement on planning and volunteer selection. Ms. Kennedy is working on grant research centering around the company's DEI (Diversity, Equity and Inclusion) Initiative. The Public Affairs committee met to discuss this year's Gala and is entertaining the idea of a hybrid or virtual event. Developmental Pathways continues to monitor the impact of COVID-19 on HCBS (Home & Community Based Services) providers and advocates for vaccines for the community through Alliance. Ms. Kennedy stated that Mr. VanAuken, Mr. Bowditch, and Ms. Tenure are meeting with newly elected officials to introduce them to Developmental Pathways. Mr. Kennedy informed the Board that \$5,000 from Baseline Investments was received for Early Intervention Outreach, and \$3,000 was received from The Meyer Family Foundation for Community Engagement. Ms. Kennedy concluded that in celebration of Black History Month, with the DEI Committee's assistance, Developmental Pathways is campaigning through social media, which has resulted in a 22% increase in social engagement.

New Business

Executive Team Report – Mr. VanAuken

Mr. VanAuken informed the Board that 7% of all PASAs (Program Approved Service Agencies) in Colorado have gone out of business due to COVID-19. With the new COVID-19 Cares Package of \$1.9 Trillion, \$350 Billion of that will provide relief to state and local governments. This will help with budget shortfalls. There is a separate federal Cares Package specific to long-term services and supports providers who use Medicaid dollars to increase retainer payments or provide a one-time lump sum payment. If this comes through, we will advocate for those funds to help providers maintain capacity and expand capacity once COVID-19 has passed. Mr. VanAuken let the Board know that Developmental Pathways would not be applying for the second round of the Paycheck Protection Program because it is only for employers with less than 300 employees, and Developmental Pathways does not qualify.

In partnership with Alliance, Mr. VanAuken stated that Developmental Pathways has been working with the JBC on a one-time IDD Provider Sustainability bill of \$14.5 million of reversion funds. The JBC approved the draft bill unanimously. The state came back with a new plan containing a federal match bringing \$33 million for Medicaid providers throughout the state. Those monies would increase provider rates from July 17, 2020, to June 30, 2021. Developmental Pathways will continue to advocate at the state level to ensure that any additional reversion dollars intended for IDD go to a special cash fund that can be spent for waiver services when COVID-19 is over.

Recently, Alliance launched a COVID-19 vaccine resolution campaign. Developmental Pathways has joined the movement and advocates for the importance of people in services and staff receiving the vaccine. Developmental Pathways is also advocating that individuals with IDD and support staff are included in the 1B3 rollout of the COVID-19 vaccine.

Mr. Ward provided an update on operationalizing reductions in revenue across programs due to COVID-19 and new systems. Case Management has moved to the new billing method of being paid on a per-person, per-month basis. After four months of data with the new billing method, Case Management realized they had overbudgeted expected revenues and had an issue with the projected Census count. Case Management quickly identified these issues and implemented mitigation measures to align revenue and expense with the budget while maintaining contractual compliance. A hiring freeze was implemented for new and vacant positions, which resulted in a 10% staff reduction in the Case Management and Program Quality departments that will continue through FY2021. Staffing needs will be reevaluated for FY2022.

Ms. Kitzman provided the Board with an update on succession planning. Data has been captured for Associate Director level and above and will be used to square up future business needs with next-generation talent. Data captured includes topics like strengths, challenges, and when a position may become available. Report summaries have been sent to Leadership for more in-depth succession planning meetings with their staff. Human Resources and Learning and Development are assisting in these discussions. The Executive Team will review the data captured in an extensive spreadsheet twice a year.

Ms. Lichti informed the Board that Case Management is preparing for a new care and case management data system from OCL (Office of Community Living). The projected rollout of the new system is July 1, 2021. Case Management is actively working on cleaning up the current data to transition to the new system and is working with IT to develop an internal system to align with OCL. Results from the FY2021 Case Management survey are in, and 91% of individuals in service were very/mostly satisfied with their services, 88% were very/mostly satisfied with their case managers ability to connect them to services, and 92% said their case manager listened and valued their input. Ms. Lichti concluded by stating that the Early Intervention department continues to utilize Telehealth to reach families. However, they are looking forward to meeting in person when COVID-19 restrictions are lifted.

Ms. Flores informed the Board that Eide Bailly performed the AUP (Agreed Upon Procedures) relating to the mill levy funding for FY2020. The report was finalized on January 20, 2021 and was sent to Arapahoe and Douglas County Commissioners. Developmental Pathways received a clean report, and it has been posted to the Board Portal for review.

Mr. Ward concluded by providing an update on the Community Engagement Department. The Community Engagement department was created to refine the use, disbursement, and accounting of mill levy dollars. Mr. Ward

stated that a financial analyst was hired to prepare a plan for Community Engagement. The goal is to develop further how to use local dollars in the community. Community Engagement helps with unmet needs, events, sponsorships, and grants. By the end of FY2021, there will be communication with the Board, funders, and stakeholders about the spending of future funds. Mr. Ward stated that 20 grants in the amount of \$400,000 had been awarded to PASAs and other providers such as Adams Camp, Aurora Mental Health, and WellSpring. Community Engagement has another \$200,000 slated for the remaining six months of the fiscal year to be award. Mr. Ward informed the Board that he is available for further information on Community Engagement and grant programs.

Adjournment

There being no further business to come before the Board, the meeting was adjourned at 6:41 p.m. Adjournment motioned by Ms. Holbert and seconded by Ms. Peyton. Approved unanimously.