

DEVELOPMENTAL PATHWAYS, INC.
Board of Directors Meeting Minutes
December 14, 2023

Members Present: Kristin Hoover, Rick Newell, Nancy Sharpe, Dr. Michaela McDonnell, Daniel Sampson, Jenn Conrad, Commissioner Abe Laydon, Commissioner Carrie Warren-Gully, Chris Erickson

Members Absent: Michelle Kroeger

Others Present: Matt VanAuken, Karen Flores, Erica Kitzman, Darcy Tibbles, Andrew Passmore, Maria Cordero, Marcel Sagastume, Ed Bowditch, Kim Tenure, Selina Griggs, Jessica Brendlinger, Adam Magnani, Tim Vincent

The Developmental Pathways, Inc. Board of Directors meeting was called to order by the President, Ms. Conrad at 12:02 p.m. Dr. McDonnell established a quorum.

Guests: Maureen Waller, Marsha Alston, Ksenia Popke, Chris Dillion, Maureen Welch

Conflict of Interest

None.

Public Comment

Community member Maureen Welch attended in person. Ms. Welch lives in Arapahoe County and has a child on the CES Waiver. Ms. Welch runs Navigating Disability Colorado and was excited to inform the board that Navigating Disability Colorado will be partnering with Developmental Pathways. Through a scholarship program, her company will provide two online courses assisting individuals on the waiver application process and navigation.

Consent Agenda

Approval of Regular Board Minutes – September 28, 2023

MOTION: Dr. McDonnell moved for the approval of Consent Agenda items as presented; Commissioner Warren-Gully seconded the motion. There being no discussion, it was approved by a unanimous voice vote.

Finance Committee: Ms. Sharpe / Ms. Flores

Year-End Financial Audits for Review/Approval: Ms. Popke

The Financial Statement of Developmental Pathways, Inc., was presented and reviewed by auditor Ms. Popke of Eide Bailly for the year ending June 30, 2023. Ms. Popke gave the Board an overview of the audit process and then walked the Board through the Developmental Pathways Financial Statement. The auditor communicated that the financial statement presented as having a clean opinion. A single audit was filed for Developmental Pathways due to receiving federal financial assistance of over \$750,000. The auditor communicated that the single audit presented as having a clean opinion. Ms. Popke spoke about the additional letter that was addressed to the Board from Eide Bailly affirming that Eide Bailly (auditors) are required to provide information regarding their responsibilities, what they do, and what they do not do, in accordance with general auditing standards generally accepted in the United States of America.

MOTION: Dr. McDonnell moved for the approval of the June 30, 2023, Developmental Pathways Financial Statement Audit. Commissioner Warren-Gully seconded the motion. There being no discussion, it was approved by a unanimous voice vote.

MOTION: Mr. Erickson moved for the approval of the June 30, 2023, Developmental Pathways Single Audit. Dr. McDonnell seconded the motion. There being no discussion, it was approved by a unanimous voice vote.

Board Quarterly Financial Statement Review and Approval: Ms. Sharpe

Ms. Sharpe provided the following Finance Committee update. Developmental Pathways (DP) budgeted a loss of \$3.8M with a realized loss of \$2.7M and is positive to budget by \$1.1M for the month of October. There is nothing of note to call out, and DP's financial position remains strong.

Miscellaneous income is higher than budget by \$700K due to several grants received, including Case Management retention/sign-on bonuses and Case Management Agency (CMA) transition assistance grants. Personnel expenses are \$1.5M under budget mainly due to challenges in hiring new case management staff necessary to support the new CMA contract and its expanded scope beyond just the I/DD population previously served. Lastly, investment returns are \$406K negative. This line item fluctuates monthly due to market conditions. While negative year-to-date, this is not a concern given the regular ups and downs the markets experience.

Balance Sheet

Assets	\$43,961,088
Liabilities	\$9,105,459
Equity	\$34,855,629

Statement of Activities

	Actual	Budgeted	Variance
Operating Revenue	\$18,734,491	\$17,347,560	\$1,386,931
Gains/(Losses) and Investment Return/(Loss)	\$(406,005)	-	\$(406,005)
Expenses	\$(20,993,971)	\$(21,147,296)	\$153,325
Net Income /(Loss)	\$(2,665,484)	\$(3,799,736)	\$1,134,252

In accordance with SB16-38, we are required to review and approve financial statements at least once a quarter. Financial reports are posted on the Board Portal approximately one week prior to board meetings.

MOTION: Mr. Erickson moved for the approval of the October 2023 YTD financials; Commissioner Warren-Gully seconded the motion. There being no discussion, it was approved by a unanimous voice vote.

Resolution for Signers: Ms. Flores

Ms. Flores requested an updated resolution for authorized signers to include the Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Vice President of People, Vice President of Finance, Director of Finance, and the Controller. The following motion was made.

MOTION: Dr. McDonnell moved to approve the following resolution. The Board hereby assigns the aforementioned individuals as authorized signatories on behalf of the agency; Mr. Erickson seconded the motion. There being no discussion, it was approved by a unanimous voice vote.

Executive Committee: Ms. Conrad

Committee Report Out: Ms. Conrad

Ms. Conrad informed the board that the Executive Committee last met on November 29 and discussed the following items. Mr. VanAuken provided an update on the CMA transition, and the Nominating Committee continues the process of recruiting new board members with the hope of onboarding by May 2024. Lastly, the Committee discussed updating DP's mission statement to be more inclusive to the new members DP began serving on November 1, 2023, with the new CMA contract. Ms. Conrad read the current mission statement to the board and recommended the removal of the word 'developmental' in the interim. Stating that once new board members are onboarded, the Executive Committee and DP Executives will schedule a time next fiscal year to discuss high-level policy direction and the next five years, sharing recommendations with the rest of the board.

CURRENT MISSION STATEMENT: To enrich the lives of people with developmental disabilities/delays by partnering to provide expertise, support, and advocacy in their pursuit of a meaningful life.

RECOMMENDED MISSION STATEMENT: To enrich the lives of people with disabilities/delays by partnering to provide expertise, support, and advocacy in their pursuit of a meaningful life.

After further discussion, the following motion was made.

MOTION: Commissioner Warren-Gully moved for the approval of removing the word developmental from Development Pathways' current mission statement; Dr. McDonnell seconded the motion. After further discussion, it was approved by a unanimous voice vote.

Upcoming Meeting Reminders: Ms. Conrad

Ms. Conrad reminded the board of the following meetings and asked if anyone had yet to receive a calendar invitation to inform Ms. Griggs.

Public Affairs Committee: 1.11.2024 at noon
Nominating Committee: 1.25.2024 at noon
Mill Levy/Fund Balance Committee: 2.22.2024 at noon
Executive Committee: 2.13.2024 at noon
Finance Committee: 2.29.2024 at noon
Board Meeting: 3.7.2024 at noon

Other Engagement Reminders: Ms. Conrad

Ms. Conrad thanked the board for attending the board holiday party and reminded them that if they haven't already done so, there is still time to donate to Colorado Gives Day. She also mentioned that Developmental Pathways' 60th anniversary and I/DD Awareness Day at the Capitol are coming up and that more information will be provided when available.

Nominating Committee: Mr. Newell

Mr. Newell provided the following committee update. On October 8, 2023, Ms. Lois Vaughan informed the Executive Committee that she would need to step down from the board due to scheduling issues. Ms. Vaughan served as board Vice President, bringing a measured voice as a grandparent of someone DP serves, and was always willing to step in and help when asked. DP is truly thankful for her service.

The Nominating Committee last met on October 26, 2023. The Committee continues the process of recruiting new board members with the hope of onboarding by May of 2024, if not sooner, keeping in mind the overall vision and mission of the organization. Once the Nominating Committee has better defined the needs for new board members, they will share them with the entire board in the hopes that the board will have some recommendations on suitable candidates. The committee continues its work with staff members to develop an updated board profile template and hopes to share this with the board in the first quarter of the new year. They also approved the New Info at a Glance and Board Commitment documents, which will be used for potential board members. Lastly, Mr. Newell welcomed Mr. Erickson, to the Nominating Committee.

Mr. VanAuken reminded the board that the board currently stands at ten members. DP bylaws allow anywhere between 7 and 15. Ms. Tibbles also stated that DP is sourcing recommendations through the Community Advisory Committee.

Public Affairs Committee: Mr. Newell

Mr. Newell provided the following committee update. The Public Affairs Committee last met in October. Case Management Redesign focused town halls were very successful, and DP has received positive feedback about the overall approach to communication around these system-wide changes. The Committee is also supporting DP staff with 60th Anniversary planning. The theme for this monumental year is "I AM DP," designed to capture the spirit of community, which starts with each of us. Mr. Newell asked the board to help by sharing restaurant fundraiser partnership ideas and connecting the DP teams to individuals and families whom their services have positively impacted over the years. An official calendar of events and a list of partnering restaurants will be released soon. Lastly, the Committee continues to work on overall brand management, social media, and disability system outreach.

Mill Levy/Fund Balance Committee: Comm. Laydon / Comm. Warren-Gulley

Commissioner Laydon and Warren-Gulley provided the following committee update. The committee recently augmented its work by adding quarterly county-specific meetings with Arapahoe and Douglas County staff. These have proven to be highly productive discussions resulting in recommendations to address county-level mill levy programming needs, which builds on the success of the local programming already in place. Ongoing data analysis for FY25 local programming governance is underway, and Eide Bailly is contracted to review the mill levy this month (December 2023). Mill Levy and Annual Reports are in progress for distribution by the end of February, and January touchpoints with Arapahoe and Douglas Counties are scheduled.

New Business

Legislative and Policy Updates: Mr. Bowditch / Ms. Tenure

Mr. Bowditch provided the following legislative update. The failure of Proposition HH on the November ballot led the Governor to call a special legislative session to address property taxes. Mr. Bowditch referenced the table provided in his update that summarized the issues addressed in Prop HH and the issues included in the special session. All changes enacted in the Special Session are for 2023 only. The deadlines for local government mill levy certification have been moved back; all taxing entities are determining their mill levies and budgets, given the impact of the recently passed legislation.

The Governor submitted his FY25 budget request on November 1, and the Joint Budget Committee (JBC) has been meeting to review each department's budget. The JBC review will conclude in early January, and they will move to mid-year supplemental budget modifications. FY25 will have limited budgetary flexibility; the most recent quarterly revenue estimates projected \$23M available for all new programs and program expansions.

Mr. Bowditch concluded by informing the board that there was one change to the DP delegation. Rep. Ruby Dickson of Arapahoe County announced her resignation and a vacancy committee would be selecting her replacement. Mr. Bowditch's full report can be found on the Board Portal.

Ms. Tenure provided the following policy update. Some of the state legislative items DP will focus on in 2024 are Early Intervention (EI) caseload growth, supporting across-the-board rate increases, advocating for Home and Community-Based Services (HCBS) provider rate increases, and continuing to monitor and advocate for Case Management Redesign (CMRD). Federal Legislation and issues include the ending of Public Health Emergency (PHE), Supplemental Security Income (SSI) Reform, Work Without Worry Act, and the Direct Service Provider (DSP) Standard Occupation Classification (SOC) bill. Ms. Tenure concluded with an update on DP outreach efforts. DP held a Ballot Bingo event with Arapahoe and Douglas County Elections, where over 100 attended. Leadership continues outreach efforts with DP legislators, JBC members and staff, and Office of State Planning and Budgeting (OSPB) staff during the 2024 session and connecting with new and existing advocacy partners. Ms. Tenure's full report can be found on the Board Portal.

Conflict of Interest Statement Reminder: Mr. Passmore

Mr. Passmore reminded the board that Ms. Griggs will be sending out Conflict of Interest Statements by January 15, 2023, via DocuSign to be completed by the end of February 2024.

Case Management Redesign (CMRD) Update: Ms. Kitzman

Ms. Kitzman provided the following update on Case Management Redesign. Data migration across various systems created issues with reporting errors and concerns with data validity. This was due to over-ambitious timelines and an underestimation of complexity, primarily related to the metro area Phase 1 volume of transitions. The inability to establish daily/weekly reporting integrity greatly affected DP's census counts and, by way of that, accurate member records. This, in turn, delayed the ability to automate caseload assignments and DP's ability to get in touch with members as quickly as preferred. Furthermore, DP had to divert significant internal resources toward troubleshooting data integrity issues across many systems and actively lobbied our state and agency partners for closer collaboration. While DP works to remedy these issues, we expect this to take a few months, at minimum.

DP is staffed and trained across CM teams and has effectively leveraged several supporting teams for initial caseload coverage. This has been a monumental group effort across HR, training, IT, Programs, and other teams, and DP is working hard to ensure teams feel well-equipped and supported while navigating new programmatic terrain.

Between assigned CM and supporting specialty teams, DP has worked hard to prioritize urgent needs while still connecting with new members. As DP transitioned members from other agencies, we discovered significant backlogged new member intakes and existing member Service Plans due in November and December. The good news is that many members have been patient and understanding of the transition and are most interested in knowing who their newly assigned CM is.

Members and providers felt well-informed from the town hall series and other communications, with continued confidence in our abilities to solve problems from state partners, and teams have been largely resilient and deeply committed. DP hopes that a pause with related CMRD transitions and/or contractual requirements will create much-needed bandwidth for continued settling/stabilizing post CMA transitions.

Public Health Emergency (PHE) Update: Ms. Kitzman

Ms. Kitzman provided the following PHE update. DP anticipates an increase in contact/outreach numbers. It isn't easy to estimate how many affected members there are because they must be high-risk and have not completed their renewal yet. Colorado implemented two projects in September to reduce procedural denials that impact September PHE Unwind Data. The first is a 60-calendar-day extension to complete the renewal process (through June 2024) for vulnerable populations, including long-term care (LTC) members, on waived services and buy-in recipients who have not returned their renewal packets on time during COVID unwind. The second is changing how the ex parte process occurs and the reinstatement of members who previously lost coverage, reflecting updated guidance from the Centers for Medicare & Medicaid Services (CMS). Specifically, CMS has asked states to automate eligibility renewals (ex parte) based on each individual's information instead of the household's information, a change from how it's been done in years past.

These two projects resulted in an increase in pending renewals and a decrease in procedural terminations. DP will continue its partnership with Colorado Access – both telephone and email outreach every month through Spring 2024.

Open Discussion

Mr. VanAuken suggested that the December Board meetings should be extended from 90 minutes to 120 minutes to accommodate the audit report. This will be discussed in further detail at the next Executive Committee meeting.

Executive Session

Ms. Conrad requested a motion to move the Board of Directors into Executive Session to discuss legal issues and all associated issues per section 3.9 of the Developmental Pathways Bylaws, and Colorado Revised Statute 24-6-402 (4)(f).

MOTION: Mr. Erickson moved for approval for the Board of Directors to go into Executive Session at 1:45 p.m. to discuss legal matters and all associated issues as per section 3.9 of Developmental Pathways Bylaws and Colorado Revised Statute 24-6-402 (4)(b); Dr. McDonnell seconded the motion. There being no discussion, it was approved by a unanimous voice vote.

MOTION: Mr. Erickson moved for the Board of Directors' approval to come out of Executive Session at 2:06 p.m.; Dr. McDonnell seconded the motion. There being no discussion, it was approved by a unanimous voice vote.

Adjournment

There being no further business to come before the board, the meeting adjourned at 2:07 p.m.