

BOARD MEETING MINUTES
April 12, 2017

MEMBER'S PRESENT

Nita McAuliffe
Vicki Alire
Sonya Lee
Joyce Fleming
Julie Geiser
Chris Montague
Raphael Maestas
Sally Allee
LaVerne Valdez

OTHERS PRESENT

Brooke Hayden
Anita Kinsey
Tim Johnson
Cindy Espinoza
Tyler Chacon
Heather Parga
Sarah Gallegos

I. CALL TO ORDER

The Board meeting for was called to order at 2:11 pm.

***Introduction of guests:**

No guests

II. APPROVAL OF THE MINUTES

A motion was made to approve the minutes for March 8, 2017 as is:

MOTION: Joyce SECOND: Nita

III. ADDITIONS/CHANGES TO AGENDA

None

IV. CORRESPONDENCE

None

V. COMMITTEE REPORTS

a. Finance Committee Report – Finance Report by Anita Kinsey, Finance Director

All financial reports were emailed to the Board members for review prior to today's BOD meeting. The Finance Committee met today at 1:30 p.m. to review the Financial Reports. The Finance Committee recommends the financial reports to the Board of Directors for approval.

Blue Peaks has completed 67% of the 2017 fiscal year. The Cash balance as of February 28 is \$387,181 with \$585,966 invested in CD's. Revenue is \$32,915 in excess of the expenditures, in comparison to an excess of revenue of \$14,690 at the same time in Fiscal Year 2016. We are operating in balance with the annual budgeted amounts.

The Statement of Financial Position lists accounts receivable in the amount of \$567,278 and accounts payable at \$273,087.

The Statement of Activities shows an overall decrease in revenue this year of approximately 4.4%, compared to this time in FY2016. February year to date expenditures have decreased by approximately 5% under expenditures in FY2016. A comparative analysis shows decreases in expenses this fiscal year from last fiscal year in all line items, with the exception of client compensation, equipment, client assistance, and other expenses.

Our Current Ratio has decreased from 6.68 to 1 last month, to 5.92 to 1 this month. We have 6.59 months of operating expenses in the total Fund Balance, and 4.07 months of operating expenses in the Fund Balance net of assets.

Presentation for Approval of the February 2017 Financial Statements

b. Anita presented details on agency cash flow giving details of the status of each agency cash/investment account through the current date. The revalidation of Medicaid provider numbers and the transition to the new Medicaid billing system on March 1 had a significant impact on the organization's cash flow. The cash balance in our operating account went from \$268,220 in February, to \$122,602 in March, to \$37,705 in April. We billed approximately \$285,000 for February services and have received approximately \$97,000, of which \$92,000 was received before March 1. We have approximately \$433,000 in the system for February and ½ of March, have received \$20,000 and are expecting \$160,000 Thursday, April 13. That leaves a balance of \$253,000 in unpaid claims and approximately \$225,000 in additional billings for the last ½ of March. We are also waiting on approximately \$154,000 for the payment of claims that were voided and resubmitted on March 9.

Processing of claims by Colorado Medicaid involves many issues such as length of time, denials, and system errors. Support calls typically take 2 to 8 hours of holding time before being answered without satisfactory solutions offered to issues.

In order to deal with the lack of cash flow, Board members were polled prior to today's meeting for approval of the closing of our money market account at First Southwest in the amount of \$23,500. We have also initiated the process to receive an interim payment from Medicaid. We have investments in CD's that could be redeemed before their maturity dates, but hopefully we will be able to establish a method of billing that will improve our cash flow, while Colorado Medicaid works on resolving all of the claims processing issues.

A motion was made to approve the February 2017 Financial Statements:

MOTION: Joyce SECOND: Nita

VI. OLD BUSINESS

None

VII. NEW BUSINESS

1. It was noted that **the application for designation** as a CCB (due March 31) was completed and signed by Brooke and Sally and submitted to Health Care Policy and Financing

2. Update of Department of Labor audit – the agency has not received any feedback from the audit, although it was evident that audit focus centered on contract employees.

3. Update on revalidation process, the status of claims and revenues received.

Following the Finance Committee report, Anita Kinsey reviewed the status of our cash flow as it has been impacted by the revalidation and the ongoing billing crisis. It was necessary last week, with Board

approval, to redeem a money market account of \$23,500 to deposit in the operating account as no payment of significance has been received for agency claims submitted since February 20, 2017. It is likely that revenues will be unreliable for an unknown period. Anita discussed establishing a line of credit with San Luis Valley Federal – there are two options possible should this be necessary. Brooke asked the Board to provide guidelines for the continued redemption of Certificates of Deposit as necessary to support agency expenses through the billing crisis. On March 1 Blue Peaks had four months of operating expenses net of assets in our fund balance. The Board authorized cashing in the 2 CD's that mature in May should this be necessary. The Board gave permission to cash in additional CD's as necessary in the order of their maturity through August. The Board also asked that Sally Allee, Board President and Julie Geiser, Treasurer be notified as the CD's are redeemed.

A motion was made to approve cashing in the two CD's that mature in May and additional agency CD's as necessary to stabilize cash flow. The CD's will be redeemed in the order of their maturity through August, with notification to the Board President and Board Treasurer. The status of the accounts will continue to be reported at each Board meeting.

Motion: Chris SECOND: Vicki

Chris added, and this was supported by other Board members, that he would like to see the investment accounts replenished when claims have been reimbursed.

VIII. EXECUTIVE DIRECTOR'S REPORT

X. PUBLIC COMMENT

NONE

IX. ADJOURN

The meeting adjourned at 2:43 pm.

MOTION: Julie SECOND: LaVerne

Distributed to Board:

1. Status of cash accounts/investments