

**SOUTHERN COLORADO DEVELOPMENTAL
DISABILITIES SERVICES, INC.
LAS ANIMAS COUNTY REHABILITATION
CENTER, INC.
BOARD OF DIRECTORS MEETING**

**Meeting location: 1205 Congress Drive, Trinidad, CO 81082
September 29, 2016 4:00PM**

AGENDA

- I. CALL TO ORDER**
- II. OPEN FORUM / PUBLIC COMMENT**
- III. ADDITIONS AND DELETIONS TO
THE AGENDA**
- IV. MINUTES TO THE PREVIOUS
MEETING**
- V. TREASURER'S REPORT
Review June Financials**
- VI. CORRESPONDENCE**
- VII. COMMITTEE REPORTS**
- VIII. OLD BUSINESS**
- IX. NEW BUSINESS
Board Membership**
- XI. PROGRAM PRESENTATIONS
Programs Director
Case Management**

ADJOURNMENT

Southern Colorado Developmental Disability Services and Las Animas County Rehabilitation Center

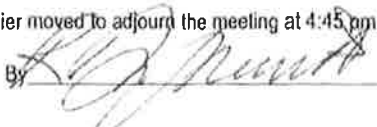
MINUTES OF BOARD OF DIRECTORS MEETING

DATE: August 25, 2016
TIME: 4:00 PM, the meeting was held in Walsenburg

PERSONS PRESENT: Board Member De Bono, Shier, Nielsen, Quintero, Spencer (via phone) and Executive Director Duane Roy along with Staff members Mary Beach, Jeremy Topping and Bernice Whalen.

ABSENT/EXCUSED: Board Member Patterson and Brown

NOT EXCUSED:

TOPIC	DISCUSSION
<u>CALL TO ORDER</u>	The meeting was called to order at 4:00 PM by Board President De Bono, the meeting was held in Walsenburg at the Administrative Building.
<u>Public Comment</u>	None
<u>ADDITIONS AND DELETIONS TO THE AGENDA</u>	None
<u>MINUTES TO THE PREVIOUS MEETING</u>	The minutes to the June 26, 2016 meetings were reviewed. Following discussion it was M/S/P by Shier and Nielson to accept the minutes. There was no Board Meeting in July.
<u>TREASURER'S REPORT</u>	Finance Director Mary Beach reviewed the finance statement for June 2016. Following discussion it was M/S/P Shier and Spencer to accept the report. Mary pointed out the loss in May and June was due to the loss of 2 individuals in the residential program. Mary talked in general terms about how this will impact the coming year's budget. See more on the status of the budget below under New Business.
<u>CORRESPONDENCE</u>	Correspondence sent to individual board members was reviewed to include information sent from PADCO regarding Foothills Gateway and Foothills Gateway's response.
<u>COMMITTEE REPORT</u>	None
<u>OLD BUSINESS</u>	None
<u>NEW BUSINESS</u>	
1. <u>Review of FY 2016-17 Funding and LACRC/SCDDS Budget</u>	The budget for FY 16-17 was reviewed and shows a potential loss of \$94,971. Mary and Duane explained the loss and pointed out that 2 individuals have left the residential program in the past two months. Replacement revenue is not included at this point. Duane feels that there will be new enrollees and that the loss will be less than forecasted. Duane gave an update on the State budget. This is the first time in many years that there has been no rate increase in Medicaid or State Funds. The State Budget projections for FY 17-18 at this point are not promising.
Program Reports	
1. Directors	Duane discussed the final report on CFCM along with an overview of SB 38 and transparency. Requirements of SB 38 include, SCDDS will need to post agenda's, financial statements, board meeting minutes and IRS 990's. SCDDS currently has provisions for public comment and is setting up e-mail and voice mail capabilities for all Board Members. On CFCM, there will be a total separation from CM and service provision. As part of the transition new enrollees after July 1, 2017 will need CM from agencies that do not provide direct service. The transition timeline appears to be 3 years at present. Duane also reported on the new "settings rule" that will impact future service models as we transition to the future. Duane reported on staff changes, Residential Director CR has resigned and JT is taking over all of adult services and will provide some oversight with Walsenburg.
2. Case Management	None
3. Adult Services -	None
4. EBD	None
Adjournment	Board Member Shier moved to adjourn the meeting at 4:45 pm.
	Minutes Approved By  Date 8/26/16

SCDDS
Income Statement SubType
(Single Period)
For the period of 7/1/2016 through 7/31/2016

Revenues

Part C Income	\$109.20	0.0 %
SLS Revenue - Medicaid	40,498.84	12.8
CES Direct Service-Medicaid	2,783.80	0.9
SLS Revenue - State Fund	9,520.09	3.0
Early Intervention Program Revenue	2,537.00	0.8
Family Support Program Revenue	2,878.35	0.9
Comprehensive - Medicaid	210,728.42	66.7
Behavioral/Mental Health	15,612.44	4.9
Case Management	31,500.73	10.0
Net Revenues	\$316,168.87	100.0 %

Program Expenses

Staff Salaries	\$20,739.08	6.6 %
Payroll Taxes - FICA	1,487.15	0.5
Payroll Taxes - Unemp	33.73	0.0
Payroll Taxes - WC	159.34	0.1
Payroll Deductions - Health Ins	1,338.79	0.4
Payroll Deductions - 401(k)	472.59	0.1
Program Supply	68.35	0.0
Telephone	385.52	0.1
Postage	5.20	0.0
Mileage Reimbursement	138.05	0.0
Office Equipment Lease	55.44	0.0
General Insurance	461.43	0.1
Depreciation	184.78	0.1
Utilities	254.15	0.1
Building Maintenance	20.74	0.0
Gas & Oil - Auto	33.68	0.0
Family Reimbursement-FSSP	1,374.00	0.4
Therapy	530.00	0.2
Therapy	1,460.00	0.5
SLS EXPENSE: MEDICAID	40,498.84	12.8
SLS EXPENSE: STATE	8,066.06	2.6
Comprehensive	226,340.86	71.6
Total Program Expenses	\$304,107.78	96.2 %

General & Administrative Expenses

Telephone	\$101.07	0.0 %
Dues & Publications	1,761.98	0.6
Advertising & PR	182.50	0.1
Payroll Processing Expense	2,053.54	0.6
General Insurance	278.82	0.1
Depreciation	42.62	0.0
Utilities	28.24	0.0
Building Maintenance	2.31	0.0
Total General & Administrative Expenses	\$4,451.08	1.4 %

Total Expenses

\$308,558.86 **97.6 %**

Income (Loss) from Operations

\$7,610.01 **2.4 %**

Other Income (Expense)

Mutual Funds - Unrealized Gain or Loss	\$2,118.58	0.7 %
Payroll Taxes - FICA	(0.01)	0.0
Suspense	0.01	0.0
Total Other Income (Expense)	\$2,118.58	.0 %

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SCDDS
Income Statement SubType
(Single Period)
For the period of 7/1/2016 through 7/31/2016

Net Income (Loss)

<u>\$9,728.59</u>	<u>3.1 %</u>
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Las Animas County Rehabilitation Center
Income Statement SubType
(Single Period)
For the period of 7/1/2016 through 7/31/2016

Revenues

Food Stamps	\$1,249.00	0.3 %
SPCC - Grant Revenue	2,375.00	0.7
Administrative Management	1,209.56	0.3
Rental Property Income	615.00	0.2
SLS Revenue - Medicaid	40,498.84	11.1
SLS Revenue - State Fund	8,066.06	2.2
EBD Direct Service-Personal Care	36,865.64	10.1
EBD Adult Day	6,043.76	1.7
Comprehensive - Medicaid	226,340.86	62.0
Non-Emergency Medical Transp	4,170.31	1.1
Comprehensive R & B	25,522.71	7.0
Client production revenue	2,274.32	0.6
SPCC - Program Revenue	9,615.97	2.6
Net Revenues	\$364,847.03	100.0 %

Program Expenses

Medical Supply - Res - TRI	\$159.27	0.0 %
EBD Program Expenses	2,737.11	0.8
SPCC Program Expenses	2,481.20	0.7
Staff Salaries	174,617.35	47.9
EBD Salaries & Benefits	43,421.22	11.9
SPCC Salaries & Benefits	8,950.26	2.5
Client Wages	864.32	0.2
Payroll Taxes - FICA	12,749.58	3.5
Payroll Taxes - Unemp	1,739.03	0.5
Payroll Taxes - WC	14,341.10	3.9
Health Ins - Company Portion	11,962.97	3.3
Retirement Benefit - Company Portio	2,865.43	0.8
Other Benefits - Company Portion	18.00	0.0
Residential Provider	12,580.41	3.4
Program Supply	1,995.05	0.5
Office Supply	311.30	0.1
Custodial Supplies	1,505.72	0.4
Telephone	2,649.01	0.7
Postage	450.00	0.1
Maintenance - Equipment	91.77	0.0
Maintenance - Computers	1,216.27	0.3
Advertising & PR	443.37	0.1
Staff Development	368.31	0.1
Mileage Reimbursement	580.64	0.2
Travel Allowance	51.25	0.0
Food	8,292.98	2.3
Recreation	606.08	0.2
License & Fees	78.45	0.0
Payroll Processing Expense	4,482.64	1.2
Office Equipment Lease	448.30	0.1
General Insurance	4,638.22	1.3
Retirement Plan Maintenance	420.00	0.1
Unemployment Services Expense	180.37	0.0
Board Expense	80.07	0.0
Depreciation	9,839.95	2.7
Utilities	5,646.86	1.5
Rent	397.91	0.1
Cable TV & Internet Service	461.03	0.1
Building Maintenance	602.50	0.2
Gas & Oil - Auto	3,348.96	0.9

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Las Animas County Rehabilitation Center
Income Statement SubType
(Single Period)
For the period of 7/1/2016 through 7/31/2016

Vehicle Repair & Maintenance	284.03	0.1
Client Transportation	1,881.00	0.5
Assistive Tech/Home Mod	330.00	0.1
Vision Care	292.00	0.1
Behavioral / Mental Health	11,235.00	3.1
Pharmacy	656.61	0.2
Tenant Rent Contributions	7,035.00	1.9
Personal Needs	5,062.71	1.4
Total Program Expenses	\$365,450.61	100.2 %
<u>General & Administrative Expenses</u>		
Staff Salaries	\$8,586.67	2.4 %
Payroll Taxes - FICA	620.00	0.2
Payroll Taxes - Unemp	45.86	0.0
Unallocated W/C Expense	107.83	0.0
Health Ins - Company Portion	394.57	0.1
Retirement Bene - Company Portion	412.22	0.1
Program Supply	13.97	0.0
Office Supplies	445.07	0.1
Custodial Supplies	30.39	0.0
Telephone	320.69	0.1
Postage	50.00	0.0
Maintenance - Computers	1,469.08	0.4
Advertising & PR	282.50	0.1
Staff Development	40.92	0.0
Mileage Reimbursement	110.00	0.0
Travel Allowance	250.00	0.1
Food	39.84	0.0
License & Fees	101.75	0.0
Legal-Admin	300.00	0.1
Office Equipment Lease	49.81	0.0
General Insurance	672.12	0.2
Audit & Accounting	2,500.00	0.7
Depreciation	1,322.55	0.4
Utilities	481.42	0.1
Cable TV & Internet Service	14.98	0.0
Building Maintenance	582.23	0.2
Gas & Oil - Auto	122.36	0.0
Total General & Administrative Expenses	\$19,366.83	5.3 %
Total Expenses	\$384,817.44	105.5 %
Income (Loss) from Operations	\$(19,970.41)	(5.5%)
<u>Other Income (Expense)</u>		
Mutual Funds	\$11,488.65	3.1 %
Total Other Income (Expense)	\$11,488.65	.0 %
Net Income (Loss)	\$(8,481.76)	(2.3)%



Home and Community Based Services Settings Final Rule

A Fact Sheet for Individuals, Families, and Advocates

Your Life and Your Services

Colorado Medicaid pays for services and supports to help you live in the community. These services may be provided in your home, workplace, or day program setting. New federal rules related to Home and Community Based Services Settings have been created to ensure you receive the best services possible, with the following characteristics.

- ▶ You select the type of service and location.
- ▶ You decide if you want a roommate or not, and if so, who your roommate will be.
- ▶ You choose the activities you would like to participate in, such as going to church, seeing a movie, or going to the store.
- ▶ You have the opportunity to work in the community with other people who have disabilities, and those who do not.
- ▶ You are able to save and spend your money as you want.



Main Components of This Rule

Settings Requirements

The new Home and Community Based Services (HCBS) settings requirements ensure that you have the opportunity to be fully integrated into your community. Your HCBS setting should have the following characteristics:

- ▶ **Integration:** Where you receive services must provide full access for you to be integrated into your community.
- ▶ **Choice:** You may live where and with whom you would like to live.
- ▶ **Rights:** You have the right to privacy, dignity, respect, and freedom from coercion and restraint.
- ▶ **Independence:** Your service provider must support your choices, and help you make decisions regarding the services you receive, as well as your day to day activities.

Our mission is to improve health care access and outcomes for the people we serve while demonstrating sound stewardship of financial resources.



Person-Centeredness

Person-Centeredness requires that you have the choice to identify areas your service plan should address.

- ▶ Your service plan meeting should:
 - Be led by you and include people you wish to participate in the process.
 - Be timely and occur at a time and location that works for you.
- ▶ Your service plan should:
 - Use language you understand.
 - Include strategies for solving disagreements.
 - Offer choices about the services and supports you receive.
 - Include contact information to update your plan, or for general questions.

The table below provides a summary of characteristics of homes and workplaces or day programs that follow the new rule.

Characteristics of the Home	Characteristics of the workplace/day program
<ul style="list-style-type: none"> • It’s part of the community. • You may be active in the community. • You may go into the community when you want. • You may choose your roommates. • You may decorate how you choose. • You have legal protections and rights. • You may access all shared living space in the home. • You have privacy. • You may have visitors when you want. • You decide your schedule. • You may eat when you want. • You may spend your money how you want. 	<ul style="list-style-type: none"> • It’s part of the community. • You choose if you want to work and where. • You have input on hours and schedules. • You may choose to volunteer. • You receive supports to work or volunteer. • You may interact with people with and without disabilities.

Questions or concerns?

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Our mission is to improve health care access and outcomes for the people we serve while demonstrating sound stewardship of financial resources.
www.colorado.gov/hcpf

August 2015



NEWS COLORADO NEWS

Report details abuse at Pueblo center for disabled, staff blames "paranormal activity"

Feds say state oversight lacking, place moratorium on new residents

By **CHRISTOPHER N. OSHER** | cosher@denverpost.com and **JENNIFER BROWN** | jbrown@denverpost.com
PUBLISHED: September 27, 2016 at 10:37 am | UPDATED: September 28, 2016 at 1:21 pm

Abuses at a Pueblo center for people with severe intellectual disabilities included a resident performing a sexual act in exchange for a soda and another burned with a blow dryer in an attempt to raise her body temperature, according to a federal report obtained by The Denver Post.

A group of men, some who are nonverbal, had words scratched into their skin, including "die," "kill," and "I'm back," federal investigators found. When questioned, three staffers said they believed the markings were the result of "paranormal activity." Staffers had posted photos of the etchings on social media, the report said.

The incidences of abuse at the Pueblo Regional Center — one of three centers in Colorado that are home to adults with developmental, physical and intellectual disabilities — occurred before November 2015. Yet federal investigators who visited the home in April found safety protocols still lacking. They notified Colorado Medicaid officials in an August letter that they were enacting a moratorium on new residents at the center and that Colorado must repay millions of dollars in Medicaid funding.

"These are some of our most vulnerable people in Colorado," said Stephanie Garcia, executive director of The Arc in Pueblo, a nonprofit advocacy group for people with developmental disabilities. "To read some of the things going on, it's shocking.

"It's much worse than we thought. It seems like every system of oversight failed. We should have checks and balances in place," she said.

This week, the Colorado Department of Health Care Policy and Financing, which manages the federal and state Medicaid dollars that support the Pueblo center, asked federal officials to reconsider the cash penalties and said the state already has fixed most of the issues identified in the required corrective action plan. The state health department is the fiscal agent for the regional centers and is in charge of ensuring the state human services department properly manages the daily operations at the centers.

In the last 18 months, state officials conducted "intense retraining" of staff, have visited the Pueblo center 13 times and began scrutinizing its reporting of critical incidents almost daily, the state's health care policy and financing executive director, Susan Birch, said Tuesday.

Federal officials blasted state oversight, saying state Medicaid officials did not properly investigate despite "numerous severe incidents reported," and that the Pueblo center "has a history of not properly reporting or responding to incidents." The state did not "identify the trends, problematic practices or provide follow-up for the incidents," the report said.

Birch said the staff in her department "is only as good as the information that they have to work with," adding that critical information was not reported by the Pueblo center to the state or the local community-centered board.

"We absolutely own that there was a systems problem," she said. "Had our staff known, I fully expect they would have acted appropriately and much more quickly."

In April 2015, state human services officials conducted "body audits" on 62 residents of the Pueblo center after abuse allegations. The audits were done without consent or knowledge of the guardians, prompting a backlash from legislators, who wrote a letter to Gov. John Hickenlooper calling for a change in leadership at the state's human services department. The state health department determined the body checks were a violation of residents' rights.

Pueblo County sheriff's officials also investigated at least "19 complaints of abuse, maltreatment and unlawful sexual contact," according to the federal report. In some instances, the sheriff's office substantiated abuse that the center did not, including the allegation of sexual abuse. In at least one case, criminal charges were filed after allegations of physical assault. The director of the center resigned in May 2015, saying the reports of abuse were unfounded. Eight employees resigned or were terminated, and another eight were disciplined.

After those strip searches of residents, the federal Centers for Medicare and Medicaid Services began a review of the alleged abuse. The federal investigation included a four-day visit to Pueblo five months ago. Among the issues discovered during that April visit: improper use of physical restraints that "could have resulted in serious injury," and bruising and rug burns on a resident.

Federal officials determined that numerous incidents "that gave rise to the body audits" were substantiated and "clearly posed a risk to the health and safety" of residents. Also, their on-site review "revealed that a number of serious incidents have continued to occur."

The federal report provides new details on the abuse, including that three residents had died, two from bowel obstructions and one who collapsed and was not given life-saving care because a staffer mistakenly thought there was a "do-not-resuscitate" order. A staff resident locked a resident outside in the cold for two hours as punishment, and in another case, a staffer assaulted multiple "vulnerable" individuals by hitting their legs and arms, covering one person's head with a blanket and threatening to "slash the throat" of another. Criminal charges were filed against that staff member. In another incident, an intoxicated staff member drove a resident to a doctor's appointment, the federal report says.

State human services director Reggie Bicha said he was dismayed that the report came out a year and a half after the abuse incidents and did not make clear the human services department "uncovered it and exposed it and held folks accountable." A deputy at the department learned of the scratched words on residents' bodies in February 2015, three months after that incident occurred. An internal investigation that lasted six weeks found that Pueblo center leaders had not fully reported that incident and others to law enforcement or the state, Bicha said.

"We have been making dramatic changes in policy and oversight and our work continues," he said, adding that he plans to increase staff at the Pueblo center by 20 people, from 195 to 215. Bicha also wants to increase salaries and improve recruitment to improve staff turnover rates. Since the incidents, five out of six leadership positions in Pueblo have changed.

The majority of the staff at the center is compassionate and committed, but a year-long period of bad leadership led to a culture of fear and retaliation at the center, he said.

Sen. Kent Lambert, a Colorado Springs Republican and a member of the legislature's joint budget committee, said he was particularly concerned about the communication issues, beginning at the Pueblo center and reaching the state department of health care policy and financing.

"There are some very, very serious communication concerns all the way down the line on that issue," he said. "We see a lot of finger-pointing here, and that's not necessarily helpful."

The federal report adds that 90 percent of the Pueblo center's residents are prescribed psychotropic medications, but the center has failed to ensure residents and their guardians received sufficient information necessary for informed consent to take the medications. In addition, the use of those medications was not properly monitored, the report found.

State Rep. Dave Young, a Greeley Democrat and also a member of the joint budget committee, has a sister who lives at the center in Pueblo. He said he's concerned because the federal report shows the state still hasn't fixed staffing issues that legislators raised concerns about a year ago.

For his sister, the lack of oversight of her psychotropic medications could prove fatal since she recently had a liver transplant, Young said. He added that expecting those living at the center to find adequate care in community residential settings won't work for everyone. His sister struggled with 20 residential placements in one year before finally getting into the Pueblo center.

"When we have dramatic changes in services to such a vulnerable population, gaps in service can have massive impact on their safety," Young said. "They have the potential to become life or death situations for these people."

Officials with the Centers for Medicare and Medicaid Services said the state must return Medicaid funds paid to house the disabled at the center from November 2014 through November 2015.

The extent of the financial penalty is still under negotiation. A previous audit found that the center spent about \$7.8 million in Medicaid funds in state fiscal year 2013. About 60 people with intellectual and developmental disabilities live at the center.

As a result of the new transparency rules I would like to have program staff give verbal reports to the Board at the regular monthly meetings. Since we meet in both Trinidad and Walsenburg I can have Trinidad staff report when meeting is in Trinidad and Walsenburg staff on the alternating months. Mary will need to attend all meeting when possible and Penny will take minutes. For the immediate future I would like for you to give a verbal report at each meeting highlighting the following:

1. Number of people served in the various programs, highlight how changes impact your area. I can have Chere/Penny pull the numbers if needed.
2. Upcoming changes to programs because of state rule change or best practice
3. Staffing status for employees
4. Upcoming training opportunities for your staff and or trainings that board members can benefit from.
5. Specific program needs along with projected plan to meet the identified needs
6. Program successes
7. Open discussion to advance knowledge/awareness of what your program does.

The minutes will then summarize your verbal report so we will not have to publish monthly reports. The goal is to enhance the board's knowledge base of your particular program area and of your need.