**Columbia County Community Healthcare Consortium, Inc.**

**Executive Committee**

**Notes from the meeting of July 1, 2020**

*Note: This meeting was held virtually on the Zoom web platform.*

**Attending Committee Members:** Robin Andrews,Art Proper, Chelly Hegan, Jack Mabb

**Staff Members:** Claire Parde, Lisa Thomas, Ashling Kelly

*Committee member Linda Tripp was excused*

**Call to Order:** *The meeting was called to order at 9:05 a.m.*

**Tobacco-Free Action Program Update**

Claire reported that the Bureau of Tobacco Control contract is in arrears, more so than any other contract; there has been no reimbursement for vouchers since January. July 1st is the start of the second year of a five-year contract; however, we have not been invited to submit a budget or work plan for it as yet. We have been advised that there will be a cut in some amount, so we are tentatively planning a 20/21 budget with a 20% reduction in the funding amount.

In March, the Consortium submitted a budget modification request to increase the Youth Engagement Coordinator’s salary and backdate that increase to July 1, 2019, the start of the contract year. The budget modification for $5500 was approved and the salary adjustment was made in one lump sum in March and reflected in our March voucher. The Fiscal Department in the Division of Chronic Disease Prevention then rejected the expense and issued a “stop the clock” on the voucher, which effectively holds payment on the voucher, without interest. John Ray had been working with the contract manager to try to resolve the issue with the Fiscal Department without success; in early June, he referred the matter to Claire. She has responded to numerous inquiries and provided additional supporting documentation but has not, in turn, received any response to her inquiry about why the expense has been rejected and what the appeals process is. After multiple attempts to get that information, Claire contacted Assemblymember Didi Barrett’s Office; although she hasn’t sought that help at any other time in her tenure as Executive Director, she felt, in this case, that it was warranted. Assemblymember Barrett’s Office has, in turn, brought it to the attention of the Governor’s office; meanwhile, Claire continues to work on it. The Bureau of Tobacco Control is aware of the situation and takes issue with the Fiscal Department’s decision. The contract manager agrees with Claire that rejecting the expense was wrong, and thinks there may be a resolution in the Consortium’s favor soon.

There was some discussion as to whether the time and effort staff is expending is worth the amount of payment rejected, and that at some point the agency may want to stop fighting. Claire assured the Committee that the staff time has not yet matched the contested expenditure. The agency has never had a similar situation with a contract before--the agency prides itself on producing clean vouchers—and this is a fight that feels worth fighting. However, the point was taken and going forward, Claire will periodically reevaluate whether she should continue her efforts.

Claire updated the committee on the Tobacco Program’s staffing. Not knowing how much of a budget reduction to expect, along with the current rejected expense, has eroded the agency’s trust. Claire has had to make staffing decisions based on anticipation of a 20% budget reduction. Youth Engagement Coordinator Maddy Ping had submitted her resignation, effective July 17th; the decision was made to lay her off on June 30th. We have contractual obligations, but were able to negotiate and get approval to reduce Karen dePeyster, Program Director, and Kristy Tillman, Community Engagement Coordinator, to .7 FTE. Karen had been considering reducing her hours; she may choose to remain at .7 or go down to .6. These changes have been reported to the Bureau of Tobacco Control to demonstrate that the delays in contracting and payment jeopardize the Tobacco Control network.

**Paycheck Protection Program Update**

Claire updated the committee on legislative changes to the Paycheck Protection Program (PPP). These changes include an extension of the loan period from 8 weeks to 24, and a reduction of the amount that must be expended on salaries, from 75% to 60%. We will be able to fully expense the monies in the 24-week period, and should be able to increase the forgivable amount of the loan from 64% to 82%. There will not be 100% forgiveness; this should be considered a low-interest loan.

There is potential trouble in the relationship between State contracts and PPP funds; some contract managers are asking contractors how much money they received from the PPP and counseling contractors to remove personnel expenses from contract budgets and vouchers. It would seem that the State is viewing the PPP as a way to offset losses and reduce their contractual obligations. Claire emphasized that the agency has no intention of “double dipping”; however, she does not feel it is appropriate for the State to determine that PPP funds must be used to pay for contractual staff. We are continuing to include personnel expenses in vouchers; if necessary this can be adjusted later. Claire advised the committee that this is a developing situation, with complicating factors of contract terms that have ended and personnel expenses that have already been submitted and reimbursed. Claire hopes to have updates after an upcoming RHN Directors meeting.

**Board Review Update**

The Governance committee is responsible for the Board assessment; the committee meets on July 22nd and will assess the current tool and determine if changes are needed.

**Discussion**

The group discussed whether to resume in-person committee meetings if social distancing can be maintained. Most agreed that hybrid meetings, with some members physically present and others attending virtually, are the most difficult to hold successfully. While many miss the in-person interactions, it is important to consider that not all Board members are comfortable coming into the building if it isn’t necessary, particularly given the recent COVID-19 positive case in the building. It was noted that virtual meetings can make attendance easier for some Board members, for whom travel time and mileage expense have to be considered when attending in-person meetings. It was also pointed out that virtual meetings can allow greater inclusion. A group member expressed that, while virtual meetings have negative points, this is the “new normal” for some time to come. The group agreed to continue utilizing virtual meetings at this time.

Claire talked about her recently submitted *For Your Health* column, which was printed in the Register Star and offered an employer’s perspective on returning to work. She commented that risk mitigation is important but different than risk tolerance, and it’s important to be wary of making employment decisions regarding COVID-19 and return-to-work based on one’s own feelings. She agreed to send the column out to the committee members following the meeting.

Claire shared that the Transportation Program Coordinator has been asked to come back, having been laid off when the Governor announced the 100% workplace staffing reduction; we are waiting confirmation of her return in writing. Claire also mentioned that the agency has the option to use PPP funds for bonuses for staff whose performance was exemplary, e.g., the drivers who continued to work through the shutdown. The Committee indicated its clear support for expensing some of the PPP funds in this way

**The meeting was adjourned at 10:12 a.m.**

**Next meeting is September 2nd at 9:00 a.m.**

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**Executive Director’s Report to the Executive Committee**

**July 1, 2020**

**The Return to Working in the Office**

The return to working in the office has gone, in my view, exceedingly well. The management team returned to the office on Monday, June 8th, and spent the next week “testing” our procedures and making ready the space, including moving furniture, posting signs, dispensing hand hygiene and cleaning supplies, etc. The following Monday, June 15th, the first wave of frontline staff returned, as did members of the general public; we had an in-person appointment that very first day. While it’s clear that there was some trepidation on the part of staff, everyone seemed fairly quick to settle in and achieve a measure of comfort and calm. At this point, everyone except a few people are working both from home and in the office on an alternating schedule; I imagine this will continue for many, many months more. We do continue to accommodate a few staff who are still intent on working entirely from home; this is reevaluated on a biweekly basis.

**Current Program Updates**

**CARTS**

CARTS continues to provide fewer transports to fewer people, though more recently we are beginning to see a bit of a rebound. The following charts depict the trends:

Our year-over-year losses in Medicaid revenue for the period between 3/16 and 6/26 are currently estimated at $38,408 (that is, the sum of our variances for the same time frame last year). We had some good weeks in the first quarter that help offset that a bit, but we’re still about $36,690K behind our earned income from Medicaid at this time last year.

On the expense side, our vehicle fuel costs, drivers’ wages, and program management staff wages are somewhat reduced—about $14K less than at this time last year--which helps to offset the revenue loss. A $15,000 grant from the Berkshire-Taconic Foundation that we received has been helpful. Additionally, we received an unsolicited donation in the amount of $5,488 from the Triskeles Foundation to support Transportation as well.

**RHN**

By way of reminder, the State Budget passed on April 3rd provided a significant cut to the RHN program, which we estimate is between 20 and 30%; there has been no confirmation from the State Office of Rural Health at NYSDOH of the amount of the cut nor guidance about how we must modify our current program year budget (that is, Jan-Dec 2020). Our 1st quarter voucher in the amount of $40,073.46 for the period starting January 1, 2020 and ending March 31, 2020 is pending reimbursement in the amount of $35,625, a difference of $4,448.46 or 11.1%. After inquiring about this discrepancy, we learned that the amount actually reimbursed are funds from SFY19/20; the balance of the funds not reimbursed at this time are from SFY20/21. While we do anticipate that the voucher will ultimately be reimbursed in full, we are unclear as to when. In the meantime, we anticipate a 20% cut to all our state contracts and this, presumably, would be in addition to the 20%+ already incurred.

**Tobacco-Free Action**

The last Tobacco Program voucher to be reimbursed was for the month of January 2020. Vouchers for February through May have been submitted but have not, and likely will not, be reimbursed for the foreseeable future. Moreover, the start date for the next contract period is July 1, 2020, but we have not been invited to submit a budget or work plan as yet. We have, however, been asked to plan for a reduction of some amount, estimated at 20%.

In addition to the delays in payment to which all contractors are currently being subjected, we are also engaged in a significant dispute regarding our March voucher. After receiving approval for a budget modification request that detailed a particular expense, we incurred the expense of approximately $5,500 and then included it on our March voucher. The Fiscal Management Unit at the Division of Chronic Disease then rejected the expense and we have been engaged in a battle ever since. I personally took up the fight, which was previously being waged by John Ray, about a month ago and have been pursuing it ever since. This has included enlisting the help of Assemblymenber Didi Barrett’s Office, who in turn referred me to the Governor’s Office. The money is not an insignificant amount for us, nor is the principle, so we will keep after it.

All of these factors—delayed payments, pending cuts in unknown amounts, and voucher disputes—have made me extremely wary of the State’s actions with respect to this contract. Consequently, I decided to reduce expenses in the new contract period by reducing staff. Maddy Ping, the Youth Engagement Coordinator, intended to resign on July 17th to attend law school, so we hastened her departure by making her last day of work June 30th instead. Remaining staff members Karen dePeyster and Kristy Tillman will be reduced to 25 hours per week effective July 1st. It is felt that these actions will have the dual effect of reducing contractual expenses during this period of uncertainty as well as sending a clear signal to the state that they cannot abuse their vendors indefinitely. My hope, of course, is to restore Kristy Tillman to full-time status at the earliest opportunity; we expect that, with reduced contract funding, Karen dePeyster will remain at reduced time indefinitely (which happily coincides with her wishes).

**Navigator**

It could generally be said that the Navigator Program contract is in better shape than the rest. We received March’s Navigator payment and April’s voucher is approved and waiting payment on the SFS website. As with all state contracts, we anticipate a cut in some amount (~20%) but that has not been confirmed or even discussed. However, the next contract period begins August 1, 2020, so we imagine it will be a topic of conversation going forward.

**NYConnects**

We have just been invited by the Columbia County Office for the Aging to submit a subcontractor budget for the next contract period for NYConnects of 4-1-2020 to 3-31-21, in the amount of $147,900. Happily, this is the same amount as in the prior contract year.

**ICAN**

Although we do not have a contract for the new term beginning May 1, 2020, the Healthy Capital District Initiative has reimbursed us for our May voucher, suggesting that we may continue to incur expenses on this contract. Nevertheless, we are proceeding with caution.

**Helpers for Health**

As previously reported, the Helpers for Health Project is in large part suspended, since much of the activity focused on outreach and public education. Additionally, as this project is funded from the General Operating Support grant provided by the Dyson Foundation, we have made an effort to reduce project costs in order to preserve those discretionary dollars for other purposes should that become needed.

**Other reductions**

The County informed us that its budget allocation to the Consortium would be reduced by 20%. The reduction amounted to roughly $5,200. We received the balance, or $20,800, last week. We are exceedingly grateful that the County has maintained this level of support and also extended it in a timely way.

**Paycheck Protection Program**

Despite all the reductions in revenue, our cash position remains very strong ($306K in the operating accounting with another $56K in the payroll account), in no small part due to funds from the Paycheck Protection Program (as you will recall, we received funds in the amount of $197,400 on May 8th). Since that time, additional legislation has made key changes to the PPP, of which the most significant are an extension of the term from 8 to 24 weeks and a reduction in the portion that must be expended on wages from 75% to 60%. By running out the 24 week period, we can fully expense the funds and increase the portion that is forgivable from roughly 62 to 84 percent.

Meanwhile, the State is taking an “interesting” approach to the PPP loans held by its contractors—which is to say, it is trying to make a grab at the money in not-for-profit pots! Some guidance about “double-dipping” was circulated several weeks ago; more recently, the State is asking contractors to divulge the amount of the PPP funds received and is even instructing them to modify their contract budgets to reflect those amounts. In general, it is felt that the State is making an effort to commandeer federal funds that were loaned/granted to not-for-profit NYS vendors. On the other hand, I have also been told that there is not a uniform or coordinated approach to this, and the Governor’s Office is unaware. In any case, this is an issue that is starting to be widely discussed. I have participated in a call of statewide associations coordinated by NYCON that touched on this issue, and NYCON’s Executive Director, Doug Sauer, has written an editorial on the topic for the Times Union. Expect that there will be more to come on this.