

**District Board of Health Meeting Minutes**  
**District Office Conference Room**  
**March 25, 2015**  
**10:00 a.m.**

**Members Present:**

Delbert Cox  
Judge Casey Ellis  
Judge David Fields  
Dr. Ben Kutnicki  
Judge Ken McFarland  
Joe Mylor, Chairman  
Judge Bobby Lee Westrick

**Staff Present:**

Dr. Georgia Heise  
Candice Selph

**Welcome:** Chairman Joe Mylor called the meeting to order at 10:15 a.m. A quorum was present.

**Public Remarks:** No public remarks were made.

**Topic:** Approval of January 27, 2015 Minutes

**Discussion:** Board members were asked to review the minutes enclosed in their packets. There was no discussion.

**Action:** Judge Ken McFarland made a motion to approve the January 27, 2015 minutes. Judge Bobby Lee Westrick provided a second. The motion passed unanimously.

**Old Business**

**Topic:** Strategic Plan 2015-2019 Update

**Discussion:** Dr. Georgia Heise directed the Board's attention to a printout of Three Rivers' Strategic Map, which is an overview of the proposed strategic plan for 2015 to 2019. She emphasized that this document and plan was still a work in progress, and pointed out the four strategic priorities: making Three Rivers a Great Place to Work, Improving Health Status, changing Funding Structures, and developing Policy. Employees responsible for directing the achievement of these goals have been assigned a specific objective to help focus our efforts. Some of the health status issues Three Rivers plans to address include stipulations attached to a potential heroin bill, tobacco-free policy, and obesity. Dr. Heise expressed her hope that addressing the current health status will also help Three Rivers to adjust their funding structure. The performance management aspect of our plan is how Three Rivers will assess progress and will communicate how business is completed to the community and to the Board. Three Rivers plans to have the Board vote on an update to our current policy at today's meeting to reflect a renewed emphasis on performance management.

Chairman Mylor expressed to the Board that this strategic plan reflected many hours of work and brainstorming. Dr. Heise appreciated the comments and suggestions and asked the Board to let her know if anyone was interested in being more involved or serving on a workgroup at future strategic planning meetings.

## New Business

### Topic: Financial Update

**Discussion:** Dr. Heise referred the Board to the “dashboard” handout reflecting our current budget. She expressed that this document was a product of our performance management system that strives to incorporate our financial data into something useful and understandable. Every agency at the state level has its own data entry system, and not many of those systems talk or link together. Therefore, using a product called Klipfolio, Three Rivers is able to consolidate information from many sources together and put it into a format that is more user-friendly to the community. The Board agreed the Klipfolio dashboard was a useful tool.

Dr. Heise explained that the current budget projections look good. After a peripheral glance at the document showing where our revenue comes from and where our expenses go, it is clear that salaries and benefits comprise the majority of the expenses. This fact translates into the difficulty of not having much additional revenue to spend on programs and jobs that are actually performed in service to the community. Currently, Dr. Heise noted that Three Rivers is operating roughly \$262,000.00 behind the projected schedule. Operating while revenue is behind expense is normal because payments from the various governmental agencies are usually delayed. Toward the end of the fiscal year, Three Rivers will be closer to balancing because the state typically speeds up its rate of providing reimbursements. Mr. Delbert Cox asked how Three Rivers receives Medicaid reimbursements when they are often delayed. Dr. Heise responded that our agency goes ahead and performs the service, and then bills Medicaid afterwards. Mr. Cox followed up by asking if Three Rivers experienced any trouble receiving reimbursements. Dr. Heise explained that Medicaid often runs thirty days behind, and that Three Rivers does experience difficulties receiving reimbursements for service. There is a six month window (or sometimes a year depending on the program) to work through any disputes, making it important to regularly follow up with Medicaid. Judge McFarland asked who normally follows up with Medicaid and does the billing. Dr. Heise replied that Three Rivers has staff in each county health center that do the billing and report any issues to the Administrative Services Manager, Michelle Wilburn. Home Health clerks complete the billing process for Home Health.

Dr. Heise reiterated that our biggest concern is always our funding. The legislature could quickly change fiscal allocations and programming with large implications for the health department. Medicaid revenue is a prime example. As a result, Dr. Heise directed the Board’s attention to the front page of the document that showed the dollar amount in reserves. She commented that Three Rivers typically has about one million dollars or more in the account. The reserves are what Three Rivers uses to operate while waiting on the state to provide its reimbursements. Mr. Cox asked Dr. Heise if the state could take the reserves. Dr. Heise replied that it was possible, but that we would contest it if that ever occurred. She stated that State Auditor, Adam Edelen, has forced some entities to spend down some of their excess reserves.

### Topic: Lump Sum Merit Payment Proposal

**Discussion:** In lieu of an across-the-board raise for all employees, Dr. Heise requested that the Board consider a one-time lump sum merit payment for all employees in recognition of exemplary performance and operating under the prescribed budget. She reminded the Board that she had

requested this same action last year.

Dr. Heise explained that in past years, many health departments granted employees an automatic 5% raise each year, regardless of performance. She noted that this practice was why many health departments are now experiencing financial difficulty as a result of some employee salaries that are above market value.

Dr. Heise requested that the Board approve a lump sum merit payment to each employee, costing an estimated \$100,000.00. This action is a one-time action, costing a specific amount (i.e. the salaries will not change), and will not obligate Three Rivers to make the same request next year. Mr. Cox shared how much the employees appreciated this lump sum merit payment last fiscal year, and Chairman Mylor also expressed that he received letters of appreciation. Judge David Fields asked if the determined amount was based on a particular formula, or if the amount of the lump sum merit payment was based on what Three Rivers could afford. Dr. Heise responded that lump sum merit payments are usually associated with exemplary performance and annual performance evaluations; and shared that the Board votes on the amount for performance evaluation lump sum merit payments when the Board passes the budget each fiscal year. In this instance, the amount was determined by what Three Rivers could afford. Judge Westrick commented that gestures like this help motivate employees to continue to work hard.

**Action:** Judge McFarland made the motion to provide each employee with a one-time lump sum merit payment for exemplary performance totaling an estimated \$100,000.00. Judge Ellis seconded the motion. The motion passed unanimously.

**Topic:** Policy Approval

**Discussion:** Candice Selph directed the Board's attention to three policies needing Board approval, located within their packets: Travel (A-HR-8), Establishing and Updating a Performance Management System (A-IC-28), and Clinic Services Quality Management (C-IC-1).

Ms. Selph indicated that additions were made to the travel policy to reflect the new fleet of agency vehicles that were voted on by the Board at the previous meeting. Judge Ellis asked if it was too early to notice if the change has proven to be more cost effective. Dr. Heise indicated that there had been change, although not major change, based on the short amount of time the vehicles had been in operation. Considering the previous vehicles were falling apart, Dr. Heise felt that the move had been a positive decision. Judge Westrick commented that he has been seeing the new vehicles on the road and surmised that the savings to the health department on maintenance and repairs will be noticeable.

As previously discussed, the update to the Performance Management System policy was necessary to reflect some of the aspects of our new strategic plan. Three Rivers would like each employee to be involved in the plan in some capacity to instill a sense of ownership in the direction of the agency. The strategic objectives identified under each of the four strategic priorities come with a set of measures and strategies. These measures are what Three Rivers will use to focus their efforts and use as benchmarks to measure progress. Most of these changes are reflected in the Procedure section of this policy.

The Clinic Services Quality Management policy was updated to include new reporting requirements and annual audit guidelines for the Family Planning program. Most of the changes occurred to item number III.

**Action:** Judge Ellis made a motion to approve all three policy amendments. Judge Fields provided a second. The motion passed unanimously.

**Topic:** Buildings Update

**Discussion:** Dr. Heise expressed her appreciation to Judge Ellis for contacting Kentucky American Water about fixing the pipe and sewage issue at the District Office. No other problems have been experienced with the plumbing.

Dr. Heise shared that the Pendleton County Health Department is continuing to experience problems with their leaky roof. Various people and companies have looked at the roof and patched it. Due to the recent winter weather, the repairs have not proven effective and there are new spots on the edges of the building that are leaking. The Kentucky Association of Counties (KACo), the insurance carrier, is now looking at the potential issue and determining what they will pay. Three Rivers asked a contractor to examine the problem, and he estimated that it would be \$20,000.00 to completely fix the issue.

The Carroll County Local Board of Health will be meeting on April 2, 2015, regarding expansion plans for the Carroll County Memorial Hospital. Currently, the Carroll County Health Center is located next to the hospital on property given to Three Rivers by the county. The health center owns a sliver of the parking lot and the lot where the building rests. The rest of the parking lot is owned by the county; and the land behind and to the side of the health center belongs to the hospital. Dr. Heise explained that the hospital has provided the health department with a proposal about options for incorporating our building into their new structure. However, after further review, the architects hired by the hospital examined our building and felt it would not meet current codes. The hospital did not feel it would be cost-effective for them to spend the extra money required to ensure the health center building was up to code for their use. The hospital's CEO, Michael Kozar, and the architects will be at the board meeting to talk about the proposal. Dr. Heise expressed the desire to have the hospital build us a four-bay, drive-through garage where Three Rivers could store equipment like signs and trailers. The garage could also be used for drive-through flu shots and rabies clinics. Judge Westrick volunteered to share this idea with Mr. Kozar when he meets with him after the board meeting.

**Topic:** KHDA Strategic Plan Update

**Discussion:** Dr. Heise reminded the Board that the Kentucky Health Departments Association (KHDA) is comprised of health department directors from across the state. This organization recently completed a strategic plan that looks similar to the Three Rivers' strategic plan; but is focused around health departments working together, having one voice, and providing financial stability for their work. Dr. Heise recently met with Lieutenant Governor, Crit Luellen, who expressed her support of local health departments and shared their vision of how funding should be issued. The Commonwealth of Kentucky recently received a State Innovation Models (SIM) grant from the Centers for Disease Control (CDC) in order to come up with a plan on how to improve the state's poor health status. Dr. Heise will be attending a meeting today to learn more about the grant. She believes KHDA is being

included because the organization showed their strategic plan and demonstrated the need for health departments to be involved in providing sustainable funding.

Judge Westrick asked who wrote grants for Three Rivers. Dr. Heise explained that a grant is often written by the person who finds it, but that much of the grant funding comes from the state. Some of the grant funding does not necessarily show up in the Three Rivers budget, but local health departments are supposed to be included as a recipient of funding. Judge McFarland agreed that it is difficult to budget for a grant. Dr. Heise shared that employees, April Harris and Justin Pittman, have written numerous grants with success.

**Topic:** Upcoming Events

**Discussion:** Ms. Selph announced that Three Rivers has been named one of the Best Places to Work in Kentucky for 2015. This annual competition is sponsored by the Kentucky Chapter of the Society for Human Resources (KYSHRM) and the Kentucky Chamber of Commerce. Three Rivers had to complete an employer survey, followed by a voluntary survey that went out to each employee. Based on the responses to the surveys regarding our agency's mission, and subjects like employee-management relations, Three Rivers was rated among all the other agencies in our category. As an agency with less than 100 employees, Three Rivers was a contestant in the small companies section. We received notification in January that we had won the award, and will be attending the Awards Ceremony on April 14, 2015 at the Lexington Convention center to accept our award and determine our ranking among the other winners.

Three Rivers District Health Department is preparing for its annual 5K races in each of its four counties. A postcard with the dates and times of each race was provided in each board packet:

Gallatin County 5K Race	Kentucky Speedway	April 18, 2015
Pendleton County 5K Race	Hayes Station Rd, Hwy 127	April 25, 2015
Carroll County 5K Race	General Butler State Park	May 16, 2015
Owen County 5K Race	Owen County High School	May 30, 2015

Dr. Heise reminded the Board that participating in this event would be free of charge for them and one guest.


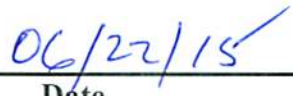



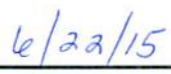
Ms. Selph announced that the annual National Association for Local Boards of Health (NALBOH) Conference would be held August 5<sup>th</sup> through the 7<sup>th</sup> at the Brown Hotel in Louisville. A "Save-The-Date" reminder was given to all board members. Dr. Ben Kutnicki asked if spouses could come to the conference. Dr. Heise verified his statement. Dr. Kutnicki shared his previous experiences with attending NALBOH conferences, and commented that serving on a board is not sufficient. Attending conferences like NALBOH are important to hear what other boards are experiencing, to learn what issues are being faced, to ascertain what is expected from board members, and other good information. Chairman Mylor agreed with Dr. Kutnicki's comments. Ms. Selph reminded the Board to let her know if they would be interested in attending.

Dr. Heise provided an update on the heroin response bill being discussed in the current legislative session. As of this meeting, the bill has not yet passed. Dr. Heise shared the likelihood that a needle

exchange program would be managed by local health departments if this legislation passed. Judge Westrick asked if a program like that would be state funded or locally funded. Dr. Heise stated that it would be a local responsibility. Judge Fields pointed out that everyone will be funding the program, in one way or another.

**Topic:** Adjournment

**Action:** Judge McFarland made a motion to adjourn. Judge Ellis provided a second. The meeting was adjourned at 11:11 a.m.

 Board Chairman	 Date
 District Director	 Date
 Board Secretary	 Date