

**DEVELOPMENTAL PATHWAYS, INC.**  
**Board of Directors Meeting Minutes**  
**December 12, 2024**

**MEMBERS PRESENT:** Mike Abramovitz, Chris Erickson, Dr. Michaela McDonnell, Rick Newell, Katiah Scisum, Commissioner Carrie Warren-Gully, Jenn Conrad, Nancy Sharpe, Daniel Sampson, Rebecca Cordes

**MEMBERS ABSENT:** Commissioner Abe Laydon

**OTHERS PRESENT:** Ed Bowditch, Jessica Brendlinger, Karen Flores, Selina Griggs, Amy Grogan, Erica Kitzman, Andrew Passmore, Kim Tenure, Darcy Tibbles, Matt VanAuken, Will Wedow, Ben Mettlach, Chris Asmus

The Developmental Pathways, Inc. Board of Directors meeting was called to order by Vice President Jenn Conrad at noon. Mr. Newell, Board Secretary, established a quorum.

**GUESTS:** Maureen Waller, Ruth Newell, Ksenia Popke, Chris Dillon

**CONFLICT OF INTEREST**

None.

**PUBLIC COMMENT**

None

**CONSENT AGENDA**

Approval of Regular Board Minutes – September 26, 2024

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

**FINANCE COMMITTEE: Mr. Erickson**

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

The Financial Statement of Developmental Pathways, Inc., was presented and reviewed by auditor Ms. Popke of Eide Bailly for the year ending June 30, 2024. 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.

The Single Audit for Developmental Pathways for the fiscal year ending June 30, 2024, was not completed in time for presentation to the board. Once the draft audit report is finalized, it will be emailed to the board for review and approval. Board members will have three days to submit their vote on the audit's approval.

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: Mr. Abramovitz moved for the approval of the June 30, 2024, Developmental Pathways Financial Statement Audit. Upon completion, the financial statement audit will be dated with**

approval of the Single Audit report. Mr. Erickson seconded the motion. There being no discussion, it was approved by a unanimous voice vote.

### Board Quarterly Financial Statement Review and Approval: Mr. Erickson

Mr. Erickson presented the following quarterly financial statement review. Through October 2024, Developmental Pathways (DP) budgeted a net loss of \$642K but has achieved a net income of \$1.1M, resulting in a positive variance of \$1.7M.

DP's cash has decreased by \$1.7M since June 2024. This is primarily due to the typical slowdown in mill levy inflows during this calendar year period and a moderate delay in state payments for DP's Early Intervention (EI) General Accounting Encumbrance (GAE) program.

Receivables have increased by \$1.3M since June 2024, largely due to the timing of EI GAE payments. The state has only paid for July 2024 so far this fiscal year, consistent with its fiscal year-end closing process. It is anticipated that collections will normalize in the coming months.

Revenue is \$16K positive to budget. While overall revenue trends close to budget, some notable variances exist. State Medicaid revenue is \$710K under budget due to lower Case Management revenue, attributed to system/data issues and challenges with staff performing the necessary work. Conversely, State 'Other' revenue is \$460K over budget, driven by various Case Management revenue streams, including a significant amount of backlog work that has been completed. Contributions and grants are \$310K above budget, primarily due to the American Rescue Plan Act (ARPA) grants received to support Case Management Redesign (CMRD) and Case Management Agency (CMA) stabilization.

Personnel expenses are \$1.2M under budget as DP continues to face challenges in hiring and retaining sufficient Case Management staff to meet the needs of the changing member base. Turnover remains a significant issue, and vacancies in other departments, such as Early Intervention (EI) and Shared Services, also contribute to this variance.

Program services expenses are \$746K over budget. The primary driver of this overage is the extensive use of contract workers, amounting to nearly \$500K in unbudgeted labor costs to address Case Management backlogs. These expenses have been partially offset by ARPA funding.

DP has also realized a positive investment return of \$942K thus far this fiscal year.

### Balance Sheet

Assets	\$50,380,798
Liabilities	\$9,048,135
Equity	\$41,332,663

### Statement of Activities

	Actual	Budgeted	Variance
Operating Revenue	\$24,247,761	\$24,231,415	\$16,346
Gains/(Losses) and Investment Return/(Loss)	\$941,773	-	\$941,773
Expenses	\$(24,091,956)	\$(24,873,145)	\$781,190
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Net Income /(Loss)	\$1,097,578	\$(641,731)	\$1,739,309

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: Ms. Sharpe moved for the approval of the October 2024 financials; Ms. Cordes seconded the motion. There being no discussion, it was approved by a unanimous voice vote.**

### **EXECUTIVE COMMITTEE: Ms. Conrad**

Ms. Conrad opened by expressing gratitude to the Board for attending the holiday party in November. She then delivered the Executive Committee update, noting that the Committee last convened on November 19. During that meeting, Mr. VanAuken provided updates on several key areas: the Developmental Pathways staff culture, organizational development and succession planning, and the ongoing stabilization efforts related to CMRD. Ms. Conrad informed the Board that these topics would be discussed in greater detail during the executive team updates later in the meeting.

### **Confirm FY2025 Board Meeting Calendar/Upcoming Meeting**

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/Nominating Committee: 1.9.2025 @ noon

People Strategies Committee: 1.30.2025 @ noon

Executive Committee: 2.11.2025 @ noon

Mill Levy Committee: 2.20.2025 @ noon

Finance Committee: 2.25.2025 @ noon

Board Meeting: 3.6.2025 @ noon

### **Other Engagement Reminders**

I/DD Awareness Day at the Capitol: 3.19.2025

### **PUBLIC AFFAIRS/NOMINATING COMMITTEE: Ms. Conrad/Mr. Newell**

#### **Thank you to Ms. Nancy Sharpe**

Ms. Conrad informed the Board that Ms. Sharpe's third term as a Board member will conclude on January 19, 2025. Over her tenure, Ms. Sharpe served three full terms, initially as an Arapahoe County Commissioner and later as a member-at-large. She held key roles, including Board Treasurer and Mill Levy and Executive Committees member. Ms. Sharpe has been a steadfast advocate for our most vulnerable citizens and an unwavering supporter of our teams. In recognition of her outstanding service, the Board presented Ms. Sharpe with the Lifetime Achievement Award.

#### **Commissioner Abe Laydon: 2nd Term ending 1.22.2025 (3rd Term)**

Ms. Conrad notified the Board that Commissioner Laydon's second term ends on January 22, 2025. Commissioner Laydon was unable to attend today's meeting but informed Ms. Tibbles that he would like to continue as a DP board member.

**MOTION: Mr. Abramovitz moved to approve Commissioner Laydon for a third term on the Developmental Pathways Board of Directors; Commissioner Warren-Gully seconded the motion. After further discussion, it was approved by voice vote.**

#### **Committee Report**

Ms. Conrad and Mr. Newell presented the Public Affairs/Nominating Committee report. The Committee is actively enhancing the Board's composition by identifying and evaluating highly qualified candidates,

including those with direct service experience. Several promising candidates are currently in the selection process. To ensure strong and secure leadership, the Board's updated vetting process now requires all prospective members to complete a background check. The Committee emphasized its commitment to building a diverse and impactful advisory group to advance DP's mission.

Additionally, they reminded board members that DP's annual board giving campaign is underway. Members who have not yet donated this fiscal year are encouraged to visit the DP website or schedule their contributions through the Colorado Gives Day site. Achieving 100% board participation in giving each fiscal year is essential for supporting grant applications.

### **MILL LEVY COMMITTEE: Comm. Laydon/Comm. Warren-Gully**

Arapahoe County voters overwhelmingly approved Issue 1A to DeBruce, marking a significant milestone for the community. This decision will enable the County to better meet residents' needs in the coming years. While the 2025 budget will see minimal changes, the full financial impact is expected to be reflected in the 2026 budget. The County will also welcome Commissioner-elect Ronda Fields, who will be sworn in January 2025.

The Douglas County Board of Commissioners will welcome Commissioner-elect Kevin Van Winkle as the new District 3 leader in December 2024. The Unity on Park project, an initiative to provide integrated low-income housing with a focus on individuals with disabilities, will formally launch in early 2025. However, some residents may begin moving in as early as this month.

The Committee concluded by highlighting the ongoing success of DP's local programming, which continues to thrive and achieve remarkable outcomes. They also noted that significant discussions are anticipated at the federal level regarding Medicaid and support services, which DP and its county partners actively advocate for.

### **PEOPLE STRATEGIES COMMITTEE: Commissioner Warren-Gully**

The People Strategies Committee convened on October 17 and welcomed Rebecca Cordes as the newest member. The Committee discussed several important topics, including updates on the People Team, insights from the C-Suite listening sessions, and the goals and outcomes of the Staff Advisory Committee (SAC). Commissioner Warren-Gully noted that Ms. Kitzman would provide a more detailed update on these items later in the meeting.

Additionally, the Committee reviewed the ongoing changes associated with CMRD and the training and resources required to support both DP staff and the individuals receiving services. Detailed minutes from the meeting are available for review on the Board Portal.

## **NEW BUSINESS**

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

Mr. Bowditch provided the following legislative updates. The Democrats will retain control of the legislature, with projected margins of 43-22 in the House and 23-12 in the Senate.

The Joint Budget Committee (JBC) has been working on the FY2026 budget since mid-November. They are operating with a projected \$1.0B shortfall due to several factors: increased Medicaid utilization, the reliance on one-time funds to balance the FY2025 budget, property tax reductions passed during the August Special Session, and ongoing TABOR refund requirements.

Regarding the Governor's Budget Request, there are no proposed increases to provider rates; however, some targeted rate cuts are included, such as reductions in pediatric behavioral health services. On a positive note, the budget includes increased funding for Early Intervention (EI) and a statutory change to recognize EI as an entitlement program, ensuring all eligible children are served. Additionally, the budget allocates funding for 411 enrollments in Developmental Disabilities (DD) programs, addressing both reserved capacity and emergency needs.

Mr. Bowditch cautioned that FY2026 will be a particularly challenging budget year. The budget is expected to start taking shape in February.

Ms. Tenure provided policy updates, emphasizing DP's focus on state advocacy for CMA and LTSS system stabilization. Key priorities include addressing systemic issues like Community First Choice (CFC), provider rates, the DD waitlist, and technology investments, along with supporting Early Intervention (EI) as a state entitlement program. DP is collaborating with Alliance to shape policy priorities for the next legislative session.

At the federal level, DP is monitoring changes under the new administration, including the CMS Final Access Rule, the SSI Savings Penalty Elimination Act, and the SOC Bill. These issues remain uncertain and require ongoing attention.

DP is strengthening relationships with stakeholders, engaging with JBC Analysts, the HCPF Office of Community Living, and new State Representatives and Senators. Leadership is also working with Colorado Counties Inc. to advance CMA stabilization efforts.

Ms. Tenure reaffirmed DP's commitment to advocacy and collaboration at all levels to drive meaningful improvements for the communities it serves.

### **CMRD/Backlog Update: Ms. Grogan/Ms. Bauman**

Ms. Bauman provided the following updates. The System Navigation department has made significant progress in resolving DP's backlog. They have cleared nearly 2,000 referrals for waiver services, programs, and resources. Enrollment teams have also made great progress and finished reducing their backlogs related to initial assessments.

As the backlog resolution nears completion, teams are transitioning members to Active Case Management while evolving workflows to ensure stability. The focus is improving compliance, customer service, and team workloads while preparing for future changes. A change management framework and evaluations of workflows, tasks, and team structure have informed adjustments to align with stability goals.

In January, task responsibilities will shift between Intake and Enrollment Teams to optimize efficiency. To support this transition, the department is partnering with IT on a tech stability project to provide the necessary tools for managing and overseeing core enrollment tasks. These efforts aim to position the System Navigation department for long-term success.

Performance and accountability are essential for achieving compliance across all program departments and teams supporting the CMA contract. To strengthen these areas, DP is implementing various

oversight components and accountability measures within System Navigation and Active Case Management. These include redefining timeline requirements, such as requiring monthly contacts to be completed three business days before the end of the month and allowing leadership to review and make corrections before the month's close.

Ms. Bauman concluded by stating that efforts are underway to enhance Program Manager (PM) and Associate Director (AD) knowledge and expertise in areas like contract management, billing, oversight, and facilitating one-on-one meetings. In-office workdays continue to provide opportunities for focused collaboration, education, and leveraging new and improved technology to support these goals.

Ms. Grogan provided the following updates. Active Case Manager (CM) teams have made significant progress in reducing the backlog, especially in continued stay reviews (CSRs) and monitoring activities, with delayed service plans nearing resolution. A new structure for overseeing quarterly monitoring visits is in development to address remaining gaps by identifying obstacles and skill/training needs for CMs.

All Active CM roles now have a caseload ratio of 1:65 or below, with assignments being restructured for manageability. Senior CM caseloads have been reduced to 45 members to support crisis situations, backlogged work, and onboarding new CMs. Supervisory team sizes were also reduced to ensure supervisors could provide better oversight and coaching.

A new CM Performance Improvement Plan, led by CM Director Alyssa Pae, focuses on addressing performance gaps and improving core work execution. Meanwhile, an evaluation is underway to identify necessary changes for maintaining compliance with contracts and regulations. Collaborations with IT aim to introduce technology improvements that enhance daily workflows, compliance visibility, and automation.

DP has continued ongoing collaboration with Health Care Policy and Financing (HCPF) senior leaders over the past several months to review backlog data, implement resolution plans, and refine strategies. Moving forward, DP will maintain its monthly meetings with HCPF to demonstrate consistent contract compliance. These meetings will also serve as a platform to address compliance challenges and the systemic hurdles CMAs face in managing their work, with clear action steps identified for resolution.

In addition to these discussions, DP actively participates in meetings with external partners to align on shared priorities, address common challenges, and collaborate on solutions. The HCPF/CMA executive meetings, currently underway, involve HCPF, CMA, county leaders, and advocacy partners. These sessions aim to build a shared understanding of priorities and secure agreement on solutions to drive system stability.

### **Staff & Culture Updates: Ms. Kitzman**

Ms. Kitzman provided updates on the Staff Advisory Committee (SAC) and the upcoming Leadership In-Service.

The newly launched SAC aims to gather employee feedback, improve communication, and align activities with organizational goals. For FY2025, objectives include creating a digital tool for anonymous feedback, analyzing trends, and providing quarterly reports to the Executive Team. The committee will also enhance

staff engagement through events, collaborations with DEIA, and initiatives to strengthen leadership-staff connections.

The Leadership In-Service will focus on strengthening leadership practices, including accountability, professionalism, and equitable management. Key objectives include ensuring continuity of care, meeting deliverables, and fostering cultural and operational shifts. Leaders will clarify expectations, address leadership inconsistencies, and emphasize accountability and support for staff.

#### **Conflict of Interest Statement Reminder: Mr. Passmore**

Mr. Passmore reminded the Board that Ms. Griggs will distribute Conflict of Interest Statements via DocuSign by January 15, 2025. Board members are expected to complete and return them by the end of February 2025.

#### **Expansion of DP Programming: Mr. VanAuken**

Mr. VanAuken presented the Expansion of DP Programming document to the board, previously shared via email. This document offers a clear comparison of DP's programming landscape before and after the recent expansions within the CMA and EI pillars of business. While DP continues to refine and evolve its approach, the document outlines significant shifts in whom DP serves, how it operates, and the scope of support delivered by its exceptional teams. The document is available for review on the board portal.

#### **Open Discussion**

None

### **EXECUTIVE SESSION**

Dr. McDonnell 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: Dr. McDonnell moved for approval for the Board of Directors to go into Executive Session at 1:32 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); Mr. Sampson seconded the motion. There being no discussion, it was approved by voice vote.**

**Motion: Mr. Erickson moved for the Board of Directors' approval to come out of Executive Session at 1:38 p.m.; Dr. McDonnell seconded the motion. There being no discussion, it was approved by voice vote.**

### **ADJOURNMENT**

There being no further business to come before the board, the meeting adjourned at 1:39 p.m.