



JANUARY 11, 2014 BOARD MEETING MINUTES

BOARD PRESENT:

Bruce E. Gould, MD, FACP
Emma Zavala-Suárez, JD
Hugo López-Gatell Ramirez, MD, MS, PhD
Joan Combellick, CNM, MS, MPH
Kris McVea, MD, MPH
Robert Moore, MD, MPH
Rosemary Sokas, MD, MOH
Andrea Caracostis, MD, MPH (via Phone)

STAFF PRESENT:

Karen Mountain
Elaine Penn
Deliana Garcia
Anna Krey
Eric Ryan (Consultant)

MINUTES:

I. Consent calendar

Ms. Penn displayed 2013 financial statements. Dr. McVea asked to see notes on future financial statements to explain large variances. Ms. Penn agreed and offered to add any components to the financial statements that would be helpful.

Ms. Mountain asked the board how to best convey financial challenges and described the financial uncertainty of 2014 and proactive steps taken. These calculations are largely data-free and do not necessarily show up on financial statements. Dr. Moore mentioned that the verbal synopsis was helpful, and all agreed to discuss on future virtual board meetings.

Dr. Sokas noted that she has heard of federal agencies that are starting to clamp down on no-cost extensions, and Ms. Penn agreed.

Dr. McVea requested a mid-year financial review at the Executive Committee level.

Ms. Penn solicited ongoing feedback on the financial dashboard that is distributed to the board.

Ms. Combellick moved to approve September, October, and November 2013 financial statements. Dr. Sokas seconded. All board members voted in favor.

Ms. Combellick moved to approve 2013 audit. Dr. Moore seconded. All board members voted in favor.



II. Budget / Financial accomplishments and challenges

Ms. Penn displayed financial presentation and noted that there will be some changes because not all the bills from 2013 are in yet.

Ms. Penn provided an update on major grants: The HRSA grant is up for review in July. The EPA grant appears positive but we face a challenge in convincing health centers to partner if we haven't yet received the grant. However, we are anticipating that it will go forward. NIOSH grants are in sub-contract and are expected to go forward for another year. The DIHS contract is a flat rate contract in which we are paid a certain amount each month for providing Health Network services. CPRIT cancer funding has ended and we are applying for more.

Ms. Penn added that we have some smaller contracts but have observed that grants in the range of \$8,000 – 10,000 seem to be more trouble than they are worth due to high administrative costs.

Dr. McVea asked if fee-for-service technical assistance is a possibility. Ms. Mountain replied that technical assistance falls under our HRSA grant and, as a result, we have to be careful about making separate agreements with FQHC's. When that does happen we have to take vacation time and function as independent consultants.

Ms. Mountain noted that staff did a good job of pivoting and cutting expenses mid-year.

Ms. Penn reported that assumptions for the proposed budget include \$350,000 that is expected to come in this year. There is \$2 million locked in but we will need to make up the \$350,000 due to grants that we were expecting that didn't come through. We have about \$800,000 out in potential grants and are benefitting from the fact that the domestic violence grant carried over to March 2014.

Ms. Mountain stated that making up \$350,000 is conceivable for a good year, and that for a bad year we can consolidate and reduce expenses to cover the gap.

Dr. Lopez-Gatell asked whether it would be useful to analyze grants ratios both in terms of money, and in terms of administrative time invested in putting them together. Ms. Mountain agreed that it would, and stated that we shifted strategies from foundations back to federal money for this reason. Another point of potential improvement for MCN is to get better at revisiting denied grants.

Dr. Caracostis moved to approve the 2014 budget. Dr. Lopez-Gatell seconded. All board members voted in favor.

III. Policies and guidelines



Ms. Mountain presented the three new policy manuals, detailing the content of each and the reasons for the new format. The board members reported that they had reviewed the policies and some had compared MCN policies to those of their own organizations and found them to be complete and up to date. Ms. Mountain discussed the criteria for policies which require board approval vs guidelines which are also included in the manuals and can be created, edited, and approved by key management staff.

Dr. Gould moved to approve all policies. Dr. Lopez-Gatell seconded. All board members voted in favor of the motion.

IV. Operational plan

Ms. Garcia presented the MCN operational plan for 2012-2017. Key questions are: Developing a financial strategy that allows for self-determination, developing metrics for good advocacy, and continuing to work for organizational excellence. Board members were then invited to discuss and offer feedback.

Dr. Moore asked how staff balance time spent on analysis of efforts vs. time actually spent on efforts. Ms. Mountain replied that there is a cultural change in process. Last year we shifted from setting one year goals to tactical actions and we are figuring out how each year's goals fit in to the five year Strategic Objectives. Dr. McVea noted that the board's job now is to think about how they can support the tactical actions and operational goals.

Mr. Ryan noted that the challenge going into 2014 is to evaluate what's realistic and set goals accordingly.

Dr. Lopez-Gatell noted that MCN is exclusively positioned with regard to Health Network and is providing services that others can't, and so shouldn't need to be submissive to funders and other stakeholders. Second, implementation of the Affordable Care Act will create a strong selection pressure on health centers and there may be a marketable opportunity for MCN. Dr. Sokas added that there is time pressure there.

Dr. Gould proposed that a possible untapped market could be underserved hospital outpatients who have been jettisoned from FQHC's because their care is too complex. Hospitals often have money for technical assistance.

V. Staff present key highlights and challenges from 2013

See attached presentation: "MCN: 2013 to the Future".

Meeting adjourned 3:00 PM.