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The following is a summary of questions and answers provided at recent RMHS events or through direct communication with stakeholders. If you have a question that is not answered by this document, please feel free to email questions@rmhumanservices.org or call Annie Davies, Director of Communications, at 303.636.5918.

RMHS FAQ Sheet – 10/20/2015

Financial Information

- **What information is available on RMHS' financial status?**

In accordance with normal accounting procedures, independent financial accountants are currently auditing our financial statements and records for the fiscal year ending June 30, 2015. At this point we know there was a loss of several million dollars. We will post the audited financials to our website once completed. Our website currently contains audited financial statements for 2010 through 2014.

While the shortfall has presented unprecedented challenges for our organization, we are confident that the steps we have taken to reduce our expenses will allow us to once again thrive and continue to provide the highest quality service to those in our community who depend on us. In fact, we are pleased to report that we have completed the first two months of the new fiscal year with a modest surplus.

- **What are you doing to ensure that RMHS will be financially secure moving forward?**

Staffing changes and restructuring at RMHS are allowing us to build a stronger financial monitoring system. Creating a budget that is driven by program departments, developing new financial reports that better enable us to monitor our financial performance, and focusing on financial targets are some of the immediate actions taken. RMHS has hired a new Chief Financial Officer with more than 30 years of experience, including extensive experience assisting organizations with financial challenges. A newly created Finance Committee composed of staff, RMHS Board members and outside financial experts adds oversight and assists with strategic decisions that will improve both our short- and long-term financial health.

Beyond increased financial monitoring, RMHS has also looked closely at our program expenses and the revenues to support our services. As a result, some programs have been closed; in all cases, steps were taken to transition clients to other highly qualified service providers. RMHS will continue to look at all available cost-savings and funding opportunities to ensure that core services for clients continue.

- **Why did RMHS incur such a large deficit?**

The business of delivering high-quality health care-related services has changed dramatically throughout the past few years and we have not been immune to those changes. We have experienced an increasing rise in expenditures that, over time, exceeded the revenues we were receiving. RMHS' feedback and monitoring systems did not sufficiently identify this pattern or provide the type of detailed information that would help in identifying ways to improve the financial situation. This gradual change in our financial status occurred for a period of time and reached a point in the spring of 2015 that required swift and immediate action.

- **Was there an independent audit done every year?**

An independent financial audit was completed every year and financial audits are posted on our website.

- **How do RMHS' costs compare to those provided by other entities?**

RMHS strives to provide individualized care to each customer while using all available resources in the most efficient way possible. As a result, it is difficult to compare our per-person cost to that of other agencies because of the variety of community resources and funding streams accessed to meet the goals of customers' individualized plans and the broad spectrum of customers' level of need. Although it is more difficult to provide comparative data, we feel this person-centered approach is a strength of our organization and allows us to provide unique and tailored services to best serve each customer.

- **When can we expect more financial information from RMHS?**

Our independent financial audit is in progress, as is a review by the City of Denver's Auditor that is looking specifically at the Mill Levy contract. All completed audits will be available for public review when finalized. We expect this will be before the end of the calendar year. Please visit the RMHS website for financial information and links to external information on RMHS.

RMHS Personnel

- **How many RMHS staff have been laid off?**

Since June 1, 2015 approximately 20% of our staff have been laid off or have left positions that have not been refilled. The majority of these layoffs were in discontinued programs, including our training and consultation department. We are focusing our efforts and resources on preserving staff positions that continue to allow us to provide exemplary service to clients.

- **Is the former CEO being paid by the organization?**

Effective July 23, 2015, the former CEO is no longer employed or being paid by the organization.

Mill Levy

- **Why does RMHS get all of the Mill Levy funds for the City?**

According to the language in the ballot question posted to voters in 2003, all Mill Levy dollars go to RMHS as the Community Centered Board for Denver. RMHS then uses that funding in collaboration with hundreds of sub-contractors and community partners to provide services to Denver residents. We recognize the importance of offering our clients and their families choice, and we will continue to seek guidance from our Mill Levy Advisory Committee and our stakeholders to leverage partnerships to best serve our community.

- **Are Mill Levy funds used to pay administrative costs?**

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- **When will RMHS meet with the City regarding the Mill Levy?**

RMHS was scheduled to meet with City Council on September 15, 2015. At the request of the Chairman of the Safety & Wellness Committee, the briefing was postponed until after Auditor O'Brien and his staff complete their audit.

- **How will RMHS use the increase in Mill Levy funds expected in 2016?**

We look forward to engaging our Mill Levy Advisory Committee of community volunteers, as well as our clients, their families and caregivers to prioritize the use of Mill Levy dollars to best serve children and adults with intellectual/developmental disabilities in Denver.

Operations/Program Areas

- **Why did RMHS increase administrative costs to subcontractors?**

RMHS has been proud to offer customers the option of subcontracted providers. Our philosophy around person-centered services is the cornerstone of our decision to contract with individuals and service agencies to provide services. Unfortunately, the administrative fees we were charging did not allow us to cover the costs associated with meeting all requirements of a Medicaid provider and Home Care Agency. As a result, the administrative fee will increase throughout the fiscal year to reach a level more in line with industry standards. The first increase was specifically timed to coincide with a Medicaid provider rate increase to mitigate this change for subcontractors.

- **Has RMHS stopped doing investigations and monitoring activities?**

RMHS continues to conduct investigations as required. The staff layoffs that occurred in June included staff whose primary job responsibilities were to investigate allegations of abuse/neglect. These duties have been assigned to other RMHS staff who are skilled at conducting these investigations. Additionally, some staff who were responsible for administrative support of the Human Rights Committee and in monitoring other PASAs are no longer employed. These duties have been redistributed, as necessary, to other staff. Case Management monitoring also continues as required.

Transparency & Communication

- **There is some discussion about changes in legislation to lift the CCB exemption for CORA (Colorado Open Records Act). Is that something that RMHS is open to?**

RMHS is committed to communicating with all of our stakeholders. This includes both providing information and ensuring we have a variety of channels and opportunities for stakeholders to give feedback, suggestions and criticism to improve what we do. We have already taken several steps to increase our communication and transparency and are always willing to hear feedback about whether or not it is sufficient. We are not prepared to state a position on legislation that has not yet been introduced but will be watching and tracking any discussion about requiring CCBs to be in compliance with CORA in the 2016 legislative session.

Conflict Free Case Management

- **There is a new federal rule that directs states to ensure case management is separate from direct services. HB 15 1316 will require a plan for separating these two functions by July 1, 2016. Will you be ready when this happens?**

RMHS has had a lot of conversations on this topic and is very aware of the new rule. There is likely to be a change in how case management and direct services are delivered. Although we have been planning, there is still a lot of detail that is not known that will affect implementation. RMHS will work to be ready, be open and be strategic about change, all while staying true to our core values. We will provide information to stakeholders as available, and will partner with the state as much as we can to implement those changes.