

REQUEST FOR BOARD ACTION

Requested Board Date: 2-1-2019 9:00 AM - <u>SPECIAL MEETING</u> Flexibility: No	Originating Department: Public Health
Item: Update on South Country Health Alliance (SCHA) Capital Call and Financial Outlook; and Brown County's continued membership in SCHA	Presenter: Human Services Director Tom Henderson and Public Health Director Karen Moritz Estimated time: 60 minutes

Board Action Requested:

1. Review status of Capital Call and related SCHA financial outlook
2. Consider Brown County's continued membership in SCHA

Background:

- a) South Country Health Alliance presented the 2018 end of year information to the SCHA Executive Committee on Wednesday January 23, 2019. The month of December was yet another month that had overall variance to budget greater than anticipated.
- b) On January 25, 2019, SCHA Executive Director Leota Lind provided:
 - 2018 Capital and Surplus/RBC projections pg. 1-4
 - Capital surplus history for Brown County pg. 5
 - Value-Added Programs - Medicaid revenue for Brown County pg. 6
 - Estimated Capital Surplus by county pg. 7
 - Draft Capital Call resolution pg. 8-9 (no action required on 2-1-2019)
 - SCHA Joint Powers Agreement pg. 10-28
 - SCHA By-Laws pg. 29-36
- c) Each member county is currently considering the capital call by resolution and some are considering continued membership in the organization. As of Tuesday January 29, 2019, Dodge County and Goodhue County have approved the resolution for the capital call, and Wadena County has voted to withdraw from SCHA membership effective 12-31-2019.
- d) This Special Meeting of the Brown County Board has been called to have the opportunity to review current information about the financial condition of SCHA, the additional capital call that SCHA is requesting from Brown County, and the value of the continued membership in the organization. If the County Board decides to withdraw from SCHA membership, a resolution to that effect will be available at the Special Meeting.
- e) SCHA approved its budget on January 3, 2019. A notice of withdrawal of county membership must be submitted to SCHA within 30 days after the SCHA budget is approved. The withdrawal deadline is therefore February 2, 2019 according to the SCHA By-Laws pg. 35 Article IX. The timeframe for a notice of withdrawal may be extended by the SCHA Board at their 2-7-2019 meeting but the outcome of that decision is unclear at this time.
- f) Leota Lind, SCHA Executive Director, is planning to attend the Special Meeting of the Brown County Board on 2-1-2019.

Supporting Documents: X Attached None

Administrator's Comments:

Charles Enter 1-29-2019