Monday, April 30, 2012

Ms. Deena Brown, President of the Association welcomed all to the business meeting and thanked everyone for joining us in the beautiful state of Vermont. President Brown thanked Jim Giffin and Nancy Clermont of Vermont for hosting the Planning meeting. President Brown thanked our corporate sponsors for joining us this Planning meeting – Amerigroup and PCG and also expressed our appreciation for their sponsorship of the Board dinner Monday evening. President Brown acknowledged Christian Jensrud from Amerigroup. President Brown also thanked Mr. Jerry Berry of Arkansas and his staff for compiling the book of reports for this meeting and shipping them.

Ms. Deena Brown from Oklahoma, President of the Association, directed the Secretary, Ms. Brenda Weisz of North Dakota, to call the roll of the voting members of the Board of Directors to establish the presence of a quorum. In attendance were 15 voting members of the board including Deena Brown of Oklahoma (President), Hank Fitzer of Maryland (Vice President), Brenda Weisz of North Dakota (Secretary), Dague Clark of New Hampshire (Treasurer), Vonnetta Allenbaugh of Oklahoma (Historian), James Giffin of Vermont (Region 1 Director), Doug Robinson of West Virginia (Region 2 Director), Hank Fitzer of Maryland - proxy for Conitha King of Alabama (Region 3 Director), Mary Fernald of Ohio (Region 4 Director), Doug Robinson of West Virginia - proxy for Jason Sanchez of New Mexico (Region 5 Director), Vonnetta Allenbaugh of Oklahoma – proxy for Cheryl Johnson of Wisconsin (Region 6 Director), Scott Carson of Arizona (Region 7 Director), Rick Brennan of West Virginia proxy for Michelle Grose-Bray of Alaska (Region 8 Director), Hank Fitzer of Maryland proxy for Gregg Holland of Maryland (At-Large Director 1) and Hank Fitzer of Maryland proxy for Jodi Osborn of Idaho (At-Large Director 2).

After the roll call of the voting members was taken, Secretary Weisz confirmed that a quorum was present for the business meeting.

President Brown requested a motion for the acceptance of the agenda. Mr. Doug Robinson of West Virginia motioned to accept the agenda as presented. Mr. Dague Clark of New Hampshire provided a second to the motion.

President Brown called for a vote. The agenda was accepted.

President Brown stated that the next order of Business was the Historian Report and called on Historian Ms. Vonnetta Allenbough to present the report.

**Historian Report**

Ms. Vonnetta Allenbaugh of Oklahoma presented the Historian report as follows:

Madam President, Executive Board and HSFO members, the Historian’s report is as follows:
The National Association of State Human Services Finance Officers (HSFo) held its Fall 2011 Planning and Business meeting Saturday, December 3 through Wednesday December 7, 2011 in San Antonio, Texas, with President Deena Brown of Oklahoma presiding.

The planning/business meeting was self-hosted by HSFo Leadership Team members, under the coordination of Past President, Stan Mead of Louisiana, at the Embassy Suites Hotel Airport/NW. The San Antonio meeting was productive and enjoyed by all.

Attendance in San Antonio totaled 47. The breakdown of those attending included 29 participating in the daily meetings, with 2 of those 29 representing corporate sponsors and 13 of those 29 representing a historic number of Past Presidents, along with 16 guests.

Since the Fall 2011 Planning/Business meeting, HSFo has hosted two training courses, arranged by Mr. Rick Brennan, of West Virginia, Chair of the HSFo Training Committee:

**Cost Allocation Fundamentals** training was hosted by Michelle Grose-Bray in Juneau, Alaska from March 27-29, 2012. The training included 46 attendees, all from the state of AK.

**Public Consulting Group** provided the training, which offered up to 16.5 hours of CPE.

**Cost Allocation Advanced** training was hosted by Rick Brennan in Little Rock, Arkansas from April 17-19, 2012. The training included 39 attendees, with representation from 12 different states and a break-down by state as follows:
- 1-Alabama, 16-Arkansas, 2-Delaware, 2-Idaho, 2-Kansas, 2-New Jersey, 5-Ohio, 1-Oklahoma, 2-Tennessee, 4-Utah, 1-Vermont, 2-Washington.

**Public Consulting Group** provided the training, which offered up to 16.5 hours of CPE.

Ms. Allenbaugh moved for acceptance of the report, Mr. Harry Roberts of Delaware seconded the motion.

President Brown called for a vote. The report was accepted.

**Secretary Report**

Ms. Brenda Weisz of North Dakota presented the Secretary’s report:

Ms. Weisz reported that the minutes of the Fall Planning meeting of the Association, held December 3 – 7, 2011 in San Antonio, Texas have been posted to the organization’s website. Ms. Weisz moved for suspension of the reading of the minutes and for the adoption of this report, with Mr. Doug Robinson of West Virginia seconding the motion.

President Brown called for a vote. The report was accepted.

**Development Coordinator Report**

Mr. Harry Roberts of Delaware presented the following:
President Brown asked me to serve this year in the role of Development Coordinator for the purpose of being a resource to Regional Directors, forming, guiding, and monitoring their efforts in carrying out their responsibilities including enhanced outreach to their States. I would like to report on the activities to date for this business year.

The Regional Directors and I conducted a total of 3 joint conference calls thus far.

It was established that the Regional Directors would conduct structured conference calls through out the year with the States in their regions. The following topics would be used to organize the discussion during the calls.

- Soliciting newsletter contributions.
- Seeking Corporate Sponsor leads.
- Regional Directors conducting quarterly conference calls with States in their region.
- Membership outreach to States in their region and selling HSFO membership and passing on potential new member contacts to the Membership Chair.
- Discuss Federal issues facing the States in their region using the Federal Issues report as a focus point.
- Outreach to States to encourage their attendance at the Baltimore, MD conference.

Additionally, Regional Directors were provided:

- On 12/23/11 the 2012 HSFO list of contacts for the States (which included the paid membership history) and HSFO Bylaws.
- On 1/9/12 a list of the 2012 HSFO membership invoices mailed out in December 2011 arranged by region.
- On 3/9/12 an updated list of HSFO contacts including those who had paid their 2012 invoices and a request to follow up with States in their region on the payment status.
- On 3/9/12 list of paid corporate sponsor invoices.

The Regional Directors were recently provided the paid/unpaid membership listings and were asked to make outreach efforts to regional state agencies that have not renewed membership and for new membership.

While it is recognized that staff in all States are facing many demands, many officers in HSFO are carrying out their responsibilities in spite of those demands. Participation in conference calls and levels of outreach by Regional Directors has not been uniform across the various HSFO regions. Regional Directors need to step up their efforts in order for them to meet the commitment of their positions.

This concludes my report.

Mr. Roberts moved for acceptance of the report, with Ms. Mary Fernald of Ohio providing a second to the motion.

President Brown called for a vote. The report was accepted

**Federal Issues Report**
Ms. Simone Roy of New Hampshire presented on the following:

Medicaid – Affordable Care Act

Supreme Court Hears Historic Affordable Care Act (ACA) Case:
The US Supreme Court held three days of oral arguments on the constitutionality of the Affordable Care Act (ACA). The occasion marked nearly 50 years since the Court has allocated this much time for oral arguments on one case, signaling the importance of the issue in question – whether the ACA, President Obama’s signature legislative accomplishment, is constitutional. The Court’s decision could determine how health care is delivered for decades to come. It will be a major issue in the upcoming presidential election, regardless of how it is decided. And, it will potentially set legal precedents on limiting (or expanding) Congress’ authority to regulate all kinds of activities.

Although many of the issues before the Court are, in part, fairly technical and understood by few outside the legal profession, there are four issues of broad impact and concern:

- Can Congress, under the authority granted by the Constitution to “regulate Commerce…among the several states” and “to make all laws which shall be necessary and proper” to carry out its powers, require (or mandate) that an individual purchase health insurance?
- Does the penalty assessed an individual who fails to get health insurance constitute a tax, and if it does, do federal courts lack jurisdiction because such jurisdiction is precluded by the Anti-Injunction Act?
- Is the requirement that states expand Medicaid to cover everyone with incomes of less than 133 percent of the poverty level unconstitutional because of the burden it places on the states?
- If the Court rules that the individual mandate is unconstitutional, must the Court then rule the entire act unconstitutional?

It is impossible to predict with certainty how the Court will rule, but most experts who watched the hearings have come to the conclusion that the ACA could be in real danger of being ruled unconstitutional. Based on prior rulings, experts are predicting that there are three certain votes in favor of, and three against, the constitutionality of the act. That leaves two justices, Chief Justice John Roberts and Justice Anthony Kennedy, as the determining votes. Both justices appeared from their questions to have strong concerns about how the ACA fundamentally changes the relationship between the government and individuals. However, experts are also making it clear that the way justices ask questions and hint at opinions during oral arguments is not always a good indicator of how they may finally rule. A decision in the case is expected in late June.

There are four questions before the Supreme Court:

1. Anti-Injunction Act – This law prohibits “any person” from suing the federal government “for the purpose of restraining the assessment or collection of any tax,” and strips the federal courts of the power to decide such a case before a tax has been levied. In other words, this 1867 law bars courts from striking down tax laws before they can take effect. It was designed to prevent a multitude of suits against a new tax as a protest. If the court rules that this law applies it may not have the jurisdiction to decide the case and the lower court opinions will be vacated. Since the government did not want to challenge the Court’s authority to hear the case, the Supreme Court has appointed an
attorney to argue that portion of the case. Most experts believe that the Supreme Court will rule that
the Anti-Injunction Act does not apply. If it rules differently, no challenge to the ACA is likely to
come before the Supreme Court for years to come.

2. Individual Mandate – Does Congress have the power under the Constitution’s Commerce Clause to
mandate (with some exceptions) the purchase of health insurance and so does Congress the right to
assess a penalty and/or tax against those who refuse or fail to purchase or obtain health insurance?
Among its most significant means of increasing coverage, the Act contains regulations forcing
insurers to provide below-cost insurance to the less healthy. But those burdensome regulations alone
would undermine the goal of decreasing costs. Congress thus adopted the individual mandate, which
forces healthier people to purchase above-cost insurance, thereby counteracting the regulations’
inflationary uninsured individuals engaging in harmful economic activity, but to compel the
uninsured into engaging the economic activity that is harmful for them but beneficial to third parties.
Never before has Congress enacted such a regulatory mandate. Plaintiffs argue that if the Congress
has the power to create commerce and regulate that commerce, such as when people are forced to
purchase something like health insurance, the Congress has virtual unlimited power contrary to what
the Court has ruled. Defenders of the individual mandate point to other Supreme Court precedents
suggesting that even economic decisions that have a tiny direct effect on interstate commerce – such
as person’s decision not buy health insurance – cumulatively have major effects on interstate
commerce and thus can be regulated by Congress.

3. Severability – The issue before the Court is, if the individual mandate is declared unconstitutional, is
it severable from the rest of the Act or does the entire ACA need to be declared unconstitutional?
The plaintiffs who are suing the government over the ACA have asked the Supreme Court to strike
down the entire law if it finds the individual mandate to be unconstitutional. The government argues
there is a strong presumption in favor of partial rather than total invalidation of a statue. The
Supreme Court had previously rule it must retain those portions of a law that are: 1) Constitutionally
valid, 2) capable of functioning independently and 3) consistent with Congress’ basic objective in
enacting the statue.

4. Medicaid Expansion – both the federal government and state governments administer Medicaid.
Under the law, the federal government provides funds to participating states, and those states agree
to abide by certain federal regulations. The ACA sets a new standard of eligibility by expanding
Medicaid to individuals with income up to 133 percent of the federal poverty level. Even though
states must agree to this expansion, the federal government will pay for 100 percent of the Medicaid
costs associated with the expansion through 2016 and 90 percent thereafter. The question is if it is
constitutional for the federal government to compel states to expand Medicaid eligibility by
conditioning receipt of federal Medicaid funds. The challenge centers on the Constitution’s
Spending Clause. The Supreme Court has held that legislation enacted pursuant to the spending
power is in the nature of a contract. In return for federal funds, the States agree to comply with
federally imposed conditions on accepting those funds. Congress has broad authority to set
conditions on the funds it makes available to states with two limits. The federal conditions must be
unambiguous, ensuring that states are given clear notice of their obligations when they accept federal
funds so that they can knowingly exercise their choice about whether to participate. The second
issue states that the federal government may not employ the spending power in such a way as to
“coerce” the states into compliance with federal objectives. Though the federal government may not
force states to participate in federal programs, it may use financial incentives to induce them to do so (as Congress did with the original Medicaid program). But as a 1987 Supreme Court decision declared, at some undetermined point the financial inducement offered by Congress might be so coercive as pass the point at which permissible pressure turns into impermissible compulsion. The Court did not attempt to determine where that point is reached. In the current case, the states argue that the Medicaid expansion is coercion and that the Court need not try to determine when the Congress has gone too far, only that it has in this instance. The federal government’s arguments in favor of the provision are that Congress has the broad authority under the Constitution to set conditions on the receipt of federal funds and that the Court has upheld this authority many times and that the expansion of Medicaid is valid and legitimate condition on federal spending, particularly when the federal government will pay 100 percent of the additional cost until 2016 and 90 percent thereafter.

Conclusion – For the average citizen it is important to remember what is at stake in how the Court rules. The ruling will impact low-income individuals’ access to medical care through the expansion of Medicaid. The case is also important because it tests the limits of one of Congress’s most significant and wide-ranging authorities, the power to spend money. Congress’s power to spend money, with an ancillary power to set conditions on receiving that money, is the foundation for numerous statues. Those who oppose the ACA ask the question “If the federal government can compel a private citizen, under threat of a federally imposed penalty, to engage in a private contract with a private entity (to buy health insurance), is there anything the federal government cannot compel the citizen to do?

APHSA “This Week in Washington, March 30, 2012” is at:
APHSA More Detailed Analysis of the ACA is at:

Implementation of Section 1104 of the ACA, Initial Guidance on HIPAA Administrative Simplification:
The implementation of Section 1104 of the ACA, which covers standards for the adoptions of operating rules for eligibility for a health plan and health care claim status transactions. Section 1104(b)(3)(C), which amended Section 1173 (g)(3) of the Health Insurance Portability and Accountability Act of 1996 (HIPAA), authorized the National Committee on Vital and Health Statistics to advise the secretary of the U.S. Department of Health and Human Services (HHS) on the adoption of these operating rules. Section 104(b)(2) of the ACA added Section 1173(a)(4)(A) to HIPAA, requiring these adopted standards and operating rules to:

- Enable the determination of individual’s eligibility and financial responsibility for specific services prior to or at the point of care;
- Be comprehensive and minimize the use of communication via paper;
- Provide timely acknowledgment, response, and status reporting that supports a transparent claims and denial management process; and Describe all data elements in unambiguous terms, require that such data elements be required or conditioned upon set values in other fields, and prohibit additional conditions.

HHS published an Interim Final Rule with Comment (IFRC) on July 8, 2011, implementing these standards and operating rules through new requirements for health plans, including Medicaid plans. Of the six new
requirements, the requirement for state Medicaid agencies to meet certain services and performance
timelines for eligibility and claim status transactions (e.g., real-time transactions must have responses sent
within 20 seconds or less) is the most critical for interoperability with the state-based Health Insurance
Exchanges and/or other entity performing eligibility determinations.

CMS is requiring state Medicaid agencies to conduct a gap analysis to determine what changes, if any, may
need to be made to current operating rules to bring them into compliance with the new requirements. State
Medicaid agencies must also analyze their Medicaid technology infrastructure to determine if any changes
are needed to attain compliance by January 1, 2013.

To view the IFRC to go:
APHSA “This Week in Washington, March 30, 2012” is at:

CMS Releases Guidance on MITA 3.0
CMS has announced the availability of the Medicaid Information Technology Architecture (MITA)
framework, Version 3.0. Developed in 2005 and updated to Version 2.0 in 2006, MITA is both an initiative
and a framework for all Medicaid stakeholders to foster integrated business and information technology
transformation across the Medicaid enterprise based on national standards. MITA 3.0 contains updated
business procedures and business rules to comply with new legislative requirements provided through the
Health Informational Technology for Economic and Clinical Health Act, the Children’s Health Insurance
Program (CHIP) eligibility and enrollment systems and their Medicaid Management Information Systems as
a condition of receipt of enhanced federal funding. According to the informational bulletin released by
CMS, this evolving initiative “provides a common framework for all Medicaid stakeholders to focus on
opportunities to build and share services by decoupling legacy systems and processes, and liberating data
previously stored and contained in inaccessible silos.”

The Guidance on MITA 3.0 is at:
http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Data-and-Systems/Medicaid-
Information-Technology-Architecture-MITA.html
APHSA “This Week in Washington, March 30, 2012” is at:

Report to Congress on Medicaid and CHIP
The Medicaid and CHIP Payment and Access Commission (MACPAC), a nonpartisan federal commission,
is charged with making recommendations to Congress and the HHS secretary on a range of issues affecting
these programs. The 2012 report focuses on several key congressional priorities including Medicaid
enrollees with disabilities, access to care for children, state approaches for financing Medicaid, federal
CHIP financing, and Medicaid program integrity. The report also provides recommendations on two of
these issues – quality of care for Medicaid enrollees with disabilities and coordination of program integrity
initiatives. The recommendations are summarized below:

• The secretary and the states should accelerate the development of program innovations that support
  high-quality, cost-effective care for persons with disabilities, particularly those with Medicaid-only
  coverage. Priority should be given to innovations that promote coordination of physical, behavioral,
and community support services and the development of payment approaches that foster cost-effective service delivery. Best practices regarding these programs should be actively disseminated.

- The secretary, in partnership with the states, should update and improve quality assessment for Medicaid enrollees with disabilities. Quality measures should be specific, robust, and relevant for this population. Priority should be given to quality measures that assess the impact of current programs and new service delivery innovations on Medicaid enrollees with disabilities.

- The secretary should ensure that current program integrity efforts make efficient use of federal resources and do not place an undue burden on states or providers. In collaboration with the states, the secretary should: create feedback loops to simplify and streamline regulatory requirements; determine which current federal program integrity activities are most effective; and take steps to eliminate programs that are redundant, outdated, or not cost-effective.

- To enhance the states’ abilities to detect and deter fraud and abuse, the secretary should develop methods for better quantifying the effectiveness of program integrity activities; assess analytic tools for detecting and deferring fraud and abuse and promote the use of those tools that are most effective; improve dissemination of best practices; and enhance program integrity training programs to provided additional distance learning opportunities and additional courses that address program integrity in managed care.

The MACPAC report also includes a section called “MACStats” that includes state-specific information about program enrollment, spending, eligibility levels, optional Medicaid benefits covered, and federal medical assistance percentages. The section also contains an overview of cost-sharing permitted under Medicaid, and the dollar amounts of common federal poverty levels used to determine eligibility for Medicaid and CHIP.

The MACPAC March 2012 Report is at:
http://www.macpac.gov/reports
APHSA “This Week in Washington, March 30, 2012” is at:

Supplemental Nutrition Assistance Program (SNAP)

Food and Nutrition Services (FNS) Updates Exemptions from SNAP ABAWDS Time Limits:
Under SNAP rules, able-bodied adults without dependents (ABAWDs) are limited to three months of benefits within a three-year period without engaging in work or a state work program. A state may exempt its ABAWDs from the restriction if the U.S. Department of Labor determines that the state meets criteria for extended unemployment benefits. On March 21, the FNS announced that 44 states, the District of Columbia, and the Virgin Islands all met the criteria. These states and areas may suspend the time limits for their ABAWDs recipients until at least September 30, 2013.

The FNS memo can be found at:
APHSA “This Week in Washington, March 30, 2012” is at:

Child Care

Senate Bill Would Address Childhood Obesity in Child Care Settings:
Sen. Mark Udall (D-CO) has introduced the Healthy Kids from Day One Act, (S. 2119). This bill would amend Title III of the Public Health Service Act to establish a three-year pilot program in five states to address overweight and obesity among children from birth to five years old in child care settings. The purpose of the pilot is to enhance the focus of child and family care settings to promote healthy eating, physical activity and screen time limits. The program would also support child care collaborative activities that work to reduce this epidemic and would support the implementation of emerging best practices. The collaborative activities would build on the key elements of the Let’s move! Child Care initiative by helping providers and parents adopt healthy lifestyle behaviors. Non-residential and family home-based child care providers that are licensed or authorized to provide child care service would be eligible to participate in collaborative activities. Grant funds could be used for technical assistance, education and reporting pilot program activities. S. 2119 would appropriate $1.5 million to carry out these grant activities over three fiscal years.

No later than six months after the completion of the pilot program, HHS would be required to submit a report to Congress on the results of the evaluation of the pilot program. The report would include recommendations on the lessons learned and how states can apply what they have learned through future guidance.

S. 2110 Healthy Kids From Day One Act:
http://www.govtrack.us/congress/bills/112/s2119/text

APHSA “This Week in Washington, March 30, 2012” is at:

Child Welfare

Government Accountability Office (GAO) Questions Validity of Foster Care Improper Payment Estimates:

The GAO has released a report, Foster Care Program; Improved Processes Needed to Estimate Improper Payments and Evaluate related Corrective Action (GAO-12-312). GAO found that the Administration of Children and Families’ (ACF) findings of significantly reduced estimated improper payments for its foster care maintenance program were not based on a statistically valid or complete methodology and consequently did not reflect a reasonably accurate estimate of the extent of Foster Care improper payments. These deficiencies impaired the accuracy and completeness of the Foster Care program improper payments estimate of $73 million reported for fiscal year 2010. For example, ACF used the number of cases found in error rather than the dollar amount of improper payments identified to determine whether or not a state was required to implement corrective actions. As such, some states with higher improper payment dollar error rates were not required to implement actions to reduce these rates. Without accurate data, GAO questioned the validity of the reported reduction and ACF’s ability to reliably assess the effectiveness of its corrective actions. When compared to the federal statistical guidance and internal control standards, deficiencies were found in all three phases of ACF’s estimation methodology-planning, selection, and evaluation. GAO said, for example, that “The methodology ACF used to estimate improper maintenance payments was not based on a probability sample of payments, which is needed for direct estimate of payment error rate and total amount of dollars that were improperly paid.” The Office of Management and Budget (OMB) approved ACF’s methodology in 2004 with the caveat that continuous efforts would be made to improve the methodology to increase accuracy. However, GAO said that ACF has not made any substantial changes in its process.

The report includes seven recommendations to HHS to help ACF improve its process. To more accurately and completely estimate foster care program improper payments the GAO recommended that HHS direct ACF to: 1) augment procedures to include administrative costs, 2) develop and implement a statistically valid methodology, 3) augment guidance to teams gathering state-level data, and 4) revise existing procedures for calculation a national improper payment estimate. HHS has initiatives under way to implement all these recommendations except the development and implementation of a statically valid methodology. Here HHS recognizes this would be optimal, but stated “it needs to balance the goal of appropriate measurement with the cost and burden placed on states.” To help ensure corrective action
strategies effectively reduce foster care improper payments, GAO made three recommendations: 1) require states to implement and report on corrective actions whenever a state’s error rate exceeds a specified target, 2) require periodic assessments of state-level improper payments and 3) enhance Audit Resolution Tracking and Monitoring System (AFTMS) reporting capabilities to provide data on the status of actions taken to address Single Audit findings. With respect to these three recommendations, HHS concurred with only one: implementing procedures for periodic assessment of state-level improper payment targets. HHS is considering the implementation of corrective action procedures whenever a state’s estimated improper payment dollar error rate exceeds a specified target level for the program and plans to further study the enhancement of ARTMS.

The GAO full report is at: [http://www.gao.gov/products/GAO-12-312](http://www.gao.gov/products/GAO-12-312)


Title IV-E Administrative Cost Review Pilot – New Hampshire:

New Hampshire volunteered to take part in the pilot Title IV-E Administrative Cost Review held the week of March 26, 2012. There were many conference calls between the Region I Administration for Children and Families (ACF) federal representatives and NH DCYF prior to the review taking place and much information provided and questions answered after the review was completed (and continues to date). Much documentation was requested by ACF in two installments, Phase I and Phase II. Attached to this report is the schedule of NH’s week of the Title IV-E ACR review to provide States with an idea of the scope and depth of the on-site review. In addition, a draft of the “ACR Pilot Candidacy Case Review Instrument” is included that is used solely to determine if States have fully complied with federal regulations of documenting that a child is at imminent risk of removal as a foster care candidate. NH has not yet received the draft report from ACF but from the week of the review and the Exit Conference, NH has a good understanding of the deficiencies that will be in the report.

<table>
<thead>
<tr>
<th>Phase I Documentation</th>
<th>Phase II Documentation</th>
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<tbody>
<tr>
<td>1. Cost Allocation Plan – a complete copy of the State’s currently approved Cost Allocation Plan with all attachments and amendments</td>
<td>8. PACAP Operations – Detailed spreadsheet information on the operation of the PACAP and any other processes used to identify Title IV-E Foster Care administrative costs for the two quarters in the PUR.</td>
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<tr>
<td>2. Title IV-E Claims Preparation – Flow chart of Title IV-E Foster Care, Adoption Assistance and Guardianship claiming practices in development of the Title IV-E Programs Quarterly Financial Report, CB-496</td>
<td>9. Title IV-E Eligibility Rate(s) PUR Calculations – If the State utilizes an eligibility rate(s) as part of its allocation of administrative costs to Title IV-E Foster Care, the specific calculations and results of this process (for all calculations if there is more than one eligibility rate used in the State) for each period within the PUR and for the two immediately prior periods should be provided along with the</td>
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<td>source(s) of the statistics utilized.</td>
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<td>3.</td>
<td>Title IV-E Cost Pools – Listing of all cost pools/cost centers whose costs are either directly charged or allocated in part to the general foster care program.</td>
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<td>10.</td>
<td>Title IV-E PUR Direct Staffing – If during the PUR the State directly assigns employees or directly charges costs to either Title IV-E or to general foster care (allocated to IV-E based on an eligibility rate), provide a listing that specifically identifies (by employee name or position identifier, title and/or cost type) the composition of this group along with information on the count of other staff assigned to cost objectives that are subject to direct allocation to Title IV-E Foster Care administration.</td>
</tr>
<tr>
<td>4.</td>
<td>Title IV-E Time Studies – A complete copy of each time study plan the State uses to either direct charge or to allocate time and effort of staff who perform for or in support of the general foster care program and/or the Title IV-E Foster Care program.</td>
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<tr>
<td>11.</td>
<td>Title IV-E PUR Time Study Results – If the State uses one or more time studies (personal activity reports PARs) or random moment studies (RMS) as part of its allocation of administrative costs to Title IV-E Foster Care, the specific results of each of the time studies applied to claims for the PUR should be provided for all periods with the PUR along with the number of employees (including contractors) statewide subject to participation in each process. If there are additional employees, but their salary or non-salary costs are allocated based on time study results please include a count of these non-participating persons for each applicable time study.</td>
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<td>5.</td>
<td>Title IV-E Eligibility Rate(s) – A description of the methodology the State uses to compute its Title IV-E/non IV-E foster care eligibility rates. The explanation should include a brief description of each “grouping category” of children who are included in the numerator of the equation and each that is included in the denominator.</td>
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<tr>
<td>12.</td>
<td>Title IV-E PUR Time Study Candidate Related Results – A separate listing (with an identifying case number) of all foster care candidates related time study (random moment or other type) observations used in the allocation of costs as Title IV-E Foster Care Candidate Administration – Pre-Placement Activities applicable to the PUR (those time study results applied to costs for the PUR).</td>
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<tr>
<td>6.</td>
<td>Title IV-E Pre-placement Candidate Procedures – A description of procedures</td>
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<tr>
<td>13.</td>
<td>Title IV-E PUR Claiming Work Papers – Summary State work papers identifying...</td>
</tr>
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</table>
used by the State to isolate pre-placement activities and costs including requirements for validating that a child currently meets a “candidacy” criterion.

the source and amounts of current quarter and prior quarter adjustment entries on the Form CB-496 submitted for the two PUR quarters. This information should separately identify administrative cost claims associated with operations performed by the State agency and by the established components within the State (e.g. counties, cities, regions, districts, etc.) sourced through operation of the State’s PACAP.

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<tr>
<th>7. Title IV-E Agreements/Contracts – Copies of all written agreements with any other State agencies or contracts with other agencies responsible for any portion of Title IV-E Foster Care administration.</th>
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</table>

**Review Issues:**

1. NH’s Foster Care Candidates documentation language was not accepted by federal reviewers:

   a. Just the words “The child is at imminent risk of removal” are not enough to support candidacy in that it does not demonstrate that the State is in the process of removing the child or that the State is making “reasonable efforts” in maintaining the child in-home with services, and absent those services foster care placement will occur.

   i. The placement type must specify “foster care” as “out of home placement” is not acceptable as it could include ineligible placements such as a detention facility.

   ii. “Reasonable efforts” in maintaining the child in the home can be a list of the preventative services being provided to the child/family but language must include that “the child is at imminent risk of removal and if the in-home services do not effectively maintain the child(ren’s) safety in the home, foster care is the planned arrangement for the child.”

2. NH’s case plan for redetermination of a child’s foster care candidacy did not meet the requirements of a “case plan.”

   a. CWPM 8.1D #8 Answer describes a “case plan” for Foster Care Candidacy as: The case plan used to document a child’s candidacy for foster care must be a written document that is developed jointly with the parent(s) or guardian of the child and include a description of the services offered and provided to prevent removal of the child from the home. In addition, the State must document, in said plan, that the goal for the child is foster care if the services described in the plan are not effective.”
i. NH did require that case plans had to be updated at least once per year. To meet the 6 month redetermination of foster care candidates, NH created a “case plan addendum” that stated the “child was still at imminent risk” and it was signed by the child protection social worker (CPSW)/juvenile justice probation and parole officer (JPPO) and the CPSW or JPPO supervisor. The federal review team determined that the “case plan addendum” did not meet the criteria of being a “case plan” as the parent and/or child did not sign the 6-month “case plan addendum.” In addition, the language was not acceptable as NH’s “case plan addendum” only included the words that the “child was at imminent risk of removal” and did not contain a new list of preventative services or the words “absent effective preventative services, foster care is the planned arrangement for the child.”

3. NH was required to provide the federal reviewers with all the RMS responses for the two quarters PUR, including name of staff person, case/client ID number, codes used to answer the RMS sample, date and time of the sample. The federal review team spent two days going to two District Offices to interview CPSW and JPPO staff on the RMS process. The federal reviewers spent two plus days with the two quarters PUR RMS responses researching NH’s SACWIS system for documentation that the CPSW/JPPO were working on the cases that they responded to on the RMS sample on the date and time of the sample.

   a. About 50% of the responses did have some type of documentation in the SACWIS system that the assigned CPSW/JPPO was working on the cases that they responded on, about 25% of the cases had activity around the time of the sample and about 25% of the RMS samples did not have any documentation in SACWIS that any activity had taken place at the time of the RMS sample.

4. The RMS codes were scrutinized by the federal reviewers, said some of the activities that NH is charging to IV-E are not allowable.

5. The Eligibility Statistics were scrutinized, said that clarification will be released soon that states cannot use “pending IV-E cases” in the IV-E eligibility rate.

6. Federal reviewers were very critical of NH’s RMS and Eligibility statistics and the subsequent cost allocation process that distributes costs to benefiting programs.

7. Federal reviews scrutinized all training contracts charged at 75% enhanced Title IV-E match, reviewed each invoice and subsequent cost allocation process of assigning costs to the contracts.

8. Federal reviewers read NH’s entire Public Assistance Cost Allocation Plan (PACAP) and provided us with 20 pages of comments and recommendations, mostly relating to wanting more detailed explanations within the PACAP of methods of allocating costs to Title IV-E.

Ms. Simone Roy of New Hampshire moved for acceptance of the report with Mr. Dague Clark of New Hampshire seconding the motion.
Mr. Jerry Berry of Arkansas commended Simone for her and Dague’s effort expended on the IV-E audit in New Hampshire and for her efforts on the Federal Issues Report.

President Brown expressed her thanks and a job well done.

President Brown called for a vote. The report was accepted.

**Membership Report**

Ms. Vonnetta Allenbaugh of Oklahoma presented the Membership report on behalf of Ms. Melissa Lange of Oklahoma as follows:

Madame President, Members:

Invoices for the current fiscal year have been sent to 79 agencies. As of April 12, 2012, 31 payments have been received. This is significantly lower than last year, so contacts will need to be made to encourage agencies to rejoin. So far, there is one new member, the New Mexico Aging and Long Term Care Services Department and one returning member, the Connecticut Department of Social Services.

A fair amount of interest has been expressed in membership in the last few months due to the increased level of training and contacts have been made by the membership chair and some regional directors.

A copy of the membership listing was provided to those in attendance.

Ms. Allenbaugh moved acceptance of the report with Mr. Doug Robinson of West Virginia seconding the motion.

Mr. Stan Mead expressed that this is one of the best membership reports ever prepared. He continued to comment that there are states for which we do not even have contact information.

President Brown responded that we have been trying to work with our Regional Directors to obtain contacts and we know we need to have further discussion on this issue with the attempt to arrive at a future plan.

President Brown called for a vote. The report was accepted.

**Time and Place Report**

Ms. Michele McDonald of Maryland presented the following:

Madame President, members,

The 2012 65th Annual Conference will be held Sunday, September 16 through Thursday, September 20, 2012 at the Marriott Hunt Valley Inn, 245 Shawan Road, Hunt Valley, Maryland.

The 2012 Fall Planning Meeting will be held Friday, November 30 through Wednesday December 5, 2012 at the Embassy Suites Hotel in Baton Rouge, LA.

The Time and Place committee is looking for Volunteers to host the 2013 Spring Planning meeting. Please see me if you are interested.
The 2013 Annual Conference will be held in Columbus, Ohio. We will provide updates as information becomes available.
The 2014 Annual conference will be held in Louisville, Kentucky. We will provide updates as information becomes available.
Thanks to Mr. Stan Mead for all his help with hotel negotiations.

Ms. McDonald moved acceptance of the report with Ms. Brenda Weisz of North Dakota seconding the motion.

President Brown also expressed her thank you to Stan for his work with hotel selections.

President Brown called for a vote on the report. The report was accepted.

President Brown stated that we will be making a site selection visit to Louisville, Kentucky on July 16 – 18, 2012. President Brown has developed a review team consisting of herself, Ms. Renee Close of Kentucky, Ms. Mary Fernald of Ohio, Mr. Stan Mead of Louisiana, and Ms. Brenda Weisz of North Dakota.

**Resolutions Report**

Mr. Hank Fitzer of Maryland presented the following Resolutions Report on behalf of Mr. Stephan Gearheart of Kentucky:

To date, no Resolutions have been received. Members are urged to consider appropriate submissions for FY 2012 and send these to the Resolutions Chair as soon as possible.

Mr. Fitzer moved for acceptance of the report, Ms. Karen Fricke of Arkansas seconded the motion.

President Brown called for the vote. The report was accepted.

**Bylaws Report**

Mr. Doug Robinson of West Virginia presented the following Bylaws Report on behalf of Mr. Jason Sanchez of New Mexico:

Mrs. President:

On March 29th, 2012, a conference call including Jason Sanchez, Chair; Past President Richard Billera, Past President Stan Mead, Past President Ted Martin, and Past President Harry Roberts was held to discuss bylaws.

Two potential changes to the bylaws were discussed. Two sections of the bylaws were discussed: Article III. Membership and Article V. Regional Directors. There is one recommended change to the bylaws. The recommendation is to change Section 2 of Article III of the bylaws from, “The annual period of membership shall be for the 12-month calendar year.”, to “The annual period of membership shall be for the 12-month period from December 1 through November 30th.” This period is concurrent with officer terms of office and fiscal tax year for HSFO.
Article V. Regional directors was also discussed. There was discussion about the role of regional directors as well as the direct need for regional directors from each region as well as the role of At-Large regional directors. It is recommended by the Bylaws Committee Chair that the President take it under advisement that a special committee be appointed to advise the President, Board of Directors, and Executive Committee on this topic as the discussion went beyond items contained in the bylaws.

It is also requested by the Bylaws committee that the proposed amendment be placed on the HSFO website at least thirty days prior to the annual meeting and that the membership be notified of the proposed change.

Mr. Robinson moved for acceptance. The motion was seconded by Mr. Dague Clark of New Hampshire.

President Brown called for a vote. The report was accepted.

**CPE Committee Report**

Mr. Hank Fitzer of Maryland presented the CPE Committee Report on behalf of Ms. Renee Close of Kentucky as follows:

Madame President, members:

The following is a report of the Continuing Education Committee activities since the last report at the business meeting in December 2012 in San Antonio, Texas.

The Committee has allocated CPEs available for three scheduled training events:

- Cost Allocation Plans for Human Services Agencies – 16.5 CPEs available. This training was offered in Juneau, Alaska March 27-29, 2012. Evaluations have been received and the committee is awaiting the sign-in sheets so CPE certificates can be distributed.

- Advanced Cost Allocation – 16.5 CPEs available. This training is being offered in Little Rock, Arkansas April 17-19, 2012.

- Medicaid I – Fundamentals – 19.5 CPEs available. This training will be conducted in Columbus, Ohio May 22-24, 2012.

This concludes my report.

Mr. Fitzer moved for acceptance of the report with Ms. Michele McDonald of Maryland seconding the motion.

President Brown called for a vote. The report was accepted.

**Audit Committee Report**

Mr. Hank Fitzer of Maryland presented the following report on behalf of Ms. Jodi Osborn of Idaho:
An internal review of the financial records for the HSFO Account for the period of December 1, 2010 through November 30, 2011, was conducted. This period included the December 2010 planning meeting in Lexington, KY, the April 2011 planning meeting in Boise, ID, and the 2011 Annual Conference in Charleston, WV. The review consisted of reviewing and verifying the financial records and transactions using basic sampling techniques.

After the review, it is determined that HSFO has satisfactory financial internal controls and the review supports the existence and utilization of these controls. I believe the accounting records do contain recorded transactions, either in detail or summary form, for all financial transactions incurred by HSFO during this time period.

Mr. Fitzer moved for acceptance of the report. Ms. Mary Fernald of Ohio seconded the motion.

Ms. Brenda Weisz of North Dakota commented that this is the earliest that the audits of the Planning meetings and Conference have been completed and commended Ms. Osborn on her efforts.

President Brown called for a vote on the report. The report was accepted.

Tuesday, May 1, 2012

Newsletter Report

Mr. Mark Story of Arkansas presented the following:

The first newsletter of the current federal fiscal year was sent out to over 700 email addresses in the week before Thanksgiving. Those receiving the newsletter included members, corporate sponsors and other interested parties. The focus of this edition was the conference in Charleston, West Virginia, the election of new HSFO officers, training reviews and opportunities, the success of youth hospitality at the Charleston conference, acknowledgement of and thanks to HSFO corporate sponsors, and a message from the past president. A second publication is in the works at the time of this submission and will be sent out prior to the Burlington planning meeting. We will continue to look for interesting ideas and items for inclusion in the newsletter and hope for your input in making it both informative and enjoyable for our membership.

Madam President, this concludes my report.

Mr. Story also mentioned that a newsletter was just sent right before the planning meeting.

Mr. Story moved for adoption of the report, with Ms. Michele McDonald of Maryland seconding the motion.

Ms. McDonald commented positively on the quality of the recent newsletter.
Discussion followed regarding the content of the next newsletter with Mr. Jerry Berry of Arkansas requesting that the next issue include information on how New Hampshire volunteered for the pilot Foster Care IV-E audit and that Mr. Dague Clark along with Ms. Simone Roy both of New Hampshire will be presenting at the annual conference. Mr. Jerry Berry also recommended that the next issue include a ½ page interview with his boss in support of HSFO. Mr. Dick Humiston of Idaho also advised that we remember the professional emphasis in the newsletter as many Secretaries, and similar positions receive the newsletter.

President Brown called for the vote. The report was accepted.

**Nominating Report**

Mr. Jerry Berry of Arkansas presented the following:

Madam President: I have received one nomination to date. I request that anyone wishing to submit a nomination do so to be in compliance with our bylaws. This concludes my report.

Mr. Jerry Berry moved for the acceptance of the report with Mr. Rick Brennan of West Virginia seconding the motion.

President Brown called for a vote on the report. The report was accepted.

**Training Committee Report**

Mr. Richard Brennan of West Virginia presented the following report:

Since our Fall Business and Planning Meeting, activities in Training have included order and purchase of a new supply of bags for Training registrants, scheduling of three Training offerings for the Spring of 2012, revision of the Advanced Grants Administration Training curriculum, initial preparations for releasing an RFP for Child Welfare Training, and initial discussions with the Executive Board regarding Fall Training offerings.

The ordering of briefcase/bags for Training was greatly facilitated by President Brown, who made the contacts and coordinated arrangements with our previous supplier. We had researched options for a couple of months, and determined that, to the extent possible, we should continue to order Leed’s products, which is not handled by every supplier. Prices of bags have increased considerably, and vary significantly across suppliers. We purchased 500 briefcases for $5.25 each, including logo imprint. These look very similar to the previous item, are an inch shorter, and do not have the enclosed front pocket.

Cost Allocation was held in Juneau, Alaska, March 27-29, 2012, at the Centennial Hall. This Training had 46 registrants, with participants from both Anchorage and Juneau, and a balance across programs. Public Consulting Group (PCG) was the Training Vendor. The Evaluations were generally very good, but also reflected some of the concerns when offerings are done for a single State.

Advanced Cost allocation will be held in Little Rock, Arkansas, at the Holiday Inn Presidential on April 17-19, 2012. There are 40 Registrants for this Training, consisting of 25 Members and 15 non-Members, and representing 12 states. It has been quite awhile since we have had that type of mix from states. These consisted of 5 from Ohio, 17 from Arkansas, 2 from Washington, 4 from Utah, 2 from Idaho, 2 from New Jersey, 2 from Kansas, 2 from Tennessee, and 1 each from Vermont, Delaware, Alabama, and Oklahoma. PCG will provide the Training, and will have 3 Trainers present. There will be 16.5 CPEs available through
this offering. Evaluations are still being processed. A new element has been added to this Training, in that a breakout grouping by function has been added to the last day.

Medicaid I – Fundamentals will be held May 22-24, 2012, in Columbus, Ohio, at the Doubletree Columbus Worthington. Registration is underway for the offering. This Training will be the first to be offered under the new Medicaid contract signed in January. There will be 19.5 CPEs available through this Training offering. PCG will conduct this Training.

We are still planning on releasing an RFP for Child Welfare Training. Dague Clark, Simone Roy, and Doug Robinson have offered their assistance in preparing the RFP for release. Timing the release of the RFP will also involve some consideration of timing as to when we actually plan to start offering sessions. It has been decided that we hold off with RFP until winter since we will not be able to offer the training this Fall.

We still have on the table the cost of the trainings. There will be no changes now but something we need to look at into the future.

In the Fall we are planning to hold a Medicaid Intermediate and a Grants Advanced. A full demand training schedule is not yet back.

If anyone has any areas or topics that they believe should be considered for Training development or offerings, please let me know.

Mr. Brennan moved for acceptance of the report with Mr. Doug Robinson of West Virginia seconding the motion.

After a question raised by Mr. Doug Robinson of West Virginia regarding the ability to access the attendee lists, President Brown requested that Mr. Brennan send the attendee lists from the trainings to her and she will send to the Board so that contacts can be made for the purposes of potential new memberships.

Mr. Richard Billera of New York recommended that the Board consider including an invitation to federal government employees regarding trainings in areas where these employees seem to have trouble such as cost allocation.

President Brown called for vote on the report. The report was accepted.

**Arrangements Report - 2012 Conference – Baltimore, Maryland**

Mr. Hank Fitzer of Maryland presented the following report:

Madam President:

Work continues on the HSFo 65th Annual Conference in Baltimore, Maryland.

A recap of significant items is as follows.

**Conference dates:** Sunday, September 16 through Friday, September 20, 2012.

**Site:** The Marriott Hunt Valley Inn, 245 Shawan Road, Hunt Valley, Maryland.
**Rooms:** $131 per night plus 14% tax; includes a daily hot breakfast buffet in the hotel restaurant. Rooms are blocked from Friday September 14 thru Friday September 21. We currently have reserved 765 room nights, of which we must guarantee 650 (85%). The cutoff date for reserving rooms under the HSFO block, at conference rate, is Wednesday, August 15, 2012. All reservations must be guaranteed and accompanied by a first night’s room deposit, or guaranteed with a major credit card, which will be charged at the time of reservation. The Hunt Valley Inn’s room cancellation policy, for cancellation without penalty, is 48 hours notice prior to scheduled arrival. A link with the Hunt Valley Inn for room reservations has been posted to the HSFO web site page for the Baltimore conference.

**On-line conference registration:** Maryland is working on a state (DHMH) web site with a home (welcome) page that links to the conference registration form. At the time of this writing, there are still some technical difficulties to be worked out. If the Maryland web site does not appear workable by early May, in consultation with the organization’s Web Master, registration will be handled on the HSFO web site, with information on individual registrations subsequently transmitted to the Maryland host committee, to be posted manually to a tracking spreadsheet.

We have developed a draft registration form, to be amended for whatever changes and / or additions that may be necessary as a result of the Burlington Planning Meeting. The registration form currently designates (Tuesday) July 31 as the last day for early registration at the discounted registration fee. July 31 was chosen in consideration of those agencies that may not be able to process state fiscal year 2012 travel prior to July 1, thus providing 30 days to register at the discounted fee.

The registration form currently indicates that regular registration must be received by (Wednesday) September 5. This the latest workable date, as arrangements for several of the conference events require a seven (7) business day notice on final participant count.

The registration form advises attendees (in bold) that, due to the mid-September scheduling of the conference, there will be no HSFO-sponsored youth events or youth hospitality suite.

Additional details regarding conference registration will be discussed further on, as it relate to various activities.

**On- site conference check-in / registration.** The (draft) schedule for staffing on- site conference check-in / registration is as follows:

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<tr>
<th>Day</th>
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<tr>
<td>Saturday, Sept 15</td>
<td>12:00 PM to 5:00 PM</td>
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<tr>
<td>Sunday, Sept 16</td>
<td>10:00 AM to 5:00 PM</td>
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<td>Monday, Sept 17</td>
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<tr>
<td>Tuesday, Sept 18</td>
<td>7:00 AM to 11:30 AM</td>
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<tr>
<td>Wednesday, Sept 19</td>
<td>7:00 AM to 5:00 PM</td>
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<tr>
<td>Thursday, Sept 20</td>
<td>7:00 AM to 2:00 PM</td>
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The on-site conference check-in / registration area at the hotel is the Maryland Coatcheck, which provides an ample service counter and behind-counter work area, and has an adjoining (lockable) storage room. It is located around the corner from the Maryland Ballroom and the Maryland Foyer, as described next.

**Conference sessions and sponsor display area:** The Maryland Ballroom, with its flexibility for being subdivided into multiple smaller rooms, is the location for the conference general sessions and break-out sessions. We have some options for additional break out space on certain days, if needed. The Maryland Foyer is an area outside of the Maryland Ballroom, running the length of the ballroom, sufficient in size to accommodate sponsor display booths as well as set-ups for the mid-morning and mid-afternoon breaks.

Please note that the Maryland Foyer, while an ideal display area in terms of attendee traffic, is an open area freely accessible from both inside the hotel and from outside (exterior doors on either end). It cannot be blocked off or secured against off-hour traffic. We plan to have host staff available, each day, to assist sponsors at the end of the day with securing computers and small items in the lockable storage room behind the Maryland Coatcheck, and to assist with retrieval the following morning.

**Hospitality Suite:** The McCormick Suite, on the hotel’s 2nd floor, has a large (main) living room area with cathedral ceiling and kitchenette, and will serve as the hospitality suite. It has two connecting 2nd floor lodging rooms that have been booked against the master account, from which the beds will be removed, but will retain chairs & TV’s, for additional hospitality space.

A staircase at one end of the main area leads to a loft with two connecting 3rd floor lodging rooms. For obvious security concerns, these two connecting 3rd floor rooms have been reserved against our master account. In addition, on the second floor, aside from the two McCormick Suite connectors that will have the beds removed, we reserved against the master account four additional lodging rooms that share the immediate hallway with the McCormick Suite. In total, there are six hotel rooms booked from Friday, September 14 through Thursday, September 20 against the master account that will be available for lodging assignment to host staff and / or HSFO member attendees, at our discretion and need: 4 on the second floor and two (connecting to hospitality suite) on the 3rd floor.

We hope to open hospitality by late afternoon Friday, September 14.

Tentative hospitality hours will be as follows:

- **Friday, September 14** 4:00 PM to 11:00 PM
- **Saturday, September 15** 10:00 AM to 11:00 PM
- **Sunday, September 16** 10:00 AM to 6:00 PM
  - 9:00 PM to 11:00 PM (after President’s Reception)
- **Monday, September 17** 5:00 PM to 11:00 PM
- **Tuesday, September 18** 9:00 PM to 11:00 PM (after Special Event)
- **Wednesday, September 19** 5:00 PM to 11:00 PM
- **Thursday, September 20** 9:00 PM to 12:00 PM

**Events:**
**Board Dinner:** Saturday, September 15. Dinner will be at the Manor Tavern. Bus departs Hunt Valley Inn at 6:00 PM, arrives back at hotel approximately 9:30 PM. We plan to send invitations to Board members and spouses, and past presidents and spouses, in mid-July with rsvp by mid-August.

**President’s Reception:** Sunday, September 16, 7:00 PM to 9:00 PM; Hunt Valley Inn Maryland Ballroom. There will be an open bar. Current food plans are for a buffet-style offering.

**Spouse / Guest Event:** Monday, September 17, will be a morning tour of the Ladew Topiary Gardens with a sandwich lunch at the gardens, followed by an afternoon tour of the nearby Boordy Vineyards with wine tasting. Bus departs Hunt Valley Inn at 9:00 AM, and will arrive back at the hotel approximately 4:30 PM. The on-line registration form will provide for a confirmation of those who plan to attend this event, and for selection of one of the lunch choices.

**Conference Special Event:** Tuesday, September 18, the Special Event will be a visit to Fort McHenry, followed by a picnic / crab feast at the waterfront facility of a local caterer, Conrad’s Ruth Villa. Buses will board at Hunt Valley Inn promptly at 12:30 PM and will depart at 1:00 PM. A box lunch will be distributed at bus boarding. The on-line registration form will provide for a confirmation of those who plan to attend, and for selection of one of the box lunch choices. Buses will arrive back at the hotel at approximately 9:00 PM.

**Conference Banquet:** Thursday, September 20, Hunt Valley Inn. Reception 6:00 PM to 7:00 PM in the Maryland Foyer; banquet dinner 7:00 PM to 9:00 PM in the Maryland Ballroom. Open bar 6:00 to 9:00. We currently plan a dinner entrée choice of either Petit File Mignon with Grilled Shrimp and sides, or a vegetarian selection (to be determined). The on-line registration form will provide for a confirmation of those who plan to attend, and for the entrée selection.

**Other Items:**

Rooms have been reserved for New Member Orientation on Sunday, as well as the Sponsor Lunch, the Board Lunch, and the Annual Business Meeting during the week; respective scheduling dates of these last three to be discussed. A Court Reporter has been lined up for the Business Meeting.

We’re working on local businesses, for contributions of prizes for the daily session drawings.

**Deposits to date:**

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<tr>
<td>Hunt Valley Inn:</td>
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<tr>
<td>Buses, Rohrbaugh’s Charter Service</td>
<td>1,200</td>
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<tr>
<td>Board Dinner, Manor Tavern:</td>
<td>100</td>
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<tr>
<td>Ladew Topiary Gardens</td>
<td>75</td>
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<tr>
<td>Boordy Vineyards</td>
<td>200</td>
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<tr>
<td>Conrad’s Ruth Villa</td>
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Based on an estimated $70,000 master account expenditure (food & beverage, master account rooms, AV support, etc), the Hunt Valley Inn has granted us direct billing credit of $60,000. This is payable within 30 days after billing us for the event. The remaining $10,000 of estimated costs is due as a deposit 60 days
prior to arrival (due July 14). We’ve already made an initial deposit of $1,000 at contract signing in 2010; this leaves a net $9,000 due on July 14.

Aside from the Hunt Valley Inn, payment of balances due on the other items listed above vary from late August to the day of event in September. Anticipating some influx of cash from registrations paid by check, at some time in June I will calculate what if any additional advance is needed, and notify the Board.

Mr. Fitzer also mentioned that the keynote speaker will be Charles J. Milligan, Jr. who is the deputy secretary for health care financing at the Maryland Department of Health and Mental Hygiene in March 2011.

This concludes the Baltimore 2012 Arrangements Report.

Mr. Fitzer moved for acceptance of the report with Ms. Brenda Weisz of North Dakota seconding the motion.

Mr. Doug Robinson of West Virginia expressed concern that all corporate sponsors be located in the same area, which was confirmed would be the case.

Mr. Stan Mead of Louisiana mentioned that the dates of the conference should be consistent from year to year, the Board Dinner attendees should be better defined to state who actually is entitled to attend, and “spouses” should be changed to simply state guests.

Suggestions were made to relook at the Hospitality Room hours for Thursday, to check the wording regarding the date that registration must be received.

Mr. Richard Billera of New York suggested rethinking the opening a separate PO Box number for this conference and suggested using the main mailing address.

President Brown called for a vote. The report was accepted.

**Arrangements Report – 2013 Conference – Columbus, Ohio**

Ms. Mary Fernald of Ohio presented the following report:

The 2013 annual conference will be held July 28, 2013 (Sunday) through August 1, 2013 (Thursday) at the DoubleTree by Hilton, 175 Hutchinson Avenue, Columbus, Ohio. Thanks to Stan Mead, Deena Brown and Hank Fitzer for their participation in the site selection process. Room rate will be $94.00 government per diem rate and includes breakfast and Wi-Fi in guest and meeting rooms. Rates are subject to state and local taxes which currently total 16.75 %. Total room nights blocked are 830 with an allowable 20% attrition rate to 664 room nights.

Committee chairs have been identified. An organization meeting with the chairs was conducted in which roles and responsibilities were explained. Preliminary work (information gathering) has been done.
regarding events. The highest priority now is to finalize events in order to secure contracts for both events and transportation.

In anticipation of entering into contracts soon I am requesting an advance of $10,000.

Ms. Fernald moved for acceptance of the report with Mr. Doug Robinson of West Virginia seconding the motion.

Mr. Richard Billera of New York pointed out the dates which were modified to Friday, August 2, 2013 to be consistent with other conference dates.

Ms. Fernald discussed options for activities for the conference including possible keynote speaker, possible main event, a potential guest event and possible youth events.

President Brown called for a vote. The report was accepted.

**Web-Site Update**

Ms. Vonnetta Allenbaugh of Oklahoma presented the following report:

Madam President, Executive Board and HSFo members, the Web Committee report is as follows:

During the 2012 HSFo Fall Planning and Business meeting, President Deena Brown, requested Mr. Richard Billera, HSFo Past President and HSFo Webmaster, chair the HSFo web re-design committee, to include appointed members Dague Clark(NH), Hank Fitzer(MD)-sub for Rick Brennan(WV)-, Mark Story(AR) and Vonnetta Allenbaugh(OK).

Under the direction of Committee Chair Richard Billera, the HSFo website committee has since held three conference calls (February 28, March 20 and April 17, 2012).

The established goal of the committee was to develop recommendations for presentation during the 2012 Spring Planning and Business Meeting in Burlington, VT.

Initially the committee reviewed a brief history of the current HSFo website, to include, structure, content, logo, color, etc.

The committee’s unanimously agreed, the first priority was to focus efforts on the HSFo homepage, and the general discussion involved:

- Critical for first impression;
- Should communicate the organization’s purpose;
- Highlight the organization’s strengths in education through trainings and conferences, utilizing graphics and positioning of links to these areas as a top priority;
- Consider embedding the HSFo logo on each linked page, with a home page back button on each linked page for user friendly navigation;
e. Make the homepage “alive” with; changing scenery, graphics, information from recent and upcoming events/conferences, possibly videos

Some concerns to keep in mind as decision are made:

- accessibility of site through State IT security, potential need to upgrade software for a more graphic enabled web-site.
- the current iContact process currently used for communication with HSFo contact lists; iContact is intended for marketers who have an established list of permission-based opt-in email addresses, allowing easier access/acceptance of the communications through servers, etc.
- HSFo current web-site statistical data; such as numbers of visits, which areas of web-site visited most, duration of visit, etc. (which Mr. Billera has compiled) in order to enhance the ability of the attendees in providing the committee with input.

Mark Story (AR) offered the assistance of a web graphics resource available within his Agency. In keeping with the priorities identified in the general discussion and through the creativity of Mark’s available resource, a “mock” HSFo web-site was developed and presented to the committee, which will be demonstrated at the conclusion and acceptance of this report. Committee members express appreciation and support to Mark Story(AR), for the voluntary work completed thus far on the new design of a HSFo “mock” web-site.

Mr. Story has provided Mr. Billera with information on the software package being used for the “mock” web-site development, so that if it proves necessary for HSFo to purchase the software for future web-site maintenance purposes, cost information would be available for discussion at the 2012 Spring Planning and Business meeting.

Other brief discussions of the committee involved a future area of work related to Corporate Sponsors, such as:

- Instead of only providing a link to the corporate sponsor web-site, HSFo would provide the contact information for that corporate sponsor liaison, including a direct link to their e-mail, to enable all members with readily accessible communication with the appropriate Corporate Sponsor contact person (a suggestion received via e-mail from Michelle Grose-Bray(AK)). Additionally, it would be critical for the Corporate Sponsor Committee Chair to provide the webmaster with current contact information/updates in this regard;
- The committee might consider a tiered approach for Corporate Sponsors; which might allow them ready access to more information from the HSFo web-site than provided to the general public (i.e. possibly to some areas that are now considered for members only);
- Consider highlighting one Corporate Sponsor on the HSFo homepage (intervals TBD), as this may be a quicker and more frequent process of rotation to highlight sponsors, rather than through the newsletter only.

Future Web Committee calls will be determined after the 2012 Spring Planning and Business meeting.

Ms. Allenbaugh moved for acceptance of the report with Mr. Dague Clark of New Hampshire seconding the motion.
President Brown called for a vote. The report was accepted.

Mr. Richard Billera of New York provided a demonstration of the new web site.

President Brown stated that the committee is moving in the proper direction and gave permission to move forward and replace the current website. President Brown did request from the Web site Committee a cost estimate of the software for the new Web site.

Discussion followed and ideas were shared. Mr. Mark Story asked that the ideas and input be sent to him via email.

President Brown gave direction to the Committee to replace the old website with the newly developed web site which would take place in approximately 10 to 14 days. This new website would then be updated as we move forward and the ideas and thoughts are implemented.

**Marketing Committee**

President Brown expressed the need to organize a marketing committee to increase the membership of HSFO and the exposure of the organization. The Committee will have two goals in mind. 1. Short term - what do we do now for Baltimore; and 2. Long term - what do we do for future strategy.

President Brown asked for volunteers to the committee. The following volunteered: Stan Mead of Louisiana, Richard Billera of New York, Bob Bumbalough of Tennessee, Rick Brennan of West Virginia, Mary Fernald of Ohio, Nancy Clermont of Vermont, Scott Carson of Arizona, Karen Fricke of Arkansas, Mark Story of Arkansas, and Brenda Weisz of North Dakota. President Brown will check with Mr. Bumbalough to chair the committee.

President Brown would like the first task to be the development of a Vision Statement. She has also requested that minutes be taken and provided to the Executive Board President Brown also requested that the Marketing Committee work with the Web site Committee.

**Special Committee – Role of the Regional Director**

President Brown requested that a special committee be formed to relook at the role of the regional directors. Ms. Brown called for volunteers for the special committee. The following volunteered: Mr. Doug Robinson of West Virginia, Mr. Jerry Berry of Arkansas, Mr. Rick Brennan of West Virginia, Mr. Harry Roberts of Delaware and Ms. Mary Fernald of Ohio.

**Treasurer Report**

Mr. Dague Clark of New Hampshire presented the Treasurer report as follows:
The Treasurer report was dated 4/20/12 and included the Statement of Income and Expenses for the period of 12/1/11 through 4/20/12, and the balance sheet for the period ending 4/20/12. Statements are prepared on a cash basis.

Mr. Clark read through the detail of the Balance Sheet and the Statement of Income and expenses.

The balance sheet as of 4/20/12 reflected that HSFO had Total Assets of $315,634.02. Total Liabilities were $0 and Total Equity was $315,634.02.

Total Income for the period 12/1/11 through 4/20/12 was $78,633.97 and Total Expenses were $41,124.66, with a total net income of $37,509.31.

Mr. Clark moved for acceptance of the report with Ms. Karen Fricke of Arkansas providing a second to the motion.

President Brown called for a vote. The report was accepted.

**Sponsor Development Report**

Mr. Doug Robinson of West Virginia presented the following:

Good day Madam President, Board Members and Past Presidents. As of April 9, 2012, HSFO has received corporate sponsor fees from the following vendors:

- IVA Inc.
- Amerigroup
- Clifton Gunderson, LLP
- Sequoia Consulting Group
- Public Consulting Group
- J.P. Morgan
- Cenpatico

One corporate sponsor, Northwoods Consulting, has informed us that due to a limited conference budget, they could not be a sponsor this year. I will continue to remain in contact with them. Other vendors are reviewing and finalizing their budgets for the current year. I sent reminders out to the vendors and will do so in early May for those that have not replied.

Also, I sent out letters to two possible corporate sponsors. The names were provided by Michelle Gross-Bay from Alaska. They are CGI a Canadian company and Resource Data Inc. of Alaska. Also, Clifton Gunderson’s regulatory health care practice is now PHBV Partners.

Mr. Robinson moved for acceptance of the report with Michele McDonald of Maryland providing a second to the motion.
Discussion followed to clarify the PHBV name and logo on our corporate sponsor website and contact CliftonLarsonAllen LLP (CLA).

President Brown called for a vote. The report was accepted.

**Program Committee**

Ms. Karen Fricke of Arkansas presented the report of the Program Committee. Ms. Fricke walked through the proposed sessions by each day of the conference. Discussion followed with many mentioning the upcoming Supreme Court decision on the Affordable Care Act and the need for the results to be incorporated. It was decided that a statement be included similar to: HSFO will include the most updated information in response to the outcome of the Supreme Court decision. After a lengthy discussion Ms. Fricke made a motion for acceptance of the report with Ms. Brenda Weisz of North Dakota providing the second.

President Brown called for a vote. The report was accepted.

President Brown asked for any new business, and with nothing being brought forward, Mr. Dague Clark of New Hampshire moved to adjourn the meeting. Ms. Vonnetta Allenbough of Oklahoma seconded the motion.

Meeting was adjourned.