

DELTA HEALTH
Board of Directors Meeting
Monday, October 24, 2022
Classroom B

PRESENT:

Jean Ceriani, Chairman	Matt Heyn, CEO	
Doug Speedie, M.D, Vice Chairman	Jody Roeber, CCO	Vickie Moore, Exec. Director, Clinic Operations (via ZOOM)
Bruce Mixter, M.D., Secretary/ Treasurer	Larry Vincent, CFO	Rhonda Katzdorn, Exec. Director, Human Resources
Matt Soper, Member	Julie Huffman, CLO	Donica Harrison, Exec. Assistant
Tammy Smith, Member	Melissa Palmer, EDON	Absent: Jonathan Richman, M.D., Chief of Staff

MEETING MINUTES:

Viewing of this meeting was made available to the public via video conferencing as well as in-person.

I. CALL TO ORDER

The Board of Directors meeting was called to order at 5:30 p.m. by Chairman Jean Ceriani.

II. AGENDA CHANGES

Specifications were added to section X.A. of the meeting agenda.

III. APPROVAL OF PREVIOUS BOARD MEETING MINUTES

The minutes from the September 19, 2022 Regular Board meeting were presented by Jean Ceriani.

ACTION: Dr. Mixter made a motion to accept the minutes of the September 19, 2022 Board Meeting as presented. Tammy Smith seconded the motion. All were in favor. None were opposed. Motion carried.

IV. GUEST SPEAKER

A. Foundation Update. *Executive Foundation Director, Darnell Place-Wise* updated the Board of Directors on Foundation events, awarded scholarships, donations and fundraisers. Darnell also emphasized Delta Health's need for more volunteers, shared details on the upcoming St. Luke's Awards ceremony luncheon that will take place on December 7th, as well as the Foundation Gala being held on Saturday, January 21, 2023 at Heritage Hall in Hotchkiss. Darnell will be providing a Foundation update for the Board on a quarterly basis going forward.

V. FINANCIAL

A. Finance Committee Meeting Highlights. Tammy Smith highlighted the following from this morning's Finance Committee meeting:

- Net income for September was \$265,142.
- Volumes showed increases over budget and prior year in most cases.
- Days cash on hand with investments was 47.
- Days in AR was up at 50 days.
- The Medicare Case Index was 1.41.
- Hospital Case Index was 1.45.
- Average length of stay lowered to 3.92 in September.
- FTE's were 510.3 and will remain higher due to the new providers.

- Contract labor is expected to remain high due to nursing, PT and RT.
- Surgeries were down from last year and budget.
- Births increased over budget at 13 compared to 4 prior year.
- We received \$384K from the USDA grant.
- Our FEMA application will be submitted by end of month and we are hoping to receive those funds by year end.

The following is a CFO summary of highlights of the reports provided to the BOD but not discussed in further detail in this meeting:

September financials resulted in a net gain from operations of \$265,142 compared to a budgeted gain of \$100,641. Admissions for the month were 112 compared to budget of 108 and prior year of 97. Discharges for the month were 114 compared to budget of 109 and prior year of 96. Patient days for the month of September were 447 compared to budget of 434 and prior year of 520. ALOS for September was 3.92 compared to budget of 3.98 and 5.42 prior year. Average daily census was 14.9 compared to budget of 14.5 and prior year of 17.3. Hospital gross revenue for September was \$17,795,529. Physician Prof Fee Gross revenue was \$2,566,921 and Home Health gross revenue for the month was \$157,180. Gross revenue was more than budget by \$1,582K; and deductions from revenue were more than budget by \$1,810K. Net revenue % for September was 35.92% compared to budget of 40.12% and prior year of 37.80%. Salaries, wages, and benefits were \$684K more than budget in September. Salary and contract labor expenses were more than budget by \$692K and group health expense was \$8K less than budget. Total expenses were more than budget by \$469K. Cash on hand increased by \$128K in September. Capital purchases were \$72K. Accounts Receivable increased by \$120K in September. Supply expenses were \$254K below budget.

ACTION: Tammy Smith made a motion to accept the financial reports as presented. Matt Soper seconded the motion. All were in favor. None were opposed. Motion carried.

B. 2023 Proposed Budget Distribution. CFO Larry Vincent acknowledged that the proposed budget was provided to Board members on October 14, 2022. A copy of the 2023 proposed budget will also be available for review in the Administration office. A Budget Hearing will be held during the November 21, 2022 regular Board meeting.

C. Capital Expenditure Requests

1. Bar Code Scanners and Meditech Interface. CFO Larry Vincent presented a CER on behalf of the Purchasing Department for Bar Code Scanners and Meditech Interface needed to create efficiencies and eliminate the risk for human error as well as the learning curve for new employees.

ACTION: Tammy Smith made a motion to approve the purchase of bar code scanners and the Meditech Interface for \$19,924.77. Matt Soper seconded the motion. All were in favor. None were opposed. Motion carried.

2. Electronic Submission of Quality Measures for CMS. Quality Director Janel Webb presented a CER on behalf of the Quality Department to contract with Medisolv to implement, train and manage the Electronic Hospital Measures in order to remain compliant with CMS requirements for electronic submissions of quality measures. In 2022 50% of the implementation fee will be due (\$10,000) and the IT infrastructure will have to be upgraded, which is currently estimated at \$46,960. In 2023 the remaining 50% implementation fee will be due as well as the \$32,000 annual fee. Janel explained the ramifications of falling out of compliance, which will include the loss of 25% reimbursement on each measure and clinics Medicare reimbursements will also be at risk.

ACTION: Tammy Smith made a motion to approve the contract with Medisolv to abstract Electronic Hospital Measures and implement, train and manage Electronic Hospital Measures and to approve the required upgrade to the IT infrastructure as presented. Matt Soper seconded the motion. All were in favor. None were opposed. Motion carried.

VI. ADMINISTRATION

A. CEO Report. *CEO Matt Heyn* reported the following:

- Pharmacy Remodel. We received the architecture plans for the Pharmacy remodel. The Request for Proposal will be published in the newspaper in the upcoming week.
- Home Health. Home Health completed a deficiency free survey. A celebration dinner is being held this week thanking them for their endeavors in making sure we had a good survey.
- PET/CT Scanner. The old CT scanner has been removed and the room is being prepped for the new PET/CT scanner.
- Accelerated Payment. The accelerated payment balance due is below \$4MM as of today. We still anticipate it being paid off by the end of February or early March.
- Fall Festival. Delta Health will be having a Fall Festival this Wednesday for staff that will include several activities.
- Trunk or Treat. Delta Health will have a booth on Main Street during the Halloween Trunk or Treat event to thank the community for all they have given to us. There will also be a Trunk or Treat event in the hospital parking lot.
- Award Recipient. Executive Director of Clinics Operations, Vickie Moore, was honored an Award of Excellence at the Colorado Rural Health Conference. Vickie also provided AIDET training (acronym for Acknowledge, Introduce, Duration, Explanation, Thank You) at the all staff meetings this quarter.
- NRHA Conference. Matt Heyn spoke at the NRHA Conference on “No Margin, No Mission” reflecting on Delta Health’s journey to financial recovery. Matt has since been become a resource to a few other rural hospital executives in their efforts to establish similar initiatives.

CCO Report, *CCO Jody Roeber* reported the following:

- Municipal Quarterly. Jody attended the Municipal Quarterly meeting where economic development is discussed. Jody was able to thank the municipalities for their support of the tax initiative and SCH.
- QHN Summit. Jody also attended the Quality Health Network Summit which focused on their Community Resources Network (“CRN”) that is now in 10 communities. CRN allows providers to log on and see their patients’ resources as well as information on their support system for patients who have signed up to be part of CRN.

VII. MEDICAL STAFF

A. Medical Staff Credentialing. Dr. Mixer presented the following update from the Med Exec Committee:

The following credentialing applications were reviewed and approved in the October 20, 2022 Med Exec meeting:

New Applications: Nazrul Chowdhury, MD, Internal Medicine, Hospital Locum for RPG
Jesus Ochoa, M.D., Family Practice at Adult Primary Care
Michael Weinblatt, M.D., Cardiology with SCL Cardiology Group

Re-Applications: Michelle Reed, D.O., Family Practice at Adult Primary Care
Mark Huun, MD, Internal Medicine at Adult Primary Care

ACTION: Dr. Mixter made a motion for the Board of Directors to approve the credentialing report of the Med Exec Committee as presented. Tammy Smith seconded the motion. All were in favor. None were opposed. Motion carried.

B. Chief of Staff Report. *On behalf of COS Dr. Richman, Dr. Mixter* shared with the Board the following:

- The Med Exec met on Wed October 20th.
- Dr. Kyle Nickel will be the 2023 Surgery Chair.
- The 2023 Chief of Staff will be voted on during the November 15th medical staff dinner meeting.

VIII. OTHER BUSINESS

A. Further Comments

1. Tammy Smith shared proposed dates with the Board for Ben Anderson, CHA's VP, to return to facilitate another case study review. Board members will report to Tammy their availability by the end of this week.

IX. EXECUTIVE SESSION

ACTION: At 6:38 p.m. Tammy Smith made a motion to go into Executive Session for the purpose of determining positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators, specifically (1) strategic planning and (2) mediation parameters in pending lawsuit under 24-6-402(4)(e), and to discuss personnel matters under C.R.S. 24-6-402(4)(f), specifically administrative salaries. Matt Soper seconded the motion. All were in favor. None were opposed. Motion carried.

All Board members were present for the Executive Session as well as Julie Huffman and Matt Heyn. After a brief recess, Executive Session began at 6:43 p.m.

X. ADJOURNMENT

With no further business from the floor, Board Chairman Jean Ceriani **ADJOURNED** the meeting at 7:54 p.m.

Bruce Mixter, M.D., DCMHD Board Secretary/Treasurer

Date