

**DELTA HEALTH**  
**Board of Directors Meeting**  
Monday, August 15, 2022  
Classroom B

**PRESENT:**

Jean Ceriani, Chairman	Matt Heyn, CEO	Laura McCrackin, M.D., Chief of Staff
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	Donica Harrison, Exec. Assistant
Matt Soper, Member	Julie Huffman, CLO	Absent: Rhonda Katzdorn, Exec. Director, Human Resources
Tammy Smith, Member	Melissa Palmer, EDON	

**MEETING MINUTES:**

**I. CALL TO ORDER**

The Board of Directors meeting was called to order at 5:32 p.m. by Chairman Jean Ceriani. Viewing of this meeting was made available to the public via video conferencing as well as in-person.

**II. CONSENT AGENDA**

**A. Approval of Previous Board Meeting Minutes**

1. The minutes from the July 14-15, 2022 Special Board Meeting/Retreat were presented by Jean Ceriani.

**ACTION:** Tammy Smith made a motion to accept the minutes of the July 14-15, 2022 Special Board Meeting/Retreat as presented. Dr. Mixter seconded the motion. All were in favor. None were opposed. Motion carried.

2. The minutes from the July 18, 2022 Regular Board meeting were presented by Jean Ceriani.

**ACTION:** Tammy Smith made a motion to accept the minutes of the July 18, 2022 Board Meeting as presented. Matt Soper seconded the motion. All were in favor. None were opposed. Motion carried.

**III. FINANCIAL**

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

- Net income for July was \$68,987.
- Clinic numbers continue to level out. Patient numbers were down due to doctor vacations.
- Days cash on hand with investments was 46.
- Days in AR is holding steady at 48 days.
- The Medicare Case Index was 1.50.
- Average length of stay was 3.75 in July, down from 4.53 in June.
- FTE's went down to 476 from 512.
- Overall volumes were in line with budget and prior year.
- Surgery, Therapies and Home Health were down from prior year.
- Cardiac Rehab, ER, and most Radiology procedures saw increases from budget and prior year.
- Medicare/Medicaid revenue hit 74.7% of total revenue in June averaging 77.4 for the year.

- Contract labor decreased by 9 in July.
- July 1<sup>st</sup> we saw the new Rocky Mountain insurance take effect.
- Delta Family Medicine has moved into their new location and started seeing patients today.

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

July financials resulted in a net gain from operations of \$68,987 compared to a budgeted gain of \$9,645. Admissions for the month were 115 compared to budget of 108 and prior year of 112. Discharges for the month were 118 compared to budget of 108 and prior year of 114. Patient days for the month of July were 442 compared to budget of 429 and prior year of 506. ALOS for July was 3.75 compared to budget of 3.97 and 4.44 prior year. Average daily census was 14.3 compared to budget of 13.8 and prior year of 16.3. Hospital gross revenue for July was \$16,243,964. Physician Prof Fee Gross revenue was \$2,106,811 and Home Health gross revenue for the month was \$205,963. Gross revenue was less than budget by \$127K; and deductions from revenue were more than budget by \$127K. Net revenue % for July was 39.10% compared to budget of 40.19% and prior year of 37.10%. Salaries, wages, and benefits were \$329K more than budget in July. Salary and contract labor expenses were more than budget by \$251K and group health expense was \$78K more than budget. Total expenses were less than budget by \$79K. Cash on hand decreased by \$2,321K in July. Capital purchases were \$86K. Accounts Receivable increased by \$377K in July. Supply expenses were \$345K below budget.

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

#### **General Discussions**

- Larry Vincent and Rhonda Katzdorn learned Delta Health's FEMA application for reimbursement for contract labor and over time has been approved at 100% for the designated period of time. Our submission for incentive pay is still under review and consideration. We are hopeful to receive the FEMA grant funds by year end.
- Julie Huffman informed the Board that after learning about the leftover USDA grant funds, she updated Delta Health's application and is hoping to qualify for an additional \$385K.
- Larry Vincent distributed a cash forecast summary through 2023 showing anticipated growth once the accelerated payment has been paid off.

#### **B. Appoint Person to Prepare Budget.**

**ACTION:** Tammy Smith made a motion to appoint CFO Larry Vincent to prepare the Delta Health 2023 budget. Matt Soper seconded the motion. All were in favor. None were opposed. Motion carried.

### **IV. ADMINISTRATION**

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

- We have had a decrease in StatRad usage and an increase in time provided by our new radiology group now possible since our technological capabilities have been upgraded. Matt expects this change to result in a \$14K - \$15K in our StatRad expense monthly.
- Employee culture training will begin in October as part of our BHAG goal of culture transformation. Vickie Moore provided additional detail about what the culture curriculum will include over the next year.
- Improving HCAHP scores continues to be a major focus in an effort to achieve our goal of achieving a CMS 5 star rating and maintaining a Leapfrog Grade B or A.
- Early discussions regarding a succession plan for the orthopedic specialty are starting to take place.

**B. Bylaw Amendments, CLO Julie Huffman**

CLO Julie Huffman highlighted proposed changes to the Delta County Memorial Hospital District Bylaws relating to the annual retirement match and wage increases, the role, supervision and evaluation of in-house counsel, and alignment with the Delta Health Foundation Bylaws. The Board will continue discussion in the September Board meeting after a more in-depth review of the proposed changes.

**V. 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 X, 2022 Med Exec meeting:

New Applications:           Janelle Weyer, M.D., Hospitalist  
  Katie Rose-Borcherding, D.O., FPOB  
  Charles Tate, M.D., Cardiologist

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

**B. Chief of Staff Report. Chief of Staff Dr. McCrackin shared with the Board the following:**

- Julie Huffman has finalized the update to the Medical Staff OPPE and FPPE process after compiling the individual service committee requirements delivered by the chairpersons of the Med Exec Committee. The updated Rules & Regulations and small change to the Bylaws will be shared with the Medical Staff before voting on the changes at the annual meeting in November. All changes will be voted on by the Board in their December meeting.
- The Medical Staff will be having a social gathering on August 23<sup>rd</sup> in place of their usual annual medical staff retreat. Dr. McCrackin invited the Board to attend.
- In response to the mention of Meditech Expanse, Larry Vincent explained that there will be several meetings for physicians to learn about Expanse before a decision has been made. The meetings should be in the next 2 to 3 weeks and will be announced once scheduled.

**VI. OTHER BUSINESS**

**A. Colorado FAML I Program, CLO Julie Huffman**

Julie Huffman shared a Power Point presentation with the Board regarding the Colorado FAML I Program highlighting three levels of participation and followed with a Q&A. After discussion the Board was ready to vote.

**ACTION:** Matt Soper made a motion for the Board of Directors to opt out of the Colorado FAML I Program completely at this time. Tammy Smith seconded the motion. Dr. Speedie abstained from voting. All others were in favor. Motion carried.

**B. Tax Initiative Update, CLO Julie Huffman**

Julie Huffman explained to the Board her exhaustive efforts to obtain the data required to inform local businesses of the sales tax increase. After it became apparent that we did not have the time, money or man power to send post cards to local businesses, it was decided that the notification in the newspaper, on the State of Colorado's website as well as the Delta County website, provided ample notification.

**C. Further Comments**

1. Upcoming Events: Jean Ceriani reminded everyone of the following events:
  - The 11<sup>th</sup> annual Pea Green Pedal, Oncology Color Run and Food Drive will take place on September 10<sup>th</sup> at Confluence Park. Jean encouraged participation and/or sponsorship. Details can be found on the Foundation website.
  - The Medical Staff Social will be held on August 23<sup>rd</sup> at 6:00 p.m.
  - The Board social gathering with the Delta Health Foundation Board will be on August 25<sup>th</sup> at 5:30 p.m.
  - The Delta Family Medicine ribbon cutting will be on September 15<sup>th</sup> from 4:00-6:00 p.m.
  - Dr. McCrackin's retirement open house will be on September 13<sup>th</sup> from 2:00-4:00 p.m. at Delta Surgical Associates located at 95 Stafford Ln.
2. October BOD Meeting: Jean Ceriani asked to move the October Board meeting from October 17<sup>th</sup> to October 24<sup>th</sup>. All were in agreement.
3. Board Education: Jean Ceriani let the Board know she has a call scheduled with Ben Anderson, Vice President, Rural Health and Hospitals regarding Board Education.
4. Health Fair: Marketing Director Jacque Davis reminded the Board that the Health Fair will be taking place on August 17<sup>th</sup> in Cedaredge, August 18<sup>th</sup> in Hotchkiss, August 19-20 in Delta, and August 26<sup>th</sup> at Bill Heddles Recreation Center.

**VIII. EXECUTIVE SESSION**

**ACTION:** At 7:11 p.m. Tammy Smith made a motion to go into Executive Session for the purpose of receiving legal advice on the purchase, acquisition, lease, transfer, or sale of any real, personal, or other property interest under 24-6402(4)(a), specifically Delta Surgical Associates and 95 Stafford Lane as well as Cedar Point Health in Cedaredge. 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 7:20 p.m.

At 7:48 p.m. Jean Ceriani terminated Executive Session and General Session was reconvened.

**ACTION:** Matthew Soper made a motion to approve a total of fifty thousand dollars (\$50,000) to finalize the purchase of Delta Surgical Associates. Tammy Smith seconded the motion. All were in favor. None were opposed. Motion carried.

(NOTE: Upon adjournment of Executive Session, the administrator's ZOOM link for broadcasting the return to general session could not be found, only the general public attendee link. Therefore, the final portion of the general session was broadcast live, but without the administrator's link the session could not be recorded.)

**IX. ADJOURNMENT**

With no further business from the floor, Board Chairman Jean Ceriani **ADJOURNED** the meeting at 7:49 p.m.

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

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**Date**