

DELTA HEALTH
Board of Directors Meeting
Monday, May 15, 2023
Classroom B and ZOOM

PRESENT:

Jean Ceriani, Outgoing Chairman	Davis Walton, Member	Vickie Moore, Exec. Director, Clinic Operations
Doug Speedie, M.D, Chairman	Julie Huffman, CLO / Interim CEO	Rhonda Katzdorn, Exec. Director, Human Resources
Tammy Smith, Vice Chairman	Kelly Johnston, Interim CFO	Jarred Freese, Chief of Staff
Bruce Mixter, M.D., Secretary/ Treasurer	Jody Roeber, CCO	
Matt Soper, Member	Melissa Palmer, EDON	Donica Harrison, Exec. Assistant

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 5:31 p.m. by Chairman Jean Ceriani.

A. Introduction and Swearing in of new Board Member. After introducing Davis Walton as Delta County Memorial Hospital District's new Board member, *CLO / Interim CEO Julie Huffman* conducted the swearing-in ceremony.

B. Honoring Outgoing Board Chairman Jean Ceriani. *CLO / Interim CEO Julie Huffman* presented Jean Ceriani with an award from the hospital and gift from Administration and the Board and thanked her for her years of service and dedication to our community and organization. Jean shared parting sentiments.

C. Election of Board Officers.

1. Board Chairman. Matt Soper nominated Dr. Speedie to be the Board Chairman.

ACTION: Matt Soper made a motion to name Dr. Speedie as the Board Chairman. Tammy Smith seconded the motion. All were in favor. None were opposed. Motion carried.

Dr. Speedie provided his signature to become an official signor for DCMHD.

2. Board Vice Chairman. Tammy Smith nominated herself to be the Board Vice Chairman.

ACTION: Dr. Mixter made a motion to name Tammy Smith as the Board Vice Chairman. Matt Soper seconded the motion. All were in favor. None were opposed. Motion carried.

3. Board Secretary / Treasurer. Tammy Smith nominated Dr. Mixter to continue as Board Secretary / Treasurer.

ACTION: Tammy Smith made a motion to name Dr. Mixter as Board Secretary / Treasurer. Davis Walton seconded the motion. All were in favor. None were opposed. Motion carried.

D. Committee Assignments

1. Finance Committee Member. Tammy Smith expressed her desire to remain on the Finance Committee. Matt Soper nominated Dr. Speedie to be on the Finance Committee.

ACTION: Matt Soper made a motion for Dr. Speedie to join the Finance Committee and Tammy Smith to remain on the Finance Committee. Davis Walton seconded the motion. All were in favor. None were opposed. Motion carried.

2. Med Exec Ambassador. Tammy Smith nominated Dr. Mixer and Davis Walton to serve as Med Exec Ambassadors.

ACTION: Tammy Smith made a motion for Dr. Mixer and Davis Walton to serve as the Med Exec Ambassadors. Matt Soper seconded the motion. All were in favor. None were opposed. Motion carried.

3. Foundation Board Liaison.

ACTION: Dr. Mixer made a motion to serve again as the Foundation Board Liaison pointing out he serves as the Foundation Secretary. Matt Soper seconded the motion. All were in favor. None were opposed. Motion carried.

4. Credentialing Committee.

ACTION: Dr. Mixer made a motion to serve again on the Credentialing Committee. Tammy Smith seconded the motion. All were in favor. None were opposed. Motion carried.

- E. Conflict of Interest Statements.** Conflict of Interest Statements were completed by all Board members and notarized.

II. APPROVAL OF PREVIOUS BOARD MEETING MINUTES

The minutes from the April 17, 2023 Board meeting were presented by Dr. Speedie.

ACTION: Tammy Smith made a motion to accept the minutes of the April 17, 2023 Board meeting as presented. Matt Soper seconded the motion. All were in favor. None were opposed. Motion carried.

III. GUEST SPEAKERS

A. Quality Oversight. *Quality Director, Janel Webb*

1. Janel gave a brief overview of the 2022 4th quarter quality dashboard. She will be reporting back to the Board with the most recent dashboard quality metrics in a future Board meeting.
2. Janel also provided a DNV Finding Overview that summarized the 18 nonconformities received in this year's accreditation survey. For an accreditation year, the results are similar to past surveys and many of the NC's have already been corrected. Part of one NC was for lack of documented Board approval of hospital anesthesia locations. Janel identified the locations where anesthesia is administered as OR, Radiology, ER, Endoscopy, ICU, Med Surg and OB.

ACTION: Dr. Mixer made a motion to approve the hospital anesthesia locations as presented. Matt Soper seconded the motion. All were in favor. None were opposed. Motion carried.

B. Hospital Discounted Care. *Levi Bernadac, Darla Ballard and Charyl Scroggins*

Delta Health's Business Office Director, Director of Physician Billing and Financial Counselor gave a presentation to the Board providing an overview of the HB21-1198 Hospital Discounted Care program that began on September 1, 2022. The presentation outlined which patients qualify for HDC, the screening and application process, limits on charges, payment plans that must be offered, criteria for selling patient debt to a collection agency, patient rights under HDC, examples of write-offs under the HDC and a YTD summary of Delta Health's write-offs under Hospital Discounted Care, the Colorado Indigent Care Program and Charity Care.

The amount of time to conduct the HDC patient screening, complete the application, complete other required paperwork and complete the monthly contacting was calculated at approximately 1.5 hours

total. In the last 9 months Delta Health hospital alone averaged approximately 1200 self-pay patients per month. Following all requirements of the HDC program will take an estimated 1,800 hours per month and would require approximately 10 full time employees. Delta Health currently employs one financial counselor.

Audits for compliance are slated to begin September 1, 2023. Hospitals will be fined \$5,000 or more if found to be out of compliance and will be given 90 days to complete their corrective action.

IV. FINANCIAL

A. Financial Updates. *Interim CFO* Kelly Johnston provided an overview of the central themes and areas of improvement that have been identified:

1. Revenue cycle silos resulting in a decrease in reimbursement and/or a delay in payments received;
2. Reimbursement (many departments and service lines are not getting paid for work performed or the payment rates are not aligned with the spending of the organization);
3. Departmental performance (revenue is not being optimized due to current workflow). Kelly will be meeting with departmental leadership to observe processes starting;
4. Project management (due to the silo effect of the departments, many changes and decisions have happened in the past without the full analysis and review of those decisions).

Completing several action items under each theme will help identify opportunities for efficiency, profitability, collaboration and needed changes to improve workflow and optimize revenue.

- Kelly confirmed that financial statements do not appear to be materially misstated or misleading. She pointed out that confusion can come from the understanding of accrual accounting principles versus cash-basis reporting and the reserves needed to cover debt obligations. Her team has created a cash flow spreadsheet that will be updated weekly that will allow for closer tracking of available cash, creating a faster decision-making tool.
- Kelly encourages our organization to develop strong financial leadership by using the CFO role to connect the financial departments, clinical team members, and the overarching strategy of the organization to the true financial impact supported by a strong financial team that includes a controller, payroll specialist and AP support that do the monthly reporting needs for the organization. She recommends re-evaluation and adjustment of the roles of the CFO and entire finance team to utilize our financial team more efficiently.
- Kelly presented the balance sheet and P&L for February 2023 since the February financial reports have not yet been presented and approved by the Board.

ACTION: Dr. Mixer made a motion to approve the February financial reports, specifically the balance sheet and P&L, as presented. Matt Soper seconded the motion. All were in favor. None were opposed. Motion carried.

- Kelly presented financial reports for March 2023 and provided a high level summary.

ACTION: Davis Walton made a motion to approve the March financial reports as presented. Matt Soper seconded the motion. All were in favor. None were opposed. Motion carried.

B. Oncology A/C Chiller. *CLO / Interim CEO Julie Huffman* informed the Board that the 23 year old A/C chiller in the Oncology building is no longer working. While both buildings can be run with the chiller in the main hospital building while temperatures are lower, it is not sustainable through the hotter months. The expense to repair the Oncology building chiller is estimated at \$27,842. Our Director of Plant Operations is researching grants and rebate programs to help cover the expense of future replacement of both units since they will cost \$200K or more. In the meantime, while this is neither a capital expense nor a lease, the Board opted to formally approve the expense to make the repair.

ACTION: Davis Walton made a motion to approve the \$27,842 expense to repair the Oncology A/C chiller. Tammy Smith seconded the motion. All were in favor. None were opposed. Motion carried.

- C. Courier Van Transmission.** *CLO / Interim CEO Julie Huffman* also informed the Board that the transmission went out on the courier van and will cost \$5,610.09 to replace. That price includes a \$1,415.91 credit for a repair already made to the van that did not fix the problem. While this is neither a capital expense nor a lease, the Board opted to formally approve the expense to replace the transmission on the courier van.

ACTION: Tammy Smith made a motion to approve the \$5,610.09 expense to replace the transmission on the courier van. Davis Walton seconded the motion. All were in favor. None were opposed. Motion carried.

V. ADMINISTRATION

A. Administrative Update. *CLO / Interim CEO Julie Huffman*

1. Bylaw Amendments. *CLO / Interim CEO, Julie Huffman* presented proposed Bylaw amendments adding verbiage for Emeritus Board Member and Fiduciary Duty of CEO. After discussion, the Board agreed to table until the next Board meeting to allow more time for review.
2. Financial Transactions with Physicians Policy Amendment. *CLO / Interim CEO, Julie Huffman* presented a proposed amendment to the Financial Transactions with Physicians policy that exempts Oncologists from the policy because their work is not solely reflected in the wRVUs they produce.

ACTION: Tammy Smith made a motion to approve the proposed changes to the Financial Transactions with Physicians Policy as presented. Matt Soper seconded the motion. All were in favor. None were opposed. Motion carried.

3. Travelers Update. *Executive Director of Human Resources, Rhonda Katzdorn* provided a summary of scheduled travel staff through August 2023. She will continue to provide this report on a monthly basis.

VI. 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 May 10, 2023 Med Exec meeting:

New Applications: David Chmielecki, M.D., Hospitalist

Re-Applications: Kurt Strom, M.D., Urology

Allied Health Professionals: Sharon Brodbelt, P.A., West Elk Urgent Care

Resignations: Janel Weyer, M.D., Hospitalist

ACTION: Dr. Mixer 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. The Med Exec Committee met on May 10, 2023 and COS *Dr. Jarred Freese* reported the following:

- The medical staff dinner meeting is next Tuesday where they will vote on allowing our Allied Medical Professionals to vote on our medical staff.
- Dr. Freese thanked Dr. Mixer for drafting a policy for students and residents.
- Medical students will be starting in September.
- Dr. Freese also thanked Davis for joining their Med Exec meeting.

VII. OTHER BUSINESS

A. SDA Regional Workshop. CLO / *Interim CEO Julie Huffman* informed the Board about the Special District Association's regional workshops around the state. One workshop is being held in Montrose on June 13th and another in Durango on June 23rd. Davis, Tammy, Jody and Dr. Freese expressed an interest in attending.

B. Further Comments.

- Tammy Smith will reach out to Board members with some date options for the next Board education facilitated by Ben Anderson of CHA.
- Matt Soper provided a legislative update.

VIII. EXECUTIVE SESSION

ACTION: At 7:56 p.m. Tammy Smith made a motion to go into Executive Session for the purpose of (1) Specialized details of investigations under C.R.S. §24-6-402(4)(d); (2) Personnel Matters, specifically Julie Huffman under C.R.S. §24-6-402(4)(f); (3) Determining positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators under C.R.S. §24-6-402(4)(e); and (4) Conferences with an attorney for the local public body for the purposes of receiving legal advice on a specific legal question, specifically implementation and compliance with Hospital Discounted Care under C.R.S. §24-6-402(4)(b).

All Board members were present for the Executive Session as well as CLO / Interim CEO, Julie Huffman, Interim CFO, Kelly Johnston and Chief of Staff, Dr. Freese.

Executive Session adjourned at 10:51 p.m.

IX. GENERAL SESSION RESUMED

ACTION: Matt Soper made a motion to extend Julie Huffman's role as Interim CEO for one year. Tammy Smith seconded the motion. All were in favor. None were opposed. Motion carried.

X. ADJOURNMENT

ACTION: Tammy Smith made a motion to adjourn. Matt Soper seconded the motion. All were in favor. None were opposed. Motion carried.

With no further business from the floor, Board Chairman Dr. Speedie **ADJOURNED** the meeting at 9:53 p.m.

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

Date