

DELTA HEALTH
Board of Directors Meeting
Monday, August 16, 2021
Classroom B / Zoom for Public

PRESENT:

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

MEETING MINUTES:

I. CALL TO ORDER

The Board of Directors meeting was called to order at 5:31 p.m. by Chairman Jean Ceriani. Viewing of this meeting was made available to the public via video conferencing.

II. PUBLIC COMMENT

A. Community member Terry O'Brien attempted to make a public comment but was unable due to audio issues.

III. CONSENT AGENDA

A. Approval of Previous Board Meeting Minutes

1. The minutes from the July 15, 2021 Special Board Meeting were presented by Jean Ceriani.

ACTION: Dr. Speedie made a motion that the minutes of the July 15, 2021 Special Board Meeting be accepted. Dr. Mixter seconded the motion. All were in favor. None were opposed. Motion carried.

2. The minutes from the July 19, 2021 Regular Board Meeting were presented by Jean Ceriani.

ACTION: Dr. Speedie made a motion that the minutes of the July 19, 2021 Regular Board Meeting be accepted as corrected. Dr. Mixter seconded the motion. All were in favor. None were opposed. Motion carried.

3. The minutes from the July 30, 2021 Special Board Meeting were presented by Jean Ceriani.

ACTION: Dr. Speedie made a motion that the minutes of the July 30, 2021 Special Board Meeting be accepted. Tammy Smith seconded the motion. All were in favor. None were opposed. Motion carried.

4. The minutes from the August 11, 2021 Special Board Meeting were presented by Jean Ceriani.

ACTION: Dr. Speedie made a motion that the minutes of the August 11, 2021 Special Board Meeting be accepted. Matt Soper seconded the motion. All were in favor. None were opposed. Motion carried.

IV. FINANCIAL

A. Finance Committee Meeting Highlights. Finance Committee Chair Matt Soper highlighted the following:

- Revenue in July was \$300K below June, which was a record month.
- Hospital case mix index 1.6 vs. Medicare CMI at 1.54.
- Bad Debt Recovery – Bad debt recovery could not be booked due to an issue with our current collection agency's new software. With the changeover in collection agencies later this month, improvement is anticipated.
- Cost Report – The cost report was submitted July 28th and was accepted. They also accepted our plan to pay in 11 monthly payments.
- Accelerated Payment – The first few accelerated payment repayments will be paid by check, but they will eventually come out of our PIP payments.
- Home Health – Credit was given to Home Health Administrator Shane Clausen for the \$5,000 profit in July. In recent years Home Health has lost up to and over \$1 MM.

B. July 2021 Financial Reports. CFO Larry Vincent presented a summary of the July financial reports highlighting the following:

July financials resulted in a net loss from operations of \$557,943 compared to a budgeted gain of \$354,915. Admissions for the month were 112 compared to budget of 112 and prior year of 108. Discharges for the month were 114 compared to budget of 109 and prior year of 108. Patient days for the month of July were 506 compared to budget of 369 and prior year of 404. ALOS for July was 4.44 compared to budget of 3.39 and 3.74 prior year. Average daily census was 16.3 compared to budget of 11.9 and prior year of 14.7. Hospital gross revenue for July was \$16,976,236. Physician Prof Fee Gross revenue was \$2,447,512 and Home Health gross revenue for the month was \$229,404. Gross revenue was more than budget by \$473K; and deductions from revenue were more than budget by \$1,416K. Net revenue % for July was 37.10% compared to budget of 42.94% and prior year of 40.49%. Salaries, wages, and benefits were \$130K more than budget in July. Salary and contract labor expenses were more than budget by \$46K and group health expense was \$84K more than budget. Total expenses were more than budget by \$41K. Cash on hand decreased by \$1,853K in July. Capital purchases were \$156K. Accounts Receivable increased by \$391K in July. Supply expenses were \$63K below budget. Interest on market sweep account totaled \$62.

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

C. General Discussion.

- CFO Larry Vincent credited the CDI program guided by BKD for helping the hospital CMI trend higher.
- Larry also let the Board know the cost report settlement was approximately \$20K under estimated amount.
- Clinics have seen an increase in volume – especially in Internal Medicine, West Elk Hotchkiss and Behavioral Health.

D. Appoint Person to Prepare Budget.

The Board resolved to appoint CFO Larry Vincent to prepare the Delta Health 2022 budget.

V. ADMINISTRATION

A. COVID Update. CCO Jody Roeber reported a COVID-19 update to the Board. Highlights include:

- Delta Health is averaging 3-4 COVID positive patients on the floor daily.
- Jody will be learning more about the Pfizer booster vaccine for immunocompromised patients after a western region call later this week.
- Delta Health continues to administer monoclonal antibodies when appropriate.

B. General Discussion.

- In response to Dr. Speedie's inquiry, CFO Larry Vincent reported that that the census at Delta Health Hospital reached, but did not exceed, 25 in both 2018 and 2019. Discussion ensued regarding census limitations as well as length of stay restrictions in ICU for Critical Access Hospitals.
- Matt Soper outlined a few efforts that might be considered including the possibility of obtaining a secretarial waiver for Sole Community Hospital status or Critical Access Hospital, amending the CMS statute, and/or applying for additional grants.
- Matt Soper also announced that Senator Bennet's Senior Policy Advisor Santiago Gonzalez will be touring the hospital tomorrow and meeting briefly to discuss issues important to Delta Health, rural hospitals and healthcare systems.
- CEO Matt Heyn thanked the Board for allowing him to take a medically prescribed leave. Matt plans to bring some fresh ideas to help Delta Health thrive as an independent organization and financially bring the organization back into a positively run hospital and health system. Matt also shared his appreciation for the senior team's extraordinary job keeping the organization going with Board and Chief of Staff involvement.

VI. MEDICAL STAFF

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

The following credentialing applications were reviewed and approved in the August 11, 2021 Med Exec meeting:

New Applications: James Bradley, CRNA – Locum Anesthesia
Shannon Bouwns, M.D. – StatRad Radiologist

Re-applications: Hospitalists Marvin Lee, M.D. and Scott Faulkner, M.D.

Voluntary Resignations: Philip Zappone, N.P. – Urgent Care

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

B. Chief of Staff Report. Chief of Staff Dr. Laura McCrackin reported to the Board of Directors the following:

- Dr. McCrackin thanked Administration and the Board for the Jul 28th Medical Staff Update presentation. She also thanked Administration for the quick reply to the staff's radiology concerns the next day.
- Legal review and recommendation was provided to the Med Exec Committee from Hall Render, Killian Heath & Lyman regarding the temporary and standard privileging of our new Pain Clinic. A new delineation of privileges form for the Pain Clinic were approved. Oversight will be done by the Outpatient Medicine committee.

- The Surgery Committee continues to develop an ERAS program at Delta Health (Extended Recovery after Surgery) that will improve patient safety.
- OB Chairperson Dr. Brian Eades resigned his position. Med Exec has appointed Dr. Amber Angles to assume as chairperson for the remainder of the 2020-2022 term.
- Mitch Van Scoyk, Information Systems Director, was called into the Med Exec meeting to provide helpful information regarding the interfaces between Meditech and Radiology.
- Med Exec will continue to work on the periodic review of hospital employed clinic providers in conjunction with Human Resources.
- General Surgery candidate Dr. William Cole had a favorable visit to Delta last week.

VII. OTHER BUSINESS

- Discussion ensued regarding some of the current challenges faced in acute care that impact length of stay for our hospital as well as many others in the region. Staffing shortages, quarantine requirements for SNF residents after a 24 hour period, and length of pre-authorization process for Humana patients are some of those challenges.

VIII. EXECUTIVE SESSION

Tammy Smith made a motion to go into Executive Session at 6:19 p.m. for (1) Lease or Sale of Real Property, CRS 24-4-402(4)(a), specifically 185 Stafford Ln., and (2) Personnel Matters, CRS 24-6-402(4)(f), specifically Matthew M. Heyn. Dr. Mixter seconded the motion. All were in favor, none were opposed. Motion carried.

After a brief recess, Executive Session convened at 6:27 p.m. Present were CLO Julie Huffman, CEO Matt Heyn and Board members Jean Ceriani, Dr. Speedie, Dr. Mixter, Tammy Smith and Matt Soper.

At 7:32 p.m. Jean Ceriani terminated Executive Session and General Session was reconvened.

IX. ADJOURNMENT

With no further business from the floor, Board Chairman Jean Ceriani **ADJOURNED** the meeting at 7:32 p.m.

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

Date