

DELTA HEALTH
Board of Directors Meeting
Monday, March 21, 2022
Classroom B / Zoom for Public

PRESENT:

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

A. Approval of Previous Board Meeting Minutes

1. The minutes from the February 28, 2022 Regular Board were presented by Jean Ceriani.

ACTION: Dr. Speedie made a motion to accept the minutes of the February 28, 2022 Board Meeting as presented. Tammy Smith seconded the motion. All were in favor. None were opposed. Motion carried.

III. GUEST SPEAKERS

- BKD Update.** *Kevin Rash and Joe Watt* presented a margin improvement update for the Board. The update included an overview of the original and amended engagement scope and a timeline of the focus of their work with Delta Health as well as an overview of the completion of implemented processes from December 2020 to present. Kevin and Joe outlined a few of the ongoing challenges for healthcare facilities today and the steps Delta Health is taking to sustain and improve financial stability.
- Behavioral Health Update.** *Director of Behavioral Health Becky Ela* presented a slideshow to the Board sharing the accomplishments, goals and current focus of the Behavioral Health Department.
- Employee Satisfaction Survey Results.** *Executive Director of HR, Rhonda Katzdorn* shared a graph outlining the results of the recent Employee Satisfaction Survey.

IV. FINANCIAL

- Finance Committee Meeting Highlights.** Jean Ceriani highlighted the following from this morning's Finance Committee meeting:
 1. The DISH audit payment of \$628K, the bi-annual bond interest payment of \$218K, contract labor and decreased receipts from commercial payers have been contributing factors to our low amount of cash on hand.
 2. The overall Medicare/Medicaid volume for February was 79.6% and the inpatient Medicare/Medicaid volume February was 95%.
 3. Eide Bailly will be invited to share the audit results in the April Finance Committee meeting and regular Board meeting.

4. The Average Length of Stay in February was down to 4.07 days since there are fewer COVID patients.
5. Hospital volumes remained fairly consistent in February and revenue remained fairly high.
6. Expenses were below budget.
7. There were 12 deliveries in the month of February – same as budget.
8. The clinic numbers were good.
9. Home Health and ER numbers were down.
10. Infusion rates were high.

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

February financials resulted in a net loss from operations of \$299,825 compared to a budgeted loss of \$119,356. Admissions for the month were 105 compared to budget of 108 and prior year of 103. Discharges for the month were 106 compared to budget of 107 and prior year of 101. Patient days for the month of February were 431 compared to budget of 382 and prior year of 351. ALOS for February was 4.07 compared to budget of 3.60 and 3.48 prior year. Average daily census was 15.4 compared to budget of 13.7 and prior year of 12.5. Hospital gross revenue for February was \$15,579,512. Physician Prof Fee Gross revenue was \$2,135,021 and Home Health gross revenue for the month was \$361,850. Gross revenue was more than budget by \$654K; and deductions from revenue were more than budget by \$838K. Net revenue % for February was 37.96% compared to budget of 40.44% and prior year of 43.19%. Salaries, wages, and benefits were \$168K more than budget in February. Salary and contract labor expenses were more than budget by \$265K and group health expense was \$97K less than budget. Total expenses were less than budget by \$28K. Cash on hand decreased by \$1,808K in February. Capital purchases were \$10K. Accounts Receivable decreased by \$468K in February. Supply expenses were \$79K below budget. Interest on market sweep account totaled \$0.

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

V. ADMINISTRATION

A. CEO Report. CEO Matt Heyn

1. Campaign Donors. Matt informed the Board that the Delta Health Foundation as well as Healthier Colorado have agreed to donate funds to support the campaign.
2. Tax Initiative. Matt let the Board know of his recent opportunities to spend time with some local civic groups and non-profit organizations across Delta County. He has informed the groups of the ballot question placed on the ballot for the upcoming election and why Delta Health is in need of those additional funds.
3. Relocation of Delta Health Family Medicine. Matt communicated the need for the Delta Health Family Medicine practice to relocate. The current location at 555 Meeker St. needs to be vacated by September 1st to allow another potential tenant/buyer to move into that space. Matt explained the long term financial benefit of relocating to a building space already owned by Delta Health. Outsourcing the project would have cost approximately \$573K.
4. CER - 70 Stafford Ln. Renovation. George Baier presented a CER amount of \$250,000.00 to renovate 70 Stafford Ln., completing the project in-house. The target completion is mid-August to allow time for the move and cleaning in both spaces.

ACTION: Tammy Smith made a motion to approve the renovation of 70 Stafford Ln. the amount up to an estimated \$250,000. Dr. Speedie seconded the motion. Dr. Mixer recused himself. All others were in favor. None were opposed. Motion carried.

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 March 9, 2022 Med Exec meeting:

New Applications: Dustin Cunningham, MD, Emergency Medicine

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. Laura McCrackin*

- The MEC is currently working on formulating a new proctoring policy. Julie Huffman is assisting in the process to make sure the policy aligns with the medical staff bylaws and regulatory and credentialing standards. Our current policy needs to be updated to consider both employed physicians as well as contracted and independent physicians on the medical staff.
- The Emergency room is adding a safe room to the department to increase safety for the patients and staff. Emergency Director Jillian Emmons is working hard on the Zero Suicide initiative. Jillian has been a strong leader in the department and trauma program and will be missed when she moves from the area this summer.
- The FM/OB model is doing well and the Obstetric Committee is working to improve the new physician onboarding. We will have three new FM OB graduates joining the group in the early fall.
- The Medical Staff will have their first dinner meeting next week on Doctor's Day.

VII. OTHER BUSINESS

- Julie Huffman distributed packets to the Board members for the upcoming special BOD meeting.
- Matt Soper gave an overview of current and upcoming legislation concerning health care.

VIII. ADJOURNMENT

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

With no further business from the floor, Board Chairman Jean Ceriani **ADJOURNED** the meeting at 7:16 p.m.

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

Date