

Delta County Memorial Hospital District
Board of Directors
Strategic Planning Retreat
September 7, 2023

Attendees: Craig Springer (Facilitator), Rhonda Katzdorn, Melissa Palmer, Davis Walton, Tammy Smith, Matt Soper, Tammy Smith, Doug Speedie, M.D., Bruce Mixter, M.D., Vickie Moore, Kelly Johnston (Interim CFO), Julie Huffman (Interim CEO).

Meeting called to order at 8:17 a.m.

Introductions and Foundational Conversation

- Facilitator Craig Springer introduced himself and gave a summary of his background.
- The Board and Executive Leadership Team introduced themselves and gave a summary of their background.
- Kelly Johnston presented a Financial Analysis for the group and began by discussing the “Strengths” analysis starting on page 12, and noted that our losses year over year continue to decrease. We are projected to end the year at a loss but less of a loss than 2022, and are projected to finish 2024 in the positive.
- Kelly and the Board discussed the need for a better capital replacement plan and how that will positively affect our financial picture. The 2022 Board Retreat was the first time a capital plan was contemplated and a master capital budget was put together. It is now time
- The Board and Executive Leadership discussed the condition of the real property owned by the Hospital and needs around needed real property improvements. A capital budget and 3-4 year capital replacement plan is being put in place.
- The group discussed our current average census versus number of beds, and areas of opportunity around length of stay and reimbursement.
- Kelly discussed the lack of reimbursement as a result of denials, and a summary of reasons for denials.
- Craig asked the group to discuss the service lines we do not currently provide. The list of what we do not provide mostly includes highly complex specialties such as neurology, rheumatology, specialty orthopedics, etc. One service line that is typical for a hospital our size that we do not currently provide is gynecology.
- The group discussed the clinics. Each of them is an individual cost center but not all are profitable. The clinical departmental analysis begins on page 14 of the financial analysis. Kelly discussed areas of opportunity around improving profitability in the clinics. There are several payer incentive payments that we are not capturing and by improving our documentation and being strategic about scheduling.
- The group discussed the status of the Delta County economy. Factors such as the mines closing in the North Fork, stagnant population growth and growth projection, the current sales tax burden and property value increases, all contribute to the economic drivers in our current economy. Young people are moving out and older retirees are moving in, which brings an additional Medicare population. Small businesses are a large portion of employers, which usually means high deductible health plans and high cost of health care for those employees.

Department Manager Presentations

- The Group heard from our three clinic managers Carol Abeyta, Melinda Denison, and Jessica Zlomke. They discussed things going well in the clinics, areas of opportunity, and capital needs in the coming year.
- The Group heard from Amber Medina (ED Director), Jan Humphrey (Labor and Delivery Director), Felicia Grant (ICU Director), and Dawn Arnett (Med/Surg Director). They discussed things going well in their departments, areas of opportunity, and capital needs in the coming year.
- The Group heard from Darla Ballard (Physician Billing Director) and Levi Warren (Business Office Director). They discussed things going well in the revenue cycle and areas of opportunity in the coming year.
- The Group heard from George Baier (Plant Operations Director) and Mitch Van Scoyk (Information Systems Director). They discussed things going well in their departments, areas of opportunity, and capital needs in the coming year.
- The Group heard from Nysha Wilson (Oncology/Infusion Director) and Cari Dillon (Pharmacy Director). They discussed things going well in their departments, areas of opportunity, and capital needs in the coming year.
- The Group heard from Manuel Delgado (Rehabilitation Director) and Melissa Christenson (Surgery Clinic Director). They discussed things going well in their departments, areas of opportunity, and capital needs in the coming year.
- The Group heard from Kevin Fischer (Radiology/Cardio Pulmonary/ Cardiac Rehab Director) and Ken Schaffer (Laboratory Director). They discussed things going well in their departments, areas of opportunity, and capital needs in the coming year.

LUNCH BREAK

Financial Analysis

- Kelly explained in detail the Financial Analysis she prepared for the Board. The Board and Executive Leadership discussed in detail the “2024 Assumptions” and goals for achieving a positive margin in 2024.

Quality Presentation

- Janel Webb joined the group and discussed in depth our current quality reporting requirements, and our current metrics.

Strategic Planning

- Craig Springer led the Board through a session of strategic planning.
- He facilitated discussions around each of the 4 pillars of Delta Health’s Strategic planning;
 1. People
 2. Service
 3. Quality
 4. Finance & Growth

Meeting adjourned at 5:00 pm.