

DELTA HEALTH
Board of Directors Meeting
Monday, November 21, 2022
Classroom B

PRESENT:

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

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 5:34 p.m. by Chairman Jean Ceriani.

II. APPROVAL OF PREVIOUS BOARD MEETING MINUTES

The minutes from the October 24, 2022 Regular Board meeting were presented by Jean Ceriani.

ACTION: Dr. Mixter made a motion to accept the minutes of the October 24, 2022 Board Meeting as presented. Tammy Smith seconded the motion. All were in favor. None were opposed. Motion carried.

III. GUEST SPEAKERS

A. Community Hospital Consulting (“CHC”). Valerie Hayes, Alex Campbell, Raegen Price and Lisette Hudson.

The Patient Protection & Affordable Care Act requires not-for-profit hospitals to conduct a Community Health Needs Assessment (“CHNA”) and Implementation Plan once every three years. CHC assisted Delta Health and Montrose Regional Health in preparing a joint CHNA and Implementation Plan gathering demographic data, health data and community input for both Montrose and Delta Counties to identify and prioritize the top 5 community health needs in the respective counties. Through the Implementation Plan, Delta Health leaders have identified actions DH will take to help address these top community needs. CHC presented a high-level overview of the CHNA process and the complete draft of the proposed 2022 Community Health Needs Assessment and Implementation Plan.

ACTION: After an initial motion and subsequent discussion, Matt Soper made a substitute motion to approve and adopt the 2022 Community Health Needs Assessment and Implementation Plan as amended with corrections to contact information for local services and leaders. Tammy Smith seconded the motion. All were in favor. None were opposed. Motion carried.

B. Home Health Update, Home Health Administrator, Shane Clausen

Shane Clausen presented the Board of Directors with an evaluation of Delta Health Home Health and provided an overview of past and future goals and quality measures. Shane highlighted improvements made within the agency and reiterated that Delta Health Home Health received a zero deficiency survey

for the second year in a row. Shane informed the Board about the upcoming training with Colorado's Health Facilities Education & Quality Branch for the new OASIS-E that will be implemented in the beginning of 2023. He also let the Board know about the new Home Health Value-Based Purchasing Model that will be implemented by CMS. Under this model payments will be adjusted based on the quality of care provided. Shane is confident their agency is prepared to take on the upcoming challenges they will be faced with in 2023.

ACTION: Dr. Mixer made a motion to accept and adopt the Delta Health Home Health evaluation and quality measures as presented. Tammy Smith seconded the motion. All were in favor. None were opposed. Motion carried.

IV. FINANCIAL

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

- Net income for October was (\$128,239). Contractual allowance percent changes contributed to the negative net income.
- Days Cash on hand with investments went down to 42 days.
- Gross days in AR increased from 50 to 52 days.
- The Medicare Case Index dropped to 1.38.
- Average length of stay was 4.3, mainly attributed to difficulty finding placement for a couple of social admits.
- FTE's were 493.6 with 9 of them as contract labor. Contract labor will decrease as positions are being filled.
- Volumes showed increases over budget and prior year in most cases.
- Surgeries were down from last year and budget but births were up.
- Medicare/Medicaid revenue is averaging 76.9 for the year.
- Clinic numbers were up in 3 clinics and only showed a loss of \$50,284, down \$100K from last month.
- The FEMA grant application has been submitted and we are still waiting to hear the dollar amount we will receive.
- The accelerated payment will be paid off in less than 4 months.

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

October financials resulted in a net loss from operations of \$128,239 compared to a budgeted gain of \$144,416. Admissions for the month were 120 compared to budget of 109 and prior year of 110. Discharges for the month were 115 compared to budget of 110 and prior year of 108. Patient days for the month of October were 494 compared to budget of 447 and prior year of 590. ALOS for October was 4.30 compared to budget of 4.06 and 5.46 prior year. Average daily census was 15.9 compared to budget of 14.4 and prior year of 19.0. Hospital gross revenue for October was \$17,202,998. Physician Prof Fee Gross revenue was \$2,964,265 and Home Health gross revenue for the month was \$218,057. Gross revenue was more than budget by \$934K; and deductions from revenue were more than budget by \$1,725K. Net revenue % for October was 34.32% compared to budget of 40.04% and prior year of 37.52%. Salaries, wages, and benefits were \$272K more than budget in October. Salary and contract labor expenses were more than budget by \$571K and group health expense was \$299K less than budget. Total expenses were less than budget by \$166K. Cash on hand decreased by \$1,166K in October. Capital purchases were \$266K. Accounts Receivable increased by \$356K in October. Supply expenses were \$419K below budget.

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

B. Capital Expenditure Requests

1. **Microscope for Eye Surgeries.** CFO Larry Vincent presented a CER on behalf of the Surgery Department for a refurbished microscope for eye surgeries. Our current microscope was manufactured in 2000 and has been having multiple failures.

ACTION: Tammy Smith made a motion to approve the purchase of a microscope for eye surgeries for \$70,850. Dr. Mixter seconded the motion. All were in favor. None were opposed. Motion carried.

2. **Meditech Interface for Senti7.** CFO Larry Vincent presented a CER for a Meditech Interface for Senti7, which will enable us to report Antimicrobial Stewardship data to NHSN – a CMS requirement beginning in 2023.

ACTION: Tammy Smith made a motion to approve the purchase of the Meditech Interface for Senti7 for \$25,000. Matt Soper seconded the motion. All were in favor. None were opposed. Motion carried.

C. Budget Hearing

Board Chairman Jean Ceriani called the Budget Hearing to order at 6:40 p.m. and opened the discussion for public comment. The drafted 2023 budget includes a 3% wage increase for all staff as well as a 3% retirement fund match in 2023 that will be paid out in 2024. CFO Larry Vincent shared two changes that will be reflected on the final 2023 budget that will be brought for the Board's approval on December 5th. There were no written or oral objections given from the public regarding the proposed 2023 budget. As soon as the final 2023 budget is complete, it will be provided to the Board.

With no further comment, Board Chairman Jean Ceriani **ADJOURNED** the Budget Hearing at 6:45 p.m.

V. ADMINISTRATION

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

- **CAP Inspection.** Our Lab underwent an inspection by the College of American Pathologists (“CAP”), which is completed every 2 years. They were here for a short time and reported that our Lab is in great shape. Matt commended Laboratory Director Ken Shaffer for the fine job he does operating our Lab.
- **Pharmacy Remodel Update.** There continues to be a delay in the Pharmacy remodel. We have not yet received any bids in response to our initial RFP. The deadline to submit bids has now been extended through January 11th with the hope of bringing a CER for the Board's approval in the January Board meeting. There is concern that contractors might not be able to complete the remodel by September.
- **Security.** Delta Health Hospital now has full time security. The local business we contracted is doing a great job and our staff feels safer.
- **Meditech Expanse.** A group of physicians went to Community Hospital to look at their implementation process of Meditech Expanse. There continues to be a hold on going forward with Meditech Expanse until our days cash on hand is where it needs to be. In the meantime, we continue to provide testing modules and gather feedback.
- **Med Staff Meeting.** The medical staff dinner meeting was well attended. Dr. Jared Freese was elected as the 2023 Chief of Staff.
- **Parade of Lights.** The Culture Committee is building a float that will be in the Parade of Lights on December 2nd. Delta Health's participation is a great way to continue to thank and give back to our community for their efforts in passing the sales tax initiative for the betterment of our community hospital.

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 X, 2022 Med Exec meeting:

Re-Applications: Peter Pruitt, M.D., ER

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.** *On behalf of COS Dr. Richman, Dr. Freese* shared with the Board the following:

- The Med Exec Committee met on November 9th and primarily discussed the agenda for the annual meeting.
- The annual Medical Staff dinner meeting was held on December 15th.
 - Darnell Place-Wise provided a Delta Health Foundation update.
 - New staff members Dr. Derrick Fenton, OBGYN with Alpine Health, Dr. Jesus Ochoa and NP Kelsey Stark from Adult Primary Care and Dr. Jamie Gray from RPG's Hospitalist team were welcomed as new staff members.
 - The Medical Staff Bylaws update regarding the proctoring policy will need further discussion at the next Med Exec Committee meeting to better define who the captain of the ship is when proctoring – especially if emergency care is needed.
 - The Emergency Committee and Outpatient Medicine Committee still need to vote on a 2023 Chair. Dr. Freese will announce the 2023 Med Exec Committee physicians at the next Board meeting.
 - Dr. Freese was voted in as the 2023 Chief of Staff. He expressed his enthusiasm about his upcoming role as Chief of Staff and looks forward to helping the physicians become more cohesive.

VII. OTHER BUSINESS

A. Further Comments

1. The Board congratulated Rep. Matt Soper for his re-election. Matt will likely continue to serve on the Health and Insurance Committee. He informed the Board of some proposed budget cuts and provided an update on the legislative front.
2. Upcoming Events.
 - Dr. Mixer reminded the Board that the Foundation Gala will be held in Hotchkiss on January 21st and encouraged attendance and/or sponsorship.
 - Jean reminded the Board of the ribbon cutting ceremony at the Pain Center on November 29th from 4:30-5:30 p.m.
 - Jean let the Board know that we now only have 20 Delta Health volunteers as opposed to 100 volunteers before COVID and encouraged everyone to inform family members or friends who might be interested in volunteering.
 - Jean invited the Board to attend the St. Luke's Award Ceremony that will be held on December 7th.
 - Jean reminded the Board that the next Case Study Review will be held on January 12th.

VIII. ADJOURNMENT

ACTION: Tammy Smith made a motion to adjourn the meeting. Matt Soper 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 7:11 p.m.

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

Date