

DELTA HEALTH
Board of Directors Meeting
Monday, October 16, 2023
Classroom A, B & Zoom

PRESENT:

Doug Speedie, M.D, Chairman	Julie Huffman, CLO/Interim CEO	Larin Jones, Director of Accounting
Davis Walton, Member	Jarred Freese, MD, COS	Vickie Moore, Executive Director Clinic Operations
Tammy Smith, Member (via ZOOM)	Kelly Johnston, Interim CFO (via ZOOM)	Melissa Palmer, Executive Director of Nursing
Matt Soper, Member (via ZOOM)	Rhonda Katzdorn, Human Resource Executive Director	Jacqueline Davis, Marketing Director

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 Board Chairman Dr Speedie.

II. AGENDA CHANGES

III. PUBLIC COMMENT

There were no public comments.

IV. APPROVAL OF PREVIOUS BOARD MEETING MINUTES

The minutes from the September 18, 2023 Board meeting were presented by Dr Speedie.

ACTION: Davis Walton made a motion to accept the minutes of the September 18, 2023 Board Meeting. Tammy Smith seconded the motion. None were opposed. Motion carried.

V. FINANCIAL REPORTS - Interim CFO Kelly Johnston presented the financial reports. *The following is her written report submitted along with the Balance Sheet, Profit & Loss, Statement of Cash, and Statistical Summary.*

Days Cash on Hand: 16 days including unencumbered accounts.

Accounts Receivable: The accounts receivable has gone down, but the holds and days not billed are going up. Currently working with leadership on a staffing plan to facilitate correcting this issue. Due to United Healthcare changing their billing requirements and how claims are submitted to the clearing house, we have over \$900k in holds that are sitting in our aging. Darla Ballard and her team have been working tirelessly on this and it is going down, but at a slow rate.

Prepays: These are expenses that we pay in advance that are for a period of time. This went up since we lump summed all payments for insurance payments. Going forward next year I would recommend negotiating quarterly payments or a different strategy.

Accounts Payable: There has been an uptick in spending and so our aging has gone up. The leadership team continues to tasked department leaders with a challenge around necessary spending. This educational process is getting our department leaders to think about their spending as a return on investment for their individual departments. When looking at our days cash on hand calculation this is why that number has not gone up as rapidly yet.

Accrued Payroll and Benefits: Benefits continue to be a large expense for our organization. Mitigating our costs here over the next year will be important for our organization.

ACTION: Tammy Smith made a motion to accept the October Financial Reports as given by Kelly Johnston. Motion seconded by Matt Soper. None were opposed. Motion carried.

Points of discussion;

- Matt Soper asked if the 2023 budget was out of line. Kelly Johnston said that budget was fine and was complimentary of Larry Vincent's work for the 2023 budget. She believes that shortfall has mostly been due to low volume of services, possibly due to people going elsewhere.
- Davis Walton asked about United Healthcare's nonpayment. What can the hospital do? Kelly Johnston acknowledged that Delta Health is requesting damages to be paid by United Healthcare. The problems have been on the United Healthcare side.

2024 Draft Budget Timeline

- October 15th the board is required to be provided with a copy of the draft, pre-worked, budget. There was a draft provided in the analysis given at the September retreat and formal draft emailed to Board October 15, 2023.
- November – first week meet with department heads and clinicians and get requests returned from them
- November finance committee – working budget meeting to go over updates from department head changes and forecast
- November board meeting – budget hearing review budget and board can ask questions
- December – first week get updated Mill Levy and prepare DLG70 and 34 – Tabor legal counsel to review for violation risk
- December board meeting – approve budget and DLG prior to December 15th as that is when budget is required to be submitted to the state

Dr Speedie asked for a correction to the approval of the October financials to reflect the Board accepting the September Financial Reports not October. Tammy Smith amended her motion to approve the September Financial Reports. Davis Walton seconded. None opposed. Motion carried.

VI. ADMINISTRATION

A. Administrative Update, CLO/Interim CEO Julie Huffman

1. Colorado Hospital Association (CHA) Annual Conference was attended by the Administrative Team. The conference was good with relevant topics. Delta Health is doing a lot of things right, such as;
 - a. Training the department leaders to think like a business owner.
 - b. Focus on Revenue Cycle in house work that we have been doing is much more strategic.
 - c. Move away from fee for service to a value-based care, pushing quality initiatives that we are currently practicing.
2. Jody Roeber has retired and we are grateful for her service.
3. Jonathan Cohee, our new Chief Operating Officer will be on-site in 3 weeks starting Monday, November 6, 2023.
4. Mitch Van Syock, Director of Information Systems (IS) has also retired. Narrowed his replacement down to 4 candidates for a second round of interviews.
5. Investigating a 3rd party Administrator for the employee health plans.
6. Durable Medical Equipment DME application has been completed. We can now move forward to the evaluation phase of the application process.
7. Business After Hours (BAH) will be held Thursday, October 19th. This continues to generate a good amount of community interest. Davis Walton, Tammy Smith & Dr Speedie are planning to attend the event.
8. Delta Health Foundation's Retreat will be November 1st from 12:00 – 4:00 pm. The board has been invited to attend.
9. Moving the Financial Transactions with Physicians' Policy to the December Meeting.

B. Travelers Update and 3rd Quarter Turnover Statistics; *Human Resources Executive Director, Rhonda Katzdorn*

The 3rd Quarter Turnover Statistics Report was reviewed. Turnover is down compared to 2022.

Top 5 reasons for turnover;
3% Employee Dismissal
2.21% Dissatisfaction with Position
2.3% Relocation
1.5% Job Abandonment/No Notice
1.5% Inactive Stats

Davis Walton requested to have the turnover data reported with a breakdown of licensed and non-licensed staff in future reports.

Rhonda Katzdorn reviewed the travelers' report as submitted to the board.

Up by 3 traveler's with 18 total.

The AdminTeam spent time strategizing on how to decrease the number of travelers.

VII. MEDICAL STAFF

A. Medical Staff Credentialing moved to read after Dr Freese's report.

B. Chief Medical Officer Report: Oral report given by Dr Jarred Freese

- Kelly Johnston met with the Outpatient physicians presenting a review of the Revenue Cycle. This was well received by the doctors who are very open to the feedback and making needed changes.
- Dr Jarred Freese is considering a retreat for the providers as a way to combat burnout.

C. Medical Staff Credentialing Report *given by Julie Huffman, Interim CEO as Dr Mixter was not present. Read from minutes of Med Exec Meeting.*

End-of-Provisional Status:

Dr Daniel Frantz FM OB
Dr Catherine Jimenez FM OB
Dr Jamie Gray Hospitalist

New Applications Approved:

Amy Kirby Tele-Radiology - StatRad

Medical Staff Resignations

Julie Fournier, NP

Margaret McGill-Collins – not moved forward.

ACTION; Davis Walton made a motion that the Board Approve the Credentialing Report. Tammy Smith seconded the motion. All were in favor. None were opposed. Motion carried.

VIII. Other Business – No other business.

IX. ADJOURNMENT

With no further discussion, Dr Speedie asked for a motion to adjourn the meeting at 6:25 p.m. Davis Walton made motion to adjourn. Matt Soper seconded. Motion carried. None opposed.

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

Date