

DELTA HEALTH
Board of Directors Meeting
Monday, February 27, 2023
Classroom B

PRESENT:

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

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 5:30 p.m. by Chairman Jean Ceriani.

II. APPROVAL OF PREVIOUS BOARD MEETING MINUTES

The minutes from the January 16, 2023 regular Board meeting were presented by Jean Ceriani.

ACTION: Matt Soper made a motion to accept the minutes of the January 16, 2023 Board meeting as amended to include the specific house bill number referenced in the financial section. Dr. Speedie seconded the motion. All were in favor. None were opposed. Motion carried.

The minutes from the February 20, 2023 special Board meeting were presented by Jean Ceriani.

ACTION: Tammy Smith made a motion to accept the minutes of the February 20, 2023 special Board meeting as presented. Dr. Mixter seconded the motion. All were in favor. None were opposed. Motion carried.

III. PUBLIC COMMENT

A. Sue Whittlesey. Sue Whittlesey introduced herself to the Board of Directors and expressed her interest in running for a Board seat in the upcoming election. Sue provided her background and qualifications.

IV. FINANCIAL

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

- Net income was \$541,917.
- Volumes recorded increases in all departments over prior year.
- Surgeries were down from budget and up from last year.
- Births increased over prior year.
- Case indexes showed a slight increase over last year.
- Days Cash on Hand with Investments was 20 in January.
- Medicare/Medicaid revenue hit 73.4% of total revenue, down from last year's average of 76%.
- Length of Stay was 4.44 in January due to very sick patients with acuity issues.
- Contract Labor was up from last year. We normally incur two invoices per month but incurred

three invoices in January.

- Discussion ensued regarding the trajectory to build cash. It is projected that we will have 54 days cash on hand By December 2023.

General Discussions:

- We had \$253K savings resulting from the 340B Drug Pricing Program, which is slightly less than expected.
- Larry Vincent confirmed the Accelerated Payments stopped being withheld from our payments as of February 17th. We are still awaiting the demand letter, which will state the deadline to pay off the balance and the interest that will be incurred after the deadline. We still owe \$900K to \$1MM.

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

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

January financials resulted in a net gain from operations of \$541,917 compared to a budgeted gain of \$94,388. Admissions for the month were 133 compared to budget of 123 and prior year of 113. Discharges for the month were 130 compared to budget of 128 and prior year of 116. Patient days for the month of January were 577 compared to budget of 468 and prior year of 490. ALOS for January was 4.44 compared to budget of 3.66 and 4.22 prior year. Average daily census was 18.6 compared to budget of 15.1 and prior year of 15.8. Hospital gross revenue for January was \$18,134,325. Physician Prof Fee Gross revenue was \$2,871,072 and Home Health gross revenue for the month was \$149,804. Gross revenue was more than budget by \$336K; and deductions from revenue were less than budget by \$898K. Net revenue % for January was 42.83% compared to budget of 37.59% and prior year of 39.05%. Salaries, wages, and benefits were \$512K more than budget in January. Salary and contract labor expenses were more than budget by \$8K and group health expense was \$504K more than budget. Total expenses were more than budget by \$805K. Cash on hand decreased by \$1,160K in January. Capital purchases were \$95. Accounts Receivable increased by \$1,310K in January. Supply expenses were \$226K above budget.

V. ADMINISTRATION

A. CEO Report. CEO Matt Heyn updated the Board on the following:

- Positive Net Margin. Matt is hopeful that the positive bottom line in January will be the beginning of a trend of positive net margins.
- Orthopedist Recruiting. The candidate we extended an offer to will be making his decision in March. There are other candidates lined up for interviews should he choose to decline an opportunity with Delta Health.
- Executive Director of Clinic Operations – Speaking Engagement. Vickie Moore will be speaking on April 14th at the Colorado Rural Health Center forum on integrative care and how we are integrating our behavioral health program into our primary care practices.
- Line of Credit. The closing for the line of credit will be Friday, March 3rd.
- Low Temperature Event. On February 16th one of our rooftop units failed. George Baier, Director of Plant Operations, prepared a summary of the event and Matt Heyn shared highlights with the Board. The cause his being investigated.
- Board Resources & Handout. Julie Huffman purchased Board resources for those interested that can be picked up in Administration. Julie also distributed handouts on SDA Parliamentary Procedures at a Glance and Executive Session Primer.

- B. Human Resources Update.** *Executive Director of HR, Rhonda Katzdorn* shared a presentation outlining the results of the recent Employee Satisfaction Survey as well as an overview of Delta Health's turnover rates over the past three years. The presentation demonstrated the correlation between the survey results and Delta Health's BHAGs (Big Hairy Audacious Goals), which align with the organization's strategy map. Overall the results of the survey were very positive and our turnover rates were better than the national average for both healthcare turnover and RN turnover.
- C. CCO Report.** *CCO Jody Roeber* let the Board know Amber Medina has accepted the position as our new Emergency Department Director. We are also interviewing strong candidates to replace our Director of Cardiac Rehab who is moving out of state.

VI. MEDICAL STAFF

- A. Medical Staff Credentialing.** Dr. Mixter presented the following update from the Med Exec Committee:

The following credentialing applications were reviewed and approved in the February 8, 2023 Med Exec meeting:

New Applications: Tanner Spees, M.D., General Surgery Locum
Stephania Timothy, M.D., General Surgery Locum
Heather Terbush, Ophthalmology Surgical Assistant
Jeremy Theisen, M.D., Tele-Rad

Tele-Rad Resignations: Ravinder Sohal, M.D.
Max Pollack

ACTION: Dr. Mixter made a motion for the Board of Directors to approve the credentialing report of the Med Exec Committee as presented. Dr. Speedie seconded the motion. All were in favor. None were opposed. Motion carried.

- B. Chief of Staff Report.** The Med Exec Committee met on February 8th and *COS Dr. Jarred Freese* reported the following:
- The medical staff has been working hard over the last year to finalize the new proctoring policy, including the different committee requirements for new providers. A medical staff ballot was distributed to all medical staff. A majority of votes were received to pass the policy.
 - The Medical Staff Bylaws will be amended to require a 70% majority vote among active medical staff choosing to vote at a meeting, via mail or via e-mail.
 - A request has been presented to the Med Exec Committee from the Allied Health Professionals to have voting privileges. This will be discussed further in Med Exec, as well as ways to help the NP's and PA's feel involved and included on the medical staff.

VII. OTHER BUSINESS

A. Foundation Board.

1. Approval of New Foundation Member. Dr. Mixter presented information from Foundation Board Application of Linda Lloyd, who was approved by the Foundation Board as a new member.

ACTION: Dr. Mixter a motion to approve Linda Lloyd as a new member of the Foundation Board. Matt Soper seconded the motion. All were in favor. None were opposed. Motion carried.

2. Foundation Board Highlights. Dr. Mixter provided an update from the February 20th Foundation Board meeting, which included:
 - The Foundation Gala was very successful. The Foundation netted \$17,790 on the live auction and silent auction. The Foundation plans to have another gala on January 27, 2024.
 - The Foundation approved a scholarship request for nurse education at the Critical Care Conference in May.
 - The Foundation Board voted to have the Pea Green Pedal in June or July but no golf classic this year.

B. Further Comments

1. Matt Soper provided an overview of upcoming legislation concerning health care.
2. Jean Ceriani reminded the Board of the upcoming CHA Rural Healthcare Conference.

VIII. ADJOURNMENT

ACTION: Tammy Smith made a motion to adjourn the meeting. Dr. Mixter 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 6:31 p.m.

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

Date