

**DELTA HEALTH**  
**Board of Directors Meeting**  
Monday, July 18, 2022  
Mesa Lake / Zoom or Crag Crest for Public

**PRESENT:**

Jean Ceriani, Chairman	Matt Heyn, CEO	Rhonda Katzdorn, Exec. Director, Human Resources
Doug Speedie, M.D, Vice Chairman	Jody Roeber, CCO	Vickie Moore, Exec. Director, Clinic Operations
Bruce Mixter, M.D., Secretary/ Treasurer	Larry Vincent, CFO	Laura McCrackin, M.D., Chief of Staff
Matt Soper, Member	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 5:30 p.m. by Chairman Jean Ceriani. Viewing of this meeting was made available to the public via video conferencing as well as in-person.

**II. CONSENT AGENDA**

**A. Approval of Previous Board Meeting Minutes**

1. The minutes from the June 20, 2022 Regular Board meeting were presented by Jean Ceriani.

**ACTION:** Dr. Speedie made a motion to accept the minutes of the June 20, 2022 Board Meeting as presented. Matt Soper seconded the motion. All were in favor. None were opposed. Motion carried.

2. The minutes from the July 7, 2022 Special Board meeting were presented by Jean Ceriani.

**ACTION:** Matt Soper made a motion to accept the minutes of the July 7, 2022 Special Board Meeting as presented. Tammy Smith seconded the motion. All were in favor. None were opposed. Motion carried.

**III. GUEST SPEAKERS**

- A. Meditech Oncology & Scheduling Modules. *Director of Oncology/Hematology/Infusion, Nysha Wilson, Oncology Medical Director. Dorinda Rouch, M.D. and Patient Navigator Theresa Wrich, RN* shared with the Board the challenges faced in the Oncology & Hematology Department and the Infusion Center due to the manual, paper records for scheduling and patient medical records. The need for an electronic scheduling module and an EMR for the departments was established. CFO Larry Vincent recently learned that if we were to purchase the Meditech Oncology Module it would cost \$200-300K and there would be an 8 month learning curve. If the organization later transitions to Meditech Expanse, another Oncology Module would have to be purchased at full price that would cause another 8 month learning curve due to the vast difference in the modules. All agreed the purchase of an oncology module prior to the organization transitions to a system-wide EMR would not be in the best interest of the organization. The Meditech scheduling module, however, is very similar to the Meditech Expanse scheduling module so the transition would be much smoother. The cost of the scheduling module would be \$157K now and if the organization transitions to Meditech Expanse, there would be an additional \$50K to upgrade the scheduling module and there would be little to no learning curve.

The Board and Administration also discussed the payment schedule as well as the roll out schedule if Delta Health decides to move forward with Meditech Expanse. A down payment of \$240K would be

required, and 4 subsequent payments of \$500K would be due every 90 days. The larger payments would not be due until after our accelerated payment has been paid off. It will take approximately 8 months to build Expanse and bring on site and approximately 12 additional months to implement before going live. Meditech will be asked to provide 2 to 3 days of demos and to include a physician as well as a test environment for physicians to allow education for and feedback from those who will be utilizing the EMR.

#### **IV. FINANCIAL**

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

- Net income for June was -\$374,388 mostly due to \$334,683 in contract labor.
- Clinic numbers continue to improve.
- Days cash on hand with investments was 55.
- Days in AR was 48.
- The Medicare Case Index was 1.90.
- Average length of stay was 4.53.
- FTE's went up to 506.70.
- Overall volumes were in line with budget and prior year.
- Surgery and Home Health were down from prior year.
- Cardiac Rehab and Radiology procedures saw increases from budget and prior year.
- Case indexes increased from prior year and prior month.
- Medicare/Medicaid revenue hit 76.3% of total revenue in June averaging 77.9 for the year.
- We are still waiting to hear if we will receive reimbursement for COVID related contract labor expenses through a FEMA grant program.

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

June financials resulted in a net loss from operations of \$374,388 compared to a budgeted loss of \$13,653. Admissions for the month were 88 compared to budget of 103 and prior year of 124. Discharges for the month were 91 compared to budget of 102 and prior year of 128. Patient days for the month of June were 412 compared to budget of 405 and prior year of 474. ALOS for June was 4.53 compared to budget of 4.00 and 3.70 prior year. Average daily census was 13.7 compared to budget of 13.5 and prior year of 15.8. Hospital gross revenue for June was \$16,860,021. Physician Prof Fee Gross revenue was \$2,391,120 and Home Health gross revenue for the month was \$144,198. Gross revenue was more than budget by \$1,196K; and deductions from revenue were more than budget by \$1,356K. Net revenue % for June was 36.97% compared to budget of 40.28% and prior year of 38.88%. Salaries, wages, and benefits were \$360K more than budget in June. Salary and contract labor expenses were more than budget by \$413K and group health expense was \$53K less than budget. Total expenses were more than budget by \$224K. Cash on hand decreased by \$377K in June. Capital purchases were \$114K. Accounts Receivable decreased by \$28K in June. Supply expenses were \$230K below budget.

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

#### General Discussions

- EDON Melissa Palmer confirmed the long lengths of stay would not have been decreased with the T-PAC program as the patients with extended stays would not have qualified. Currently, the longest hospitalizations are attributed to issues with local facilities not accepting patients as well as families no longer being involved in care. Jody Roeber is meeting with the county every two weeks and they are setting up a meeting with long term Medicaid through the county as well as Adult Protective Services so they can meet our case managers and staff. They plan to begin communicating as to

what each entity is doing to help find placement patients who cannot be safely discharged due to social issues.

## V. ADMINISTRATION

### A. CEO Report, *CEO Matt Heyn*

- New Foundation Board Members. Matt presented information on Foundation Board Applications for Shannon Markley and Wendell Koontz. Both have been approved by the Foundation Board as new members.

**ACTION:** Matt Soper a motion to approve Shannon Markley and Wendell Koontz as new members of the Foundation Board. Tammy Smith seconded the motion. All were in favor. None were opposed. Motion carried.

- Board retreat. Matt reflected on the success of the Board Retreat and expressed intention to make it an annual event.

## 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 July 13, 2022 Med Exec meeting:

New Applications: William Cole, M.D., General Surgeon  
Mark Dickson, M.D., General Surgeon locum  
James Frencher, M.D., Tele-radiology  
Leonard Morneau, M.D., Tele-radiology

Resignation: James Gilham, D.O., OB-GYN with Alpine Women's Health

**ACTION:** Dr. Mixer 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. *Chief of Staff Dr. McCrackin* shared with the Board the following:

- CLO Julie Huffman has been assisting the service committees in setting up proctoring policies for onboarding new physicians and performance process review.
- The Medical Staff will have a social gathering on August 23<sup>rd</sup>.

## VIII. OTHER BUSINESS

- ### A. Board Meeting Location. After discussion the Board decided to conduct the Board meetings in Classrooms A & B for convenience and will move to the larger space in the Oncology building in the future as needed.

## IX. EXECUTIVE SESSION

**ACTION:** At 6:42 p.m. Tammy Smith made a motion to go into Executive Session for the purpose of receiving legal advice on the purchase, acquisition, lease, transfer, or sale of any real, personal, or other property interest under 24-6402(4)(a), specifically Delta Surgical Associates and 95 Stafford Lane. Matt Soper seconded the motion. All were in favor. None were opposed. Motion carried.

All Board members were present for the Executive Session as well as Julie Huffman, Matt Heyn and Director of Plant Operations George Baier. After a brief recess, Executive Session began at 6:45 p.m.

At 7:22 p.m. Jean Ceriani terminated Executive Session and General Session was reconvened.

**ACTION:** Dr. Mixter made a motion to approve the purchase of the McCrackin building at 95 Stafford Ln. with the stipulation that during the due diligence period while under contract, Delta Health hires their own Professional Engineer to complete an inspection. Matt Soper seconded the motion. All were in favor. None were opposed. Motion carried.

**X. 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 7:26 p.m.

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

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**Date**