

**DELTA HEALTH**  
**Board of Directors Meeting**  
Monday, June 20, 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 Schauster, 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 May 16, 2022 Regular Board were presented by Jean Ceriani.

**ACTION:** Tammy Smith made a motion to accept the minutes of the May 16, 2022 Board Meeting as presented. Dr. Speedie seconded the motion. All were in favor. None were opposed. Motion carried.

**III. GUEST SPEAKER**

**A. Quality – Leapfrog Patient Safety Report, *Quality Director Janel Webb***

Janel Webb provided the Board with a Culture of Patient Safety Survey, Hand Hygiene Compliance Q1 Report and a report showing the percentage of scanned patient medications administered. Janel will continue to provide the Board with reports on a quarterly basis reflecting various Leapfrog quality measures. CEO Matt Heyn spoke to the Safety Leadership Rounding that senior leadership does on a regular basis.

**IV. FINANCIAL**

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

- Clinic numbers were up and exceeded the April net income.
- Days cash on hand with investments increased to 56.
- Days in accounts receivable was 48.
- Medicare Case Index was 1.63.
- FTE's were at 480, including 10 contract labor workers, down from 17.
- Volumes were in line with budget.
- Surgeries, Home Health and Therapy were down.
- Cardiac Rehab and Infusion were up.
- Medicare/Medicaid payor mix was 76.4%.
- June revenue is trending higher.

- HR is submitting information to FEMA to see what percentage of reimbursements for contract labor we might qualify for due to COVID.
- The Delta Family Clinic remodel is progressing ahead of schedule.

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

May financials resulted in a net gain from operations of \$174,142 compared to a budgeted gain of \$25,662. Admissions for the month were 104 compared to budget of 106 and prior year of 107. Discharges for the month were 98 compared to budget of 107 and prior year of 100. Patient days for the month of May were 382 compared to budget of 388 and prior year of 424. ALOS for May was 3.90 compared to budget of 3.60 and 4.24 prior year. Average daily census was 12.3 compared to budget of 12.5 and prior year of 13.7. Hospital gross revenue for May was \$16,363,840. Physician Prof Fee Gross revenue was \$2,214,721 and Home Health gross revenue for the month was \$241,007. Gross revenue was more than budget by \$728K; and deductions from revenue were more than budget by \$274K. Net revenue % for May was 41.17% compared to budget of 40.32% and prior year of 38.97%. Salaries, wages, and benefits were \$318K more than budget in May. Salary and contract labor expenses were more than budget by \$395K and group health expense was \$77K less than budget. Total expenses were more than budget by \$221K. Cash on hand decreased by \$173K in May. Capital purchases were \$30K. Accounts Receivable decreased by \$238K in May. Supply expenses were \$160K below budget.

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

## **B. CAPITAL EQUIPMENT REQUEST.**

1. **CT/PET Scanner w/Flouro Capabilities (Lease Purchase w/ \$1 buyout).** CFO Larry Vincent presented a CER on behalf of the Radiology Department for a lease purchase of a CT/PET Scanner for a total of \$2,033,220 over seven years. Leasing a new CT/PET scanner will cost slightly less monthly than we are currently paying for the PET trailer. With the PET trailer we are limited to offering PET scans to patients just one day per week. Having a PET scanner onsite will expand our service to patients, improve the patient experience, and provide an opportunity for increased revenue.

**ACTION:** Matt Soper made a motion to approve the lease purchase with a \$1 buyout at the end of 7 years for a CT/PET Scanner with Flouro Capabilities in the amount of \$2,033,220 over seven years. Tammy Smith seconded the motion. All were in favor. None were opposed. Motion carried.

- Kevin Fischer also informed the BOD that our local radiologist partner (WCRA) is expanding coverage in support of our radiology exam reading beginning July 5<sup>th</sup>. They will provide support Monday through Friday 7:00 a.m. – 11:00 p.m. (onsite 8:00 a.m. – 4:30 p.m.) and weekends and holidays 7:00 a.m. – 9:00 p.m. We will continue to use StatRad outside of those hours.

## **V. ADMINISTRATION**

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

- Matt thanked Radiology Director Kevin Fischer and CCO Jody Roeber for their hard work in getting the expanded coverage in support of our radiology exam reading and decreasing our use of StatRad.
- The Admin Team is looking at bringing back some component of our T-PAC program this year for a few qualifying patients in order to keep T-PAC as a vital program in the future.
- The leadership rounding has added value to the organization by staff seeing the senior leadership engaged in patient safety and quality patient care.

- We will gain access to the 340B drug pricing program beginning July 1<sup>st</sup>. That will decrease our drug cost by \$300-400K/month. Matt commended Pharmacy Director Cari Dillon on her hard work and expertise that helped us gain access much earlier. Three of our clinics are also being brought into the 340B drug pricing program.
- Matt reiterated that we may get a portion of our contract labor expenses over the course of the last 6 months paid back to us with FEMA dollars.
- Matt encouraged the Board members to contact him or Jean Ceriani if they want to add discussions to the agenda for the upcoming Board strategic retreat in July.

**B. CCO Report, CCO Jody Roeber**

- Jody reported that due to the high COVID transmission rate in Delta County, masking has been mandated in healthcare facilities. Local transmission rates will continue to be monitored and the masking requirement reconsidered on a weekly basis.
- Jody shared information regarding Monkey Pox that she received in The Colorado Board of Health meeting last week.
- Jody informed the Board of the results of Lab Director Ken Shaffer's due diligence regarding reference labs. Ken was able to confirm that we are being fiscally responsible by using Mayo Clinic. Not only are we receiving superior quality and customer service by partnering with Mayo, but there will be value added by using Mayo with Tier 3 discount pricing through WHA we will receive upon a 3 year contract renewal. After considering the pros and cons of other reference labs, Ken ultimately recommends remaining with Mayo.

**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 June 8, 2022 Med Exec meeting:

Pre-Applications: Janelle Luteke, MD – Internist and Hospitalist

New Applications: Andrea Boedecker, DO – General Surgeon Locum  
Kenneth Lake, Anesthesia

Assignment Completed: Scott Faulkner, MD – removed from RPG hospitalist roster

**ACTION:** Dr. Mixer made a motion for the Board of Directors to approve the credentialing report of the Med Exec Committee as presented. Tammy Smith 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 an All-Medical Staff meeting next week.
- Physician leadership will be changing January, 2023. Efforts are being made to engage physicians in leadership.
- The Med Exec Committee was invited to attend the public portion of the Board retreat.

**VIII. OTHER BUSINESS**

- A. Board Retreat Update. Jean Ceriani confirmed the Board retreat will take place on July 14-15. The morning session of the meeting on Thursday will be held in Executive Session. The afternoon session on Thursday as well as the morning session on Friday will be held in open session. Board members and Exec team members will be paying for their own rooms and meals. Board education ideas will be discussed at the retreat.
- B. Foundation Golf Tournament. Jean Ceriani reminded everyone that the Delta Health Foundation golf tournament is July 16<sup>th</sup> and they are looking for teams through the end of June.

**IX. EXECUTIVE SESSION**

**ACTION:** At 6:32 p.m. Tammy Smith made a motion to go into Executive Session for (1) personnel matters, specifically Matt Heyn under §24-6-402(4)(f), C.R.S.; (2) 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; and (3) for determining positions relative to matters that are subject to negotiations, specifically pending lawsuits under §24-6-402(4)(e), C.R.S. Dr. Mixter 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 and Matt Heyn. After a brief recess, Executive Session began at 6:41 p.m.

At 7:55 p.m. Jean Ceriani terminated Executive Session and General Session was reconvened.

**X. ADJOURNMENT**

With no further business from the floor, Board Chairman Jean Ceriani **ADJOURNED** the meeting at 7:55 p.m.

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

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**Date**