

DELTA HEALTH
Board of Directors Meeting
Monday, September 19, 2022
Mesa Lake Conference Room

PRESENT:

Jean Ceriani, Chairman	Matt Heyn, CEO	Jonathan Richman, M.D., Vice Chief of Staff
Doug Speedie, M.D, Vice Chairman	Jody Roeber, CCO	Vickie Moore, Exec. Director, Clinic Operations (via ZOOM)
Bruce Mixter, M.D., Secretary/ Treasurer	Larry Vincent, CFO	Donica Harrison, Exec. Assistant
Matt Soper, Member	Julie Huffman, CLO	Absent: Rhonda Katzdorn, Exec. Director, Human Resources
Tammy Smith, Member	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 5:31 p.m. by Chairman Jean Ceriani.

II. EXECUTIVE SESSION

ACTION: At 5:31 p.m. Tammy Smith made a motion to go into Executive Session for the purpose of developing strategy for negotiations, instructing negotiators, and determining positions relative to matters that may be subject to negotiations under C.R.S. §24-6-402(4)(e). Dr. Speedie seconded the motion. All were in favor. None were opposed. Motion carried.

All Board members were present for the Executive Session as well as CEO Matt Heyn and CLO Julie Huffman.

III. GENERAL SESSION RESUMED

At 6:38 p.m. Board Chairman Jean Ceriani resumed general session.

IV. APPROVAL OF PREVIOUS BOARD MEETING MINUTES

The minutes from the August 15, 2022 Regular Board meeting were presented by Jean Ceriani.

ACTION: Dr. Speedie made a motion to accept the minutes of the August 15, 2022 Board Meeting as presented. Tammy Smith seconded the motion. All were in favor. None were opposed. Motion carried.

V. FINANCIAL

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

- Net income for August was \$282,843.
- Days cash on hand with investments was 47.
- Days in AR was at 48 days.
- The Medicare Case Index was 1.45.

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- Average length of stay was 4.16 in August.
- FTE's increased to 523 due to 23 work days.
- Overall volumes were in line with budget and prior year.
- Surgeries were the same as last year.
- Cardiac Rehab, ER, and most Radiology procedures saw increases from budget and prior year.
- Medicare/Medicaid revenue hit 74.6% of total revenue in August, averaging 77% for the year.
- Contract labor increased slightly in August. We are still waiting for approval from FEMA for reimbursement and hoping to receive funds by yearend.
- Delta Family Medicine moved into the remodeled space August 15th.
- \$384K USDA grant funds were received last week and will be booked in September.

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

August financials resulted in a net gain from operations of \$282,843 compared to a budgeted gain of \$176,907. Admissions for the month were 97 compared to budget of 110 and prior year of 107. Discharges for the month were 93 compared to budget of 108 and prior year of 97. Patient days for the month of August were 387 compared to budget of 454 and prior year of 485. ALOS for August was 4.16 compared to budget of 4.20 and 5.00 prior year. Average daily census was 12.5 compared to budget of 14.6 and prior year of 15.6. Hospital gross revenue for August was \$18,194,101. Physician Prof Fee Gross revenue was \$2,459,930 and Home Health gross revenue for the month was \$184,639. Gross revenue was more than budget by \$1,053K; and deductions from revenue were more than budget by \$1,070K. Net revenue % for August was 37.87% compared to budget of 39.97% and prior year of 39.05%. Salaries, wages, and benefits were \$254K more than budget in August. Salary and contract labor expenses were more than budget by \$252K and group health expense was \$2K more than budget. Total expenses were more than budget by \$110K. Cash on hand increased by \$214K in August. Capital purchases were \$26K. Accounts Receivable decreased by \$897K in August. Supply expenses were \$154K 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.

General Discussions

- Larry Vincent explained how FTE numbers on the financial reports are calculated based on total hours worked rather than the number of employees.

B. Meditech ExpansE, Demos & Survey Results, CFO Larry Vincent & CLO Julie Huffman

Larry Vincent reported that the Meditech ExpansE demos were well attended. They will be providing another demo via ZOOM on October 29th of the oncology module. Julie Huffman reported that the majority of the feedback received from the survey sent to attendees was positive. The logical next steps will be additional demos for Department Heads and Clinic Managers for specific modules. Jean Ceriani reiterated the need to wait until after the Accelerated Payment has been paid off before committing to moving forward with a new EMR. Dr. Mixer expressed interest in physicians having the opportunity to see live demonstrations, perhaps at Community, to glean feedback from providers already using Meditech ExpansE.

VI. ADMINISTRATION

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

- Orthopedic Recruitment. The initiative to grow and strengthen the Delta Health orthopedic service is underway with the support of our current orthopedic surgeons.
- Home Health. Delta Health Home Health has contracted a consultant for one year to help to optimize our program and strengthen our Home Health service as well as guide us through new

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mandates in the coming year. They will also help to identify the value this service provides to Delta Health indirectly such as decreasing our readmissions.

- PET/CT Scanner. The PET/CT scanner ordered in June is due to arrive in October. A mobile CT scanner will be brought in for two months to be utilized as our second CT scanner while the old unit is being disassembled and the CT room is being prepared for the new unit. The mobile scanner will be parked on the north side of the building.
- Sales Tax Income. Delta Health received the first sales tax transfer last week in the amount of \$318K which will be reflected in the September financial report.
- NRHA Conference & CHA Annual Meeting. Matt will be speaking this week at the National Rural Hospital Association conference in Kansas City and will be attending the Colorado Hospital Association annual meeting next week in Colorado Springs.

B. Bylaw Amendments, CLO Julie Huffman

CLO Julie Huffman highlighted proposed changes to the Delta County Memorial Hospital District Bylaws relating to the adoption of the budget, annual retirement match and wage increases, the role, supervision and evaluation of in-house counsel, and alignment with the Delta Health Foundation Bylaws.

ACTION: Matt Soper made a motion for the Board of Directors to adopt Article II, Section 13: Adoption of Budget added to the Delta County Memorial Hospital District Bylaws as presented. Dr. Mixer seconded the motion. All were in favor. None were opposed. Motion carried.

ACTION: Tammy Smith made a motion for the Board of Directors to adopt Article V, Section 3 of the Delta County Memorial Hospital District Bylaws as amended, which relates to the authority and duties of the Administrator. Matt Soper seconded the motion. All were in favor. None were opposed. Motion carried.

ACTION: Dr. Mixer made a motion for the Board of Directors to adopt Article VI, In-House Counsel, added to the Delta County Memorial Hospital District Bylaws as presented. Matt Soper seconded the motion. All were in favor. None were opposed. Motion carried.

ACTION: Tammy Smith made a motion for the Board of Directors to adopt Article X, Delta Health Foundation, added to the Delta County Memorial Hospital District Bylaws as presented. Matt Soper seconded the motion. All were in favor. None were opposed. Motion carried.

C. New Sales Tax Exemptions, CLO Julie Huffman

CLO Julie Huffman informed the Board of an optional sales tax exemption for incontinence products, diapers and period products. While some special districts may choose to tax these items, they are now able elect to exempt their portion of the sales tax if they so choose.

ACTION: Dr. Speedie made a motion for the Board of Directors to exempt Delta Health's .08% portion of the sales tax for incontinence products, diapers and period products from Delta County Memorial Hospital District's collection of sales tax. Matt Soper seconded the motion. All were in favor. None were opposed. Motion carried.

VII. 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 September 14, 2022 Med Exec meeting:

New Applications: Catherine Jimenez, MD, Family Practice at DFM
Daniel Frantz, DO, Family Practice at West Elk Hotchkiss
Kelsey Stark, NP, Adult Primary Care

Re-Applications: Jarred Freese, MD, Internal Medicine at APC and Hospitalist
Hugh Comer, MD, consultation services at the Cardiopulmonary Department

Resignation: Laura McCrackin, M.D., Surgery

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.** *Vice Chief of Staff Dr. Richman* shared with the Board the following:

- The Med Exec met on Wed Aug 10th. Dr. Laura McCrackin resigned from her surgical practice on Sep 15th. Dr. Richman will be leading Med Exec in her place and is the acting Chief of Staff for the remainder of 2022. Although she has given up performing surgery, the Med Exec awarded Dr. McCrackin honorary membership, which means she will remain on our medical staff roster and will hopefully attend future medical staff retreats and other functions.
- The committee was able to finalize the medical staff OPPE and FPPE process. These are professional practice evaluations for new and current medical staff providers in and outside of the hospital. On behalf of the medical staff Dr. Richman thanked Julie for her hard work in creating and updating a policy in order to provide the best mentorship for our providers.
- Small changes have been made to the medical staff bylaws that outline the evaluation process. The amendments will be presented for a vote at the annual medical staff meeting in November.
- Our two new providers, Dr. Rose and Dr. Jimenez, have fit in well to the Delta Family and West Elk clinics.

- C. Amendments to Medical Staff Credentialing Manual.** *CLO Julie Huffman*

Julie Huffman presented a newly formulated Focused Professional Provider Evaluation (FPPE) policy for the medical staff. This policy will be applied for initial privilege requests, adding new privileges for existing medical staff members, recommended monitoring of providers following peer review, or for concerns regarding provision of care or unprofessional behavior. Jean Ceriani asked for a motion to approve the FPPE and OPPE process, noted in the Medical Staff Rules and Regulations, for ongoing proof of competency.

ACTION: Tammy Smith made a motion, seconded by Dr. Mixer, that the FPPE policy be approved as presented. All were in favor. None were opposed. Motion carried.

Julie mentioned that this new FPPE policy will need an addition to the Medical Staff Bylaws. Conditions of medical staff membership will now require that providers agree to help serve as an evaluator or

proctor within their medical service committee. This update to the Bylaws will require a 2/3 positive vote of the active medical staff. Ballots will be sent to the medical staff 30 days before their annual medical staff meeting on Nov 15th. If the ballot is favorable, it will then be forwarded to the Nov 21st Board meeting for final approval.

VIII. OTHER BUSINESS

A. Further Comments

1. Jean Ceriani shared with the Board plans for Ben Anderson, CHA's VP, to return quarterly to facilitate additional case study reviews.

IX. EXECUTIVE SESSION

ACTION: At 7:55 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 95 Stafford Lane, as well as for the purpose of receiving legal advice on specific legal questions, specifically the status of the current pending lawsuits involving the District under C.R.S. 24-6402(4)(b). Dr. Speedie 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 8:00 p.m.

X. GENERAL SESSION RESUMED

At 8:26 p.m. Jean Ceriani terminated Executive Session and General Session was reconvened.

ACTION: Dr. Speedie made a motion to purchase the property at 95 Stafford Ln., Delta, CO for \$775,000. Tammy Smith seconded the motion. All were in favor. None were opposed. Motion carried.

XI. 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 8:29 p.m.

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

Date