

DELTA HEALTH
Board of Directors Meeting
Monday, June 19, 2023
Classroom B and ZOOM

PRESENT:

Jean Ceriani, Outgoing Chairman	Davis Walton, Member	Melissa Palmer, EDON
Doug Speedie, M.D, Chairman	Julie Huffman, CLO / Interim CEO	Vickie Moore, Exec. Director, Clinic Operations
Tammy Smith, Vice Chairman	Kelly Johnston, Interim CFO	Rhonda Katzdorn, Exec. Director, Human Resources
Bruce Mixter, M.D., Secretary/ Treasurer	Jody Roeber, CCO	Jarred Freese, Chief of Staff
		Absent: Matt Soper, Member

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 Dr. Speedie.

II. APPROVAL OF PREVIOUS BOARD MEETING MINUTES

The minutes from the May 15, 2023 Board meeting were presented by Dr. Speedie.

ACTION: Davis Walton made a motion to accept the minutes of the May 15, 2023 Board meeting as presented. Tammy Smith seconded the motion. All were in favor. None were opposed. Motion carried.

III. GUEST SPEAKERS

A. Audit Overview. *Brade Schweitzer of Eide Bailly* presented a high level overview of the preliminary audit report to the Board of Directors via ZOOM. The audit is expected to be finalized by the end of the week. Once finalized, the Board will receive a copy of the audit report.

ACTION: Tammy Smith made a motion to accept the 2022 audit report as presented with an additional amendment to Note 14 as edited by Kelly Johnston. Davis Walton seconded the motion. All were in favor. None were opposed. Motion carried.

B. HTP Update. *Quality Improvement Nurse, Brandi Vela.* Brandi gave a PowerPoint presentation on the Hospital Transformation Program (“HTP”) developed to improve hospital care provided to Medicaid patients by tying provider fee-funded hospital payments to quality-based initiatives. Brandi highlighted the benchmarks that will have to be met for 8 measures and the at-risk dollars for each measure that increase significantly by year 5. Year 3 each of the 8 benchmarks could potentially lose the hospital \$53,480 if not met. Year 4 each of the 8 benchmarks could potentially lose the hospital \$192,528 if not met. Year 5 each of the 8 benchmarks could potentially lose the hospital \$213,920 if not met. While there are committees in place to help collect and report the required data, the program is labor intensive and requires extensive man power. Many of the larger hospitals have a department dedicated to HTP.

C. 2023 Patient Safety Goals. *Quality Director, Janel Webb*

1. Janel gave a PowerPoint presentation outlining our patient safety structure and our 2023 patient safety goals. The top goals include improving the safety of using medications, reducing the risk of

health care associated infections, identifying patients at risk for suicide and reducing the fall risk. Janel shared snapshots of the Quality Dashboards to show where we are on each category.

IV. FINANCIAL

A. Financial Updates. *Interim CFO Kelly Johnston*

- Kelly informed the Board of her current focus on 3 of the 4 central themes previously identified: revenue cycle silos, reimbursement and departmental performance.
 - Revenue Cycle Silos. Revenue cycle managers are meeting weekly to work through key themes and break down barriers. They are working on performance dashboards, coding and billing error management, denials management and clinical team feedback loop. A review of each department and how it relates to their role in revenue cycle and revenue management is being done. Kelly and Jennifer from her team developed a questionnaire for Julie to review with department leaders about how they are running financial management in their department. Kelly has identified communication gaps and opportunities for change.
 - Reimbursement. There is a health care system issue that is not unique to Delta Health in unpaid claims for services rendered. The reasons for many unpaid claims are controllable. They will be diving into those reasons to help improve reimbursement. They are also working on ways to hold payers accountable to the percentage of charges outlined in their contract.
 - Departmental Performance. Kelly reemphasized the review Julie will have with department leaders regarding volumes, revenues and expenses and explained the goal to help them understand what financial pieces within their department can be controlled and influenced.
- April Financial Report Highlights.
 - There was a slight decrease in cash that was expected.
 - Accounts receivable and contractual adjustments. Kelly pointed out we are currently collecting about 42% of what we are billing. We should be collecting 47-49%. Kelly explained the balance days in accounts receivable needed to thoroughly process our claims.
 - Liabilities show we are accruing more expenses for services rendered and accruing more costs in direct labor. This emphasizes the importance of putting productivity metrics in place to make sure we are getting paid for services rendered and labor.
 - Net revenue increased over prior year. The prior year percentage shown on the report includes contractual adjustments related to benefits.
 - Our patient revenue needs to increase to help cover the expense of our salary, wages and benefits. Kelly expressed the need to scrutinize new hires weighing expenses that will be incurred against additional revenue that will be produced.
 - April ended with a positive bottom line of \$324,592 and YTD \$238,941.
- May Financial Report Highlights.
 - Two corrections were made to the May balance sheet.
 - Comparing cash to prior month and prior year reflects we are moving in the right direction.
 - Our accounts receivable decreased due to contractual adjustments and bad debt.
 - Collections dropped to 37%.
 - Patient revenue decreased and there was an uptick of expenses in May. Volumes typically decrease in May and we paid out some larger health claims in May.
 - Overall May ended with a loss of \$517,737 and a YTD loss of \$278,793.

ACTION: Tammy Smith made a motion to accept the April financial reports as presented and conditionally accept the May financial reports to include corrections to the May 2023 balance sheet to reflect cash as \$1,799,025 (from \$2,955,563) and the corresponding offset to accrued payroll and benefits to reflect \$5,996,155 (from \$7,152,694) as well as recalculated differences from current to prior month and current month to prior year. Davis Walton seconded the motion. All were in favor. None were opposed. Motion carried.

V. ADMINISTRATION

A. Administrative Update. *CLO / Interim CEO Julie Huffman*

1. Bylaw Amendments. *CLO / Interim CEO, Julie Huffman* presented proposed Bylaw amendments adding verbiage for Emeritus Board Member and Fiduciary Duty of CEO.

ACTION: Davis Walton made a motion to adopt the proposed Bylaw amendment adding verbiage for Emeritus Board Member as presented. Tammy Smith seconded the motion. All were in favor. None were opposed. Motion carried.

ACTION: Tammy Smith made a motion to adopt the proposed Bylaw amendment adding verbiage for Fiduciary Duty of CEO as presented. Davis Walton seconded the motion. All were in favor. None were opposed. Motion carried.

2. Travelers Update. *Executive Director of Human Resources, Rhonda Katzdorn* provided an updated summary of scheduled travel staff through August 2023. A detailed trend report was also provided.

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 June 14, 2023 Med Exec meeting:

New Applications: Robert Benjamin, P.A., Delta Health Family Medicine Clinic
Michael Atwell, M.D., Urology Clinic
David Sikule, M.D., Urology Clinic
Kathleen Carey, M.D., Stat Rad Tele-Radiology
Tae Ro, M.D., Stat Rad Tele-Radiology

Re-Applications: Amir Beshai, M.D., Urology Clinic
Michael Murray, M.D., Urology Clinic
Mark Nishiya, M.D., Urology Clinic
Caleb Stepan, M.D., Urology Clinic
Timothy Vanadurongvan, M.D., Urology Clinic
Nicholas Westfall, M.D., Urology Clinic
Matthew Benedict, M.D., Stat Rad Tele-Radiology
Shannon Bownds, M.D., Stat Rad Tele-Radiology
David Karlin, M.D., Stat Rad Tele-Radiology

Voluntary Resignations: Robert Fortuna, M.D., Stat Rad Tele-Radiology
Tejpal Singh, M.D., Stat Rad Tele-Radiology
Robert Vanfleet, M.D., Stat Rad Tele-Radiology

ACTION: Dr. Mixer made a motion for the Board of Directors to accept 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. The Med Exec Committee met on June 14, 2023 and *COS Dr. Jarred Freese* reported the following:

- The medical student and residents policy has been finalized. Students from the Colorado Family Medicine Residency program will be here in the fall.
- They are working to better streamline their ACLS and BLS certifications as well as the CME reporting.
- We will be partnering with 4 OB GYNs from Grand Junction who will perform scheduled C-sections on their patients who have requested tubal ligations after delivery. The providers are not able to perform this surgery at Community Hospital or St. Mary's.
- The Med Exec has initiated formal proceedings regarding one of our medical staff physicians.

C. Approval of Amended Medical Staff Bylaws.

ACTION: Dr. Mixer made a motion for the Board of Directors to accept the amended Medical Staff Bylaws as presented and approved by the Med Exec. The changes are reflected in Article IX, Article XIV and Article XV. Davis Walton seconded the motion. All were in favor. None were opposed. Motion carried.

D. Approval of Amended Medical Staff Rules & Regulations.

ACTION: Tammy Smith made a motion for the Board of Directors to accept the amended Medical Staff Rules and Regulations as presented and approved by the Med Exec. The changes are reflected in Section P with the addition of The Anesthesia Sub-Committee. Davis Walton seconded the motion. All were in favor. None were opposed. Motion carried.

E. Approval of Amended Medical Staff Credentialing Manual.

ACTION: Dr. Mixer made a motion for the Board of Directors to accept the amended Medical Staff Credentialing Manual as presented and approved by the Med Exec. The changes are reflected in Part I 1.2 (c) as well as Part II. 2.1 (b) and (c) Reappointment Procedures, as well as 9.2 Qualifications. Tammy Smith seconded the motion. All were in favor. None were opposed. Motion carried.

VII. OTHER BUSINESS

A. Tammy requested a Wednesday, July 5th as a date for Board training with CHA.

VIII. EXECUTIVE SESSION

ACTION: At 7:37 p.m. Tammy Smith made a motion to go into Executive Session for the purpose of Personnel Matters, specifically Darnell Place-Wise under C.R.S. §24-6-402(4)(f).

No further business will be conducted after Executive Session. All Board members in attendance were present for the Executive Session as well as CLO / Interim CEO, Julie Huffman.

Executive Session adjourned at 8:07 p.m.

IX. ADJOURNMENT

With no further business from the floor, Board Chairman Dr. Speedie **ADJOURNED** the meeting at 8:07 p.m.

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

Date