

RANGELY DISTRICT HOSPITAL
BOARD OF DIRECTORS MEETING
February 23, 2017

BOARD MEMBERS PRESENT

John Payne, Chairman
Jason Kurrasch, Vice Chairman
Nathaniel Polley, Secretary/Treasurer
Marques L Jones, Director
Michelle Huber, Director

OTHERS PRESENT

Nick Goshe III, CEO
James Dillon, CFO
Bernie Rice, CCO
Abigail R Urish MD, COS (arrived at 6:20pm)
Cynthia Stults, Executive Assistant

I. WELCOME/CALL TO ORDER

A quorum being present, this regular meeting of the Rangely Hospital District Board of Directors was called to order at 6:00p.m. by John Payne, Chairman of the Board.

II. APPROVAL OF MINUTES

A. Minutes of the Rangely District Hospital Board of Director's meeting dated January 26, 2017 were presented for review. The notes from the Special Financial Workshop dated January 24, 2017 were also presented for review. A motion was made and seconded to accept both the notes from the workshop and meeting minutes as corrected. The motion carried unanimously. **ACTION/TAKEN/CLOSED)**

III. PUBLIC FORUM

A. Correspondence: Marcia Prater sent an email thanking the board and staff for the flowers sent to their family during this time of loss.

B. General Public: Fern Arn discussed with the board her concerns over the room temperature in her mother's room, especially in the bathroom. She has had several discussions with Sharma and Dave. Administration will check on regulations and see what can be done, and Bernie will call Fern tomorrow.

IV. MEDICAL STAFF REPORT

- A. Review of Medical Staff Report (Accepted): Minutes of the February 16th, 2017 Medical Staff Report were presented for review. A motion was made and seconded to approve the report as presented. The motion carried unanimously. **(ACTION TAKEN/CLOSED)**
- B. It was recommended to re-appoint Andrew J Morse, DO, General Surgery, 2 year appointment as Consulting Staff. A motion was made and seconded. The motion carried unanimously. **(ACTION TAKEN/CLOSED)**
- C. It was recommended to re-appoint Jimmy G Gilbert, MD, Polysomnography, 2 year appointment as Consulting Staff. A motion was made and seconded. The motion carried unanimously. **(ACTION TAKEN/CLOSED)**
- D. It was recommended to re-appoint the following 4 Radiologists from Diversified Radiology to Consulting Staff for 2 years: J. David Gilliland MD, Tristan Johnson MD, Alexandra Fortner MD, and Vincent Herlihy MD. A motion was made and seconded. The motion carried unanimously. **(ACTION TAKEN/CLOSED)**

V. COMPLIANCE REPORT

- A. **EMR Update:** We have been meeting daily with Athena Health our new EHR provider, and Geauxtech our data transfer specialist, getting set to transfer from a server based Meditech to web based system. Jim and I went to Monument Billing and Jim was able to negotiate a smooth transfer of billing duties that will save us from all kinds of trouble in the process. We met with CommonD and were able to do the same with them. The staff is engaged and looking forward to the upgrade in the system.
- B. **Proposition 106, End of Life Options Act:** The proposed policy from the board is in the hands of legal as of Monday. The day this is written , we are expecting the finished policy any time now.

VI. FINANCIAL REPORTS

- A. **Presentation of January's Financial Report:** We were recently informed that there will be another HPF redistribution across Colorado hospitals which will reduce our net HPF to about \$930,000 this year. The gross income for January is significantly higher than expected due to the recognition of greater than average Medicare contractals resulting from 30% of our total 2016 swing bed days occurring last November. This figure is always extremely variable within the year, but will cumulatively align with expectations as the year continues. The year-end figures remain preliminary. Various year-end adjustments are yet to be made. Stats are mixed. It will be a few more months until we see any trends, if there are any. Revenue is 1% better than budget and 15% better than last year. Gross profit is 57% better than last year and 28% better than budget due to higher than average Medicare payments as mentioned above. Total Expenses are 4% more than budget but 10% less than last year. Payroll expense is 12% above budget and 5% more

than last year. Net Ordinary Income is 77% better than last year and 54% better than budget. Year to date Net Income is \$238,751 which is more than the budgeted amount of \$12,848 and last year which was (\$401,246) mostly due to the positive Gross Profit variance. Cash balances are as expected given the large Medicare payment. The check register for January was reviewed. A motion was made and seconded to accept the January 2017 Financial Report as presented. The motion carried unanimously. **(ACTION TAKEN/CLOSED)**

VII. OLD BUSINESS

- A. **Health Fair:** Our Health Fair dates will be March 31st for pre-draws and Saturday April 1st for the Health Fair.

VIII. NEW BUSINESS

- A. **Board Presentation:** Following up on the board workshop we held last month. Bernie worked on the start of a presentation for the public. Even if we do not go for a vote this year it will be important to get the message out there and start building support. Inevitably unless there are significantly changes towards the positive in the way we get reimbursed we will either go to the voter for more taxes or we will cut services over the next several years. Incidentally the Colorado Hospital Association (CHA) is listing us as a hospital at risk of service cuts or closure if HPF is cut. They informed me of this last week. I am not sure which hospitals are all on this list but I assume most of the rural facilities and probably quite a few of the urban facilities as well. We are in an area where Medicaid was expanded more than the state average meaning we are more dependent on HPF than others with less expansion.
- B. **CHA Rural Conference:** This is that conference I sent out an email about. So far I have John that wants to go and can get away to go. If anyone else can get away let me know? This conference features rural facilities and there are a lot of them in Colorado. We are also pictured on the front of the brochure this year. The first day on the 8th is a meet the legislature's day at the capital. I have already called Randy Baumgardner and emailed him about the seriousness of our situation as it pertains to HPF funding but it never hurts to apply pressure in person as well. I agree with the Republican stance that Medicaid should not have been expanded but unfortunately it was expanded and changes now can mean life or death for facilities like us where a quarter of our revenue now comes from Medicaid or the HPF funds to supplement low Medicaid payment. Unfortunately Medicaid funding is now ahead of our local mil levy in sources of revenue and changes to it can be devastating. At any rate this conference is March 8-10 and I expect we will get a heavy dose of what's going on in the rural parts of Colorado. John, Bernie, Sharma, and Myself are registered to attend so far.
- C. **CNCC Foundation Dinner:** The foundation dinner at the college this year is March 25th. I think it is important that we show a presence at these events and after consulting with John I bought us a table. A table seats six and if needed I can get a second table.

IX. BUSINESS FROM THE FLOOR

- A. No business from the floor was presented.

X. EXECUTIVE SESSION

A. There was no need for an executive session this evening.

XI. ADJOURNMENT

A motion was made and seconded to adjourn this regular meeting of the Rangely Hospital District Board of Directors at 7:38 p.m. Motion approved. **(ACTION TAKEN/CLOSED)**

Submitted By:

Nathaniel Polley, Secretary/Treasurer, Board of Directors

Date: _____

Cynthia Stults, Executive Assistant

Date: _____