

RANGELY DISTRICT HOSPITAL
BOARD OF DIRECTORS MEETING
January 28, 2016

BOARD MEMBERS PRESENT

Stephen Petersburg, Chairman
John Payne, Vice Chairman
Jason Kurrasch, Secretary/Treasurer
Buford Adams, Director (absent/excused)
Nathaniel Polley, Director

OTHERS PRESENT

Nick Goshe III, CEO
Jim Dillon, CFO
Bernie Rice, CCO
Casey Aguirre DO, COS
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 5:56p.m. by Stephen Petersburg, Chairman of the Board. Buford Adams is currently out of the country and unable to attend, his absence was excused.

II. APPROVAL OF MINUTES

Minutes of the Rangely District Hospital Board of Director's meeting dated December 10, 2015 were presented for review. A motion was made and seconded to accept the minutes as presented. The motion carried unanimously. **ACTION/TAKEN/CLOSED)**

III. PUBLIC FORUM

- A. Correspondence:** A thank you note from the Lab for this year's bonus was presented to the board.
- B. General Public:** Jimmy Dearman from the general public was present and wished to address the board. September 1st he was involved in an accident and was in ICU in Lakewood. He was released to home and had been seeing Patrick Ritchen for physical therapy services here. He had orders to continue Physical Therapy as needed by his work comp provider. He has been very displeased since Pat and Sandee have left and he does not appreciate the attitude the new therapists' have. Nick said he would speak with Luke and report his findings to the board.

IV. MEDICAL STAFF REPORT

- A. Review of Medical Staff Report (Accepted): Minutes of the December 10th, 2015 Medical Staff Report were presented for review. A motion was made and seconded to approve minutes as presented. The motion carried unanimously. **(ACTION TAKEN/CLOSED)**
- B. Review of Medical Staff Report (Accepted): Minutes of the January 14th, 2015 Medical Staff Report were presented for review. A motion was made and seconded to approve minutes as presented. The motion carried unanimously. **(ACTION TAKEN/CLOSED)**
- C. It was recommended to approve Matthew A Lynn, MD appointment to Consulting Staff for Diversified Radiology/Pediatrics. A motion was made and seconded. The motion carried unanimously. **(ACTION TAKEN/CLOSED)**
- D. It was recommended to approve J. Karyl Ting, MD's Two Year Reappointment to Active Staff. A motion was made and seconded. The motion carried unanimously. **(ACTION TAKEN/CLOSED)**

V. COMPLIANCE REPORT

- A. **EMR Update:** Rumor has it they will be doing away with Meaningful Use rules and regulations. This ordinarily would make us happy; however it gives us pause as they are saying it will be replaced by "something" else. What something else is nobody knows.
- B. **Colorado Hospital Association update meeting:** We attended this meeting recently and found they were extremely non-committal to comments concerning any changes we have been watching this past year. I was amused with one of the presenters statement that she refused to put anything in writing as she did not want to be held accountable to something when she couldn't know with any degree of confidence anything coming down the pike.
- C. **NorthWest Colorado Associated Governments:** We met with the representative from the Colorado Medical Division (Dr. Wolk) on the future of CAH hospitals and frankly felt as though we were talking to a brick wall. No helpful suggestions or assistance was offered. I would ask Steve or Cindy if they saw something other than what I did. It just felt like he was there to give lip service as to what the current administration is doing and had no intention of listening or offering any advice, other than to tell us what a great thing the ACA is.
- D. **Designated Election Official:** It is time to designate an election official to exercise the authority of the Board in conducting the election for May 3rd, 2016 for the three positions we will have available. We have filed our transparency notice as required and posted the positions in this week's paper. It is proposed to again designate Cindy Stults as the Board of Directors, Rangely Hospital District's Designated Election Official. We will need to approve this designation this evening. . A motion was made and seconded. The motion carried unanimously. **(ACTION TAKEN/CLOSED)**

VI. FINANCIAL REPORTS

A. Presentation of December's Financial Report: Although they are the best estimate we currently have, year-end financials as presented here are preliminary. They are subject to change as we go forward with year-end accounting processes and audits. Our year end cash balance is almost \$3.9MM. This high balance means that it is unlikely for us to use our line of credit this year and gives us some cushion against the challenges listed below. Given the price of oil, we anticipate that our operating tax levy could be cut by as much as 50% for 2017. In addition, HPF funding, from which we are currently receiving about \$1.4MM per year, may go away depending on the Colorado State budgeting process in 2016. We continue to monitor these things for possible actions later in 2016. We received \$663,736 in December against the 2015 Cost Report balance due. We estimate that we will still receive an additional \$2MM when the 2015 cost report is filed and the 2014 cost report is audited. Medicare will continue to pay us a daily limit of \$9,999.99 per day for SNF and Acute in 2016 but is willing to make a partial payment to us toward year end (as they did this year) if we can show that we have the money coming. We estimate that Medicare still owes RDH about \$260,000 for 2014 that we will likely receive in 2016 when the 2014 cost report is audited. This amount is included in the \$2MM mentioned above. Our 2013 cost report was audited and we received \$191,191 of the \$192,847 remaining on our report with only minor adjustments. Overall stats for the year are better than last year and mixed with respect to budget. Revenue is 1% less than budget but 9% greater than last year. Gross profit is 21% more than last year and 9% more than budget, largely due to higher levels of Hospital Provider Fee payments. Total Expenses are even with budget and 1% less than last year. Payroll expense is 5% above budget and 8% more than last year. Purchased service expenses are 5% less than budget and 31% less than last year. Year-to-date Net Income is \$423,867 which is better than last year's figure of (\$1,574,918) and better than the budgeted figure of (\$803,312). Cash balances are excellent for this time of year due to a strong positive cash flow for 2015. The Check Register for December was reviewed. A motion was made and seconded to accept the December 2015 Financial Report as presented. The motion carried unanimously. **(ACTION TAKEN/CLOSED)**

VII. OLD BUSINESS

A. Mass Casualty Exercise: The Hospital participated in a multi-agency mass casualty exercise this week. It was a good learning experience. There was a lot of room for improvement, but it is best to find out that prior to such an event occurring.

VIII. NEW BUSINESS

A. No New Business was presented.

IX. BUSINESS FROM THE FLOOR

A. John suggested if there would be a possibility of providing "benevolent services", such as a temporary gift card towards a patient's balance or services. etc. The board felt this was a idea worthy of checking into.

X. EXECUTIVE SESSION

A motion was made and seconded to enter Executive Session at 6:52p.m. per C.R.S. §24-6-402(4) (f) “personnel matters.” The motion was approved unanimously. **(ACTION TAKEN/CLOSED)**

XI. ADJOURNMENT

A motion was made and seconded to adjourn this regular meeting of the Rangely Hospital District Board of Directors at 7:37 p.m. Motion approved. **(ACTION TAKEN/CLOSED)**

Submitted By:

Jason Kurrasch, Secretary/Treasurer, Board of Directors

Date: _____

Cynthia Stults, Executive Assistant

Date: _____