

RANGELY DISTRICT HOSPITAL
BOARD OF DIRECTORS MEETING
August 27, 2015

BOARD MEMBERS PRESENT

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

OTHERS PRESENT

Nick Goshe III, CEO
Jim Dillon, CFO
Bernie Rice, CCO
S. Kathleen Rieves MD, COS
Jodi Black, Business Office Assistant
Shanna Kinney, EMS Director
Nancy Droste, Radiology

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, Vice Chairman. Steve Petersburg was out of town fighting fires and was not in attendance, His absence was excused.

II. APPROVAL OF MINUTES

Minutes of the Rangely District Hospital Board of Director's meeting dated July 30, 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: There was no correspondence presented at this meeting.

B. General Public:

- a. The two new physicians were in attendance to introduce themselves to the Board. Abigail R Urish, MD & C. Kenneth Sutton, MD. They will start seeing patients on Monday.
- b. Shanna has been in touch with Noreen at CNCC and we are online to participate with their event by providing the medical team for the first aid tent at the Special Olympics Polar Plunge in November.

IV. MEDICAL STAFF REPORT

- A. Review of Medical Staff Report (Accepted): Minutes of the August 13th, 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. It was recommended to approve the Medical Staff Bylaws as amended July 2015 from legal as presented. A motion was made and seconded. The motion carried unanimously. **(ACTION TAKEN/CLOSED)**
- C. It was recommended to approve Debra J Smith MD two year Appointment to Active Staff from Provisional. A motion was made and seconded. The motion carried unanimously. **(ACTION TAKEN/CLOSED)**
- D. It was recommended to approve Abigail R Urish MD and Charles Kenneth Sutton MD appointments as Provisional Staff. A motion was made and seconded. The motion carried unanimously. **(ACTION TAKEN/CLOSED)**
- E. It was recommended to approve Enrique Orellana Jr. DO, and Michael J Ryan MD Initial appointments as Cardiology Consulting Staff. A motion was made and seconded. The motion carried unanimously. **(ACTION TAKEN/CLOSED)**
- F. It was recommended to approve the 2 Radiologists, Christine Kassis MD and Elizabeth L Carpenter MD, from Diversified Radiology as providers for initial appointment to Consulting Staff. A motion was made and seconded. The motion carried unanimously. **(ACTION TAKEN/CLOSED)**
- G. It was recommended to approve Kenneth K Myers DDS, two year reappointment as Active Staff. A motion was made and seconded. The motion carried unanimously. **(ACTION TAKEN/CLOSED)**

V. COMPLIANCE REPORT

- A. **EMR update:** We are in the process of upgrading to Meditech 5.67. We began the update on 8-25-2015. Daniel Moran and his IT department and Jimmy Dillon have been very instrumental in the success of this upgrade. The results are not all in as of this report, but so far, so good.

We also met with the County today at the groundbreaking for the fiber optics and broad band and this seems on the verge of becoming a reality, which has the potential of saving a great deal of money and time for the hospital. Many of our issues with broadband and bandwidth that we have run into has the potential to be addressed with this process.

- B. **ICD-10 Training:** ICD-10 is still on the radar for implementation in October 2015, so we are planning accordingly.

VI. FINANCIAL REPORTS

A. Presentation of July's Financial Report: We did receive our District Tax assessment this week. It is only down by 4.2% and not the 20% that we were expecting. So our assessment will be at \$2.1MM from \$2.2MM. So while this is a good thing for us this year, Oil prices continue to decline and will be reflected in the tax assessments next year. So the 20+% hit we were expecting will be realized in 2017. We are still expecting \$192,847 of additional funds from our 2013 cost report and should receive them within the next few weeks. Our Extended Illness Benefit (EIB) ended August 1st and has been replaced by a short term disability benefit. We have received the first of 3 makeup payments for our long awaited 2015 Health Provider Fee (HPF) funds as is reflected in cash. It doesn't look like we will need to extend our line of credit at the end of the year, however, we may want to do so since the magnitude of the possible delay in Medicare payments due to the changeover to ICD-10 is unknown. July stats in general remain at levels we have experienced throughout this year. Revenue is 3% less than budget and even with than last year. Gross profit is 1% more than last year and 1% less than budget. The improvement is due to receipt of the first of three HPF makeup payments in July. Medicare monthly payments still remain lower than expected due to lower than expected Acute and Skilled days. Total Expenses are even with budget and 2% less than last year. Payroll expense is 5% above budget and 8% more than last year which is an improvement over the 8% and 11% reported for year to date last month respectively. This is due to the 15% payment for employee Medical Insurance which began in July. Purchased service expenses are 6% less than budget and 44% less than last year. Year-to-date Net Income is (\$426,022) which is better than last year's figure of (\$505,430) and a little better than the budgeted figure of (\$426,902). Cash balances for July are as expected with the receipt of the first HPF makeup payment. The Check Register for July was reviewed. A motion was made and seconded to accept the July 2015 Financial Report as presented. The motion carried unanimously. **(ACTION TAKEN/CLOSED)**

VII. OLD BUSINESS

A. Accountable Care Organizations (ACO): We have officially formed the Rocky Mountain Accountable Care Organization starting January 1st. This ACO includes Rangely, Craig, Meeker, Rifle, Glenwood Springs, and Aspen hospitals. The ACO's purpose will be to lower cost to Medicare patients while improving quality. No one yet knows how this quality will be measured. Each hospital will be responsible for their own Medicare beneficiaries of which we have approximately 200. This ACO will have a board of directors made up from 2 representatives from each hospital which will be the CEO and a physician. In our case this will be Dr. Aguirre. In addition the board will have one Medicare beneficiary from the whole ACO which is still being determined.

Cost as reported last month is going to be approximately \$49,000 annually over the next three years of which the Western Healthcare Alliance (WHA) has submitted grant applications for additional funding sources. The WHA already secured a grant to get the ACO funded initially. I think all of the hospitals are looking at this as an opportunity to learn at a relatively low financial risk because of the grant funding for these first three years anyhow.

VIII. NEW BUSINESS

- A. Dr. Urish & Dr. Sutton:** Dr. Urish and her husband Dr. Sutton are scheduled to start Monday August 31st. As we have in the past, we are looking at planning a reception for the public to meet our two new providers. A tentative date we are planning for this will be Thursday, September 17th from 6-8pm here at the hospital. We will be inviting the press as well as sending out invitations through a town mailer. And hopefully we can get a nice article in the paper as well. I believe we should advertise that we now have four providers living in town that are here and available every week, except for vacations of course. That would include Shelby, Dr. Aguirre, Dr. Urish, and Dr. Sutton.
- B. Physical Therapy:** We have a locum physical therapist manager in the department currently. His name is Patrick Richens and he has been practicing in PT for over 30 years. He has stated he can be here through March and has been very well received so far. This will help us immensely as we search for a replacement. The fact that he can be here that long gives us some time to find a good replacement.
- C. Level IV Trauma Designation:** Every three years we are required to renew our trauma designation for our hospital. We are up for renewal this year. We need a resolution from the Board to renew our recertification as a Level IV Trauma center covering the 3400 square miles of frontier land in which we are located. A motion was made and seconded to approve the resolution to renew our Level IV trauma designation as presented. The motion carried unanimously. **(ACTION TAKEN/CLOSED)**

IX. BUSINESS FROM THE FLOOR

- A.** We are again submitting a CCITF funding request for grant money for the hospital. Shanna has been very successful in the past. If approved, we use the monies for the acquisition for our ambulance vehicles and EMS equipment. We have been able to acquire the last 4 vehicles through CCITF funds without costing the hospital. We are hopeful to be awarded another grant this year.
- B.** Website updates: It was discussed that we need to update our website with our new provider information. Plus the Patient Portal needs to be more user friendly as it does not clearly identify how one can enroll and access the information there. Cindy will discuss with Blue Moose designs and the Fast Health website for updates.

X. EXECUTIVE SESSION

A motion was made and seconded to enter Executive Session at 6:48p.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 7:12 p.m. Motion approved. **(ACTION TAKEN/CLOSED)**

Submitted By:

Jason Kurrasch, Secretary/Treasurer, Board of Directors

Date: _____

Cynthia Stults, Executive Assistant

Date: _____