

**RANGELY DISTRICT HOSPITAL  
BOARD OF DIRECTORS MEETING  
December 11, 2014**

**BOARD MEMBERS PRESENT**

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

**OTHERS PRESENT**

Nick Goshe III, CEO  
Bernie Rice, CCO  
Jim Dillon, CFO  
Jodi Black, Business Office Asst.

**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 Stephen Petersburg, Chairman.

**II. APPROVAL OF MINUTES**

Minutes of the Rangely District Hospital Board of Director's meeting dated October 30, 2014 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 were two pieces of correspondence presented.

1. The first from Melissa Norman from New Eden thanking the Board for the donation of \$500 towards purchasing car seats and breast pumps for women in need in Rangely.
2. The Second was from several employees at the hospital thanking the Board for the Fleece Jackets presented at the Christmas Party.

**B. General Public:** There were no speakers from the general public present.

#### IV. MEDICAL STAFF REPORT

- A. Review of Medical Staff Report (Accepted): Minutes of the November 13<sup>th</sup>, 2014 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 Russell A Stagg, CRNA, appointment for Mid-Level Privileges. A motion was made and seconded. The motion carried unanimously. (**ACTION TAKEN/CLOSED**)
- C. It was recommended to approve Casey M Aguirre, DO, appointment to Active Staff Privileges. A motion was made and seconded. The motion carried unanimously. (**ACTION TAKEN/CLOSED**)

#### V. COMPLIANCE REPORT

- A. **EMR update:** We are continuing to tweak the Meditec program to fit our needs. We have the essentials in place (at least until they change them again). We are now concentrating on getting reports capable and phasing out the majority of the consultant's fees. We are continuing to brace for ICD-10 however there is noise it may be delayed, we are still in the same boat as before we cannot afford not to be ready. We will just have to do it as carefully as possible.

#### VII. OLD BUSINESS

- A. **Eagle Crest Generator** Work on the Eagle Crest generator hookup has begun. We are just waiting for the gas tank to arrive and final approval. We hope to have it up and running and completed by the end of the month.
- B. **Parking Lot issue** The drainage problem and grading has now been fixed. The parking lot is kind of a mess, but they will repave it in the spring at their cost.

#### VI. FINANCIAL REPORTS

- A. **Financial Report:** Medicare paid us \$295,488 against the 2014 cost report in October but still owes us about \$2.5 Million as of the end of October. This will be paid after we file our 2014 cost report in 2015. Our daily rate for both Skilled Nursing and Acute remains capped at \$9,999 per day. Medicare informed Monument Medical (billers) that payments for Acute days will be delayed until January 2015. This is in addition to the Skilled Nursing delays we are currently experiencing as mentioned in the last board meeting. We will need to renew our \$1.5MM line of credit at this meeting. Repayment of the amount is provided for in the 2015 budget. Approval will be needed tonight, but final documents will be signed later. A new monthly stats report is included in the financials. Except for the ER, October stats were generally better than average for the year. However, the big jump in Clinic and Radiology stats is mostly due to flu shots and mammograms respectively. For 2014 YTD, Gross Profit is 1% more than budget and 14% more

than the same period in 2013. Total Expenses are 11% greater than budget and 10% more than last year. Most of the negative variance in non-payroll expense is due to locum tenens expenses in “Purchased Services”, Electronic Medical Record (EMR) consultants in “Purchased Services” and EMR software in “Other Operating Expense”. EMR expenses continue to be somewhat higher than expected when we were budgeting last August, but the Locums expense dropped off significantly in June. Net Income as of October is (\$1,138,886) which is less than last year’s figure of (\$367,512) at this point in the year, as well as less than the budgeted figure of \$319,855. Cash balances for October are as expected and include the \$295,488 paid by Medicare against the 2014 cost report. The Check Register for October was reviewed. A motion was made and seconded to accept the October 2014 Financial Report as presented. The motion carried unanimously. **(ACTION TAKEN/CLOSED)**

- B. Supplemental Budget 2014:** Due to the loss of two physicians, the subsequent costs of locum tenens, consultants, ICD10 training and EMR expenses that were unforeseen when preparing the 2014 budget in August 2013; it is necessary to approve the supplemental budget and appropriations to the 2014 budget for 2014 as presented by Jim Dillon, CFO. A motion was made and seconded to accept the Supplement Budget Appropriations for 2014 as presented. Vote: The motion carried unanimously. **(ACTION TAKEN/CLOSED)**
- C. FINAL Budget 2015:** The final operating budget for 2015 was presented by Jim Dillon, CFO. A motion was made and seconded to accept the Final Budget for 2015 as presented. Vote: The motion carried unanimously. **(ACTION TAKEN/CLOSED)**
- D. Authorize TABOR 2015 Line of Credit:** In order to re-open our line of credit across year end and remain compliant with TABOR regulations, we will need approval for the re-opening of the line of credit whose current balance is zero. To reopen the line in the amount of \$1.5MM for 2015. The bank will need the signed minutes from this board meeting by the 20<sup>th</sup> of this month. Normally minutes are not approved until the next board meeting (Jan. 29, 2015). They will accept unofficial minutes signed by both the Chairman (Stephen Petersburg) and the Secretary (John Payne) of the Board prior to the filing deadline. A motion was made and seconded to authorize the appropriation of the 2015 Line of Credit for \$1.5MM as presented. Vote: The motion carried unanimously. **(ACTION TAKEN/CLOSED)**

## **VIII. NEW BUSINESS**

- A. Med Staff Calendar** Steve and Buford will switch April and May’s assignments for the Med Staff calendar as their schedules have conflicts with the way it is printed. Cindy will make the change and reprint the calendar.

## **IX. BUSINESS FROM THE FLOOR**

- A.** No business from the floor was presented.

**X. EXECUTIVE SESSION**

A motion was made and seconded to enter Executive Session at 7:01 p.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 8:48 p.m. Motion approved. **(ACTION TAKEN/CLOSED)**

Submitted By:

\_\_\_\_\_  
John Payne, Secretary/Treasurer, Board of Directors

Date: \_\_\_\_\_

\_\_\_\_\_  
Cynthia Stults, Executive Assistant

Date: \_\_\_\_\_