

RANGELY DISTRICT HOSPITAL
BOARD OF DIRECTORS MEETING
December 14th, 2017

BOARD MEMBERS PRESENT

John Payne, Chairman (late, arrival 6:18pm)
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 Urish MD, COS
Nancy Droste, Radiology Director
Cynthia Stults, Executive Assistant/HR

I. WELCOME/CALL TO ORDER

Prior to calling the meeting to order, Marques Jones dropped his letter of resignation off and thanked the Board for being able to work with them these past few years. Marques has received a promotion at work and is relocating to Midland Texas. A quorum being present, this regular meeting of the Rangely Hospital District Board of Directors was called to order at 6:03 p.m. by Jason Kurrasch, Vice-Chairman of the Board.

II. APPROVAL OF MINUTES

A. Minutes of the Rangely District Hospital Board of Director's meeting dated October 26, 2017 were presented for review. A motion was made and seconded to accept the meeting minutes as presented. The motion carried unanimously. **ACTION/TAKEN/CLOSED)**

III. PUBLIC FORUM

A. **Board Vacancy:** Due to Marques' resignation and moving out of state, the Board will post its' vacancy both in the paper and at the county, city and RDH bulletin boards. The

board will accept applications until Monday 1/15/2018. Depending on the number of letters of intent received, the Board will interview prospective members either at a special workshop or at the next board meeting 1/25/18.

- B. **Correspondence:** The Board received several thank you cards which were read and passed around the Board Members, The Striegel family thanked them for the flowers sent to June Striegels services. Rangely 4-H for the support of their program this year, Several employees thanking them for the thanksgiving turkeys and Bonus, and Sarah Hogan for her retirement party and gift.
- C. **General Public:** No one from the general public was present.

IV. MEDICAL STAFF REPORT

- A. Review of Medical Staff Report: Minutes of the November 9th 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 David Patz MD, Internal Sleep Medicine to Active Staff; and Jack Drew MD, Radiology to Courtesy Staff; 2 year reappointments. A motion was made and seconded. The motion carried unanimously. **(ACTION TAKEN/CLOSED)**
- C. It was recommended to initially appoint Jeffrey Alpert MD, Internal Medicine, Active Staff; and Jeffrey Meier MD, Shawn Ahmed MD, Carol Ann Browning MD and Dipti Nevrekar MD, Diversified Radiology to Consulting Staff, 2 year reappointments. A motion was made and seconded. The motion carried unanimously. **(ACTION TAKEN/CLOSED)**

V. COMPLIANCE REPORT

- A. **EMR Update:** We are currently working on work flows for information that is not flowing across as we need it too. Such as between the clinic, billing, ancillaries, pharmacy and physicians. Most communications work well. The team has really stepped up and all is going well. We have a few bugs we are working out, some technical builds which are mostly workflow issues.

Meeting Resolution: As a special District we are required under Colorado Open Meetings Law, C.R.S. § 32-1-401, *et seq.* to give “full and timely notice” of a public meeting by posting notice in designated public places within the local government’s boundaries.

*Special District Act requires notice of public meetings to be posted in three public places (*and with the Clerk & Recorder). This needs to be done by Board resolution annually.

Rangely District Hospital has designated the following locations for its postings:

1. Posted in the Bulletin Board of the Outpatient Entryway at Rangely District hospital 225 Eagle Crest Drive, Rangely Co 81648
2. Town Hall Bulletin Board located in the Rangely Town Hall, 209 E Main Street, Rangely CO 81648
3. Rio Blanco County Clerk's Office on bulletin board , 17497 Hwy 64, Rangely CO 81648

A motion was made and seconded to approve the three posting locations for 2018 as presented. The motion carried unanimously. **(ACTION TAKEN/CLOSED)**

VI. FINANCIAL REPORTS

A. October 2017 Financial Report: Within the last few weeks we have received Medicare interim cost report payments of \$985,691. We would have received this money next year with our normal cost report filing so this is an early receipt of funds rather than additional funds. Stats, clinic visits rebounded to levels seen prior to physician's vacations. Overall stats remain relatively flat across the year. Revenue is 1% less than budget and 1% less than last year. Gross profit is 2% better than budget and 2% better than last year. Total Expenses are 4% more than budget but 3% less than last year. Payroll expense is 2% above budget but 6% less than last year. Year to date Net Income is \$291,794 which is more than the budgeted amount of \$187,353 as well as better than last year which was (\$309,323). Cash balances are as expected. The check register for October was reviewed. A motion was made and seconded to accept the October 2017 Financial Report as presented. The motion carried unanimously. **(ACTION TAKEN/CLOSED)**

B. Approval of Supplemental 2017 Budget: A Supplemental Budget for \$700,000 is requested for 2017. This consists of an expected Operating Expense variance of about \$430,000. The employee bonus expense of about \$140,000, and a contingency of \$130,000 to cover any additional unforeseen expense or forecast/auditing variance. A motion was made and seconded to approve the Supplemental 2017 Budget request for \$700,000 as presented. Vote: The motion carried unanimously. **(ACTION TAKEN/CLOSED)**

C. Presentation of FINAL Budget for 2018: The Final Operating Budget for 2018 is not materially different than the Preliminary Budget presented at the September board meeting. The budget reflects a)% COLA increase for employees. Employee full time equivalents (FTE's) are budgeted at 122. Capital expenditure is set at \$400,000 of which only \$5,000 is expected to be a cash expenditure since the new Radilogy equipment is to be paid for by grants. There then remains a \$395,000. Of note, with all the Critical Access Hospital closures, Moody's is re-evaluating investment grades. We believe our rating will be downgraded as this is the trend nationally. The Final Operating Budget for 2018 was presented by Jim Dillon, CFO. A motion was made and seconded to accept the Final Budget for 2018 as presented. Vote: The motion carried unanimously. **(ACTION TAKEN/CLOSED)**

VII. OLD BUSINESS

A. No new business was presented at this time.

VIII. NEW BUSINESS

A. Provision of Care and Scope of Services: Nick presented the Provision of Care and Scope of Services Policy to the Board for Review. John has signed off on this policy and asked to have it placed on the agenda. This policy is a good general description of how our organization runs gives a detailed picture of our scope of services.

B. Changing our Name and Becoming a Health Service District: We have consulted with our attorneys regarding this topic. A great deal of work is involved and should involve careful deliberation. Our district has no plan registered with the state for what we use our tax money for. When it was originally founded in 1961 we were just a hospital and formed a Hospital District. No clinic, no EMS, no home health, no assisted living, no retail pharmacy, etc. The hospital was the only thing associated with the levy. Over the years, as you already know, we have expanded our scope of services to include all the services we currently offer. According to the attorneys this meets the definition of a Health Service District as opposed to just a hospital district. To form a Health Service District will involve changing contracts and a great deal of time and legal fees.

All signs in our current economic situation and the crisis with rural hospitals across the country, we are anticipating going for a mil levy increase in order to keep our full scope of services whole within the next three years. It was discovered in our research with the attorneys the original documents forming the hospital district. In this document over 600 signatures or basically half the registered voters at the time signed a petition to form Rangely Hospital District way back in 1959. Many of these names are family names with deep ties to the community. The idea we have is to take these names and have them made into a plaque in a place of prominence in the hospital. I feel we can build momentum from this. The idea is that this would kind of promote itself as a number of families are still very present in Rangely today. In 2019 or beyond, when we need to go for a new levy the idea of a “New Generation of Support” to tie in support for a name change to vote for continuing the services we have added since the original district was formed. Bernie added that we could have a contest to the have a prize for the employee with the most relatives on the plaque. Also a contest to rename our campus without changing to a Health District per se. Changing our campus to a name that more accurately reflects the list of services we already offer. We are so much more than just a hospital. We hope to announce these contests at our next All Staff Meetings after the first of the year. We could change our signage to more accurately reflect all our services. This would not involve changing contracts or the expense of changing to a health district. But it would be a tangible way to let the community know we are more than just a hospital. When the community members receive their tax notices, it says hospital, by involving our employees we can begin the education that we are more than just a hospital. The plaque and signage will be a great starting point. It will start from within, and hopefully by the

next time we need to go to the voter they will be given an informed choice of more taxes or less services.

IX. BUSINESS FROM THE FLOOR

A. **Next Board Meeting:** The next regular Board Meeting for November/December will be held December 14th at 6pm here in the Executive Board Room. This meeting will meet the deadline for the final budget to be approved and filed for 2018. This meeting will also be posted in the newspaper as required.

X. EXECUTIVE SESSION

A. There was no need for an executive session.

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: _____