

**RANGELY DISTRICT HOSPITAL
BOARD OF DIRECTORS MEETING
May 31st, 2018**

BOARD MEMBERS PRESENT

John Payne, Chairman
Jason Kurrasch, Vice Chairman
Nathaniel Polley, Secretary/Treasurer
Michelle Huber, Director
Michael Haub, Director

OTHERS PRESENT

Nick Goshe III, CEO
Bernie Rice, CCO
Abigail Urish MD, COS
Cynthia Stults, Exec Assistant/HR Director

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 6:01 p.m. by John Payne, Chairman of the Board.

- A. Newly elected board members by acclamation John Payne, Jason Kurrasch & Michael Haub were then sworn in by Nate Polley, Board Secretary/Treasurer.
- B. With the new board members assembled, Motions and Elections were held for officers for the 2018-2020 term. A motion was made and seconded to accept John Payne as Board Chairman. The motion carried unanimously. **(ACTION/TAKEN/CLOSED)**.
- C. A motion was made and seconded to accept Jason Kurrasch as Board Vice Chairman. The motion carried unanimously. **(ACTION/TAKEN/CLOSED)**.
- D. A motion was made and seconded to accept Nathaniel Polley as Board Secretary/Treasurer. The motion carried unanimously. **(ACTION/TAKEN/CLOSED)**.

II. APPROVAL OF MINUTES

- A. Minutes of the Rangely District Hospital Board of Director's meeting dated April 26, 2018 were presented for review. A motion was made and seconded to accept the meeting minutes as amended. The motion carried unanimously. **ACTION/TAKEN/CLOSED)**

III. PUBLIC FORUM

- A. **Correspondence:** A thank you note and poster were presented to the Board to thank them for their support and contribution to the Rangely Junior/Senior high school Rowdy Worm party.
- A. **General Public:** Beth Wiley was present to ask the Board for support of her Art program for the Rangely community's childrens Art Program this summer. Unfortunately the funds available for donation this year have already been allotted and the board was unable to grant her request.

IV. MEDICAL STAFF REPORT

- A. Review of Medical Staff Report: Minutes of the May 17th, 2018 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 Appoint Michael Cole MD, from Diversified Radiology to Consulting Staff, a 2 year initial appointment. A motion was made and seconded. The motion carried unanimously. **(ACTION TAKEN/CLOSED)**

V. COMPLIANCE REPORT

- A. **EMR Update:** All things are going relatively smooth in-house. There has been some noise about a change in ownership with Athena, not sure that would make any difference in how they operate or not we are just keeping an eye on it for now.
- B. **IT:** Congrats on short film for the IT folks and Pastor David Morton. The video is currently on YouTube and had 633 hits in 1 week.

VI. FINANCIAL REPORTS

- A. **April 2018 Financial Report:** We are currently in the process of our annual financial audit and it seems to be going well. The cost report for 2017 has been submitted and we expect to receive about \$1MM from that submission. Overall, stats remain relatively flat as anticipated but we are up mildly for clinic visits. Revenue is up 2% over last year and

2% better than budget. Gross profit is up 3% over last year and 13% over budget. Expense is 7% below last year but 4% over budget. Payroll expense is 7% below last year but 5% over budget. Net income year to date is \$641,904 which is better than last years \$346,641 and better than the budgeted amount of \$332,624. Cash balances are as expected. The check register for April was reviewed. A motion was made and seconded to accept the April 2018 Financial Report as presented. The motion carried unanimously. **(ACTION TAKEN/CLOSED)**

- B. **Cash Flow Presentation Part 2:** Nick presented a powerpoint presentation on the Cash Flow Presentation Future Uncertainty Part 2 to the Board.

VII. OLD BUSINESS

A. Founding Petitioners Plaque

The Plaque is up and I think everyone has already seen it. If not check it out, this turned out really nice.

B. Campus Name and Signs

The Sign will possibly be up by the board meeting but June 1st was the target date. We are tentatively planning on covering it until the community event. We are shooting for the other sign done locally by Steve Lowe to be done at the same time. This sign will showcase all the services under the Rangely Community Medical Health and Wellness Center's purview.

C. All Staff Meeting

May 23rd we held an all staff meeting that was very well attended. I believe we had in the ball park of one hundred and fifteen people at the meeting. The most relatives on the plaque winners were decided. With Norian Edwards taking First place with fourteen relatives, Melissa Dembowski came in Second with eleven and Sara Williams came in Third with nine. Of interest also, one hundred and three of the original petitioners have current employees that work at RDH. Thirteen of the original petitioners became employees at our district. Roughly twenty of the original petitioners eventually became a long term care resident including three current residents.

The video showcasing our importance to the town was showcased and was well received. The fleece or wind breaker jackets were handed out with the new campus name. If you do not have yours yet we will get you one at the board meeting. The pamphlets were handed out to employees for them to share with anyone whom will listen on what all we do. Overall this was very well received.

D. CEO Evaluation

This will stay on the agenda until completed.

VIII. NEW BUSINESS

A. Public Event

As we have stated now for a couple of months the plaque and new signage is a way for us to link the past to the future and to promote how we started to what we have become. The need for voter support in the future looks imminent and it is important that people in town see value in what we offer. On June 21st at 6pm we are tentatively planning on a public event to unveil the sign and the plaque to the public. We will need to invest some time to personally invite people and the paper. We need to make this a big deal. As suggested we have created a pamphlet with some community talking points. This is a pretty good summary of what we do and why we need more taxes. I am sure we could add a lot more but the point is more important that each of us can talk about the points and convey the importance of this to the community. Also IT created a video that some of you saw at the all staff. This is really well done and I would like to find a way to show this at the community event. We will play it at the board meeting for those that have not seen it to get your thoughts on this. At a minimum it is already up on our Facebook page and our website. We also have a YouTube account for the hospital that the video as well as the Colorado Rural Health Center video from two years ago. A search for Rangely Hospital should bring it up.

B. ACO Participation

The last three years we have been part of an Accountable Care Organization (ACO) through the Western Healthcare Alliance. The ACO if you recall represents Medicare enrollees that do not have any supplemental insurance which for us accounts for a grand total of 109 people. The cost of participating in this is just shy of \$50,000 annually or over \$400/yr per person. That is absolutely unfathomable going forward. We are now coming up on our first renewal period. To recall we did this the last three years to try and comply and learn about the regulations as well as everyone on the western slope joined and we did not want to be an outlier with Medicare. Now that we are coming up on our second commitment however and the cost have not been able to come down like they hoped we are rethinking this strategy.

Since the first commitment, we have transitioned to a new EMR and have capable people internally that can report and continue working on the Medicare requirements outside of the ACO middleman. It is management's opinion that spending almost \$50K per year is wasted money. We cannot ignore these regulations though because Medicare is at least saying publicly that everyone will be forced into an ACO in 2021 if they are not joined already and they will be moved to a risk based payment system where they are penalized for not meeting criteria. It is our opinion, we are better served working on the requirements internally and seeing how Medicare handles the implementation and cost for critical access hospitals with very limited populations like ours. We will continue working on the requirements internally but will not utilize an ACO to do this. It is also the opinion of management that if we are forced into an agreement where we have to pay over \$400/year per covered life that we reach out to our legislatures.

Memorial Craig has already withdrawn and is planning the same thing as us. I think they represented close to 500 lives in our ACO. So very similar in the cost is not worth the money at present.

IX. BUSINESS FROM THE FLOOR

A. There was no business from the floor presented.

X. EXECUTIVE SESSION

A. A motion was made and seconded to enter Executive Session at 8:38p.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 8:45 p.m. Motion approved. **(ACTION TAKEN/CLOSED)**

Submitted By:

Nathaniel Polley, Secretary/Treasurer, Board of Directors

Date: _____

Cynthia Stults, Executive Assistant

Date: _____