

West Custer County Hospital District
Meeting of the Board of Directors
August 24, 2017
Minutes of the Meeting

Attendance: Directors Present: Bob Tobin, Chair
 Katherine Ripley-Williams Vice-Chair
 Janny Candelaria, Secretary
 Ann Evans, Treasurer
 Bob Weisenbach

 Staff Present: Delwin Lester
 Theresa Kennedy
 Beth Archuleta

 Guest Present: Sam DeNardo, District Auditor
 Robert Allison

A quorum being present, Mr. Tobin called the meeting to order at 3:00 p.m. All meeting attendees stood and recited the Pledge of Allegiance to the American Flag.

Opening Comments from the Board

There were no opening comments.

Approval of Minutes

The minutes of the Regular Board meeting on July 27, 2017, were reviewed.

- *Mr. Wesienbach made motion to approve the Regular Board meeting minutes dated July 27, 2017, as presented. Ms. Ripley-Williams seconded and the motion passed unanimously.*

Auditor Report:

Sam DeNardo, District Auditor, presented the 2016 Audit Report. He briefly explained the purpose of the MD&A within the audit and then presented the usual management and disclosure letters included in the audit. Mr. DeNardo indicated to the board that the District was well prepared for the audit and he did not experience any issues. He continued to share with the board that because the audit went well, the board can be comforted to know that the interim financial statements presented monthly do give a good indication of how the District is doing throughout the year. On the management letter there were no new findings to report. Of the two items reported last year, the Accounts Receivable processes, which has been a struggle for at least 7 to 8 years, has improved but still not where we want it to be. Relative to the Grant Accounting deficiency, that issue has been completely resolved and processes implemented and should not appear in the next management letter.

The opinion letter in the audit now contains an unmodified opinion or clean opinion, which is good. This means that the financial statements presented give a clear indication of the financial position of the District. This is the second year that the auditor has been able to lift the going-concern issue that had plagued the District in prior years. The financial condition of the District has drastically improved over the past two years mainly due to the EMS Mill Levy. Mr. DeNardo reviewed various line items in the financial statements highlighting and explaining positive aspects and changes. Mr. DeNardo ended his presentation stating that the District has made a lot of headway relative to the financial viability of the facility.

At the request of the board, Mr. DeNardo then gave a brief overview of cash and investment protocol for government entities. Mr. DeNardo left information with Ms. Kennedy for further review.

- *Mr. Wesienbach made motion to approve the 2016 Audit as presented. Ms. Evans seconded and the motion passed unanimously.*

EMS Report:

Staffing: Ms. Archuleta reported that we have 5 full-time benefited employees, 2 part-time and the remainder are PRN or drivers. The Second-Call Driver process continues to work as more sign up.

Run Statistics: Statistics were Jul 2017 57 calls to 61 in 2016. Transports were 25 in Jul 2017 vs 19 in 2016. Total calls YTD is 337 in 2017 vs 305 in 2016, and 163 transports in 2017 vs 136 in 2016.

Mutual Aid: Ms. Archuleta reported they are almost done. The two still outstanding are Florence and Heufano, but Heufano has been signed, just not received. The call-out maps have all been changed to reflect the mutual aid agreements.

Grants: The State PO's have been executed for the RETAC grant for the ambulance and monitors. Monitors can now be ordered and Med4 will be sent up to Golden, CO, for the box to be remounted on a new 2017 Ford Chassis in the fall. The stair chairs have been received and crews are pleased with the equipment.

Safety Day: Safety Day went well and participants enjoyed themselves and stated they look forward to the next one. All the agencies involved seemed pleased and all worked well together. Ms. Kennedy is preparing letters for all those that donated to the event.

Executive Director Report

Provider-Based Update: Next meeting is scheduled August 30, 2017, at St. Thomas More at 1:00 pm. Mr. Lester, Ms. Kennedy, Mr. Tobin and Ms. Evans will attend.

Clinic Operations Data: Mr. Lester reported. Total patient visits to date is 3737 in 2017 vs 3809 in 2016 (down 2%) and daily visits were 26.6 to 24 patients per day over the past three weeks. Mr. Lester indicated that even though we are down, we are still able to operate at a

profit mainly because we are running many part-time and PRN providers and they are not benefited, which is a huge savings. Ms. Kennedy also shared that we are down benefit positions in Medical Staff, PT and in Lab, which continues to save us funds.

CFO Report/Finance Committee

Financials: Ms. Kennedy gave the report. The Clinic AR still has the \$33,000 variance due to the credits from the UB04 biller. This variance has been talked out with the auditor and they agree that it is best to wait it out.

On EMS AR, Ms. Kennedy reported that she has received some explanation on balances in aging that are not showing any activity for months. Ms. Kennedy shared that the EMS biller was given termination notice and they stated they understood and will be cooperative in the transition. The District will be responsible for billing runs starting on September 1, 2017. The current biller will bill thru August 31, 2017, and will work those accounts until December 31, 2017, at which time they will turn over all accounts and records to the District. Ms. Kennedy shared that the District has signed on with Kareo to provide the software to do the EMS billing at a cost of \$150 per month which includes clearinghouse services.

Collection rates reported were--Clinic is at 48.86%, PT at 39.4% and EMS at 30.67%. Ms. Kennedy shared that she is seeing more and more payers outside of Medicare and Medicaid adopting Medicare/Medicaid models. The challenge is that Medicare/Medicaid do not pay out at financially sustainable rates and it has only worked because other payers pay more. This will cause financial challenges in the future for the entire medical industry.

Mr. Weisenbach asked how we are doing financially on the Instymed pharmacy machine. Mr. Lester indicated that we are still losing money, but it is a necessary service to the community. The board concurred.

The balance sheet shows a much lower net AR that we saw at year end. That is due to our belief that we are over-reserved and we are just waiting for our biller to correct the credit balance problem before we make any adjustments. Net Revenue YTD is \$26,454 for Clinic and \$49,089 for EMS for a total of \$75,543 YTD.

Mr. Weisenbach asked how relations were with Public Health with the recent changes. Mr. Lester stated that change is hard, but he believed the process was going well and that the new Public Health Nurse Ms. Magnuson was doing a very professional job, which all board members agreed with.

IT Committee

Mr. Lester reported that we are pleased with our new IT services. Allscripts continues to resist allowing the upgrade without paying them a \$10,000 fee to move data. The upgrade is mainly for a facility to be able to participate in the mandatory new meaningful use guidelines from Medicare – now called MIPS. Since RHCs are currently exempt from MIPS reporting, we do not foresee the delay to cause us any financial or medical service delivery problems. Should RHCs be included, we may have issues.

Grants

Ms. Evans shared that we were not awarded any funds from the Colorado Health Foundation. Mr. Lester called to ask what criteria they had been looking for and was troubled as we meet the bulk of their list. It was felt the Colorado Health Foundation did not understand who we are. It was suggested that Mr. Lester and Ms. Ripley-Williams write to the Colorado Health Foundation to help them understand who we are and the needs we have.

Advisors to the Board

Mr. Tobin presented an article Bob Dreher had received from Commissioner Printz called Healthcare: New Rural Frontier. The article was written about hospitals but focused on Telemedicine. All agreed that Telemedicine will play an important part in rural healthcare. Mr. Lester indicated that there were many things in the article about what the hospital did that did not pertain to us as an RHC clinic and many do not understand the rules that go with different licensure.

Unfinished Business

Mr. Tobin indicated that he will be updated shortly on the Opioid dropbox. Mr. Lester said it is his understanding that a medication drop box here in Custer County has already been approved by the State Department of Health and procedures are being worked thru at the SO office. Mr. Lester said we had ordered the Narcan for the SO office and were told that it would be paid for by RETAC. We have now been informed that there are no RETAC funds. We have forwarded the charges for the Narcan that SO requested to them for reimbursement and hopefully SO will be able to work that issue out with RETAC.

Mr. Tobin shared that the Custer County Economic Development group is having a get together the evening of August 24, 2017, to talk about the community survey assessment that had been done. There was not anything addressed in the assessment specific to anything the Hospital District should be doing.

New Business

There was no new business.

Public Comments

Mr. Allison shared with the board that he had a frustrating experience when he was here in early May for an Xray, with the specific challenge being in the check in area. Mr. Allison said he has been here since and the experience was much better. The board thanked Mr. Allison for sharing. Mr. Lester indicated that he would look into the May situation and would take appropriate steps if necessary. The board thanked Mr. Allison for attending and encouraged him to get in touch with Delwin promptly should he have any issues in the future.

Executive Session

There was no executive session.

Schedule Next Board Meeting

The next regularly scheduled Board meeting will be held Thursday, September 28, 2017 at 3:00 p.m. Ms. Evans indicated she would not be in attendance. Ms. Kennedy reviewed the perspective board meeting dates and their potential date adjustments due to holiday dates thru the end of the year.

Adjournment

- *Ms. Evans made a motion to adjourn the meeting. Mr. Weisenbach seconded, the motion passed unanimously and the meeting was adjourned at 4:50 p.m.*

Respectfully submitted,



Janny Candelaria
Secretary to the District Board