

KREMMLING MEMORIAL HOSPITAL DISTRICT
d/b/a Middle Park Health
Board of Directors Meeting Minutes
Thursday, November 30, 2023

With meeting notice, Jodi Docheff called the Kremmling Memorial Hospital District board meeting to order at approximately 6:03 pm. The meeting was held in the Wellness Center Conference Room and virtually via Teams.

Board members present: Jodi Docheff, President; Chris Murphy, Vice President; Mike Ritschard, Member; Kim Cameron (Late Excused- 6:25 arrival), Secretary/Treasurer; Dawna Heller, Member.

Non-board attendees present: Jason Cleckler, CEO; Deb Plemmons, CNO; Emily Ebert [Virtual], CFO; Dr. Thomas Coburn, CMO; Sue Coburn, MPMF Board President, Bernie Murphy, MPMF Board; Jeff Miller, MPMF Board; Amy Van Den Einde, MPMF Board; Elfie Denardo [Virtual], MPMF Board Secretary; Kelly Johnson, Imaging Director; Mike Wilson, IT Director; Tiffany Freitag, Marketing Director; Andy Radzavich, Foundation Director; Becca Norman, Senior Finance and Operations Analyst; Jubil Young [Virtual], Rehab Director; Sarah Kay [Virtual], Common Spirit System Director of Rural Health.

There were no conflicts of interest disclosed at the beginning of the meeting.

Agenda Approval

Motion: Mike made a motion to approve the agenda and Chris seconded. **Motion adopted on a 4-0 vote.**

There were no public comments.

Minutes Approval

Motion: Jodi made a motion to approve the October 26, 2023 minutes; Mike seconded. **Motion adopted on a 4-0 vote.**

Reports of Good News

Halloween (Jason): Kremmling Preschoolers visited Cliffview residents as well as long term care residents for trick-or-treating fun.

Thanksgiving Food Drive (Jason): Friendly contest between Middle Park Health, Sheriffs' office and EMS is held annually to see who collects the most food donations, which are given to Mountain Family Center for distribution. We have won the "Golden" turkey this year for collecting the most food. Overall, 3,000 food items were donated.

Years of Service Luncheon (Jason): Jason thanks the Hospital and MPMF board members for coming to our Years of Service luncheon held to recognize those employees who have remained with MPH. We celebrated 11 employees at 5 years, 4 employees at 10 years, 1 employee at 15 years and 1 employee at 20 years. Board expresses appreciation of the longevity and retention of our employees.

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Thanksgiving Meal at Cliffview Assisted Living Center (Jason Cleckler): 110 Thanksgiving meals were served to community members, residents, and employees. Thank you to our dietary staff for making this a success.

Best of Grand (Jason Cleckler): We celebrated wins in multiple categories this year, staff being recognized by this award are summarized in board packet.

“Adopt a Resident” Holiday Program (Tiffany Freitag): Tiffany details the community program to “adopt” a resident in long term care and Cliffview assisted living; providing gifts. All residents have been “adopted”. Another donor will be providing stocking stuffers.

Foundation News (Andy Radzavich): MPMF voted to donate \$22,000 to “Project Move” wellness center improvements such as 2nd weight room improvements and equipment; as well as childcare area improvements and equipment.

Pulse Employee Satisfaction Survey (Sarah Kay): Sarah Kay details the results of the employee engagement pulse survey- 62% of employees responded, each response remains anonymous and confidential. State of engagement was reported at 70%, a strong improvement from when we began the process several years ago. 8 survey items were rated at 75% or higher, including items on being respected, sense of community and belonging, and intention to stay with MPH for at least the next two years. Board asked questions about gaining more information on some of the categories, and Sarah suggests we may ask more expansive questions in these categories in the next pulse survey if Team Innovate directs it. Jason shares the point that increased transparency may make employees more aware of challenges our organization is facing. Areas of greatest opportunity are items on rounding and accountability. Team Innovate is already discussing action plans to address these items. Leading motivators were caring for patients, helping the community, and self-motivation. Town halls in early January will share these results with all employees. Next survey will be in April or May 2024.

Wellness Center Gym Project (Andy Radzavich): Andy presents the progress on the Wellness Center Gym Project. Grants, Donations and Major gifts are the 3 sources of funds for this project. MPMF has raised \$122,000 thus far. Grants have been applied for in the amount of \$210,000 and there is a DOLA Matching Grant of \$500,000 which we are determining if we qualify for. At public committee meeting, board members had mentioned using hospital funds to ramp up the effort to get to the \$500,000 needed for matching the DOLA grant and starting construction.

With 2024 budget being tight and hospital margins shrinking, making hospital funds directly available for this project would mean cutting from other areas of the budget. Foundation board members' views were mixed between encouraging funds to come from hospital district and focusing on other fundraising efforts and not cutting from the budget to get to this goal. Andy discusses a plan for a county wide dodgeball tournament that would raise both funds and awareness as well as solicitation opportunities for major gifts. Jason also adds that Wellness Center operates at a loss of \$300,000 annually and is subsidized by the hospital and the funds will remain committed to continue to operate it. This operations cost should be considered hospital's contribution. Andy asks for board members to donate time, talent,

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and treasure and to challenge community members and peers to do the same.

Jodi would prioritize other items, such as employee retention efforts and potential housing stipend, over the Wellness Center Gym Project. Dawna shares community conversations around the desire to see the fundraising efforts speed up and include contributions from the hospital, and the need to see movement towards the Wellness Center goal, as well as competition over fundraising dollars within the Kremmling Community. Discussion ensued around directing public attention to the prior focus of getting the new Kremmling hospital and clinic up and running. Now that this substantial project is complete, gym can become a larger focus. Board discusses completing the budget process and then determining a potential contribution from the hospital. MPMF history, financial position and mission were provided as well.

Middle Park Health / Middle Park Medical Foundation MOU (Andy Radzavich): MPMF assets have grown in the last few years. MPMF has been able to donate \$200,000 back to the hospital already this year. MOU will define the relationship between MPH and MPMF. Andy further describes the capital campaigns. Mike had several questions directed to the board's attorney on the MOU. Jason requests any remaining board questions on the MOU to be sent to an attorney, but requests board specify which attorney to send the questions to. Board requests sending questions to Georgia Noriyuki. Sue Coburn, MPMF board chair, mentions that the MOU can be revisited before 2 years is up, but needs to be reviewed at least every 2 years. Jodi does not want this due diligence to be perceived as mistrust from the hospital board. Board tables the decision presently and will vote on the adoption of the MOU at the next board meeting on December 14th.

October Financial Statement (Emily Ebert): Summary page gives a highlighted version of financials. Another improvement in our cash with another strong cash receivable month, increasing our cash on hand to 149 days. However, this was a disappointing revenue month. Budget misses were seen in ER, OR and inpatient volumes. High adjustments drove a net revenue loss, due to ongoing credentialing issues in the RHCs and rehab locations. Loss in net income as well.

Motion: A motion was made by Mike and seconded by Chris to approve the October 2023 financials. **Motion adopted on a 5-0 vote.**

Budget Update (Emily Ebert): Improvements to the bottom line are anticipated between the anticipated budget and the final budget presented in December. Volumes, net revenue assumptions and budgeted interest expenses are all being worked through. Budgeted increase in interest expenses should lead to cost report savings. Housing stipend amount may change or may not be possible.

Capital Budget (Emily Ebert): Capital budget is close to completion. Per previous discussion, capital budget will be submitted without a dedicated line item for Wellness Gym project but may go through a special board approval process later in the year. Leases will be added per the new accounting standards and several leased vehicles to offset travel expenses have been included. Fleet vehicles are less expensive than reimbursing travel expenses. Rough estimate of capital budget is approximately

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1.64 million. Board voices questions around budget timeline. Budget Hearing is on December 14th and final budget will be approved by the board at this point.

Nitrous Oxide Capital Request (Jason Cleckler): Wound Care team recommended the purchase of Nitrous Oxide delivery system to help with the pain during office procedures like wound debridement. This option has the benefit of good pain control with a short duration. ED and Orthopedics both have uses for this delivery system as well. This request is for the purchase of 2 units for Granby and Kremmling for \$7,218.80 each. MPMF has approved reimbursement for the units. It is anticipated that this will be put in place before the end of the year. Question arose around who can administer this and either the MA or RN can administer it with the proper monitoring. Discussion arose around whether we would need it reimbursed by the Foundation, but it was recommended to continue with this plan.

Motion: A motion was made by Mike and seconded by Kim to approve purchase price of two nitrous oxide delivery systems for up to \$15,000 **Motion adopted on a 5-0 vote.**

Mini C-Arm Capital Lease(Kelly Johnson): Mini C-Arm is a compact Xray device to use at the bedside with lower radiation dosing. Current lease for existing Mini C-Arm was a fair market value lease, which required payment of a substantial amount (\$36,000) at the end of the lease in order to own the equipment. Additionally, existing mini C-Arm has a \$7600 service contract. Opportunity arose to lease a new, upgraded mini C-Arm with a larger viewing area for just slightly over the price we are paying per month. Another benefit is that we will not have to pay a service contract in the first year due to the product's warranty. Service contract for subsequent years is less expensive than current service contract by \$542. Kelly estimates that cost savings with switching to the new mini C-Arm detailed will wind up paying for nearly 31 ½ months of the costs. Upon reaching the end of the lease, we would then own the new mini C-Arm.

Motion: A motion was made by Kim and seconded by Mike to approve new capital lease of a mini C-Arm **Motion adopted on a 5-0 vote.**

Consent Agenda

a. Credentialing Committee:

PURPOSE: To ensure quality patient care by providing a quality system of credentialing and privileging for physicians interested in providing services at Middle Park Health.

Members: Dr. Robert Ratcliff, Chief of Staff; Dr. Shawna Langstaff, Vice Chief of Staff; Dr. Shane Tong, Immediate Past Chief; Dr. Jason Stuerman, ED Medical Director

Review/discussion of approval of privileges for:

- Ryan Hayden MD, Full Active Privileges in Radiology

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Next Meeting: December 21, 2023

With the consideration and approval by the Credentialing Committee, we recommend that the Board of Directors approve the above-named physicians for privileges at Middle Park Health

b. Policies – Reviewed/Revised 10; New 0; Archived 0

c. Quality Report

d. SDA Compliance Calendar

i. December 10: County Assessor certifies district's valuation for assessment.

Motion: Jodi made a motion to approve the consent agenda and Chris seconded. **Motion adopted on a 5-0 vote.**

Communication Report

Board Chair Report

- a. Board Training Jodi shares her perspective on the value of the board training conducted in October. Board discussion ensues around key points, such as the importance of credentialing, unification of the board after votes are complete, education, board engagement in community and succession planning. Board discusses moving credentialing out of consent agenda. Jason suggests members of credentialing team present to the board, so they are familiarized with the process. Board expressed interest in having a fresh perspective for future training.
- i. Board Evaluation / Work Session GovernWell is a tool that can be utilized for board self-evaluation. This will help us determine where our educational needs lie and where our priorities are. After the self-evaluation process is complete, a board work-session would be suggested to discuss those findings and determine options for growth and board elevation.
- b. Update on Board Rounding Jodi describes her experience rounding with one of the directors, Christina Lockhart, in multiple departments in the Kremmling Hospital. Jodi and Chris rounded at the employee appreciation Years of Service lunch as well. Board discussion ensued whether board rounding should be the whole board together, but that would not be recommended because it might deter discussion. Process is to reach out to Jason when time is available and should be casual and unintimidating to promote staff openness.

CNO Report

- a. Great Catch Program Deb describes a revitalized employee recognition program being implemented through Quality. Incident reports are put into place whenever there is an

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issue or a problem in the hospital. If an employee catches a problem before it affects a patient, that is considered a "Great Catch". Amy Cordova was recognized for a "Great Catch" in the Kremmling Clinic for preventing a medication error. This recognition program is part of developing a culture of fixing processes rather than being punitive.

- b. Mammography Survey Mammography Survey occurred in October. Correction plan has been accepted. Some corrections will be coordinated with Common Spirit locations that read our mammograms.
- c. 340 B audit 340 B Program provides discounts to the hospital and our patients on medications. Multiple documents were requested and are being uploaded. Office of Pharmacy Affairs at federal level conducted the virtual audit. Mikealena and Verity program assisted in the audit as well as Pauline Portinga and pharmacy staff. Tiffany and Sonia were also called on to share credential information. Increasing audits and surveys were discussed. Program is no longer reimbursing in the same manner it had done in the past. Lobbyists for pharmaceutical companies have worked to lower the benefits of the program which benefits rural hospitals and certain other hospitals. Program may no longer be continued in the future. Board discusses the program and when hospital enrolled and how long it has been in effect.

CMO Report

- a. Kremmling Primary Care Physician Search Strong candidate did not accept our offer because she prefers to live in the Midwest in the long term. Another candidate is coming in January for a site visit. Another interested party would like to split time between clinic and ED. None of the candidates would be available until June. In February, one of our Kremmling providers will be on maternity leave, so Christina Lockhart is working with our existing providers to fill in during this time.
- b. Fraser Update Construction manager and legal counsel were finalizing contract today. Timing for closing has shifted to January 2024 and this timeframe may be beneficial for the sale of the COPs as well. Potential for interest rate changes may benefit us from waiting as well. Groundbreaking will occur in April 2024.

CEO Report

- a. Prop HH Proposition HH was defeated by Colorado voters soundly. However, lawmakers in Colorado are now working to implement some portions of the proposition. Many special districts rely more heavily on property tax revenue than our hospital district does. Jason can send additional information to the board on this legislation if requested.

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- b. Offsite Leadership Work Session Leaders came together for teambuilding and education in Keystone. Senator Dylan Roberts attended a Question and Answer session. Supporting healthcare in rural communities, state of healthcare, proposition HH, labor issues, violence in the workplace and Senator Robert's priorities were all discussed. Jason discusses the importance of developing relationships with our legislators to increase awareness of our challenges and issues.
- c. Strategic Plan Jason went through the strategic plan in more detail than in the prior meeting. Goal will be to meet with key stakeholders in spring 2024 to update the Strategic Plan. Jason emphasized that this is a working document and will always be worked towards. Updates are necessary at times to make sure we are working towards our goals and priorities that may have shifted.

Growth is the first of four pillars in the Strategic Plan. Expansion of the hospital system has and will continue to help us show market share growth. Continued expansions to specialty services will help us keep care local as much as possible. Hiring recruiter has been completed and we are seeing successes. Financial analyst has been hired and will help us utilize data to inform decisions. Streamlining patient care, foundation growth and building relationships across the county are all making good progress.

Increasing employee engagement scores and leadership rounding will help cement MPH as an employer of choice. Plans to continue solidifying us as a provider of choice include revitalization of the Patient Family Advisory Committee. Awards point to quality of care, servicing our catchment area and taking care of our employees.

Performance improvement pillar is about ongoing continuous improvement. Hospital Transformation Program had good scores that allowed for a 2% increase in our reimbursement. Being a High- Reliability Organization (HRO) means fostering a just culture, where employees feel confident and comfortable bringing problems forward. Patient Navigator program has been successfully implemented in multiple locations.

Financial sustainability pillar is a large focus of our board. Days cash on hand has increased to 149, very close to our final goal of 150. Analytics has helped us achieve this growth as well as service line growth. Conservative approach to our finances has also helped with cash on hand. Many rural hospitals have very low cash on hand, but it has been a priority for our organization. 5% net margin will be challenging until the Fraser Hospital is built and volume grows. We will continue to maximize grants, other programs such as 340B to bring in more revenues.

- d. District Expansion (Jason) Four months ago, board voted to move forward with the education campaign around putting the District Expansion on the ballot. Marketing Company is ready to start the educational campaign for inclusion on the ballot in spring or fall 2024. With the

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increased numbers of projects to focus on and the considerable costs of the educational campaign, Jason seeks to clarify with the board if we are moving forward with the campaign at this time. Uncertainties about prop HH, property tax valuations/increases, and the presidential election in the fall could all negatively impact the prospects of passing the district expansion with our voters. Discussion ensued around timing this campaign for spring, fall 2024 or in 2025. Discussion of rising costs overall for our taxpayers, ability to focus on other priorities, and public perception were all discussed as well. Senior leadership remains committed to the district expansion but would like guidance on the timeframe. Impacts of initiative 50 were also discussed. Consensus was that the timeframe is not favorable to move forward at this point.

Motion: A motion was made by Kim and seconded by Mike to table the educational campaign for the District Expansion. **Motion adopted on a 5-0 vote.**

Old Business

Employee has approached a board member, requesting a method to file an anonymous complaint. Board member requested direction from CEO and was directed to have the employee contact HR. Per board member, employee did not feel comfortable doing so. Senior Leadership directed the board member to have the employee contact Middle Park Health's integrity officer, Christina Lockhart, to file an anonymous complaint. Further instructions to type the complaint and place it in an envelope and send it in interoffice mail were given to help them feel more comfortable if they preferred.

New Business

Board Member has received calls from 2 families of residents in the long-term care wing had room temperatures that were cooler than usual. Ray MacKendrick has been working diligently on the issue and it is near resolution.

Board Discussion

Board discussed that they appreciated the succinct format of the financial summary page.

Items for Upcoming Agenda

Credentiailling presentation will be planned for March 2024.

Executive Session

1. Executive Session for Personnel Matters: Discussion of CEO evaluation metrics for at-risk pay. . §24-6-402(4)(f), C.R.S.

Motion: Mike made a motion to move to executive session at 9:33 pm. Chris seconded. **Motion adopted on a 5-0 vote.**

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Board Members Present: Jodi Docheff, President; Chris Murphy, Vice President; Mike Ritschard, Member; Kim Cameron, Secretary/Treasurer; Dawna Heller, Member.


Motion: A motion was made by Chris and seconded by Mike to adjourn the executive session.
Motion adopted on a 5-0 vote.

Resumption of open meeting at 10:33 pm

No decisions made. Metrics for CEO at-risk pay will be presented to CEO at end of next Board Meeting on December 14, 2023.

Adjournment of meeting at 10:34 pm

Motion: A motion was made by Mike and seconded by Chris to adjourn the meeting at 10:34 pm. **Motion adopted on a 5-0 vote.**



Jodi Docheff, Board President




Kim Cameron, Secretary/Treasurer

Approval Date: 12-14-2023

Minutes taken by: Rosalie Rust

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Appendix A. Nitrous Oxide Capital Request

| Middle Park Health 1000 Granby Park Drive South Granby CO 80446 United States Phone # 970-887-5869 Email: DKorrell@middleparkhealth.org | | | | | |
|---|--|-----|--|-----|----------------|
| <i>Prices are valid until 11/30/2023 from date of quotation and are subject to reconfirmation after that time.</i> | | | | | |
| PRO-NOX Nitrous Oxide Delivery System | | | | | |
| PRODUCT CODE | PRODUCT DESCRIPTION | UOM | UNIT PRICE | QTY | EXTENDED PRICE |
| PRO-NOX Nitrous Oxide Delivery System | | | \$6,959.00 | 1 | \$6,959.00 |
| CMI-0100-PNX | Pro-Nox Mixer, 6' high-pressure O2 and N2O hoses, manual and one disposable pt. circuit. 2-year warranty on device | EA |  | | |
| CMI-0110A-PNXK | Roll Stand, Active Scavenger, Suction Tubing, Hoses, Laminates, Bodok Seals, Quick Guide, Cylinder Wrench, Brochures | EA | | | |
| CMI-01R001010-B | O2 Regulator, High Flow, 60-psi. - O-Two | EA | | | |
| CMI-01RN09N10-B | N2O Regulator, High-Flow, 60 psi. - O-Two | EA | | | |

| | |
|------------------------|-------------------|
| Total Equipment | \$6,959.00 |
|------------------------|-------------------|

| Required Disposables with Masks as ready made kits | | | | | |
|--|---|------|----------|---|----------|
| WES-PROAESKIT | Pro-Nox Aesthetic Kit: PT Circuit & 5' Magenta Hose W/ Mouthpiece | CS20 | \$259.80 | 1 | \$259.80 |

| | |
|--------------------------|-------------------|
| Total Disposables | |
| Tax | \$0.00 |
| Total Equipment | \$7,218.80 |

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Appendix B. Mini C-arm Capital Lease Information

Our current Mini C-arm lease (\$1334/month) expired December 2022. The lease was a Fair Market Value lease meaning when it ended we would still owe G.E. whatever they considered the FMV to be. The machine was valued at \$35K by G.E. Becca asked Hospital Shared Services to evaluate it and give us an approximate value. HSS estimated the value to be \$20-25K. I asked G.E. for a reduction in their valuation of the machine and they declined. The machine was manufactured in 2017.

We have an opportunity to lease a new machine with several upgrades for \$1341.57/month. We will not have to pay for the service contract for the first year of the lease and then it will be \$7594/ year. We are currently paying \$8136 yearly for the service contract.

In summary, we will lease a brand new, upgraded machine for \$7.57 more per month, save the first years' service contract, pay less for the service contract in years 2-5 of the lease and we won't have to pay G.E. \$35K for the current machine manufactured in 2017, which equates to 26 months lease payments on the new machine. The first-year warranty versus service contract is another 5.5 months of lease payments making the total savings by not paying the \$35K and first year service contract a little more than half the term of the lease, 31.5 months.

