

KREMMLING MEMORIAL HOSPITAL DISTRICT
d/b/a Middle Park Health
Board of Directors Meeting Minutes
Thursday, September 28, 2023

With meeting notice, Jodi Docheff called the Kremmling Memorial Hospital District board meeting to order at approximately 6:00 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), Secretary/Treasurer; Dawna Heller, Member.

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

Agenda Approval

Motion: Jodi 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: Dawna made a motion to approve the August 25, 2023 minutes; Mike seconded. **Motion adopted on a 4-0 vote.**

Motion: Jodi made a motion to approve the August 31, 2023 minutes; Chris seconded. **Motion adopted on a 4-0 vote.**

Motion: Dawna made a motion to approve the September 11, 2023 minutes; Mike seconded. **Motion adopted on a 4-0 vote.**

Reports of Good News

Taking Steps for Cancer(Jason Cleckler): Many staff and community members turned out last weekend to support this annual fundraiser; Middle Park Health won largest team again with a group of 42 people. Thank you to those who came.

Fraser Valley Lions' Club Health Fair (Jason Cleckler): Middle Park Health partnered with Fraser Valley Lions' Club to hold this health fair. 110 community members utilized this service. Future partnership with Granby Rotary is being considered for their health fair.

BLAST Golf Tournament (Jason Cleckler): Final numbers for BLAST Golf Tournament are in. This event raised around \$34,000 after expenses, which is an improvement from last year.

Silver Sneakers Program (Jason Cleckler): Kremmling Wellness Center is now a site for Silver Sneakers. This nationwide program provides 65+ adults with Medicare access to gym memberships and exercise programs to help them stay active and healthy. Thank you to Rose Gamblin for working on this. More details will be forthcoming.

Farewell for Dr. Wisner (Jason Cleckler): Many staff and community members gathered to say goodbye to Dr. Wisner Tuesday.

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West Grand Early Childhood Center (Liz Bauer, West Grand School District Superintendent): Liz Bauer, and her staff addressed the Board, requesting support of West Grand Early Childhood Center (WGECC). School Board Election will be held in November, and school enrollment has increased this fall. The West Grand Early Childhood Center is having a budgetary shortfall in part due to the loss of a State Grant. WGECC is only licensed Childcare Center in Kremmling, with only 1 other licensed in-home provider. WGECC has increased hours and now provides year-round care (6 children belong to WGECC staff and 11 belong to community members). It takes children from 6 weeks old up to kindergarten age. Due to increasing costs, WGECC can no longer provide MPH staff with 25% discount as in the past. Contribution at the \$30,000 level to the general fund would help keep this important service open to the community. Tuition Assistance scholarship fund is another potential way to support WGECC, at the level of \$10,000.

Alexi Perkins, Middle Park Health provider and WGECC parent, spoke to the struggles of finding childcare in the area that makes fiscal sense. She mentions that some parents have to leave the workforce to care for young children, further driving the labor issues we see countywide. Hospital Board thanks her and lets her know it will be considered. Middle Park Medical Foundation was also referred to as a source of potential help. Appendix A is a copy of Liz Bauer's letter to the Hospital Board.

Revenue Cycle Update (Kelly Clasen): Kelly presents overview of challenges and successes in Billing Office during her Middle Park Health Revenue Cycle Board Presentation. Kelly manages 14 staff in Billing Office. Original 6 members who began in 2016 remain with MPH. Her "results driven" staff averages 15.5 years of experience in the field. Excellence in Revenue Cycle keeps Middle Park Health financially viable. Cash Collections were higher than expectation in 2022; on target for 2023. Extensive training is necessary to keep up with changes and regulatory requirements. Staff take part in Monthly Medicare Learning Sessions and Annual Revenue Cycle Bootcamp.

All payers, including state and federal, are biggest external challenges; like "putting a 1000-piece puzzle together in an hour". Issues that are currently growing are increases in delays and denials across all insurance types as well as increases in audits. External challenges can be influenced but not controlled. Internal challenges are actively worked on, including problems such as staffing levels, late charges, registration errors, etc. . New regulations to audits, restricting hospital facility fees (but excluding critical access hospitals), price transparency, and Hospital Discount Care Program were described. Kelly answered questions about potential government shutdown affecting hospital payments. Jodi thanks Kelly for her team's excellent performance, hard work, and for being involved in hospital activities. Kelly calls out appreciation of Jason and Senior Leadership team, as well as Board of Directors. Jason mentions that healthcare is the most regulated industry in US; Kelly and team do an amazing job keeping up with regulatory changes. Dr. Coburn describes the huge improvements to our hospital's financial picture from 2014 to present, thanks to Kelly's and her team's efforts.

Hospital Transformation Program (HTP) (Deb Plemmons): Colorado Department of Health Care Policy and Financing created HTP. Program ties reimbursement rates to quality-based initiatives. State listed 16 different metrics that hospitals could choose from- Middle Park/rural hospitals would choose 6 measures. Goals of the program are to improve patient outcomes, improve performance, lower costs and move towards value-based payment. Several examples surround frequency of readmission of Medicaid patients within 30 days. Appropriate follow-up appointments are now being made before patient leaves hospital. Tracking around Opioid usage and alternatives to Opioids is also part of the program. Screening and interventions for patients with Alcohol or Substance Use Disorder are another

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aspect of the program. Program also aims to increase utilization of telemedicine appointments. Reporting is required, including reporting in public meetings. Each time we report to state we could either lose money or gain money back depending on our performance.

August Financial Statement (Emily Ebert):

Cash Balance saw an increase for the month, partly due to additional cash collections. Fall is typically good for cash collections as we collect for busy summer months. Total gross revenue was very close to target for the month. Contractual adjustments were high this month, due in part to a single high-dollar account within Charity Care. Some timely filing denials are due to staffing constraints and in turn, the necessity of prioritization of larger accounts. We had seen some improvements with our contract labor for a while, but now utilization has increased again due to turnover and higher needs in busier season. First open CRNA position is covered by our current staff, and we have some additional leads for the second CRNA position. Supplies are favorable, as costs were not as high as we anticipated. Net operating income of \$14,000 for the month is less than expected, but still favorable year-to-date partly due to not having yet accrued Bond Issuance Costs for Fraser.

Regarding volumes, Senior Leadership Team took a deep dive in lowered numbers in admissions and associated patient days. Extended Care days have been strongly favorable, however. Board discusses urgent care and walk-in clinics amongst our facilities. Slight misses in Surgical Cases and ER Activity compared to budget. Clinic activities have continued to exceed targets. Cash collection and payer mix remain strong, and some held-up payments may start coming through. Cash on Hand has improved to 145 days. We are hoping to continue this trend in September to offset slower season.

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

Preliminary Budget 2024 (Emily Ebert): Becca Norman, our financial analyst, has been working hard behind the scenes with directors to prepare budgets, but not all calculations have been completed yet. We are anticipating a 5% increase in our Gross Revenue, which is a combination of volume increases in new service lines and chargemaster increases of 3%. Since we've seen higher contractual adjustments than anticipated this year, we are increasing budget to 48% for this line item.

Salaries and Wages line shows a 7% increase, which includes potential market adjustments and several new positions. In benefits line item, we're anticipating additional expenses tied to creation of a housing stipend. For managers and below, full-time employees would receive \$400 and part-time employees would receive \$250 per month. This is one method we're exploring to convert to more full-time employees. Another potential method is the possible development of a Nurse New Grad Residency program, detailed by Deb. Additional training, support and mentorship will lead to better engagement and success in their careers and can be tied to recruitment and retention. We would be asking for a 2-year commitment. We are budgeting for a 33% decrease in contract labor, hoping these new programs will be effective tools in reducing some of our contract labor costs. Board discussion of this target ensued.

Grant revenue was not included in the budget because there are not any certain grants we are already anticipating; we will continue to pursue applicable grants. Bond issuance line item takes into account refinancing current loans together with Fraser Financing, so it is larger than amount budgeted for last year. This new consolidated loan does also result in higher interest expenses than we have presently.

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On the revenue generating side, we also have some additional interest earning opportunities. Capital budget is around \$2 million in draft form. Many of these items are infrastructure related. Some possible opportunities for DOLA grants to help with energy efficiency.

Surgical Spine Microscope Lease (Jason Cleckler): We've known we would have to invest in some special equipment for our Spine program. Dr. Allison was consulted to choose a Spine Microscope to be used during surgery. Capital Lease is \$6,000/month and we do have an option to purchase after a year of use. Some of our payments will be credited towards the purchase price. Purchase of this type of equipment is generally \$250,000-\$275,000. Expected surgical revenues should be far greater than lease's expense. Dr. Allison is considering doing 4-5 spine procedures per month, and his clinic schedule days are already full.

Motion: A motion was made by Chris and seconded by Mike to approve surgical spine microscope lease. **Motion adopted on a 5-0 vote.**

Consent Agenda

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. Mark Wisner, Vice Chief of Staff; Dr. Shane Tong, Immediate Past Chief; Dr. Jason Stuermer, ED Medical Director

Review/discussion of approval of privileges for:

- David Goodbee MD, Full Active Privileges in Radiology
- Ryan Sydnor MD, Full Active Privileges in Radiology
- Sachin Talusani MD, Full Active Privileges in Radiology
- Fatemeh Kadivar MD, Full Active Privileges in Radiology
- Mark Baller CRNA, Full Active Privileges in Anesthesia
- Russell Plewinski CRNA, Full Active Privileges in Anesthesia
- Emily Rand MD, Full Active Privileges in Family Medicine

Policies – Reviewed/Revised 10; New 0; Archived 1

SDA Compliance Calendar

September 30: If State Auditor has granted extension of time to file audit, this is the final date an audit may be filed. Failure to file the audit may result in the State Auditor authorizing the county treasurer to prohibit the release of any monies which were generated pursuant to the taxing authority of the district until the district submits an audit report to the state auditor.

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

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Communication Report

Board Chair Report (Jodi): Jodi discusses Board Member rounding opportunities. Jason recommends a hybrid approach with scheduling between advance notice and same day scheduling. Whether an opportunity is sought in advance or same day, individual board members should reach out to Jason to communicate their available timeframe and location. Goal of 1 rounding a month would be good to start with.

SDA conference had a breakout session on HH. Prop HH would remove some of the tax revenue for the hospital district. Since this revenue represents a fairly small portion of our budget, it shouldn't affect our hospital as much as it will affect other governmental entities if it passes, but the potential effect compounds over time.

At Risk Committee will meet after October's training to discuss the CEO and CFO metrics. This committee includes Mike and Chris.

CNO Report (Deb): 340 B Audit will be conducted on Pharmacy Department at end of November. Employee Flu Clinics are beginning and will run through October. Flu shots are required by October 31st. We are being warned of a triple threat of Covid, Flu and RSV this year. Children and people over 60 are recommended to get the RSV vaccination. New Covid booster will also be available soon.

CMO Report (Dr. Coburn): Extensive questions answered, documents compiled and uploaded to Ballard Spar's portal to prepare for offering memorandum for Fraser Financing Certificates of Participation. We anticipate bringing the Offering Memorandum, Certificates of Participation, Lease Purchase Agreement and Site Lease to Board of Directors at next Board Meeting. Fraser Guaranteed Maximum Price (GMP) documents from construction company Layton were presented and discussed. Cost savings are outlined for starting construction in April. Heavy equipment and sitework precludes the plan to start on Xcel gas lines run in this fall. Business owner Clark Lipscomb is also aware of the April start date. Possible cost savings for several line items discussed. Resolution to approve the GMP was introduced. GMP approval will then be included in the funding process. Full amounts of Certificates of Participation will include GMP/Building Costs, associated "soft" costs for opening the new facility and consolidation of debt already held by the hospital.

Motion: Jodi made a motion to accept the Resolution 2023-09-01 A RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION OF AIA DOCUMENT A102-2017 STANDARD FORM OF AGREEMENT BETWEEN OWNER AND CONTRACTOR DATED SEPTEMBER 28, 2023 AND THE GUARANTEED MAXIMUM PRICE AMENDMENT THERETO IN AN AMOUNT NOT TO EXCEED \$30,000,000 and Chris seconded. **Motion adopted on a 4-0 vote.**

CEO Report (Jason): Two Town Hall meetings were held 2 weeks ago, with 100+ employees in attendance. We provided information on the financial picture, updates on Fraser, and upcoming changes. Employee Engagement Survey has gone out to all our employees. Once survey is concluded, results will be compiled, and we will present the results to the Hospital Board.

Jason requests direction from the board about level of involvement they would like Senior Leadership to have regarding housing. Variety of community projects are happening, but some may not be truly

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attainable or meet our needs in a timely manner. Interested groups have approached Senior Leadership about potential development, but in our previous Board meeting, there was discussion surrounding whether this was a good time for us to become more involved. Types of projects Senior Leadership have been discussing have limited to no expense for our hospital. Discussion ensued about rental markets, water taps/utilities, the importance of housing with an attainable price point, and how to best utilize our land. Hospital Board agrees best approach is to keep listening to key stakeholders while not pursuing an active approach to this issue.

Jason asks if there are any follow-up questions or clarifications needed regarding Fraser Financing. Board thanks him for compiling materials they can reference when needed. Jason would like to create a file or portal to compile future documents regarding Fraser for the Board's reference. Board discusses possibility of having a separate meeting for Fraser financing rather than a longer regular meeting.

Old Business

Jodi mentions that while discussing CEO's at-risk pay, board did not specifically approve the 3% raise we provide all our employees. Since that was not on the agenda, Board will add it to our agenda for our next meeting.

New Business

There was no new business.

Board Discussion

Board discussed with Jason possibilities for new service lines. Jason emphasizes our goal will be to solidify service lines, especially newly expanded ones such as orthopedics, general surgery, cardiology, spine, etc. Plastic Surgery, OB GYN and Urology may add offerings in our facilities, depending on their feasibility for our location, anticipated volumes, and contractual rates. We are also paying attention to what our limitations are.

Items for Next Agenda

Approval of CEO 3% cost of living raise.

Adjournment of meeting at 9:20 pm

Motion: A motion was made by Mike and seconded by Kim to adjourn the meeting at 9:20 pm.
Motion adopted on a 4-0 vote.



Jodi Docheff, Board President



Kim Cameron, Secretary/Treasurer

Approval Date: 10-26-2023

Minutes taken by: Rosalie Rust

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Appendix A:



WEST GRAND SCHOOL DISTRICT 1-JT

715 Kinsey Ave, P.O. Box 515, Kremmling, CO 80459
(970) 724-3217
FAX (970) 724-9373



September 28, 2023

Dear Middle Park Health Hospital Board,

This letter is to request your consideration of support of the West Grand Early Childhood Center (WGECC) to focus on retaining a quality workforce here in Kremmling.

West Grand School District is proud to be able to provide such an important service to our entire community with the only licensed child care center in Kremmling. The cost of operating a child care center is great and we are actively seeking partners in this endeavor.

We have made changes to our fee structure which has impacted our staff who utilize the WGECC. We will be creating a Tuition Assistance Scholarship Fund to which the workforce of our school and other partners can qualify and apply for funding assistance. This fund will help us attract and retain working and contributing members of our community here in Kremmling.

We are asking you to consider a donation to our general operating fund so that we can stay open to the community or a donation to our Tuition Assistance Scholarship Fund to support the cost of child care for the workforce.

We would like to move forward in pursuing a MOU to include Middle Park Health employees to be eligible to apply for our Tuition Assistance Scholarship Fund, to help provide that incentive for MPH as well.

Thank you for taking the time to consider this request and the support for our workforce here in Kremmling. We look forward to hearing from you.

Sincerely,

A handwritten signature in blue ink that reads "Elizabeth M. Bauer".

Elizabeth Bauer

West Grand School District 1-JT

Superintendent of Schools

bauere@wgsd.us

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Appendix B:

6.f. ii Surgical Spine Microscope Lease

CARL ZEISS MEDITEC, INC.,
PRODUCT RENTAL AGREEMENT

deleteriously affects the rights or obligations of either party, then this Agreement shall be either renegotiated in good faith or terminated

- d. **Assignment.** Customer may not assign its rights or obligations under this Agreement
- e. **Headings.** The section headings in this Agreement are for the convenience of the parties only, do not form a part of this Agreement and are not to be considered a part hereof for the purpose of construction or interpretation hereof, or otherwise
- f. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement. Facsimile or photo static copies of signatures to this Agreement will be deemed to be originals and may be relied on to the same extent as originals
- g. **Authority to Sign.** The individuals signing this Agreement represent and warrant that they have authority to make and bind their respective entities in legal relationships

The Parties, by signing below, agree to be bound and perform in accordance with the terms and conditions set forth above.

CARL ZEISS MEDITEC USA, INC.

By _____

Name _____

Title _____

Date _____

By _____

Name _____

Title _____

Date _____

REVIEWED
By the Information Officer of the City of New York

ZEISS ACH INFORMATION

Bank Name, J P Morgan Chase Bank, N A
Account Name Carl Zeiss Meditec USA, Inc
Account ABA # 021000021
Account Swift Code #, CHASUS33XXX
Account #, 662568879

Rev. MAY 2011
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CONFIDENTIAL

CUSTOMER

By Middle Park Health Limited

Name Joachim Doehoff

Title President

Date 9.28.2023

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Appendix C:

RESOLUTION NO. 2023-09-01

**A RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION OF AIA DOCUMENT
A102-2017 STANDARD FORM OF AGREEMENT BETWEEN OWNER AND CONTRACTOR
DATED SEPTEMBER 28, 2023 AND THE GUARANTEED MAXIMUM PRICE AMENDMENT
THERE TO IN AN AMOUNT NOT TO EXCEED \$30,000,000**

WHEREAS, Kremmling Memorial Hospital District (the "District") is a quasi-municipal corporation and political subdivision of the State of Colorado (the "State") duly organized and existing under the laws of the State, including the Special District Act, Article 1 of Title 32, Colorado Revised Statutes, as amended (the "Act"); and

WHEREAS, pursuant to C.R.S. § 32-1-1001(1)(d) and (h), the Board of Directors ("Board") of the District is authorized to enter into contracts and agreements affecting the affairs of the District and to have the management, control, and supervision of all construction of District improvements; and

WHEREAS, the District is the fee simple owner of certain real property more particularly described as Lot 12C, The Village at Grand Par, Filing No. 2, Fraser, Colorado, on which it desires to construct and equip its new Fraser Physical Therapy Clinic in Fraser, Colorado (the "Project"); and

WHEREAS, in accordance with its Request for Proposal, the District selected Layton Construction Company, LLC (the "Contractor") to construct the Project pursuant to AIA Document A102-2017 Standard Form of Agreement Between Owner and Contractor (the "Construction Agreement"), the form of which has been presented to the Board at this meeting; and

WHEREAS, the Construction Agreement requires the District and Contractor to agree upon a Guaranteed Maximum Price ("GMP") for the Project when the construction documents, including the plans and specifications, are sufficiently complete to do so; and

WHEREAS, the construction documents prepared by the architect are substantially complete, construction cost estimates have been prepared and reviewed, and the District and the Contractor have reached a tentative agreement concerning the GMP, which the parties desire to memorialize in an amendment to the Construction Agreement, the form of which has been presented to the Board at this meeting and which shall not exceed \$30,000,000 (the "GMP Amendment"); and

WHEREAS, as required by applicable law, the District must assure that the amount of money appropriated for the completion of the Project is sufficient before approving the Construction Agreement and the GMP Amendment and proceeding with the work; and

WHEREAS, the Board now desires to approve the Construction Agreement and the GMP Amendment for the Project in an amount not to exceed \$30,000,000.

NOW, THEREFORE, BE IT RESOLVED by the Board as follows:

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Appendix C (Cont.):

1. **Approval and Execution of Documents: Authorized Officers.** The Construction Agreement and the GMP Amendment, in substantially the forms presented to the Board prior to the adoption of this Resolution and in an amount not to exceed \$30,000,000, are in all respects approved, authorized, and confirmed. The President, Vice President and CEO of the District are each hereby authorized to execute and deliver for and on behalf of the Board the Construction Agreement and the GMP Amendment and any and all additional certificates, documents, and other papers, and to perform all other acts that each may deem necessary or appropriate in order to implement and carry out the transaction and other matters authorized by this Resolution.

2. **Confirmation of Prior Acts.** All prior acts and doings of the officials, agents, and employees of the District that are in conformity with the purpose and intent of this Resolution, and in furtherance of the Project, shall be and the same hereby are in all respects ratified, approved and confirmed.

3. **Severability.** If any section, paragraph, clause, or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution.

4. **Effective Date of Resolution.** This Resolution shall take effect immediately upon its passage.

Adopted this 28th day of September, 2023.

KREMMLING MEMORIAL HOSPITAL DISTRICT



Jodi Docheff, President

ATTEST:

By: 
Kimberly Cameron, Secretary/Treasurer