

KREMMLING MEMORIAL HOSPITAL DISTRICT
d/b/a Middle Park Health
Board of Directors Meeting Minutes
Thursday, February 29, 2024

With meeting notice, Jodi Docheff called the Kremmling Memorial Hospital District board meeting to order at approximately 6:04 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 [Absent Excused]*; Mike Ritschard, Member; *Kim Cameron, Secretary/Treasurer [Absent Excused]*; Dawna Heller, Member [Virtual].

Non-board attendees present: Jason Cleckler, CEO; Deb Plemmons, CNO; Emily Ebert, CFO; Dr. Thomas Coburn, CMO; Becca Norman, Financial Analyst; Rosalie Rust; Executive Assistant; Andy Radzavich, Executive Director of Middle Park Medical Foundation [Virtual]; Jamie Jensen, Board Chair of Middle Park Medical Foundation; Jason Stuerman, ED Medical Director [Virtual]. Mike Wilson, IT Director [Virtual]; Ryan Brown, Owner's Rep [Virtual]; Barbara Lorschach; GovernWell representative [Virtual]; Graham Gould, BMO Representative [Virtual]; Debra Custer, BMO Representative [Virtual].

Conflicts/Potential Conflicts of Interest

No Conflicts/Potential Conflicts of Interest were disclosed.

Agenda Approval

Motion: Jodi made a motion to approve the agenda and Mike seconded. **Motion adopted on a 3-0 vote.**

Public Comments

No public comments were made.

Minutes Approval

Motion: Jodi made a motion to approve the January 25, 2024 minutes; Date correction from 2023 to 2024 was noted. Mike seconded. **Motion adopted on a 3-0 vote.**

Reports of Good News

Sky Hi News Article on Community Impact (Jason/Jamie): Article in local newspaper highlighted the large amount of funds that Middle Park Medical Foundation donated back to our hospital and community. Capital Campaigns for Kremmling Wellness Center as well as Fraser Campus were also noted. New "thermometer" sign on the side of the gym will keep the community apprised of the progress on the "Plank by Plank" campaign.

Labor Force Update (Jason Cleckler Dr. Thomas Coburn): Following Covid peak, labor

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became an increasingly significant issue for healthcare. Changes in labor force and additional expense of travelers have gone well beyond costs that would be sustainable. Strategic plan and budget goals have been aimed at tackling this issue. At the peak of usage, we had ~40 travelers and now we have reduced number to ~10. Our housing stipend has made an impact. Also, many people are tiring of traveling, and the premium pay, flexible locations and scheduling has been drying up. Perception in the community has raised awareness that MPH is a good place to work. Employment at our location is a realistic opportunity to live and play in the mountains. Board thanks the team for making these changes possible. Middle Park Health employed a recruiter who has also helped with this effort tremendously.

Science Fair Support (Jason Cleckler): We received a Thank You card from a West Grand student who received funding to purchase supplies for her science fair experiment. Her project on blood sugar and diabetes won, and she will be going on to the state level.

Blood Drive (Jason Cleckler): Over 20 people came to donate blood at the recent blood drive.

Board Self-Assessment Results (Barbara Lorsbach): Barbara congratulated Middle Park Health board on full participation in the self-assessment, a governance best practice. High level information was provided with a plan to go deeper into some of the results at a later date. Self-Assessment focused on overall satisfaction of the board with their governing performance, leadership strengths and opportunities, understanding lower ratings and determining next steps. More than 62% of ratings of the board performance were either level 5 (outstanding) or level 4 (perform well). Strong board performance is generally considered at 80% or higher and space between current ratings and that level represents opportunities for governance gain.

Information was provided on items where there was a high level of board consensus as well as items where there was a divergence of opinion, which means the board members responded with candor. Suggestions for next steps were provided, such as creating a Governance Improvement Plan. This could include items such as strengthening the board orientation process, evaluating board member performance, and setting the priorities of the board. Board discusses holding a work session to focus on a deeper look at this information.

Introduction of Fraser Project Manager / Owner's Rep(Ryan Brown): Artaic Group provides Owner's Representation and Project Management for a wide range of construction projects across the country. Ryan has a background in Healthcare Construction and lives in the Vail Valley, so he is familiar with the mountain environment. Owner's rep oversees the project at all stages including planning, site work, construction and procurement until project reaches completion. Layton Construction is planning to mobilize on the site in the last week of March. Layton has a 12 month construction schedule; completing work in April 2025. Following construction, we will move in equipment and staff will set up for opening in late April or early May 2025. Ryan is planning on attending Board meetings monthly to provide updates. Board

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expresses interest in site visits. Board brought up the need to set up a process for change orders, based on a dollar amount. Board requests written report being included in the board packet. Live feed site camera will be included so board members can watch progress. Discussion ensued around determining if insulation needs are fully met with the current design. Board emphasized a desire to exceed design minimums regarding insulation due to past project knowledge as well as harshness of the Fraser Valley's climate.

January Financials(Emily Ebert): Emily described several changes to the layout of the financials and board discussion will continue in the coming months to determine which layout is preferred to go forward- Current or EBITDA based formatting. Layout of income statement does change to be able to calculate EBITDA. This new format will be calculated manually until a board decision is made. Switching to the new format may have a cost associated with it as well. Presentation of the pros and cons of both approaches was requested by the board. Becca will see if an EBITDA line item could be added to our current income statement.

Board designated MRI savings is now pulled aside on the balance sheet to plan for MRI purchase/renovations. Adjustments are higher than normal due to write offs with defunct Bright Health accounts, some of the oldest RHC and off-campus PT location accounts being written off, as we are closing in on completing the fix on both these issues. Due to this we were 9% unfavorable to budget with our net revenue. Both Salary/Wages/Benefits and Contract Labor expenses were favorable to the budget this month. Favorability in purchased services is due to IT taking over a process in-house rather than using an outside vendor. Supplies are over budget due to our high volumes this month. Net operating income and net income were both ahead of budget. Volumes were strong this month. This was a great cash collection month with collections \$354,000 ahead of last January. Cyberattack of Change Healthcare will likely affect our cash collections in the next 60 days as many processes are running manually.

Motion: A motion was made by Jodi and seconded by Mike to approve the January 2024 financials. **Motion adopted on a 3-0 vote.**

Opening new BMO ICS Account (Emily Ebert): Deb Custer and Emily detail the benefits of moving our funds to accounts that would yield higher interest rates than we are currently earning. Current funds are sitting in a savings account with a very low interest rate under 1%. The ICS account earns 4.5% interest and is fully liquid, no fee, and FDIC insured. Emily details the movements from savings account to ICS, paying off one loan and closing two additional accounts tied to the process. Each step requires a separate resolution.

Motion: A motion was made by Mike and seconded by Dawna to approve Resolution 2024-02-01 (Opening a new insured cash account ICS at BMO) **Motion adopted on a 3-0 vote.**

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Motion: A motion was made by Mike and seconded by Dawna to approve Resolution 2024-02-02 (Paying off existing loan at United Business Bank) **Motion adopted on a 3-0 vote.**

Motion: A motion was made by Mike and seconded by Jodi to approve Resolution 2024-02-03 (closing associated restricted Money Market account which will pay off above loan). **Motion adopted on a 3-0 vote.**

Motion: A motion was made by Mike and seconded by Jodi to approve Resolution 2024-02-04 (Closing an empty debt service reserved fund account associated with the USDA) **Motion adopted on a 3-0 vote.**

Board Education

Board Education article discusses the board's role in strategic planning.

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:

1. Samir Hasan, MD, Full Active Privileges in Plastic Surgery
 2. Thomas Coburn MD, Full Active Privileges in Family Medicine
 3. Tatum Tyler, CRNA, Full Active Privileges in Anesthesiology
 4. Eric Jones, MD, Full Active Privileges in Radiology
 5. Regina Lee, MD, Full Active Privileges in Cardiology
 6. Allison Roberts, MD, Full Active Privileges in Radiology – Mammography
 7. Sue Chen, MD, Full Active Privileges in Radiology - Mammography
- ii. Next Meeting: March 21, 2024
- iii. **With the consideration and approval by the Credentialing Committee, we recommend that the Board of Directors approve the above named practitioners for privileges at Middle Park Health.**

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- b. Policy and Procedures Report: 4 Reviewed/Revised; 1 New; 0 Archived.
- c. SDA Compliance Calendar
 - i. Annual information report to the DLG with respect to any nonrated public securities of the district which were outstanding as of the end of the fiscal year (December 31) Section 11-58-105, C.R.S

Motion: A motion was made by Mike and seconded by Jodi to approve consent agenda.
Motion adopted on a 3-0 vote.

Communication Report

Foundation Report

Dean's fundraising Update Jamie Jensen, Middle Park Medical Foundation board president, expressed appreciation for Dean's West as well as the community for the funds raised and marketing opportunity to raise funds for the Wellness Center's Plank by Plank campaign.

Fraser Capital Campaign \$550,000 had been raised before campaign was paused. \$10,000 recently donated from Town of Fraser and Jodi points out some cost savings to the construction project with waived fees and requirements facilitated by the Town of Fraser as well. Fraser Committee meetings are every week, and current focus is the top 10 major donors.

Update on Kremmling Campaign Visual thermometer has been placed on the side of the Gym to excite community about progress to the Wellness Center's Plank by Plank campaign. Biweekly meetings of the Dream Team are held as well. \$147,000 has been raised on the campaign to date. Grant application has been submitted to Mountain Parks Electric.

Board Chair Report

CHA Rural Conference Jodi and Jason will be attending this conference next week, which has board breakout sessions. Day at legislature is included; handout with bullet point is a good method of providing information to legislators. Board members voice preference for legislative updates to come via email so they are timely.

Legislative Update HB24-116 Reimbursement for bad debt for hospitals is currently being discussed in the legislature. Bill considers compensation to hospitals for rising number of individuals who may not be able to pay hospital bills.

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Western Healthcare Alliance Impact Statement WHA independent hospital members contributed 1 billion dollars to Colorado's GDP in 2022. This has a huge positive impact to our communities.

CNO Report

Spine Surgery Updates Dr. Allison did first 2 cases in February. Next cases are scheduled for March 15. Dr. Allison rounds for overnight patients the day after surgery and does have follow up on Monday after surgery.

Cliffview Flood Residents were evacuated on Tuesday, February 15th due to a capped water pipe losing its cap and flooding the facility. Water was 2 to 4 inches deep in 2/3 of the building. Cliffview Director Karrie Sellke and her staff responded quickly in a well-organized manner to move residents and their belongings to the dry wing. Majority of residents stayed at Allington Inn, while several were housed in the Extended Care Unit at hospital or with family members. Team improvised with noisemakers for emergency call and to keep doors accessible during the hospital stay. Dining room and pantry floors had to be replaced, but new carpet was ok. Rocky Mountain Catastrophe, emergency responders, county officials, community members, facilities, dietary, and Cliffview staff are all commended for their efforts during and following the flood. Deb was in constant communication with the state, a requirement with any evacuation. All residents were moved back in by Friday morning. Debriefing was completed today; all residents will have a to-go bag packed with paperwork and belongings for emergency use. Emergency Preparedness as well as debriefing after drills and actual events help us be prepared for a multitude of situations.

CMO Report

Fraser Updates Permits are in place and temporary electrical will be installed soon. Two meetings a week with local group and outside group will keep our team informed.

Physician Positions Dr. Katy Picard will be joining our ED to fill the position left by Dr. Tong. Offer is out to Dr. Triplett for the Kremmling primary care position, and she is weighing her options. Multiple candidates are interested in ED or combination of ED/primary care positions, which should help when it comes time to recruit for Fraser. Discussion ensued about open positions throughout the organization and filling with APPs and physicians. Creating a larger PRN pool of our own staff physicians and APPs has the potential to help with coverage for absences, holidays and busier times; and can be pulled into Fraser when the time is right.

CRNA Positions Recruiter has set up interviews with 2 candidates.

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CEO Report

Rural Futures Presentation Jason provided a preview of the Rural Futures presentation and video slated for the CHA Rural conference next week. Core team of CEOs making up the Rural Futures group are Jason Amrich of Gunnison Valley Health in Gunnison, Dewane Pace of Haxton Health in Haxton, Kevin Stansbury of Lincoln Health in Hugo, Jennifer Riley of Memorial Hospital in Craig, Jason Cleckler of Middle Park Health, Konnie Martin of San Luis Valley Health in Alamosa, and Joe Theine of Southwest Health System in Cortez. They are also working closely with the Farley Center at University of Colorado Anschutz Medical Campus on health policy that would promote rural hospital sustainability and get away from "one size fits all" solutions.

Rather, the Rural Futures group wants to prioritize solutions that "best address Colorado's specific rural hospital needs and political landscape". The information and ideas developed will then be brought to the local legislators and will be presenting to Governor Polis. Presentation will contain a series of questions that will be answered by the conference attendees about the economic impact of your rural hospital, perception on care quality and cost, distances traveled by your patients, and potential policy changes that could help. Mental health challenges are also part of the rural healthcare challenges. All hospitals in Colorado are coming on board with the Rural Futures group and so far, \$354,000 has been raised for the group. "Where you live should not determine whether you live" is a top quote included in the video and really embodies the focus of the group.

Board comments that they appreciate Jason's leadership outside of the organization, keeping us abreast of the larger area. Jason estimates that 10% of rural hospitals in our state are at eminent risk of closing. Not having a nearby facility is very detrimental to the rural community and their future.

Plastic Surgery Dr. Hasan has completed the credentialing process and we are working through the contractual agreement, which is a little more complicated in regard to the cosmetic side. He has his own equipment to bring or can use general surgery equipment. He will order any implants through his office and bring those up with him.

CNO Recruiting Onsite interviews have been conducted with 2 candidates. They came over several days and saw multiple locations as well as the local area. We have extended an offer to one of them and are waiting to hear back.

Strategic Planning Our Strategic Planning session will be held at the Wellness Center on 4/26/2024 from 10 am to 2 pm.

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- a. Change Healthcare Change Healthcare is a financial billing software platform owned by United Healthcare. Change Healthcare suffered a cyberattack, having huge ramifications on US healthcare, up to 90% of all healthcare entities have some connection to Change Healthcare. Original estimates were that site would be up and running in 3-4 days. Then, they stated it would be 4 weeks. Now, they are indicating that it is unknown when it will be up and running again and they are recommending a change in platform. Team is processing our bills manually, which is not sustainable. This is expected to lead to some downstream effects on cash flow.

Old Business

New Business

Items for Next Agenda

Board requests pros vs cons analysis of the old format financials compared to the new format financials highlighting EBITDA.

Executive Session

Negotiations regarding contract with Housing Authority over Cliffview Assisted Living Facility. §24-6-402(4)(e), C.R.S.

Motion: Mike made a motion to move to executive session at 8:55 pm. Jodi seconded.
Motion adopted on a 3-0 vote.

Board Members Present: Jodi Docheff, President; Mike Ritschard, Member; Dawna Heller, Member.

Non-Board Members Present: Jason Cleckler, Emily Ebert, Deb Plemmons, Dr. Thomas Coburn.

Motion: A motion was made by Jodi and seconded by Mike to adjourn the executive session at 9:32. **Motion adopted on a 3-0 vote.**

Resumption of open meeting at 9:32 pm

No formal decisions were made. A Committee of 2 board members will attend meeting with Housing Authority/County Commissioners.

Adjournment of meeting at 9:32 pm

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Motion: A motion was made by Mike and seconded by Jodi to adjourn the meeting at 9:32 pm. **Motion adopted on a 3-0 vote.**



Jodi Docheff, Board President



Dawna Heller, Board Member

Approval Date: 4/2/2024

Minutes taken by: Rosalie Rust

