

**PARK HOSPITAL DISTRICT  
BOARD OF DIRECTORS  
August 1, 2017 Meeting Minutes  
Timberline Conference Room**

**Board Members in Attendance**

Mr. William C. Pinkham, President; Dr. David Batey, Vice President; Dr. Monty Miller, Treasurer; Ms. Diane Munro, Secretary; Dr. Bob Dickeson.

**Other Attendees**

Dr. Larry Leaming, CEO; Cindy Standlee, CNO; Randy Brigham, Chief HR Officer; Dr. Martin Koschnitzke, CMO; Mr. Tim Cashman, CFO; Gary Hall, CIO; and others.

**Call to Order**

The Board Open Session was Called to Order at 5:01 p.m. by Mr. Pinkham, President of the Board of Directors; there was a quorum present. Notice of the Board Meeting was posted in accordance with the SUNSHINE Law Regulation.

**Approval of 06.20.17 Board Meeting Minutes**

*A motion was made by Mr. Dickeson to approve the minutes from 06.20.17; the motion was seconded by Ms. Munro. A verbal vote was requested – the ayes were unanimous and the motion was carried.*

**Public Comments**

- A sign-in sheet was available for community members to sign up to speak.
- Sign in sheet can be requested through the Administration office at Estes Park Medical Center.
- No members of the community signed up to speak.

**Consent Agenda**

- Chief Executive Officer Report
- Chief Nursing Officer Report
- Chief of Staff Report
- Chief Medical Officer Report
- Chief Human Resources Officer Report
- Chief Financial Officer Report
- Director Home Health/Hospice Quarterly Report [tabled until the 08.29.17 Board meeting]

All reports are available upon request through the Administration office at Estes Park Medical Center.

*A motion was made by Mr. Dickeson to accept the Consent Agenda items, with the exception of the Home Health/Hospice quarterly report moved to the 08.29.17 meeting; the motion was seconded by Dr. Miller. A verbal vote was requested – the ayes were unanimous and the motion was carried.*

**Presentations**

- Wellness Update – Dr. Leaming reported that the Board participated in a 2-1/2 hour work/study session with the Wellness Steering Committee and discussed the history of the project, proposed plans, continuing efforts with fundraising, etc. No actions were taken, as this was an informational session only. A second work/study session is scheduled for August 9<sup>th</sup>. General consensus from the first session was that it would be helpful moving forward to have a consultant hired who has experience in the wellness arena and can review the financials and the marketability of this project.

Mr. Luke Kearns, who has been actively involved with this project, is meeting with consulting firms on this issue. Ms. Muno and Mr. Dickeson stated they felt the Board, the Foundation, and Administration should consider drafting talking points so all are on the same page and will present a unified vision to the community. Dr. Batey stated there are two components to assessing this project – the business assessment component and the scientific assessment component – what constitutes a wellness program, what are the components, and, from a scientific standpoint, identifying the efficacy of those components. All were in agreement that a consistent message is needed moving forward.

➤ Quality Report – Dr. Koschnitzke discussed:

- The status of the quality program; basically we are starting from scratch and rebuilding the quality program here at EPMC. We have a new Director of Quality on board, who is working closely with department directors and medical staff in establishing a robust quality program. One of the first steps is making sure all employees understand the “Just Culture” concept so we can address deficiencies when identified. The framework of “Just Culture” ensures balanced accountability for both individuals and the organization responsible for designing and improving systems in the workplace. 80-85% of errors that occur are process-related, with the remainder being errors by individuals – “Just Culture” recognizes both, with an emphasis on looking at intent.
- Also discussed was the Excellence dashboard and the methods of reporting. The color definitions were also discussed – red, green, and yellow. Data that appear as red will be discussed with the Board Quality subcommittee. It was explained that the benchmarks are national benchmarks, and the department directors are on top of these benchmarks. General consensus is that it will take a full year to get the quality program fully operational, and then in the second year the program will be more automated.
- An application has been sent in to DNV – an accrediting body for healthcare organizations. DNV is one of two entities accepted by CMS for hospital accreditation. They offer a yearly certification process. The goal is to have the first visit by DNV in February 2018.

➤ June Financial Report – Mr. Cashman presented the June 2017 Financial Report via PowerPoint. Presentation summary:

- Days in AR: 63.2 (more than industry average of 50)
- Days Cash on Hand: 189 (compared to May’s level of 191 and June 2016 of 185)
- Statistics:
  - IP days at 111 compared to 50 in May and 65 in June 2016
  - EPMG Clinic visits are at 2194 compared to 2114 in May, and 2202 in June 2016
  - Surgeries are at 33 compared to 34 in May, and 40 in June 2016
- Revenue: June’s Gross Patient Revenue is \$8,027,368 compared to budget level of \$7,026,367
- Other Operating Revenue: YTD other revenues are \$31,811 over budget
- Expenses:
  - Total Operating Expenses in June \$235,863 over budget
  - Salaries and benefits over budget by \$30,792
- Debt Coverage Ratio: June’s rolling 12-month ratio is 2.34. The loan end-of-year minimum required ratio is 1.25

The report was discussed at length. Mr. Cashman discussed an issue with the revenue cycle company we have been using for self-pay patients and possible solutions to the problem; in the interim, this company will change its “early out” process to 60 days rather than 30 days. Contractuals was also discussed – data that appears as red will be discussed with the Board, along with Administration’s plan for dealing with these data.

- Healthcare Finance Education, Part 1 – Due to the constraints of time and at the Board's request, this item will be moved to the August 29<sup>th</sup> Board meeting.

### **Unfinished/New Business**

- Capital Equipment Purchase Threshold – Mr. Cashman discussed the current capital equipment purchase threshold of \$2500 and requested that it be increased to \$5,000. *A motion was made by Ms. Muno to increase the capital equipment purchase threshold to \$5,000; the motion was seconded by Dr. Miller. A verbal vote was requested – the ayes were unanimous and the motion was carried.*
- Line of Credit Approval – Mr. Cashman discussed the current line of credit with the Bank of Colorado. *Dr. Miller made a motion to renew the line of credit with the Bank of Colorado; the motion was seconded by Ms. Muno. A verbal vote was requested – the ayes were unanimous and the motion was carried.*
- Medical Staff Credentialing Report – Mr. Dickeson reported that the Board Credentialing subcommittee met and reviewed in detail the Medical Staff recommendations for credentialing. Dr. Leaming reviewed the applications from the Administration perspective in detail. The Board expressed their desire to see utilization at EPMC of the 3-legged stool approach between the Medical Staff, Administration, and the Board. *A motion was made by Mr. Dickeson to accept the credentialing recommendations; the motion was seconded by Dr. Miller. A verbal vote was requested – the ayes were unanimous and the motion was carried.*
- Board Transparency Initiative – Gary Hill, CIO, shared with the Board the new video and audiotaping capabilities that have been implemented so the community has greater access to the Board's actions. Changes have been made to the website, and the Board's bios and pictures, as well as those of the Senior Leadership Team, have been uploaded. An archival process has been created, as well as the ability to produce newsletters.
- Call for Nomination to the PHD Board of Directors – Mr. Pinkham read the Call for Nominations document that will be published in the Trail Gazette on August 2<sup>nd</sup> for those who might be interested in running in the November elections. He reiterated his wish that all of the interim Board members consider running in November. It was stressed for the record that September 1<sup>st</sup> is the deadline to have completed self-nomination forms back to the DEO – Julie Yaden, at EPMC.

### **Adjournment**

*A motion was made by Mr. Pinkham to adjourn from Open Session; the motion was seconded by Dr. Batey. A verbal vote was requested – the ayes were unanimous, the motion was carried, and Open Session was adjourned at 6:37 p.m.*

### **Executive Session**

*A motion was made by Mr. Pinkham to enter into Executive Session; the motion was seconded by Dr. Miller. A verbal vote was requested – the ayes were unanimous and the motion was carried. Executive Session was Called to Order at 6:50 p.m. by Mr. Pinkham.*

1. Pursuant to Sec. 24-6-402(4)(e), for the purpose of determining positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators. [Hospitalist Program]
2. Pursuant to Sec. 24-6-402(4)(f), for the purpose of discussing personnel matters. [CEO Evaluation]

### **Adjournment**

*A motion was made by Mr. Dickeson to adjourn from Executive Session; the motion was seconded by Ms. Muno. A verbal vote was requested - the ayes were unanimous and the motion was carried. Executive Session was adjourned by Mr. Pinkham at 8:57 p.m.*

**Open Session**

*A motion was made to reconvene Open Session by Mr. Dickeson; the motion was seconded by Dr. Batey. A verbal vote was requested – the ayes were unanimous, the motion was carried, and Open Session was reconvened at 9:00 p.m.*

**Medical Staff Credentialing Recommendations**

**Appointment**

Christine, Stephanie, P.A.                      AHP, Physician Assistant

**Reappointments**

Barner, Ross, M.D.                              Courtesy, Pathology  
Neagle, Mark, M.D.                              Courtesy, Pulmonary Diseases  
Pettine, Stefan, M.D.                              Courtesy, General Surgery

*A motion was made by Mr. Pinkham to accept the Medical Staff credentialing recommendations listed above; the motion was seconded by Mr. Dickeson. A verbal vote was requested – the ayes were unanimous and the motion was carried.*

**Actions Relative to Negotiations**

*A motion was made by Mr. Dickeson to authorize the CEO to proceed with contract negotiations for the proposed Hospitalist program; the motion was seconded by Dr. Miller. A verbal vote was requested – the ayes were unanimous and the motion was carried.*

**Adjournment**

*A motion was made by Mr. Pinkham to adjourn from Open Session; the motion was seconded by Mr. Dickeson. A verbal vote was requested – the ayes were unanimous and the motion was carried; Mr. Pinkham adjourned the PHD Board Meeting at 9:11 p.m.*

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William C. Pinkham  
**Board President**