Agenda

Estes Park Health Board of Directors' Regular Meeting - On Line Only

Monday, August 3, 2020
4:00 - 6:00 pm Board Meeting
Estes Park Health, 555 Prospect Avenue, Estes Park CO 80517
Timberline Conference Room / https://attendee.gotowebinar.com/register/7233060686051472143

	Regular Session	Mins.	Procedure	Presenter(s)
1	Call to Order/Welcome	1	**Action**	Dr. David Batey
2	Approval of the Agenda	1	**Action**	Board
3	Recognition of Randy Brigham's EPH Service and Retirement			
	3.1 Public Comments			
	3.2 Board Comments			
4	Public Comments on Items Not on the Agenda	5	Information	Public
5	General Board Member Comments on Items not on the Agenda	5	Information	Board
6	Consent Agenda Items Acceptance: 6.1 Board Minutes 6.1.1 Regular Board Meeting Minutes June 29, 2020 6.1.2 Special Board Meeting Minutes July 7, 2020 6.1.3 Special Executive Session Board Meeting Mintues July 30, 2020 6.2 Colorado End-of-Life Options Act Policy Summary	2	**Action**	Board
7	Presentations:			
	7.1 Covid-19 Status Update	10	Discussion	Mr. Gary Hall, Ms. Pat Samples, Dr. John Meyer
	7.2 Chief Executive Officer 2nd Quarter Report	15	Discussion	Mr. Vern Carda
	7.3 Proposed Surgical Department Programming Changes	20	Discussion	Mr. Vern Carda
	7.4 Example of Quality Improvement Actions	15	Discussion	Ms. Janet Reed, Ms. Pat Samples, Mr. Gary Hall
	7.5 Urgent Care Center Update	10	Discussion	Ms. Barb Valente
	7.6 EPH Covid-19 Testing Capability	15	Discussion	Ms Cindy Berlanga
	7.7 Chief Operations Officer 2nd Quarter Report	10	Discussion	Mr. Gary Hall
	7.8 Q2 2020 Financial Report including Covid-19 Impact	10	Discussion	Mr. Tim Cashman
8	Operations Significant Developments: *Goals, Accomplished, Next Actions, Schedule, Issues*			
	8.1 Executive Summary - Significant Items Not Otherwise Covered	3	Discussion	Senior Leadership Team
9	Medical Staff Credentialing Report	2	**Action**	Board
10	Review Action List Items and Due Dates	1	Discussion	Board
11	Potential Agenda Items for August 31, 2020 Regular Board Meeting	2	Discussion	Board
12	Adjournment	1	**Action**	Dr. David Batey
	Total Regular Session Mins.	128		

Next Regular Board Meeting: Monday, August 31, 2020 4:00 - 6:00 pm

ESTES PARK HEALTH
BOARD OF DIRECTORS'
Meeting Minutes – June 29, 2020

Board Members in Attendance:
Dr. David Batey, Chair
Ms. Sandy Begley, Vice Chair (via webinar)
Ms. Diane Muno, Secretary (via webinar)
Mr. William Pinkham, Member-at-Large
Dr. Steve Alper, Treasurer

Other Attendees:
Mr. Vern Carda, CEO
Mr. Tim Cashman, CFO
Ms. Pat Samples, CNO
Mr. Gary Hall, CIO (via webinar)
Mr. Randy Brigham, CHRO (via webinar)
Dr. John Meyer, CMO (via webinar)
Dr. Scott Chew (via webinar)
Ms. Lesta Johnson, Quality Director (via webinar)
Ms. Janet Reed, Dietary Director (via webinar)
Mr. Mark Smith, IT (via webinar)
Mr. Kevin Mullin, Executive Director, Estes Park Health Foundation (via webinar)

Community Attendees:
Jim and Gail Cozette, Monty Miller, Wendy Rigby and Dr. Larry Leaming

1. **Call to Order**
   The Board meeting was called to order at 4:05 p.m. by Dr. Batey, Chairman of the Board of Directors; there was a quorum present. Notice of the Board meeting was posted in accordance with the SUNSHINE Law Regulation.

2. **Approval of Agenda**
   Mr. Pinkham motioned to approve the agenda as submitted. Ms. Begley seconded the motion, which carried unanimously.

3. **Public Comments on Items Not on the Agenda**
   None.

4. **General Board Comments Not on the Agenda**
   The next Board candidate election is scheduled to take place in two years.

5. Consent Agenda Items

Mr. Pinkham motioned to approve consent agenda items 5.1.1, 5.1.2 and 5.2.1 as presented. Ms. Muno seconded the motion, which carried unanimously.

6. Presentations

6.1 Public Health Centered Care Committee – Policy Approval

The purpose of the request for policy approval is to provide guidance for the triage of critically ill patients in the event that a public health emergency creates demand for critical care resources (i.e., ventilators or beds) that outstrips supply of these items. The triage recommendations outlined, via discussions of the past three months, will be enacted only if:

1. Critical care capacity is or will shortly be overwhelmed despite taking all appropriate steps to increase the surge capacity to care for critically ill patients.
2. A regional authority has declared a public health emergency.

This allocation framework is grounded in ethical obligations that include the duty to care, duty to steward resources to optimize population health, distributive and procedural justice, and transparency. It is consistent with existing recommendations from Colorado crisis standards of care and the University of Pittsburg guides for public health centered care regarding how to allocate scarce critical care resources during a public health emergency and has been informed by extensive consultation with many organizational personnel including physicians, nurses and administration.

Mr. Pinkham motioned to approve the Public Health Centered Care Committee policy as presented. Dr. Alper seconded the motion, which carried unanimously.

6.2 Surgical Department Programming Changes

Current Surgery Situation

- Rural Physician Group (RPG)
  - November 1, 2018
  - 24/7
  - 14-day rotational surgical coverage
  - RPG – Physicians bill/collect for professional fees
  - Estes Park Health (EPH) bills and collects for technical component

Observations

- IP surgical volume relatively steady
- OP volume has eroded by approximately 50% between 2015 to present day

Surgical Decline

- Lack of alignment between surgicalist programming and EPH goals
- Consistency of surgical coverage
- Lack of community connection with surgery program
- Other operational items (i.e., sterilizer breakdown)

Analyze Surgical Programming & Potential Options

- Continue on current path
- Employ surgical group via different model

- Eliminate surgery as a service line for EPH

Administration is investigating surgical models used by other facilities throughout the nation, as well as ways to grow the market share. Criteria that will be used to evaluate the different models include size, scope, complexity, outcomes, reputation, financial impact and service to the community.

6.3 Clinical Quality Revised 2020 Plan

The value created for the organization with the strategy outlined in the plan is as follows:

Strategic Priority #1 – Enable the highest quality and value to all customers (internal and external)

- Measurable, proven methodology to assure and ensure Quality within the organization that is sustainable over time and leadership change
- Developing a workforce focused on Quality
- Implementing an internationally recognized Quality Management System, proven to improve quality management (ISO 9001:2015)
- A leadership and management approach to long-term success through customer satisfaction

Strategic Priority #2 – Support the growth and development of strategic service lines

- Service line personnel can utilize the full range of quality methodologies to deliver high quality outcomes and value to their customers
- Effective process and improvement methodology
- Additional support from the Quality Department to empower service lines to embed quality principles in all their work, utilize data for decision making and drive quality outcomes
- Employ quality and project management expertise to accelerate process improvement and provide more value to the customer
- Conduct risk assessments to identify areas of focus

Strategic Priority #3 - Raise individual and community awareness of the high-quality healthcare and value provided at Estes Park Health

- Inform the community of the organization's efforts to provide the highest quality of care, providing a positive focal point for discussion of hospital activities including community educational programs and leadership presentations to local service groups
- Improved speed complaint resolution to real time, where opportunities for service recovery are more fruitful
- Identify value and high-quality care provided at the organization
- Provide information about quality rather than a void

Current State

- Quality processes are in place across the organization but are not recognized or measured in all departments
- DNV standards, CMS & CDPHE drive our quality measures
- COVID-19 has increased awareness of some quality measures such as hand hygiene and cleaning of surfaces
- The new UCC is not currently enrolled in the quality and patient satisfaction development survey portal

- Quality is thought of as a requirement rather than how we behave every day
- Inconsistent response to patient requests and concerns

Future Plans
- Build a culture that thinks and acts with quality in mind as the first priority
- National Patient Safety Goals and accrediting agencies provide a standard of excellence by which we hardwire quality
- Create and recognize quality at all levels of the organization, including the new UCC and non-patient facing areas
- Continue required measures and ensure every department has one or more meaningful quality metrics
- Create a general understanding of how to use the metrics to improve efficiency, accountability and the patient experience
- Coach and mentor leaders to respond to real time feedback to increase patient satisfaction and real time learning
- 2021 – Initiate a systemwide quality measure

Discussion points included:
- Rounding, situational awareness, consistent patient messaging, and having ownership to resolve issues immediately is key to patient satisfaction.
- Just Culture is part of the metrics that EPH is creating.
- Quality data is available on the EPH website.

Mr. Pinkham motioned to approve the revised 2020 Clinical Quality Plan as submitted. Dr. Alper seconded the motion, which carried unanimously.

6.4 Colorado End-of-Life Options Act Policy

Dr. Batey provided an update on the discussion that occurred at the Colorado End-of-Life Options Act Tele Town Hall meeting conducted on May 13. The Board members were in consensus that currently there is no need to update the Estes Park Health's Colorado End-of-Life Options Act Policy at this time and that an annual review of the policy will be conducted unless there are significant changes in the Act that result in a need to review the policy prior to the scheduled annual review.

6.5 CEO Report: Estes Park Health Status and Initiatives

What does a leadership transition look like?

Transitioned into the role of CEO & transitioned CEO's into their roles
- Perhaps more difficult than doing the job itself is the transition period
- Be impact-driven, not calendar-driven
- "Contributors of Value" - creating more than they're consuming – getting to this stage as quickly as possible is a goal

What has the first 90 days consisted of?
- **Technical learning** - technologies, systems of organization, market, etc. Perhaps most scientific – easiest to grasp
- **Organizational cultural learning** - subtle norms and values that inform the hospital's organizational culture. New CEOs can be thrown by this facet when they discover a different set of norms and values vs. those norms and values experienced/enjoyed at previous employment

- **Political learning** - consider that when you begin employment at a new hospital you leave behind the networks, connections and relationships that made you effective in your previous role. The wiring is no longer there and needs to be built from scratch in the context of a new cultural environment
- **Covid-19 learning** - rapid fire development and implementation of policy and procedure governing hospital and health system patient care

Major Organizational Accomplishments Last 90 Days

- 3D Mamo
- Pyxis
- Urgent Care Center opening
- Telehealth Visits
- 4 negative pressure rooms – Med Surg
- 3 negative pressure rooms – ED
- Covid-19 testing
- 0 COVID in Nursing Facility
- 1 staff member COVID positive
- Living Center Administrator – hired
- Pharmacy opened in Urgent Care
- Moved Therapy & Specialty Clinic
- Created organizational involvement in 10% savings
- Community Paramedics Program
- Interim CNO
- New CEO/Exec Assistant
- "Culture of Accountability"

The next 90 days?

- Strategic Planning Process and Timeframe
- COVID-19
  - 2nd phase planning
- Revenue Stream Management
  - Triple aim (quality, value and cost)
  - Clinical integration
- Tomorrow's Workforce
  - Workforce plan development
- Culture of Accountability
  - Our industry and its constant demand for accountability
  - Hardwire accountability
  - Sometimes it is the little things like teleconference call in (i.e., be on time or don't attend at all)

6.6 Example of Quality Improvement Actions

Topic deferred to the next regularly scheduled Board meeting.

6.7 COVID-19 Status Update

Ms. Samples updated the Board on the following items:

- Keeping everyone safe at EPH
- COVID testing at EPH

- The need to seek medical attention if you are experiencing a serious or life-threatening symptoms or other issues
- Physician clinics are open for business
- Looking ahead to flu season
- Front Range ICU bed availability for COVID cases
- Masks and social distancing with the influx of tourists
- Phone screening from home

6.8 COVID-19 Financial Impact on Estes Park Health

On March 19, the Governor issued an Executive Order for the Temporary Cessation of All Elective and Non-Essential Surgeries and Procedures and Preserving Personal Protective Equipment and Ventilators in Colorado Due to the Presence of COVID-19. This is consistent with the Governor's Stay at Home Order effective March 26.

As a result, patients in need of hospital services diminished approximately 11% in March, 45% in April and 34% in May, for a total loss of Revenues thru May of 23%. The Governor has declared an easing of these orders effective April 26, which seems to have resulted in a slow positive impact on the economy. Accordingly, the hospital financials are reflective of this significant change.

Forecast for 2020

Revenues

- 2nd Quarter Revenues estimated at 65% of normal (defined as Budget)
- 3rd Quarter Revenues estimated at 70%
- 4th Quarter Revenues estimated at 80%

Overall impact forecasted for 2020 is a 22% decrease in Net Revenues or $11.5M.

Expenses

Hospital leadership has developed a plan to address expenses. Highlights include:

- Beginning pay period 5/31/20 (pay date 6/12/20)
  - 10 % reduction/rollback of salaries for all exempt employees (which includes all senior leadership and department directors) and all employed and contracted physicians
  - Benefit impact:
    - Freeze PTO accrual for all staff
    - PTO buy out suspended
    - ESL is used per policy (sick leave only)
  - Evaluations-merit increases on hold
- All departments must provide a plan and adherence to a 10% reduction in expenses per month
- Staffing to matrix in all departments with flex budget
  - Eliminate contract labor/travelers
- Eliminate non-critical purchased services or contracts
- Suspend capital budget, travel, education
- Re-evaluate in 90 days (Sept. 2020)

May reports indicate improvement, albeit slowly. Effects of the salary and benefits rollback will not be visible until July. Forecasted models conservatively indicate an overall expense reduction of 1%, or $600K annually.

Bottom Line

Without any funding support (federal stimulus, grants, etc.), estimated Net Income loss for 2020 is **-$10.5M** with a Cash flow loss of approximately **-$7M**.

Funding Support

EPH was successful in obtaining outside funding opportunities. However, at least half of the funds are designated as a loan and due to be repaid later this year. There is some hope that the Federal Government will designate those funds as forgivable. But that is yet to be confirmed.

As a result of the recent support from the Federal Government, several programs have provided funding in April:

- Advance Payment Program $4.4M
  - currently scheduled for repayment; possibility of forgiveness
- HHS Stimulus $5.3M
  - forgivable
- Payroll Protection Program $4.8M (approved; pending receipt)
  - eligible for forgiveness assuming compliance with stipulations.

Total $14.5M

Current projection for retention of funds is **$10.1M**

Summary

EPH has experienced a very eventful year, starting June 2019, with the Cyber Ransomware attack, followed by the loss of the Sterilizer; installation and conversion of a new Electronic Health Record and Accounting systems (Epic & Lawson); change in CEO, and now a Pandemic with a dramatic loss of business.

The remainder of the year does not look overly optimistic with respect to Cash Flow. The good news is that there is funding to help navigate the next few difficult months. Cash reserves will be impacted as the months of cash payments, June through August, have little volume. The funding received and anticipated to be retained should offset the projected loss for 2020.

We do believe sufficient funds exist, given a modest economic growth and good cash management. It is highly unlikely that EPH will accomplish the budgetary goals for the year, due specifically to the COVID-19 pandemic. The goal for the remainder of the year is to maintain enough cash flow in order to stay compliant with our covenants.

With the hope that this year is recoverable, to at least 80% of normal, the work now begins with rebuilding the business model with changes in services, revenues and expenses.

6.9 EPH Foundation

Strategic Plan Implementation Update

1. Develop a system to maximize the contacts and reach of EPH Directors, for the benefit of the Foundation.
   - In process, according to schedule, no issues
   - Board Development Committee discussing strategy

2. Improve institutional communication
   - In process, according to schedule, no issues
     1. EPH Speaker's Bureau up and running - https://eph.org/give-volunteer/estes-park-health-speakers-bureau/
     2. Staff has developed an outreach strategy that is in implementation
        a) Outreach to community organizations to offer speakers
        b) Participate in medium / large community events (i.e., Duck Race Festival)
        c) Consistently develop newspaper stories and releases
        d) Increase social media presence
        e) Expand reach of newsletters and annual report

3. Assess and improve onboarding program for new EPHF Directors
   - In process, according to schedule, no issues
     1. Director survey done
     2. Board Development Committee updated Director Orientation Curriculum 1. Additional improvement / tuning will continue as needed
     3. EPHF Mentor Program was discussed at June 2020 Board Meeting

4. Improve donor retention to 57% per year by year 3
   - In process, according to schedule, no issues
     1. Staff working on strategy

Highlights since last update

- Successfully launched and completed Coronavirus Emergency Campaign
- Completed audit and tax return for 2019
- Established strategy to counter 2020 budget risks
  - Raise more money. Record April / May in 2020
  - Reduced controllable expenses such as travel, professional development and marketing
  - Took out PPP loan through the SBA for $54,000. This loan will be forgiven when used to supplement payroll costs

General Updates

- Financial
  - Foundation received a clean audit for 2019
  - Fundraising in 2020 is exceeding budget through May
  - Investments' performance has improved since April, but is still underperforming/negative for the year
  - Expenses are under budget through May
- Emergency Response Campaign
  - Campaign reached its goal of $150,000 last month
  - $48,000 has been deployed for negative pressure rooms in Med/Surg and new scrubs for staff

- Currently reviewing options to utilize the remaining $102,000 within the next 30-45 days

6.10 Medical Staff Report

Dr. Meyer provided an update on the following:

- The Urgent Care Center is open, and work is being done to ensure that communication, along with transfer of patients to the ER is flowing properly.
- The ER is not reporting any major uptick in COVID-19 cases.
- Three negative pressure rooms are now open in the ER.
- The ER continues to see a rise in patient visits. Unfortunately, this includes patients that have waited too long to be seen by their PCP's for chronic and acute conditions.

7. Operations Significant Developments

7.1 Executive Summary

The opening of the Urgent Care Center has been successful. The daily number of patients is increasing.

Administration is working on distributing information to the local lodging establishments to promote the Urgent Care Center.

8. Medical Staff Credentialing Report

Dr. Alper motioned to approve the Medical Staff Credentialing report as submitted. Mr. Pinkham seconded the motion, which carried unanimously.

9. Review Action Items and Due Dates

None.

10. Potential Agenda Items for July 27, 2020 Regular Board Meeting

- Colorado End-of-Life Options Act Policy
- Example of Quality Improvement Actions
- COVID-19 Financial Impact on Estes Park Health
- Urgent Care Center update

The Board agreed to reschedule the July 27 meeting to August 3.

11. Adjournment

Mr. Pinkham motioned to adjourn the meeting at 6:35 p.m. Dr. Alper seconded the motion, which carried unanimously

David M. Batey, Chair
Estes Park Health Board of Directors

ESTES PARK HEALTH
SPECIAL BOARD OF DIRECTORS'
Meeting Minutes – July 7, 2020

Board Members in Attendance:
Dr. David Batey, Chair
Ms. Sandy Begley, Vice Chair (via webinar)
Ms. Diane Muno, Secretary (via webinar)
Mr. William Pinkham, Member-at-Large
Dr. Steve Alper, Treasurer

Other Attendees:
Mr. Vern Carda, CEO
Mr. Tim Cashman, CFO
Ms. Pat Samples, CNO
Mr. Gary Hall, CIO
Mr. Randy Brigham, CHRO
Dr. John Meyer, CMO
Dr. Ken Epstein
Mr. Kevin Mullin, Executive Director, Estes Park Health Foundation

Community Attendees:
None

1. **Call to Order**
   The Special Board meeting was called to order at 3:48 p.m. by Dr. Batey, Chairman of the Board of Directors; there was a quorum present. Notice of the Special Board meeting was posted in accordance with the SUNSHINE Law Regulation.

2. **Approval of Agenda**
   Mr. Pinkham motioned to approve the agenda as submitted. Dr. Alper seconded the motion, which carried unanimously.

3. **Public Comments on Items Not on the Agenda**
   None.

4. **General Board Member Comments Not on the Agenda**
   None.

5. Proposed Surgical Department Programming Changes

After studying multiple critical access hospital surgical models, Estes Park Health (EPH) management recommends discontinuing Rural Physician Group (RPG) 24/7 surgicalist coverage at EPH. Furthermore, EPH management recommends reestablishing an employed surgical base. As such, management requests approval for funding and hiring two general surgeons and a per diem surgeon to create an employed 24/7 surgical model. Specific focus of EPH general surgical program will be:

- Enhanced general surgery quality.
- Service excellence to consumers.
- Improve fiscal performance of general surgery service line.

Vision

To achieve a culture of clinical and service excellence through patient-centered care.

Mission

We exist to make a positive difference in the health and wellbeing of all we serve.

Objective

Design, develop, and implement a general surgery program for EPH that exceeds quality and service expectations for community members and satisfies quality expectations of EPH physicians.

Strategies

- Improve general surgery quality.
- Improve general surgery market share.
- Facilitate clinical integration.
- Promote EPH general surgical growth.
- Create awareness and trust of program in community.

Anticipated Timeline

- **7 July 2020 -** Board approval of employed surgical program recommendation.
- **31 July 2020 –** Arrange surgical coverage for gap anticipated in surgical coverage between hire date of general surgeons and general surgeons start.
- **Complete by 15 August 2020 -** Source, interview, and execute signed contracts for two general surgeons plus identify a per diem surgeon.
- **15 August - 15 November 2020 –** Provider enrollment for billing, collection, and business purposes. Process of provider enrollment will consume 90 – 120 days from hire of surgeon.
- **By 15 August 2020** - Devise, develop, and implement marketing campaign.
- **15 August 2020** – Begin employed surgeon credentialing process.
- **January 2021 –** Ongoing performance review of the program will occur at regular intervals to adjust for efficiency and effectiveness.

Current General Surgery Services Offered at EPH

EPH entered into a contractual agreement with Rural Physician Group – Pannu P.L.L.C. (RPG) on November 1, 2018. The RPG surgicalist contract indicates that contractor will provide all surgery coverage services for unassigned patients of EPH. RPG surgicalist coverage consists of twenty-four hours per day seven days per week, 14-day rotational surgical coverage. RPG allows physician to bill and collect for the professional component of services provided to patients. EPH bills and collects the technical components for services rendered in the Hospital. Payment for services provided by

RPG are reimbursed as follows: EPH compensates RPG $798,000 per year or $66,500 per month in year one of the program. This fee was to change in year two of the program to $948,000 per year. However, as the program was sputtering, RPG did not escalate the fee to $948,000 but rather has been charging $66,500 monthly. The original term of the agreement was for one year commencing November 1, 2018. The contract contemplated automatic renewal of successive one-year terms until termination was initiated by either of the parties as provided for via contractual provisions.

Historical Surgical Volumes

Gen Surgery	**2015**	**2016**	**2017**	**2018**	**2019**	**(May) 2020**	**Proforma 2020**
IP	18	16	15	14	17	9	15
OP	110	86	69	70	73	25	56
Total	128	102	84	84	90	34	71

Brief Volume Analysis

- Outpatient surgical volume has decreased approximately 50% between 2015 and 2020.
- Inpatient surgical volume has remained relatively steady averaging approximately 16 cases/year.
- Dr. Woodard began reducing caseload as early as 2015 and formally phasing out in late 2017-early 2018.

Issues Driving General Surgical Volume Decline

- The unintended consequence of inconsistent and multiple surgeons rotating through EPH created less than optimal EPH physician to RPG physician relationships.
- Not all surgicalists provided by RPG had the same skillsets.
- Lack of alignment exists between EPH and RPG organizational strategies.
- RPG surgeons' community connection not optimal due to 14-day surgical rotation schedule.
- EPH instrument sterilizer crashed on September 11, 2019 and was approved for operation late February of 2020.

Objective-Strategies

Objective

Design, develop, and implement a general surgery program for EPH that exceeds quality and service expectations of community members and local/employed physicians. Quality and service expectations will be measured by community perception, quality monitoring and financial performance of program.

- EPH family medicine physicians will have an enhanced ability to interact daily with consistent, like-minded, community-based physician surgeon colleagues who share contiguous office space.
- Community members will enjoy the opportunity to evaluate and utilize the services of employed, consistent, board-certified general surgeons.

Strategies

One of the most notable shifts in healthcare is more active participation by the general public in selection and interaction with their personal healthcare product. Despite this shift, and the advent of healthcare reform, measurement and transparency of outcomes that matters to all of us remains limited. As EPH has an obligation to improve its general surgical programming, and move its care platform from volume to value, it will become very important to improve the alignment between EPH, EPH physicians, and EPH general surgeons. Employment of surgeons, as well as surgery

department general operational improvement, will be essential to enhancing patient and physician satisfaction and improving each element of the value equation. Value is the product of the quality of care plus the patient experience at a given cost. Key strategies identified to improve general surgery include:

- **Improve general surgery quality.**

  EPH has always worked to observe the highest quality standards in our surgical services and other clinical departments. Following is a description of the various components of our quality program as it does and will relate to our surgical services program.

  National patient safety goals:
  - Two patient identifiers prior to giving medications, blood, or blood products and when providing any procedure.
  - Report critical results of tests and diagnostic procedures on a timely basis.
  - Label all medications on/off the sterile field in the perioperative and other procedural areas.
  - Reduce the likelihood of harm associated with the use of anticoagulants.
  - Obtain and communicate accurate patient medical information.
  - Hand hygiene.
  - Safe surgery: Mark the procedure site and perform time out.

  Specific surgery outcomes:
  - Length of procedure vs. best practice.
  - Post-op complications (readmission, surgical site infection, bleeding, post-op VTE, pneumonia).
  - Patient admitted vs. discharged home after outpatient procedure.

  Peer Review:
  - External quality management. EPH will require surgeon to be board-certified.

  Board Certification through American Board of Surgery:
  - Continuous Certification documents a surgeon's ongoing commitment to professionalism, lifelong learning, and practice improvement following initial board certification. The new ABS Continuous Certification Program has been designed to provide flexible, high-quality, practice-related learning and assessment to support surgeons in their practice.

  Operative Log:
  - Submit an appropriate operative log.

  Practice Improvement:
  - Ongoing participation in a local, regional, or national outcomes registry or quality assessment program through Estes Park Health.
  - Education and Assessment.
  - CME and Self-Assessment.
  - 150 credits of Category 1 CME over five years, of which at least 50 must include self-assessment.
  - Continuous Certification Assessment.

- **Improve general surgery market share**.
  UCHealth MCR and Poudre Valley hospitals equally share 42% of the general surgery market share migrating from the Estes Valley. Estes Park Health currently serves approximately 28% of the Estes Valley general surgery market while Boulder Community Health maintains a 13% share. The remaining 17% of surgical market share is distributed to various health care entities across the front range. Consistent, quality-minded, board-certified general surgeons and quality-minded surgical support staff will enable improved market penetration.
  - Improve general surgery market share from 28% to 50% by 2023. Comparable critical access hospitals achieve between 40% and 62% of their individual markets. Those hospitals employing surgeons generally achieve a greater market share than if another model.

- **Facilitate clinical integration.**
  - Surgical coverage at EPH will be available around the clock.
  - The employed surgical group will create programming that provides 24/7 coverage, staffed by two surgeons and one backup surgeon (to cover unforeseen events). This employed model has been successful at multiple rural critical access hospitals.
  - The EPH employed surgical group will provide:
    1. Hospital ED surgery call coverage.
    2. Consultation services to hospitalized patients.
    3. Outpatient consultations to the community and community physicians.
    4. Day surgeries at Estes Park Health.
    5. Stabilization and transfer of patients with high acuity on presentation.

- **Promote EPH general surgical growth.**
  - Grow professional fees from $0 (current state) to $330,000 at FY end 2022.
  - Improve facility fees from approximately $2MM to $3.7 MM in 2022.
  - Grow total number of general surgical cases from 71 to 134.

Surgical Models

The table above identifies critical access hospitals that are similar in size, scope, and complexity to that of Estes Park Health. Furthermore, these critical access hospitals all have a general surgical program utilizing slightly different staffing models that provide surgical coverage for their patients on a 24/7 basis:

- **Employment Model.** CAH #1 employs 1 FTE surgeon. While this model is cost effective, significant market leakage occurs with multiple surgeries leaving to competitors. CAH #1 has arranged a backup surgeon to cover employed surgeon select absences. Multiple time periods remain uncovered in this model and represent a significant weakness.
- **Physician Lease Model.** CAH #2 utilizes a surgeon leased from its management partner. In addition to the leased surgeon, CAH #2 employs a .5 surgeon bringing its total general surgical coverage to 1.5 FTE. The cost of the leased surgeon is a pass-through cost. Additionally, the leased surgeon is board-certified and peer-reviewed via the management partner. Many of the more complex cases are sent to tertiary partner for surgery resulting in significant out referral of surgical cases.
- **Employment Model.** CAH #3 employs two FTE who capture "desired market share" of approximately 60% of general surgical volume in this rural market. Additionally, one of the two general surgeons is board-certified. This hospital has earned recognition from the Chartis Center for Rural Health/iVantage Health Analytics as one of the top 100 Critical Access Hospitals in the

country, ranking among the top 25 rural hospitals nationwide in part due to superior quality, cost, and financial benchmarking.

- **Shared Employment Model between two critical access hospitals and a tertiary referral system partner.** CAHs # 4 and #5 partner each hospital's employed surgeon to provide consistent service and consistent surgeon coverage to their respective communities. The highlight of this model is that each hospital employs one general surgeon, and the tertiary health system management partner (a third player in this model) employs a general surgeon leased back to each hospital as a pass-through cost. The third surgeon provides coverage to each hospital on a scheduled basis and lives in one of the communities.

Recommendation

After studying the above critical access hospital surgical models, Estes Park Health (EPH) management recommends following the model described as CAH #3, the employment model with two FTEs. This is the superior model for our community and location in the market. EPH desires to discontinue Rural Physician Group (RPG) 24/7 surgicalist coverage at EPH and reestablish an employed surgical base. As such, management requests approval for funding and hiring two general surgeons and a per diem surgeon to create an employed 24/7 surgical model. Specific focus of EPH general surgical program will be:

- Enhanced general surgery quality.
- Service excellence to consumers resulting in long-term trust by community.
- Improve fiscal performance of general surgery service line.

Proforma

ESTES PARK MEDICAL CENTER
General Surgery Proforma 2020

	Proforma 2022	Proforma 2021	Forecast 2020	Budget 2020	Actual 2019	Actual 2018	Actual 2017	Actual 2016
Pro Fees	330,000	300,000	5,000		-	286,894	309,946	364,945
Deductions (est)	(165,000)	(150,000)	(2,500)	-	-	(143,447)	(154,973)	(182,473)
Facility Fees	3,763,200	3,565,824	1,999,200	2,841,516	2,507,220	1,588,780	2,571,988	2,685,660
Deductions (est)	(1,881,600)	(1,782,912)	(999,600)	(1,420,758)	(1,253,610)	(794,390)	(1,285,994)	(1,342,830)
Net Revenues	**2,046,600**	**1,932,912**	**1,002,100**	**1,420,758**	**1,253,610**	**937,837**	**1,440,967**	**1,525,303**
Expenses								
Dr Woodard						352,112	416,460	403,880
RPG			498,750	948,000	798,000	133,000		
Back up cover							350,000	350,000
Physician Coverage (2.2 FTE)	700,000	700,000	291,667					
Benef	140,000	140,000	58,333			70,422	83,292	80,776
Malpractice Ins	36,640	33,309	30,281	50,000	28,000	27,526	25,000	25,000
Total Expenses	**876,640**	**873,309**	**879,031**	**998,000**	**826,000**	**583,060**	**874,752**	**859,656**
Contribution Margin	42.8%	45.2%	87.7%	70.2%	65.9%	62.2%	60.7%	56.4%
Hospital Costs, per Cost Report	1,118,002	1,059,364	593,938	844,180	744,865	472,007	764,107	797,877
Net Gain/(Loss)	**$ 51,958**	**$ 239**	**$ (470,869)**	**$ (421,422)**	**$ (317,255)**	**$ (117,231)**	**$ (197,892)**	**$ (132,231)**
Statistics	134	128	71	102	90	84	84	102
Avg Chg per Case	28,000	27,858	28,000	27,858	27,858	18,914	30,619	26,330

Assumptions/Comments

- Proforma 2021 & 2022 assume break even in # cases
- Dr Woodard begin phasing out his schedule in late 2017 thru 2018
- RPG Contract effective Nov 1, 2018. Difficulties with finding qualified surgeons; integration in to Community.
- RPG allowed to bill for Pro fees; loss to EPH
- New arrangement allows for EPH to keep Pro fees
- Proforma for 2021 is based in 2020 Budget, plus Pro fees. Proforma for 2022 assumes 5% increase in visits.
- Malpractice Insurance remains the expense for EPH.

Potential Challenges
Challenges may result after general surgeons are hired and program is implemented including:

- A lack of community awareness on part of community members regarding surgical capabilities at EPH. Referring physicians' and community's awareness will need to be improved. As such, a plan for developing community awareness will need development and implementation.
- As general surgeons grow their practice and become embedded in the community, one could anticipate higher acuity cases. Perhaps a need for ICU or eICU beds and enhanced nursing skills will arise? A nursing workforce plan focused on skills development to cultivate nursing enhanced skillset will likely be required.
- Surgical volume growth may necessitate the need for ancillary staffing growth in various departments. As growth occurs, ancillary staffing will need to be evaluated on a case by case basis.

Periodic review of the general surgical programming at Estes Park Health will occur at regular intervals. The review results will be reported to the board of directors at regular intervals. Additionally, appropriate program adjustments will be made to address potential challenges enabling the program to attain continuous quality improvement.

Summary
Surgical services is a key program to the success of EPH. The hospital must rebuild a strong, safe and highly regarded surgery program in order to keep the organization financially healthy.

The General Surgery program "Surgicalist" with RPG did not work well and our General Surgery program needs to be remodeled. EPH has the opportunity to own this program going forward with the expectation of better community relationships, better coordination with the physician community, better quality, and better service. Plus, it makes financial sense.

The EPH management team examined opportunistic ways in which the access to and delivery of general surgical care could be improved both quantitatively and qualitatively. It is management's belief that employed general surgeons will facilitate enhanced quality, greatly improve patient satisfaction, and capture market share which will generate contribution margin to Estes Park Health (EPH).

6. Adjournment
Mr. Pinkham motioned to adjourn the meeting at 5:25 p.m. Dr. Alper seconded the motion, which carried unanimously

David M. Batey, Chair
Estes Park Health Board of Directors

ESTES PARK HEALTH
BOARD OF DIRECTORS'
Special Executive Session Board Meeting Minutes – July 30, 2020

Board Members in Attendance
Dr. David Batey, Chair
Ms. Sandy Begley, Vice Chair (via phone)
Dr. Steve Alper, Treasurer
Ms. Diane Muno, Secretary (via online)
Mr. Bill Pinkham, Member-at-Large

Other Attendees
Mr. Vern Carda, CEO
Mr. Tim Cashman, CFO
Ms. Pat Samples, CNO
Mr. Gary Hall, CIO

Call to Order
The meeting was called to order at 3:01 p.m. by Dr. Batey, Chairman of the Board of Directors; there was a quorum present. Notice of the Special Executive Session Board meeting was posted in accordance with the SUNSHINE Law Regulation.

Mr. Pinkham motioned to move into Executive Session, pursuant to §§ 24-6-402(4)(e), C.R.S. for the purpose of determining positions relative to matters that may be subject to negotiations; developing strategy for negotiations and Section 24-6-402(4)(f), C.R.S. for the purpose of discussing personnel matters. Dr. Alper seconded the motion, which carried unanimously.

With no further discussion to be conducted, Ms. Muno motioned to adjourn the Executive Session and concluded the meeting at 5:12 p.m. Dr. Alper seconded the motion, which carried unanimously.

David M. Batey, Chair
Estes Park Health Board of Directors

Estes Park Health Colorado End of Life Options Act Policy
Review Policy Implementation and Any Indications of Need for Changes
Estes Park Health Board of Directors
03-Aug-2020

Executive Summary

At the June 29, 2020 Estes Park Health Board of Directors (Board) meeting, the Board members were in consensus that currently there is no need to update the Estes Park Health's Colorado End-of-Life Options Act Policy at this time and that an annual review of the policy will be conducted unless there are significant changes in the Act that result in a need to review the policy prior to the scheduled annual review.

Background

The Board consensus followed an announcement of the initiation of a review of the policy at the March 30, 2020 Board meeting, and then a widely publicly announced "open-to-the-community" tele-townhall meeting on May 13, 2020 devoted entirely to the policy, comments and questions from the Estes Park community, and answers and discussion with key Estes Park Health Staff and Board members. There was also an opportunity for public comment on the policy at the May 18, 2020 Board meeting. The Board consensus at the June 29, 2020 meeting completed a Board commitment made when the EPH CEoLOA Policy was approved by the EPH Board of Directors on 25-Feb-2019. At that time, the Board committed to review the CEoLOA Policy after a year of experience and consider whether any changes in the Policy were indicated.

At the Tele-Townhall on May 13, the following points were made:

CEoLOA authorizes an individual who satisfies the statute's requirements to request aid-in-dying medication, to fill the prescription, and to self-administer the medication.

CEoLOA Requirements are that the potential patient be:

- A Colorado resident adult
- Have a terminal diagnosis prognosis of 6 months or less
- Have mental capacity to make & communicate an informed decision
- Be able to self-administer aid-in-dying medication
- And satisfy many other requirements

CEoLOA takes place within the privacy and confidentiality of the doctor-patient relationship

CEoLOA provides privacy & confidentiality protections for all involved

Patient and Provider choice to participate or not participate is voluntary

CEoLOA prohibits any adverse organizational consequences of the choice to participate or not participate in CEoLOA activities

Estes Park Health (EPH) offers patients a full range of End-Of-Life Journey options including services addressing

- Colorado Advance Directive
- Pain Management
- Palliative Care
- Hospice
- Colorado End of Life Options Act
- And other services

All EPH medical staff who may have direct involvement in CEoLOA activities (Primary Care and potentially involved specialties) will:

- Provide information on CEoLOA
- Provide CEoLOA referrals if requested
- Some EPH medical staff who may have direct involvement in CEoLOA activities are willing to act as an attending or consulting physician for patients pursuing CEoLOA actions

EPH CEoLOA Policy does not permit self-administration of aid-in-dying medication on Estes Park Health premises including:

- The Emergency Department
- The Inpatient Hospital
- The Estes Park Health Living Center (EPHLC)
    - EPHLC is a skilled nursing facility
    - EPHLC is a group home without privacy of a private residence

According to the EPH Living Center (EPHLC) Medical Director:

- There are 28 patients currently in EPHLC
- None of the 28 would qualify for CEoLOA based on the statute's requirements
- CEoLOA requires (among others)
    - Mental capacity to make an informed decision
    - Ability to self-administer the aid-in-dying medication

All 28 patients or those responsible for them have accepted the EPH CEoLOA Policy prohibition on taking aid-in-dying medication in EPHLC

The minutes of the May 13, 2020 Tele-Townhall are accompanying this document as Appendix A.

ESTES PARK HEALTH

ESTES PARK HEALTH
BOARD OF DIRECTORS'
Special Tele Town Hall Board Meeting Minutes - May 13, 2020

Board Members in Attendance
Dr. David Batey, Chair
Ms. Sandy Begley, Vice Chair (via webinar)
Dr. Monty Miller, Treasurer (via webinar)
Ms. Diane Muno, Secretary (via webinar)
Mr. William Pinkham, Member-at-Large
Dr. Steve Alper, Director Elect

Other Attendees
Mr. Vern Carda, CEO
Mr. Tim Cashman, CFO (via webinar)
Ms. Pat Samples, CNO
Mr. Gary Hall, CIO (via webinar)
Dr. John Meyer, COS (via webinar)
Dr. Amanda Luchsinger

Community Attendees (via webinar)
Morgan Svoboda, Karen Sackett, Judith Beechy, Kim Mooney, Robert Drake, Sam DeWitt, Jane Truesdell, Barbara Ayres, Kay Rosenthal, Steve Barlow, Dona Cooper, John Cooper, Jennifer McLellan, James Cozette, Gail Cozette, Aaron Alberter, Sylvia Schneider, Lyle Hileman, Lisa Beard, Pavel Perminov, David Brewer, Sandy Chockla, Audrey TeSelle and Jean McGuire

1. **Call to Order**
   The Special Tele Town Hall Board meeting was called to order at 6:03 p.m. by Dr. Batey, Chairman of the Board of Directors; there was a quorum present. Notice of the Special Board meeting was posted in accordance with the SUNSHINE Law Regulation.

2. **Approval of the Agenda**
   Mr. Pinkham motioned to approve the agenda as submitted. Dr. Miller seconded the motion, which carried unanimously.

3. **Public Comments**
   No public comments were submitted.

4. Colorado End of Life Options Act Policy Discussion

4.1 Colorado End of Life Options Act (CEoLOA)

- CEoLOA authorizes an individual who satisfies the statute's requirements to request aid-in-dying medication, to fill the prescription, and to self-administer the medication. Requirements include:
  - Colorado resident adult
  - Terminal diagnosis prognosis of 6 months or less
  - Mental capacity to make and communicate an informed decision
  - Able to self-administer aid-in-dying medication
  - And satisfy many other requirements
- CEoLOA takes place within the privacy and confidentiality of the doctor-patient relationship
- CEoLOA provides privacy and confidentiality protections for all involved
- Patient and provider choice to participate or not participate is voluntary
- CEoLOA prohibits any adverse organizational consequences of the choice to participate or not participate in CEoLOA activities

4.2 Estes Park Health Colorado End of Life Options Act Policy and Procedure

- Estes Park Health offers patients a full range of end-of-life journey options including services addressing:
  - Colorado Advance Directive
  - Pain Management
  - Palliative Care
  - Hospice
  - Colorado End of Life Options Act
- All EPH medical staff who may have direct involvement in CEoLOA activities (Primary Care and potentially involved specialties) will:
  - Provide information on CEoLOA
  - Provide CEoLOA referrals if requested
  - Some EPH medical staff may facilitated CEoLOA patient needs
- EPH CEoLOA Policy does not permit self-administration of aid-in-dying medication on Estes Park Health premises including:
  - The Emergency Department
  - The Inpatient Hospital
  - The Estes Park Health Living Center (EPHLC)
    - EPHLC is a skilled nursing facility
    - EPHLC is a skilled nursing facility with limited physical plant hindering in patient privacy in self-administration of aid-in-dying medication

4.3 Colorado Department of Public Health and Environment – Medical Aid in Dying

In 2016, Colorado voters approved Proposition 106, "Access to Medical Aid in Dying," which amends Colorado statues to include the Colorado End-of-Line Options Act at Article 48 of Title 25, C.R.S. The Act:

- Allows an eligible terminally ill individual with a prognosis of six moths or less to live to request and self-administer medical aid-in-dying medication in order to voluntarily end his or her life;
- Authorizes a physician to prescribe medical aid-in-dying medication to a terminally ill individual under certain conditions; and
- Creates criminal penalties for tampering with a person's request for medical aid-in-dying medication or knowingly coercing a person with a terminal illness to request the medication.

This Act requires the prescribing physician and the health care professional dispensing aid-in-dying medication to provide the Colorado Department of Public Health and Environment (CDPHE) with information outlined by the Act, and necessary to ensure compliance with the documentation requirements of the Act.

4.4 2017 – 2019 Trends and Totals Data Summary

- In 2019, for those requesting prescriptions
  - Median age 72 (range mid 20's to upper 90's)
  - 62.5% Cancer, 19.2% Neurological, 7.9% Cardiovascular, 5.8% Pulmonary, 4.6% Other
- In 2019, for those who died following prescription
  - 82.6 % died in a residence
  - 83.5% died under hospice care

Colorado End-of-Life Options Act Statistics				
	2017	2018	2019	2017 - 19
Number of patients prescribed Aid-in-Dying medication	72	123	170	365
Number of patients dispensed Aid-in-Dying medication	56	85	129	270
Percent of patients prescribed Aid-in-Dying medication that had the medication dispensed	77.8%	69.1%	75.9%	74.0%

Comments and Questions

- Prohibiting this in the Living Center is not right and should be amended. The hospital is willing to transfer a patient to another facility in order to accommodate the request, but that does not seem appropriate.
  - By the time a patient enters the Living Center they are debilitated and will not qualify under the law because they are no longer able to care for themselves or make sound decisions.
- Would an employee be put at risk if they were present with their own family member during the process?
  - The national hospice policy requires staff to leave the room during the ingestion, so the intention in the EPH policy was to mirror that requirement. The Board will review the policy to ensure that the language is clear regarding when it is appropriate and not appropriate for an employee to remain in the room.
- How many participating providers are available?
  - The State publishes the number of prescribing physicians and pharmacies for prior years, however, due to confidentiality laws, no names are published.
- Has there been any consideration from EPH to change the policy of not allowing the act to occur on the premises?
  - At this time, no change is being made regarding EPH's policy on prohibiting the act to occur on its premises. The law does not state that an individual has the right to perform the act in a specific place.
- Are people utilizing Telehealth for the use of the act?
  - The request must be submitted in writing to a physician first.
- If an individual still has the capacity to understand and can self-administer, why are they not allowed to perform the act at EPH?
  - The individuals in the Living Center do not qualify under the law because they are no longer able to care for themselves or make sound decisions. EPH will help in the referral process for anyone who qualifies under the law.

- What will happen if someone presented to the ER who already ingested the medication?
  - Once the medication is ingested there are no measures that can be taken to reverse the outcome. The ER staff will remain with the patient during the process and make them as comfortable as possible.
- What will happen if someone who is a patient in the facility ingests the medication?
  - Inpatient medication are, by policy, taken from patients upon admission. Home medications, by policy, cannot be brought into the facility.
- Has EPH considered hiring or identifying a patient navigator to route patients to a healthcare provider?
  - EPH does refer to UCH, but our system is too small to require a patient navigator position. The starting point for any patient will be their primary care physician, who will act as the navigator.
- What happens if a physician has a fundamental issue with the law and won't provide a referral?
  - A recent survey of the medical staff found that all were willing to provide referrals.
- What will be done with a patient that presents to the facility with one disease and contracts a terminal disease?
  - EPH has procedures in place to institute hospice care to help the patient pass with comfort, dignity and care. An individual in this scenario most likely will not qualify under the law due to their condition and status.
- Does EPH have homes available on the hospital campus that could be utilized for hospice care?
  - The homes on the campus are currently being utilized for other services.
- Can Board members provide their personal opinions on the law?
  - Dr. Batey – A Board member's responsibility is to make recommendations and decisions based on what is the in the best of the organization and the needs of the community, not based on their personal opinions.
  - Mr. Pinkham – The rights of individuals and dealing with patients in a compassionate way is the basis for decision making. The policy is to provides guidelines for assisting individuals in finding resources.
  - Ms. Muno – It would not be my personal choice; however, Board decisions are made based on all the information received from the community, physicians and hospital. Obtaining input from various avenues allows the Board to reach decisions without relying on our own personal preferences.
  - Ms. Begley – We all have personal choices, but the Board bases their decisions on what is most beneficial to the hospital and the Estes Park community.
  - Dr. Miller – The majority of community voted to allow this act and encouraged the EPH Board to continue its work with providers and administrators to find a solution within the organization.
  - Dr. Alper – I encourage people to think beforehand and take responsibility in making the best decision for themselves. People in the community have several options available and the hospital is here to assist with referrals.

Final Comments:

- Many participants thanked the Board for hosting the forum and providing clear information
- A challenge was placed on the community to pursue obtaining a hospice house.
- The EPH Board is committed to providing service and honoring patient wishes.

5. Adjournment

Mr. Pinkham motioned to adjourn the meeting at 7:18 p.m. Dr. Miller seconded the motion, which carried unanimously.

David M. Batey, Chair
Estes Park Health Board of Directors

ESTES PARK HEALTH

COVID-19 Report August 3, 2020

COVID-19 Management at EPH

- **Keeping Everyone Safe**
  All staff, patients, and visitors must wear masks at all times; screen at two entrances for all.

- **COVID Testing:**
  (1) Purchasing a Diasorin analyzer which will give us the ability to do a COVID-19 test without being part
  (2) Fine-tuning patient workflows at our Urgent Care Center to ensure safety for all.

- **Messaging to Community: Don't Hesitate to Get Emergent Help When Needed**
-
- **Physician Clinic Open for Business**
  Telehealth is part of the permanent book of business now, also.

- **Looking Ahead to Flu Season**

- **Continue to Transfer to Available ICUs When Appropriate**

- **Tourist Season and Beyond**
  We are completely supportive of the state's requirements for masking and social distancing.

- **Continue to Screen First From Home When Possibility of Symptoms or Exposure**

ESTES PARK HEALTH

ESTES PARK HEALTH

Item 7.2

Chief Executive Officer 2nd Quarter Report

Estes Park Health (EPH) is slowly recovering from the initial wave of COVID-19 that basically brought many of our health system departments to a standstill. Management's belief, at the present time, is that EPH will recover to approximately 80% of its budgeted volume by the end of the year. A brief timeline is indicated below:

- **Mid-March 2020-** Clinic and many ancillary departments witnessed an epic slowdown in volume and in some cases departmental volumes completely ceased.
- **Mid-April 2020-** EPH implemented many policy and procedure changes creating a safe environment for patients and for staff. These changes were based on recommendations made by the Centers for Disease Control (CDC). Also, EPH secured personal protective equipment (PPE) and completed other items like installed negative pressure rooms to facilitate and accommodate very sick patients.
- **June 2020-** EPH implemented a phased approach to Covid-19 fiscal mitigation. The first phase of mitigation included:
    - Wage rollback
    - PTO accrual freezes
    - Locum labor reduction
    - Contract re-negotiation with vendors

As indicated above, patients are being seen again in our safe environment and financial recovery has started. Much uncertainty looms with a potential second round of covid-19 possibilities. To that end, it will become important to start the strategic planning process to identify and implement mitigation strategies.

ESTES PARK HEALTH

Item 7.3

Proposed Surgical Department Programming Changes

After studying critical access hospital surgical models, Estes Park Health (EPH) management recommended to the Board of Directors (and the board approved), hiring two general surgeons to serve our community needs. EPH management believes this model is a good fit for our community and location in the market. Additionally, EPH will discontinue Rural Physician Group (RPG) 24/7 surgicalist coverage at EPH in approximately mid-August. We appreciate the surgicalist work that RPG did and thank them for their effort.

EPH as completed the following items since the last board meeting:

- Screened surgeon candidate's CV's.
- Utilized telemedicine to screen 4 surgical candidates.
- Narrowed the field of general surgeon candidates to two and schedule dates for onsite interviews at EPH.

A multi-disciplinary team will conduct general surgeon interviews. The initial round of interviews will be completed by Friday, July 31, 2020. Upon completion of the interviews, a candidate review session will be conducted. This session will be conducted with the purpose of selecting one of the candidates interviewed. Should this slate of candidates not contain a general surgeon that is best suited for EPH, advertising and screening of a second round of candidates will occur. Additionally, locum surgery will then be arranged.

ESTES PARK HEALTH

Quality Improvement Example: Dietary & Med/Surg
August 3, 2020

EPH provides a wide variety of services, across the medical and support spectrum. Occasionally, we have issues that do not completely meet the expectations of the patient and/or patient's family. When we have quality issues like this, especially if they have a risk factor, we bring together the participating department directors and interview staff as necessary, and interview the customer(s) if necessary, to gather the full story. Then, adjustments and other actions are taken to improve the processes and systems to minimize future similar risk/quality occurrences.

We had a good example of this regarding special diet orders. During the course of the patient's stay, there were several issues raised in regard to accurate dietary management: by the ordering physician, by the kitchen staff, and with other oversight from other clinical staff.

As we became aware of the issue during the final day of the patient stay, it was evident that we needed to get a complete picture of the patient stay and the issues and events therein. After full research with the Dietary Director and the staff, after consultation with the hospitalist and the MedSurg nursing staff, and with administration guidance, we were able to craft a clear picture of the issues. Most importantly, we were able to identify where there were missteps versus Dietary department missteps, and we are able to make several improvements as a result of this event.

Some of the observations made and/or improvements that have been put in place in the Dietary and MedSurg department include the following:

(1) We replaced the old, slow, small wall-mounted computer display of Dietary orders in the kitchen with a big board, new and fast computer, so that Dietary has a much better presentation of the diet orders. Since this display helped contribute to one of the Dietary missteps, we feel this makes a big difference.
(2) The complete information in the patient electronic health record chart may have more extensive notes which are not presented on the dietary board (HIPAA restrictions), and it's important that Dietary consult with MedSurg (inpatient) nursing staff to ensure that they know the full story. In the case we're describing, there were additional restrictions that were noted in the chart but not noted in the formal dietary orders from the hospitalist. Dietary aides now will get these additional restrictions from MedSurg and write all patient food restrictions (even variations from the ordered diet) on the meal tickets to ensure that full communication has occurred to Dietary, and not just allergies and ordered diet. This includes a last check that the dietary staff delivering the tray makes with the nurse to ensure the tray is up to date with any changes.
(3) The gluten-free muffin and the gluten muffin look the same unless labeled. There was misunderstanding of what was properly delivered as gluten-free. Additional training has been provided and proper labeling added to ensure clarity to Dietary staff, Dietary Aide, and patient/family that gluten-free is being respected.
(4) The cook is required to double-check the diet orders – prior to and post preparation before sending to the patient room, for all restricted diets.
(5) MedSurg staff checks to ensure that the dietary order reflects all of the allergies/intolerances that were noted while documenting the patient history.
(6) The other issue identified is that every patient/family have a psychosocial history (as well as the physical dietary issues) that can impact how we interact and/or meet the needs of the patient. The nursing staff will work to communicate any concerns or challenges ahead of time to ensure the all ancillary team members are aware of the plan in caring for the whole patient.

These changes are, in most cases, fine-tuning an operation that worked the great majority of the time, but we feel that it closed some potential gaps on the most challenged diets.

These types of root-case analyses and improvements occur whenever necessary, with whomever necessary, to help EPH continue to perpetually aim for the highest inpatient quality service in all aspects of what we do.

ESTES PARK HEALTH
Urgent Care

Item 7.5

420 Steamer Dr
Estes Park, CO 80517
P: (970) 577-4500
F: (970) 480-2025
www.eph.org

Estes Park Health Board of Directors Meeting – Aug 3, 2020

URGENT CARE CENTER (UCC) UPDATE:

1. **Successes**
    a. Patient Volumes
        i. It has been 9 weeks since opening on May 27, 2020,
        ii. Despite Covid-19, limitations from the number of visitors to Estes Park and several other hurdles this year, the UCC daily average patient volumes have steadily been increasing
    b. Workflows are going well.
        i. Operational workflows are essential for providing excellent and efficient patient care.
        ii. UCC→ED Transfer workflows have been very successful in providing appropriate care for patients who misappropriate their destination.
    c. Staffing:
        i. The UCC is fully staffed at this time, with the exception of one PRN position at registration, for which we are currently recruiting.
        ii. The staffing matrix is functioning well.
    d. Covid-19 Screening
        i. Patients have been screened since opening day.
        ii. We have remedied a few patient flow issues that have come up as we navigate the three departments that are now operational.
        iii. Great community feedback thus far! (See PowerPoint)

2. **Challenges**
    a. Covid-19 Restrictions
        i. RMNP: Closure and restricted access to RMNP and Estes Park has decreased the number visitors and has impacted the number of projected patients at the UCC.
        ii. Our marketing plan has been impacted by the mandated closures/social distancing (inability to have an open house, reception, ribbon cutting, etc.).
    b. Complicated Patients
        i. Many patients misappropriate their destination to the UCC, when they truly should be seen in the ED.
        ii. Triage process in place to ensure appropriate level of care.
        iii. Types of patients we have seen at the UCC
            1. Splinters, broken bones, sprains, kidney stones, headache, infants, abdominal pain, stroke, STEMI, earache, rash, lacerations, etc.
            2. Excellent working relationship with ambulance and ED to transfer patients to ED or higher level of care.

ESTES PARK HEALTH

3. **Financial Implications**
    a. Number of patients/day
        i. Budget was designed on an average of 14 patients/day
        ii. Average number of daily patients is currently approximately 13, and increasing weekly
    b. Copay Collection Rates
        i. The UCC requires a fee for service, so all copays/co-insurance is attempted to be collected at the time of service.
        ii. Current collection rates (month of June) are at 96%.

4. **Marketing Plan**
    a. Delays:
        i. Marketing was delayed with the departure of our Marketing Director in early May.
        ii. Concurrent delays with Covid-19.
    b. Current Plan
        i. We are now listed on Google and Google Maps.
        ii. Brochures and Magnets are in the process of being distributed throughout town.
        iii. Organizing a Back to School Supply Drive for Estes Valley School District. The UCC will be a drop-off location for much needed supplies, including masks. Exact timeframe TBD, but expected to be early-mid August.
        iv. Post-Covid-19 Options: TBD (In early discussions now)

EPH Laboratory COVID-19 Test Options

Estes Park Health has been working hard to bring Covid-19 testing abilities to the community of Estes Park. Many hospitals are not fortunate enough to purchase the instruments and testing supplies, as high demands bring manufacturing companies to a standstill; many hospitals to this day continue to struggle to fulfill instrument/supply orders. Community demand, coupled with support from EPH leadership, led our laboratory to procure equipment and create processes to offer local Covid-19 tests.

The decision to purchase the BioFire analyzer early in the year gave us an opportunity to bring in the PCR respiratory panel in-house. A short time after our go-live with the respiratory panel (RP 2), BioFire updated the panel to include the Covid-19 virus as a target, bringing the total target count to 22 pathogens; this panel is now known as the RP2.1. The BioFire Respiratory panel has 22 targets (viruses & bacteria):

- Includes the SARS-CoV2 virus
- Turnaround time is 45 minutes on the analyzer
- Able to run two samples simultaneously
- Requires a nasopharyngeal swab in viral transport media
- RNA and nucleic acids are used to identify pathogens
- Go-live date: June 08, 2020.
- *The use of this assay is under US FDA Emergency Use Authorization. BioFire is expecting full FDA clearance early Fall*

During the discussions to bring in the new updated respiratory panel, the antibody test was also made available by Ortho Clinical Diagnostics (OCD). EPH decided to bring in the Anti-SARS CoV-2 IgG antibody test to run on our chemistry analyzer:

- Covid-19 IgG Antibody test
- Turnaround time is 50 minutes on the analyzer
- Able to run 100 tests per hour
- Requires a blood draw
- Antibodies bind to the spike protein found on the SARS-CoV-2 virus
- Go-live date: June 10, 2020.
- *The use of this assay is under US FDA Emergency Use Authorization*

Streamlining the Covid-19 testing process became a focus, as many of our samples get sent to Children's hospital. Although, the turnaround time (TAT) for Children's has been 24-48 hours, it is evident that patients need a quicker TAT in order for EPH to safely perform surgical procedures, deliver a baby, or give emergency care. With the generous help of the Foundation, the Diasorin Liaison will soon be live in the EPH laboratory department:

- Standalone test for SARS CoV2 virus
- Turnaround time is 80 minutes per run
- Able to run 8 tests simultaneously
- Requires a nasopharyngeal swab in viral transport media
- Direct Real-Time PCR detection of the SARS CoV2 virus
- *The use of this assay is under US FDA Emergency Use Authorization*

Item 7.7

ESTES PARK HEALTH

COO/CIO Report August 3, 2020

Highlights by Department

- **Urgent Care IT/Facilities/EVS/Dietary/Lab/DI**

  Continue to tune the Urgent Care Center processes, network, and all.

- **Pharmacy**

  Pyxis medication workstation replacement and upgrade was completed in late May.

- **Environmental Services (EVS)**

  Began reporting Facilities in June. Supervisor Diana Rascon and team are working to improve communication methods and consistency of service.

- **Laboratory**

  (1) More integration of analyzers with our Epic EHR.

  (2) New analyzer coming to provide standalone COVID one-hour testing.

- **Rehab Services**

  Moved successfully to the Urgent Care Center in early June; best view in town!

- **Dietary**

  Working through the crisis, the Dietary team has adjusted cafeteria rules to manage proper social distancing; following all protocol to ensure a healthy kitchen and safe dining.

ESTES PARK HEALTH

Highlights by Department (continued)

- **Optimizing Use of Space: Campus Rehab Area and Specialty Clinic**
  (1) Infusion and Coumadin Clinic to the on-campus rehab area
  (2) Soon to move Respiratory Therapy and Wound Care to front-of house.
  (3) Specialty Clinic: Taking advantage of the vacated space to give your Physician Clinic some much-needed expansion.

- **Diagnostic Imaging**
  (1) Go-live of our new tomography (3D mammography) machine late May.
  (2) Install and go-live of radiology at UC in early June.
  (3) Colorado Imaging Associates currently providing our radiology reads.

- **Facility Master Plan:** Currently on-hold during the pandemic due to financial considerations.

- **Marketing:** We're continuing to address the immediate marketing needs from this office.

- **Safety/Emergency Preparedness**
  Continue to provide oversight of the Safety Management plan of EPH (Life Safety, Security, Radiologic Safety, Hazardous Waste Safety, and Emergency Preparedness).

ESTES PARK HEALTH

ESTES PARK HEALTH

555 Prospect Ave. | P.O. Box 2740 | Estes Park, CO 80517

CFO Report
2nd Quarter 2020

Executive Summary

The month of June is showing promising return to busy months. Net Revenues are 12% down from Budget and 10% down from last year, as crazy as that sounds. Due to the Covid-19 pandemic, the hospital had anticipated a 20% drop for the month. Year to date, expectations indicated a 65% recovery for the month and the quarter. Year-to-date is showing a 19% drop in net revenues; Forecast for Year-To-Date was 21% variance.

Expenses for the year are 2% under budget. Currently, the only area above budgeted Expense is Supplies. The 10% rollback of wages for the highest earners was initiated June 1, resulting in an 11% drop in Salary expense. For the month, Expenses are 8% less than budget.

Earnings for the month are a net $544K, very close to budget. However, Year-To-Date earnings are a loss of $5.9M compared to a budgeted loss of $1.6M, obviously due to the impact of COVID-19.

Stimulus funds received to date are a total of $14.5M. Expectations for retainage include $10.1M, with the remainder of $4.4M currently held as a "loan" and identified for repayment.

Days in Accounts Receivable continue to rebound from the Epic conversion in November; from a high of 64 to a current 55. We expect this trend to continue.

Days Cash on Hand are up significantly to 233, due specifically to the Stimulus and Loan funds. While the Net Income (Change in Net Assets) is reporting ($5.9M) loss and a projected Year-End Loss of $9M in Cash, the Hospital does have the Stimulus funds to cover this shortfall, for 2020.

Revenues

Year to Date Revenues were substantially below budget by 20% or $9M. Outpatient visits are also reporting significant losses, for the year-to-date. Initial expectations for the 2nd Quarter were 35% less, thus "only" a loss of 20% is deemed "pretty good". There is reason for slight optimism for better results than initial Forecast. Looking forward, the prevailing thought suggests a potential continued recovery of *0%, through the summer and into the second half of the year.

Statistics

	YTD	*Budget*	*2019*
Inpatient Days	321	475	539
Swing Bed	159	247	135
Births	25	39	31
ER Visits	1,979	2,371	2,517
Urgent Care Visits	199	884	0
Ambulance Trips	809	933	933
Clinic Visits	8,480	11,512	13,398
Surgeries (not incl GI)	153	192	176
GI Procedures	161	223	189
Pain Procedures	108	243	169
Lab Tests	32,097	37,384	37,384
Radiology Exams	3,884	5,315	5,315
Rehab Visits	3,369	5,255	5,353
Home Health/Hospice	4,799	4.446	4,821
Living Center Days	5,492	6,878	6,424

Balance Sheet

The Balance Sheet has certainly looked better than it does now. Unfortunately, it would appear there remain numerous challenges for the hospital. However, the Stimulus funds are helping. Days Cash on Hand are artificially high at 233. It is expected, however, that we will continue to slowly burn through these funds until the hospital can settle either increasing revenues or reduce expenses.

Forecast for 2020

Please note an attached Forecast. The numbers are indeed staggering. We have tried to develop a realistic look at the remainder of the year. Some assumptions were made regarding recovery of Revenues and some Expense reductions. However, given the dramatic and sudden loss of patient visits earlier in the year, and the current recovery period, it is anticipated that Revenues will recover to 80% of Budget. The challenge will be managing expenses with less Revenues, going forward.

The good news is, while this Forecast does indicate the recognition of most of the Stimulus funds ($10.1M) and the projection of a modest recovery of business volumes and revenues, the year should report modestly favorable.

Funding Support

The District was successful in obtaining outside funding opportunities. However, it is anticipated that the $4.4M Advanced Payment Program are designated as a loan and due to be repaid later this year. There is some hope that the Federal Government will designate those funds as forgivable. But that is not confirmed.

As a result of the recent support from the Federal Government, via several programs have provided funding in April:

- Advance Payment Program $4.4M
  -currently scheduled for repayment; possibility of forgiveness
- HHS Stimulus $5.3M
  -forgivable
- Payroll Protection Program $4.8M (approved; pending receipt)
  -eligible for forgiveness assuming compliance with stipulations.
- Other Grants $82K
  -forgivable

Summary

Obviously, the remainder of the year does not look overly optimistic for a full recovery. The good news is that we do have some funding completed to help navigate the next few difficult months. We have been working with our Audit firm (CliftonLarsonAllen, LLP) and other sources, to model some financial assumptions with respect to Revenues, Expenses, Earnings and Cash Flow and the impact to our Days Cash on Hand ratio. We do believe sufficient funds exist, given a modest economic growth and good cash management. It is highly unlikely the District will accomplish the budgetary goals for the year, due specifically to the COVID-19 pandemic. However, the Stimulus funds will aid the recovery period. The goal for the remainder of the year is to maintain sufficient cash flow in order to stay compliant with our covenants.

Estes Park Health

Financial Overview

Month Ended June 30, 2020

FINANCIAL RATIOS

	May	June	RED	YELLOW	GREEN
Days in Accounts Receivable	57.3	55.3	> 60	50 - 60	< 50
Days Cash on Hand	241	233	< 125	125 - 224	> 225
Debt Service Coverage Ratio	-1.91	-1.40	<1.25	1.25 - 2.0	> 2.0
Operating Margin (12 Mo. Rolling)	-19.5%	-18.7%	< 2.0%	2% - 4.99%	> 5%
Total Margin (12 Mo. Rolling)	-12.2%	-11.0%	< 5.0%	5% - 9.99%	> 10.0%

OTHER INDICATORS

	May	June	Budget	YTD	YTD Budget
Total Deductions from Revenue %	45.3%	47.8%	46.0%	45.2%	46.0%
Operating Margin	($2,089,342)	$34,869	$254,456	($7,690,107)	($3,381,158)
Operating Margin %	-71.4%	0.8%	5.2%	-37.6%	-13.4%
Increase (decrease) in Net Assets	($1,837,911)	$544,483	$542,405	($5,884,640)	($1,574,964)
Total Margin %	-62.8%	12.6%	11.0%	-28.7%	-6.2%

SUMMARY

Statistics: IP Days are at 101 compared to 94 in May and 103 in June 2019.
Physicians Clinic Visits are at 1645 compared to 1027 in May and 1790 in June 2019.
Surgeries are at 42 compared to 21 in May and 33 in June 2019.

Revenue: June's Gross Patient Revenue is $8,222,669 compared to a budget level of $8,954,763.

Other Operating Revenue: YTD Other Revenues are $180,177 below budget.

Expenses: Total Operating Expenses in June are $381,293 under budget. Salaries and benefits are under budget by $219,153.

Excess Revenues (Expenses): June's increase in Net Assets is $544,483 compared to a budget of of $542,405. June's Total Margin is 12.6% compared to a budgeted level of 11%.

Ratio Analysis: Day's in A/R is at 55.3 which is higher than the industry average of fifty.
Day's Cash on Hand is at 233 compared to May's level of 241 and June 2019 of 171.

Debt Coverage Ratio: June's rolling 12 month ratio is -1.4%. The loan end of year minimum required ratio is 1.25.

ESTES PARK HEALTH
Statement of Revenues and Expenses (Unaudited)
June 30, 2020

	MONTH Jun-20			YEAR TO DATE FY 2020			PRIOR YEAR TO DATE FY 2019	
REVENUE	Actual	Budget	Var	Actual	Budget	Var	Actual	Var
Patient Revenue								
In-Patient	$ 915,103	$ 1,816,797	-50%	$ 5,603,975	$ 10,007,308	-44%	$ 9,868,159	-43%
Out-Patient	7,307,566	7,137,966	2%	31,331,743	36,091,019	-13%	33,255,795	-6%
TOTAL PATIENT REVENUE	8,222,668	8,954,763	-8%	36,935,718	46,098,327	-20%	43,123,954	-14%
Less Contractual Adjustments	(3,785,597)	(4,029,644)	6%	(16,132,160)	(20,744,249)	22%	(20,017,685)	19%
Less Bad Debt Adjustments	(143,671)	(89,548)	-60%	(568,734)	(460,985)	-23%	(703,818)	19%
TOTAL REVENUE DEDUCTIONS	(3,929,268)	(4,119,192)	5%	(16,700,894)	(21,205,234)	21%	(20,721,503)	-19%
	47.8%	*46.0%*		*45.2%*	*46.0%*		*48.1%*	
NET PATIENT REVENUE	4,293,400	4,835,571	-11%	20,234,826	24,893,093	-19%	22,402,450	-10%
Other Operating Revenue	17,888	76,597	-77%	234,543	414,720	-43%	357,180	-34%
TOTAL OPERATING REVENUE	4,311,288	4,912,168	-12%	20,469,368	25,307,813	-19%	22,759,629	-10%
EXPENSES								
Wages	1,844,396	2,068,272	11%	12,241,281	12,459,248	2%	10,883,651	-12%
Benefits	584,788	580,065	-1%	3,360,026	3,287,103	-2%	3,223,433	-4%
Contract Labor	488,193	537,518	9%	3,150,711	3,168,608	1%	3,061,513	-3%
Medical Supplies	319,146	376,818	15%	2,110,352	2,246,907	6%	2,075,607	-2%
Non-Medical Supplies	129,049	82,862	-56%	591,996	504,738	-17%	593,845	0%
Purchased Services	348,537	396,344	12%	3,017,526	3,244,039	7%	2,584,656	-17%
Other Operating Expenses	261,548	317,715	18%	1,952,953	2,029,616	4%	1,703,134	-15%
Depreciation & Amortization	257,604	263,852	2%	1,523,433	1,543,116	1%	1,003,783	-52%
Interest	43,157	34,266	-26%	211,198	205,596	-3%	196,150	-8%
TOTAL OPERATING EXPENSE	4,276,419	4,657,712	8%	28,159,475	28,688,971	2%	25,325,771	-11%
OPERATING INCOME (LOSS)	34,869	254,456	-86%	(7,690,107)	(3,381,158)	-127%	(2,566,142)	-200%
Operating Margin	*0.8%*	*5.2%*		*-37.6%*	*-13.4%*		*-11.3%*	
Non-Operating Revenue	382,500	292,349	31%	1,699,327	1,732,644	-2%	1,589,176	7%
Non-Operating Expense	(5,790)	(4,400)	-32%	(26,765)	(26,450)	-1%	(25,170)	-6%
EXCESS REVENUES (EXPENSES)	411,579	542,405	-24%	(6,017,545)	(1,674,964)	-259%	(1,002,136)	-500%
Gift to Purchase Capital Assets	132,905	0		132,905	100,000		15,277	
INCREASE (DECREASE) IN NET ASSETS	544,483	542,405	0%	(5,884,640)	(1,574,964)	-274%	(986,859)	-496%
Total Margin	*12.6%*	*11.0%*		*-28.7%*	*-6.2%*		*-4.3%*	
EBDITA	$ 845,244	$ 840,523	1%	$ (4,150,009)	$ 173,748	-2489%	$ (1,366,209)	

ESTES PARK HEALTH
Balance Sheet (Unaudited)
June 30, 2020

ASSETS	2020 June	2020 May
CASH & CASH EQUIVALENTS	$ 21,587,026	$ 29,848,294
PATIENT ACCOUNTS RECEIVABLE	10,711,059	9,099,346
LESS: ALLOWANCES	(5,184,155)	(4,287,315)
NET ACCOUNTS RECEIVABLE	5,526,904	4,812,031
RECEIVABLES FROM OTHER PAYORS	2,442,015	2,377,996
INVENTORY	1,070,357	1,074,365
PREPAID EXPENSES	414,783	457,933
TOTAL CURRENT ASSETS	**31,041,084**	**38,570,619**
NET PROPERTY, EQUIPMENT & INTANGIBLE ASSETS	**33,413,267**	**33,202,093**
RESTRICTED ASSETS	**3,914,799**	**3,914,547**
OTHER ASSETS	0	0
LONG TERM INVESTMENTS	8,253,706	1,040,820
TOTAL OTHER ASSETS	**8,253,706**	**1,040,820**
TOTAL ASSETS	**$ 76,622,856**	**$ 76,728,080**
LIABILITIES		
ACCOUNTS PAYABLE	671,136	951,042
ACCRUED EXPENSES	10,829,909	10,879,872
ACCRUED COMP PAYABLE	1,192,146	1,247,047
ACCRUED INTEREST PAYABLE	0	149,666
EST THIRD-PARTY SETTLEMENT	5,811,882	5,811,882
SHORT TERM NOTES PAYABLE	5,116,581	5,116,581
OTHER CURRENT LIABILITIES	0	0
CURRENT MATURITIES OF OTHER LONG TERM DEBT	1,085,000	1,085,000
TOTAL CURRENT LIABILITIES	**24,706,655**	**25,241,090**
DEPOSITS AND DEFERRED INCOME		
LOANS PAYABLE	15,426,208	15,541,481
LEASES PAYABLE	0	0
TOTAL LONG-TERM LIABILITIES	**15,426,208**	**15,541,481**
TOTAL LIABILITIES	**40,132,864**	**40,782,571**
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	42,374,632	42,374,632
UNRESTRICTED		
TOTAL NET ASSETS	**42,374,632**	**42,374,632**
EXCESS REVENUES YTD	**(5,884,640)**	**(6,429,123)**
TOTAL LIABILITIES & NET ASSETS	**$ 76,622,856**	**$ 76,728,080**

ESTES PARK HEALTH
Statistical and Consolidated Financial Summary
Month Ended June 30, 2020

Utilization

	Month			Year To Date		
	Actual	Budget	Variance To Budget	Actual	Budget	Variance To Budget
Hospital						
In-Patient Days	101	143	-29.4%	578	874	-33.9%
Out Patient Visits	9040	8550	5.7%	38394	45741	-16.1%
Living Center						
Resident Days	804	1140	-29.5%	5492	6878	-20.2%
Clinic						
Physicians Clinic Visits	1645	2207	-25.5%	8480	11512	-26.3%

Income Statement

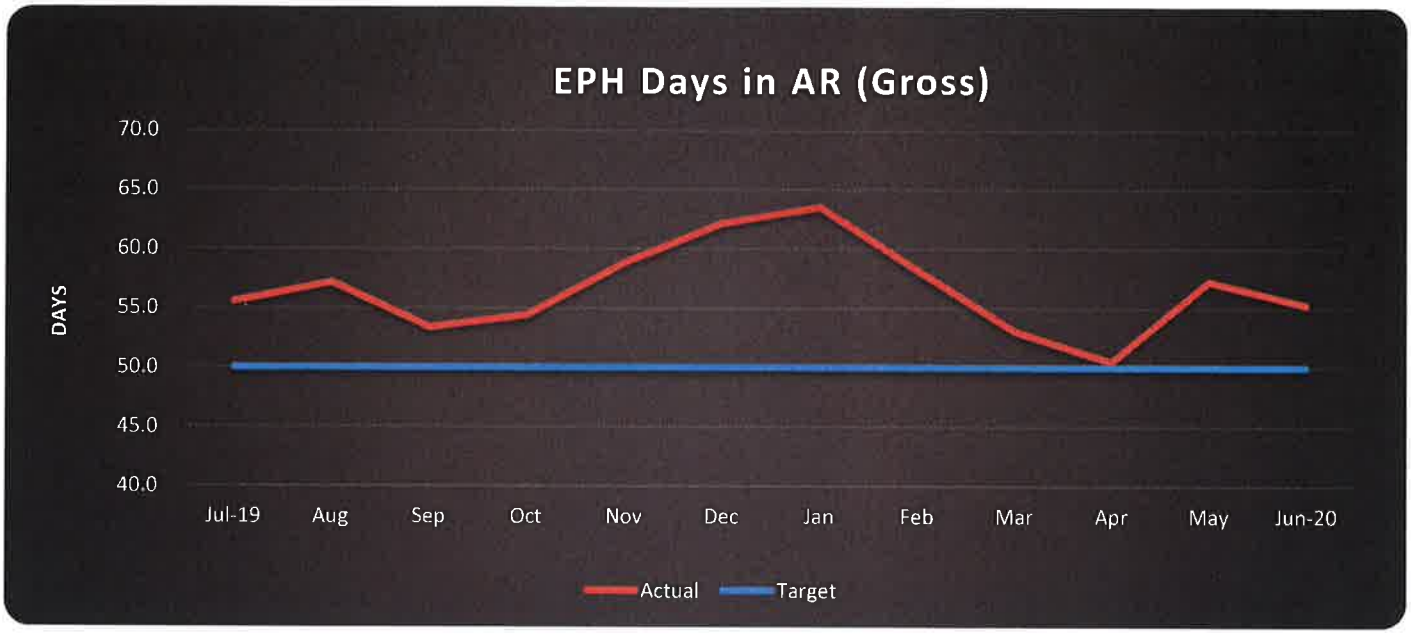
	Month				Year To Date			
	Actual	Budget	To Budget	% Variance	Actual	Budget	To Budget	% Variance
Hospital								
Operating Revenue (Net)	$ 3,147,278	$ 3,526,285	(379,007)	-10.7%	$ 14,920,996	$ 17,465,271	(2,544,275)	-14.6%
Operating Expenses	3,128,334	3,392,842	264,508	7.8%	20,350,851	20,992,429	641,578	3.1%
Net Operating Income (Loss)	18,944	133,443	(114,499)	-85.8%	(5,429,855)	(3,527,158)	(1,902,697)	-53.9%
Living Center								
Operating Revenue (Net)	238,343	376,684	(138,341)	-36.7%	1,729,970	2,272,153	(542,183)	-23.9%
Operating Expenses	313,140	403,531	90,391	22.4%	2,338,453	2,458,579	120,126	4.9%
Net Operating Income (Loss)	(74,797)	(26,847)	(47,950)	-178.6%	(608,483)	(186,426)	(422,057)	-226.4%
Clinic								
Operating Revenue (Net)	925,667	1,009,199	(83,532)	-8.3%	3,818,402	5,570,389	(1,751,987)	-31.5%
Operating Expenses	834,945	861,339	26,394	3.1%	5,470,171	5,237,963	(232,208)	-4.4%
Net Operating Income (Loss)	90,722	147,860	(57,138)	-38.6%	(1,651,769)	332,426	(1,984,195)	-596.9%
Total								
Operating Revenue (Net)	4,311,288	4,912,168	(600,880)	-12.2%	20,469,368	25,307,813	(4,838,445)	-19.1%
Operating Expenses	4,276,419	4,657,712	381,293	8.2%	28,159,475	28,688,971	529,496	1.8%
Net Operating Income (Loss)	34,869	254,456	(219,587)	-86.3%	(7,690,107)	(3,381,158)	(4,308,949)	-127.4%
Total								
Non Operating Revenue (Net)	382,500	292,349	90,151	30.8%	1,699,327	1,732,644	(33,317)	-1.9%
Non Operating Expenses (Net)	(5,790)	(4,400)	(1,390)	-31.6%	(26,765)	(26,450)	(315)	-1.2%
Excess of Rev over Exp Before Cap gifts	$ 411,579	$ 542,405	$ (130,826)	-24.1%	$ (6,017,545)	$ (1,674,964)	$(4,342,581)	-259.3%
Gifts to Purchase Capital Assets	132,905	-	132,905	#DIV/0!	132,905	100,000	32,905	32.9%
Increase (Decrease) in Net Assets	$ 544,483	$ 542,405	$ 2,079	0.4%	$ (5,884,640)	$ (1,574,964)	$(4,309,676)	-273.6%

ESTES PARK HEALTH

Statement of Cash Flows (Unaudited)

1/1/20 through 6/30/20

Cash Flows From Operating Activities	
(Deficiency) Excess of Revenues over Expenses	$ (5,884,640)
Interest expense (considered financing activity)	211,198
County tax subsidy, net (considered financing activity)	(1,511,864)
Interest income (considered investing activity)	(77,760)
Net income (loss) from operating activities	(7,263,066)
Assets released from restrictions	(140,636)
Depreciation & amortization	1,523,433
Changes in working capital:	
Decrease (Increase) in Accounts receivable, net	2,467,969
Decrease (Increase) in Inventory	26,049
Decrease (Increase) in Prepaid expenses	265,712
Decrease (Increase) in Other Assets	-
Decrease (Increase) in Long Term Investment	(7,499,726)
Increase (Decrease) in Accounts payable	(2,201,854)
Increase (Decrease) in Accrued wages & related liabilities	926,945
Increase (Decrease) in Other current liabilities	(13,130)
Increase (Decrease) in Deposits and Deferred Income	5,273,955
Increase (Decrease) in Payable to 3rd party payors	4,407,877
Net (gain) loss on sale of equipment	-
Net cash provided by (used in) operating activities	(2,226,472)
Cash Flows From Financing Activities	
Restricted contributions	140,636
County tax subsidy, net	1,511,864
Interest expense	(211,198)
Sale of equipment	-
Purchase of property, equipment & intangible assets	(2,905,057)
Increase (Decrease) in capital lease commitments, net	-
Loan Activity	8,142,789
Net cash provided by (used in) financing activities	6,679,034
Cash Flows From Investing Activities	
Interest income	77,760
Net cash provided by (used in) investing activities	77,760
Net Increase (Decrease) in Cash and Cash Equivalents	4,530,322
Cash and Cash Equivalents, 01/01/2020	20,971,503
Cash and Cash Equivalents, 6/30/20	$ 25,501,825
Restricted Cash and Cash Equivalents, 6/30/20	$ 3,914,799
Unrestricted Cash and Cash Equivalents, 6/30/20	21,587,026
	$ 25,501,825



Calculation: Gross Accounts Receivable / Average Daily Revenue

Definition: Considered a key "liquidity ratio" that calculates how quickly accounts are paid.

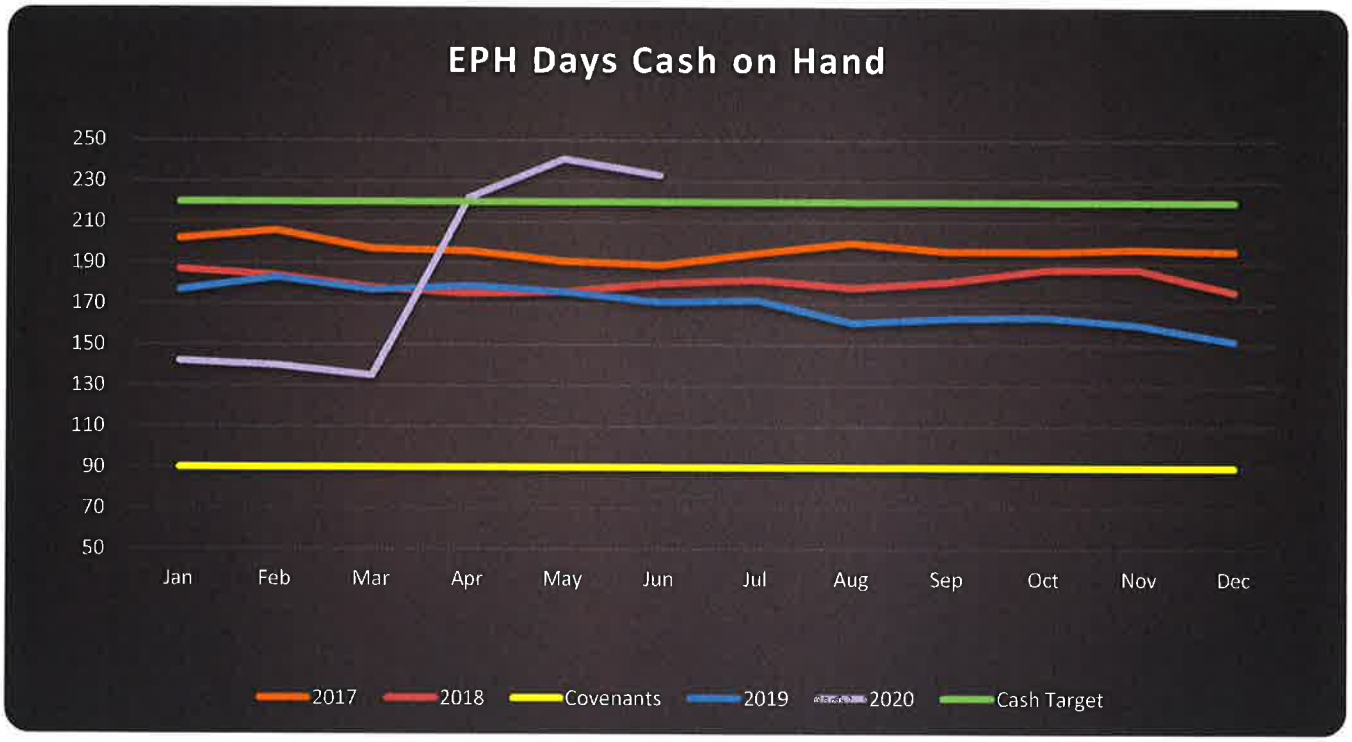
Desired Position: Downward trend below the median, and below average.

How ratio is used: Used to determine timing required to collect accounts. Usually, organizations below the average Days in AR are likely to have higher levels of Days Cash on Hand.

	Jul-19	Aug	Sep	Oct	Nov	Dec
A/R (Gross)	15,365,170	16,601,424	15,378,349	14,173,824	13,806,401	14,575,357
Days in Month	31	31	30	31	30	31
Monthly Revenue	10,356,792	8,951,469	7,200,698	7,808,340	6,340,531	7,414,874
Daily Revenue	276,556	290,424	288,141	260,440	234,611	234,389
Days in AR	**55.6**	**57.2**	**53.4**	**54.4**	**58.8**	**62.2**

	Jan	Feb	Mar	Apr	May	Jun-20
A/R (Gross)	14,237,980	13,759,900	11,257,627	9,310,952	9,099,346	10,711,059
Days in Month	31	29	31	30	31	30
Monthly Revenue	6,857,233	7,238,504	5,214,133	4,148,662	5,254,518	8,222,669
Daily Revenue	224,050	236,380	212,196	184,459	158,884	193,691
Days in AR	**63.5**	**58.2**	**53.1**	**50.5**	**57.3**	**55.3**

ESTES PARK HEALTH
Days Cash on Hand
June 30, 2020



Calculation: Total Unrestricted Cash on Hand / Daily Operating Cash Needs

Definition: This ratio quantifies the amount of cash on hand in terms of how many "days" an organization can survive with existing cash reserves.

Desired Position: Upward trend, above the median--AND above Bond Covenant Minimums

How ratio is used: This ratio is frequently used by bankers, bondholders and analysts to gauge an organization's liquidity--and ability to meet short term obligations as they mature.

Note: At EPH, the Bond Refunding/Loan documents require a minimum level of 90 days cash be maintained. It changed to 90 effective March 1, 2016.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	142	140	135	222	241	233						
2019	177	183	177	179	176	171	172	161	163	164	160	152
2018	187	184	178	175	176	180	182	178	181	187	187	176
2017	202	206	197	196	191	189	195	200	196	196	197	196
Bond Covenant MIN	90	90	90	90	90	90	90	90	90	90	90	90
Cash Target	220	220	220	220	220	220	220	220	220	220	220	220

ESTES PARK HEALTH
Statement of Revenues and Expenses (Unaudited)
Forecast 2020

	FORECAST FY 2020							
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	FY 2020 Forecast	Budget 2020	Variance	% Variance
Patient Revenue								
In-Patient	3,029,481	2,574,494	4,337,570	3,588,309	13,529,854	19,985,112	(6,455,258)	-32.3%
Out-Patient	16,279,271	15,051,355	19,507,243	13,972,570	64,810,439	77,722,701	(12,912,262)	-16.6%
TOTAL PATIENT REVENUE	19,308,751	17,625,849	23,844,814	17,560,878	78,340,293	97,707,813	(19,367,520)	-19.8%
Less Contractual Allowances	(8,894,591)	(7,694,746)	(10,014,822)	(7,375,569)	(33,979,728)	(43,968,516)	9,988,788	-22.7%
Less Bad Debt Adjustments	331,040	(442,594)	(476,896)	(351,218)	(939,668)	(977,078)	37,410	-3.8%
Total Revenue Deductions	(8,563,551)	(8,137,340)	(10,491,718)	(7,726,786)	(34,919,395)	(44,945,594)	10,026,199	-22.3%
	0	*-46.2%*	*44.0%*	*44.0%*	*44.6%*	*46.0%*		0.0%
NET PATIENT REVENUE	10,745,200	9,488,509	13,353,096	9,834,092	43,420,898	52,762,219	(9,341,321)	-17.7%
Other Operating Revenue	118,863	115,680	250,000	250,000	734,543	988,559	(254,016)	-25.7%
TOTAL OPERATING REVENUE	10,864,062	9,604,188	13,603,096	10,084,092	44,155,441	53,750,778	(9,595,337)	-17.9%
EXPENSES								
Wages	6,069,131	6,172,150	5,956,814	5,981,814	24,179,909	24,027,256	152,653	0.6%
Benefits	1,560,727	1,799,312	2,179,977	2,169,977	7,709,993	8,759,908	(1,049,915)	-12.0%
Contract Labor	1,850,442	1,360,542	1,499,679	1,499,679	6,210,342	6,398,715	(188,374)	-2.9%
Medical Supplies	1,360,464	906,200	989,370	989,370	4,245,403	4,257,478	(12,075)	-0.3%
Non-Medical Supplies	350,012	286,206	266,092	266,092	1,168,403	1,064,370	104,033	9.8%
Purchased Services	1,789,162	1,407,172	801,370	801,370	4,799,073	3,405,478	1,393,595	40.9%
Other Operating Expenses	1,043,976	929,795	1,396,204	1,396,204	4,766,178	5,584,814	(818,636)	-14.7%
Depreciation & Amortization	683,307	840,126	792,557	792,557	3,108,548	3,170,229	(61,682)	-1.9%
Interest/Bank Fees	97,394	113,804	102,797	102,797	416,792	411,187	5,605	1.4%
TOTAL OPERATING EXPENSE	14,804,615	13,815,307	13,984,859	13,999,859	56,604,640	57,079,435	(474,796)	-0.8%
OPERATING INCOME (LOSS)	**(3,940,553)**	**(4,211,119)**	**(381,763)**	**(3,915,767)**	**(12,449,199)**	**(3,328,657)**	**(9,120,542)**	**-274.0%**
Operating Margin	*-36.3%*	*-43.8%*	*-2.8%*	*-38.8%*	*-28.2%*			
Non-Operating Revenue	805,983.00	893,344	871,128	871,128	3,441,583	3,484,512	(42,929)	-1.2%
Non-Operating Expense	(12,585)	(14,180)	(14,180)	(14,180)	(55,125)	(72,840)	17,715	-24.3%
NON-OPERATING	793,398	879,164	856,948	856,948	3,386,458	3,411,672	(25,214)	
EXCESS REVENUES (EXPENSES)	(3,147,155)	(3,331,955)	475,185	(3,058,819)	(9,062,741)	83,015	(9,145,756)	
Gift to Purchase Capital Assets	-	132,905	-	-	132,905	300,000	(167,095)	-55.7%
Stimulus Funds			5,080,260	5,080,260	10,160,520			
INCREASE (DECREASE) IN NET ASSETS	**(3,147,155)**	**(3,199,050)**	**475,185**	**(3,058,819)**	**1,230,684**	**383,015**	847,669	
Total Margin	*-29.0%*	*-33.3%*	*3.5%*	*-30.3%*	*2.8%*	*0.7%*		
EBIDA	**(2,366)**	**(2,245)**	**1,371**	**(2,163)**	**4,756**	**3,964**		

Park Hospital District Board
Timberline Conference Room
July 27, 2020

CREDENTIALING RECOMMENDATIONS

Credentials Committee approval: June 24, 2020
Present: Drs. Zehr (Chair), Florence, Meyer, Steve Alper, Vern Carda, Bill Pinkham and Andrea Thomas

Medical Executive Committee approval: June 1, 2020

Appointment

Digger, Kirsty, FNP	APP, Nurse Practitioner

Reappointments

Datko, Farrah, M.D.	Courtesy, Hematology/Oncology
McFarland, Ross, M.D.	Courtesy, Hematology/Oncology
Medgyesy, Diana, M.D.	Courtesy, Hematology/Oncology
Moore, James, M.D.	Courtesy, Hematology/Oncology
Wing, Amy, FNP	APP, Nurse Practitioner (Oncology)

Resignation (FYI Only)

Miller, Steven, M.D.	Courtesy, General Surgery