



**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
  - 2<sup>nd</sup> 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

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