

KREMMLING MEMORIAL HOSPITAL DISTRICT
d/b/a Middle Park Medical Center
Board of Directors Meeting Minutes
Thursday, March 26, 2020

With meeting notice, Gary Bumgarner called the Kremmling Memorial Hospital District board meeting to order at approximately 5:59 PM. The meeting was conducted virtually via Gotomeeting.

Board members present: Bernie Murphy, President; Gary Bumgarner, Vice President; Kelly Johnson, Member; Carol Peterson, Member, Jodi Jodi Docheff.

Also present: Jason Cleckler, Tom Coburn, Derek Ortner, Mikealena Horner, Deb Plemmons, Rob Wissenbach, Cindy Multerer, and Rhonda Shearer.

Agenda Approval

Motion: A motion was made by Bernie Murphy to approve the agenda as presented and seconded by Gary Bumgarner. **Motion adopted on a 5-0 vote.**

Reports of Good News

Jason Cleckler said he feels there has been a very positive response from our organization regarding COVID-19, and he will speak more about this later in the meeting.

Jodi Docheff thanked the hospital for the flowers she received after her mothers passed away.

Minutes Approval

Motion: A motion was made by Gary Bumgarner and seconded by Bernie Murphy approving the minutes from the February 27, 2020 meeting. **Motion adopted on a 5-0 vote.**

Consent Agenda

None

Privileged for Approval

Motion: A motion was made by Bernie Murphy to approve as presented and seconded by Gary Bumgarner. **Motion adopted on a 5-0 vote.**

Tom Colburn also noted that due to the COVID19, the ATLS classes have been cancelled along with medical boards testings, and we have some physicians who will be expiring before the testing is offered again. Resolution 2020-03-01 was before the board to allow the physicians to continue working until they can complete testing.

Resolution 2020-03-01

Motion: A motion was made by Kelly Johnson to approve and seconded by Bernie Murphy. **Motion adopted on a 5-0 vote.**

Policies and Procedures for Approval

There are 14 revised, 0 new, and 0 retired.

Motion: A motion was made by Kelly Johnson and seconded by Bernie Murphy to approve the policies as presented. **Motion adopted on a 5-0 vote.**

Financial Report

Mikealena noted that they are having issues with February revenue posting to the general ledger, so she does not have February financials. She presented a high level review.

YTD stats for January & February:

- Total admissions, observation days, and extended care patients are down.
- Transfers, acute days, and swing days are up.
- Surgical cases, imaging, rehab are all slightly down.
- ER visits and lab increased, while clinic visits saw no change. Urgent care visits fluctuated due to downtime.

YTD Financials

- On the income statement, we are 5% below budget for the month on gross revenue and 5% under compared to actuals from previous year. We had a really good January 2019.
- Contractuals are at 40%, net revenue is at 3.2 compared to budget of 3.5, salaries are 3% below and professional service line item is down because we don't see Jason's salary reflected here until next month.
- Expenses are 7% under budget. Net operating income is \$358k compared to budget of \$462k and last year was \$923k. Net income for the month is \$443k compared to budget of \$579k. Last year was \$1.025M.
- Current cash in the bank is \$2.4M, which is where we were last year. Days cash on hand are a little less than last year just because our expenses are a little higher.

Mikealena would like to wait to approve the financial reports until the next meeting. The board agreed.

Peak Alliance

Jason Cleckler talked about the peak alliance. There has been a lot of discussion regarding the program and whether it makes sense and would be financially viable for our hospital. With significant help from Kelly, Derek and Tom, we were able to negotiate what Jason feels is a very competitive rate on all lines of service. They are very close to the point that they can approve and move forward. This would be a Peak product that is on the exchange for individuals as well as groups, and would go into effect January 1, 2021. He would like to see a 3 year contract signed.

Centura Management Agreement Extension

There has been discussion at the last few meetings regarding the management agreement. Hospital attorney Georgia Noriyuki reviewed the agreement and we have sent a redline copy to Josh. The legal team at Centura has not had time to review the agreement, so all parties would like to extend the agreement for another 90 days, through June 30.

Motion: A motion was made by Gary Bumgarner to extend the management agreement with Centura for another 90 days and seconded by Jodi Docheff. **Motion adopted on a 5-0 vote.**

USDA Projects

The USDA loan has been approved by the state and is now being sent to the federal level. Jason noted they hope to have more news next week on the federal approval. Some good news is that the interest rates have dropped. For the construction note, the rate was initially 5%, and is now between 2.85% and 3.25%, an estimated savings of \$200-250K. We were also initially at 3% on the permanent loan, and now that rate should be around 2.375%, savings us \$100k or more a year. They are hoping to close on the loan at the end of April, and we have the contractors ready for a May 1 start.

The loan documents will need to be signed at the next board meeting, and there was confusion over when the next regularly scheduled meeting was.

Motion: A motion was made by Gary Bumgarner to move to change the next regularly scheduled board meeting of the Kremmling Memorial Hospital District to April 30, and seconded by Bernie Murphy. **Motion adopted on a 5-0 vote.**

COVID-19 Update

Deb Plemmons, who is our incident commander for the incident, gave the board an update. The county currently has one confirmed positive case, and one presumed positive, who is the spouse of the confirmed case. There are neighboring counties that are seeing increased positive case counts. The have plans in place for testing, and have moved all of the long term patients out of the kremmling facility in order to reduce the risk of infection. We have done 44 tests as of this afternoon. As of this time we have had no layoffs, but have implemented a plan to flex staff down on their hours if there is not volume in their department, which we have unfortunately seen across the board. The have looked at what layoffs would look like versus furloughs, but as of now have not done that. We have also had a few employees that have offered to be laid off. Jodi Docheff wanted to let the staff know that they all appreciate their extra efforts and teamwork to work together to get through this together.

May 5, 2020 Election update

Rob Wissenbach noted that there have been a few small hiccups with the election although they were minor. The first was the SDA came back with some suggested changes in the ballot question language, which has since been changed. The second problem is that he had drafted up some pamphlets that could be distributed around telling with information on the ballot question and urging citizens to vote yes. The campaign finance rules prohibit a hospital district from spending money on campaigning for a yes vote, it can only be informational. Gary asked if the hospital foundation could pay for the pamphlets.

SDA Compliance Calendar

They reviewed the calendar and we are in compliance.

Board Discussion

Gary asked where we are at with the Kremmling Xray machine. Derek noted that with the COVID illness, there was a small hiccup with state funding, but they did get final approval and funding. Everything is signed off, just under \$40k grant coming from them, and the PO has been turned in. Delivery was setup with the vendor, and then that had to be bumped back due to COVID. They are targeting for April 6 for the delivery date and install lined up right after that. Jason added that he really appreciated the effort from Holly, Bethanie and Derek on working on the grant for the project.

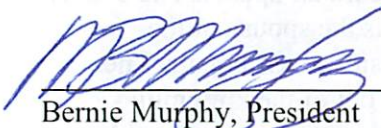
Items to Discuss at Next Board Meeting

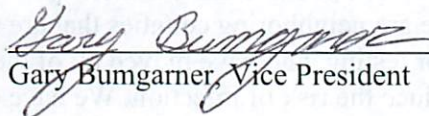
The USDA project will need to be on the agenda, along with a COVID update.

Adjournment

Motion: A motion was made by Bernie Murphy and seconded by Gary Bumgarner to adjourn the meeting at 7:20 PM. **Motion adopted on a 5-0 vote.**

NEXT REGULAR BOARD MEETING: Thursday, April 30, 2020, 6:00 PM, Middle Park Health Wellness Center Conference Room, 109 S 9th Street in Kremmling.

 4/30/2020
Bernie Murphy, President


Gary Bumgarner, Vice President

Approval Date: 4/30/2020
Minutes taken by Rhonda Shearer