

- a) **Oral Reports** (may be accompanied by a written report)
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|-----------------------------------|--|
| i) Chair Report                   | Chair Mark Floyd   |
| <del>ii) Strategic Planning</del> | <del>Vice Chair Greg Schulte</del>                           |
| <del>iii) Campus Planning</del>   | <del>Chair Mark Floyd</del>                                  |
| iv) Contracts Committee           | Dir. Kate Alfred   |
| v) Construction Report            | Dir. Matt Mees and Jodi Scarpa, Manager of Executive Offices |
| vi) CEO Report                    | Chief Executive Officer, Brad Cochennet                      |
| vii) Finance Report               | CFO, Dennis Wilson and Treasurer Jerry Baker                 |
| viii) <i>Draft 2017 Budget</i>    | <i>CFO, Dennis Wilson</i>                                    |
| ix) Monthly In-Depth Report:      | <i>Radiology by COO, Kyle Kellum</i>                         |
- b) **Written Reports** (*no oral report unless the Board has questions*)
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|----------------|--|
| i) CAO Report  | Chief Administrative Officer, Ann Bruzzese |
| ii) CMO Report | Chief Medical Officer, Dr. Rhonda Webb     |

iii) CNO Report

Chief Nursing Officer, Kathee Douglas

iv) COO Report

Chief Operations Officer, Kyle Kellum

v) COS Report

Chief of Staff, Ralph Battels

**5) CONSENT AGENDA** (The Consent Agenda is intended to allow Board approval, by a single motion, of matters that are considered routine. There will be no separate discussion of Consent Agenda matters unless requested.)

a) Approval of Minutes for the following meeting(s):

i) Regular meeting of: 08/23/2016

b) Approval of Medical Staff report recommendations for new or renewal of provider privileges.

c) Approval to set the public hearing on the proposed 2017 budget for the regular meeting of the Board in November 2016 and to publish notice in the Pagosa Sun of the same.

**6) DECISION AGENDA** (Matters to be discussed and possible action)

**7) EXECUTIVE SESSION**

The Board will meet in executive session for the purpose of conferencing with USJHSD's legal counsel to receive legal advice on legal questions in accordance with C.R.S. Section 24-6-402(4)(b).

Further, the Board reserves the right to meet in executive session for any purpose allowed and announced at the meeting, in accordance with C.R.S. Section 24-6-402(4).

**8) OTHER BUSINESS**

**9) ADJOURN**



## **MINUTES OF REGULAR BOARD MEETING**

**Tuesday, September 27, 2016**

**5:30 PM**

**The Great Room, Pagosa Springs Medical Center**

**95 South Pagosa Blvd.**

**Pagosa Springs, CO 81147**

*Pursuant to the provisions of the Supplemental Public Securities Act, one or more members of the Board may participate in this meeting and may vote on the foregoing matters through the use of a conference telephone or other telecommunications device.*

The Board of Directors of the Upper San Juan Health Service District (the “Board”) held the regular board meeting on September 27, 2016, at Pagosa Springs Medical Center, The Great Room, 95 South Pagosa Blvd., Pagosa Springs, Colorado.

**Directors Present:** Chair Mark Floyd, Secretary/Treasurer Jerry Baker, Director Kate Alfred, Director Dr. Richard Zak, Director Dr. Jim Pruitt, and Director Matt Mees.

Present by phone was the District’s Chief Financial Officer, Dennis Wilson.

### **Call to Order: Administrative Matters of the Board**

Chair, Mark Floyd, called the meeting to order at 5:30 p.m. MDT and Clerk of the Board, Jodi Scarpa, recorded the minutes. A quorum of directors was present and acknowledged by Secretary/Treasurer Jerry Baker, and the meeting, having been duly convened, was ready to proceed with business.

The Board noted approval of the agenda.

### **Milestone Moment**

There was none.

### **Public Comment**

There was none.

## **Reports**

### **Oral Reports**

#### **Chair Report**

Chair, Mark Floyd, reported there was no report.

#### **Strategic Planning**

There was none.

#### **Campus Planning**

Chair, Mark Floyd, reported there was no report.

#### **Contracts Committee**

Director, Kate Alfred, reported that the Contracts Committee reviewed contract amendments and found that all were in acceptable parameters.

#### **Construction Report**

Manager of Executive Offices, Jodi Scarpa, reported that construction is on time and on budget.

Director, Matt Mees, also reported there were no new issues with construction.

#### **CEO Report**

CEO, Brad Cochennet, presented the attached graph and highlighted the market increase in number of patients seen at Pagosa Springs Medical Center to date.

Questions were asked and answered.

#### **Draft 2017 Budget**

(Per direction of Chair, Mark Floyd, the report of the Draft 2017 Budget was presented before the scheduled Finance Report.)

Chair, Mark Floyd, advised that the Draft 2017 Budget is being presented to the Board for preliminary comments; further, the Chair reported such preliminary review satisfies the statutory obligation for the Board to receive the preliminary budget by October 15, 2016).

Secretary/Treasurer, Jerry Baker, quickly recognized the efforts and accomplishments of everyone involved with the positive report of a significant decrease accounts receivable (A/R) days.

CFO, Dennis Wilson, presented the attached Draft 2017 Budget highlighting budget volumes were forecast with a 25 percent increase for the Clinic and eight percent for laboratory and radiology due to new providers in the Clinic. Surgery volumes are forecast to increase 14 percent due to the addition of new specialists and most other department volumes are forecast to increase by five percent. The overall weighted volume increase is nine percent.

Questions were asked and answered.

Mr. Wilson then updated the Board on the upcoming change to Colorado Medicaid's Enhanced Ambulatory Patient Groups (EAPG) system, stating that Colorado Medicaid has now proposed separate payment schemes for urban and rural hospitals which could potentially assist in decreasing a previously-anticipated loss in revenue for Pagosa Springs Medical Center.

### **Finance Report**

CFO, Dennis Wilson, presented the attached Finance Report, highlighting that the month of August produced strong patient revenues with the Clinic and MRI setting new historical highs.

Mr. Wilson also noted over-budget variances as outlined in the Finance Report.

### **Monthly In-Depth Report**

COO, Kyle Kellum, presented before the board the attached PowerPoint presentation highlighting Pagosa Springs Medical Center's new MRI system.

Questions were asked and answered.

A tour of the radiology suite followed.

### **Written Reports**

Chair, Mark Floyd, and Director, Dr. Jim Pruitt, both asked questions regarding the attached written CMO report. Both questions were answered by Quality and Risk Manager, Jan Miller.

Director, Dr. Richard Zak, asked a question regarding the attached written COO Report. The question was answered by COO, Kyle Kellum.

### **Consent Agenda**

Chair, Mark Floyd, opened the discussion by briefly recounting the items on the consent agenda and inquired of any questions or objections. There was none.

Director, Kate Alfred, moved to approve all items listed in the Consent Agenda: the Regular Meeting Minutes of August 23, 2016, the Medical Staff Report recommendations for new or renewal of provider privileges, and to set the public hearing on the proposed 2017 budget for the regular meeting of the Board in November 2016 and to publish notice in the Pagosa SUN newspaper of the same.

Secretary/Treasurer, Jerry Baker, seconded.

The motion passed unanimously.

### **Decision Agenda**

There was none.

**Executive Session**

The Board met in executive session at 6:32 p.m. MDT, in accordance with C.R.S. Section 24-6-402(4)(b), for the purpose of conferencing with the District's legal counsel to receive legal advice on legal questions related to potential litigation.

Those present in executive session were: Chair Mark Floyd, Secretary/Treasurer Jerry Baker, Director Kate Alfred, Director Dr. Richard Zak, Director Dr. Jim Pruitt, Director Matt Mees, CEO Brad Cochennet, CAO/In-House Legal Counsel Ann Bruzzese, CNO Kathee Douglas, COO Kyle Kellum. Present by phone was CFO Dennis Wilson.

The executive session ended at 6:51 p.m.

**Other Business**

There was none.

**Adjourn**

Chair, Mark Floyd, adjourned the meeting at 6:51 p.m. MDT.

Respectfully Submitted,  
Jodi Scarpa, serving as Clerk for the Board