



NOTICE OF REGULAR BOARD MEETING OF
THE UPPER SAN JUAN HEALTH SERVICE DISTRICT
d/b/a PAGOSA SPRINGS MEDICAL CENTER
Tuesday, November 16, 2021, at 5:30 PM
The Board Room (direct access – northeast entrance)
95 South Pagosa Blvd., Pagosa Springs, CO 81147

**ALL ATTENDEES MUST BE SCREENED PRIOR TO ENTERING THE
MEETING & ALL PERSONS MUST WEAR A MASK
DUE TO COVID-19, THE NUMBER OF IN-PERSON ATTENDEES
WILL BE LIMITED.**

Please use this link to join the meeting: <https://us02web.zoom.us/j/85395501309>
or telephone (346) 248-7799 or (669) 900-6833
Zoom Meeting ID: **853 9550 1309**

AGENDA

1) CALL TO ORDER; ADMINISTRATIVE MATTERS OF THE BOARD

- a) Confirmation of quorum
- b) Board member self-disclosure of actual, potential or perceived conflicts of interest
- c) Approval of the Agenda (and changes, if any)

2) PUBLIC COMMENT (This is an opportunity for the public to make comment and/or address USJHSD Board. Persons wishing to address the Board need to notify the Clerk to the Board, Heather Thomas, prior to the start of the meeting. All public comments shall be limited to matters under the jurisdiction of the Board and shall be expressly limited to three (3) minutes per person. The Board is not required to respond to or discuss public comments. No action will be taken at this meeting on public comments.)

3) PRESENTATION:

- **Recognition of retiring physicians: Dr. Ralph Battels, Dr. Bob Brown and Dr. Rick Zak**
- **Recognition of EMS staff receiving an award from EMSAC (Emergency Medical Services Association of Colorado):**
 - **Dave Bronson: C.J. Shanaberger Lifetime Achievement Award**
 - **James Jackson: ALS EMS Professional of the Year**
 - **Andrew Spangler: EMS Instructor of the Year**

4) REPORTS

- a) **Written Reports** (*no oral report unless the Board has questions*)
- i) Operations Report COO-CNO, Kathee Douglas
 - (a) [September Operations Report](#)
 - (b) [October Operations Report](#)
 - ii) [Medical Staff Report](#) Chief of Staff, Dr. Ralph Battels
- b) **Oral Reports** (may be accompanied by a written report)
- ~~i) Chair Report Chair Greg Schulte~~
 - ii) CEO Report Dr. Rhonda Webb
 - iii) Executive Committee Chair Schulte and V.Chair Mees
 - iv) Foundation Committee Dir. Mees, Dir. Dr. Pruitt and CEO R.Webb
 - v) Facilities Committee Dir. Mees, Dir. Daniels, and COO K.Douglas
 - ~~vi) Strategic Planning Committee Dir. Schulte, Dir. Cox and CEO R.Webb~~
 - vii) Finance Committee & Report Treas./Sec. Zeigler and CFO C.Keplinger
 - (a) [September Financials](#)
 - (b) [October Financials](#)
 - (c) Finance Committee Report and recommendations (*to be distributed after Finance Committee meeting on 11/15/2021*)
 - (d) [Summary of differences](#) between 3% and 4% price increase budget and summary of material changes since the budget hearing on 10/12/2021;
 - (e) [Summary of temporary property tax reductions.](#)
 - (f) [Proposed budget with an average of 3% price increase](#)
 - (i) [Draft resolution to adopt the budget](#)
 - (ii) [Draft resolution to set the mill levy](#)
 - (iii) [Draft resolution to appropriate funds](#)
 - (g) [Proposed budget with an average of 4% price increase](#)
 - (i) [Draft resolution to adopt the budget](#)
 - (ii) [Draft resolution to set the mill levy](#)
 - (iii) [Draft resolution to appropriate funds](#)

5) DECISION AGENDA

- a) Consideration of Resolutions for the 2022 budget -- the resolutions for the budget with an average 3% price increase are at 4(b)(vii)(f) and the resolutions for the budget with an average 4% price increase are at 4(b)(vii)(g).
- b) [Resolution 2021-19](#) regarding approval by USJHSD for Mr. J.R. Ford to be reappointed to serve as the representative for area special districts on the board of the Urban Renewal Authority for Pagosa Springs.
- c) [Resolution 2021-20](#) regarding authorization to engage Cockrel Ela Giesne Greher & Ruhland for continuity of legal services from David Greher for special issues (e.g., TABOR, elections, bonds) for reasons described in the [letter of transition](#) from David Greher.

6) 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 Board Member absences:

i) Regular meeting of 11/16/2021

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

i) [Regular Meeting of: 09/28/2021](#)

ii) [Special Meeting of: 10/12/2021](#)

c) Approval of [Medical Staff report](#) recommendations for new or renewal of provider privileges.

7) EXECUTIVE SESSION

The Board reserves the right to meet in executive session for any other purpose allowed pursuant to C.R.S. Section 24-6-402(4) and such topic is announced at open session of the meeting.

8) OTHER BUSINESS

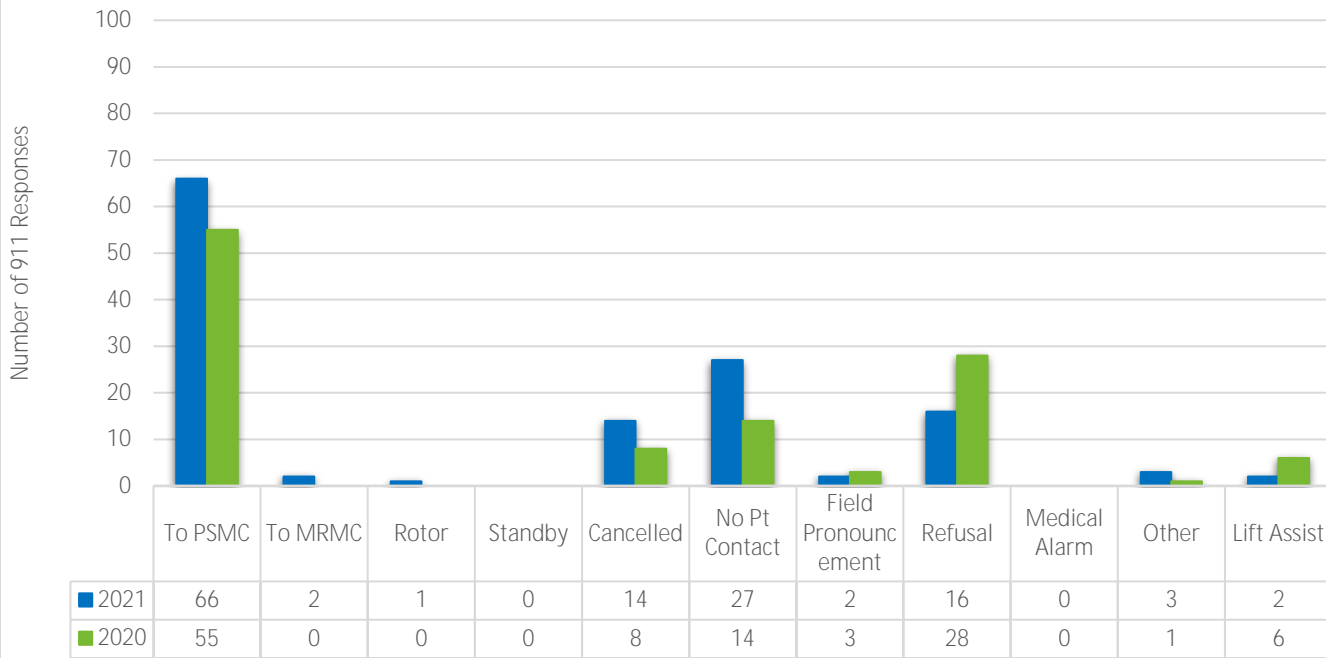
a) Confirm a date for the Board to meet in December (a quorum of the Board will be needed to hold a hearing on a resolution for a 2021 supplemental budget and appropriation)

9) ADJOURN

Operations Report for September 2021

EMS: September

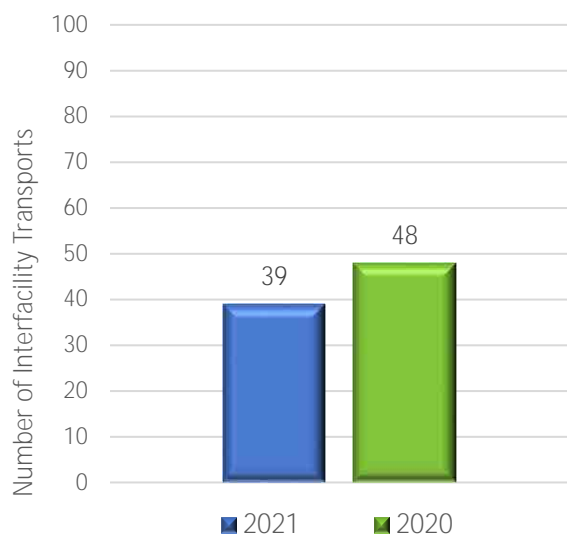
EMS 911 Response



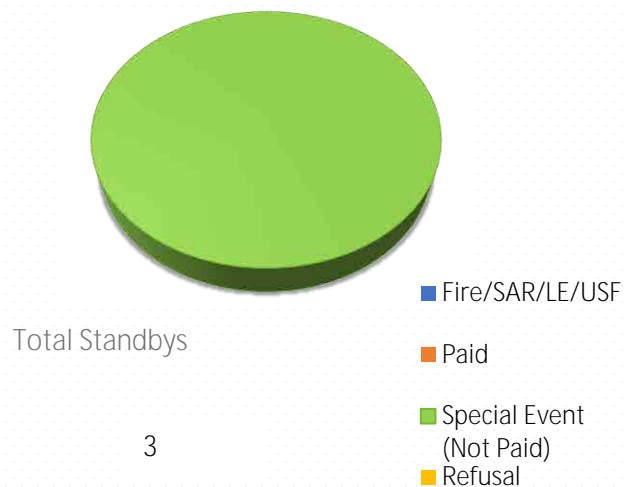
Total 911 Responses for 2020 : 133

■ 2021 ■ 2020

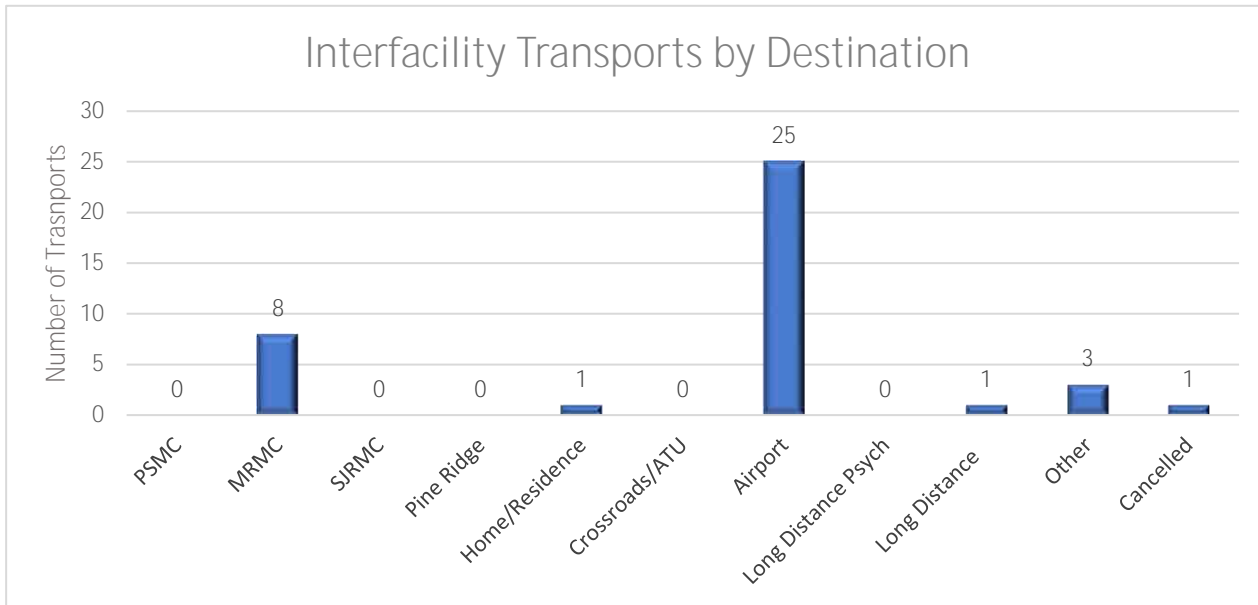
Total Interfacility Transports



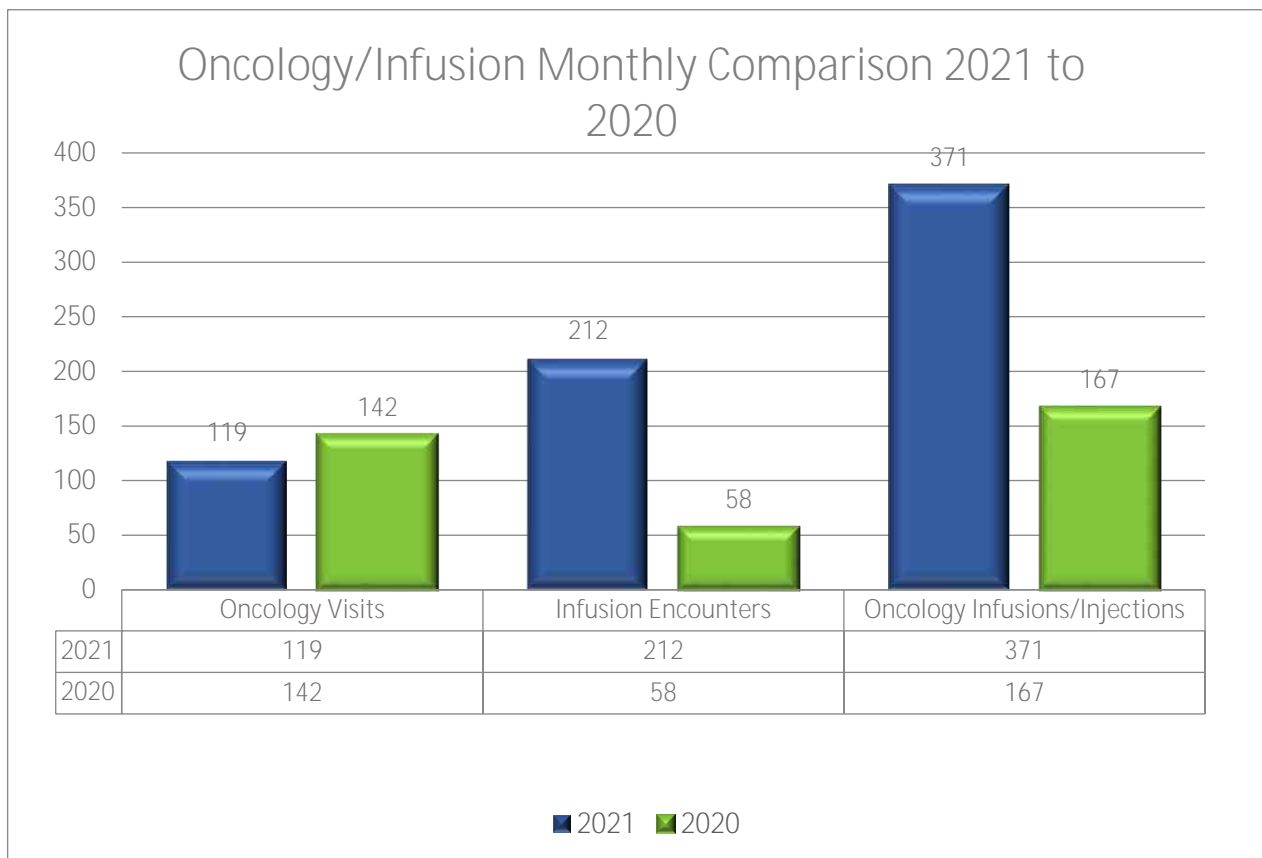
Breakdown of EMS Standbys



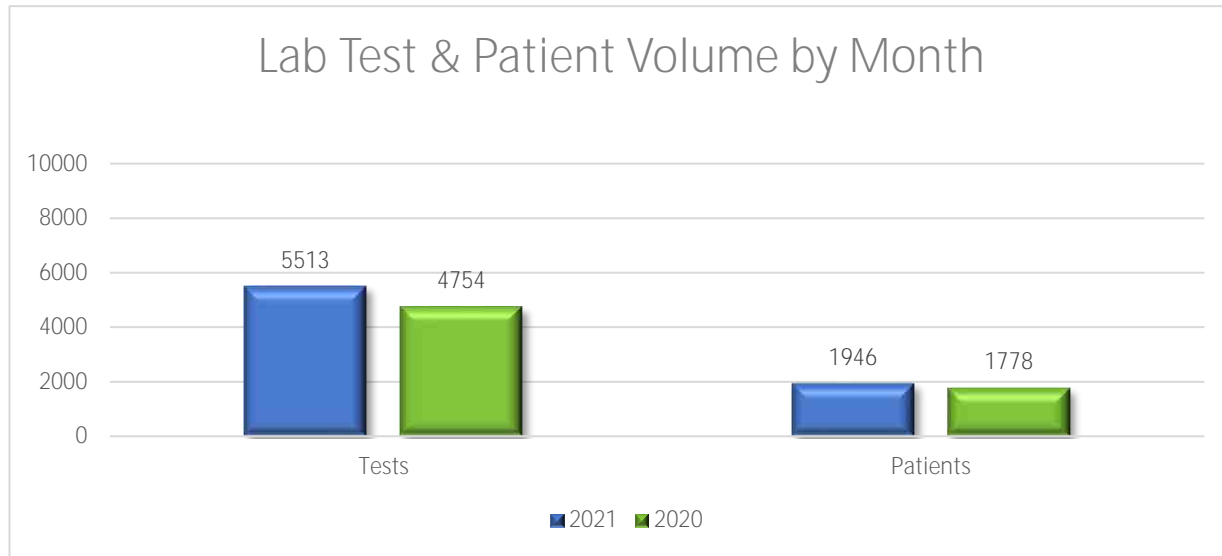
EMS: September



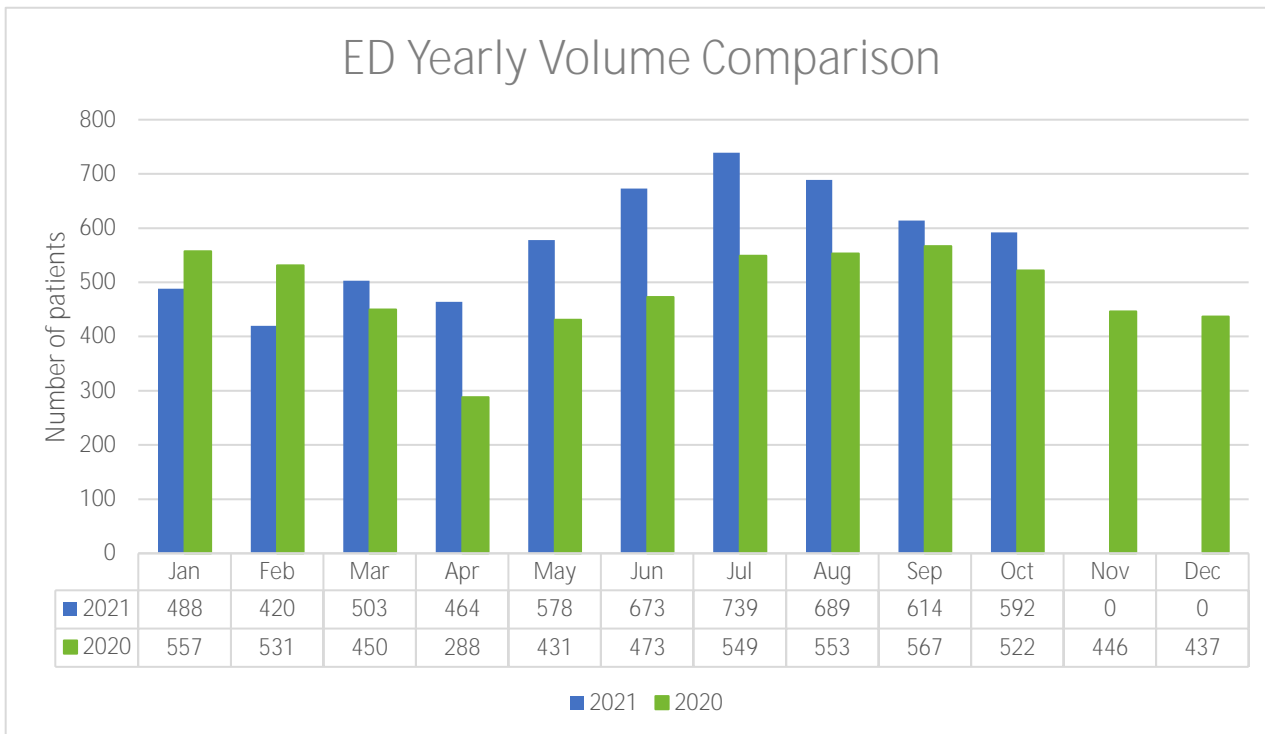
Oncology/Infusion: September



Lab: September

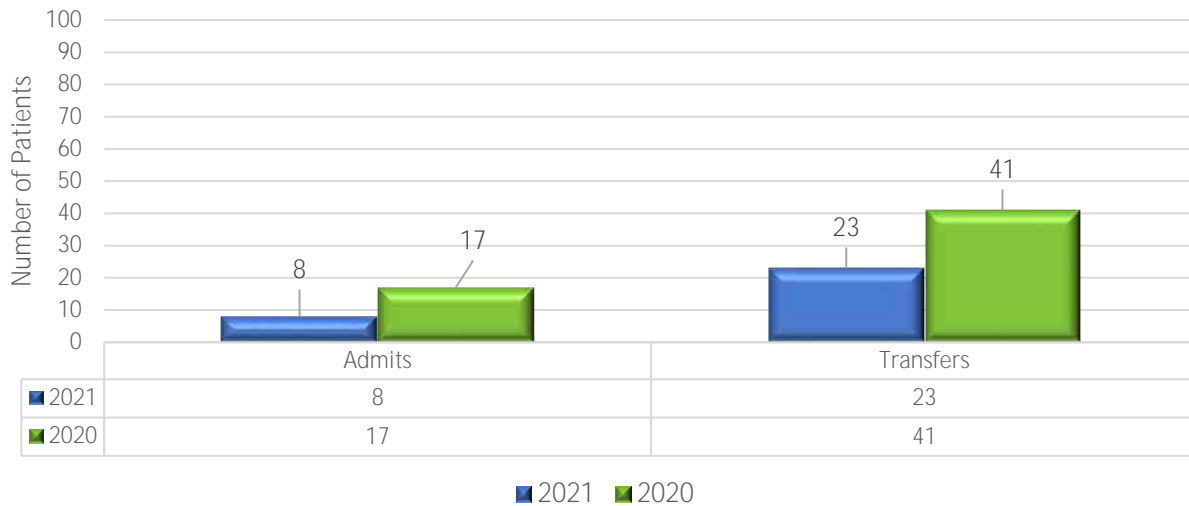


ED: September

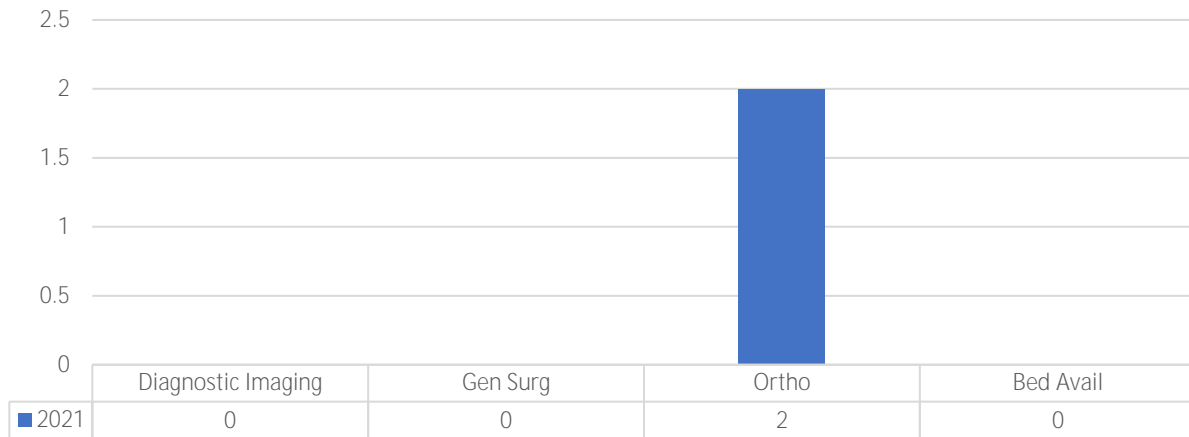


ED: September

ED Inpatient Admissions and Transfers Monthly Comparison



Resource Related Transfers



Average Daily Census

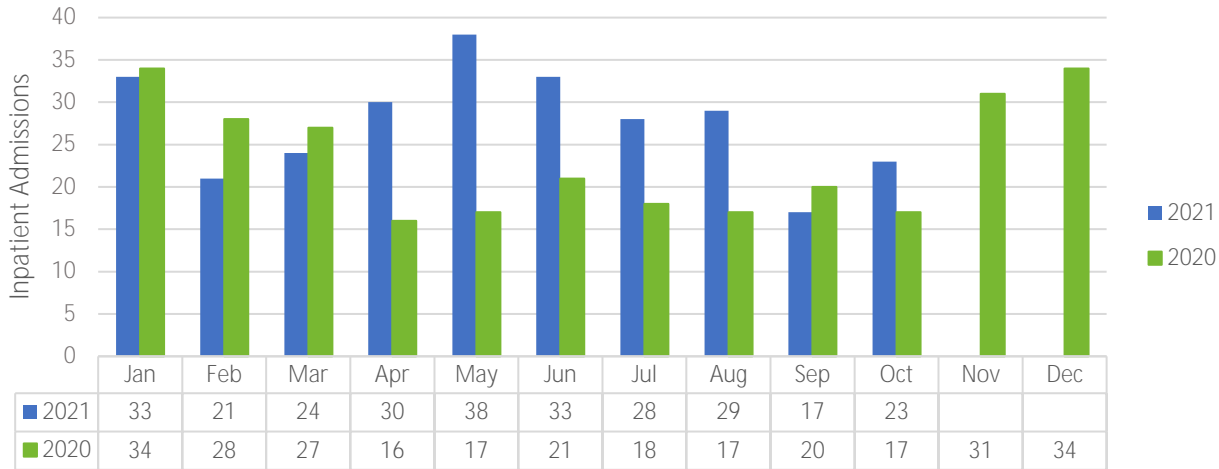
20.5

Average Length of Stay (in hours)

2.3

Inpatient : September

Inpatient Admission Comparison



Average Daily Census

2.2

Average Length of Stay (in days)

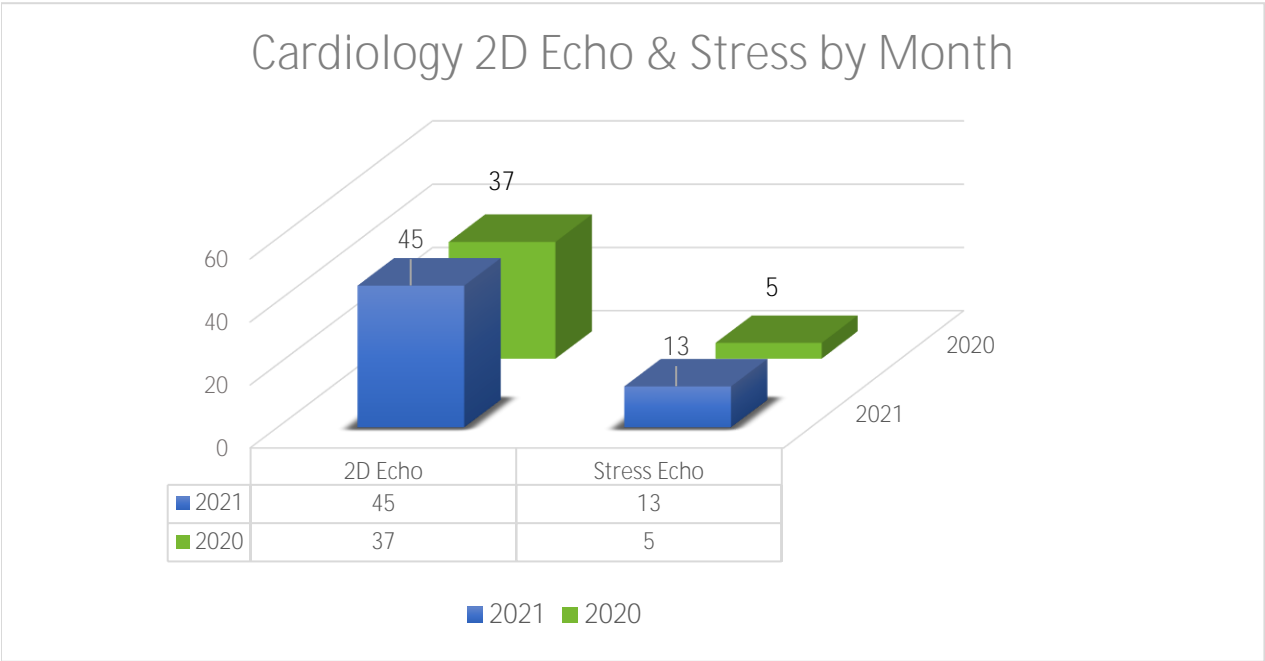
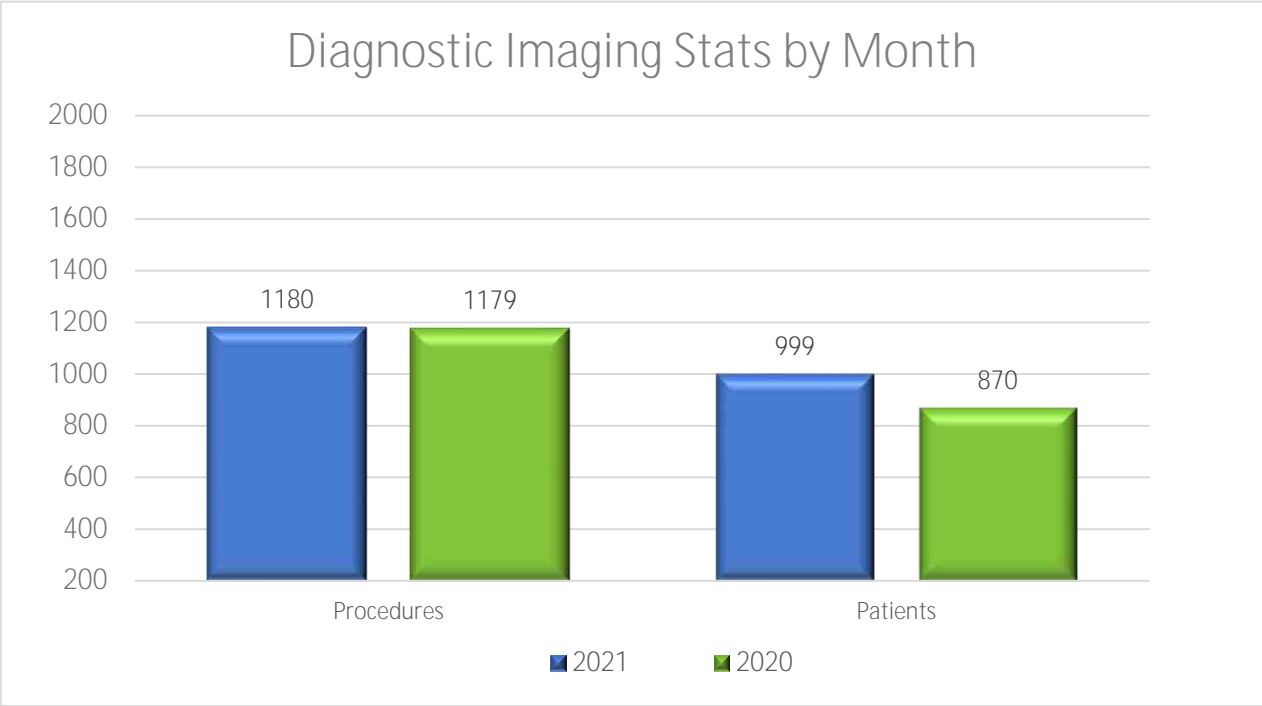
2.2



COVID-19 Patients
Hospitalized at PSMC

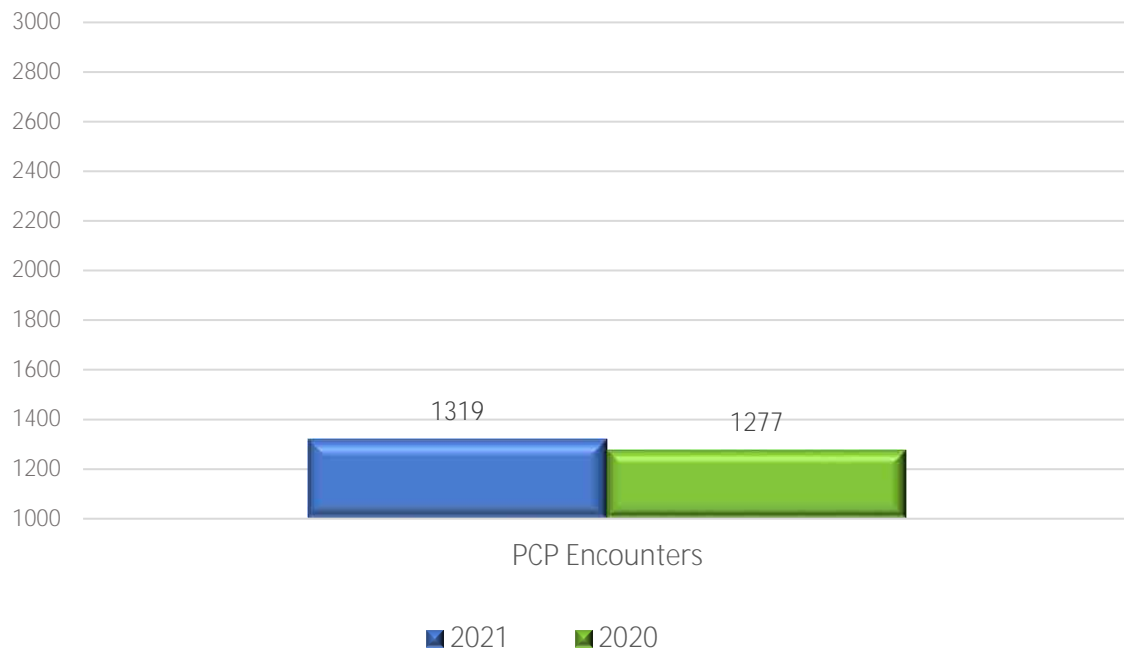
5

Diagnostic Imaging: September

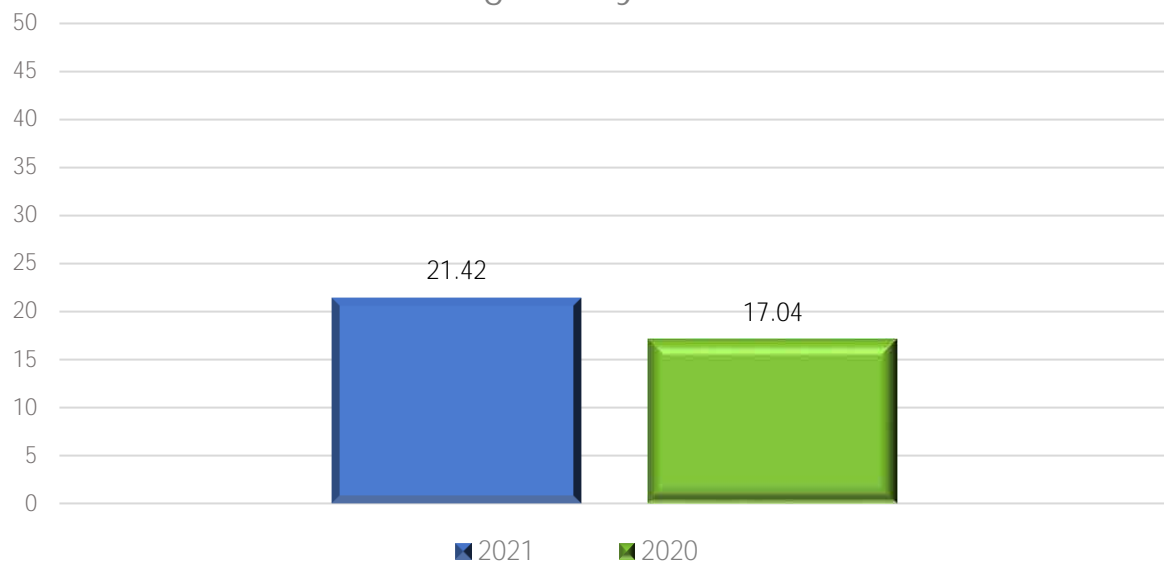


Clinic: September

Rural Health Clinic Encounters by Month

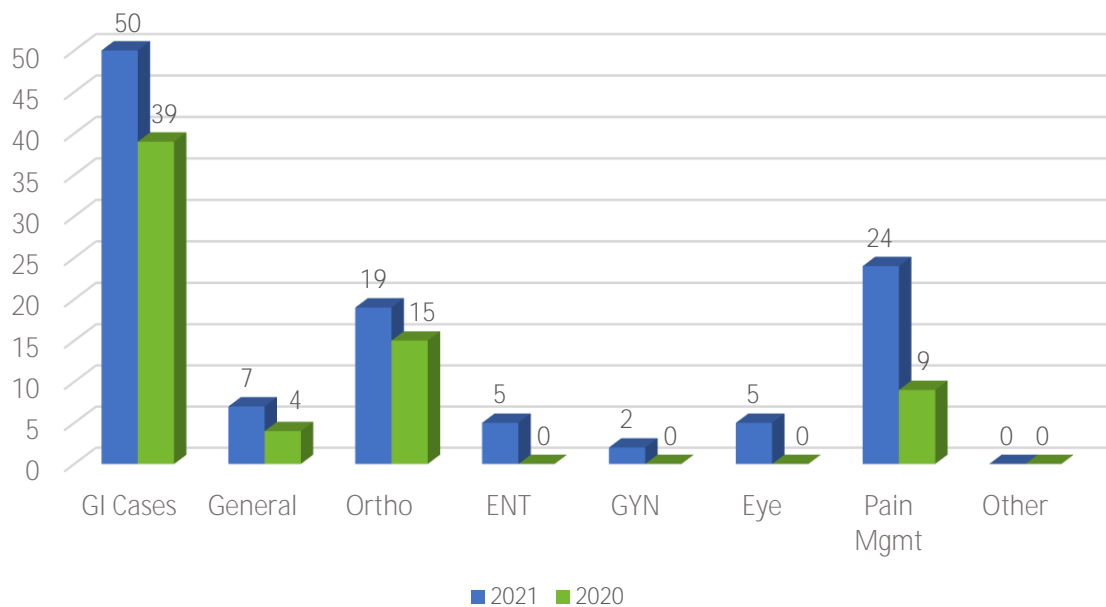


Average Daily Walk-Ins



Surgery

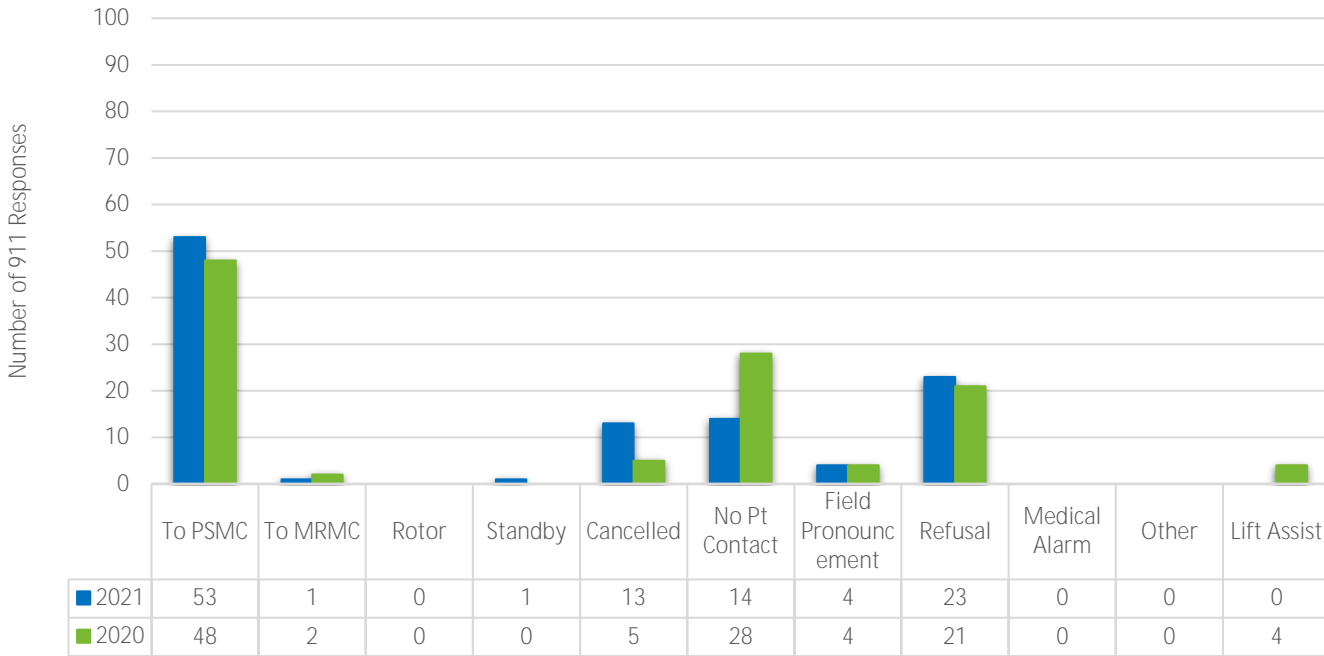
Surgery Cases by Month
2021 compared to 2020



Operations Report for October 2021

EMS: October

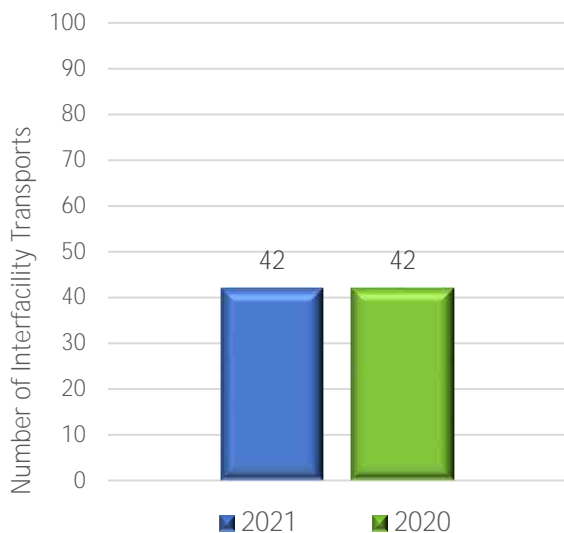
EMS 911 Response



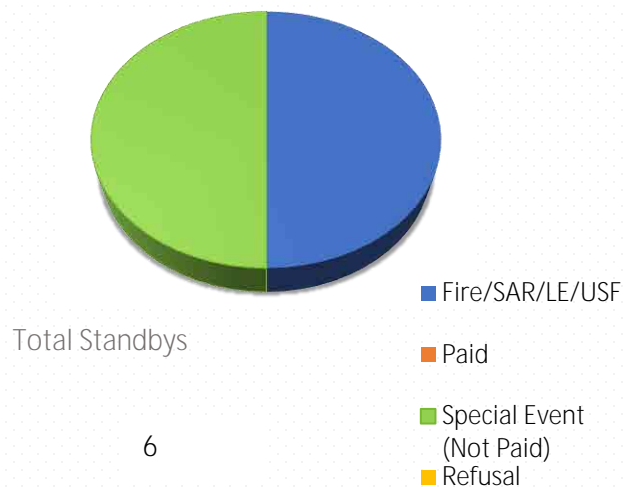
Total 911 Responses for 2020 : 109

■ 2021 ■ 2020

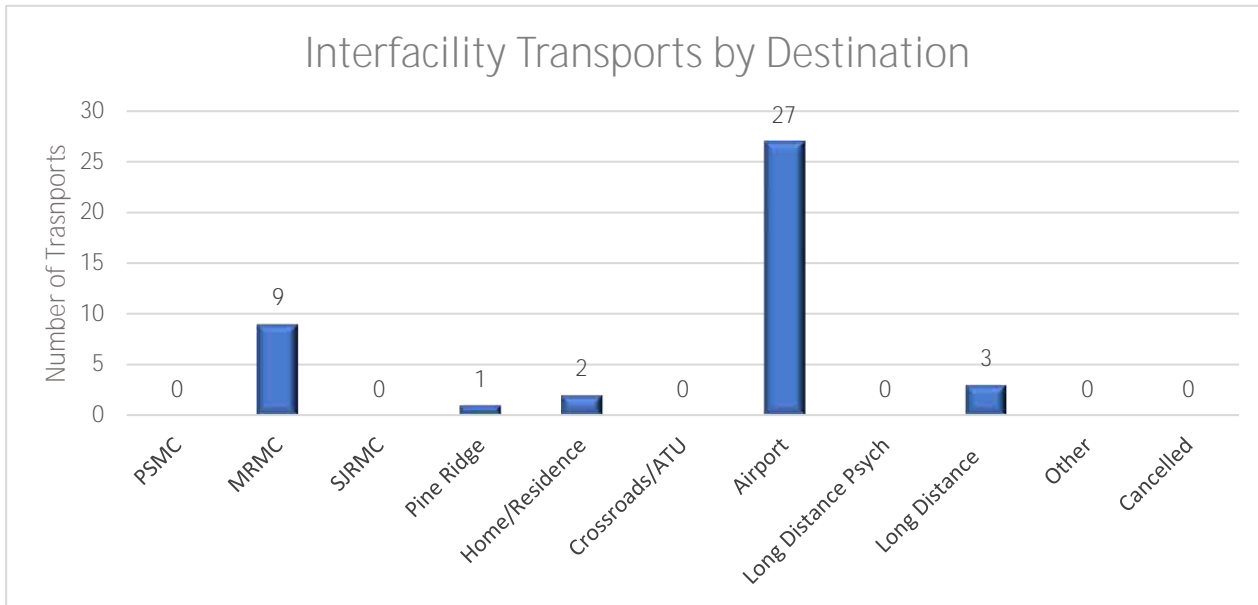
Total Interfacility Transports



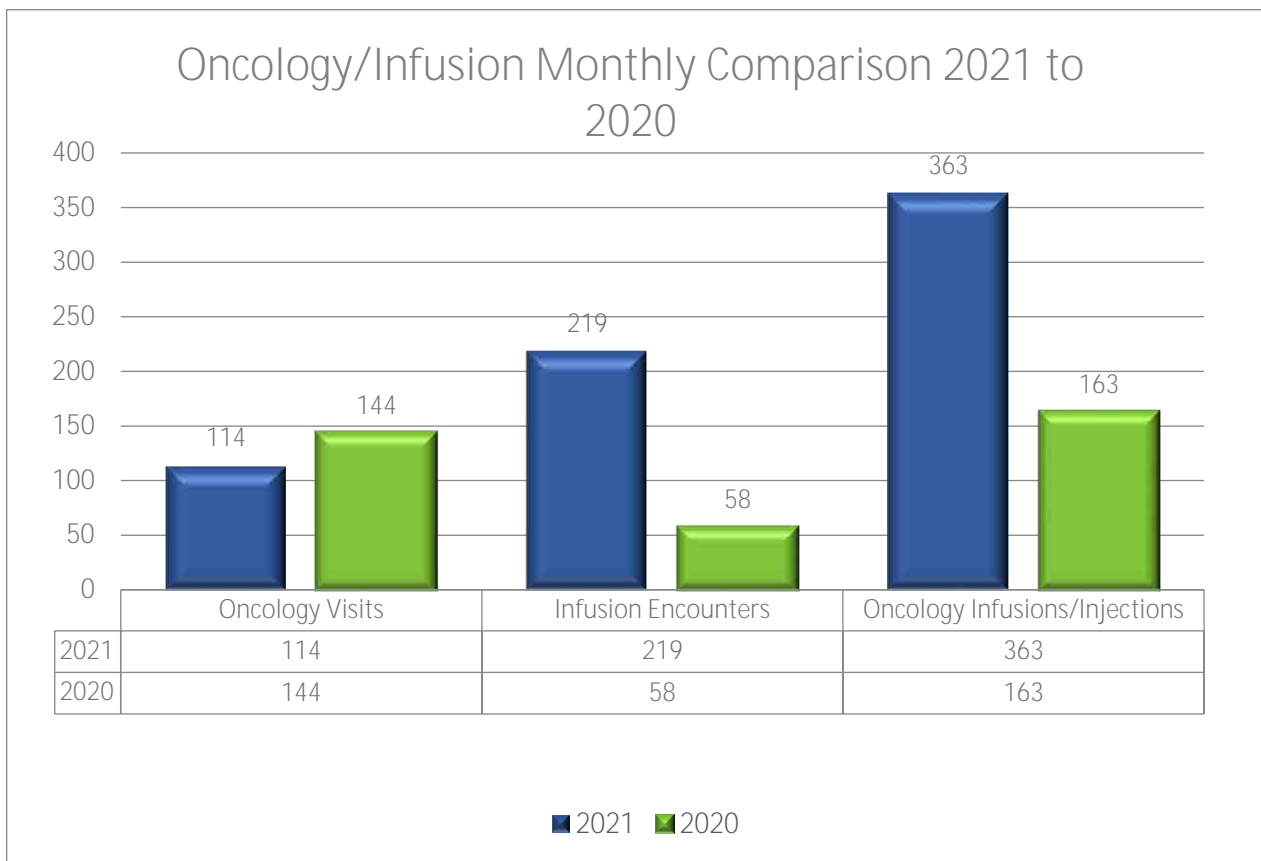
Breakdown of EMS Standbys



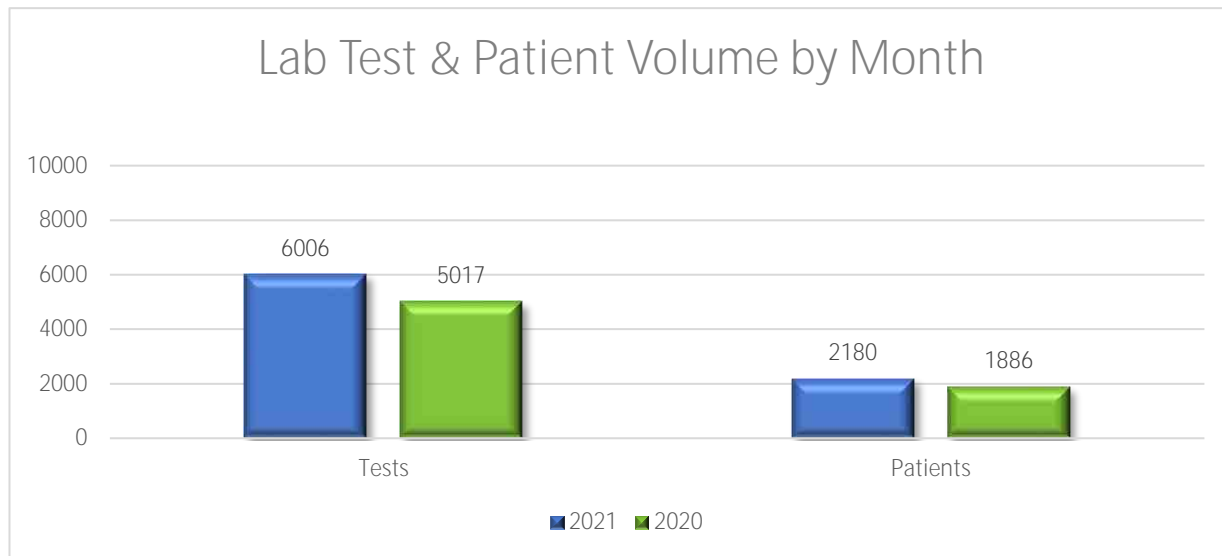
EMS: October



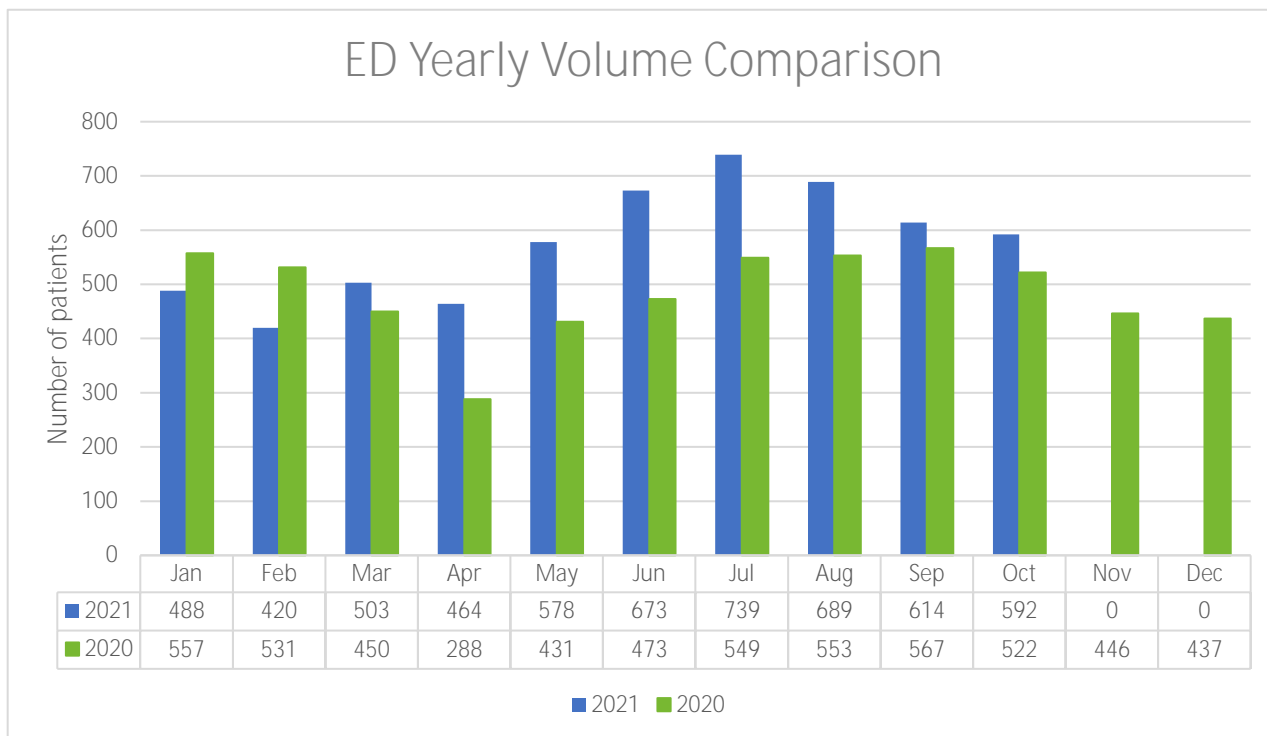
Oncology/Infusion: October



Lab: October

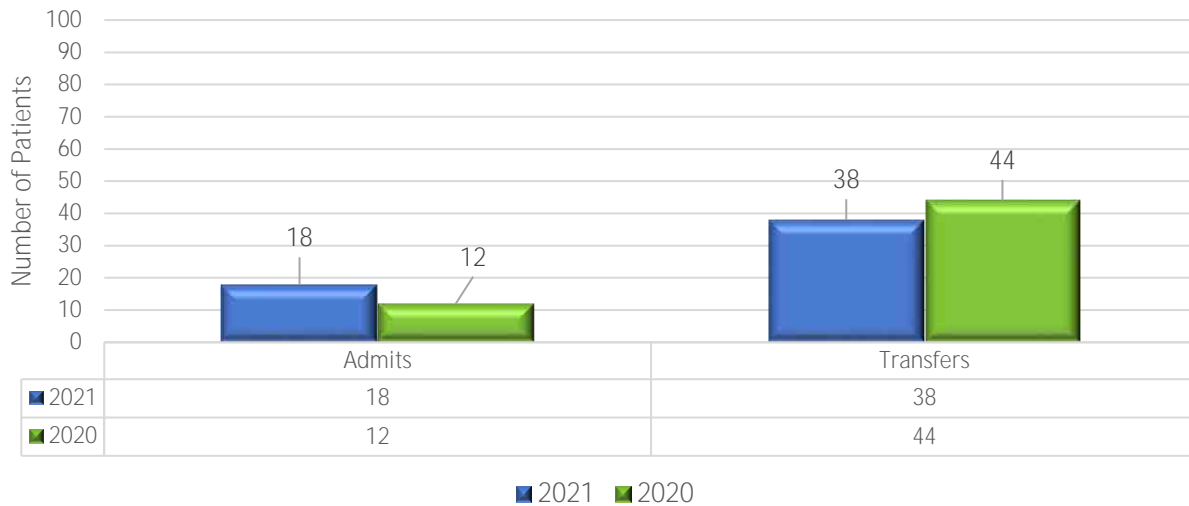


ED: October

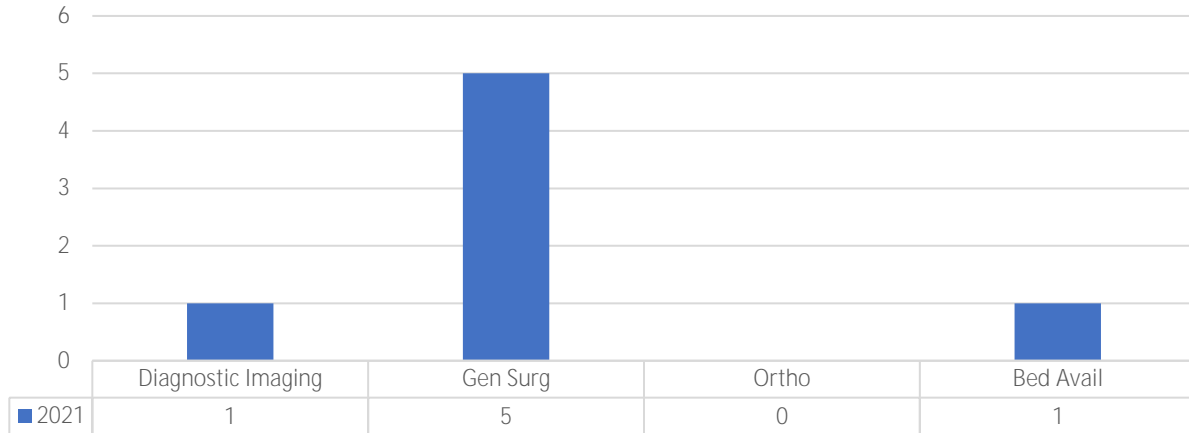


ED: October

ED Inpatient Admissions and Transfers Monthly Comparison



Resource Related Transfers



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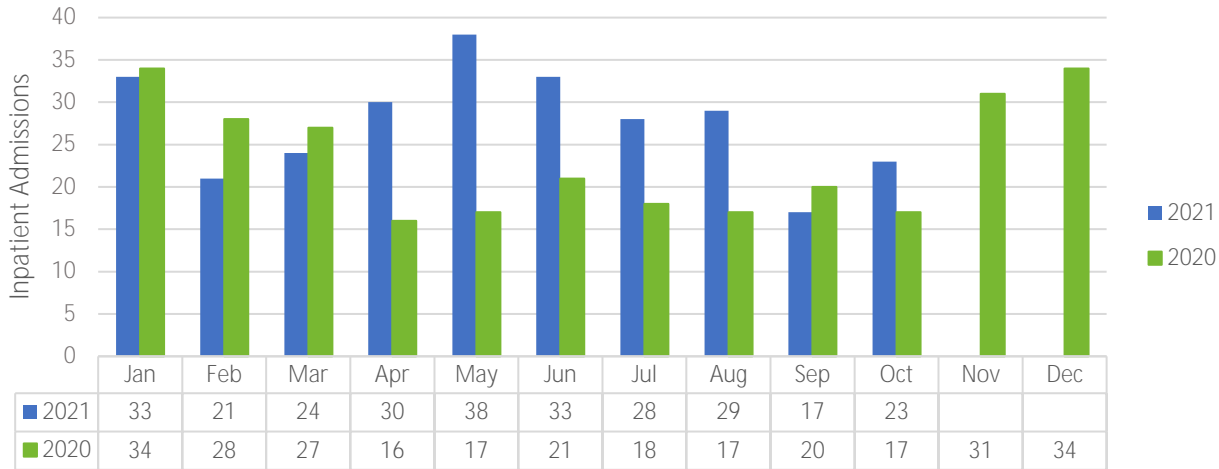
19

Average Length of Stay (in hours)

2.4

Inpatient : October

Inpatient Admission Comparison



Average Daily Census

2.2

Average Length of Stay (in days)

2.3

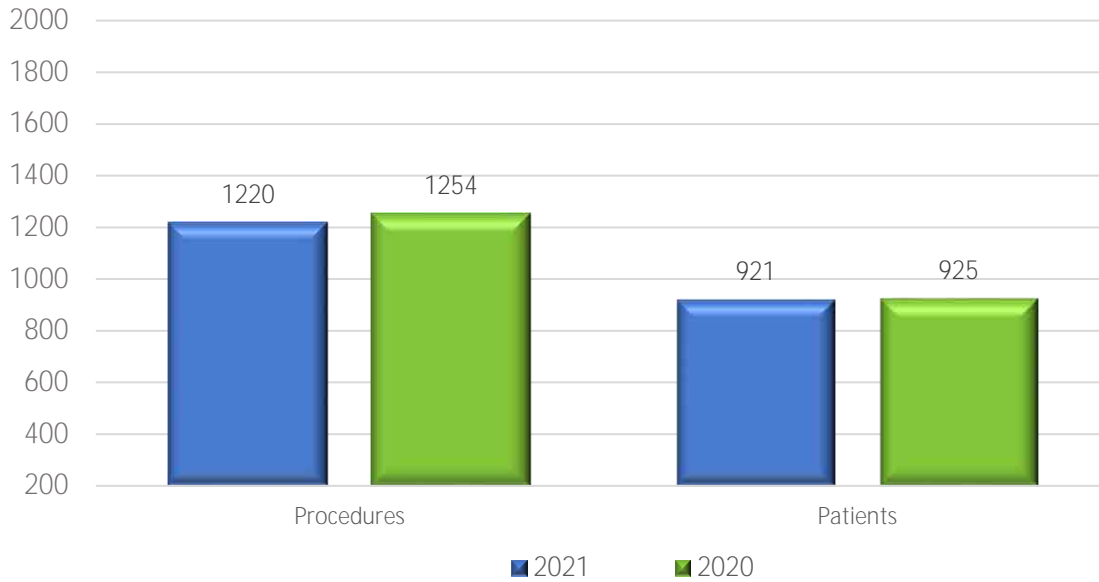


COVID-19 Patients
Hospitalized at PSMC

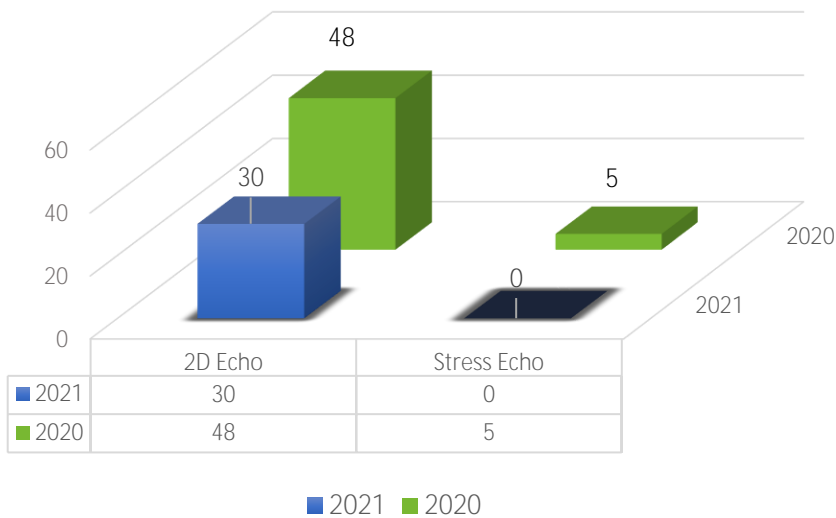
8

Diagnostic Imaging: October

Diagnostic Imaging Stats by Month

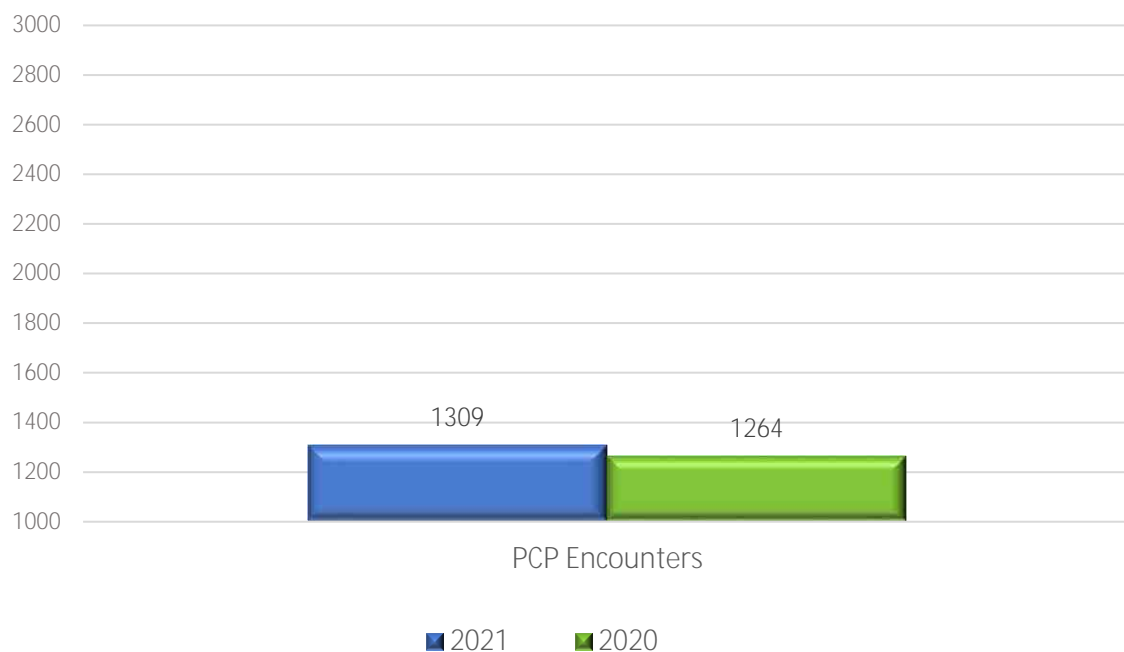


Cardiology 2D Echo & Stress by Month

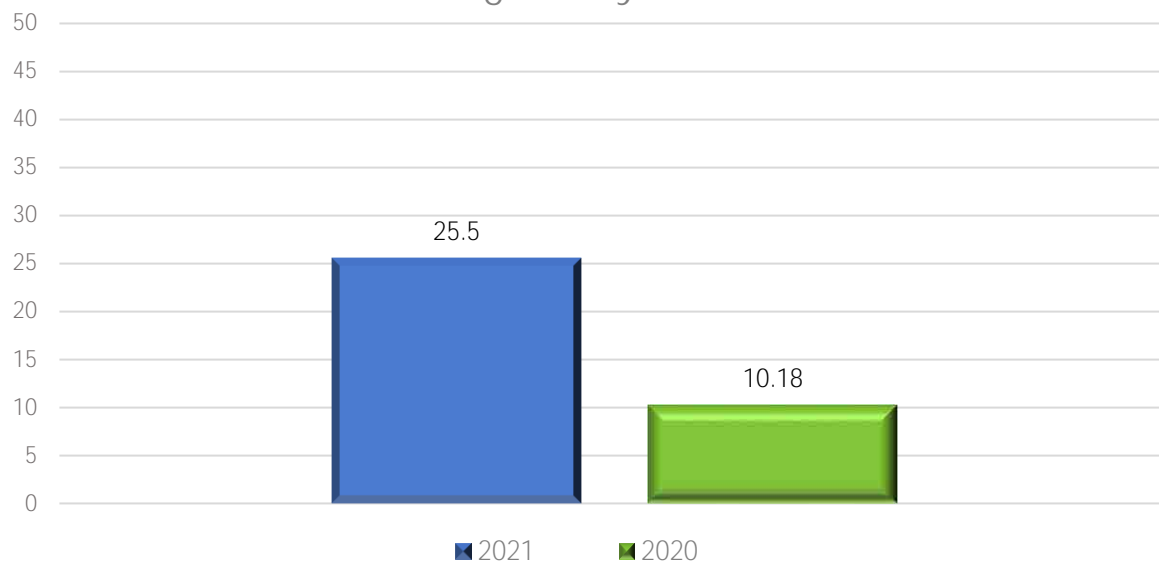


Clinic: October

Rural Health Clinic Encounters by Month

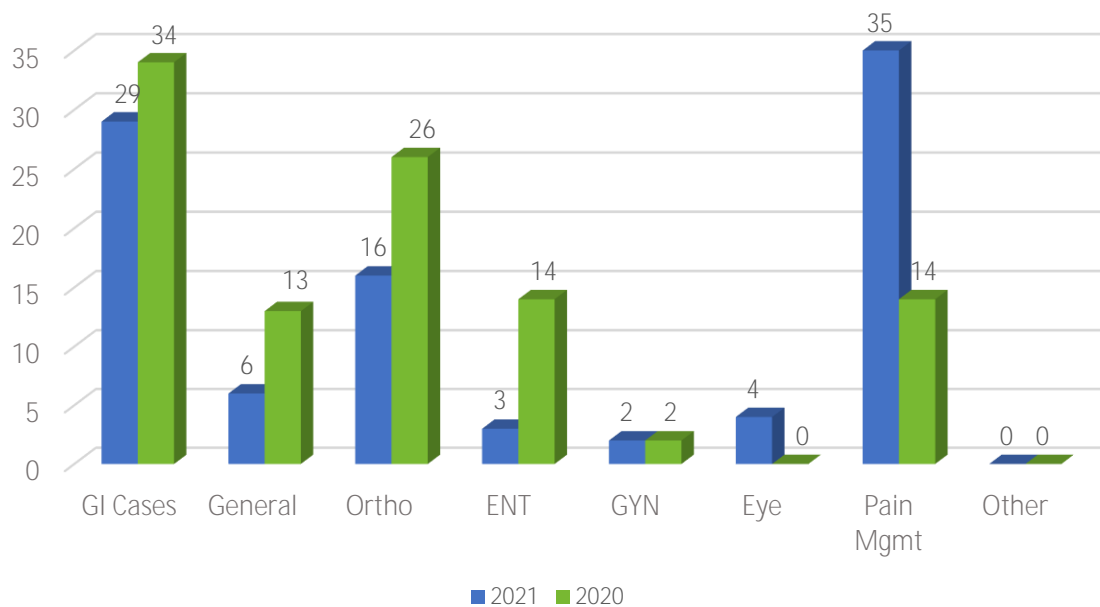


Average Daily Walk-Ins



Surgery

Surgery Cases by Month
2021 compared to 2020





**THE UPPER SAN JUAN HEALTH SERVICE DISTRICT
DOING BUSINESS AS PAGOSA SPRINGS MEDICAL CENTER**

**MEDICAL STAFF REPORT BY CHIEF OF STAFF, RALPH BATTELS
November 16, 2021**

I. STATEMENT OF THE MEDICAL STAFF'S RECOMMENDATIONS FOR THE USJHSD BOARD ACCEPTANCE OF NEW POLICIES OR PROCEDURES ADOPTED BY THE MEDICAL STAFF:

RECOMMENDATION	DESCRIPTION
Responding to Affiliation Verification Requests Policy	Revised Medical Staff Policy
Medical Staff Member Category Change Policy	Revised Medical Staff Policy
Medical Staff and APP Staff Orientation and Annual Training Policy	Revised Medical Staff Policy

II. STATEMENT OF THE MEDICAL STAFF'S RECOMMENDATIONS FOR THE USJHSD BOARD ACCEPTANCE OF PROVIDER PRIVILEGES (ACCEPTANCE BY THE BOARD RESULTS IN THE GRANT OF PRIVILEGES):

NAME	INITIAL/REAPPOINT/CHANGE	TYPE OF PRIVILEGES	SPECIALTY
David Eisenhower, DO	Initial Appointment	Courtesy/Orthopedics	Orthopedic Surgery & Hand Surgery
Joy Norris, MD	Initial Appointment	Active/Emergency Medicine	Emergency Medicine
Lauren Sonderegger, MD	Initial Appointment	Courtesy/Hospitalist	Family Medicine
Dinko Plasto, MD	Initial Appointment	Telemedicine/Teleradiology	Diagnostic Radiology
Chelsea Pluta, DO	Initial Appointment	Telemedicine/Telepsychiatrist	Psychiatry
Kenneth Allison, Jr., MD	Reappointment	Telemedicine/Teleradiology	Neuroradiology/Diagnostic Radiology
John Aucoin, CRNA	Reappointment	APP/CRNA	Certified Registered Nurse Anesthetist
William Bentley, MD	Reappointment	Courtesy/Neurology	Neurology
Kelly Cesary, APN-BC	Reappointment	APP/NP Oncology & Hematology	Advanced Oncology Certified Nurse Practitioner
William Jordan, DO	Reappointment	Active/Oncology & Hematology	Oncology & Hematology
Kourosh Kahkeshani, DO	Reappointment	Telemedicine/Teleneurology	Neurology
Sara Puening, MD	Reappointment	Telemedicine/Telepsychiatry	Psychiatry

III. REPORT OF NUMBER OF PROVIDERS BY CATEGORY

Active: 18
 Courtesy: 21
 Telemedicine: 125
 Advanced Practice Providers: 18
 Honorary: 1
 Total: 183

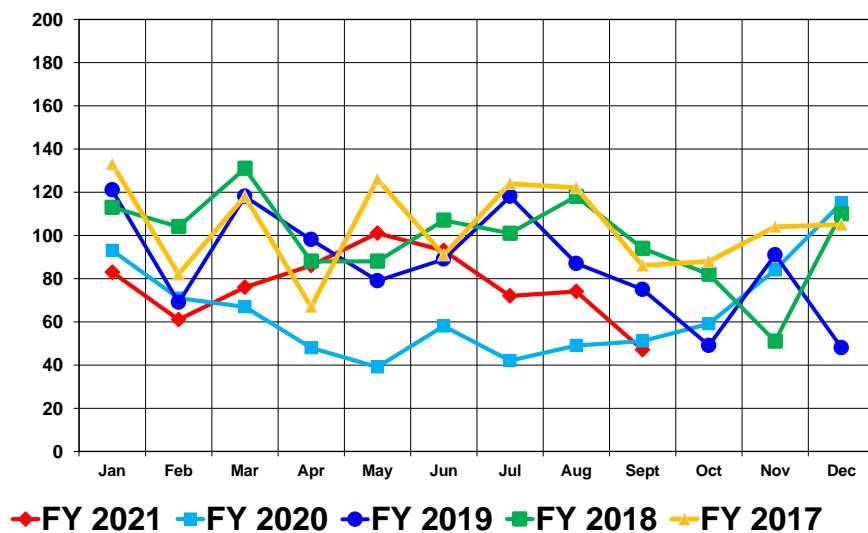
IV. REPORT ON MEDICAL STAFF ELECTION

In the fall of every odd year, the active Medical Staff accepts nominations for the Chief of Staff and Vice Chief of Staff and then holds an election if there is more than one nominee for either officer position. For the terms 1/1/2022 through 12/31/2023, the Medical Staff nominated Dr. John Wisneski to serve as Chief of Staff and Dr. Corinne Reed to serve as Vice Chief of Staff. There were no other nominations, so no election was held and Dr. Wisneski and Dr. Reed's terms begin January 1, 2022. This is per the Medical Staff Bylaws, Section 8.2, an election will occur only if there is more than one nominee for an Elected Officer position.

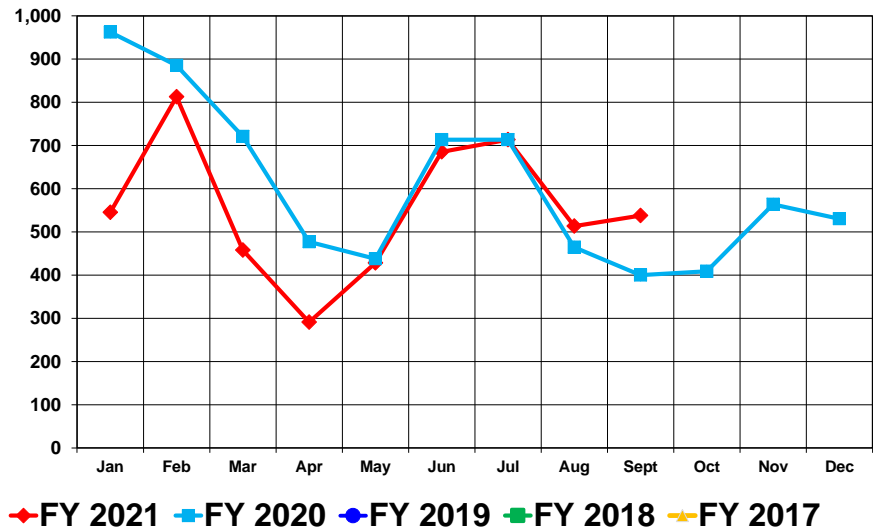


**FINANCIAL PRESENTATION
YTD SEPTEMBER 2021**

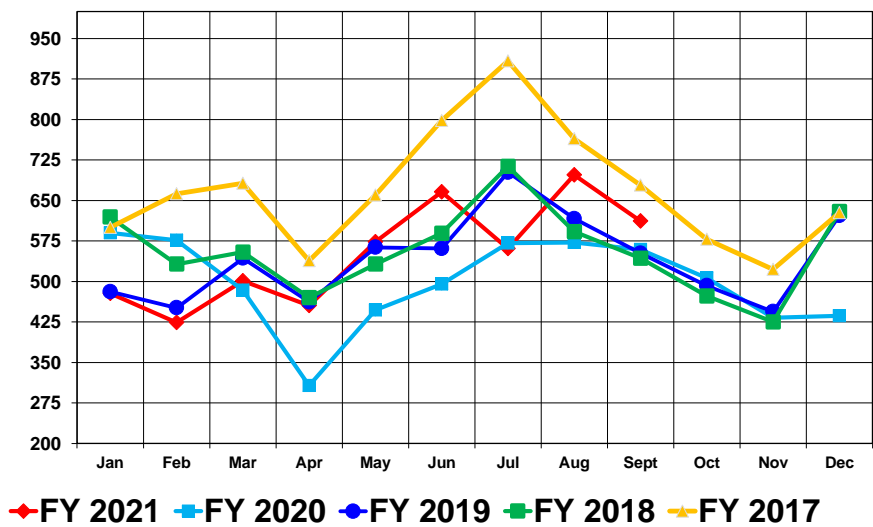
PATIENT DAYS



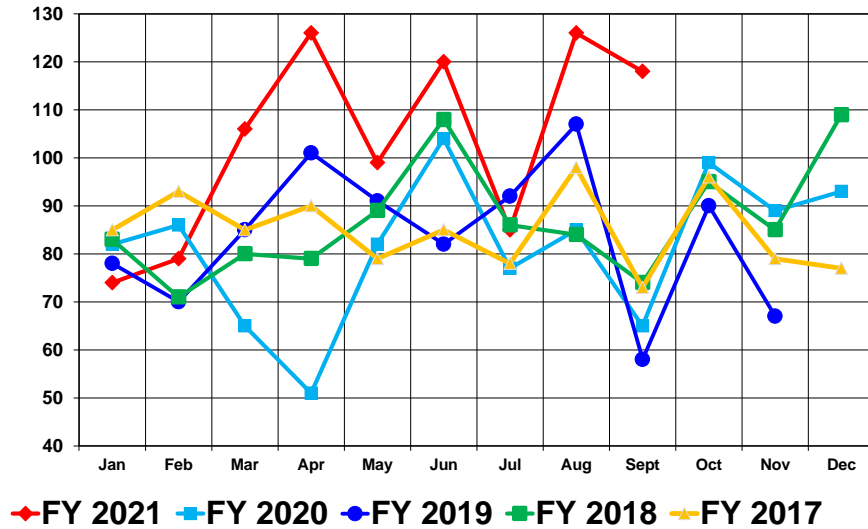
OBSERVATION HOURS



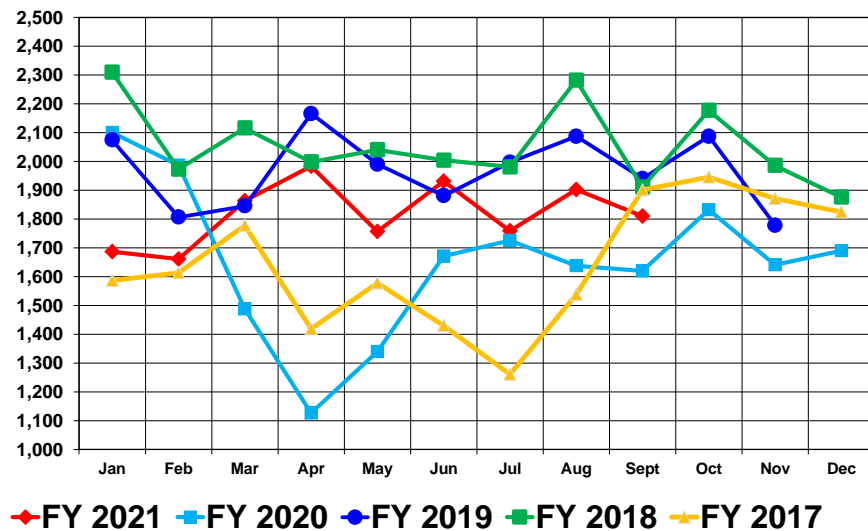
ER VISITS



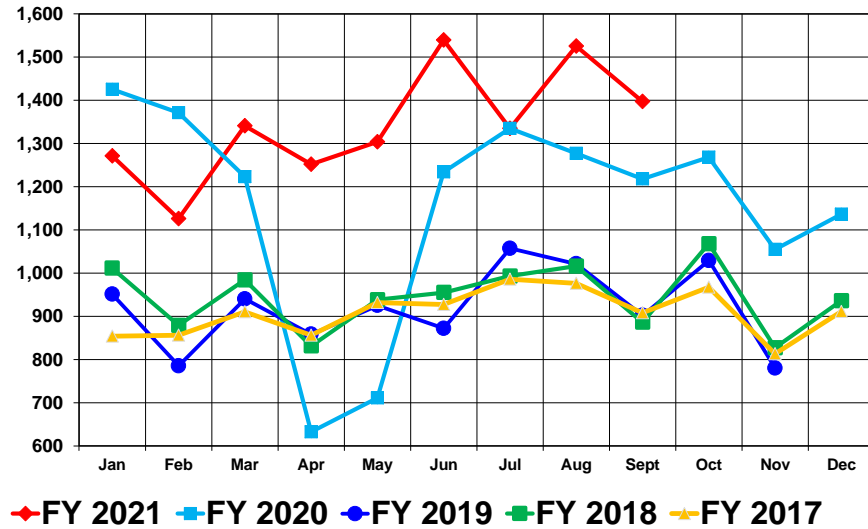
SURGERIES



RURAL HEALTH CLINIC VISITS



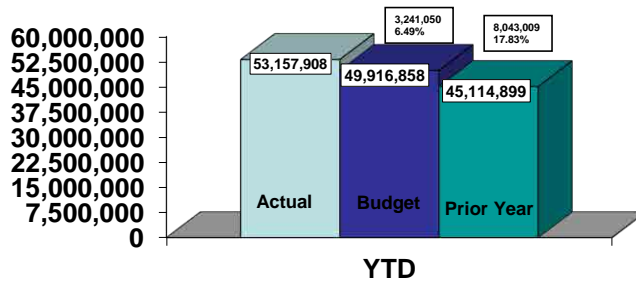
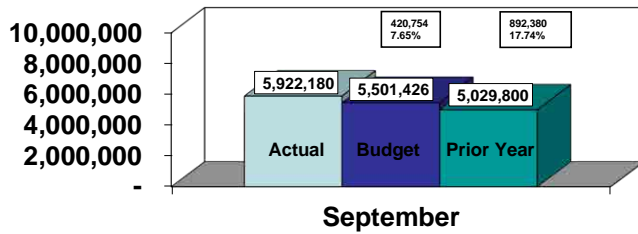
RADIOLOGY EXAMS



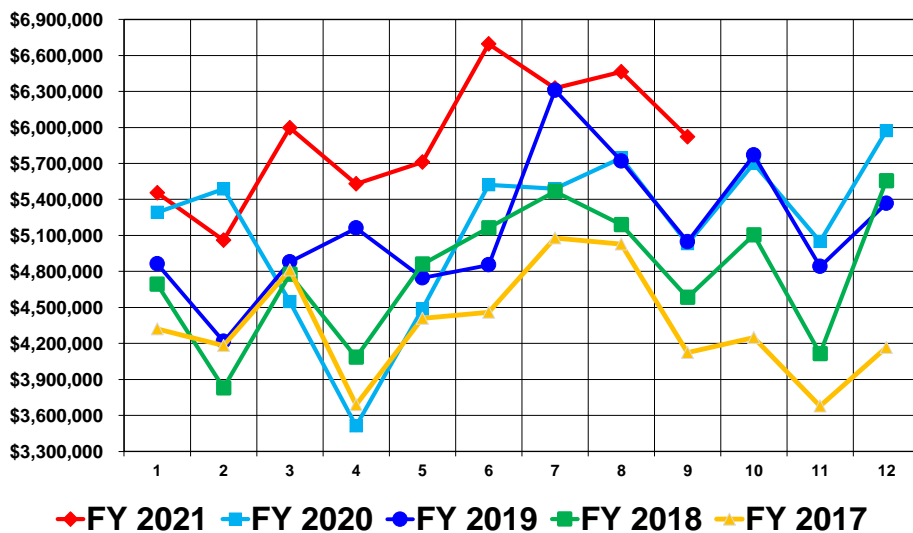
Summary of Financials

	August		
Gross Revenue	\$ 6,461,674		
Net Revenue	\$ 3,484,951		
Expenses	\$ 3,331,296		
Grants, 340B and Tax Revenue	\$ 157,976		
Grants and 340B and Stimulus		\$ 126,665	
Tax Revenue		\$ 31,311	
Net Income	\$ 311,631		

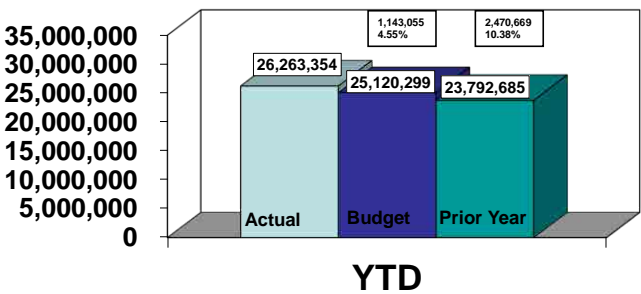
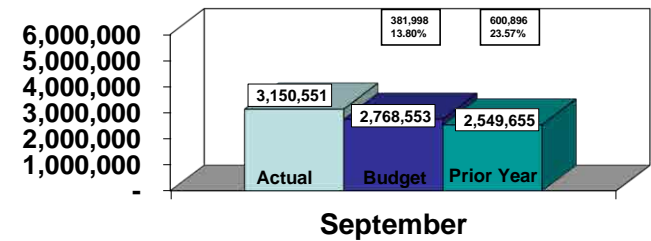
GROSS REVENUE



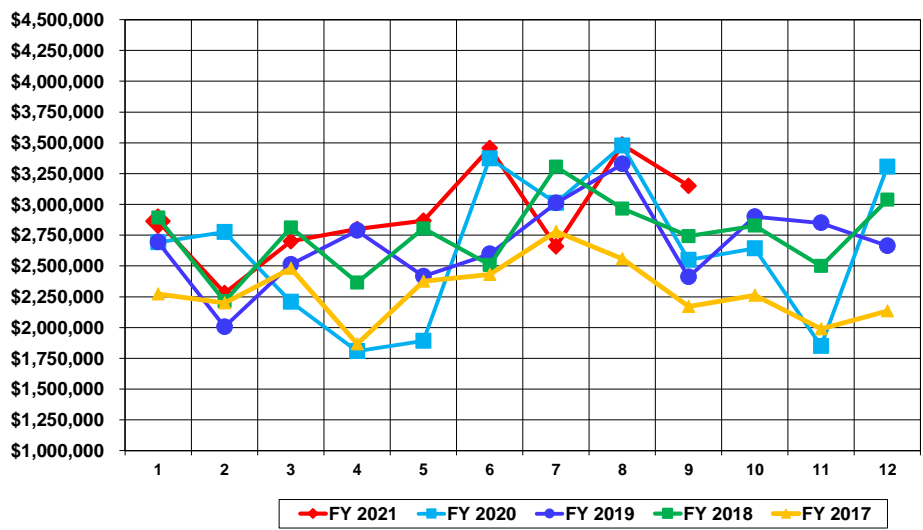
GROSS REVENUE



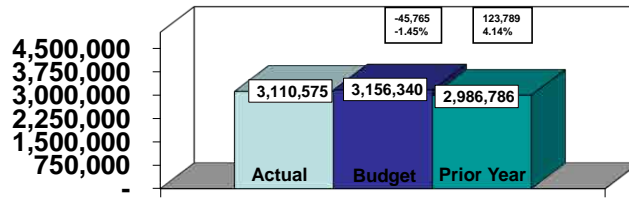
NET PATIENT REVENUE



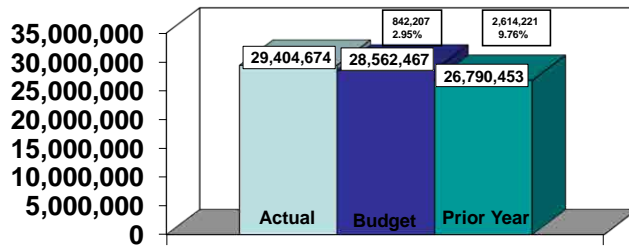
NET PATIENT REVENUE



EXPENSES

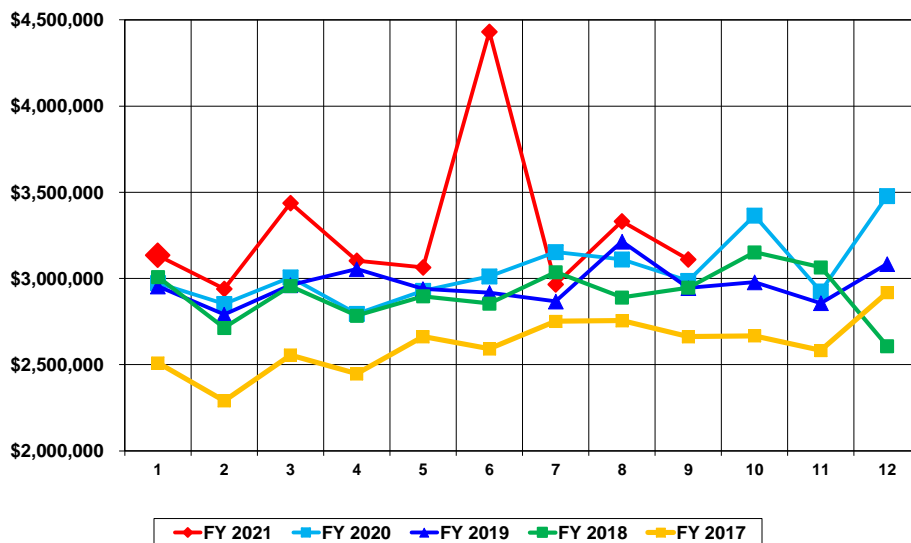


September

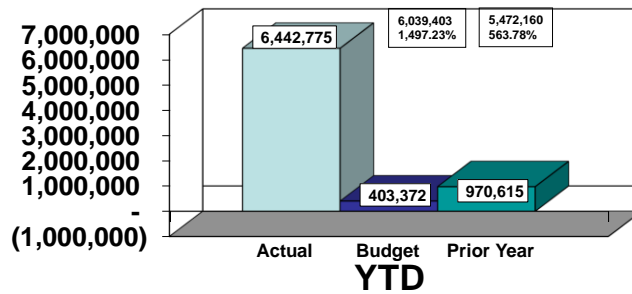
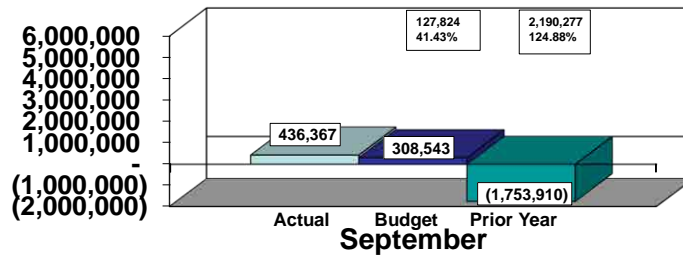


YTD

EXPENSES



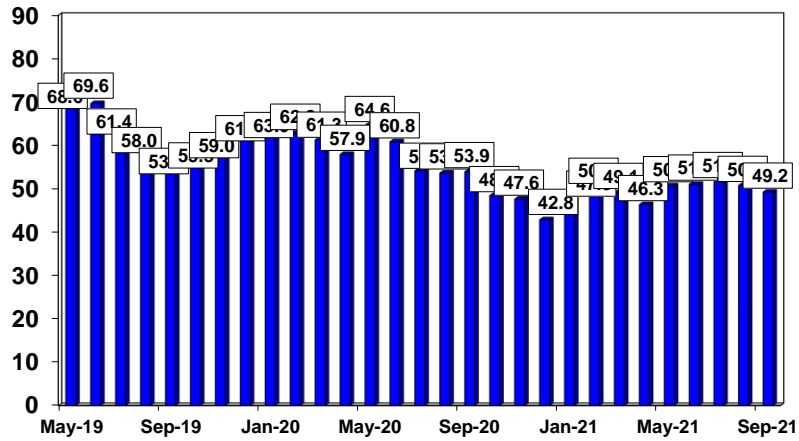
NET INCOME



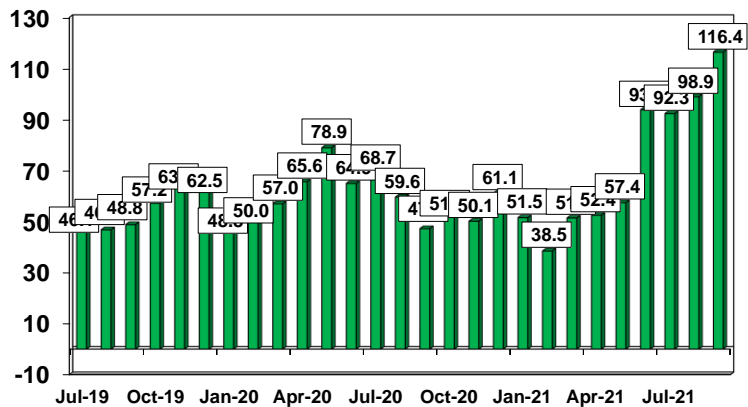
Summary of Financials

	September		
Gross Revenue	\$ 5,922,180		
Net Revenue	\$ 3,150,551		
Expenses	\$ 3,110,575		
Grants, 340B and Tax Revenue	\$ 396,391		
Grants and 340B and Stimulus		\$ 362,078	
Tax Revenue		\$ 34,313	
Net Income	\$ 436,367		

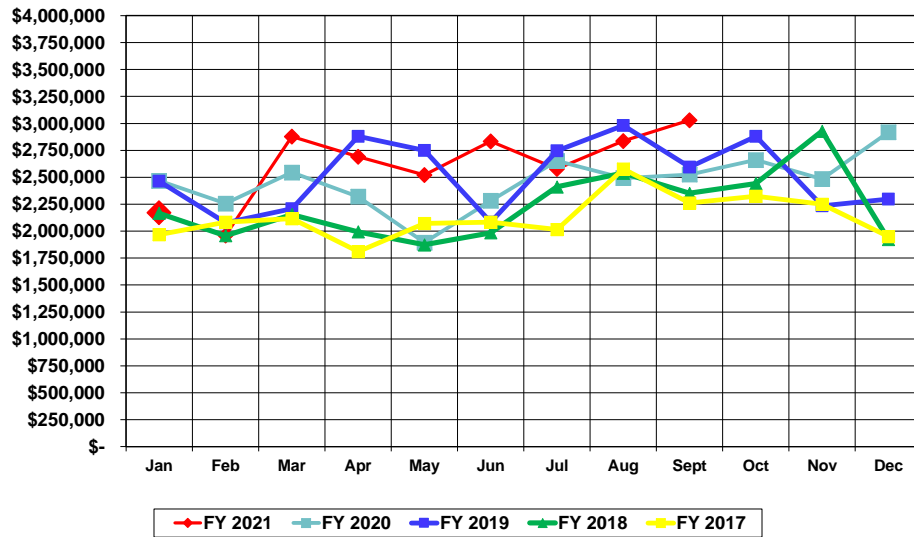
GROSS DAYS IN ACCOUNTS RECEIVABLE



DAYS CASH ON HAND



CASH COLLECTIONS



Pagosa Springs Medical Center

Income Statement --- September 30, 2021

Page 1

	Current Month				Year-to-Date			
	2021	Budget	Difference	Variance	2021	Budget	Difference	Variance
Revenue								
7 Total In-patient Revenue	359,283	431,770	(72,487)	-17%	4,298,309	3,917,636	380,673	10%
17 Total Out-patient Revenue	5,089,090	4,647,670	441,420	10%	44,569,233	42,124,589	2,444,644	6%
18 Professional Fees	472,807	426,986	45,821	11%	4,289,766	2,874,233	1,415,533	11%
19 Total Patient Revenue	5,922,180	5,508,426	413,754	8%	53,157,908	49,916,458	3,241,450	6%
20 Revenue Deductions & Bad Debt								
21 Contractual Allowances	3,234,531	2,586,070	648,461	20%	27,803,528	24,371,893	3,431,635	14%
22 Charity	32,495	9,774	22,721	234%	570,148	88,731	481,417	546%
23 Bad Debt	11,566	213,563	(215,127)	-101%	988,019	1,937,729	(1,949,700)	-49%
24 Provider Fee & Other	(634,131)	(176,482)	(317,649)	180%	(2,467,131)	(1,601,294)	(865,837)	54%
25 Total Revenue Deductions & Bad Debt	2,771,629	2,732,873	38,756	1%	26,394,554	24,796,539	2,097,995	8%
26 Total Net Patient Revenue	3,150,551	2,768,553	381,998	14%	26,763,354	25,120,299	1,643,055	5%
27 Grants	163,812	34,114	113,698	210%	733,519	300,052	433,467	144%
28 HHS Stimulus Other Revenue	-	78,100	(78,100)	-100%	2,203,633	433,050	1,770,583	409%
29 COVID PPP Loan Forgiveness	-	-	-	0%	3,740,044	-	3,740,044	0%
30 Other Operating Income - Misc	194,265	345,436	(151,170)	-44%	1,416,397	1,899,888	(483,491)	-25%
31 Total Net Revenues	3,512,629	3,246,203	266,426	8%	34,356,937	27,753,299	6,603,638	24%
Operating Expenses								
33 Salary & Wages	3,412,649	3,553,556	(123,910)	-14%	15,380,427	14,563,722	816,705	3%
34 Benefits	384,381	797,613	(413,232)	-52%	2,723,226	2,622,461	100,765	4%
35 Professional Fees/Contract Labor	73,435	29,677	43,758	147%	382,513	268,328	114,185	43%
36 Purchased Services	130,625	138,743	(8,118)	-18%	1,282,329	1,425,227	(153,198)	-11%
37 Supplies	563,684	514,678	50,006	10%	4,653,131	4,558,329	94,802	0%
38 Rent & Leases	41,059	34,218	6,841	199%	335,697	129,559	206,138	162%
39 Repairs & Maintenance	45,850	47,157	(1,307)	-3%	336,421	438,637	(102,216)	-10%
40 Utilities	25,677	37,773	(14,096)	-37%	294,110	328,257	(34,147)	-10%
41 Insurance	28,426	25,836	2,590	10%	256,229	233,644	22,585	10%
42 Depreciation & Amortization	142,889	161,562	(18,673)	-12%	1,526,758	1,460,618	66,140	5%
43 Interest	73,492	83,905	(11,413)	-14%	722,891	769,081	(46,190)	-6%
44 Other	173,508	135,300	38,208	27%	1,437,242	1,278,654	158,588	13%
45 Total Operating Expenses	3,110,575	3,156,340	(45,765)	-1%	29,404,674	28,562,467	842,207	3%
46 Operating Revenue Less Expenses	402,054	89,863	312,191	347%	4,952,263	(809,168)	5,761,431	-712%
Non-Operating Income								
47 Tax Revenue	34,313	187,440	(153,127)	-82%	1,340,512	1,039,370	301,142	29%
48 Donations	-	31,240	(31,240)	-100%	150,000	173,220	(23,220)	-13%
49 Total Non-Operating Income	34,313	218,680	(184,367)	-84%	1,490,512	1,212,590	277,922	23%
51 Total Revenue Less Total Expenses	\$ 436,367	\$ 306,543	\$ 127,824	41%	\$ 6,442,775	\$ 403,372	\$ 6,039,403	1497%

Pagosa Springs Medical Center

Income Statement Comparison - - September 30, 2021

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	2021	Current Month 2020	Difference	Variance	2021	Year-to-Date 2020	Difference	Variance
Revenue								
1 Total In-patient Revenue	559,283	228,527	130,756	57%	4,298,309	3,373,165	925,144	27%
17 Total Out-patient Revenue	5,085,090	4,445,161	643,929	14%	44,569,833	38,349,785	6,220,048	16%
18 Professional Fees	473,807	356,112	117,695	33%	4,289,766	3,386,949	902,817	27%
19 Total Patient Revenue	5,922,180	5,029,800	892,380	18%	53,157,908	45,114,899	8,043,009	18%
20 Revenue Deductions & Bad Debt								
21 Contractual Allowances	3,234,831	2,146,106	1,088,725	51%	27,803,528	21,907,596	5,895,932	27%
22 Charity	32,495	9,434	23,061	244%	570,148	19,720	550,428	2791%
23 Bad Debt	(1,366)	434,353	(435,719)	-100%	988,029	1,784,977	(796,948)	-73%
24 Provider Fee & Other	(494,131)	(80,348)	(413,783)	515%	(2,467,151)	(1,890,079)	(577,072)	31%
25 Total Revenue Deductions & Bad Debt	2,771,629	2,480,145	291,484	12%	26,854,554	21,322,214	5,532,340	26%
26 Total Net Patient Revenue	3,150,551	2,549,655	600,896	24%	26,263,354	23,792,685	2,470,669	10%
27 Grants	167,312	202,378	(34,466)	-17%	733,519	699,042	34,477	5%
28 HHS Stimulus Other Revenue	-	(1,692,530)	1,692,530	100%	2,203,633	-	2,203,633	-
29 COVID PPP Loan Forgiveness	-	-	-	-	3,740,044	-	3,740,044	-
30 Other Operating Income - Misc	194,266	357,558	(163,292)	73%	1,416,387	1,679,045	(262,658)	-19%
31 Total Net Revenues	3,512,629	3,216,861	2,295,768	189%	34,356,937	26,170,776	8,186,161	31%
Operating Expenses								
33 Salary & Wages	1,428,649	1,561,745	(133,096)	-9%	15,390,427	14,067,913	1,322,514	9%
34 Benefits	364,281	328,452	35,829	17%	2,723,226	2,464,784	258,442	10%
35 Professional Fees/Contract Labor	73,435	11,620	61,815	532%	382,513	240,287	142,226	59%
36 Purchased Services	130,625	143,304	(12,679)	9%	1,282,029	1,351,772	(69,743)	-5%
37 Supplies	550,684	416,762	143,922	36%	4,653,131	4,092,679	560,452	14%
38 Rent & Leases	41,059	34,888	6,171	18%	339,697	330,063	9,634	3%
39 Repairs & Maintenance	43,850	39,882	3,968	15%	396,421	411,082	(14,661)	-4%
40 Utilities	73,677	31,332	(42,355)	-24%	294,110	281,071	13,039	5%
41 Insurance	28,426	45,040	(16,614)	-37%	256,229	245,603	10,626	4%
42 Depreciation & Amortization	142,889	142,436	(454)	-3%	1,526,758	1,379,157	147,606	15%
43 Interest	72,492	88,289	(15,797)	-18%	722,891	803,586	(80,695)	-10%
44 Other	173,508	138,036	35,472	26%	1,437,242	1,152,461	284,781	25%
45 Total Operating Expenses	3,110,575	2,986,786	123,789	4%	29,404,674	26,790,453	2,614,221	10%
46 Operating Revenue Less Expenses	402,054	(1,769,925)	2,171,979	-123%	4,952,263	(619,677)	5,571,940	-89%
Non-Operating Income								
47 Tax Revenue	34,313	33,626	687	2%	1,340,512	1,273,765	66,747	5%
48 Donations	-	(17,621)	17,621	-100%	130,000	316,527	(186,527)	-53%
49 Total Non-Operating Income	34,313	16,005	18,308	114%	1,470,512	1,590,292	(119,780)	-8%
50 Total Revenue Less Total Expenses	\$ 436,367	\$ (1,753,910)	\$ 2,190,277	-125%	\$ 6,442,775	\$ 970,615	\$ 5,472,160	-56%

Pagosa Springs Medical Center

Balance Sheet - - September 30, 2021

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Assets	Current Month	Prior Month	Liabilities	Current Month	Prior Month
Current Assets			Current Liabilities		
Cash					
Operating	\$ 1,448,891	\$ 9,771,535	Accts Payable - System	\$ 391,477	\$ 685,331
Debt Svc Res 2016 Bonds	679,731	878,752	Accrued Expenses	695,098	762,300
Bond Funds - 2016 Bonds	7	7	Cost Report Settlement Res	767,849	1,702,657
Bond Funds - 2021 / 2006	433,773	414,188	Wages & Benefits Payable	1,752,414	1,653,369
Escrow - JMB	-	-	Deferred Revenue	1,858	1,858
COVID PPP	-	-	COVID PPP Short Term Loan	-	-
Relief Fund Cash Restricted	1,755,156	1,755,156	Relief Fund Liability	1,755,156	1,755,156
Medicare Accelerated Pmt	3,197,295	3,525,369	Medicare Accelerated Pmt Lat	3,197,295	3,525,369
Total Cash	17,713,853	16,345,007	Current Portion of LT Debt-Lease	103,829	116,046
			Current Portion of LT Debt-2006	-	-
Accounts Receivable			Current Portion of LT Debt-2015	340,000	340,000
Patient Revenue - Net	4,472,476	4,713,332	Total Current Liabilities	9,005,006	8,138,802
Other Receivables	339,833	274,914			
Total Accounts Receivable	4,812,309	4,988,246	Long-Term Liabilities		
			Leases Payable	-	-
Inventory	1,672,216	1,680,381	Equipment Lease (Wells Fargo)	-	-
			Bond Premium (Net) - 2006 Def Outflows	239,087	213,199
Total Current Assets	24,198,379	23,013,634	Bond Premium (Net) - 2016	125,321	125,746
			Bond Premium (Net) - 2021	774,381	778,352
Fixed Assets			Bonds Payable - 2021	7,985,000	7,985,000
Property Plant & Equip (Net)	6,205,176	6,353,574	Bonds Payable - 2006	-	-
Electronic Health Record (Net)	-	-	Bonds Payable - 2016	9,250,000	9,250,000
Clinic Expansion	13,377,405	13,377,405	Total Long-Term Liabilities	18,243,789	18,249,297
Work In Progress	2,529,176	2,263,302			
Land	101,000	101,000	Net Assets		
Total Fixed Assets	22,212,757	22,095,281	Un-Restricted	13,057,906	13,057,906
			Current Year Net Income/Loss	6,442,775	6,006,408
Other Assets			Total Un-Restricted	19,500,681	19,064,314
Prepays & Other Assets	339,341	343,498	Restricted		
Total Other Assets	339,341	343,498	Total Net Assets	19,500,681	19,064,314
Total Assets	\$ 46,749,476	\$ 45,452,413	Total Liabilities & Net Assets	\$ 46,749,476	\$ 45,452,413

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Pagosa Springs Medical Center - - - Statistical Review

Statistical Review

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2021	September			September			September Prior Y-T-O			
	Current Month Actual	Current Month Budget	Variance	Y-T-O Actual	Y-T-O Budget	Variance	Y-T-O Actual	Prior Y-T-O Actual	Difference	Variance
In-Patient										
Admissions										
Acute	17	27	(10)	274	257	(23)	274	208	66	32%
Swing Bed	-	-	-	-	3	(3)	-	-	-	-
Total	17	27	(10)	274	260	(26)	274	208	66	32%
Patient Days										
Acute	47	52	(5)	593	537	96	593	518	175	34%
Swing Bed	-	3	(3)	-	22	(22)	-	-	-	-
Total	47	55	(8)	593	619	74	593	518	175	34%
Average Daily Census										
# Of Days	30	30		273	273		273	274		
Acute	1.6	1.7	(0.2)	2.5	2.2	0.4	2.5	1.9	0.6	34%
Swing Bed	-	0.1	(0.1)	-	0.1	(0.1)	-	-	-	-
Total	1.6	1.8	(0.3)	2.5	2.3	0.3	2.5	1.9	0.6	34%
Length of Stay										
Acute	2.8	1.9	0.8	2.5	2.0	0.5	2.5	2.5	0.0	2%
Swing Bed	-	-	-	-	-	-	-	-	-	0%
Total	2.8	2.0	0.7	2.5	2.1	0.5	2.5	2.5	0.0	2%
Out-Patient										
Out-Patient Visits										
ER Visits	512	502	10	4,367	4,450	487	4,967	4,601	366	5%
Observations	42	54	(12)	277	600	(323)	277	252	25	10%
Lab Tests	5,409	4,978	431	50,807	45,622	5,205	50,507	44,673	6,134	14%
Radiology/CT/MR Exam/VM	1,367	1,204	193	12,090	10,857	1,263	12,090	10,426	1,664	16%
OH Cases	118	80	38	933	842	91	933	697	236	34%
Clinic Visits	1,810	2,215	(405)	15,351	19,797	(3,445)	16,351	14,685	1,656	11%
Spec Clinic Visits	25	209	(124)	1,013	1,857	(564)	1,013	1,687	(674)	-40%
Oncology Clinic Visits	119	123	(4)	1,028	1,127	(99)	1,028	1,043	(15)	-1%
Oncology Infusion Patients	150	140	20	1,349	1,275	74	1,349	1,253	96	8%
Infusion Patients	22	99	(77)	695	903	(208)	695	572	123	22%
EMT Transports	108	113	(5)	991	1,009	(18)	991	1,015	(27)	-3%
Total	9,952	9,720	232	90,501	88,389	2,112	90,501	80,917	9,584	12%

Pagosa Springs Medical Center

Cerner/Healthland Accounts Receivable for Hospital by Payor and Days Outstanding -- As of September 30, 2021

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		1-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181+ Days	Total	Percent of Total	Accts sent to Collections							
Medicare	\$	2,148,756	\$	437,595	\$	42,314	\$	48,128	\$	21,115	\$	12,547	\$	53,846	\$	2,605,524	29%	
Medicaid		675,972		157,405		125,540		126,535		77,463		18,508		188,517		1,247,963	12%	
Third Party		1,548,061		988,191		345,311		389,641		187,061		19,724		544,628		3,511,026	36%	
Self Pay		305,127		185,213		299,117		255,717		148,581		193,835		944,535		7,532,404	35%	
Current Month Total	\$	4,678,878	\$	1,967,964	\$	790,181	\$	861,326	\$	444,124	\$	263,517	\$	3,816,326	\$	11,304,617	100%	251,846
Pct of Total		43%		14%		6%		7%		4%		3%		15%		100%		
Aug-21	\$	5,070,972	\$	1,421,338	\$	1,285,521	\$	637,557	\$	433,382	\$	547,571	\$	1,514,117	\$	11,734,509	100%	147,535
Pct of Total		47%		13%		12%		5%		4%		3%		14%		100%		
Jul-21	\$	4,918,121	\$	1,854,328	\$	1,641,825	\$	1,141,848	\$	1,448,131	\$	1,340,021	\$	1,451,547	\$	11,905,153	100%	125,488
Pct of Total		47%		19%		8%		5%		5%		3%		14%		100%		
Jun-21	\$	1,450,119	\$	891,311	\$	461,119	\$	470,952	\$	1,681,470	\$	1,168,238	\$	1,658,514	\$	9,156,415	100%	243,721
Pct of Total		48%		11%		5%		5%		6%		4%		18%		100%		
May-21	\$	5,564,396	\$	1,273,151	\$	900,479	\$	1,156,198	\$	1,166,123	\$	1,335,518	\$	1,189,871	\$	9,486,521	100%	81,578
Pct of Total		42%		13%		9%		6%		5%		4%		15%		100%		
Apr-21	\$	4,315,717	\$	1,737,587	\$	712,389	\$	541,051	\$	617,714	\$	158,001	\$	1,174,580	\$	8,754,120	100%	190,742
Pct of Total		49%		15%		8%		7%		3%		2%		13%		100%		
Mar-21	\$	4,145,137	\$	1,123,657	\$	858,110	\$	814,678	\$	287,141	\$	225,554	\$	1,157,083	\$	5,008,271	100%	141,256
Pct of Total		50%		14%		12%		7%		3%		2%		13%		100%		
Feb-21	\$	4,632,177	\$	1,308,958	\$	788,114	\$	1,119,123	\$	1,155,626	\$	1,164,130	\$	1,164,813	\$	5,110,115	100%	115,754
Pct of Total		50%		20%		3%		4%		3%		2%		13%		100%		
Jan-21	\$	4,567,228	\$	1,324,541	\$	1,485,574	\$	1,400,572	\$	1,301,137	\$	1,071,163	\$	1,100,666	\$	4,175,515	100%	187,292
Pct of Total		54%		11%		5%		4%		4%		4%		13%		100%		
Dec-20	\$	4,315,448	\$	838,564	\$	1,441,388	\$	1,194,340	\$	1,411,058	\$	1,324,468	\$	1,061,890	\$	2,775,054	100%	221,783
Pct of Total		55%		11%		7%		5%		3%		4%		12%		100%		
Nov-20	\$	4,126,285	\$	1,171,111	\$	1,681,113	\$	1,441,005	\$	1,641,542	\$	1,175,571	\$	1,085,311	\$	3,248,516	100%	171,213
Pct of Total		50%		14%		7%		7%		3%		3%		12%		100%		
Oct-20	\$	4,351,362	\$	1,054,135	\$	891,643	\$	854,756	\$	1,171,548	\$	1,100,114	\$	1,158,217	\$	3,664,521	100%	355,496
Pct of Total		50%		12%		10%		6%		4%		2%		13%		100%		
Sep-20	\$	4,073,967	\$	1,328,144	\$	1,115,156	\$	1,468,311	\$	1,115,375	\$	1,104,586	\$	1,011,413	\$	3,575,381	100%	12,149
Pct of Total		49%		15%		12%		5%		3%		2%		11%		100%		
Aug-20	\$	4,580,691	\$	1,475,490	\$	895,156	\$	1,181,897	\$	1,161,888	\$	1,441,485	\$	1,968,128	\$	9,718,424	100%	11,758
Pct of Total		47%		15%		7%		6%		3%		4%		20%		100%		
Pct Settled (Current)				71.2%		44.3%		33.2%		24.1%		17.7%		-354.1%				
Pct Settled (Aug from Aug)				11.1%		30.1%		28.1%		19.3%		12.1%		-346.1%				

Pagosa Springs Medical Center

Pagosa Springs Medical Center --- Net Days in A/R 2021

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	31	28	31	30	31	30
	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21
Net Accounts Receivable	\$ 4,787,576	\$ 4,025,591	\$ 3,955,134	\$ 3,777,753	\$ 3,877,097	\$ 4,279,409
Net Patient Revenue	\$ 2,553,140	\$ 2,230,205	\$ 2,700,773	\$ 2,739,976	\$ 2,857,254	\$ 3,457,110
Net Patient Rev./Day (2 month Avg)	\$ 103,376	\$ 86,898	\$ 84,273	\$ 90,225	\$ 92,912	\$ 103,855
Net Days in A/R	46	46	47	42	42	41

	31	31	30	31	30	31
	Jul-21	Aug-21	Sep-21	Oct-20	Nov-20	Dec-20
Net Accounts Receivable	\$ 4,520,923	\$ 4,713,532	\$ 4,477,475	\$ 3,453,434	\$ 2,672,854	\$ 3,423,335
Net Patient Revenue	\$ 2,559,431	\$ 3,464,951	\$ 3,150,551	\$ 2,543,131	\$ 1,630,537	\$ 3,545,161
Net Patient Rev./Day (2 month Avg)	\$ 100,513	\$ 99,173	\$ 108,718	\$ 83,756	\$ 42,533	\$ 88,040
Net Days in A/R	45	45	41	41	67	39

Pagosa Springs Medical Center --- Gross Days Target

Medicare	33%	21	\$ 108,779	\$ 759,837
Medicaid	7%	35	\$ 108,779	\$ 258,508
Blue Cross	15%	48	\$ 108,779	\$ 759,207
Commercial	20%	63	\$ 108,779	\$ 1,838,360
Self Pay	13%	150	\$ 108,779	\$ 3,120,194
Total	100%			\$ 6,746,105
				\$ 108,779
		Gross Days in A/R Target		62

Pagosa Springs Medical Center
Revenue by Financial Class
September 30, 2021

Financial Class	Inpatient MTD	Outpatient MTD	Total MTD	% MTD
Auto Liability Insurance		58,954.85	58,954.85	1.07%
Blue Cross	89,531.13	488,113.55	577,644.68	9.87%
Charmelle	17,873.50	53,447.13	71,320.63	1.31%
Commercial Insurance	14,537.13	633,357.23	708,434.44	11.95%
Medicaid		1,337,807.13	1,337,807.13	19.21%
Medicare	141,588.30	1,574,480.77	2,116,469.07	35.71%
Medicare - MCO	58,052.05	341,773.48	439,825.53	7.04%
Self Pay	53,702.02	477,001.52	530,703.54	8.74%
Self Pay - Client Billing		14,507.78	14,507.78	0.21%
Veterans Administration	13,557.45	116,301.01	233,858.46	4.03%
Workers Compensation		33,196.10	33,196.10	0.50%
Total	408,251.72	5,513,928.77	5,922,180.49	100.00%

Financial Class	Inpatient YTD	Outpatient YTD	Total YTD	% YTD	12/31/20	12/31/21	12/31/22	12/31/23	12/31/24
Auto Liability Insurance	59,182.11	577,553.47	740,135.58	1.30%	0.51%	1.15%	1.15%	1.14%	1.01%
Blue Cross	725,579.81	5,588,113.00	6,413,692.81	10.77%	12.58%	13.40%	13.42%	13.30%	13.85%
Charmelle	54,007.45	481,473.73	545,481.18	0.92%	0.93%	1.30%	1.28%	1.07%	0.13%
Commercial Insurance	449,552.61	5,550,245.05	6,409,802.47	10.86%	11.72%	11.54%	13.08%	11.75%	13.08%
Medicaid	625,601.67	8,705,124.13	9,334,726.80	15.75%	18.86%	18.75%	18.22%	17.15%	21.55%
Medicare	1,339,110.81	17,457,112.97	19,193,123.78	36.29%	38.60%	38.89%	38.75%	35.27%	35.90%
Medicare - MCO	415,787.93	4,340,757.55	4,756,545.48	8.04%	7.70%	7.07%	4.47%	5.55%	2.15%
Self Pay	153,108.57	1,954,634.53	2,107,743.10	4.04%	3.54%	4.40%	5.47%	5.96%	5.35%
Self Pay - Client Billing		164,170.71	164,170.71	0.31%	0.13%	0.18%	0.13%	0.15%	0.17%
Veterans Administration	517,425.10	1,310,301.05	1,829,126.15	3.50%	4.10%	2.74%	4.13%	3.58%	3.74%
Workers Compensation		330,432.65	330,432.65	0.51%	1.53%	1.50%	1.13%	1.17%	1.17%
Total	5,033,657.73	48,114,754.05	53,157,907.78	100.00%	100.00%	101.00%	100.00%	100.00%	99.97%
Bank									0.03%
MCO - Health Maintenance Orgs.									0.03%
Total					100.00%	100.00%	100.00%	100.00%	100.00%

Pagosa Springs Medical Center
Financial Forecast
Statement of Cash Flows

Cash Flows from operating activities

Change in net assets	436,367
Adjustments to reconcile net assets to net cash	
Depreciation and amortization	142,889
Patient accounts receivable	240,856
Accounts payable and wages payable	(194,808)
Accrued liabilities	(67,202)
Pre-paid assets	5,157
Deferred revenues	-
Other receivables	(64,919)
Reserve for third party settlement	1,470,506
Inventory	8,165
Net Cash Provided by (used in) operating activities	1,977,011

Cash Flows from investing activities

Purchase of property and equipment	
Work in progress	(255,874)
Proceeds from sale of equipment/(Loss)	-
Net Cash Provided by (used in) investing activities	(255,874)

Cash Flows from financing activities

Principal payments on long-term debt	-
Proceeds from debt (funding from 2021 Bond)	-
Proceeds from PPP Short Term Loan	-
Recognize Amounts from Relief Fund	-
Payments/Proceeds from Medicare Accelerated Payment	(328,074)
Change in Prior Year Net Assets	-
Change in leases payable	(14,217)
Net Cash Provided by (used in) financing activities	(342,291)

Net Increase(Decrease) in Cash 1,368,846

Cash Beginning of Month 16,345,007

Cash End of Month 17,713,853

2021						
Month	Est Goal	Actual Cash	Variance	% Collected	GL for AR	Total
Jan-21	\$1,308,731.00	\$1,173,845.13	\$1,130,747.87	89.68%	\$ 81,813.13	\$1,255,658.96
Feb-21	\$1,333,141.00	\$1,381,813.13	\$588,672.13	103.66%	\$ 157,043.11	\$1,538,856.24
Mar-21	\$1,780,106.00	\$1,879,113.11	\$98,927.01	103.56%	\$ 71,817.04	\$1,950,930.15
Apr-21	\$1,790,756.00	\$1,851,898.94	\$61,142.94	97.80%	\$ 77,813.06	\$1,929,711.99
May-21	\$1,589,834.00	\$1,573,180.73	\$16,653.27	97.40%	\$ 15,458.27	\$1,588,639.00
Jun-21	\$1,837,147.00	\$1,893,173.93	\$175,831.93	106.62%	\$ 117,303.94	\$1,999,982.87
Jul-21	\$2,127,113.00	\$1,877,387.41	\$249,725.59	79.39%	\$ 174,731.54	\$1,992,658.94
Aug-21	\$1,840,432.00	\$1,817,344.19	\$23,087.81	96.05%	\$ 117,151.81	\$1,900,195.99
Sep-21	\$1,990,817.00	\$1,180,127.11	\$810,689.89	59.31%	\$ 1,003,567.89	\$1,176,559.22
Oct-21						
Nov-21						
Dec-21						
	\$13,069,513.00	\$13,531,445.11	\$1,461,932.11	91.47%	\$ 1,117,343.13	\$14,648,788.24

	1	2	3	4	5	6	7	8	9	10	11	12	13
	Net Cash Change	Depreciation	Increases	Prepaid Over Payments	Medical Assets	Deferred Revenue	Payroll	Inventory	Budget Payroll	Payables	Net Cash Change	Balance	
January 2020 Actual	54,171	148,862	(3,508,307)	150,437	136,403	0	679,451	11,735	(389,294)	(34,058)	0	911,042	17,389,792
February 2020 Actual	150,454	152,967	758,181	158,540	54,847	0	1,051,567	8,112	3,485	24,244	0	1,129,561	18,519,353
March 2020 Actual	182,633	161,773	154,258	738,548	54,436	0	397,173	5,338	(10,173)	14,770	(11,883)	1,435,143	19,954,496
Apr. 2020 Actual	11,735	148,271	277,462	275,257	51,429	0	1,007	2,248	2,881	14,262	51,047	1,517,110	21,471,606
May 2020 Actual	788,536	149,217	144,315	125,940	15,857	543,538	2,811	5,545	11,424	10,115	8,545,448	14,051,513	25,523,119
June 2020 Actual	4,581,558	144,441	751,713	80,485	1,251	1,117,781	1,505	21,545	(54,467)	14,143	(14,174,861)	13,275,725	16,343,355
July 2020 Actual	154,305	143,750	1,713	300,367	113,361	131,351	354,067	25,517	(131,248)	(14,185)	151,875	503,713	16,847,068
August 2020 Actual	311,451	145,438	118,475	452,111	21,712	(13,134)	4,131	20,581	13,571	14,186	151,712	625,425	16,998,493
September 2020 Actual	436,367	142,885	175,917	162,751	1,117	0	1,475,508	1,135	161,876	14,117	525,074	1,162,500	17,160,993
October 2020 Budget	35,527	145,300	100,000	151,100	50,000	0	100,000	15,000	100,000	14,200	150,000	151,707	17,312,699
November 2020 Budget	13,511	145,300	290,000	150,000	50,000	0	100,000	15,000	100,000	14,200	190,000	1,351,698	18,664,397
December 2020 Budget	28,868	145,000	100,000	100,000	50,000	0	(100,000)	(15,000)	(100,000)	(14,200)	150,000	144,504	18,808,901
Totals	8,171,827	1,798,490	151,141	593,813	354,437	158,216	1,123,561	55,901	1,512,173	161,717	9,173,581	1,570,587	19,429,717

Bond Requirements: 50 days cash

Less Cash AG	1,735,156
Less Medicals Accounts	5,157,459
Less Bond Reserve	275,731
Net Cash for Days Cash on hand	12,861,361
AG's Expense for DA	124,117
Cash Cash on hand	1,438,239

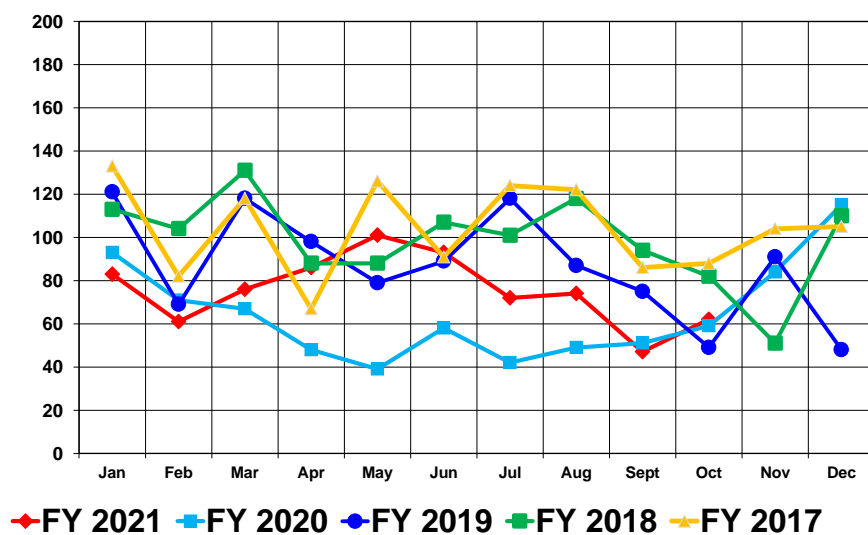
Notes:

- 1. Forecast based on projected net income
- 2. Forecast is based on the budgeted depreciation expense
- 3. Based on projected changes in receivables
- 4. Based on projected changes in payables and liabilities
- 5. Based on projected changes in prepaids
- 6. Based on projected deferred revenues
- 7. Based on projected Due to Third Party Reserves
- 8. Based on projected inventory changes
- 9. Based on projected equipment and capital project expenditures
- 10. Based on projected lease payments
- 11. Based on projected liabilities and penalties due to Govt.

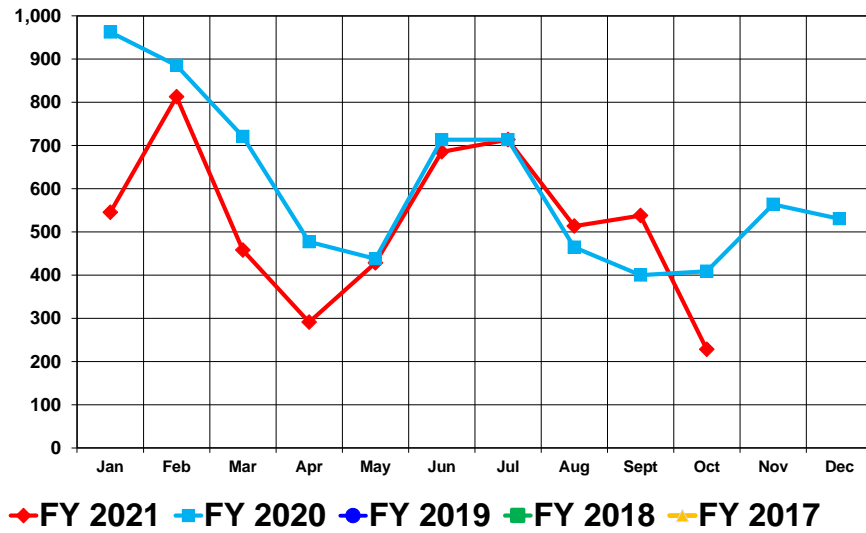


**FINANCIAL PRESENTATION
YTD OCTOBER 2021**

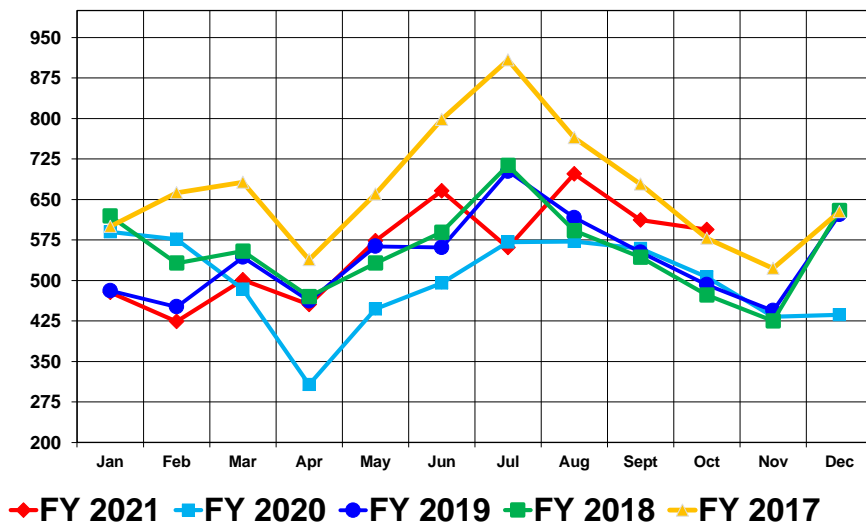
PATIENT DAYS



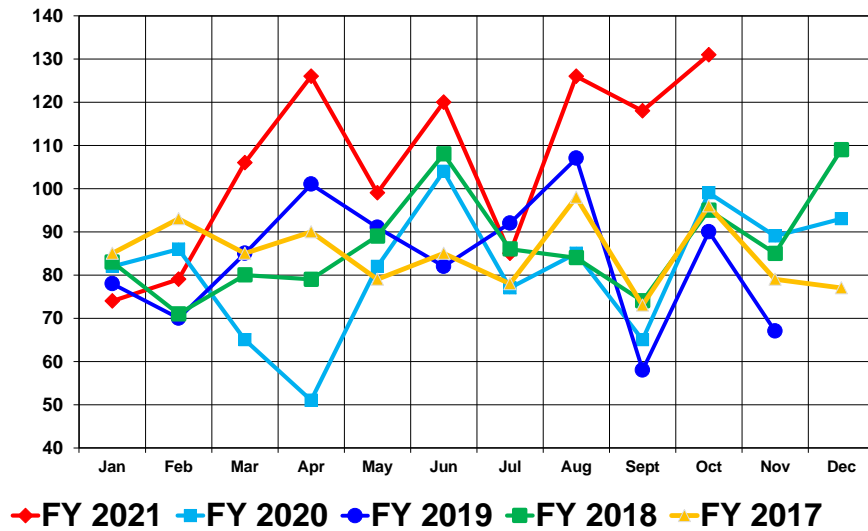
OBSERVATION HOURS



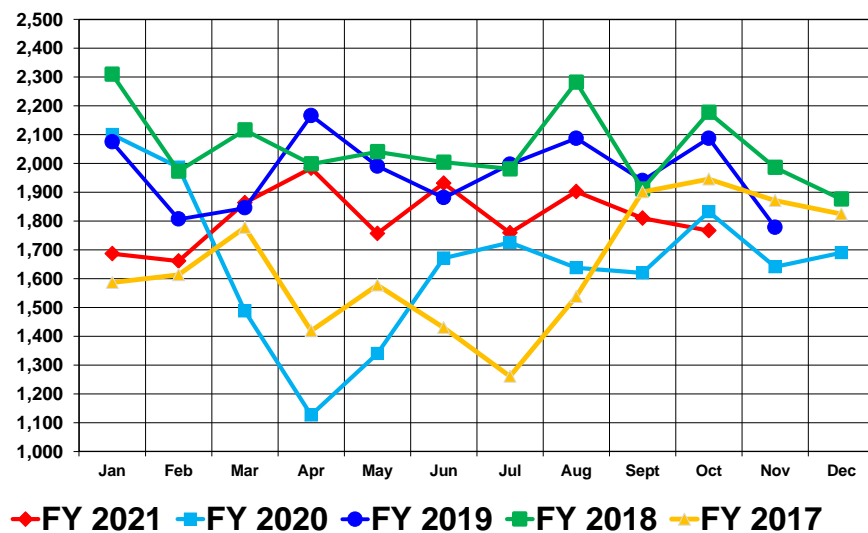
ER VISITS



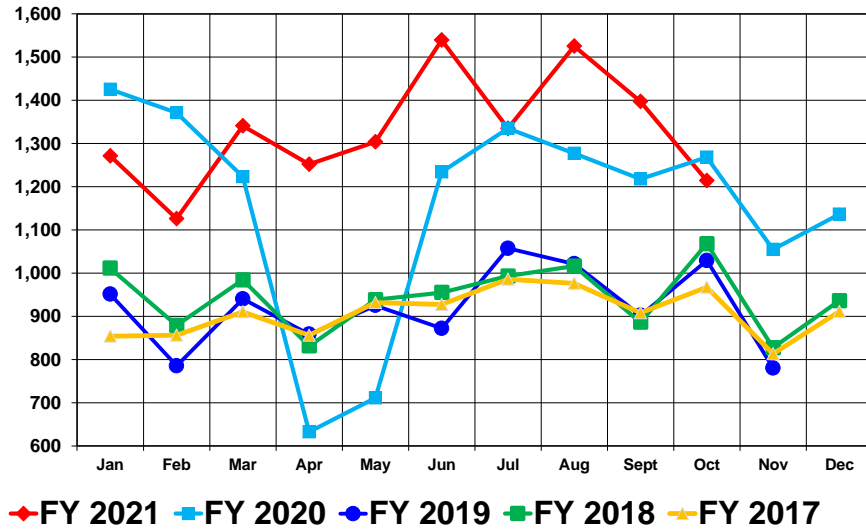
SURGERIES



RURAL HEALTH CLINIC VISITS



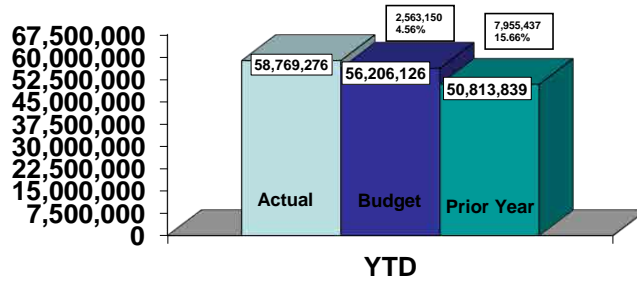
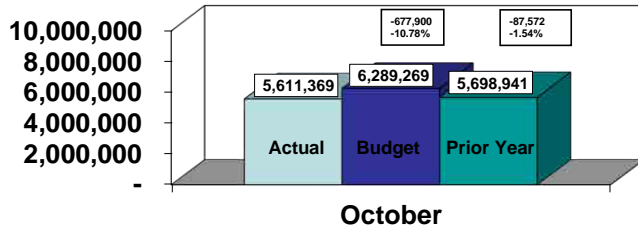
RADIOLOGY EXAMS



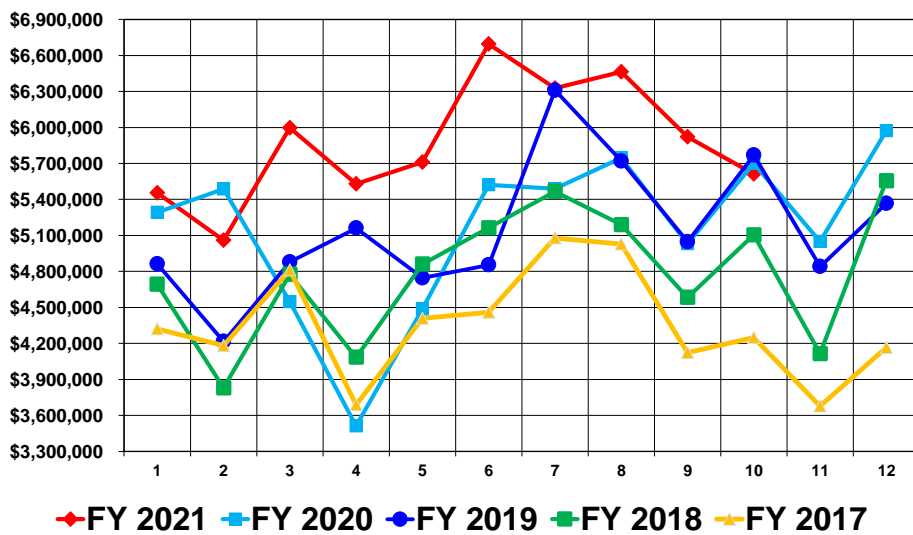
Summary of Financials

	September		
Gross Revenue	\$ 5,922,180		
Net Revenue	\$ 3,150,551		
Expenses	\$ 3,110,575		
Grants, 340B and Tax Revenue	\$ 396,391		
Grants and 340B and Stimulus	\$ 362,078		
Tax Revenue	\$ 34,313		
Net Income	\$ 436,367		

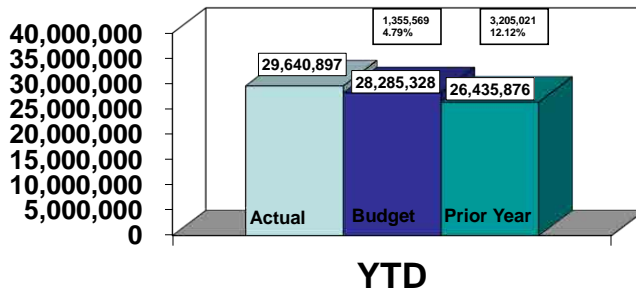
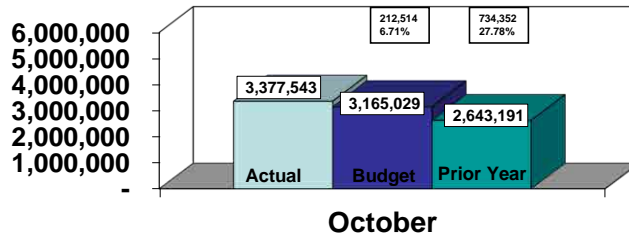
GROSS REVENUE



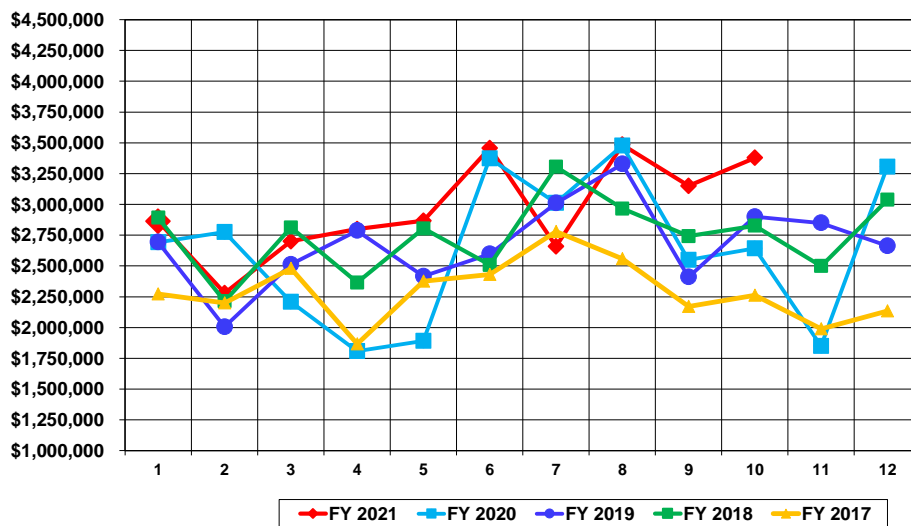
GROSS REVENUE



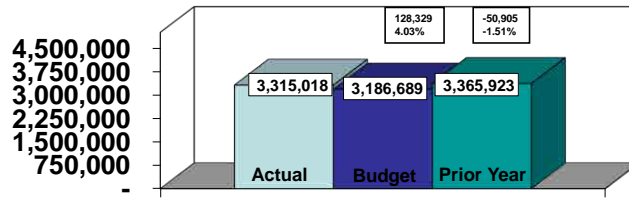
NET PATIENT REVENUE



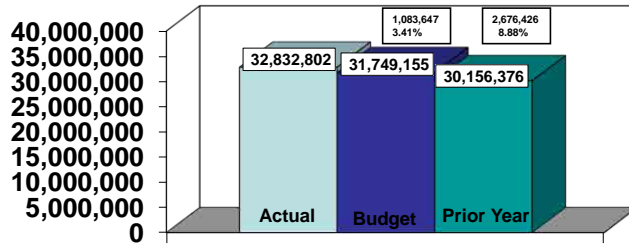
NET PATIENT REVENUE



EXPENSES

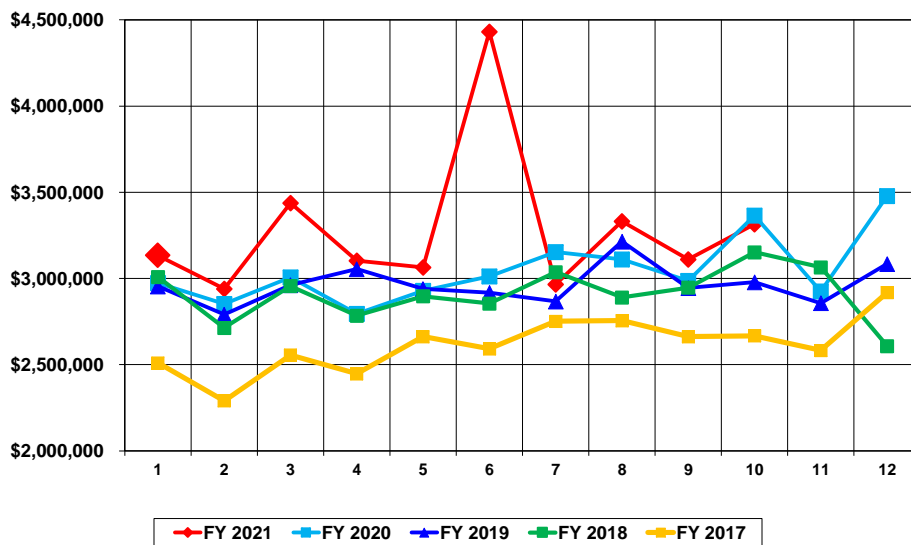


October

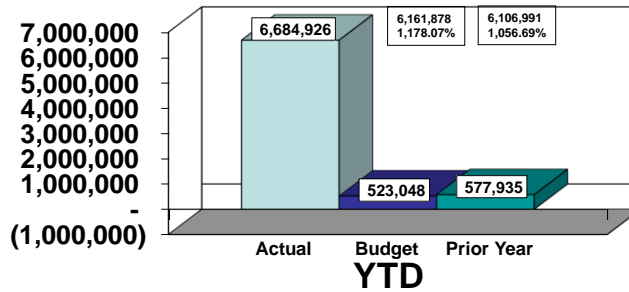
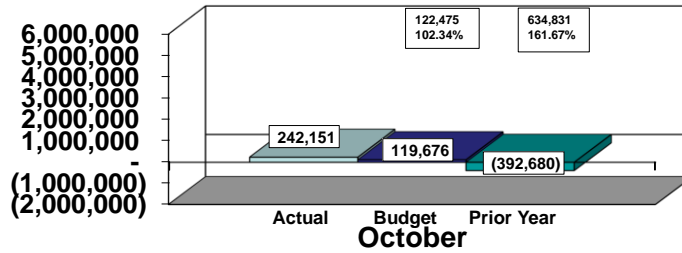


YTD

EXPENSES



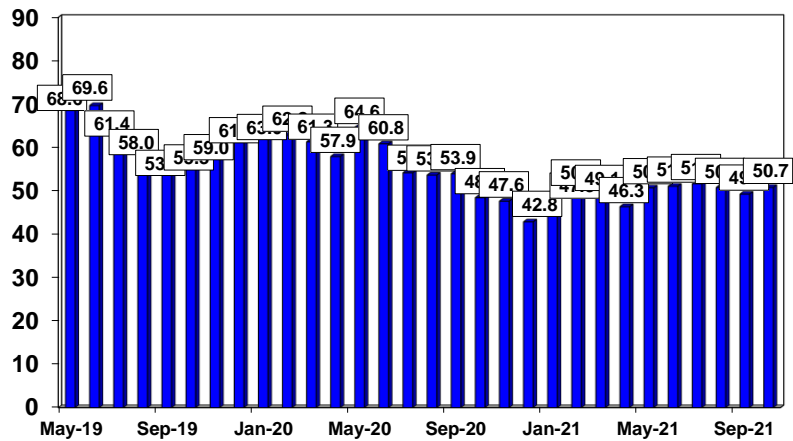
NET INCOME



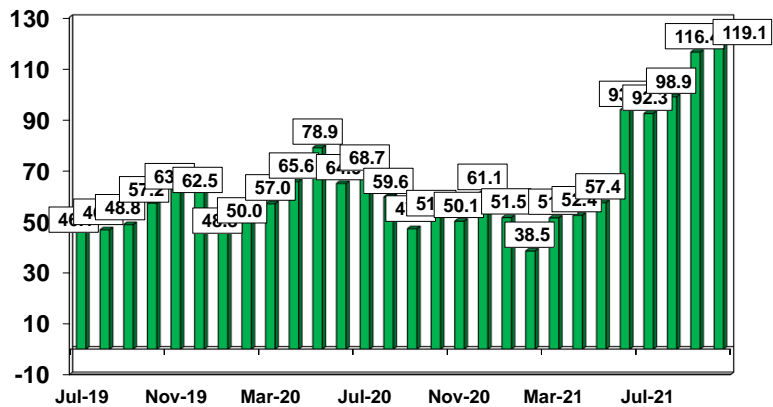
Summary of Financials

	October		
Gross Revenue	\$ 5,611,369		
Net Revenue	\$ 3,377,543		
Expenses	\$ 3,315,018		
Grants, 340B and Tax Revenue	\$ 179,626		
Grants and 340B and Stimulus		\$ 162,828	
Tax Revenue		\$ 16,798	
Net Income	\$ 242,151		

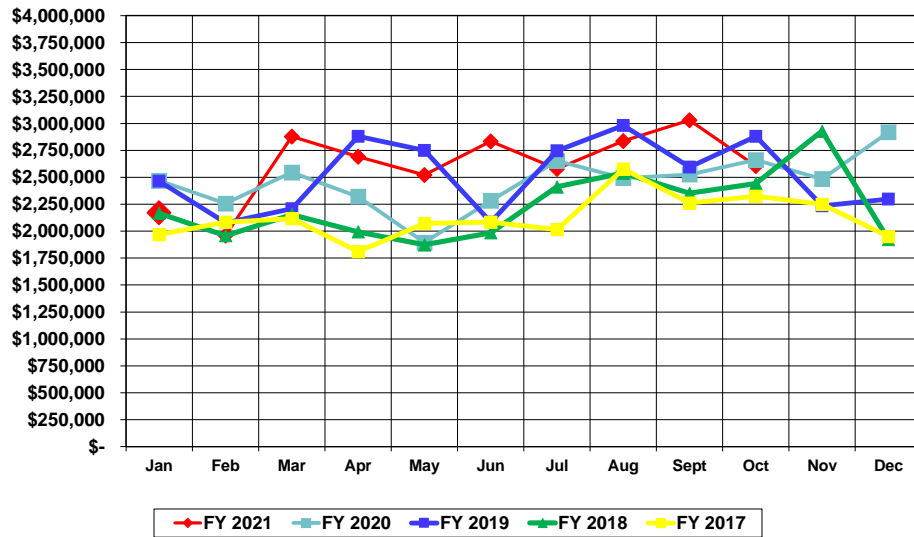
GROSS DAYS IN ACCOUNTS RECEIVABLE



DAYS CASH ON HAND



CASH COLLECTIONS



Pagosa Springs Medical Center

Income Statement - - - October 31, 2021

Page 1

	Current Month				Year-to-Date			
	2021	Budget	Difference	Variance	2021	Budget	Difference	Variance
Revenue								
1 Total Inpatient Revenue	395,948	493,602	(97,654)	-20%	4,694,257	4,411,238	283,019	6%
17 Total Outpatient Revenue	4,782,045	5,307,533	(525,488)	-10%	49,351,576	47,452,521	1,919,355	4%
18 Professional Fees	430,376	488,134	(57,758)	-11%	4,723,143	4,382,367	360,776	8%
19 Total Patient Revenue	5,611,369	6,289,269	(677,900)	-11%	58,769,276	56,206,126	2,563,150	5%
20 Revenue Deductions & Bad Debt:								
21 Contractual Allowances	7,598,536	3,079,734	(4,518,802)	-59%	30,402,063	27,442,627	2,959,436	11%
22 Charity	8,491	11,117	(2,626)	-24%	578,635	99,345	479,291	482%
23 Bad Debt	(133,036)	244,144	(377,180)	-154%	554,994	2,181,872	(1,326,878)	-61%
24 Provider Fee & Other	1240,155	(201,755)	(38,410)	19%	(2,767,317)	(1,803,049)	(904,768)	50%
25 Total Revenue Deductions & Bad Debt	2,733,826	3,124,240	(390,414)	-12%	29,128,379	27,920,795	1,207,584	4%
26 Total Net Patient Revenue	3,377,543	3,165,029	212,514	7%	29,640,897	28,285,328	1,355,569	5%
27 Grants	544	11,255	(10,711)	-95%	847,174	311,321	535,853	172%
28 HHS Stimulus Other Revenue	-	16,250	(16,250)	-100%	2,203,633	443,300	1,754,333	390%
29 COW/PPP Loan Forgiveness	-	-	-	0%	3,740,044	-	3,740,044	0%
30 Other Operating Income - Misc	152,284	68,327	83,957	138%	1,578,671	1,568,224	(389,553)	-23%
31 Total Net Revenues	3,540,371	3,260,865	279,506	9%	38,010,419	31,014,163	6,996,256	23%
Operating Expenses								
33 Salary & Wages	1,693,600	1,675,481	18,119	1%	17,083,025	16,625,203	457,825	3%
34 Benefits	328,018	294,170	33,848	12%	3,051,244	2,918,661	134,593	5%
35 Professional Fees/Contract Labor	50,490	29,366	21,124	62%	433,004	298,014	134,990	45%
36 Purchased Services	199,265	160,378	38,887	24%	1,694,406	1,595,605	98,801	6%
37 Supplies	551,257	520,486	30,771	6%	5,164,389	5,176,514	(12,125)	0%
38 Rent & Leases	40,818	14,617	26,201	179%	380,516	144,176	236,340	164%
39 Repairs & Maintenance	48,750	47,759	991	2%	445,170	438,397	6,773	2%
40 Utilities	29,313	35,555	(6,242)	-18%	323,423	363,823	(40,400)	-11%
41 Insurance	27,425	26,116	1,309	5%	263,654	259,780	3,874	2%
42 Depreciation & Amortization	143,219	153,177	(9,958)	-7%	1,670,036	1,623,795	46,241	3%
43 Interest	71,664	84,869	(13,205)	-14%	735,555	843,870	(108,315)	-13%
44 Other	171,137	138,055	33,082	24%	1,608,377	1,414,747	193,630	14%
45 Total Operating Expenses	3,315,018	3,186,689	128,329	4%	32,832,802	31,749,155	1,083,647	3%
46 Operating Revenue Less Expenses	225,353	24,176	151,177	204%	5,177,617	(734,992)	5,912,609	-804%
Non-Operating Income								
48 Tax Revenue	15,758	39,000	(23,242)	-57%	1,357,309	1,075,320	278,989	26%
49 Donations	-	6,500	(6,500)	-100%	150,000	179,720	(29,720)	-17%
50 Total Non-Operating Income	16,758	45,500	(28,742)	-63%	1,507,309	1,255,040	249,269	20%
51 Total Revenue Less Total Expenses	\$ 242,111	\$ 119,676	\$ 122,435	102%	\$ 6,684,926	\$ 523,048	\$ 6,161,878	1178%

Pagosa Springs Medical Center

Income Statement Comparison - - October 31, 2021

Page 2

	2021	Current Month 2020	Difference	Variance	2021	Year-to-Date 2020	Difference	Variance
Revenue								
7 Total In-patient Revenue	395,948	344,262	51,685	15%	4,694,257	3,722,427	971,830	26%
17 Total Out-patient Revenue	4,782,045	4,952,764	(171,719)	-3%	49,351,875	43,303,548	6,048,328	14%
18 Professional Fees	433,376	400,915	32,461	8%	4,723,143	3,787,864	935,279	25%
19 Total Patient Revenue	5,611,369	5,698,941	(87,572)	-2%	58,769,276	50,813,839	7,955,437	16%
Revenue Deductions & Bad Debt								
21 Contractual Allowances	2,598,536	3,071,959	(473,423)	-15%	30,402,063	24,975,554	5,426,509	22%
22 Charity	3,491	23,973	(15,482)	65%	578,639	43,694	534,945	1224%
23 Bad Debt	(133,036)	169,738	(302,822)	-178%	854,954	1,454,763	(599,759)	-41%
24 Provider Fee & Other	(740,165)	(209,958)	(530,207)	-71%	(2,707,317)	(2,100,048)	(607,269)	-29%
25 Total Revenue Deductions & Bad Debt	2,733,826	3,055,750	(321,924)	-27%	29,128,379	24,377,963	4,750,416	19%
26 Total Net Patient Revenue	3,377,543	2,643,191	734,352	28%	29,640,897	26,435,876	3,205,021	12%
27 Grants	544	135,901	(135,357)	-100%	847,174	838,943	8,231	1%
28 RRS Stimulus Other Revenue	0	0	0	0%	2,203,633	0	2,203,633	0%
29 COVID PPP Loan Forgiveness	0	0	0	0%	3,740,044	0	3,740,044	0%
30 Other Operating Income - Misc	162,284	166,874	(4,590)	-3%	1,578,671	1,845,921	(267,251)	-14%
31 Total Net Revenues	3,540,371	2,949,966	590,405	20%	38,010,419	29,120,741	8,889,678	31%
Operating Expenses								
33 Salary & Wages	1,592,600	1,707,192	(114,592)	-7%	17,083,028	15,775,106	1,307,922	8%
34 Benefits	328,018	332,448	(4,430)	-1%	3,051,244	2,817,231	234,013	8%
35 Professional Fees/Contract Labor	50,492	50,001	491	1%	433,004	730,288	(297,284)	-43%
36 Purchased Services	199,265	159,738	39,527	25%	1,594,406	1,511,511	82,895	5%
37 Supplies	511,257	626,326	(115,069)	-18%	5,164,329	4,719,004	445,325	9%
38 Rent & Leases	40,818	35,828	4,990	14%	380,516	365,891	14,625	4%
39 Repairs & Maintenance	48,750	46,799	1,951	4%	445,170	457,881	(12,711)	-3%
40 Utilities	29,313	26,545	2,768	10%	323,423	307,616	15,807	5%
41 Insurance	77,425	21,212	56,213	265%	283,554	272,815	10,739	4%
42 Depreciation & Amortization	143,279	142,477	802	1%	1,670,036	1,477,629	192,407	13%
43 Interest	72,654	87,562	(14,908)	-17%	795,555	891,148	(95,593)	-12%
44 Other	171,137	157,795	13,342	9%	1,608,377	1,270,256	338,121	27%
45 Total Operating Expenses	3,315,018	3,365,923	(50,905)	-2%	32,832,802	30,156,376	2,676,426	9%
46 Operating Revenue Less Expenses	225,353	(415,957)	641,310	-154%	5,177,617	(1,035,635)	6,213,252	-600%
Non-Operating Income								
48 Tax Revenue	16,798	23,277	(6,479)	-28%	1,357,309	1,297,043	60,266	5%
49 Donations	0	0	0	0%	130,000	316,527	(186,527)	-59%
50 Total Non-Operating Income	16,798	23,277	(6,479)	-28%	1,507,309	1,613,570	(106,261)	-7%
51 Total Revenue Less Total Expenses	\$ 242,151	\$ (392,680)	\$ 634,831	-162%	\$ 6,684,926	\$ 577,935	\$ 6,106,991	1057%

Pagosa Springs Medical Center

Balance Sheet - - - October 31, 2021

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Assets	Current Month	Prior Month	Liabilities	Current Month	Prior Month
Current Assets			Current Liabilities		
Cash					
Operating	\$ 11,765,770	\$ 11,448,891	Accts Payable - System	\$ 496,779	\$ 391,477
Debt Svc. Res. 2016 Bonds	878,731	878,731	Accrued Expenses	715,388	695,068
Bond Funds - 2016 Bonds	7	7	Cost Report Settlement Res	513,931	767,649
Bond Funds - 2021 / 2006	438,333	433,773	Wages & Benefits Payable	2,003,202	1,752,414
Escrow - LMS	-	-	Deferred Revenue	1,888	1,888
COVID PPP	-	-	COVID PPP Short Term Loan	-	-
Relief Fund Cash Restricted	1,755,156	1,755,156	Relief Fund Liability	1,755,156	1,755,156
Medicare Accelerated Pmt	3,065,130	3,197,295	Medicare Accelerated Pmt Liab	3,065,130	3,197,295
Total Cash	17,903,132	17,713,653	Current Portion of LT Debt-Lease	89,586	103,629
			Current Portion of LT Debt-2006	-	-
Accounts Receivable			Current Portion of LT Debt-2016	340,000	340,000
Patient Revenue - Net	4,754,068	4,472,476	Total Current Liabilities	8,961,062	9,005,036
Other Receivables	385,364	339,633			
Total Accounts Receivable	5,139,432	4,812,109	Long-Term Liabilities		
			Leases Payable	-	-
Inventory	1,666,010	1,672,216	Equipment Lease (Wells Fargo)	-	-
			Bond Premium (Net) - 2006 Def Outflows	207,974	209,087
Total Current Assets	24,708,554	24,198,378	Bond Premium (Net) - 2016	124,896	125,321
			Bond Premium (Net) - 2021	773,410	774,381
Fixed Assets			Bonds Payable - 2021	7,885,000	7,885,000
Property Plant & Equip (Net)	7,830,654	8,205,176	Bonds Payable - 2006	-	-
Electronic Health Record (Net)	-	-	Bonds Payable - 2016	9,250,000	9,250,000
Clinic Expansion	13,377,405	13,377,406	Total Long-Term Liabilities	18,238,280	18,243,789
Work In Progress	697,316	2,529,176			
Land	191,000	191,000	Net Assets		
Total Fixed Assets	22,005,375	22,212,757	Un-Restricted	13,357,906	13,357,906
			Current Year Net Income/Loss	6,584,925	6,442,775
Other Assets			Total Un-Restricted	19,942,832	19,800,681
Prepays & Other Assets	247,245	338,341			
Total Other Assets	247,245	338,341	Restricted	-	-
			Total Net Assets	19,942,832	19,800,681
Total Assets	\$ 46,962,174	\$ 46,749,476	Total Liabilities & Net Assets	\$ 46,962,174	\$ 46,749,476

Pagosa Springs Medical Center - - - Statistical Review

Statistical Review

Page 5

2021	October			October			October Prior Y-T-D			
	Current Month	Current Month	Variance	Y-T-D	Y-T-D	Variance	Y-T-D	Prior Y-T-D	Difference	Variance
	Actual	Budget		Actual	Budget		Actual	Actual		
In-Patient										
Admissions										
Acute	24	35	(11)	298	332	(34)	298	225	72	32%
Swing Bed	0	0	0	0	4	(4)	0	0	0	0%
Total	24	35	(11)	298	336	(38)	298	225	72	32%
Patient Days										
Acute	62	69	(7)	755	666	89	755	574	181	32%
Swing Bed	0	3	(3)	0	25	(25)	0	0	0	0%
Total	62	72	(10)	755	691	64	755	574	181	32%
Average Daily Census										
# Of Days	31	31	0	304	304	0	304	306	(2)	(1%)
Acute	20	22	(2)	25	22	3	25	19	6	32%
Swing Bed	0	0	0	0	0	0	0	0	0	0%
Total	20	23	(3)	25	22	3	25	19	6	32%
Length of Stay										
Acute	2.5	2.0	0.5	2.5	2.0	0.5	2.5	2.5	(0.0)	0%
Swing Bed	0	0	0	0	0	0	0	0	0	0%
Total	2.5	2.0	0.5	2.5	2.0	0.5	2.5	2.5	(0.0)	0%
Out-Patient										
Out-Patient Visits										
ER Visits	594	536	58	5561	5018	543	5561	5107	454	9%
Observations	1	70	(69)	298	670	(382)	282	257	25	2%
Lab Tests	5812	5441	477	56725	51243	5582	56725	50271	6454	13%
Radiology/CT/MR Exams	1214	1302	(88)	12304	12190	114	12304	11594	710	6%
DN Cases	131	50	81	1064	932	132	1064	796	268	34%
DN Visits	1766	2377	(611)	16117	22174	(6057)	16117	15527	590	4%
Spec. Clinic Visits	75	224	(149)	1088	2091	(1003)	1088	1531	(443)	(41%)
Oncology Clinic Visits	114	130	(16)	1142	1260	(118)	1142	1181	(39)	(3%)
Oncology Infusion Patients	156	150	6	1505	1425	80	1505	1386	119	9%
Infusion Patients	55	105	(50)	766	1009	(243)	766	608	158	26%
EMS Transports	33	121	(88)	1064	1130	(66)	1064	1141	(77)	(7%)
Total	10156	10553	(397)	100666	96942	3724	100666	90823	9843	11%

Pagosa Springs Medical Center

Center/Healthland Accounts Receivable for Hospital by Payer and Days Outstanding -- As of October 31, 2021

Page 6

		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181+ Days	Total	Percent of Total	Accts sent to Collections
2 Medicare		\$ 2,138,895	\$ 390,329	\$ 58,370	\$ 33,751	\$ 108,395	\$ 7,500	\$ 33,954	2,639,124	27%	
3 Medicaid		\$ 744,517	\$ 132,311	\$ 25,529	\$ 7,785	\$ 34,177	\$ 29,390	\$ 252,145	1,432,479	14%	
4 Third Party		\$ 1,458,138	\$ 625,088	\$ 170,196	\$ 170,296	\$ 280,118	\$ 133,121	\$ 888,138	3,453,903	35%	
5 Self-Pay		\$ 173,127	\$ 334,454	\$ 550,113	\$ 289,585	\$ 125,115	\$ 149,368	\$ 514,251	2,390,618	24%	
Current Month Total		\$ 4,591,197	\$ 1,472,185	\$ 784,524	\$ 573,095	\$ 547,815	\$ 330,409	\$ 1,562,788	9,916,124	100%	372,288
Pct of Total		46%	15%	8%	6%	5%	3%	16%	100%		
01-01-2021		\$ 1,521,173	\$ 1,387,254	\$ 293,112	\$ 361,225	\$ 454,324	\$ 123,117	\$ 1,411,314	11,064,617	100%	751,345
Pct of Total		52%	12%	3%	3%	4%	1%	13%	100%		
02-01-2021		\$ 1,107,870	\$ 1,023,338	\$ 1,089,313	\$ 617,851	\$ 421,534	\$ 271,471	\$ 1,311,311	11,754,638	100%	1,461,365
Pct of Total		47%	12%	12%	5%	4%	2%	11%	100%		
03-01-2021		\$ 1,453,121	\$ 1,051,324	\$ 864,375	\$ 1,142,845	\$ 542,371	\$ 340,121	\$ 1,413,381	11,508,158	100%	1,281,458
Pct of Total		47%	12%	8%	11%	5%	3%	12%	100%		
04-01-2021		\$ 1,453,235	\$ 961,371	\$ 1,451,311	\$ 1,171,111	\$ 585,490	\$ 338,121	\$ 1,333,114	11,576,411	100%	1,481,111
Pct of Total		47%	12%	12%	10%	5%	3%	11%	100%		
05-01-2021		\$ 1,564,396	\$ 1,013,111	\$ 900,435	\$ 585,175	\$ 1,143,115	\$ 338,111	\$ 1,333,115	11,546,111	100%	1,341,111
Pct of Total		48%	12%	8%	5%	10%	3%	12%	100%		
06-01-2021		\$ 1,513,121	\$ 1,033,111	\$ 1,123,111	\$ 581,111	\$ 1,171,111	\$ 338,111	\$ 1,143,111	11,741,111	100%	1,341,111
Pct of Total		48%	12%	10%	5%	10%	3%	12%	100%		
07-01-2021		\$ 1,538,117	\$ 1,033,111	\$ 953,111	\$ 614,111	\$ 1,171,111	\$ 338,111	\$ 1,143,111	11,508,111	100%	1,341,111
Pct of Total		50%	12%	10%	5%	10%	3%	12%	100%		
08-01-2021		\$ 1,513,111	\$ 1,033,111	\$ 953,111	\$ 614,111	\$ 1,171,111	\$ 338,111	\$ 1,143,111	11,508,111	100%	1,341,111
Pct of Total		50%	12%	10%	5%	10%	3%	12%	100%		
09-01-2021		\$ 1,513,111	\$ 1,033,111	\$ 953,111	\$ 614,111	\$ 1,171,111	\$ 338,111	\$ 1,143,111	11,508,111	100%	1,341,111
Pct of Total		50%	12%	10%	5%	10%	3%	12%	100%		
10-01-2021		\$ 1,513,111	\$ 1,033,111	\$ 953,111	\$ 614,111	\$ 1,171,111	\$ 338,111	\$ 1,143,111	11,508,111	100%	1,341,111
Pct of Total		50%	12%	10%	5%	10%	3%	12%	100%		
11-01-2021		\$ 1,513,111	\$ 1,033,111	\$ 953,111	\$ 614,111	\$ 1,171,111	\$ 338,111	\$ 1,143,111	11,508,111	100%	1,341,111
Pct of Total		50%	12%	10%	5%	10%	3%	12%	100%		
12-01-2021		\$ 1,513,111	\$ 1,033,111	\$ 953,111	\$ 614,111	\$ 1,171,111	\$ 338,111	\$ 1,143,111	11,508,111	100%	1,341,111
Pct of Total		50%	12%	10%	5%	10%	3%	12%	100%		
01-01-2022		\$ 1,513,111	\$ 1,033,111	\$ 953,111	\$ 614,111	\$ 1,171,111	\$ 338,111	\$ 1,143,111	11,508,111	100%	1,341,111
Pct of Total		50%	12%	10%	5%	10%	3%	12%	100%		
02-01-2022		\$ 1,513,111	\$ 1,033,111	\$ 953,111	\$ 614,111	\$ 1,171,111	\$ 338,111	\$ 1,143,111	11,508,111	100%	1,341,111
Pct of Total		50%	12%	10%	5%	10%	3%	12%	100%		
03-01-2022		\$ 1,513,111	\$ 1,033,111	\$ 953,111	\$ 614,111	\$ 1,171,111	\$ 338,111	\$ 1,143,111	11,508,111	100%	1,341,111
Pct of Total		50%	12%	10%	5%	10%	3%	12%	100%		
04-01-2022		\$ 1,513,111	\$ 1,033,111	\$ 953,111	\$ 614,111	\$ 1,171,111	\$ 338,111	\$ 1,143,111	11,508,111	100%	1,341,111
Pct of Total		50%	12%	10%	5%	10%	3%	12%	100%		
05-01-2022		\$ 1,513,111	\$ 1,033,111	\$ 953,111	\$ 614,111	\$ 1,171,111	\$ 338,111	\$ 1,143,111	11,508,111	100%	1,341,111
Pct of Total		50%	12%	10%	5%	10%	3%	12%	100%		
06-01-2022		\$ 1,513,111	\$ 1,033,111	\$ 953,111	\$ 614,111	\$ 1,171,111	\$ 338,111	\$ 1,143,111	11,508,111	100%	1,341,111
Pct of Total		50%	12%	10%	5%	10%	3%	12%	100%		
07-01-2022		\$ 1,513,111	\$ 1,033,111	\$ 953,111	\$ 614,111	\$ 1,171,111	\$ 338,111	\$ 1,143,111	11,508,111	100%	1,341,111
Pct of Total		50%	12%	10%	5%	10%	3%	12%	100%		
08-01-2022		\$ 1,513,111	\$ 1,033,111	\$ 953,111	\$ 614,111	\$ 1,171,111	\$ 338,111	\$ 1,143,111	11,508,111	100%	1,341,111
Pct of Total		50%	12%	10%	5%	10%	3%	12%	100%		
09-01-2022		\$ 1,513,111	\$ 1,033,111	\$ 953,111	\$ 614,111	\$ 1,171,111	\$ 338,111	\$ 1,143,111	11,508,111	100%	1,341,111
Pct of Total		50%	12%	10%	5%	10%	3%	12%	100%		
10-01-2022		\$ 1,513,111	\$ 1,033,111	\$ 953,111	\$ 614,111	\$ 1,171,111	\$ 338,111	\$ 1,143,111	11,508,111	100%	1,341,111
Pct of Total		50%	12%	10%	5%	10%	3%	12%	100%		

Pagosa Springs Medical Center

Pagosa Springs Medical Center - - - Net Days in A/R 2021

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	31	28	31	30	31	30
	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21
Net Accounts Receivable	\$ 4,787,975	\$ 4,225,593	\$ 3,956,034	\$ 3,777,753	\$ 3,877,097	\$ 4,279,409
Net Patient Revenue	\$ 2,863,140	\$ 2,260,206	\$ 2,700,773	\$ 2,759,928	\$ 2,857,264	\$ 3,457,110
Net Patient Rev/Day (2 month Avg)	\$ 103,376	\$ 85,858	\$ 84,279	\$ 90,225	\$ 92,912	\$ 113,869
Net Days in A/R	46	46	47	42	42	41

	31	31	30	31	30	31
	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
Net Accounts Receivable	\$ 4,520,923	\$ 4,713,332	\$ 4,472,476	\$ 4,754,038	\$ 2,872,854	\$ 3,420,335
Net Patient Revenue	\$ 2,659,431	\$ 3,434,351	\$ 3,150,551	\$ 3,377,343	\$ 1,890,637	\$ 3,546,181
Net Patient Rev/Day (2 month Avg)	\$ 100,513	\$ 99,103	\$ 108,718	\$ 108,586	\$ 41,638	\$ 83,040
Net Days in A/R	45	48	41	44	67	39

Pagosa Springs Medical Center - - - Gross Days Target

Medicare	33%	21	\$ 107,015	\$ 741,634
Medicaid	7%	35	\$ 107,016	\$ 262,134
Blue Cross	15%	48	\$ 107,016	\$ 770,529
Commercial	25%	65	\$ 107,018	\$ 1,898,603
Self Pay	19%	150	\$ 107,016	\$ 3,030,011
Total	100%		\$ 6,632,372	
			\$ 107,016	
		Gross Days in A/R Target		62

Pagosa Springs Medical Center
Revenue by Financial Class
October 31, 2021

Financial Class	Inpatient MTD	Outpatient MTD	Total MTD	% MTD
Auto Liability Insurance	0.00	13,541.47	13,541.47	0.30%
Blue Cross	51,561.55	458,170.51	509,732.07	9.03%
Chenega	0.00	43,303.11	43,303.11	0.78%
Commercial Insurance	140,405.25	584,421.55	724,826.80	12.93%
Medicaid	13,259.15	1,058,939.35	1,072,198.50	19.12%
Medicare	117,896.30	1,839,913.55	1,957,809.85	34.75%
Medicare -MCO	72,354.50	657,308.17	729,662.67	13.03%
Self Pay	7,551.10	188,450.71	195,991.81	3.49%
Self Pay - Client Billing	0.00	31,436.57	31,436.57	0.57%
Veterans Administration	37,474.55	122,192.11	159,666.66	2.85%
Workers Compensation	0.00	47,266.00	47,266.00	0.84%
Total	448,152.80	5,163,216.07	5,611,368.87	100.00%

Financial Class	Inpatient YTD	Outpatient YTD	Total YTD	% YTD	12/31/20 % YTD	12/31/21 % YTD	12/31/22 % YTD	12/31/23 % YTD	12/31/24 % YTD
Auto Liability Insurance	59,152.15	585,594.14	644,746.29	1.15%	0.51%	0.15%	0.03%	0.24%	0.01%
Blue Cross	787,541.57	5,135,123.01	5,922,664.59	10.38%	12.38%	15.27%	15.42%	11.94%	15.85%
Chenega	54,007.45	535,377.74	589,385.20	1.05%	0.80%	0.50%	0.08%	0.17%	0.19%
Commercial Insurance	589,951.87	5,504,566.70	6,094,518.57	10.87%	11.72%	11.54%	13.08%	11.75%	13.08%
Medicaid	640,877.51	5,758,055.55	6,398,933.06	11.41%	18.55%	13.75%	16.52%	11.14%	21.55%
Medicare	1,551,007.21	15,289,541.52	16,840,548.73	30.01%	33.60%	35.99%	36.45%	35.27%	35.90%
Medicare -MCO	388,142.53	3,533,111.73	3,921,254.26	7.00%	7.77%	7.22%	4.77%	5.51%	2.75%
Self Pay	150,975.57	2,133,113.24	2,284,088.81	4.07%	3.63%	6.40%	5.42%	5.55%	5.55%
Self Pay - Client Billing	0.00	155,907.58	155,907.58	0.28%	0.12%	0.15%	0.18%	0.13%	0.17%
Veterans Administration	640,337.15	1,774,284.50	2,414,621.65	4.30%	4.12%	2.75%	4.13%	3.58%	3.72%
Workers Compensation	0.00	655,458.65	655,458.65	1.17%	0.94%	0.52%	0.23%	0.17%	0.37%
Total	5,481,517.53	53,283,466.12	58,764,983.65	100.00%	100.00%	100.00%	100.00%	100.00%	99.97%
Self									0.03%
-MCO Health Maintenance Org									0.01%
Total					100.00%	100.00%	100.00%	100.00%	100.00%

Pagosa Springs Medical Center
Financial Forecast
Statement of Cash Flows

	October 2021
Cash Flows from operating activities	
Change in net assets	242,151
Adjustments to reconcile net assets to net cash	
Depreciation and amortization	143,279
Patient accounts receivable	(281,582)
Accounts payable and wages payable	358,091
Accrued liabilities	20,290
Pre paid assets	91,096
Deferred revenues	-
Other receivables	(45,521)
Reserve for third party settlement	(253,918)
Inventory	8,205
Net Cash Provided by (used in) operating activities	278,092
Cash Flows from investing activities	
Purchase of property and equipment	(1,778,094)
Work in progress	1,831,880
Proceeds from sale of equipment/(Loss)	-
Net Cash Provided by (used in) investing activities	53,786
Cash Flows from financing activities	
Principal payments on long-term debt	-
Proceeds from debt (funding from 2021 Bond)	3,827
Proceeds from PPP Short Term Loan	-
Recognize Amounts from Relief Fund	-
Payments/Proceeds from Medicare Accelerated Payment	(132,165)
Change in Prior Year Net Assets	-
Change in loans payable	(14,241)
Net Cash Provided by (used in) financing activities	(142,578)
Net Increase(Decrease) in Cash	189,279
Cash Beginning of Month	17,713,853
Cash End of Month	17,903,132

2021						
Month	Last Goal	Actual Last	Variance	% Collected	GL Nov Adj.	Total
Jan-21	\$1,806,738.00	\$1,175,588.13	\$1,130,747.87	65.30%	\$ 15,714.33	\$1,190,502.50
Feb-21	\$1,865,140.00	\$1,381,113.13	\$884,513.87	59.11%	\$ 157,049.01	\$1,714,172.13
Mar-21	\$1,730,208.00	\$1,875,133.00	\$98,927.00	103.56%	\$ 71,517.04	\$1,950,449.08
Apr-21	\$1,790,796.00	\$1,651,858.54	\$138,937.46	95.45%	\$ 71,133.45	\$1,759,125.13
May-21	\$1,589,454.00	\$1,618,180.79	\$68,726.79	101.45%	\$ 13,458.38	\$1,658,639.11
Jun-21	\$1,617,447.00	\$1,433,773.53	\$175,831.95	103.12%	\$ 127,503.34	\$1,560,682.89
Jul-21	\$1,247,113.00	\$1,177,587.40	\$653,213.60	79.35%	\$ 174,731.34	\$1,752,521.34
Aug-21	\$1,340,353.00	\$1,437,544.25	\$ 118.95	96.35%	\$ 117,131.45	\$1,790,451.23
Sep-21	\$1,290,417.00	\$3,130,137.11	\$39,310.12	101.31%	\$ 1,003,597.44	\$4,153,754.56
Oct-21	\$1,336,437.00	\$1,305,150.33	\$331,286.67	98.12%	\$ 11,139.25	\$ 1,364,551.14
Nov-21						
Dec-21						
	\$28,143,593.00	\$15,133,515.35	\$1,867,343.65	91.23%	\$ 1,000,145.17	\$17,133,760.41

Cash balance 17 995 454
 at 12.5.20

- 1) Forecast based on projected net income
- 2) Forecast is based on the budgeted depreciation expense
- 3) Based on projected changes in receivables
- 4) Based on projected changes in payables and liabilities
- 5) Based on projected changes in prepaid
- 6) Based on projected deferred revenues
- 7) Based on projected Due to Third Party Revenues
- 8) Based on projected inventory changes
- 9) Based on projected income tax and capital project expenditures
- 10) Based on projected lease payments
- 11) Based on projected net capital and operating due to third

Finance Committee & CFO Report
For the USJHSD Board Meeting on November 16, 2021

This report provides a summary of the discussions of the Board's Finance Committee that met on October 19, 2021 and November 15, 2021.

1) September Financials

- a) Bottom line: PSMC had a positive bottom line from operations (second time in 2021) and total net revenues of \$436,367 exceeded budget.
- b) Income Statement: Gross revenues exceeded budget, reductions for contractual allowances were greater than budget, provider fee greater than budget, grants exceeded budget and expenses held to slightly under budget.
- c) Balance Sheet: **PSMC received Medicare's tentative cost settlement report for 2020.**
- d) Gross Days of A/R: Days of A/R are holding steady at 49.2 days.
- e) Days Cash On Hand: PSMC increased days cash on hand from 98.0 days to 116.4 days (in part due to the cost settlement received and in part to positive operations in September).

2) October Financials

- a) Bottom line: PSMC had a positive bottom line from operations (third time in 2021) and total net revenues of \$242,151 exceeded budget.
- b) Income Statement: Gross revenues were less than budget and reductions to gross revenues were also less than budget. Expenses exceeded budget by 4% -- with the staffing shortages, contracted labor and purchased services exceeded budget.
- c) Balance Sheet: Cost settlement liability reserves reduced by \$250,000 (which has the result of reducing contractual allowances on the income statement).
- d) Gross Days of A/R: Days of A/R are holding steady at 50.7 days.
- e) Days Cash On Hand: PSMC increased days cash on hand from 116.4 to 119.1

3) Proposed 2022 Budget

- a) The Finance Committee discussed the increased costs of PSMC doing business. In considering whether to go with the 3% or 4% average price increase, the Finance Committee recommends 3% to try in an effort to defray increased costs while remaining as competitive as possible.

4) Recommendations of the Committee

- a) The Finance Committee recommends the USJHSD Board accept the September and October financial reports as presented.
- b) The Finance Committee recommends the USJHSD Board approve the proposed budget with the average 3% price increase.

Pagosa Springs Medical Center

Summary of Proposed Budgets

Calendar Year 2022

	Proposed 3% Budget	Proposed 4% Budget	Difference
Gross Revenue	\$ 76,461,143	\$ 77,121,772	\$ 660,629
Net Revenue	\$ 37,318,994	\$ 37,668,654	\$ 349,660
Other Revenue	\$ 2,053,737	\$ 2,053,737	\$ -
Mill Levy	\$ 1,434,203	\$ 1,434,203	\$ -
Expense	<u>\$ 40,306,734</u>	<u>\$ 40,306,951</u>	<u>\$ 217</u>
Net Income	<u><u>\$ 500,200</u></u>	<u><u>\$ 849,643</u></u>	<u><u>\$ 349,443</u></u>

	Previously Presented Budget	
Gross Revenue	\$ 76,212,001	Readjusted Revenue by \$249,142
Net Revenue	\$ 37,198,650	Adjust Net Revenue by \$120,344
Other Revenue	\$ 2,053,737	
Mill Levy	\$ 1,000,000	Changed to Full Calculation of \$1,424,203
Expense	<u>\$ 40,240,424</u>	Changed by \$66,310 in Salaries
Net Income	<u><u>\$ 11,963</u></u>	

As a follow-up to prior discussions, the temporary property tax reductions do not impact the 2022 budget because collections are in arrears (so 2022 assessments change the collections for 2023).

The temporary reductions in the property taxes are as follows:

- AGRICULTURE AND RENEWABLE ENERGY PRODUCTION PROPERTY: reduction of tax rate from 29% to 26.4% for 2 years (2022 and 2023 property tax years collected in 2023 and 2024).
- MULTI-FAMILY RESIDENTIAL REAL PROPERTY: reduction of tax rate from 7.15% to 6.8% for 2 years (2022 and 2023 property tax years collected in 2023 and 2024).
- ALL OTHER RESIDENTIAL REAL PROPERTY: reduction of tax rate from 7.15% to 6.95% for 2 years (2022 and 2023 property tax years collected in 2023 and 2024).

UPPER SAN JUAN HEALTH SERVICE DISTRICT

DBA: PAGOSA SPRINGS MEDICAL CENTER

BUDGET PROPOSAL 2022



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2022 PSMC BUDGET OVERVIEW

In 2022, PSMC will continue to offer hospital services, outpatient clinic services and EMS/ambulance services to the District. **PSMC's goals for 2022 are set forth in the three-year Strategic Plan** approved by the Board of Directors in September 2021. The proposed budget positions PSMC to carry out the Strategic Plan and to pivot to meet unplanned demands.

Preparing the budget for Pagosa Springs Medical Center always requires addressing a number of unknown variables, but in planning the 2022 budget there are significant uncertainties due to the continuation of the COVID-19 pandemic. As we look back at 2021, PSMC spent an enormous amount of unanticipated employee time vaccinating the community, screening patients, and educating the community. These actions were the right thing to do and PSMC is proud of this work, but it took a toll on our staff who are worn out from the stresses of caring for a community in this unprecedented time. The unexpected experiences in 2021 inform us that we may not successfully predict what will result from the pandemic in 2022. We know PSMC will face many challenges in 2022, but we anticipate the greatest challenge will likely be staffing resulting from both a nationwide shortage of healthcare workers and a lack of economical housing in Archuleta County.

BUDGET ASSUMPTIONS

With respect to *revenues*, PSMC makes the following 2022 budget assumptions:

- A decrease in **Medicare reimbursement from 99% of PSMC's allowable costs to 95% of PSMC's allowable costs** – this change by the federal government results in PSMC serving Medicare patients at a more significant loss than 2021.
- A decrease (over 2021) to zero federal dollars to address the losses and expenses incurred as a result of COVID-19.
- Static donations at \$200,000.
- Increase in patient volume by 3%. Due to the impacts of COVID-19, some increases to revenue have been hard to quantify and predict. Anticipated increases in revenues include the following: RHC due to improvements in [efficiencies/processes that allow providers to see more patients](#); the Cancer Center due to steady growth; pain management due to expansion of the service line; and radiology due to the new MRI (which accommodates larger patients and bariatrics) as well as increased volumes from the Cancer Center and pain management.
- Increase in prices by an average 3%. Last year PSMC did not make pricing increases in many departments in order to remain competitive; however, this year, **PSMC's anticipated expense increases necessitate the price increases. PSMC's price increases are less than the 4% allowed in our contracts with insurance companies.**

With respect to *expenses*, PSMC makes the following budget assumptions:

- Increase in personnel compensation expense of two percent. **PSMC's largest expense** continues to be labor. PSMC offers the most competitive wages that PSMC can afford; however, the economic changes of the pandemic (i.e., fewer employees available to hire and employees who **opt to work as a "traveler" at significantly higher rates** than ongoing employment) make it very difficult for PSMC to be competitive in hiring qualified employees.
- Increase (inflation) in costs for the following:
 - 3.3% in medications;
 - 3% for supplies; and
 - 7% for employee health insurance plan.
- Increase by 62% in IT operational expenses to improve IT security and disaster recovery for business continuity.
- Other expenses are status quo to 2021. But note: PSMC has maintained throughout 2021 additional supplies (mostly personal protective equipment) and equipment necessary to keep employees and patients safe.
- Decrease of bond payment expenses resulting from the 2021 refunding of the 2006 bonds.

With respect to *capital replacement*, PSMC has a 5-year capital replacement plan and has prioritized items based upon remaining life and the Strategic Plan. The budget includes \$886,736.90 of capital expenditures for immediate capital needs of PSMC.

~~Due to the temporary decrease in property tax revenues and Medicare's decrease in its reimbursement to 95% of allowable costs, the 2022 budget anticipates a break even year.~~

POSITIONS

As PSMC continues to advance the complexity and volume of services it provides, there is an increase in full-time equivalent (FTE) positions added. For 2022, the budget includes a net increase of 12.04 FTEs to address the demand for clinical services (orthopedics upper extremity, cardiology, primary care, behavioral health, CT and PT) as well as staff that support services (patient experience, security, lab administration, IT, restructuring of EMS, clinic and preauthorization). Finally, Kathee Douglas, CNO/COO plans to retire at the end of 2022 and for a successful transition of her role, we budgeted to hire two persons (a COO and a CNO) in the latter part of 2022 to work with Ms. Douglas to assume her responsibilities.

METHODOLOGY IN PREPARING THE BUDGET

In preparing this budget, the CFO and Controller assessed sources of revenue, changes to expenses including changes in employees, and capital budget needs. To be certain the proposed budget is as accurate as possible, the CFO and Controller pulled the most current data for the period July 2020 through June 2021. With respect to employees, the finance team prepared a report of hours and rates of compensation for employees. Each manager/director met with the CFO and Controller at least once (in some circumstances several times) to adequately review the

2020-2021 data, changes to the 2021 budget, and the expectations for 2022. The finance team developed a budget for every department and employee (including regular, overtime, paid time off, call pay, call back pay, holiday and shift differential). Managers and Directors were responsible to review the department/employee budgets and assure accuracy in preparing the PSMC proposed budget.

The 2021 budget is annualized (this means the computer system takes seven months of actual revenues and expenses and divides it by 7 and then multiplies it by 12 months). We recognize that certain one-time or limited revenues and expenses are not accurate when *annualized*; therefore, on the revised income statement, we did not annualize the one-time or limited revenues and one-time expenses including the following: PPP loan forgiveness of 3.7M, HHS Stimulus of 2.2M, grants of 673k, tax revenue of 1.3M, donations of 150k, and the expenses associated with HHS stimulus revenue. These adjustments are shown at the bottom of the revised income statement.

PSMC uses an accrual basis for accounting.

2022 PSMC BUDGET OVERVIEW

In 2022, PSMC will continue to offer hospital services, outpatient clinic services and EMS/ambulance services to the District. PSMC's goals for 2022 are set forth in the three-year Strategic Plan approved by the Board of Directors in September 2021. The proposed budget positions PSMC to carry out the Strategic Plan and to pivot to meet unplanned demands.

Preparing the budget for Pagosa Springs Medical Center always requires addressing a number of unknown variables, but in planning the 2022 budget there are significant uncertainties due to the continuation of the COVID-19 pandemic. As we look back at 2021, PSMC spent an enormous amount of unanticipated employee time vaccinating the community, screening patients, and educating the community. These actions were the right thing to do and PSMC is proud of this work, but it took a toll on our staff who are worn out from the stresses of caring for a community in this unprecedented time. The unexpected experiences in 2021 inform us that we may not successfully predict what will result from the pandemic in 2022. We know PSMC will face many challenges in 2022, but we anticipate the greatest challenge will likely be staffing resulting from both a nationwide shortage of healthcare workers and a lack of economical housing in Archuleta County.

BUDGET ASSUMPTIONS

With respect to **revenues**, PSMC makes the following 2022 budget assumptions:

- A decrease in Medicare reimbursement from 99% of PSMC's allowable costs to 95% of PSMC's allowable costs – this change by the federal government results in PSMC serving Medicare patients at a more significant loss than 2021.
- A decrease (over 2021) to zero federal dollars to address the losses and expenses incurred as a result of COVID-19.
- Static donations at \$200,000.
- Increase in patient volume by 3%. Due to the impacts of COVID-19, some increases to revenue have been hard to quantify and predict. Anticipated increases in revenues include the following: RHC due to improvements in efficiencies; the Cancer Center due to steady growth; pain management due to expansion of the service line; and radiology due to the new MRI (which accommodates larger patients and bariatrics) as well as increased volumes from the Cancer Center and pain management.
- Increase in prices by an average 3%. Last year PSMC did not make pricing increases in many departments in order to remain competitive; however, this year, PSMC's anticipated expense increases necessitate the price increases. PSMC's price increases are less than the 4% allowed in our contracts with insurance companies.

With respect to **expenses**, PSMC makes the following budget assumptions:

- Increase in personnel compensation expense of two percent. PSMC's largest expense continues to be labor. PSMC offers the most competitive wages that PSMC can afford;

Pagosa Springs Medical Center

Income Statement - - - Budget 2022

	2019 Actual	2020 Actual	Annualized 2021 Actual	Budget 2022	Difference to Annualized 2021	Variance Percent Annualized 2021
Revenue						
Total In-patient Revenue	5,483,013	5,176,747	5,908,538	6,080,334	171,796	3%
Total Out-patient Revenue	49,782,028	52,022,602	59,221,115	64,199,277	4,978,162	8%
Professional Fees	6,504,216	4,636,252	5,723,939	6,181,532	457,593	8%
Total Patient Revenue	61,769,257	61,835,601	70,853,592	76,461,143	5,607,551	8%
Revenue Deductions & Bad Debt						
Contractual Allowances	28,167,670	30,230,926	36,853,046	29,031,241	2,178,195	6%
Charity	746,437	282,686	806,480	800,000	(6,480)	-1%
Bad Debt	3,470,959	1,730,052	1,484,393	2,652,395	1,168,002	79%
Provider Fee & Other	(3,081,149)	(2,520,105)	(2,959,532)	(3,341,487)	(381,955)	13%
Total Revenue Deductions & Bad Debt	29,303,917	29,723,559	36,184,387	39,142,149	2,957,762	8%
Total Net Patient Revenue	32,465,340	32,112,042	34,669,205	37,318,994	2,649,789	8%
Other Operating Income - Misc	2,426,420	2,184,081	1,833,183	1,796,268	(36,915)	-2%
Total Net Revenues	34,891,760	34,296,123	36,502,388	39,115,262	2,612,874	7%
Operating Expenses						
Salary & Wages	18,652,419	19,159,203	20,942,667	20,899,095	(43,572)	0%
Benefits	3,352,542	3,287,287	3,508,418	3,502,536	(5,882)	0%
Professional Fees	-	-	-	-	-	0%
Professional Fees/Contract Labor	307,381	349,923	463,617	466,547	2,930	1%
Purchased Services	2,158,293	1,842,826	1,896,774	2,637,058	740,284	39%
Supplies	4,915,130	5,763,643	6,131,171	6,428,707	297,536	5%
Rent & Leases	519,305	438,281	447,959	182,154	(265,805)	-59%
Repairs & Maintenance	538,505	549,091	525,857	528,686	2,829	1%
Utilities	470,669	361,183	405,650	431,329	25,679	6%
Insurance	313,792	327,437	341,705	350,766	9,061	3%
Depreciation & Amortization	1,858,800	1,774,630	2,075,802	2,262,261	186,459	9%
Interest	1,094,344	1,051,867	975,597	846,190	(129,407)	-13%
Other	1,356,457	1,561,457	1,895,603	1,771,405	(124,198)	-7%
Total Operating Expenses	35,537,635	36,466,822	39,610,820	40,306,734	695,914	2%
Operating Revenue Less Expenses	(645,875)	(2,170,699)	(3,108,432)	(1,191,472)	1,916,960	-62%
Non-Operating Income						
Grants	80,852	1,448,642	672,978	57,469	(615,509)	-91%
HHS Stimulus Other Revenue	-	1,157,026	2,203,633	-	(2,203,633)	100%
COVID PPP Loan Forgiveness	-	-	3,740,044	-	-	-
Tax Revenue	1,228,832	1,371,852	1,274,887	1,434,203	159,316	12%
Donations	515,811	316,527	150,000	200,000	50,000	33%
Total Non-Operating Income	1,834,495	4,294,057	8,041,542	1,691,672	(6,349,870)	-79%
Total Revenue Less Total Expenses	1,188,620	2,123,358	4,933,110	500,290	(4,432,910)	-90%
Less one time grants	-	(1,448,642)	(672,978)	-	-	-
Less one HHS Funding	-	(1,157,026)	(2,203,633)	-	-	-
Less one time PPP funding	-	-	(3,740,044)	-	-	-
Plus expenses associated with HHS Funding	-	1,205,786	3,633,169	-	-	-
Adjusted Annualized Net Income Less One Time Events	-	723,476	1,949,624	500,290	1,449,424	290%

*Lines 28, 28.5, 29, 48 & 49 have not been annualized due to the fact that most of these items were either collected in full by July 31 or were one time items that are skewed if they are annualized.

Pagosa Springs Medical Center
FTE Budget
Budget Year 2022

Dept	Dept Name	2017 Budget FTE	2018 Budget FTE	2019 Budget FTE	12 Month FTE Calc	2020 Budget FTE	2021 Budget FTE	2022 Budget FTE	Variance	Percent
800 Total	Med Surg	10.40	10.50	10.70	12.31	14.31	11.32	11.90	0.61	5.39%
810 Total	ER	9.90	9.90	9.90	9.67	9.77	9.74	9.88	0.14	1.44%
815 Total	ER Physicians	4.40	4.40	4.50	4.49	4.56	4.21	4.21	-	0.00%
700 Total	Lab	9.60	9.70	10.50	8.53	8.87	9.28	9.98	(0.72)	-7.76%
710 Total	Radiology	4.80	4.80	4.80	8.30	8.51	8.59	9.95	0.96	10.62%
720 Total	Pharmacy	3.60	3.60	2.90	3.29	2.90	3.00	3.03	0.03	1.00%
721 Total	Infusion	1.00	1.00	1.50	0.48	0.90	3.65	3.60	(0.05)	-1.37%
722 Total	Cardiopulmonary	1.00	1.00	3.00	1.27	2.10	2.01	2.10	0.09	4.48%
725 Total	Physical Therapy	1.00	1.00	1.10	0.98	1.29	1.24	1.66	0.42	33.87%
726 Total	Speech	-	-	-	0.02	0.02	0.02	0.01	(0.01)	-50.00%
728 Total	Cardiology	0.80	0.80	1.00	1.01	0.02	0.08	0.05	(0.03)	-37.50%
729 Total	Oncology	-	3.60	5.00	5.95	5.81	4.53	4.74	0.21	4.64%
730 Total	Central Supply	2.10	2.10	3.00	2.97	3.01	2.51	2.47	(0.04)	-1.59%
731 Total	Biomedical	0.90	0.90	1.20	1.11	1.17	1.18	1.18	-	0.00%
740 Total	Dietary	6.40	6.40	6.90	5.63	7.07	6.40	7.14	0.74	11.56%
750 Total	OR	9.00	9.10	9.50	8.69	8.47	8.69	8.69	-	0.00%
761 Total	Recovery	4.00	4.00	4.00	3.74	4.26	3.07	3.50	0.43	14.01%
762 Total	Anesthesia	1.30	1.30	1.50	1.39	2.00	2.00	1.54	(0.46)	-23.00%
763 Total	OR Physician	1.00	1.00	1.00	-	0.94	1.00	1.04	0.04	4.00%
765 Total	Specialty Clinic	1.10	1.10	3.00	1.01	2.50	1.79	-	(1.79)	-100.00%
790 Total	Ambulance	27.60	27.60	28.10	28.12	26.43	26.74	29.18	3.25	12.15%
791 Total	RHC	35.60	35.60	36.20	36.07	29.42	31.29	32.83	1.54	4.92%
792 Total	EMS Training	0.60	0.60	0.60	0.57	0.57	0.38	-	(0.38)	-100.00%
793 Total	Hospitalist	2.20	2.30	2.00	2.15	1.86	2.06	2.24	0.18	8.74%
794 Total	RHC Providers	6.50	6.50	7.40	11.16	10.52	11.66	12.47	0.81	6.95%
800 Total	Administration	4.20	4.20	4.10	4.79	4.18	5.00	5.10	0.10	2.00%
801 Total	Quality	3.80	3.80	1.00	2.44	1.51	1.00	2.75	1.75	175.00%
802 Total	Infection Control	-	-	-	-	0.90	1.00	1.00	-	0.00%
803 Total	Informatics	5.10	5.10	5.10	4.58	4.11	4.40	2.50	(1.90)	-43.18%
806 Total	Compliance	1.70	1.70	1.80	1.78	1.75	1.75	1.56	(0.40)	-22.86%
807 Total	Physician Recruiting	-	-	-	0.95	0.20	-	-	-	0.00%
808 Total	Nursing Admin	1.10	1.10	2.00	1.04	1.02	1.01	1.02	0.01	0.99%
810 Total	Medical Staff Office	2.00	2.00	2.00	2.01	2.00	2.00	2.00	-	0.00%
815 Total	Human Resources	2.00	2.00	2.00	2.23	1.70	2.79	2.84	0.05	1.79%
820 Total	Patient Operations	3.40	3.40	3.60	3.48	3.48	3.48	4.87	(0.59)	-10.61%
825 Total	Housekeeping	9.10	9.10	10.00	6.50	9.25	10.18	11.02	0.86	8.46%
830 Total	Accounting	7.30	7.30	5.00	5.41	4.03	4.03	4.00	(0.03)	-0.50%
835 Total	Registration	28.50	28.50	26.10	20.13	19.20	16.43	11.64	(4.79)	-29.15%
840 Total	Medical Records	8.70	8.70	8.20	6.11	4.00	3.01	3.51	0.50	16.61%
845 Total	Business Office	12.10	12.10	14.10	13.29	13.31	14.05	14.01	(0.04)	-0.28%
846 Total	Pre-Service	-	-	-	-	-	-	9.60	9.60	100.00%
850 Total	IT	-	-	-	0.87	2.06	2.01	3.00	0.99	49.25%
861 Total	Fundraising	-	-	0.30	1.30	0.72	1.00	0.90	(0.90)	-90.00%
862 Total	Community Relations	-	-	2.30	1.01	2.55	1.07	1.53	0.46	42.99%
Grand Total		234.00	240.00	240.40	227.20	233.85	233.01	244.24	12.04	5.01%

We moved the nurse training informationist to MedSurg under LUC

With current employees, cannot cover call at night.

Added some PRN coverage for vacation.
We have the ability to grow this service line if we are able to hire another PT

Added Dietary Manager

Added 3 PAT Nurse

Full three crews of coverage.
Restructuring clinic into clinical teams

Restructuring of Quality due to pending retirements

Restructure of Informatics
Anita going to part time

0

Patient Liaison was not budgeted for last year at 1.2 FTE's. Restructure of registration.
S Coding Analyst

Increase of 2 FTE's to move all Pre-Auth back to one area. Increase of 1.0 FTE for radiology scheduling and 3.0 Coorinators.
Requesting and increase of 1 FTE's due to increased security and help desk inhouse.
Half of Job moved to Community Relations
Half of Job moved here

Pagosa Springs Medical Center
Capital Budget 2022
Capital Replacement Plan Thru 2025

Dept	Item	Cost	Year Purchase	Useful Life	Use
Dietary	Oven and Stove/Flattop	5,230.80	2022	10	The one we currently have is going bad, having issues. It is going to die
Emergency Room	Stryker Big Wheel Stretcher with Scape	22,160.00	2022	7	(Med Priority) End of Life- Limited parts are available & needed in total
EMS	EMS Rescue Bay and Training Room HVAC	5,800.00	2022	15	Can we use the swamp cooler from the tent
EMS	800 mhz Portable Radios	59,925.00	2022	7	
EMS	Replace 1 roll up door and Opener	7,000.00	2022	15	
EMS	Lucas Device for QRV	14,294.26	2022	5	The cot requested for 2021 will replace a cot purchased in service in 2012. The cot requested in 2023 will replace a cot purchased in 2016. Older cots placed out of service may serve as back up units if needed and/or may be put out for bid on the government sales site
EMS	LP15 Monitor/Defibrillator	34,752.42	2022	5	
EMS	New flooring EMS Building 1st and 2nd Floor	43,596.46	2022	15	
EMS	Paint EMS Building Exterior	54,265.00	2022	15	
Information Systems	HP Switches - to replace aging Comm Equipment	43,076.92	2022	3	Replace our aging Network Switches in the Data Center and our Data Closets. Most of our switches are over 7 years old and are nearing End-of-Life/End-of-Support. In addition to replacing these switches, we will receive a lifetime replacement guarantee if any are to fail. Any failure of our current switching environment will essentially render whatever part of the building with the hardware failure from being able to access either our internal network or the outside internet. Updating these switches will also allow us to increase our internal network speeds by 1000% from 1GB to 10GB. This will make internal data transfers, database changes, high volume imaging transfers (like Radiology) much faster and more reliable. Only replacing 4 instead of 13.
Inpatient	AMSCO Glass door dual compartment warming cabinet	9,100.00	2022	5	Replacing the NBlanket warming cabinet we currently have that is end of life- end of parts. Higher priority. Warming cabinet is used for patient blankets
Laboratory	Aerogray Pro Slide	17,450.00	2022	5	Current instrument model no longer company supported, required o-rings not manufactured any longer. If current instrument fails, lab will no longer be able to perform manual differentials on CBC's, CSF studies or stool WBC studies
Pharmacy	Refrigerator	9,000.00	2022	10	Pharmacy will need a new refrigerator for all the White Bagging medications we are already accumulating
Pharmacy	Chemo Hood	10,800.00	2022	10	Pharmacy will need a new refrigerator for all the White Bagging medications we are already accumulating
Plant Operations	Push Button Doors	12,300.00	2022	10	Push Button doors to inpatient wing and oncology
Plant Operations	Bionix Electrical Receptacle Tester	6,550.00	2022	5	# 2 New State Requirement for testing patient room outlets
Plant Operations	Replace Main Corridor Lighting	19,945.00	2022	15	# 3 lights out can not be replaced with existing
Plant Operations	Replacement of HVAC Unit #14 Mary Fisher	8,800.00	2022	15	# 5 have passed on this 4+ years one more won't hurt but will not help utility expense
Plant Operations	Medical Gas System Suction Pump #1 Replacement	33,525.00	2022	5	#1 Old pump is beyond useful life replacing 1 this year and one next year
Radiology	Windows 10 Compliant CO Burner	11,580.00	2022	3	Per IT, equipment is running Windows 7 which means it is no longer HIPAA or OCR compliant. If a breach or ransomware event would take place, we would have to attest to having a Windows 7 machine on the premises which could nullify our insurance coverage if the breach is tracked back to or including that machine. Extended support for Windows 7 also expired as of 1/20/20.
Radiology	Windows 10 Compliant For Dexa	10,175.00	2022	3	Per IT, equipment is running Windows 7 which means it is no longer HIPAA or OCR compliant. If a breach or ransomware event would take place, we would have to attest to having a Windows 7 machine on the premises which could nullify our insurance coverage if the breach is tracked back to or including that machine. Extended support for Windows 7 also expired as of 1/20/20.
Radiology	Mammography Room Work	130,000.00	2022	5	Room preparation for Mammography Unit.
Radiology	C-ARM Upgrade	130,000.00	2022	5	Request from Dr. Bill Webb due to inconsistent and grainy image quality. We are still looking into this and trying to determine root cause. If we are not able to purchase a new CARM, we will try to move forward with just purchasing the laser arm for the existing CARM which is quoted at \$3,588.
Surgery	Upper GI Scope	22,000.00	2022	5	We currently have 2 upper scopes and 2 causes delays waiting to reprocess, would like a 3rd, then we will have 3 colon scopes and 3 upper scopes
Surgery	Stryker Lease Agreement		2022	5	Ends in Dec 2021 and usually results in upgrades for ortho
Surgery	ESI Table	10,750.00	2022	12	Pain Management, may be able to share expense with imaging
Surgery	Beach Chair	8,000.00	2022	12	Shoulder Positioner for Dr. Esenthauser, will look for a refurbished positioner per Dr. E.
Surgery	PACU Gurney	22,160.00	2022	5	Aging Stretchers (2)
Surgery	Avanos RF Machine	34,500.00	2022	5	Avanos RF Machine, we are cutting PO in Nov. 2021 and paying in Jan. 2022
Surgery	Olympus Tower for GI	60,000.00	2022	5	Would like this sooner if possible.
Surgery	EPS, Scope Washer	40,000.00	2022	7	Paid end of life. Currently determining what vendor to choose. Will purchase in Jan 2022

Pagosa Springs Medical Center
Capital Budget 2022
Capital Replacement Plan Thru 2026

Dept	Item	Cost	Year Purchase	Useful Life	Use
Surgery	Centurian Phaco (cataract) machine	24,100.00	2022	5	Currently leasing for 12 months (June 2021 to June 2022 for \$1200/mos.) Will purchase in June of 2022
Surgery	Bone Holding Forceps	5,000.00	2021	5	Dr Webb has been asking for a replacement for over a year. Can we purchase in 2021
Surgery	Universal Screw Extraction Set	-	2022	10	This would allow Dr. Webb the ability to not have to wait for a certain vendor to supply instruments to remove hardware that he didn't implant. It is safer and more efficient for our patients.
Total		\$29,036.00			

UPPER SAN JUAN HEALTH SERVICE DISTRICT
D/B/A PAGOSA SPRINGS MEDICAL CENTER
RESOLUTION (No. 2021-16) TO ADOPT BUDGET

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET FOR THE UPPER SAN JUAN HEALTH SERVICE DISTRICT FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2022 AND ENDING ON THE LAST DAY OF DECEMBER 2022.

WHEREAS, the Board of Directors of the Upper San Juan Health Service District (“USJHSD”) has appointed its Chief Executive Officer to prepare and timely submit a proposed 2022 budget; and

WHEREAS, the Chief Executive Officer has caused a proposed 2022 budget to be submitted to the USJHSD Board for its consideration; and

WHEREAS, upon due and proper notice, published in accordance with the law on October 7, 2021, said proposed budget was open for inspection by the public at a designated place, and a public hearing was held on October 12, 2021 and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, the budget has been prepared to comply with the terms, limitations and exemptions of laws or obligations which are applicable to or binding upon the District; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves/fund balances so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Upper San Juan Health Service District:

1. That estimated expenditures for each fund are as follows:

General Fund	\$40,306,734
Debt Service Fund	0
Total	\$40,306,734

2. That estimated revenues for each fund are as follows:

General Fund	
From unappropriated surpluses	\$15,231,078
From Funds Transfers	0
From sources other than general property tax	\$39,372,731
From general property tax	\$1,434,203
Total	\$56,038,012

Debt Service Fund	
From unappropriated surpluses	\$ 0
From Funds Transfers	0
From sources other than general property tax	0
From general property tax	<u>0</u>
Total	0

3. That the budget, be, and the same hereby is, approved and adopted as the budget of the Upper San Juan Health Service District for the 2022 fiscal year.
4. That the budget, as hereby approved and adopted, shall be signed by the Chairman of the Board of the District and made a part of the public records of the District.

UPPER SAN JUAN HEALTH SERVICE DISTRICT

Greg Schulte, Chairman

Date

Attest:

DISTRICT SEAL

Heather Thomas, Clerk to the Board

Date

UPPER SAN JUAN HEALTH SERVICE DISTRICT
D/B/A PAGOSA SPRINGS MEDICAL CENTER
RESOLUTION (No. 2021-17) TO SET MILL LEVIES

A RESOLUTION LEVYING PROPERTY TAXES FOR THE YEAR 2022 TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE UPPER SAN JUAN HEALTH SERVICE DISTRICT FOR THE 2022 BUDGET YEAR.

WHEREAS, on November 16, 2021, the Board of Directors of the Upper San Juan Health Service District ("USJHSD") adopted, in accordance with the Colorado local government budget law, the 2022 annual budget; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$1,434,203; and

WHEREAS, the amount of money necessary to balance the budget for debt service expenses is \$0; and

WHEREAS, the 2021 valuation for assessment for the District, as certified by the Assessors of Archuleta, Hinsdale and Mineral Counties, is \$368,320,089;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of USJHSD:

1. That for the purposes of meeting all general operating expenses of USJHSD during the 2022 budget year, there is hereby levied a tax of 3.884 mills upon each dollar of the total valuation for assessment of all taxable property within USJHSD for the year 2021, to raise \$1,434,203 in revenue.
2. That for the purposes of meeting all debt service expenses of USJHSD during the 2021 budget year, there is hereby levied a tax of 0.0 mills upon each dollar of the total valuation for assessment of all taxable property within USJHSD for the year 2021, to raise \$0 in revenue.
3. That the Treasurer and/or the Chairman of USJHSD is hereby authorized and directed, to immediately certify to the County Commissioners of Archuleta, Hinsdale and Mineral Counties, Colorado, the mill levy for the District as hereinabove determined and set.

Upper San Juan Health Service District

Greg Schulte, Chairman

Date

Attest:

DISTRICT SEAL

Heather Thomas, Clerk to the Board

Date

**[PAGE INTENTIONALLY LEFT BLANK FOR FINAL CERTIFIED ASSESSED
VALUATION AND TAX REVENUES OF ARCHULETA, HINSDALE, AND MINERAL
COUNTIES, AS APPLICABLE]**

UPPER SAN JUAN HEALTH SERVICE DISTRICT
RESOLUTION (No. 2021-18) TO APPROPRIATE SUMS OF MONEY

A RESOLUTION APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS AND SPENDING AGENCIES, IN THE AMOUNT AND FOR THE PURPOSE AS SET FORTH BELOW, FOR THE UPPER SAN JUAN HEALTH SERVICE DISTRICT FOR THE 2021 BUDGET YEAR.

WHEREAS, on November 16, 2021, the Board of Directors of the Upper San Juan Health Service District ("USJHSD") adopted, in accordance with the Colorado local government budget law, the 2022 annual budget; and

WHEREAS, the Board of Directors of USJHSD has made provision therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget; and

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues and reserves or fund balances provided in the budget to and for the purposes described below, as more fully set forth in the budget, including any interfund transfers listed therein, so as not to impair the operations of USJHSD.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Upper San Juan Health Service District that the following sums are hereby appropriated from the revenues of each fund, to each fund, for the purposes stated:

General Fund:	\$39,372,731
Fund Balance Contingency	0
Debt Service Fund - Net:	0
Unexpended Surplus – General Fund	\$15,231,078
Unexpended Surplus – Debt Service	0
From general property tax	\$1,434,203
Total	\$56,038,012

Upper San Juan Health Service District

Greg Schulte, Chairman

Date

Attest:

DISTRICT SEAL

Heather Thomas, Clerk to the Board

Date

UPPER SAN JUAN HEALTH SERVICE DISTRICT

DBA: PAGOSA SPRINGS MEDICAL CENTER

BUDGET PROPOSAL 2022



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2022 PSMC BUDGET OVERVIEW

In 2022, PSMC will continue to offer hospital services, outpatient clinic services and EMS/ambulance services to the District. PSMC's goals for 2022 are set forth in the three-year Strategic Plan approved by the Board of Directors in September 2021. The proposed budget positions PSMC to carry out the Strategic Plan and to pivot to meet unplanned demands.

Preparing the budget for Pagosa Springs Medical Center always requires addressing a number of unknown variables, but in planning the 2022 budget there are significant uncertainties due to the continuation of the COVID-19 pandemic. As we look back at 2021, PSMC spent an enormous amount of unanticipated employee time vaccinating the community, screening patients, and educating the community. These actions were the right thing to do and PSMC is proud of this work, but it took a toll on our staff who are worn out from the stresses of caring for a community in this unprecedented time. The unexpected experiences in 2021 inform us that we may not successfully predict what will result from the pandemic in 2022. We know PSMC will face many challenges in 2022, but we anticipate the greatest challenge will likely be staffing resulting from both a nationwide shortage of healthcare workers and a lack of economical housing in Archuleta County.

BUDGET ASSUMPTIONS

With respect to **revenues**, PSMC makes the following 2022 budget assumptions:

- A decrease in Medicare reimbursement from 99% of PSMC's allowable costs to 95% of PSMC's allowable costs – this change by the federal government results in PSMC serving Medicare patients at a more significant loss than 2021.
- A decrease (over 2021) to zero federal dollars to address the losses and expenses incurred as a result of COVID-19.
- Static donations at \$200,000.
- Increase in patient volume by 3%. Due to the impacts of COVID-19, some increases to revenue have been hard to quantify and predict. Anticipated increases in revenues include the following: RHC due to improvements in efficiencies; the Cancer Center due to steady growth; pain management due to expansion of the service line; and radiology due to the new MRI (which accommodates larger patients and bariatrics) as well as increased volumes from the Cancer Center and pain management.
- Increase in prices by an average 4%. Last year PSMC did not make pricing increases in many departments in order to remain competitive; however, this year, PSMC's anticipated expense increases necessitate the price increases. PSMC's price increases are the 4% allowed in our contracts with insurance companies.

With respect to **expenses**, PSMC makes the following budget assumptions:

- Increase in personnel compensation expense of two percent. PSMC's largest expense continues to be labor. PSMC offers the most competitive wages that PSMC can afford;

however, the economic changes of the pandemic (i.e., fewer employees available to hire and employees who opt to work as a "traveler" at significantly higher rates than ongoing employment) make it very difficult for PSMC to be competitive in hiring qualified employees.

- Increase (inflation) in costs for the following:
 - 3.3% in medications;
 - 3% for supplies; and
 - 7% for employee health insurance plan.
- Increase by 62% in IT expenses to improve IT security and disaster recovery for business continuity.
- Other expenses are status quo to 2021. But note: PSMC has maintained throughout 2021 additional supplies (mostly personal protective equipment) and equipment necessary to keep employees and patients safe.
- Decrease of bond payment expenses resulting from the 2021 refunding of the 2006 bonds.

With respect to **capital replacement**, PSMC has a 5-year capital replacement plan and has prioritized items based upon remaining life and the Strategic Plan. The budget includes \$886,736.90 of capital expenditures for immediate capital needs of PSMC.

Due to the temporary decrease in property tax revenues and Medicare's decrease in its reimbursement to 95% of allowable costs, the 2022 budget anticipates a break-even year.

POSITIONS

As PSMC continues to advance the complexity and volume of services it provides, there is an increase in full-time equivalent (FTE) positions added. For 2022, the budget includes a net increase of 12.04 FTEs to address the demand for clinical services (orthopedics upper extremity, cardiology, primary care, behavioral health, CT and PT) as well as staff that support services (patient experience, security, lab administration, IT, restructuring of EMS, clinic and preauthorization). Finally, Kathee Douglas, CNO/COO plans to retire at the end of 2022 and for a successful transition of her role, we budgeted to hire two persons (a COO and a CNO) in the latter part of 2022 to work with Ms. Douglas to assume her responsibilities.

METHODOLOGY IN PREPARING THE BUDGET

In preparing this budget, the CFO and Controller assessed sources of revenue, changes to expenses including changes in employees, and capital budget needs. To be certain the proposed budget is as accurate as possible, the CFO and Controller pulled the most current data for the period July 2020 through June 2021. With respect to employees, the finance team prepared a report of hours and rates of compensation for employees. Each manager/director met with the CFO and Controller at least once (in some circumstances several times) to adequately review the 2020-2021 data, changes to the 2021 budget, and the expectations for 2022. The finance team developed a budget for every department and employee (including regular, overtime, paid time

off, call pay, call back pay, holiday and shift differential). Managers and Directors were responsible to review the department/employee budgets and assure accuracy in preparing the PSMC proposed budget.

The 2021 budget is annualized (this means the computer system takes seven months of actual revenues and expenses and divides it by 7 and then multiplies it by 12 months). We recognize that certain one-time or limited revenues and expenses are not accurate when *annualized*; therefore, on the revised income statement, we did not annualize the one-time or limited revenues and one-time expenses including the following: PPP loan forgiveness of 3.7M, HHS Stimulus of 2.2M, grants of 673k, tax revenue of 1.3M, donations of 150k, and the expenses associated with HHS stimulus revenue. These adjustments are shown at the bottom of the revised income statement.

PSMC uses an accrual basis for accounting.

Pagosa Springs Medical Center

Income Statement - - Budget 2022

	2019 Actual	2020 Actual	Annualized 2021 Actual	Budget 2022	Difference to Annualized 2021	Variance Percent Annualized 2021
Revenue						
Total In-patient Revenue	5,483,013	5,176,747	5,908,538	6,139,366	230,828	4%
Total Out-patient Revenue	89,782,028	52,022,602	59,221,115	64,743,920	5,522,805	9%
Professional Fees	6,504,716	4,636,252	5,723,939	6,238,486	514,547	9%
Total Patient Revenue	61,769,257	61,835,601	70,853,592	77,121,772	6,268,180	9%
Revenue Deductions & Bad Debt						
Contractual Allowances	28,167,670	30,230,926	36,853,046	39,346,830	2,493,784	7%
Charity	746,437	282,686	806,480	800,000	(6,480)	-1%
Bad Debt	3,470,959	1,730,052	1,484,393	2,671,734	1,187,341	80%
Provider Fee & Other	(3,081,149)	(2,520,105)	(2,959,532)	(3,365,446)	(405,914)	14%
Total Revenue Deductions & Bad Debt	29,303,917	29,723,559	36,184,387	39,453,118	3,268,731	9%
Total Net Patient Revenue	32,465,340	32,112,042	34,669,205	37,668,654	2,999,449	9%
Other Operating Income - Misc	2,426,420	2,184,081	1,831,183	1,796,268	(36,915)	-2%
Total Net Revenues	34,891,760	34,296,123	36,502,388	39,464,922	2,962,534	8%
Operating Expenses						
Salary & Wages	18,652,419	19,159,203	20,942,667	20,899,095	(43,572)	0%
Benefits	3,352,542	3,287,282	3,508,418	3,502,536	(5,882)	0%
Professional Fees	-	-	-	-	-	0%
Professional Fees/Contract Labor	307,381	349,923	463,617	466,547	2,930	1%
Purchased Services	2,158,291	1,842,826	1,896,774	2,637,275	740,501	39%
Supplies	4,915,130	5,763,642	6,131,171	6,428,707	297,536	5%
Rent & Leases	519,305	438,281	447,959	182,154	(265,805)	-59%
Repairs & Maintenance	538,505	549,091	525,857	528,686	2,829	1%
Utilities	470,669	361,183	405,650	431,329	25,679	6%
Insurance	313,792	327,437	341,705	350,766	9,061	3%
Depreciation & Amortization	1,858,800	1,774,630	2,075,807	2,262,261	186,459	9%
Interest	1,094,344	1,051,867	975,597	846,190	(129,407)	-13%
Other	1,356,457	1,561,457	1,895,603	1,771,405	(124,198)	-7%
Total Operating Expenses	35,537,635	36,446,822	39,610,820	40,306,951	696,131	2%
Operating Revenue Less Expenses	(645,875)	(2,170,699)	(3,108,432)	(842,029)	2,266,403	-73%
Non-Operating Income						
Grants	89,852	1,448,642	672,978	57,468	(615,509)	-91%
HHS Stimulus Other Revenue	-	1,157,026	2,203,633	-	(2,203,633)	100%
COVID PPP Loan Forgiveness	-	-	3,740,044	-	-	-
Tax Revenue	1,228,832	1,371,862	1,274,887	1,434,203	159,316	12%
Donations	515,811	316,527	150,000	200,000	50,000	33%
Total Non-Operating Income	1,834,495	4,294,057	8,041,542	1,691,672	(6,349,870)	-79%
Total Revenue Less Total Expenses	1,188,620	2,123,358	4,933,110	849,643	(4,083,467)	-83%
Less one time grants	-	(1,448,642)	(672,978)	-	-	-
Less one HHS Funding	-	(1,157,026)	(2,203,633)	-	-	-
Less one time PPP Funding	-	-	(3,740,044)	-	-	-
Plus expenses associated with HHS Funding	-	1,205,786	3,633,169	-	-	-
Adjusted Annualized Net Income Less One Time Events	-	723,476	1,949,624	849,643	1,099,981	129%

*Lines 28, 28.5, 29, 48 & 49 have not been annualized due to the fact that most of these items were either collected in full by July 31 or were one time items that are skewed if they are annualized

**Pagosa Springs Medical Center
Budget Cash Flow Statement
Budget Year 2022**

**Budget
2022**

Net Revenue Collections	\$	37,668,654
Grants	\$	57,469
Other Income (1)	\$	1,796,268
HSS Stimulus Other Revenue	\$	-
Mill Levy	\$	1,434,203
Donations	\$	200,000
Total Collections	\$	41,156,594
Expenses Less Depr	\$	38,044,690
Bond Principal Payments	\$	340,000
Capital Outlay (2)	\$	899,037
Total Outlay	\$	39,283,727
Net increase in Cash	\$	1,872,867
Beginning Cash		15,231,078
Ending Cash	\$	17,103,945

(1) Other income includes 340B revenue, cafeteria revenue and other misc revenue.

(2) Capital Outlay includes \$899,037 for capital.

Pagosa Springs Medical Center
FTE Budget
Budget Year 2022

Dept	Dept Name	2017 Budget FTE	2018 Budget FTE	2019 Budget FTE	12 Month FTE Calc	2020 Budget FTE	2021 Budget FTE	2022 Budget FTE	Variance	Percent
600 Total	Med Surg	10.40	10.50	10.70	12.31	14.21	11.32	11.93	0.61	5.39%
610 Total	ER	9.90	9.90	9.60	8.67	9.77	9.74	9.88	0.14	1.44%
615 Total	ER Physicians	4.40	4.40	4.50	4.49	4.56	4.21	4.21	-	0.00%
700 Total	Lab	9.60	9.70	10.50	9.53	9.87	9.28	9.58	(0.72)	-7.36%
710 Total	Radiology	4.80	4.80	4.60	5.30	5.51	5.99	5.95	0.96	10.56%
720 Total	Pharmacy	3.60	3.60	2.90	3.29	2.90	3.00	3.03	0.20	1.00%
721 Total	Infusion	1.00	1.00	1.50	0.48	0.99	3.65	3.60	(0.05)	-1.37%
722 Total	Cardiopulmonary	1.00	1.00	2.00	1.27	2.10	2.01	2.10	0.09	4.48%
725 Total	Physical Therapy	1.00	1.00	1.10	0.98	1.29	1.24	1.06	0.42	33.67%
726 Total	Speech	-	-	-	0.02	0.02	0.02	0.01	(0.01)	-50.00%
728 Total	Cardiology	0.80	0.80	1.00	1.01	0.02	0.08	0.05	(0.03)	-37.50%
729 Total	Oncology	-	3.60	8.00	5.95	5.81	4.53	4.78	0.21	4.64%
730 Total	Central Supply	2.10	2.10	3.00	2.97	3.01	2.51	2.47	(0.04)	-1.59%
731 Total	Biomedical	0.90	0.90	1.20	1.11	1.17	1.19	1.18	-	0.00%
740 Total	Outpatient	6.40	6.40	6.90	5.93	7.07	6.40	7.14	0.74	11.56%
750 Total	OR	9.00	9.10	9.50	8.69	8.47	8.69	8.69	-	0.00%
751 Total	Recovery	4.00	4.00	4.00	3.74	4.26	3.07	3.50	0.43	14.01%
762 Total	Anesthesia	1.30	1.30	1.50	1.29	2.00	2.00	1.54	(0.46)	-29.00%
763 Total	OR Physician	1.00	1.00	1.00	-	0.94	1.00	1.04	0.04	4.00%
765 Total	Specialty Clinic	1.10	1.10	2.00	1.01	2.50	1.79	-	(1.79)	-100.00%
790 Total	Ambulance	27.60	27.60	26.10	28.12	25.43	26.74	26.18	3.25	12.15%
791 Total	RHC	35.80	35.80	36.20	29.07	29.42	31.29	32.83	1.54	4.92%
792 Total	EMS Training	0.60	0.60	0.60	0.57	0.57	0.38	-	(0.38)	-100.00%
793 Total	Hospitalist	2.20	2.30	2.00	2.15	1.86	2.06	2.24	0.18	8.74%
794 Total	RHC Providers	6.50	6.50	7.40	11.16	10.52	11.66	12.47	0.91	8.55%
800 Total	Administration	4.20	4.20	4.10	4.79	4.18	5.00	5.10	0.10	2.00%
801 Total	Quality	3.80	3.80	1.00	2.44	1.51	1.00	2.79	1.79	175.00%
802 Total	Infection Control	-	-	-	-	0.60	1.00	1.00	-	0.00%
803 Total	Informatics	5.10	5.10	5.10	4.98	4.11	4.40	2.50	(1.90)	-45.12%
806 Total	Compliance	1.70	1.70	1.80	1.78	1.75	1.75	1.35	(0.40)	-22.86%
807 Total	Physician Recruiting	-	-	-	0.99	0.20	-	-	-	0.00%
809 Total	Nursing Admin	1.10	1.10	2.00	1.04	1.00	1.01	1.02	0.01	0.99%
810 Total	Medical Staff Office	2.00	2.00	2.00	2.01	2.00	2.00	2.00	-	0.00%
815 Total	Human Resources	2.00	2.00	2.00	2.23	1.70	2.79	2.84	0.05	1.79%
820 Total	Plant Operations	3.40	3.40	3.60	3.49	3.48	3.46	4.81	(0.59)	-17.81%
825 Total	Housekeeping	9.10	9.10	10.00	8.50	8.29	10.18	11.02	0.86	8.48%
830 Total	Accounting	7.30	7.30	8.00	5.41	4.03	4.02	4.00	(0.02)	-0.52%
835 Total	Registration	26.50	26.50	26.10	20.13	19.20	16.43	11.54	(4.79)	-29.19%
840 Total	Medical Records	6.70	6.70	6.20	6.11	4.00	3.01	3.51	0.50	16.51%
845 Total	Business Office	12.10	12.10	14.10	13.29	13.31	14.00	14.01	(0.04)	-0.28%
848 Total	Pre-Service	-	-	-	-	-	-	9.60	9.60	100.00%
850 Total	IT	-	-	-	0.47	2.06	2.01	3.00	0.99	49.25%
861 Total	Fundraising	-	-	0.30	1.30	0.72	1.00	0.30	(0.50)	-50.00%
862 Total	Community Relations	-	-	2.30	1.01	2.55	1.07	1.53	0.46	42.99%
Grand Total		254.00	240.00	245.40	227.30	233.86	232.01	244.34	12.04	5.01%

We moved the nurse training informationist to MedSurg under LIZ

With current employees, cannot cover call at night

Added some PRN coverage for vacation

We have the ability to grow this service line if we are able to hire another FT

Added Dietary Manager

Added 5 PAT Nurse

Full three crews of coverage

Restructuring clinic into clinical teams

Restructuring of Quality due to pending retirements

Restructure of Informatics

Anita going to part time

0

Patient Liason was not budgeted for last year at 1.2 FTE's - Restructure of registration
5 Coding Analysts

Increase of 2 FTE's to move all Pre-Auth back to one area. Increase of 1.0 FTE for radiology scheduling and 2.0 Operators
Requesting and increase of 1 FTE's due to increased security and help desk inbound.
Half of Jodi moved to Community Relations
Half of Jodi moved here

Pagosa Springs Medical Center
Capital Budget 2022
Capital Replacement Plan Thru 2026

Dept	Item	Cost	Year Purchase	Useful Life	Use
Dietary	Oven and Stove/Flatop	5,230.00	2022	10	The one we currently have is going bad, having issues. It is going to die.
Emergency Room	Stryker Big Wheel Stretcher with Scale	22,180.00	2022	7	(Med Priority) End of Life. Limited parts are available & needed in total
EMS	EMS Rescue Bay and Training Room HVAC	5,800.00	2022	15	Can we use the swamp cooler from the tent.
EMS	800 mhz Portable Radios	59,925.00	2022	7	
EMS	Replace 1 roll up door and Opener	7,300.00	2022	15	
EMS	Lucas Device for QRV	14,294.28	2022	5	The cot requested for 2021 will replace a cot purchased in service in 2012. The cot requested in 2023 will replace a cot purchased in 2016. Older cots placed out of service may serve as back up units if needed and/or may be put out for bid on the government sales site.
EMS	LP15 Monitor/Defibrillator	34,752.42	2022	5	
EMS	New flooring EMS Building 1st and 2nd Floor	43,586.48	2022	15	
EMS	Paint EMS Building Exterior	54,265.00	2022	15	
Information Systems	HP Switches - to replace aging Comm Equipment	43,076.92	2022	5	Replace our aging Network Switches in the Data Center and our Data Closets. Most of our switches are over 7 years old and are nearing End-of-Life/End-of-Support. In addition to replacing these switches, we will receive a lifetime replacement guarantee if any are to fail. Any failure of our current switching environment will essentially render whatever part of the building with the hardware failure from being able to access either our internal network or the outside internet. Upgrading these switches will also allow us to increase our internal network speeds by 1000% from 1GB to 10GB. This will make internal data transfers, database changes, high volume imaging transfers (like Radiology) much faster and more reliable. Only replacing 4 instead of 13.
Integrit	AMSOG Glass door dual compartment warming cabinet	9,100.00	2022	5	Replacing the MBlanket warming cabinet we currently have that is end of life- end of parts. Higher priority. Warming cabinet is used for patient blankets.
Laboratory	Aerospay Pro Slide	17,450.00	2022	5	Current instrument model no longer company supported, required o-rings not manufactured any longer. If current instrument fails, lab will no longer be able to perform manual differentials on CBC's, CSF studies or stool WBC studies.
Pharmacy	Refrigerator	9,000.00	2022	10	Pharmacy will need a new refrigerator for all the White Bagging medications we are already accumulating.
Pharmacy	Chemo Hood	10,800.00	2022	10	Pharmacy will need a new refrigerator for all the White Bagging medications we are already accumulating.
Plant Operations	Push Button Doors	12,300.00	2022	10	Push Button doors to inpatient wing and oncology.
Plant Operations	Bionix Electrical Reciprocity Tester	9,550.00	2022	5	# 2 New State Requirement for testing patient room outlets.
Plant Operations	Replace Main Corridor Lighting	19,946.00	2022	15	# 3 lights out can not be replaced with existing.
Plant Operations	Replacement of HVAC Unit #14 Mary Fisher	8,800.00	2022	15	# 5 have passed on this 4+ years one more won't hurt but will not help utility expense.
Plant Operations	Medical Gas System Suction Pump #1 Replacement	33,525.00	2022	5	#1 Old pump is beyond useful life replacing 1 this year and one next year.
Radiology	Windows 10 Compliant CD Burner	11,580.00	2022	3	Per IT, equipment is running Windows 7 which means it is no longer HIPAA or OCR compliant. If a breach or ransomware event would take place, we would have to attest to having a Windows 7 machine on the premises which could nullify our insurance coverage if the breach is tracked back to or including that machine. Extended support for Windows 7 also expired as of 1/2020.
Radiology	Windows 10 Compliant For Dexa	10,175.00	2022	3	Per IT, equipment is running Windows 7 which means it is no longer HIPAA or OCR compliant. If a breach or ransomware event would take place, we would have to attest to having a Windows 7 machine on the premises which could nullify our insurance coverage if the breach is tracked back to or including that machine. Extended support for Windows 7 also expired as of 1/2020.
Radiology	Mammography Room Work	100,000.00	2022	5	Room preparation for Mammography Unit.
Radiology	C-ARM Upgrade	130,000.00	2022	5	Request from Dr. Bill Webb due to inconsistent and grainy image quality. We are still looking into this and trying to determine root cause. If we are not able to purchase a new CARM, we will try to move forward with just purchasing the lesser aimed for the existing CARM which is quoted at \$2,586.
Surgery	Upper GI Scope	22,000.00	2022	5	We currently have 2 upper scopes and it causes delays waiting to reprocess, would like a 3rd, then we will have 3 colon scopes and 3 upper scopes.
Surgery	Stryker Lease Agreement	-	2022	5	Ends in Dec 2021 and usually results in upgrades for ortho.
Surgery	ESI Table	10,750.00	2022	12	Pain Management- may be able to share expense with imaging.
Surgery	Beach Chair	8,000.00	2022	12	Shoulder Positioner- for Dr. Eisenhauer- will look for a refurbished positioner per Dr. E.
Surgery	PACU Gurney	22,150.00	2022	5	Aging Stretchers (2)
Surgery	Avanos RF Machine	34,500.00	2022	5	Avanos RF Machine, we are cutting PO in Nov. 2021 and paying in Jan. 2022.
Surgery	Olympus Tower for GI	80,000.00	2022	5	Would like this sooner if possible.
Surgery	EPS Scope Washer	40,000.00	2022	7	Past end of life. Currently determining what vendor to choose. Will purchase in Jan 2022.

Pagosa Springs Medical Center
 Capital Budget 2022
 Capital Replacement Plan Thru 2026

Dept	Item	Cost	Year Purchase	Useful Life	Use
Surgery	Centurion Phaco (cataract) machine	24,100.00	2022	5	Currently leasing for 12 months (June 2021 to June 2022 for \$3000/mo) I will purchase in June of 2022
Surgery	Bone Holding Forceps	5,000.00	2021	5	Dr. Webb has been asking for a replacement for over a year. Can we purchase in 202
Surgery	Universal Scribe Extraction Set	-	2022	10	This would allow Dr. Webb the ability to not have to wait for a certain vendor to supply instruments to remove hardware that he didn't implant. It is safer and more efficient for our patients.
Total		\$29,100.00			

UPPER SAN JUAN HEALTH SERVICE DISTRICT
D/B/A PAGOSA SPRINGS MEDICAL CENTER
RESOLUTION (No. 2021-16) TO ADOPT BUDGET

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET FOR THE UPPER SAN JUAN HEALTH SERVICE DISTRICT FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2022 AND ENDING ON THE LAST DAY OF DECEMBER 2022.

WHEREAS, the Board of Directors of the Upper San Juan Health Service District (“USJHSD”) has appointed its Chief Executive Officer to prepare and timely submit a proposed 2022 budget; and

WHEREAS, the Chief Executive Officer has caused a proposed 2022 budget to be submitted to the USJHSD Board for its consideration; and

WHEREAS, upon due and proper notice, published in accordance with the law on October 7, 2021, said proposed budget was open for inspection by the public at a designated place, and a public hearing was held on October 12, 2021 and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, the budget has been prepared to comply with the terms, limitations and exemptions of laws or obligations which are applicable to or binding upon the District; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves/fund balances so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Upper San Juan Health Service District:

1. That estimated expenditures for each fund are as follows:

General Fund	\$40,306,951
Debt Service Fund	0
Total	\$40,306,951

2. That estimated revenues for each fund are as follows:

General Fund	
From unappropriated surpluses	\$15,231,078
From Funds Transfers	0
From sources other than general property tax	\$39,722,391
From general property tax	\$1,434,203
Total	\$56,387,672

Debt Service Fund	
From unappropriated surpluses	\$ 0
From Funds Transfers	0
From sources other than general property tax	0
From general property tax	<u>0</u>
Total	0

3. That the budget, be, and the same hereby is, approved and adopted as the budget of the Upper San Juan Health Service District for the 2022 fiscal year.
4. That the budget, as hereby approved and adopted, shall be signed by the Chairman of the Board of the District and made a part of the public records of the District.

UPPER SAN JUAN HEALTH SERVICE DISTRICT

Greg Schulte, Chairman

Date

Attest:

DISTRICT SEAL

Heather Thomas, Clerk to the Board

Date

UPPER SAN JUAN HEALTH SERVICE DISTRICT
D/B/A PAGOSA SPRINGS MEDICAL CENTER
RESOLUTION (No. 2021-17) TO SET MILL LEVIES

A RESOLUTION LEVYING PROPERTY TAXES FOR THE YEAR 2022 TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE UPPER SAN JUAN HEALTH SERVICE DISTRICT FOR THE 2022 BUDGET YEAR.

WHEREAS, on November 16, 2021, the Board of Directors of the Upper San Juan Health Service District ("USJHSD") adopted, in accordance with the Colorado local government budget law, the 2022 annual budget; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$1,434,203; and

WHEREAS, the amount of money necessary to balance the budget for debt service expenses is \$0; and

WHEREAS, the 2021 valuation for assessment for the District, as certified by the Assessors of Archuleta, Hinsdale and Mineral Counties, is \$368,320,089;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of USJHSD:

1. That for the purposes of meeting all general operating expenses of USJHSD during the 2022 budget year, there is hereby levied a tax of 3.884 mills upon each dollar of the total valuation for assessment of all taxable property within USJHSD for the year 2021, to raise \$1,434,203 in revenue.
2. That for the purposes of meeting all debt service expenses of USJHSD during the 2021 budget year, there is hereby levied a tax of 0.0 mills upon each dollar of the total valuation for assessment of all taxable property within USJHSD for the year 2021, to raise \$0 in revenue.
3. That the Treasurer and/or the Chairman of USJHSD is hereby authorized and directed, to immediately certify to the County Commissioners of Archuleta, Hinsdale and Mineral Counties, Colorado, the mill levy for the District as hereinabove determined and set.

Upper San Juan Health Service District

Greg Schulte, Chairman

Date

Attest:

DISTRICT SEAL

Heather Thomas, Clerk to the Board

Date

**[PAGE INTENTIONALLY LEFT BLANK FOR FINAL CERTIFIED ASSESSED
VALUATION AND TAX REVENUES OF ARCHULETA, HINSDALE, AND MINERAL
COUNTIES, AS APPLICABLE]**

UPPER SAN JUAN HEALTH SERVICE DISTRICT
RESOLUTION (No. 2021-18) TO APPROPRIATE SUMS OF MONEY

A RESOLUTION APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS AND SPENDING AGENCIES, IN THE AMOUNT AND FOR THE PURPOSE AS SET FORTH BELOW, FOR THE UPPER SAN JUAN HEALTH SERVICE DISTRICT FOR THE 2021 BUDGET YEAR.

WHEREAS, on November 16, 2021, the Board of Directors of the Upper San Juan Health Service District ("USJHSD") adopted, in accordance with the Colorado local government budget law, the 2022 annual budget; and

WHEREAS, the Board of Directors of USJHSD has made provision therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget; and

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues and reserves or fund balances provided in the budget to and for the purposes described below, as more fully set forth in the budget, including any interfund transfers listed therein, so as not to impair the operations of USJHSD.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Upper San Juan Health Service District that the following sums are hereby appropriated from the revenues of each fund, to each fund, for the purposes stated:

General Fund:	\$39,722,391
Fund Balance Contingency	0
Debt Service Fund - Net:	0
Unexpended Surplus – General Fund	\$15,231,078
Unexpended Surplus – Debt Service	0
From general property tax	\$1,434,203
Total	\$56,387,672

Upper San Juan Health Service District

Greg Schulte, Chairman

Date

Attest:

DISTRICT SEAL

Heather Thomas, Clerk to the Board

Date

**UPPER SAN JUAN HEALTH SERVICE DISTRICT
D/B/A PAGOSA SPRINGS MEDICAL CENTER**

**Formal Written Resolution 2021-19
November 16, 2021**

WHEREAS, the Urban Renewal Authority exists to serve as a redevelopment tool for the Town of Pagosa Springs;

WHEREAS, there is one representative to the Urban Renewal Authority board to represent the interests of certain area special districts (San Juan Water Conservancy District, Pagosa Area Water & Sanitation District, Pagosa Fire Protection district, Southwestern Colorado Water Conservation District, and the Upper San Juan Health Service District) (collectively hereinafter the "Area Special Districts");

WHEREAS, J.R. Ford was approved by the Area Special Districts for an initial term which term is coming up for renewal; and

WHEREAS, J.R. Ford is will to serve another term as the representative for the Area Special Districts.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE UPPER SAN JUAN HEALTH SERVICE DISTRICT HEREBY RESOLVES to approve the appointment of J.R. Ford to serve another term as the representative on behalf of all Area Special Districts.

UPPER SAN JUAN HEALTH SERVICE DISTRICT

Greg Schulte, Chairman

Date

Attest:

DISTRICT SEAL

Heather Thomas, Clerk to the Board

Date

**UPPER SAN JUAN HEALTH SERVICE DISTRICT
D/B/A PAGOSA SPRINGS MEDICAL CENTER**

**Formal Written Resolution 2021-20
November 16, 2021**

WHEREAS, the Upper San Juan Health Service District has, for many years, engaged the legal services of David Greher of the law firm Collins Cockrel and Cole (“CCC”) to represent the entity for special issues, as and if they arise, related to elections, bonds, TABOR and special district matters.

WHEREAS, CCC will cease to provide legal services on January 1, 2022 and David Greher will be a member of the newly formed law firm Cockrel Ela Giesne Greher & Ruhland; and

WHEREAS, continuity of legal services from David Greher for said special issues is in the best interests of USJHSD.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE UPPER SAN JUAN HEALTH SERVICE DISTRICT HEREBY RESOLVES to authorize the Board Chair or the CEO to engage David Greher of the law firm of Cockrel Ela Giesne Greher & Ruhland for such special issues.

UPPER SAN JUAN HEALTH SERVICE DISTRICT

Greg Schulte, Chairman

Date

Attest:

DISTRICT SEAL

Heather Thomas, Clerk to the Board

Date



SHAREHOLDERS
Paul R. Cockrel
Robert G. Cole
Timothy J. Flynn
Evan D. Ela
Linda M. Glesne
David A. Greher
Kathryn G. Winn
Allison C. Ulmer
Matthew P. Ruhland

OF COUNSEL
James P. Collins

ASSOCIATES
Joseph W. Norris
Bart W. Miller
Ayshan E. Ibrahim

303-218-7201
dgreher@cccfirm.com

November 5, 2021

Via Email

Ann Bruzzese, Chief Administrative Officer
Upper San Juan Health Service District
d/b/a Pagosa Springs Medical Center
95 South Pagosa Blvd.
Pagosa Springs, CO 81147

Re: Notice of Transition

Dear Ann:

Effective January 1, 2022, the lawyers of Collins Cockrel & Cole, PC ("CCC") will no longer be practicing together, and CCC will no longer be providing legal services to clients. I am excited to announce that I will continue practicing law with the new law firm of Cockrel Ela Glesne Greher & Ruhland, PC (the "Firm"), which will include several of the current CCC principals, attorneys, paralegals and administrative staff, including Joe Norris, Ayshan Ibrahim, Micki Mills and Sarah Leutjen.

I enjoy our existing professional relationship and my responsibility for representing Upper San Juan Health Service District d/b/a Pagosa Springs Medical Center (the "District") as the District's special counsel on election, TABOR and Colorado special district statutory compliance matters, and would be pleased to continue this relationship with the new Firm beginning January 1, 2022. However, the Board has absolute discretion to select its legal counsel, and you may choose to have me continue to represent you as a member of the Firm beginning January 1, 2022, or you may choose to retain entirely new legal counsel.

I will ensure that your interests are protected during this transition and will continue to provide legal services until you decide upon on-going representation. If you have any questions about either the status of any matter that CCC is handling for you or any other aspect of our representation, please do not hesitate to contact me or any other member of CCC.

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To ensure no interruption in legal services, please advise of your decision in writing by December 17, 2021, if possible. You may do so by indicating your choice on the following page and returning a signed copy of this letter to me at dgreher@cccfirm.com. We apologize for the limited notice and any inconvenience by requesting your decision. If you do not provide us direction on your future legal counsel, CCC will conclude its representation as of December 31, 2021, subject to all ethical obligations, and retain any files and information therein for a minimum of thirty days after such conclusion of representation, after which CCC may retain, destroy or otherwise dispose of them as deemed appropriate, except that (i) original documents entrusted to CCC for continued representation as part of legal services; and (ii) any original documents that the District is obligated by law to retain will be returned to you.

The final invoice from CCC for legal services performed in December will be sent to the District by mid-January. Regardless of your decision, please make arrangements regarding any outstanding account balance with CCC in a timely manner.

We at the Firm are excited for the opportunity to continue practicing law together in a new location and will retain our focus on the ongoing representation of organizations building and serving Colorado's communities. If you have any questions, please do not hesitate to call me.

I thank you for your consideration in this matter.

Very truly yours,

A handwritten signature in blue ink, reading 'David A. Greher', is positioned above the printed name. The signature is fluid and cursive, with a large initial 'D'.

David A Greher

cc: Collins Cockrel & Cole, PC



To: Collins Cockrel & Cole, PC

_____ We wish to have Cockrel Ela Glesne Greher & Ruhland, PC represent us as legal counsel effective January 1, 2022. Please arrange to transfer our paper and electronic files to: David Greher, Cockrel Ela Glesne Greher & Ruhland, PC.

_____ We will be represented by other legal counsel effective _____.

Please transfer our paper and electronic files to _____

at: _____.

Upper San Juan Health Service District d/b/a Pagosa
Springs Medical Center

By: _____

Name: _____

Title: _____

Date: _____



MINUTES OF REGULAR BOARD MEETING
Tuesday, September 28, 2021
5:30 PM
The Board Room
95 South Pagosa Blvd., Pagosa Springs, CO 81147

The Board of Directors of the Upper San Juan Health Service District (the “Board”) held its regular board meeting on September 28, 2021, at Pagosa Springs Medical Center, The Board Room, 95 South Pagosa Blvd., Pagosa Springs, Colorado as well as via Zoom video communications.

Directors Present: Vice-Chair Matt Mees, Treasurer/Secretary Mark Zeigler, Director Kate Alfred and Director Jason Cox.

Present via Zoom: Director Dr. Jim Pruitt and Director Karen Daniels.

Director(s) Absent: Chair Greg Schulte. (The noted absence was approved due to prior notification.)

1) CALL TO ORDER

- a) Call for quorum: Vice-Chair Mees called the meeting to order at 5:30 p.m. MST and Clerk to the Board, Heather Thomas, recorded the minutes. A quorum of directors was present and acknowledged.
- b) Board member self-disclosure of actual, potential or perceived conflicts of interest: There were none.
- c) Approval of the Agenda: The Board then noted approval of the agenda as presented.

2) PUBLIC COMMENT

There was none.

3) MILESTONE MOMENT: Accounting Department

CFO, Chelle Keplinger-Kloep, presented a brief introduction of and acknowledged the duties and accomplishments of the Accounting Department. The Board provided words of appreciation and congratulations on the department’s noted accomplishments.

4) REPORTS

- a) Oral Reports
 - i) Chair Report
There was no report.
 - ii) CEO Report

CEO Dr. Rhonda Webb discussed the following updates:

- PSMC continues to see increased COVID-19 cases and are seeing break-through cases in fully-vaccinated people.
- PSMC has had some difficulty transferring patients due to difficulty with ICU availability across the state.
- Booster vaccines are now being offered by public health to those 65 and older and to those that are younger than 65 that are in the high-risk category.
- Testing continues to be performed at the shed located in the back of PSMC building. Modifications have been made to the traffic flow to allow easier access for large truck deliveries and general flow of traffic.
- Incident Command is re-evaluating the visitor policy.
- PSMC continues to experience personnel staffing issues.
- The MRI modular building is expected to be delivered on October 20. The MRI machine is scheduled for delivery on October 28.

Director Zeigler asked a question regarding which brand of vaccine booster was being provided. CEO Dr. Webb answered.

Director Cox asked a question regarding the ongoing challenge with staffing and possible reasons. CEO Dr. Webb answered. A discussion ensued.

iii) Executive Committee

There was no report.

iv) Foundation Committee

There was no report.

v) Facilities Committee

Vice-Chair Mees reported there has been a setback due to increase in cost. Everything is reported to be still on schedule, though, CNO Kathee Douglas noted that there has been a delay in receiving information from the state regarding a waiver that was filed in August that could possibly cause a delay in the schedule.

vi) Strategic Planning Committee

Director Cox advised the Board the Strategic Plan had been presented to a number of focus groups in the community as well as to the public. Some feedback was obtained and the Committee is encouraged with the final product that will be presented for approval by the Board within the decision agenda.

Finance Committee & Report

CFO, Chelle Keplinger, presented and discussed the PowerPoint presentations regarding financials for July and August 2021.

Treasurer-Secretary Zeigler noted the Finance Committee's recommendation to accept the financials as presented for July and August 2021.

Director Cox asked a question regarding the net revenue as reported in July, specifically if a cause in the decrease has been identified. CFO Keplinger answered.

Treasurer/Secretary Zeigler asked CFO Keplinger to expand on CARES Act money that is still remaining and if there is a possibility to utilize some of it. CFO Keplinger noted she would like to present it to Finance Committee first.

A discussion ensued.

b) Written Reports

i) Operations Report

Director Dr. Pruitt asked CNO-COO Kathee Douglas if there were departmental shifts of staff due to staffing shortages. CNO-COO Kathee Douglas answered that there are departmental shifts of staff in most of the departments. A discussion ensued.

ii) Medical Staff Report

There were no questions.

5) **DECISION AGENDA**

a) Resolution 2021-15

Treasurer/Secretary Zeigler motioned to accept Resolution 2021-15 regarding approval of the PSMC Strategic Plan for 2021 through 2023. Upon motion seconded by Director Alfred, the Board unanimously accepted said resolution.

6) **CONSENT AGENDA**

Director Cox motioned to approve the Board Member absences, regular meeting minutes of 07/27/2021 and the Medical Staff report recommendations for new or renewal of provider privileges.

Upon motion seconded by Director Dr. Pruitt the Board unanimously approved said consent agenda items.

7) **EXECUTIVE SESSION**

The Board did not meet in executive session.

8) **OTHER BUSINESS**

There was none.

9) **ADJOURN**

There being no further business, Chair Schulte adjourned the regular meeting at 6:18 p.m. MST.

Respectfully submitted by:

Heather Thomas, serving as Clerk to the Board



MINUTES OF SPECIAL BOARD MEETING
Tuesday, October 12, 2021
5:30 PM
The Board Room
95 South Pagosa Blvd., Pagosa Springs, CO 81147

The Board of Directors of the Upper San Juan Health Service District (the “Board”) held its special board meeting on October 12, 2021, at Pagosa Springs Medical Center, The Board Room, 95 South Pagosa Blvd., Pagosa Springs, Colorado as well as via Zoom video communications.

Directors Present: Chair Greg Schulte, Vice-Chair Matt Mees, and Director Jason Cox.

Present via Zoom: Director Dr. Jim Pruitt and Director Karen Daniels.

Director(s) Absent: Director Kate Alfred. (The noted absence was approved due to prior notification.)

1) CALL TO ORDER

- a) Call for quorum: Chair Schulte called the meeting to order at 5:30 p.m. MST and Clerk to the Board, Heather Thomas, recorded the minutes. A quorum of directors was present and acknowledged.
- b) Board member self-disclosure of actual, potential or perceived conflicts of interest: There were none.
- c) Approval of the Agenda: The Board then noted approval of the agenda as presented.

2) PUBLIC COMMENT

There was none.

3) PUBLIC HEARING ON THE PROPOSED 2022 BUDGET FOR USJHSD

- a) Chair Schulte opened the Public Hearing on the proposed 2022 budget at 5:32 p.m. MST.
 - i) Overview of the budget by PSMC’s CFO
CFO Keplinger presented and discussed the 2022 Budget Proposal.
 - ii) Questions/comments of the Board
Questions were asked and answered. The Board Chair requested staff to present at the next Board meeting a proposed budget with an average price increase of 4% in addition to the proposed budget with an average increase of 3%.
 - iii) Questions/comments of the public
There were none.
 - iv) Close of the Public Hearing: Chair Schulte closed the public hearing at 6:20 p.m. MST.

4) OTHER BUSINESS

The Board unanimously agreed to not hold the regular meeting scheduled for October 26, 2021. The next meeting of the Board will be at the regular meeting scheduled for November 16, 2021.

Chair Schulte advised the Board of the recent Urban Renewal Authority (“URA”) board meeting that was held on October 11, 2021. Chair Schulte noted special districts have one representative on the URA board. The current representative, J.R. Ford, has not indicated if he would like to be reappointed. The URA board will next meet on November 18, 2021. If the current representative decides not to continue, the six special districts will have to appoint a replacement. Chair Schulte asked the Board to state if they have a desire to serve as a representative on the URA board. None of the attending Board members noted a desire to volunteer on the URA board should there be a vacancy.

5) ADJOURN

There being no further business, Chair Schulte adjourned the regular meeting at 6:24 p.m. MST.

Respectfully submitted by:

Heather Thomas, serving as Clerk to the Board