



NOTICE OF REGULAR BOARD MEETING OF
THE UPPER SAN JUAN HEALTH SERVICE DISTRICT dba PAGOSA SPRINGS MEDICAL CENTER
Tuesday, June 27, 2017 at 5:30 PM
The Great Room, PSMC Main Building (in the old clinic area)
95 South Pagosa Blvd., Pagosa Springs, CO 81147

AGENDA

1) CALL TO ORDER; ADMINISTRATIVE MATTERS OF THE BOARD

- a) Call for quorum (by Secretary/Treasurer Jerry Baker)
- b) 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, Jodi Scarpa, 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) MILESTONE MOMENT: *Grand Opening Ceremony and Celebration*

4) DECISION AGENDA (Matters to be discussed and possible action by the Board)

- a) **2016 Audit**
 - i) Audit for 2016; Recommendation of the Finance Committee recommendation: Chair Mark Floyd will report that the Finance Committee received information that there were no changes to the 2016 audit (since reporting last month) and the Finance Committee recommends to accept the 2016 audit.
 - ii) Consideration of Resolution **2017-10** (written resolution in the packet) regarding acceptance of the 2016 audit of the Upper San Juan Health Service District.

5) REPORTS

- a) **Oral Reports** (may be accompanied by a written report)
 - i) Chair Report Chair Mark Floyd
 - ii) Contracts Dir. Jerry Baker
 - iii) Strategic Planning Vice-Chair Greg Schulte
 - iv) ~~Succession Planning~~ Dir. Kate Alfred (**deferred to item 8 on the agenda**)
 - v) CEO Report Chief Executive Officer, Brad Cochennet
 - vi) Finance Report CFO, Dennis Wilson and Treasurer Jerry Baker

b) **Written Reports** (*no oral report unless the Board has questions*)

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|-----------------|--|
| i) CAO Report | Chief Administrative Officer, Ann Bruzzese |
| ii) CNO Report | Chief Nursing Officer, Kathee Douglas |
| iii) CMO Report | Chief Medical Officer, Rhonda Webb |
| iv) COS Report | Chief of Staff, Ralph Battels |

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 Minutes for the following meeting(s):

- i) Regular meeting of: 05/23/2017

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

7) EXECUTIVE SESSION

The Board will meet in Executive Session pursuant to with C.R.S. Section 24-6-402(4)(b) for purposes of receiving legal advice on specific legal questions. Further, 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) **CEO Search**

- i) Report: the Succession Planning Committee reports it conducted initial interviews with CEO candidates.
- ii) Recommendation: the Succession Planning Committee recommends to the Board that:
 - (a) staff invite certain candidates for an on-site interview *subject to* such candidates agreeing to proceed as a finalist and public posting of the names of finalists; and
 - (b) staff proceed with the Succession Planning Committee to finalize the finalist interview process and associated meetings.
- iii) Consideration of Resolution 2017-11 (written resolution in the packet) regarding approval of the recommendations of Succession Planning Committee.

9) ADJOURN



MINUTES OF REGULAR BOARD MEETING

Tuesday, June 27, 2017

5:30 PM

**The Great Room, PSMC Main Building (in the old clinic area)
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 June 23, 2017, at Pagosa Springs Medical Center, The Great Room, 95 South Pagosa Blvd., Pagosa Springs, Colorado.

Directors Present: Chair Mark Floyd, Vice-Chair Greg Schulte, Secretary/Treasurer Jerry Baker, Director Dr. Jim Pruitt, Director Kate Alfred, and Director Matt Mees.

Present by phone was Director Dr. Richard Zak.

1) CALL TO ORDER; ADMINISTRATIVE MATTERS OF THE BOARD

Chair Floyd, called the meeting to order at 5:40 p.m. MDT and Clerk of the Board, Jodi Scarpa, recorded the minutes. A quorum of directors was present and acknowledged by Secretary/Treasurer Baker and the meeting, having been duly convened, was ready to proceed with business.

Chair Floyd inquired of approval of the Agenda.

Director Dr. Pruitt requested to add three items of discussion to the agenda for executive session: (1.) Succession Planning recommendations of new CEO candidates, (2.) the trauma program and trauma Medical Director, and (3.) the resignation of Dr. David Schaeffer and how it could potentially affect the organization.

Chair Floyd advised that discussion of the recommendation of the Succession Planning Committee will be held under agenda item 8.) Other Business, as scheduled, and then voiced his concern that the other items may not qualify to be within the legal limits of executive session and advised to discuss the items requested by Director Pruitt under agenda item “Other Business” after the executive session. Vice Chair Schulte suggested further inquiry in executive session and if such discussion is found to be outside of the legal limits of executive session the requested items would then be added to “Other Business.”

Secretary/Treasurer Baker motioned to add Director Dr. Pruitt’s items of discussion to executive session, and if the items of discussion should be found unacceptable for executive session, the items will then be added to Other Business on the agenda. Upon motion seconded by Director Dr. Zak, the Board unanimously approved.

2) **PUBLIC COMMENT**

There was none.

3) **MILESTONE MOMENT**

CEO, Brad Cochennet, discussed the success of the Grand Opening ceremony and celebration that was held June 17, 2017, and recognized the many volunteers that helped make the celebration a success. Mr. Cochennet specifically recognized and presented nominal gift cards to Jodi Scarpa, Manager of the Executive Offices, Jesse Hensle, Manager of Marketing and Communications, and Kathy Larson, Foundation Coordinator, for their pivotal role in the planning and execution of the events.

4) **DECISION AGENDA**

a) **2016 AUDIT**

i) Audit for 2016; Recommendation of the Finance Committee:

Chair Floyd reported the Finance Committee received information that there were no changes to the 2016 audit since reporting last month and the Finance Committee recommends accepting the 2016 audit.

ii) Consideration of Resolution 2017-10

Secretary/Treasurer Baker motioned to approve Resolution 2017-10 to accept the 2016 USJHSD audit, as presented by Chadwick, Steinkirchner, Davis & Co., P.C.

Upon motion seconded by Director Dr. Pruitt, the Board unanimously approved Resolution 2017-10.

5) **REPORTS**

a) **Oral Reports**

i) Chair Report

Chair Floyd advised the Board that there was no report.

ii) Contracts

Secretary/Treasurer Baker stated that there were a lot of provider contracts reviewed during the meeting of the Contracts Committee, including new and renewals, and all were within acceptable norms.

iii) Strategic Planning

Vice-Chair Schulte advised the Board of the following items were discussed during the regular meeting of the Strategic Planning Committee meeting on June 19, 2017:

1. Status of the current renovations;
2. Future Phase II construction;
3. Remodel III – a remodel of the old clinic space to make it functional

as an interim space for oncology as well as addressing Great Room meeting space (lost to the new pharmacy). Mr. Schulte added that it is the recommendation of the Strategic Planning Committee to move forward with the Remodel III proposal, assuming PSMC can meet the expense.

4. a brief discussion was held regarding funding of the remodels.

iv) Succession Planning

Report deferred to item 8 on the agenda.

v) CEO Report

CEO Cochennet presented before the Board the attached design concept drawing for interim uses of the old clinic spaces noting the architect advised that the old clinic area would be a great future site for a two-story building that could potentially support cancer care and other specialty services as an outpatient wing.

Questions were asked and answered.

vi) Finance Report

Secretary/Treasurer Baker presented before the Board the attached Finance Committee Report, highlighting revenue for the month of May was better than the previous month of April. Mr. Baker added it is projected that revenue for the month of June will be even better than May.

Mr. Baker also highlighted that PSMC received information on the additional reimbursement of the Provider Fee payment for the State of Colorado's year ending September 30, 2017, includes projected net increase of \$745,000. PSMC is projected to have a net increase of \$186,000 for October, 2017, through December, 2017.

Questions were asked and answered regarding the Provider Fee.

Questions were asked and answered regarding the attached Cash Forecast.

b) **Written Reports** *(no oral reports were presented unless the Board had questions)*

i) CAO Report

There were no questions.

ii) CNO Report

There were no questions.

iii) CMO Report

Chair Floyd posed a question regarding the attached CAH Annual Report. CMO, Dr. Rhonda Webb, answered.

Clinic Director, Sikendar Fidai, presented before the Board the attached PowerPoint presentation regarding updates of Clinic operations.

iv) COS Report

There were no questions.

6) **CONSENT AGENDA**

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

Secretary/Treasurer Baker moved to approve the minutes of the regular meeting of 05/23/2017, as well as the Medical Staff report recommendations for new or renewal of provider privileges.

Upon motion seconded by Director Alfred the Board unanimously approved said agenda items.

7) **EXECUTIVE SESSION**

Chair Floyd announced a brief break prior to meeting in executive session at 6:55 p.m. MDT. Upon motion duly made and seconded, the Board met in executive session at 7:00 p.m. MDT pursuant to C.R.S Section 24-6-402(4)(b) for the purposes of receiving legal advice on specific legal questions and possible personnel matters pursuant to C.R.S. Section 24-6-402(4)(f)(I), as requested by Director Dr. Pruitt during approval of the Agenda.

Those present in executive session were: Chair Floyd, Vice-Chair Schulte, Secretary/Treasurer Baker, Director Alfred, Director Dr. Pruitt, Director Mees, and Director Dr. Zak (by phone).

Also present for a portion of the executive session were: CEO Brad Cochennet, CAO Ann Bruzzese, and Ms. Scarpa as Clerk for the Board.

Chair Floyd adjourned executive session at 7:54 p.m. MDT.

8) **OTHER BUSINESS**

a) CEO Search

CAO, Ann Bruzzese, reported to the Board that initial interviews of CEO candidates were conducted in June by the Succession Planning Committee.

CAO Bruzzese then advised upon recommendation of the Succession Planning Committee, two candidates would be invited for on-site interviews, subject to such candidates agreeing to proceed as finalist and public posting of the names of finalists; and staff proceed with the Succession Planning Committee to finalize interview process and associated meetings.

Director Alfred moved to approve Resolution 2017-11 regarding approval of the recommendations of the Succession Planning Committee. Upon motion seconded by Director Mees, the Board unanimously approved Resolution 2017-11.

9) **ADJOURN**

There being no further business, Chair Floyd adjourned the regular meeting at 7:56 p.m. MDT.

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