



NOTICE OF REGULAR BOARD MEETING OF
THE UPPER SAN JUAN HEALTH SERVICE DISTRICT dba PAGOSA SPRINGS MEDICAL
CENTER

Tuesday, January 21, 2020, at 5:30 PM
The Board Room **(direct access – northeast entrance)**
95 South Pagosa Blvd., Pagosa Springs, CO 81147

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: [CEO Recognition of PSMC's Directors and Managers](#)

4) REPORTS

- a) **Oral Reports** (may be accompanied by a written report)
 - i) Chair Report Chair Greg Schulte
 - ii) ~~Contracts~~ ~~Dir. Kate Alfred and Dir. Karin Daniels~~
 - iii) ~~Strategic Planning~~ ~~Dir. Dr. Jim Pruitt and Dir. Karin Daniels~~
 - iv) [CEO Report](#) Chief Executive Officer, Dr. Rhonda Webb
 - v) HVAC Project, status report COO Kathee Douglas and Dir. Matt Mees
 - vi) [Finance Report](#) CFO, Chelle Keplinger and
Treasurer, Dr. Campbell
- b) **Written Reports** (*no oral report unless the Board has questions*)
 - i) [Operations Report](#) COO-CNO, Kathee Douglas
 - ii) [Medical Staff Report](#) Chief of Staff, Dr. Ralph Battels

5) DECISION AGENDA

- a) Consideration of [Resolution 2020-01](#) regarding acceptance of [2020 reporting tool](#) re plan to increase days of cash
- b) Consideration of [Resolution 2020-02](#) regarding amendment to [Board Policy No. 13](#)
- c) Consideration of [Resolution 2020-03](#) regarding ratification of Amendment to PSMC's Cerner Contract
- d) Consideration of Resolutions regarding approval of matters related to May 5, 2020 Election of Board Members:
 - i) [2020-04](#) – resolution to appoint the Clerk to the Board (Heather Thomas) as the Designated Election Official;
 - ii) [2020-05](#) – resolution to establish USJHSD terms for its regular May 5, 2020 election;
 - iii) Copy of [Call for Nominations 2020](#); and
 - iv) Copy of [Self-Nomination and Acceptance Form](#).

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 01/21/2020
- b) Approval of Minutes for the following meeting(s):
 - i) [Regular meeting of: 12/17/2019](#)
- c) Approval of [Medical Staff report](#) recommendations for new or renewal of provider privileges.
- d) Board Meetings in 2020: [Establish USJHSD 2020 notice-posting-locations and the Board's regular meeting schedule in 2020](#).

7) OTHER BUSINESS

- a) Clerk of the Board – Annual Matters
 - i) Information Only – copy of the [Transparency Notice](#) that was filed with DOLA by the deadline of 01/15/2020.
 - ii) Board members to complete and return their annual [disclosures for conflicts of interest and gift policy and disclosure form](#).

8) EXECUTIVE SESSION

There will be an executive session regarding personnel matters pursuant to C.R.S. Section 24-6-402(4)(f)(I), specifically involving the annual evaluation of the CEO, who was previously informed of the meeting.

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

9) ADJOURN



CEO Report for January 21, 2020

Name	Title	Most Proud to Have Been Involved in These 2019 Accomplishments
CLINICAL TEAM	REPORTS TO KATHEE	
Brenda Anderson	Manager of Cardiopulmonary	<p>Cardiopulmonary is a new department, merging Respiratory and Cardiology. This has been in the works for a while which increases the hospital coverage to 24/7 with only a staff of 2. The providers for the ED and inpatients are very happy to have extended coverage.</p> <p>New Stress machine is up and operational! I have been looking at different machines for the last 2 years, so it is nice to be ready when it was time to say goodbye to the old one.</p> <p>Cardiopulmonary (Respiratory department) from May 2019 to December helped to increase revenue by having Respiratory coverage to 24/7. Working on the charge master since 2015 has been a long project that has proven to increase revenue.</p>
Jen Cole	Director of Informatics & Ancillary Services	<p>I am most proud to be working with my team on the Organization-wide Informatics Orientation and Training Program.</p> <p>I am also proud to be a part of PSMC's hiring of Scott McAfee (Manager of Diagnostic Imaging) and contracting with Dr. Jessica Cox (RIA Radiologist) to bring additional services and stability to the Diagnostic Imaging Department.</p>

Beth Felty	Director of Surgical Services	<p>So many of PSMC's annual accomplishments for 2019 directly affected the growth, development and success of our surgery team.</p> <p>I am proud to have continued charge-master improvements with particular attention in 2019 to surgery (created six levels), GI (pricing), and anesthesia. This is something that I have been working on since the last quarter of 2015. Working with Chelle (CFO) has been an exceptional experience and in the process, we have made great strides in setting the department's revenue for success.</p> <p>I am also proud to be involved with the Community Open House and dinner at PSMC in September because my staff loved sharing our surgery world with the community! It was a morale booster for my staff and they are looking forward to doing it again.</p>
Vicki Goeckner	Manager of Clinic Nursing	<p>I am proud to have been a part of expanding our services for women.</p> <p>I am proud that we are starting to have conversations about our work culture and what it means to be available and reliable to each other.</p>
Scott McAfee	Manager of Radiology	<p>I'm most proud of all things radiology.</p> <p>I am proud that PSMC has and will continue to expand Diagnostic Imaging services and availability.</p>
Adam Miller	Manager of Plant Ops & Life Safety	<p>I am most proud that the Facilities department achieved 9% overall utility reduction by better programming of the existing systems to perform more efficiently reducing the utility usage while at the same time maintaining comfort levels in the buildings.</p> <p>I am also proud that our team facilitated the renovations to move staff from the Pruitt Building to our main building. This work has had a positive impact on our team and convenience for patients.</p>

Christina Reeves	Director of Pharmacy & Oncology	<p>I am proud of the growth and improved processes in our Center for Cancer and Blood Disorders, we have come a long way and are very appreciated by the community.</p> <p>I am most proud of all my department employees for their hard work and dedication which has paid off in a true team spirit, working together to serve our patients, and accomplishing improved financial growth across our facility. They are true assets for PSMC.</p>
Elizabeth Reis	Director of Nursing	<p>I am most proud of the work the inpatient and ED nurses accomplished with respect to Quality Initiatives that resulted in improved care and achievement of a high Quality score for PSMC.</p> <p>I am also proud of the excellent care provided by our inpatient and ED nurses to PSMC patients.</p>
Jason Webb	Director of Outpatient Clinic & EMS	<p>I am proud of how far PSMC has come in developing people. In particular, I am proud of the staff in the clinic and EMS. EMS does a great job in our community and manage patient care very well.</p> <p>I am also proud of the efforts and results we have made in increasing our availability of services to the community including through our walk-in outpatient clinic open Monday through Saturday.</p> <p>I am also proud of the work of Connie Cook (EMS), our CEO (Dr. Rhonda Webb), and our Board Chair (Greg Schulte), to help assure the stability of 911 dispatch for our community.</p>
Craig Willeford	Manager of Lab	<p>I am proud that I always come to work and I always do my job. I am proud that my focus is on the patients.</p>

FINANCE TEAM	REPORTS TO CHELLE	
Debbie Campbell	Director of Revenue Cycle	<p>I am most proud of implementing an On-line Bill Pay option.</p> <p>I am proud of the improvements my team made in reducing accounts receivable.</p> <p>I am also proud that we created a Revenue Integrity Analyst position for researching and managing the chargemaster to ensure revenue management, revenue protection, auditing to ensure appropriate revenue management, etc.</p>
Arleen Coates	Manager of Medical Records	<p>I am proud that we Outsourced coding and improved accuracy and consistency. The outsourcing resulted in an annual reduction in compensation expense of \$33,000, and more importantly, coding accuracy improved in 2019 from 65% to over 95%.</p> <p>I am also proud of the positive impact to patients that Medical Records (and all departments) are all together in our main building.</p>
Billy Cotts	Manager of Supply & Bio-Medical	<p>I am proud of my team's focus on financial savings and the results. Our team, thru major purchase negotiations, creative thinking, or keeping the service in-house, we were able to save Pagosa Springs Medical Center significant expense savings.</p> <p>I am proud that we, through enhancing purchasing agreements with our GPO have increased reimbursement checks back to PSMC.</p>
Steve Wagoner	Controller	<p>During the last quarter of 2019, I was proud I was able to make a contribution to helping with the implementation of PSMC's new general ledger (Multiview) and the transition with Cerner data to Multiview.</p> <p>I was also proud to help with the closing of 3 months with those new systems and being able to produce financial reports out of the new system.</p>

Amy Wolfe	Manager of Registration & Pre-Service	<p>I am proud that a long-standing issue has been accomplished: our work to clean up insurance Cerner. By cleaning up our options, we have reduced insurance errors and contributed to our improved Clean Claim Rate.</p> <p>I am proud that we are finally almost fully staffed (with just a PRN position open).</p>
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ADMIN TEAM	REPORTS TO ANN	
Mitzi Bowman	Director of Human Resources, Environmental Services & Dietary	<p>For H.R., I am proud of the development of a manual for managers and directors to support them in the performance of their department management.</p> <p>I am proud of our organization-wide performance improvement project to re-tool orientation in an effort to improve performance and reduce turnover</p> <p>I am proud to be a part of PSMC's improvements to inventory and also how we changed our ordering of scrubs to improve inventory and reduce costs related to loss.</p>
Anita Hooton	Director of Clinical Value (Compliance, HIPAA, Quality, Patient Safety, Healthcare Projects, Infection Prevention and IT)	<p>I am proud to have worked with the transitioning entire IT network (workstations and servers) to compliant operating systems.</p> <p>I am also proud of all the work we accomplished to meet all requirements for the Hospital Transformation Program.</p> <p>I am also proud of the amazing team with who report to me: Kelly Evans (Compliance Coordinator), Teresa Bryan (Quality Coordinator and Infection Preventionist), Sue Schmidt (Healthcare Project Specialist and EHR Strategist), and Patrick Yount (Manager of IT).</p>

Diane Levison	Manager of Community Relations	<p>I am proud to help manage a very well received Community Open House and dinner at PSMC in September 2019.</p> <p>I am proud of our internal integration of several departments (PSMC Foundation, Physician Outreach and Marketing Departments) to work together to serve Community Relations. Through this integration, we have identified ways to better support PSMC goals as well as cross-training opportunities and succession planning for our positions.</p>
Jodi Scarpa	Manager of Foundation	<p>I am most proud of the team of PSMC leadership, our sponsors, our donors, our event team and our community for the success of the PSMC Foundation Gala.</p> <p>I am second most proud of the all of the PSMC departments and employees that participated to make our September open house fun and engaging for the community.</p>
Krista Truitt-Starr	Manager of Medical Staff Office	<p>I am proud to participate in the privileging of the new providers in 2019, we are always proud to help bring on new, quality providers to our staff.</p> <p>I am also proud to have supported the Medical Executive Committee's extensive (year-long) review of the Medical Staff Bylaws and proposed revisions to be finalized and voted upon in early 2020.</p>
Patrick Yount	Manager of IT	<p>The negotiation and work to migrate a majority of I.T. management back in-house to improve PSMC's IT security and reliability. The return of most IT management to PSMC resulted in PSMC's very speedy recovery from the December ransomware attack on Synoptek (who still had some management responsibilities to PSMC).</p> <p>I'm really proud of our CHIME Healthcare's Most Wired designation - because I am certain that PSMC is by far the smallest facility in the country to get the award.</p>

TO: Board of Directors
 FROM: Rhonda Webb, M.D. and PSMC Administration
 DATE: 12/27/2019
 RE: Accomplishments in 2019

1. ADVANCED CLINICAL SERVICES AVAILABLE TO PATIENTS

a. EMS/Ambulance

- i. Through grant funds awarded in 2018 from the State of Colorado Emergency Medical & Trauma Service grant, PSMC obtained automated LUCAS CPR devices and an additional LifePak15 cardiac monitor. The LUCAS CPR devices will soon be the industry standard of care for EMS lifesaving intervention in cardiac arrests. With the additional LifePak 15 cardiac monitor, PSMC has furnished all 5 of its ambulances with standard cardiac monitoring capabilities. In addition, PSMC purchased 5 new ventilators so each ambulance is stocked with a ventilator appropriate for pre-hospital and inter-facility transport needs.
- ii. PSMC's EMS Training program:
 1. Continues to train the public in CPR, Stop The Bleed, and use of AEDs (Automatic External Defibrillators).
 2. Continues to train clinical staff in CPR, ACLS (advanced cardiac life support), PALS (pediatric advance life support).
 3. Commenced training PSMC EMS staff and Pagosa Fire staff in a course to help first responders better manage pre-hospital medical emergencies (a National Association of Emergency Medical Technicians course).

b. Oncology and Infusion Center

- i. In its second year of operations, the Cancer and Infusion Center has seen steady growth of patients and exceeded the volumes set forth in the 2017 business plan presented to Strategic Planning Committee. Patients are treated by Dr. Virginia Tjan, advanced nurse practitioner Kelly Cesary, and Dr. Bill Jordan who remains the Medical Director but has transitioned from full-time service.
- ii. PSMC provides patients with lymphedema services by PSMC's physical therapist, Lauren Muir, who is the only certified lymphedema specialist in the Four Corners area.

c. Behavioral Health

- i. Behavior health staff includes Dr. Kevin Kelly, PhD (half time), Celia Lowry, MSW (half time), and Josh Bramble, LPC (full-time). Demand for appointments is consistently high, and during 2019, PSMC implemented a new process for patients who no-show to allow appointment space to be used by another patient. To date,

Dr. Kelly has completed four series of Healthy Brain classes (8 session classes) designed to help those with cognitive decline modify risk factors and make changes to decrease the likelihood of developing dementia.

d. Outpatient Clinic

- i. In the third quarter, PSMC implemented a comprehensive plan to improve the scheduling process and efficiency for outpatient clinic patients. As part of the scheduling improvement plan, PSMC made the following changes: restructured outpatient scheduling/discharge to report to the Clinic Director; established definitions to appointment types to be used by all providers; established written protocols for scheduler reference; made changes in Cerner to support scheduling decision-making; established special work flows to accommodate patients meeting with specialists; established guidelines for phone call management; modified the automated call tree for patient efficiency, and established same day scheduled appointments.
- ii. Continue to improve utilization of services by offering patients same day outpatient walk-in care to patients; this reduces hospital emergency room visits by patients who are more appropriately treated in an outpatient setting.

e. Cardio-pulmonary

- i. PSMC increased depth of coverage to seven days per week by restructuring an existing echo tech position to a dual role as a respiratory therapist and echo tech. Purchased new stress test machines that should be operational in late November.

f. Radiology

- i. In September of 2019, Dr. Jessica Cox, radiologist, started on-site. Dr. Cox is able to perform interventional radiology procedures and expand availability of diagnostic mammograms to Monday through Friday. PSMC increased the number of staff with CT certification. Expanded hours of radiology services.

g. Lab

- i. Expanded lab coverage to 24/7 (first year in PSMC history) while eliminating call coverage.

h. Ear Nose and Throat

- i. During 2019, there was consistent increase in ENT patients served by Dr. Scott Cordray. PSMC sent two members of the surgery department to train on new Medtronic equipment.

i. Orthopedic and General Surgery

- i. Maintain excellent patient satisfaction ratings (98.5%) from department survey of all surgery patients. Increased the availability of epidural steroid injection (pain management) to patients. Experienced some increase in volumes resulting from

oncology needs for placement of ports and picc-lines (long-term peripheral inserted central catheter line).

- j. Swing Bed
 - i. Reinitiated offering rehabilitative services for inpatients (swing bed).

2. ADVANCED CULTURE AND TALENT

- a. Hired key personnel including:
 - i. Administrative staff:
 1. Controller (replaces the Controller who moved to Utah).
 2. Director of the Outpatient Clinic (this position was previously outsourced to a contractor, and filled internally by Jason Webb who also remains the Director of EMS/Ambulance).
 3. Director of Ancillary Services (this position was filled internally by Jen Cole as part of a restructuring of manager/director responsibilities).
 4. Manager of Radiology (this position replaces the prior manager who remains with PSMC but sought a different role).
 5. Infection Control and Quality Coordinator (this position was restructured to a single employee dual role and filled by an existing staff member with significant experience).
 - ii. Physicians and Advanced Practice Providers (APPs include nurse practitioners, physician assistants, certified nurse anesthetists):
 1. Staffing of providers was steady without turnover. In 2019, the only full-time staffing change is the addition of an on-site radiologist, Dr. Jessica Cox, who started providing patient care on-site in September. Dr. Cox is an employee of Radiology Imaging Associates (a Denver-based company that provides tele-radiology to PSMC).
 2. During 2019, PSMC also increased its depth of providers who provide PRN coverage including Dr. Michael Kloop and Dr. Ahmed El-Emawy.
- b. Privileged outside providers to enhance the scope and depth of care available to PSMC patients:
 - i. Dr. John Brach, ophthalmologist;
 - ii. Dr. Kim Furry and Clayton LaBaume, PA, tele-ortho for bone health; and
 - iii. Dr. Jennifer Rupp and Dr. Carl Salka, tele-infectious disease.
- c. Advanced Culture and Education
 - i. Developed a manual for managers and directors to support them in the performance of their department management.

- ii. In-process on organization-wide performance improvement project to re-tool orientation in an effort to improve performance and reduce turnover.
- iii. Launched an organization-wide training and education Informatics program to enhance orientation and on-going education for staff who use the electronic health record (Cerner).
- iv. Medical Staff's Medical Executive Committee completed an extensive review of the Medical Staff Bylaws and proposed revisions to be finalized and voted upon in early 2020.

3. ADVANCED PSMC'S REVENUE CYCLE AND FINANCIAL GOALS

- a. Designed, built and implemented a new general ledger (Multi-View) to achieve efficiencies in the management of departments, month-end process and budgeting. This change was necessary because Healthland ceased to support the GL platform original used by PSMC.
- b. Increased days of cash in excess of 60 days.
- c. Accomplished the actions to increase PSMC's days of cash on hand (percentage accomplishments separate written progress report provided to the Board on a monthly basis). Among the accomplishments as of the end of November 2019 are:
 - i. Reduced Accounts Receivable:
 - 1. Reduced gross days of Accounts Receivable from 76.55 days to 59 days.
 - 2. Reduced billed days of Accounts Receivable from 62.32 days to 48 days.
 - 3. Reduced billed days of A/R in excess of 90 days from 39.61% to 20.82%.
 - ii. Outsourced for improved efficiency and effectiveness:
 - 1. Worker's Comp and Auto-liability claims;
 - 2. Self-Pay claims; and
 - 3. Out-of-state Medicaid claims.
 - iii. PSMC improved its clean claim rate from 81.80% to 91.50%.
 - iv. Implemented an on-line bill pay feature.
 - v. Outsourced coding and improved accuracy and consistency. Outsourcing resulted in an annual reduction in compensation expense of \$33,000, and more importantly, coding accuracy improved in 2019 from 65% to over 95%.
 - vi. From 2018 to 2019, increased point-of-service collections by 24.31%.
 - vii. Implemented new pre-certification workflow process to reduce denials and achieve efficiencies.
 - viii. Engaged new company for equipment service contracts for improved service and cost savings.

- ix. Reduced expense by restructuring 5 positions and eliminating (mostly through attrition) 9.5 positions.
- d. Changed employee insurance broker and achieved some amendments with insurance contracts to begin cost-saving measures related to employee health insurance.
- e. Amended 340b pharmacy contracts with Walmart and Kroger to include central fill locations and specialty medication prescriptions (mostly resulting from oncology providers) to maximize 340b revenues. Increased revenues anticipated should start in January 2020.
- f. In 2019, Colorado Medicaid commenced EMS cost reporting and as a result, PSMC filed its first EMS cost report for a gain of \$205,000.
- g. Inventory improvements:
 - i. Commenced Surgery & Supply Chain optimization which involved reorganization of surgery locators to improve the inventory process, revised PAR levels, removed seldom-used supplies, and new labeling system.
 - ii. Changed how we order scrubs to improve inventory and reduce costs related to loss.
- h. Health Information Management (Medical Records) commenced its transition from paper to electronic faxing within Cerner (faxing in Cerner is free). To date, the use of paper in HIM has reduced by more than 50%.
- i. Continued charge-master improvements with particular attention in 2019 to surgery (created six case levels), GI (pricing), and anesthesia.
- j. Completed evaluation of GPO (group pricing organization) pricing; validated PSMC's current GPO pricing is best available.

4. ADVANCED PSMC'S COMPLIANCE

- a. Successful survey by the FDA/State of PSMC's mammography.
- b. Expanded the scope of PSMC's Emergency Operations Plan.
- c. Improved PSMC's IT as follows:
 - i. Brought IT staff in-house to improve security management and responsiveness to employee "help desk" requests or other needs while significantly reducing outsourced IT expenses.
 - ii. Upgraded the server environment to improve cybersecurity, speed and reliability.
 - iii. Implemented vulnerability scanning and penetration testing to our cybersecurity program.
 - iv. Implemented cybersecurity training for all PSMC staff.
 - v. Completed substantial project of converting all of PSMC's computer workstation inventory to Windows 10 as required to continue work with Cerner in 2020.
 - vi. Implemented new software for management of facility security and management of door accesses.

5. ADVANCED QUALITY CARE AND PATIENT SAFETY

- a. Quality reporting:
 - i. MIPS: Completed performance year 2018 attestation for MIPS (Merit-based Incentive Payment System) and received a final score of 100 out of 100. The total payment adjustment for 2020 Medicare Professional Fee billing is a positive 1.68%.
 - ii. HQIP: Submitted 2019 measure reports for HQIP (Hospital Quality Incentive Program) and awaiting performance award. Received HQIP payment for 2018 report in the amount of \$323,241.
 - iii. MU: Completed performance year 2018 attestation for Medicaid Meaningful Use; PSMC had one eligible provider and received an \$8,500 incentive payment.
 - iv. HPI: Completed performance year 2018 attestation for Hospital Promoting Interoperability. PSMC's attestation avoids a 1% downward adjustment to reasonable cost reimbursement for Medicare Inpatient billing (this is specific to Critical Access Hospitals).
- b. Met all milestones for the State's new Hospital Transformation Program (HTP). Among accomplishments are: (i) PSMC held two well-attended community meetings to assess healthcare needs in Archuleta County; (ii) held weekly HTP committee meetings to meet milestones including evaluation and selection of HTP initiatives to be undertaken; and (iii) submitted three required reports to the State (a 20-page action plan, a 55-page mid-point report, and a 16-page final report).
- c. Successfully completed all requirements to obtain Flex Grant funding to pay for PSMC's HCAHPS surveys and for 5-years of funding for a consultant to assist with an Electronic Health Record improvement project.
- d. Performance Improvement Committee:
 - i. Facilitating 11 active multi-department performance improvement projects and brought another 4 projects to conclusion.
 - ii. Selected and implemented a project management tool. The tool is currently being used for HTP, HQIP and FLEX Grant projects and will be expanded for use throughout the organization. Goals include improved project organization, communication and documentation and completion.
- e. Installed the latest Pyxis automated pharmaceutical dispensing cabinets with reconfiguration for efficiency and to reduce stock-outs; the installation of new Pyxis is also at a reduced expense. Built new Cerner-Pyxis interface from ground up.
- f. Evaluated multiple new applications associated with the electronic health record (Cerner) and recommended purchase of application

supporting behavioral health documentation. This will improve both patient care and compliance with regulatory requirements.

- g. Maintained HIMMS7 status by continuing to achieve a high standard of medication administration safety.

6. ADVANCED PLANNING FOR THE FUTURE

- a. Capital Planning
 - i. IT – continue to update and implement multi-year capital replacement plan for computers and associated systems.
 - ii. Facility – continue to evaluate the physical plant in order to prioritize replacements, maintenance and repair schedule.
 - iii. HVAC – completed adjustments to reduce the scope of the plans for replacement of surgery HVAC and to reduce the budget consistent with the \$911,720 matching grant awarded to PSMC by the Colorado Department of Local Affairs.
- b. Strategic Planning
 - i. In advance of further Strategic Planning Committee work (the existing Strategic Plan runs through 2020), accomplished updated service-line analysis for orthopedic surgery, oncology, ENT and physical therapy.
 - ii. Accomplished several internal meetings necessary to make proposals to the Board’s Strategic Planning Committee.

7. ADVANCE PSMC’S COMMUNITY RELATIONSHIPS PRESENCE AND INVOLVEMENT

- a. 2019 events:
 - i. Region-wide emergency operations planning tabletop event held on-site at PSMC.
 - ii. Community Open House and dinner at PSMC.
 - iii. Community Chamber of Commerce “After Hours” event.
 - iv. Community Open House for first anniversary of the opening of the Cancer & Infusion Center.
 - v. Foundation’s Summer Gala – the most successful fundraising event in Foundation history.
 - vi. Foundation Heart Beat Ball.
 - vii. Two well-attended meetings for community assessment of healthcare needs.
- b. PSMC employees remain engaged in community boards including: Pagosa Affordable Housing Partners, San Juan Basin Public Health, Community Development Corporation, Chamber of Commerce, Fire District, County Planning Commission, Dispatch Executive Management Board, Archuleta Community Foundation Committee, Southwest Healthcare Coalition steering committee, Healthcare Coalition Council (state), CDPHE Trauma Chapter Three Task Force (state), and Pagosa Springs Rotary.

- c. Pagosa School District: for a second year, supported the high school by offering a year-long student internship program at PSMC. PSMC held sports physicals at the high school campus. PSMC staff presented regarding careers.
- d. County: PSMC collaborated with the County for employee health fair providing health screenings and flu vaccinations for County employees.
- e. LPEA: PSMC provided an employee health screenings at LPEA for its employees.
- f. Suicide prevention task force: PSMC staff participate in multi-county efforts aimed at preventing suicide. Trained three staff in “Zero Suicide”.
- g. Library: PSMC participates in book barn project.
- h. Pagosa Springs Arts Council: supported rotating artwork displayed at PSMC.
- i. Improved relationship with other Colorado hospitals and healthcare associations to further the best interests of patient care:
 - i. Ongoing communication between PSMC CEO/CMO and leaders of other hospitals (in-person meetings with Mercy CEO, CEO of the Heart of the Rockies in Salida, and CEO at St. Mary’s in Grand Junction).
 - ii. Involvement with Western Healthcare Alliance and attendance at CEO meeting to collaborate on improvements to rural healthcare.
 - iii. Participation in Colorado Hospital Association and attendance in the Rural Health and Hospital Conference addressing the strategies for sustainable and high-performing rural health.
 - iv. Participation in HCPF (Medicaid) meeting regarding feedback on the future of Medicaid and ACA in Colorado.

8. OTHER NOTABLE ACCOMPLISHMENTS

- a. PSMC was recognized as “Most Wired Hospital”; this designation acknowledges that PSMC leads in the adoption of technology into day-to-day workflows and patient care strategies.
- b. PSMC implemented a dog therapy program whereby dogs with specific training and certification visit out inpatients and provide comfort and encouragement.
- c. PSMC had a successful and smooth transition of all staff from leased off-site space to inside the PSMC facility.
- d. Completed lease with Verizon Communications for a tower on PSMC’s roof to improve communication services for the medical center and for PSMC’s EMS ambulances traveling in the county.
- e. PSMC’s IT Management Company (Synoptek) suffered a ransomware attack but PSMC’s enhanced IT security (access protocols and aggressive employee training) minimized the impacts and PSMC moved past the event in less than a day.



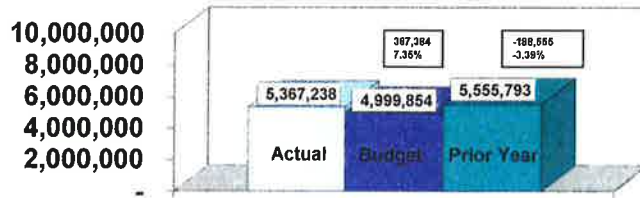
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**FINANCIAL PRESENTATION
YTD DECEMBER 2019**

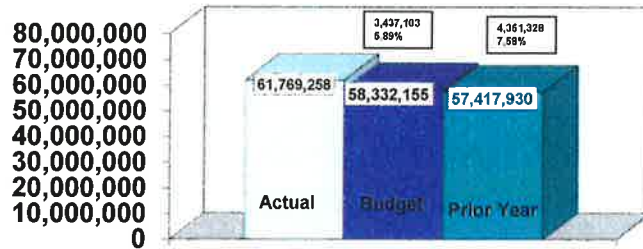
Summary of Financials

	November YTD	
Gross Revenue	\$ 56,402,019	
Net Revenue	\$ 29,358,316	52.05%
Expenses	\$ 32,479,049	
Grants, 340B and Tax Revenue	\$ 4,055,704	
Grants and 340B	\$	2,851,254
Tax Revenue	\$	1,204,450
Net Income	\$ 934,971	

GROSS REVENUE

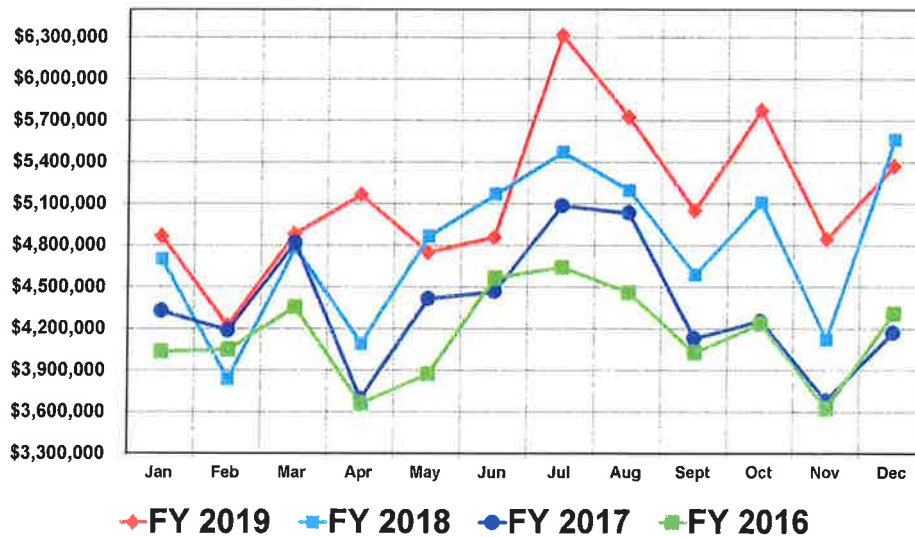


December

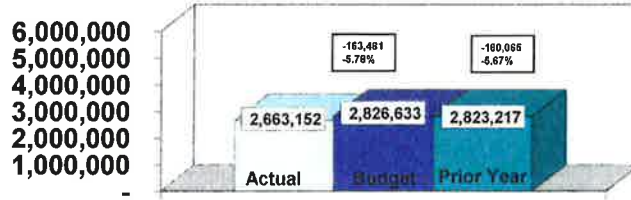


YTD

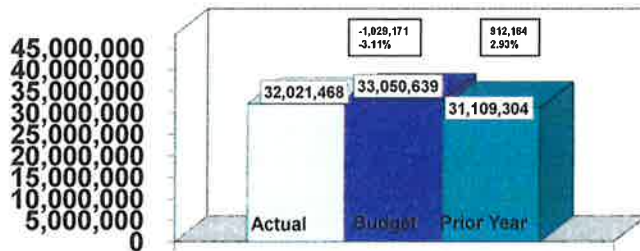
GROSS REVENUE



NET PATIENT REVENUE

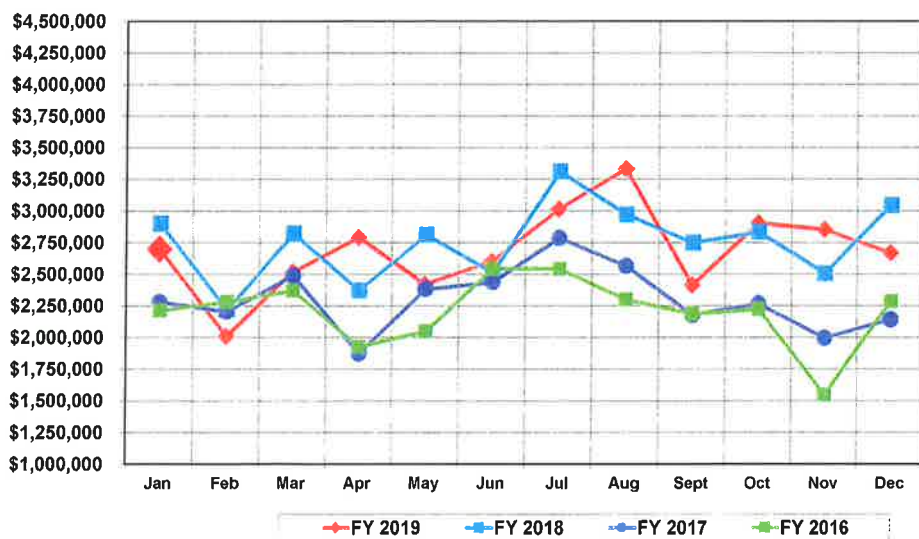


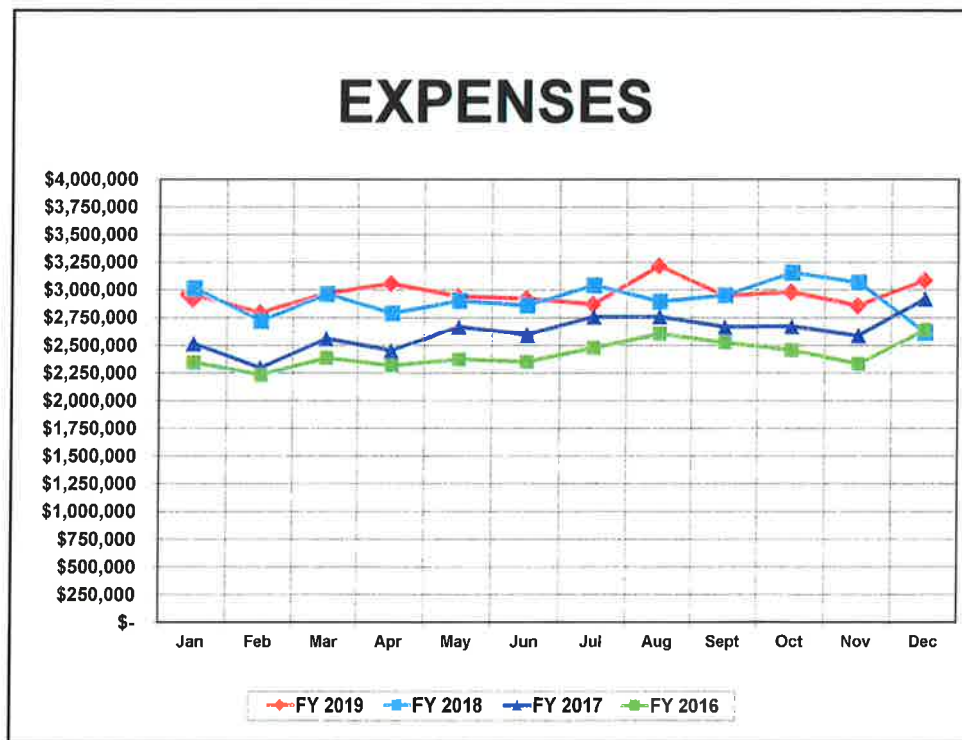
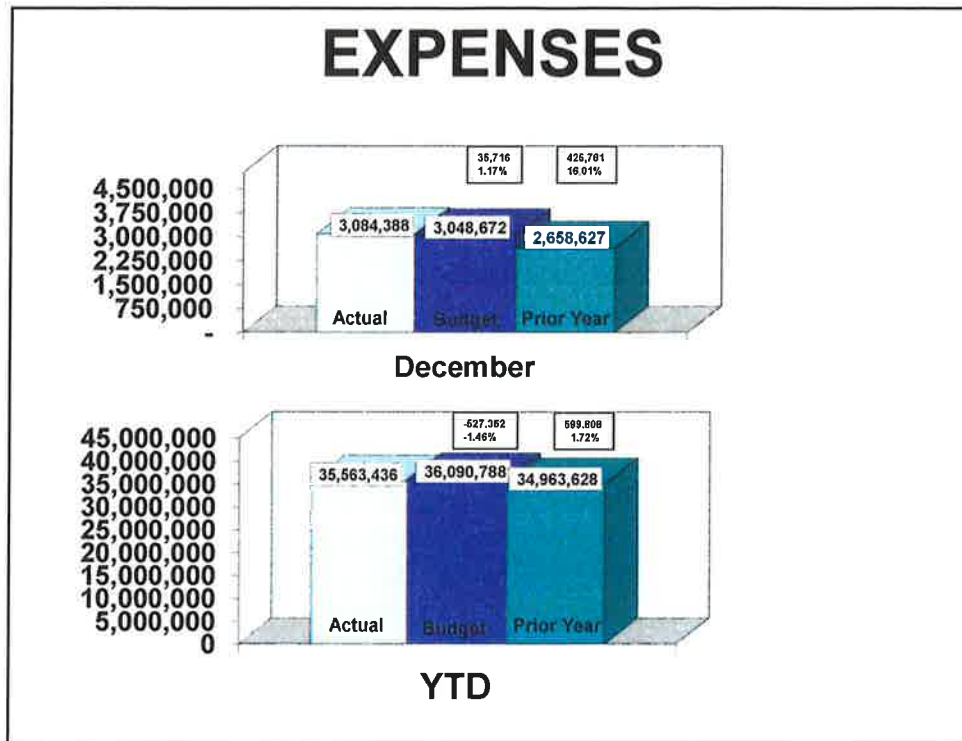
December

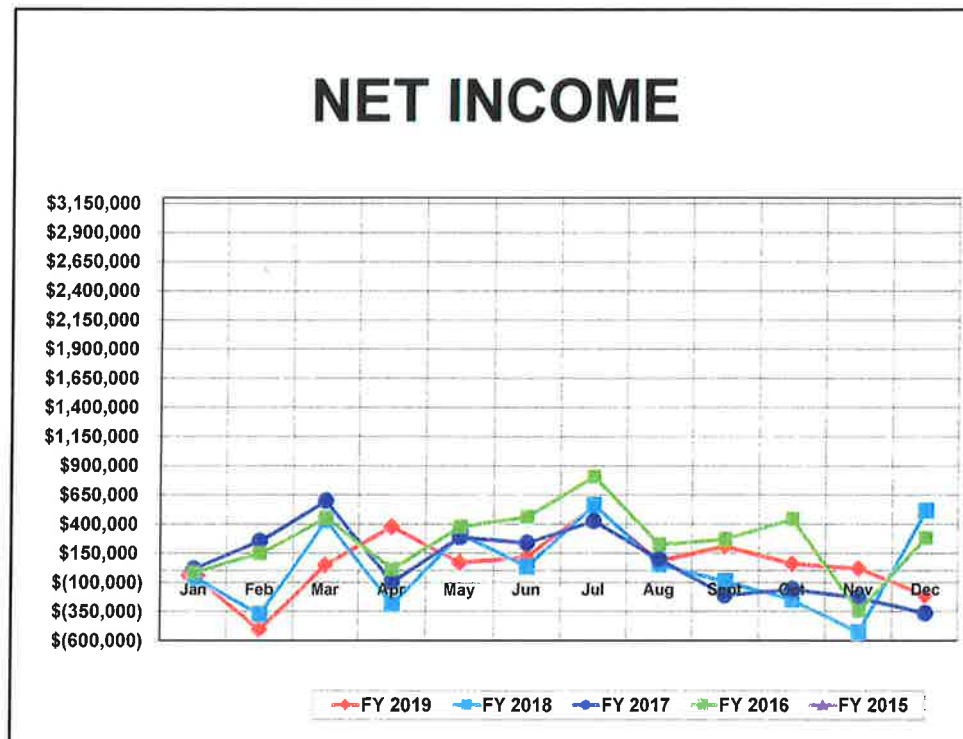
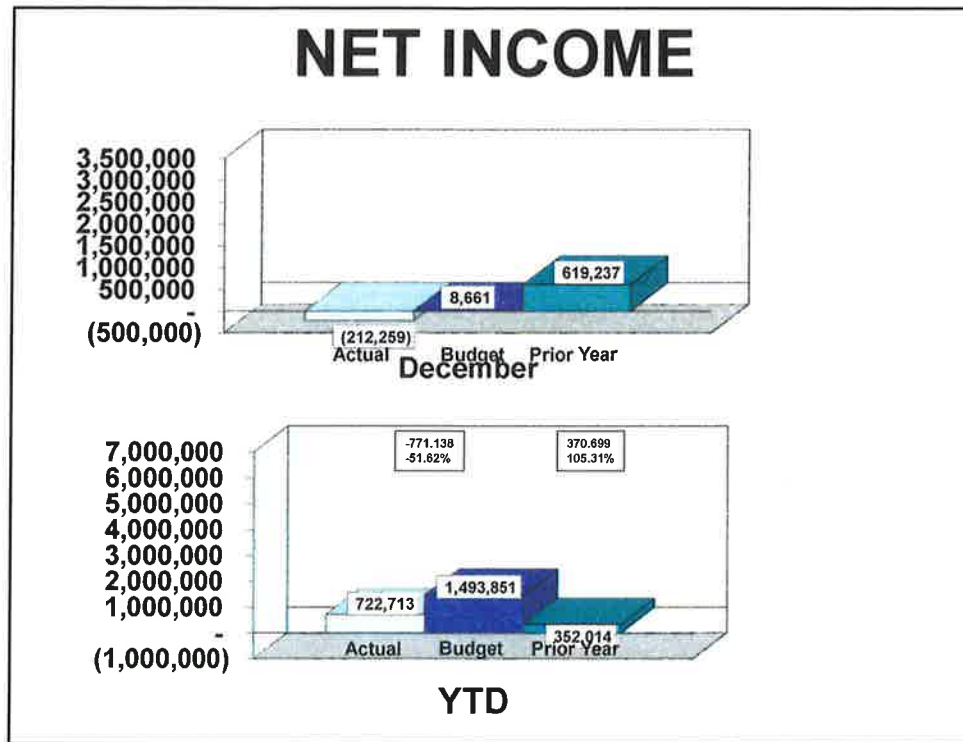


YTD

NET REVENUE





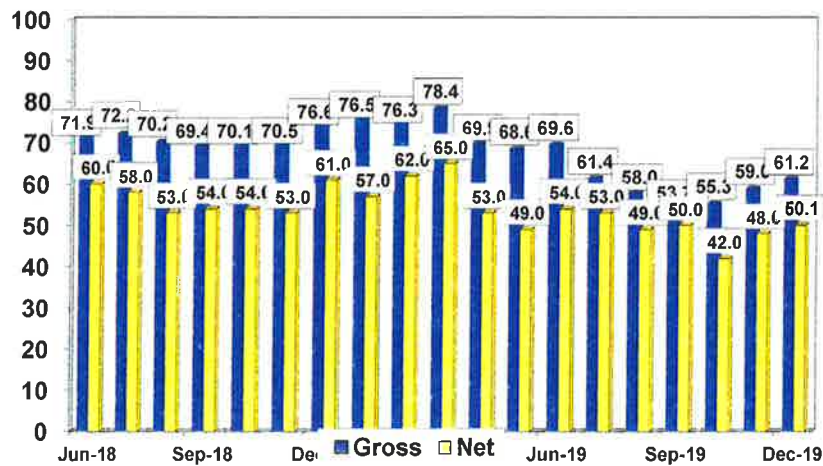


Summary of Financials

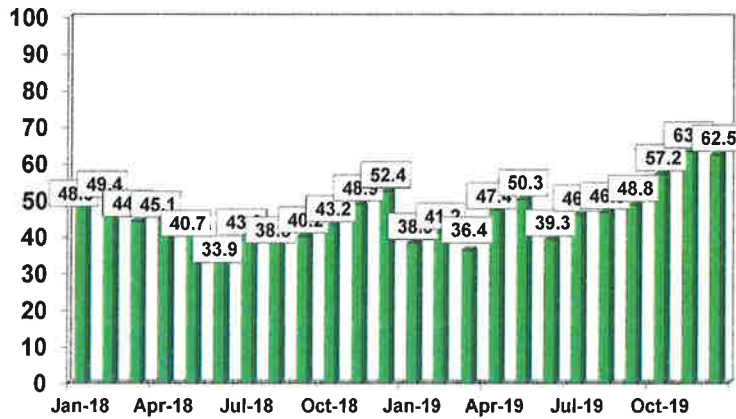
December YTD

Gross Revenue	\$ 61,769,258	
Net Revenue	\$ 32,021,468	51.84%
Expenses	\$ 35,563,436	
Grants, 340B and Tax Revenue	\$ 4,264,680	
Grants and 340B	\$ 3,035,848	
Tax Revenue	\$ 1,228,832	
Net Income	\$ 722,712	

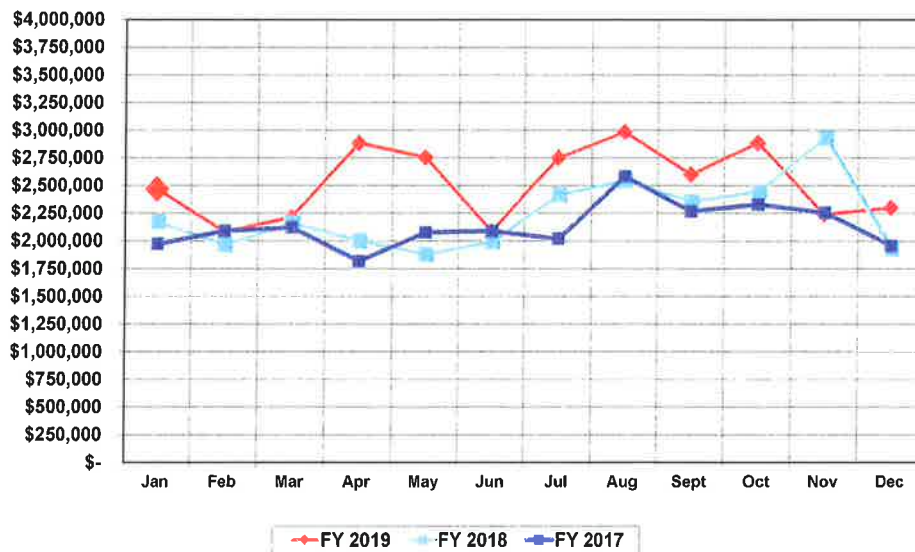
DAYS IN ACCOUNTS RECEIVABLE



DAYS CASH ON HAND



CASH COLLECTIONS



2019 Financial Successes

	December 2019	December 2018	
Gross Revenue	\$ 61,769,258	\$ 57,417,930	+ 7.58%
Expenses	\$ 35,563,436	\$ 34,983,628	+ 1.72%
Cash	\$ 30,196,236	\$ 28,096,370	+ 15.71%
Gross A/R Days	61.24 Days	76.55 Days	-15.31 Days
Net A/R Days	50.09 Days	57.00 Days	-6.91 Days
Net Income	\$722,713 Pre Audit	\$ 352,014 Audited	+\$370,699
Net Margin	2.03%	1.01%	+1.02%

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Income Statement - - - December 31, 2019

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		Current Month				Year-to-Date			
		2019	Budget	Difference	Variance	2019	Budget	Difference	Variance
Revenue									
7	In-patient Revenue	367,881	526,159	(158,278)	-30%	5,462,628	5,957,980	(495,352)	-8%
18	Total Out-patient Revenue	4,499,353	3,970,584	528,769	13%	49,769,140	46,660,875	3,108,265	7%
19	Professional Fees	500,004	503,111	(3,107)	-1%	6,537,490	5,713,300	824,190	14%
20	Total Patient Revenue	5,367,238	4,999,854	367,384	7%	61,769,258	58,332,155	3,437,103	6%
21	Revenue Deductions & Bad Debt								
22	Contractual Allowances	2,772,205	2,231,885	540,320	24%	28,597,464	26,044,500	2,552,964	10%
23	Charity	29,851	30,857	(1,006)	-3%	746,437	360,000	386,437	107%
24	Bad Debt	149,241	146,236	3,005	2%	3,485,038	1,706,100	1,778,938	104%
25	Provider Fee & Other	(247,211)	(235,757)	(11,454)	5%	(3,081,149)	(2,829,084)	(252,065)	9%
26	Total Revenue Deductions & Bad Debt	2,704,086	2,173,221	530,865	24%	29,747,790	25,281,516	4,466,274	18%
27	Total Net Patient Revenue	2,663,152	2,826,633	(163,481)	-6%	32,021,468	33,050,639	(1,029,171)	-3%
28	Grants	3,331	33,826	(30,495)	-90%	90,536	1,136,500	(1,045,964)	-92%
29	Other Operating Income - Misc	181,264	152,100	29,164	19%	2,429,501	1,950,500	479,001	25%
30	Total Net Revenues	2,847,747	3,012,559	(164,812)	-5%	34,541,505	36,137,639	(1,596,134)	-4%
31	Operating Expenses								
32	Salary & Wages	1,610,516	1,593,773	16,743	1%	18,652,423	18,834,660	(182,237)	-1%
33	Benefits	403,595	307,503	96,092	31%	3,406,768	3,665,850	(259,082)	-7%
35	Professional Fees/Contract Labor	12,384	32,263	(19,879)	-62%	240,714	385,523	(144,809)	-38%
36	Purchased Services	168,628	173,466	(4,838)	-3%	2,164,217	2,059,386	104,831	5%
37	Supplies	532,782	419,799	112,983	27%	4,938,501	4,906,512	31,989	1%
38	Rent & Leases	38,385	47,849	(9,464)	-20%	519,305	573,924	(54,619)	-10%
39	Repairs & Maintenance	41,508	51,321	(9,813)	-19%	536,921	611,805	(74,884)	-12%
40	Utilities	37,138	38,109	(971)	-3%	470,669	486,736	(16,067)	-3%
41	Insurance	23,733	17,499	6,234	36%	313,792	210,000	103,792	49%
42	Depreciation & Amortization	151,850	161,285	(9,435)	-6%	1,863,950	1,900,830	(36,880)	-2%
43	Interest	78,682	86,242	(7,560)	-9%	1,094,344	1,034,913	59,431	6%
44	Other	(14,813)	119,562	(134,375)	-112%	1,361,831	1,420,649	(58,818)	-4%
45	Total Operating Expenses	3,084,388	3,048,671	35,717	1%	35,563,435	36,090,788	(527,353)	-1%
46	Operating Revenue Less Expenses	(236,641)	(36,112)	(200,529)	555%	(1,021,930)	46,851	(1,068,781)	-2281%
47	Non-Operating Income								
48	Tax Revenue	24,382	23,940	442	2%	1,228,832	1,197,000	31,832	3%
49	Donations	-	20,833	(20,833)	-100%	515,811	250,000	265,811	106%
50	Total Non-Operating Income	24,382	44,773	(20,391)	-46%	1,744,643	1,447,000	297,643	21%
51	Total Revenue Less Total Expenses	\$ (212,259)	\$ 8,661	\$ (220,920)	-2551%	\$ 722,713	\$ 1,493,851	\$ (771,138)	-52%

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Income Statement Comparison - - - December 31, 2019

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		Current Month				Year-to-Date			
		2019	2018	Difference	Variance	2019	2018	Difference	Variance
Revenue									
7	Total In-patient Revenue	367,881	477,450	(109,569)	-23%	5,462,628	5,887,362	(424,734)	-7%
17	Total Out-patient Revenue	4,499,353	4,451,592	47,761	1%	49,769,140	45,914,698	3,854,442	8%
18	Professional Fees	500,004	626,751	(126,747)	-20%	6,537,490	5,615,870	921,620	16%
19	Total Patient Revenue	5,367,238	5,555,793	(188,555)	-3%	61,769,258	57,417,930	4,351,328	8%
20	Revenue Deductions & Bad Debt								
21	Contractual Allowances	2,772,205	2,826,111	(53,906)	-2%	28,597,464	26,836,910	1,760,554	7%
22	Charity	29,851	37,687	(7,836)	-21%	746,437	532,255	214,182	40%
23	Bad Debt	149,241	197,596	(48,355)	-24%	3,485,038	1,846,928	1,638,110	89%
24	Provider Fee & Other	(247,211)	(328,818)	81,607	-25%	(3,081,149)	(2,907,467)	(173,682)	6%
25	Total Revenue Deductions & Bad Debt	2,704,086	2,732,576	(28,490)	-1%	29,747,790	26,308,626	3,439,164	13%
26	Total Net Patient Revenue	2,663,152	2,823,217	(160,065)	-6%	32,021,468	31,109,304	912,164	3%
27	Grants	3,331	-	3,331		90,536	136,249	(45,713)	-34%
28	Other Operating Income - Misc	181,264	190,678	(9,414)	-5%	2,429,501	2,499,565	(70,064)	-3%
29	Total Net Revenues	2,847,747	3,013,895	(166,148)	-6%	34,541,505	33,745,118	796,387	2%
30	Operating Expenses								
31	Salary & Wages	1,610,516	1,670,813	(60,297)	-4%	18,652,423	18,782,082	(129,659)	-1%
32	Benefits	403,595	232,746	170,849	73%	3,406,768	3,215,781	190,987	6%
34	Professional Fees/Contract Labor	12,384	24,177	(11,793)	-49%	240,714	678,198	(437,484)	-65%
35	Purchased Services	168,628	131,382	37,246	28%	2,164,217	1,535,971	628,246	41%
36	Supplies	532,782	38,846	493,936	1272%	4,938,501	4,130,189	808,312	20%
37	Rent & Leases	38,385	46,473	(8,088)	-17%	519,305	548,927	(29,622)	-5%
38	Repairs & Maintenance	41,508	48,379	(6,871)	-14%	536,921	504,462	32,459	6%
39	Utilities	37,138	39,107	(1,969)	-5%	470,669	407,364	63,305	16%
40	Insurance	23,733	16,699	7,034	42%	313,792	180,801	132,991	74%
41	Depreciation & Amortization	151,850	186,654	(34,804)	-19%	1,863,950	2,323,292	(459,342)	-20%
42	Interest	78,682	86,448	(7,766)	-9%	1,094,344	1,052,948	41,396	4%
43	Other	(14,813)	136,903	(151,716)	-111%	1,361,831	1,603,613	(241,782)	-15%
44	Total Operating Expenses	3,084,388	2,658,627	425,761	16%	35,563,435	34,963,628	599,807	2%
45	Operating Revenue Less Expenses	(236,641)	355,268	(591,909)	-167%	(1,021,930)	(1,218,510)	196,580	-16%
46	Non-Operating Income								
47	Tax Revenue	24,382	43,183	(18,801)	-44%	1,228,832	1,218,301	10,531	1%
48	Donations	-	220,786	(220,786)	-100%	515,811	352,223	163,588	46%
49	Total Non-Operating Income	24,382	263,969	(239,587)	-91%	1,744,643	1,570,524	174,119	11%
50	Total Revenue Less Total Expenses	\$ (212,259)	\$ 619,237	\$ (831,496)	-134%	\$ 722,713	\$ 352,014	\$ 370,699	105%

Pagosa Springs Medical Center

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Balance Sheet - - - December 31, 2019

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	Assets	Current Month	Prior Month	Liabilities	Current Month	Prior Month
1						
2	Current Assets			Current Liabilities		
3	Cash					
4	Operating	\$ 4,741,029	\$ 4,351,271	Accts Payable - System	\$ 1,324,853	\$ 1,138,637
5	Debt Svc. Res. 2016 Bonds	878,731	878,731	Accrued Expenses	1,334,179	1,561,315
6	Bond Funds - 2016 Bonds	84	256,592	Cost Report Settlement Res	317,856	259,696
7	Bond Funds - 2006	1,031,058	1,237,134	Wages & Benefits Payable	1,322,067	1,150,305
8	Capital Escrow	-	-	Deferred Revenue	1,833	1,500
9	Total Cash	6,650,902	6,723,728	Current Portion of LT Debt-2006	320,000	320,000
10				Current Portion of LT Debt-2016	320,000	320,000
11	Accounts Receivable			Total Current Liabilities	4,940,788	4,749,538
12	Patient Revenue - Net	4,580,312	4,369,844			
13	Other Receivables	293,581	218,028	Long-Term Liabilities		
14	Total Accounts Receivable	4,873,893	4,585,957	Leases Payable	206,322	213,300
15				Equipment Lease (Wells Fargo)	251,471	259,783
16	Inventory	1,517,698	1,559,475	Bond Premium (Net) - 2006	232,442	233,554
17				Bond Premium (Net) - 2016	134,242	134,667
18	Total Current Assets	13,042,493	12,869,160	Bonds Payable - 2006	8,705,000	8,705,000
19				Bonds Payable - 2016	9,920,000	9,920,000
20	Fixed Assets			Total Long-Term Liabilities	19,449,477	19,466,304
21	Property Plant & Equip (Net)	8,067,429	8,220,815			
22	Electronic Health Record (Net)	4,509	4,509	Net Assets		
23	Clinic Expansion	13,377,405	13,377,405	Un-Restricted	9,745,929	9,745,929
24	Work In Progress	73,031	72,575	Current Year Net Income/Loss	722,713	934,971
25	Land	101,000	101,000	Total Un-Restricted	10,468,642	10,680,900
26	Total Fixed Assets	21,623,374	21,776,304			
27				Restricted		
28	Other Assets			Total Net Assets	10,468,642	10,680,900
29	Prepays & Other Assets	193,040	251,278			
30	Total Other Assets	193,040	251,278			
31						
32	Total Assets	\$ 34,858,907	\$ 34,896,742	Total Liabilities & Net Assets	\$ 34,858,907	\$ 34,896,742

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Monthly Trends

	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
Activity	31	31	28	31	30	31	30	31	31	30	31	30	31
2 In-Patient Admissions	39	37	29	40	31	27	39	38	31	25	22	38	18
3 In-Patient Days	110	121	69	114	98	79	89	118	85	75	47	91	48
4 Avg Stay Days (In-patients)	2.8	3.3	2.4	2.9	3.2	2.9	2.3	3.1	2.7	3.0	2.1	2.4	2.7
5 Swing Bed Admissions	0	0	0	1	0	0	0	0	1	0	2	0	0
6 Swing Bed Days	0	0	0	4	0	0	0	0	2	0	2	0	0
7 Avg Length of Stay (Swing)	0.0	0.0	0.0	4.0	0.0	0.0	0.0	0.0	2.0	0.0	1.0	0.0	0.0
8 Average Daily Census	3.5	3.9	2.5	3.8	3.3	2.5	3.0	3.8	2.8	2.5	1.6	3.0	1.5
Out-Patient Visits													
9 E/R	629	481	451	543	462	563	561	702	616	552	492	444	622
10 Observ	41	28	33	32	27	40	25	36	47	40	35	24	41
11 Lab	1,642	1,636	1,340	1,577	1,670	1,621	1,609	1,818	1,762	1,637	1,679	1,433	1,566
12 Radiology/CT/MRI	936	951	785	940	858	925	872	1,057	1,021	902	1,029	780	862
13 OR/IP	6	9	7	5	10	5	2	12	3	4	5	8	3
14 OR/OP	103	69	63	80	91	86	80	80	104	54	85	59	82
15 Clinic	1,876	2,074	1,806	1,845	2,166	1,990	1,881	1,997	2,087	1,940	2,087	1,778	1,838
16 Spec. Clinic	191	220	182	230	255	210	177	219	213	158	136	183	175
17 Oncology Clinic	67	105	58	83	62	53	54	80	71	116	81	69	65
18 Oncology/Infusion	26	72	65	67	63	45	42	80	68	37	81	59	71
19 Infusion	87	68	78	85	77	72	81	79	67	104	71	50	60
20 Total O/P Visits	5,488	5,704	4,861	5,482	5,731	5,605	5,382	6,148	6,056	5,540	5,776	4,879	5,382
21 EMS Calls	183	143	158	147	126	139	142	180	168	153	160	163	144
22 EMS Transports	104	80	89	89	71	82	85	106	105	96	100	94	86
23 EMS Transports to PMH	66	50	61	53	45	42	45	60	71	52	56	49	52
24 Pct Transports to PMH	63%	63%	69%	60%	63%	51%	53%	57%	68%	54%	56%	52%	60%

Pagosa Springs Medical Center - - - Statistical Review

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Statistical Review

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2019	December			December				December Prior Y-T-D				
	Current Month Actual	Current Month Budget	Variance	Y-T-D Actual	Y-T-D Budget	Variance		Y-T-D Actual	Prior Y-T-D Actual	Difference	Variance	
In-Patient												
Admissions:												
Acute	18	43	(25)	357	492	(135)		357	452	(95)	-21%	
Swing Bed	-	-	-	4	-	4		4	1	3	300%	
Total	18	43	(25)	361	492	(131)		361	453	(92)	-20%	
Patient Days:												
Acute	48	116	(68)	986	1,302	(316)		986	1,185	(199)	-17%	
Swing Bed	-	-	-	8	-	8		8	2	6	300%	
Total	48	116	(68)	994	1,302	(308)		994	1,187	(193)	-16%	
Average Daily Census:												
# Of Days	31	31		334	334			334	366			
Acute	1.5	3.7	(2.2)	3.0	3.9	(0.9)		3.0	3.2	(0.3)	-9%	
Swing Bed	-	-	-	0.0	-	0.0		0.0	0.0	0.0	338%	
Total	1.5	3.7	(2.2)	3.0	3.9	(0.9)		3.0	3.2	(0.3)	-8%	
Length of Stay:												
Acute	2.7	2.7	(0.0)	2.8	2.6	0.1		2.8	2.6	0.1	5%	
Swing Bed	-	-	-	2.0	-	2.0		2.0	2.0	-	0%	
Total	2.7	2.7	(0.0)	2.8	2.6	0.1		2.8	2.6	0.1	5%	
Out-Patient												
Out-Patient Visits												
E/R	622	569	53	5,867	6,658	(791)		5,867	6,671	(804)	-12%	
Observ	41	35	6	367	428	(61)		367	436	(69)	-16%	
Lab	1,566	1,593	(27)	17,782	19,957	(2,175)		17,782	19,656	(1,874)	-10%	
Radiology/MRI/US/CT	862	1,189	(327)	10,120	14,148	(4,028)		10,120	11,324	(1,204)	-11%	
OR	82	83	(1)	851	914	(63)		851	1,043	(192)	-18%	
Clinic	1,838	2,038	(200)	21,651	24,454	(2,803)		21,651	24,653	(3,002)	-12%	
Oncology Clinic	65	35	30	832	431	401		832	573	259	45%	
Oncology Infusion	71	35	36	679	431	248		679	356	323	91%	
Infusion	60	80	(20)	832	983	(151)		832	1,307	(475)	-36%	
Total	5,207	5,657	(450)	58,981	68,404	(9,423)		58,981	66,019	(7,038)	-11%	
Spec. Clinic	175	102	73	2,183	1,282	901		2,183	1,016	1,167	115%	
ER Physician	622	569	53	5,867	6,658	(791)		5,867	6,671	(804)	-12%	
Ambulance												
Ambulance Calls	144			1,679				1,679	1,821	(142)	-8%	
Ambulance Transports	86			997				997	1,056	(59)	-6%	
Transports to PMH	52	98		584	1,028	(444)		584	630	(46)	-7%	
Transports to PMH %	60%			59%				59%	60%			
Transports to Other	34			413				413	426	(13)		
Transports to Other %	40%			41%				41%	40%			

Pagosa Springs Medical Center

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Cerner/Healthland Accounts Receivable for Hospital by Payor and Days Outstanding -- As of December 31, 2019

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		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	\$	1,691,501	\$ 165,153	\$ 123,251	\$ 16,568	\$ 99,031	\$ 19,102	\$ 78,923	\$ 2,193,529	21%	
3 Medicaid		761,003	260,584	123,985	72,397	83,185	42,553	192,976	1,536,683	14%	
4 Third Party		1,687,173	667,229	509,757	294,624	163,610	211,471	670,366	4,204,230	40%	
5 Self-Pay		342,070	219,742	151,073	242,287	281,581	334,590	1,102,696	2,674,039	25%	
Current Month Total	\$	4,481,747	\$ 1,312,708	\$ 908,066	\$ 625,876	\$ 627,407	\$ 607,716	\$ 2,044,961	\$ 10,608,481	100%	0
Pct of Total		42%	12%	9%	6%	6%	6%	19%	100%		
Nov-19	\$	4,408,737	\$ 1,436,158	\$ 627,989	\$ 723,524	\$ 684,765	\$ 336,215	\$ 1,930,790	\$ 10,148,178		0
Pct of Total		43%	14%	6%	7%	7%	3%	19%	100%		
Oct-19	\$	4,568,920	\$ 1,130,990	\$ 870,361	\$ 794,889	\$ 437,887	\$ 381,541	\$ 1,754,112	\$ 9,938,700		0
Pct of Total		46%	11%	9%	8%	4%	4%	18%	100%		
Sep-19	\$	4,305,953	\$ 1,369,222	\$ 1,074,183	\$ 534,873	\$ 502,450	\$ 239,643	\$ 1,946,854	\$ 9,973,178		193,237
Pct of Total		43%	14%	11%	5%	5%	2%	20%	100%		
Aug-19	\$	4,489,953	\$ 1,643,643	\$ 763,753	\$ 692,390	\$ 407,669	\$ 450,136	\$ 2,188,090	\$ 10,635,634		572,029
Pct of Total		42%	15%	7%	7%	4%	4%	21%	100%		
Jul-19	\$	5,080,360	\$ 1,280,941	\$ 915,491	\$ 549,247	\$ 607,257	\$ 419,655	\$ 2,387,501	\$ 11,240,452		1,106,517
Pct of Total		45%	11%	8%	5%	5%	4%	21%	100%		
Jun-19	\$	4,199,727	\$ 1,555,291	\$ 715,848	\$ 712,192	\$ 504,973	\$ 621,808	\$ 3,338,661	\$ 11,648,500		0
Pct of Total		36%	13%	6%	6%	4%	5%	29%	100%		
May-19	\$	3,938,706	\$ 1,192,758	\$ 857,202	\$ 558,303	\$ 705,693	\$ 728,901	\$ 3,078,535	\$ 11,060,098		0
Pct of Total		36%	11%	8%	5%	6%	7%	28%	100%		
Apr-19	\$	4,446,750	\$ 1,328,789	\$ 769,877	\$ 796,122	\$ 801,322	\$ 354,704	\$ 3,166,854	\$ 11,664,418		8,002
Pct of Total		38%	11%	7%	7%	7%	3%	27%	100%		
Mar-19	\$	4,313,656	\$ 1,360,981	\$ 995,434	\$ 985,732	\$ 562,545	\$ 619,342	\$ 3,353,760	\$ 12,191,450		122,172
Pct of Total		35%	11%	8%	8%	5%	5%	28%	100%		
Feb-19	\$	3,846,150	\$ 1,550,896	\$ 1,137,950	\$ 652,196	\$ 726,272	\$ 667,524	\$ 3,164,610	\$ 11,745,598		355,801
Pct of Total		33%	13%	10%	6%	6%	6%	27%	100%		
Jan-19	\$	4,374,575	\$ 1,664,567	\$ 771,356	\$ 866,764	\$ 765,154	\$ 559,863	\$ 3,411,981	\$ 12,414,260		310,436
Pct of Total		35%	13%	6%	7%	6%	5%	27%	100%		
Dec-18	\$	4,810,234	\$ 1,205,387	\$ 956,941	\$ 872,250	\$ 675,156	\$ 652,620	\$ 3,339,239	\$ 12,511,827		310,436
Pct of Total		38%	10%	8%	7%	5%	5%	27%	100%		
Nov-18	\$	3,575,135	\$ 1,298,788	\$ 913,800	\$ 740,723	\$ 766,567	\$ 666,776	\$ 2,695,762	\$ 10,657,551		112,443
Pct of Total		34%	12%	9%	7%	7%	6%	25%	100%		
Oct-18	\$	4,188,615	\$ 1,292,841	\$ 891,836	\$ 836,368	\$ 811,636	\$ 594,372	\$ 2,923,499	\$ 11,539,167		217,192
Pct of Total		36%	11%	8%	7%	7%	5%	25%	100%		
Sep-18	\$	3,879,192	\$ 1,290,689	\$ 1,088,210	\$ 1,042,678	\$ 794,963	\$ 582,678	\$ 2,960,063	\$ 11,638,473		302,125
Pct of Total		33%	11%	9%	9%	7%	5%	26%	100%		
Aug-18	\$	4,290,838	\$ 1,576,042	\$ 1,231,421	\$ 977,015	\$ 676,478	\$ 606,305	\$ 2,737,973	\$ 12,096,072		48,619
Pct of Total		35%	13%	10%	8%	6%	5%	23%	100%		

	Jul-18	\$	4,783,854	\$	1,759,771	\$	1,145,364	\$	727,948	\$	726,411	\$	537,560	\$	2,635,767	\$	12,316,675		
	Pct of Total		39%		14%		9%		6%		6%		4%		21%		100%		24,966
	Jun-18	\$	4,334,347	\$	1,685,871	\$	885,716	\$	689,267	\$	639,055	\$	576,480	\$	2,411,492	\$	11,222,228		
	Pct of Total		39%		15%		8%		6%		6%		5%		21%		100%		195,130
	May-18	\$	4,159,005	\$	1,795,159	\$	1,208,334	\$	721,961	\$	670,041	\$	495,647	\$	2,003,816	\$	11,053,963		
	Pct of Total		38%		16%		11%		7%		6%		4%		18%		100%		47,472
	Apr-18	\$	3,697,643	\$	1,605,576	\$	863,079	\$	713,382	\$	586,190	\$	391,762	\$	1,698,496	\$	9,556,128		
	Pct of Total		39%		17%		9%		7%		6%		4%		18%		100%		256,717
	Mar-18	\$	3,922,575	\$	1,408,723	\$	1,095,293	\$	660,255	\$	439,343	\$	299,008	\$	1,759,366	\$	9,584,563		
	Pct of Total		41%		15%		11%		7%		5%		3%		18%		100%		139,778
	Feb-18	\$	3,744,129	\$	1,569,800	\$	882,931	\$	495,048	\$	310,715	\$	273,375	\$	1,772,313	\$	9,048,312		
	Pct of Total		41%		17%		10%		5%		3%		3%		20%		100%		40,116
	Jan-18	\$	3,910,094	\$	1,418,969	\$	658,794	\$	398,631	\$	399,145	\$	263,261	\$	1,774,826	\$	8,823,719		
	Pct of Total		44%		16%		7%		5%		5%		3%		20%		100%		33,378
	Dec-17	\$	3,530,341	\$	998,668	\$	567,335	\$	594,879	\$	431,479	\$	322,934	\$	1,657,210	\$	8,102,848		
	Pct of Total		44%		12%		7%		7%		5%		4%		20%		100%		825,723
	Nov-17	\$	2,955,885	\$	1,037,274	\$	679,925	\$	592,310	\$	581,053	\$	435,072	\$	1,984,898	\$	8,266,421		
	Pct of Total		36%		13%		8%		7%		7%		5%		24%		100%		26,231
	Oct-17	\$	3,659,774	\$	1,357,490	\$	752,198	\$	717,416	\$	562,600	\$	312,224	\$	1,893,353	\$	9,255,056		
	Pct of Total		40%		15%		8%		8%		6%		3%		20%		100%		218,112
	Sep-17	\$	3,724,332	\$	1,319,138	\$	1,012,183	\$	671,452	\$	445,286	\$	377,867	\$	2,175,487	\$	9,725,747		
	Pct of Total		38%		14%		10%		7%		5%		4%		22%		100%		407,406
	Aug-17	\$	4,131,866	\$	1,552,324	\$	893,339	\$	624,164	\$	490,221	\$	431,099	\$	2,449,394	\$	10,572,407		
	Pct of Total		39%		15%		8%		6%		5%		4%		23%		100%		341,071
	Jul-17	\$	4,612,446	\$	1,520,180	\$	853,133	\$	632,738	\$	581,650	\$	552,521	\$	2,298,997	\$	11,051,665		
	Pct of Total		42%		14%		8%		6%		5%		5%		21%		100%		103,289
	Jun-17	\$	3,963,167	\$	1,339,294	\$	815,790	\$	672,144	\$	657,236	\$	453,649	\$	2,101,821	\$	10,003,101		
	Pct of Total		40%		13%		8%		7%		7%		5%		21%		100%		129,723
	May-17	\$	3,851,718	\$	1,136,727	\$	1,030,085	\$	770,865	\$	477,918	\$	354,848	\$	1,972,569	\$	9,594,730		
	Pct of Total		40%		12%		11%		8%		5%		4%		21%		100%		115,443
12	Pct Settled (Current)				70.2%		36.8%		0.3%		13.3%		11.3%		-508.2%				
13	Pct Settled (Nov from Oct)				68.6%		44.5%		16.9%		13.9%		23.2%		-406.1%				
14	Pct Settled (Oct from Sep)				73.7%		36.4%		25.0%		18.1%		24.1%		-632.0%				
15	Pct Settled (Sep from Aug)				69.5%		34.6%		30.0%		27.4%		41.2%		-332.5%				
16	Pct Settled (Aug from Jul)				67.6%		40.4%		24.4%		25.8%		25.9%		-421.4%				

Pagosa Springs Medical Center

DRAFT

Pagosa Springs Medical Center - - - Net Days in A/R 2019

Page 7

	31	28	31	30	31	30
	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19
2 Net Accounts Receivable	\$ 5,096,441	\$ 4,830,219	\$ 4,992,507	\$ 4,763,720	\$ 4,371,767	\$ 4,645,356
3 Net Patient Revenue	\$ 2,676,087	\$ 1,968,516	\$ 2,601,105	\$ 2,897,839	\$ 2,523,644	\$ 2,703,510
4 Net Patient Rev/Day (2 month Avg)	\$ 88,961	\$ 78,315	\$ 77,105	\$ 90,251	\$ 89,001	\$ 85,762
5 Net Days in A/R	57	62	65	53	49	54

	31	31	30	31	30	31
	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
7 Net Accounts Receivable	\$ 4,939,510	\$ 4,721,499	\$ 4,742,985	\$ 3,614,699	\$ 4,367,929	\$ 4,580,312
8 Net Patient Revenue	\$ 3,009,707	\$ 3,018,228	\$ 2,409,652	\$ 2,899,113	\$ 2,650,917	\$ 2,663,152
9 Net Patient Rev/Day (2 month Avg)	\$ 93,602	\$ 97,225	\$ 88,842	\$ 86,921	\$ 90,942	\$ 87,136
10 Net Days in A/R	53	49	53	42	48	53

Pagosa Springs Medical Center - - - Gross Days Target					
12 Medicare	33%	21	\$	87,116	\$ 603,713
13 Medicaid	7%	35	\$	87,116	\$ 213,434
14 Blue Cross	15%	48	\$	87,116	\$ 627,234
15 Commercial	26%	65	\$	87,116	\$ 1,472,258
16 Self Pay	19%	150	\$	87,116	\$ 2,482,803
17 Total:	100%				\$ 5,399,443
18					\$ 87,116
19 Gross Days in A/R Target					62

Pagosa Springs Medical Center**Financial Forecast****Statement of Cash Flows****DRAFT****Cash Flows from operating activities****December, 2019**

Change in net assets	(212,259)
Adjustments to reconcile net assets to net cash	
Depreciation and amortization	151,850
Patient accounts receivable	(210,468)
Accounts payable and wages payable	357,978
Accrued liabilities	(227,136)
Pre-paid assets	58,238
Deferred revenues	333
Other receivables	(75,553)
Reserve for third party settlement	58,160
Inventory	41,777
Net Cash Provided by (used in) operating activities	(57,080)

Cash Flows from investing activities

Purchase of property and equipment	-
Work in progress	(456)
Proceeds from sale of equipment/(Loss)	-
Net Cash Provided by (used in) investing activities	(456)

Cash Flows from financing activities

Principal payments on long-term debt	-
Proceeds from debt	-
Change in Prior Year Net Assets	-
Change in leases payable	(15,290)
Net Cash Provided by (used in) financing activities	(15,290)

Net Increase in Cash	(72,826)
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Cash Beginning of Month	6,723,728
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Cash End of Month	6,650,902
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Pagosa Springs Medical Center
Revenue and Usage by Financial Class
December, 2019

Financial Class	Inpatient MTD	Outpatient MTD	Total MTD	% MTD
Auto/Liability Insurance	6,166.00	45,776.80	51,942.80	0.97%
Blue Cross	57,668.00	705,993.62	763,661.62	14.23%
Champus	-	32,355.00	32,355.00	0.60%
Commercial Insurance	19,239.00	711,685.45	730,924.45	13.62%
Medicaid	144,267.89	900,442.81	1,044,710.70	19.46%
Medicare	156,043.80	1,687,754.28	1,843,798.08	34.35%
Medicare HMO	22,398.34	320,039.06	342,437.40	6.38%
Self Pay	46,888.00	251,013.60	297,901.60	5.55%
Self Pay - Client Billing	-	8,565.00	8,565.00	0.16%
Veterans Administration	1,718.00	161,126.81	162,844.81	3.03%
Workers Compensation	-	88,097.00	88,097.00	1.64%
Total	454,389.03	4,912,849.43	5,367,238.46	100.00%

Financial Class	Inpatient YTD	Outpatient YTD	Total YTD	% YTD	12/31/18 % YTD	12/31/17 % YTD	12/31/16 % YTD
Auto/Liability Insurance	38,968.00	673,652.40	712,620.40	1.15%	1.05%	1.24%	1.11%
Blue Cross	1,066,985.82	8,445,365.72	9,512,351.54	15.40%	15.42%	15.90%	15.83%
Champus	16,180.00	174,425.97	190,605.97	0.31%	0.08%	0.07%	0.19%
Commercial Insurance	441,495.41	6,565,815.65	7,007,311.06	11.34%	13.08%	11.79%	13.08%
Medicaid	918,243.89	10,665,336.36	11,583,580.25	18.75%	18.22%	20.28%	21.56%
Medicare	2,949,013.63	19,900,743.64	22,849,757.27	36.99%	36.75%	35.27%	35.90%
Medicare HMO	595,738.47	3,852,952.84	4,448,691.31	7.20%	4.47%	3.55%	2.76%
Self Pay	273,029.00	2,446,293.55	2,719,322.55	4.40%	5.40%	6.96%	5.26%
Self Pay - Client Billing	-	111,780.00	111,780.00	0.18%	0.18%	0.19%	0.17%
Veterans Administration	260,854.02	1,433,864.22	1,694,718.24	2.74%	4.13%	3.58%	2.74%
Workers Compensation	26,505.00	912,014.25	938,519.25	1.52%	1.22%	1.17%	1.37%
Total	6,587,013.24	55,182,244.60	61,769,257.84	100.00%	100.00%	100.00%	99.97%
Blank							0.00%
HMO (Health Maint Org)							0.03%
Total					100.00%	100.00%	100.00%

Pagosa Springs Medical Center
Cash Forecast as of end of December 2019
Forecast Months Based on Budget and Actual

ORAL REPORTS 4.a.vi.

Prepared 12/13/19
Cash balance 4,685,469
at 12/31/18

	(1) Patient Collections	(2) Tax Revenues	(3) Provider Fees	(4) Grants & Donations	(5) Other	(6) Clinic Expan. New Debt/ Leases	Total Collections	(7) Operating Expenses	(8) Capital	(9) Medicare/ Medicaid Repayment	(10) Bond & Lease Interest & Principal Payments	(11) Other	Total Cash Spending	Balance
January 2019 (Actual)	2,463,864	12,256	144,371	-	180,122	92,437	2,893,050	2,727,662	166,315	110,743	5,307	1,131,946	4,141,973	3,436,546
February 2019 (Actual)	2,078,043	56,842	144,371	-	225,337	-	2,504,593	2,441,864	149,435	56,124	3,899	(451,667)	2,199,655	3,741,484
March 2019 (Actual)	2,208,435	390,556	144,371	-	194,135	-	2,937,497	2,672,968	31,347	56,124	4,893	622,762	3,388,094	3,290,886
April 2019 (Actual)	2,880,274	104,016	146,063	(759)	221,191	-	3,350,785	2,508,174	34,367	56,124	6,540	(260,062)	2,345,143	4,296,528
May 2019 (Actual)	2,749,104	264,023	145,078	-	233,318	-	3,391,523	2,612,842	235,371	171,222	8,186	96,696	3,124,317	4,563,734
June 2019 (Actual)	2,083,220	144,749	331,908	12,366	166,358	-	2,738,601	2,739,053	-	171,222	1,136,148	(362,693)	3,683,730	3,618,606
July 2019 (Actual)	2,747,274	185,768	247,157	19,914	197,767	-	3,397,880	2,715,150	12,852	224,855	5,330	(152,268)	2,805,919	4,210,567
August 2019 (Actual)	2,979,624	56,060	247,157	-	219,517	-	3,502,358	3,061,681	-	63,799	5,330	262,109	3,392,920	4,320,005
September 2019 (Actual)	2,595,327	24,050	247,157	515,811	198,034	-	3,580,379	2,944,515	-	63,799	5,330	377,006	3,390,650	4,509,734
October 2019 (Actual)	2,879,951	19,139	247,211	3,691	105,270	-	3,255,262	2,739,086	-	63,799	5,330	(322,632)	2,485,583	5,279,413
November 2019 (Actual)	2,234,989	15,937	247,242	1,135	625,154	-	3,124,457	2,856,384	-	-	-	(297,511)	2,558,873	5,844,997
December 2019 (Actual)	2,296,131	24,382	247,211	3,331	181,265	-	2,752,320	2,932,538	-	91,905	473,873	(673,168)	2,825,148	5,772,169
Totals	30,196,236	1,297,778	2,539,297	555,489	2,747,468	92,437	37,428,705	32,951,917 981,635	629,687	1,129,716	1,660,165	(29,480)	36,342,005	5,772,169
														at 12/31/19
														6,462,915
														5,539,642

Notes:

- (1) Forecast based on a two month lag for budgeted net patient revenues net of provider fee.
- (2) Forecast is based on the percent of prior year collections for the same time period adjusted for budgeted revenues.
- (3) Based on current payment from Colorado Health and Hospitals. There is a potential underpayment of \$169,276.
Additional Provider Fee payment expected to receive in September for \$495,863.
- (4) Forecast is based on budget adjusted by YTD actual.
- (5) Forecast is based on budget adjusted by YTD actual.
- (6) Forecast new leases for capital purchases.
- (7) Forecast is based on budget excluding depreciation.
- (8) Assumes forecast capital expenditures of 400,000.
- (9) Medicare Cost Report Settlement for 2018 and Medicaid for 2016
Most of the estimated settlement dates are placeholders only, Medicare and Medicaid operate on their own schedules.
- (10) Forecast based on bond principal and interest payments.
- (11) Other balance sheet changes i.e., changes in accounts payable, receivables etc.

2019				
Month	Cash Goal	Actual Cash	Variance	% Collected
19-Jan	\$2,452,178.00	\$2,463,864.00	\$11,686.00	100.48%
19-Feb	\$1,732,733.00	\$2,078,043.00	\$345,310.00	119.93%
19-Mar	\$2,352,060.00	\$2,208,435.00	(\$143,625.00)	93.89%
19-Apr	\$2,671,165.00	\$2,880,274.00	\$209,109.00	110.73%
19-May	\$2,192,948.00	\$2,749,104.00	\$556,156.00	125.36%
19-Jun	\$2,525,645.00	\$2,083,220.00	(\$442,425.00)	82.48%
19-Jul	\$2,371,602.00	\$2,747,274.00	\$375,672.00	115.84%
19-Aug	\$3,042,675.00	\$2,979,624.00	(\$63,051.00)	97.93%
19-Sep	\$2,798,782.00	\$2,595,327.00	(\$203,455.00)	92.73%
19-Oct	\$2,662,496.00	\$2,879,951.00	\$217,455.00	108.17%
19-Nov	\$2,624,631.00	\$2,234,989.00	(\$389,642.00)	85.15%
19-Dec	\$2,436,909.00	\$2,296,131.00	(\$140,778.00)	94.22%
Totals YTD	\$29,863,824.00	\$30,196,236.00	\$332,412.00	101.11%

Cash Comparison 2019 to 2018					
2019 cash %	2018 Cash %	Variance	2019 Cash Amt	2018 Cash Amt	Variance
101.11%	93.79%	7.32%	\$ 30,196,236.00	\$ 26,096,370.00	\$ 4,099,866.00



Finance Committee Report - USJHSD Board Meeting on January 21, 2020

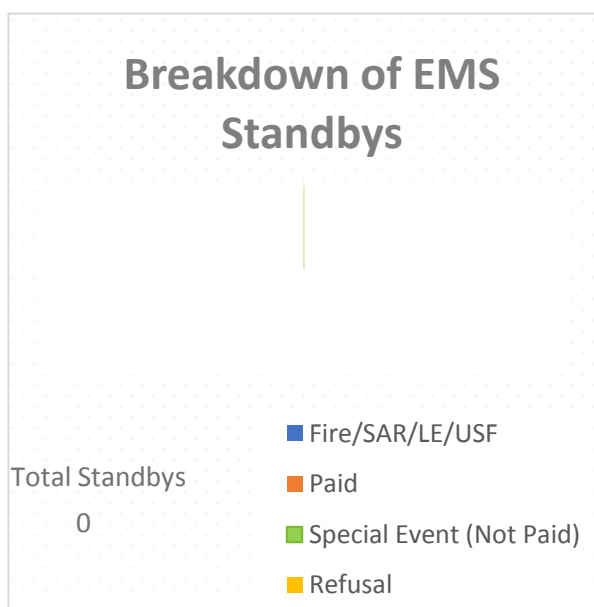
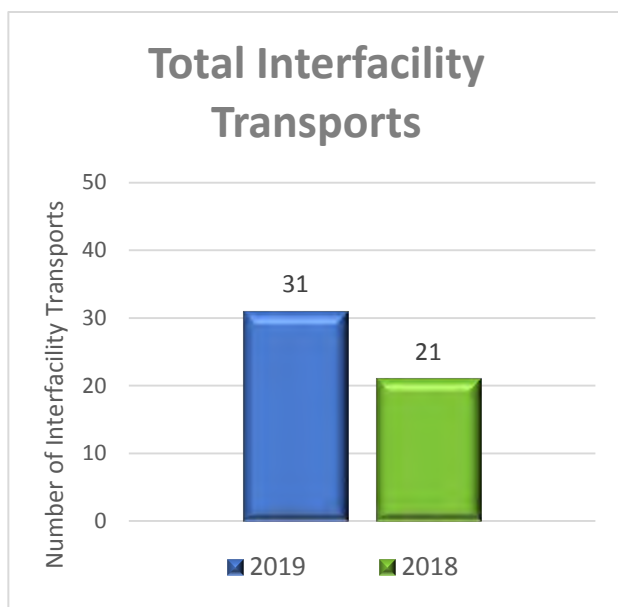
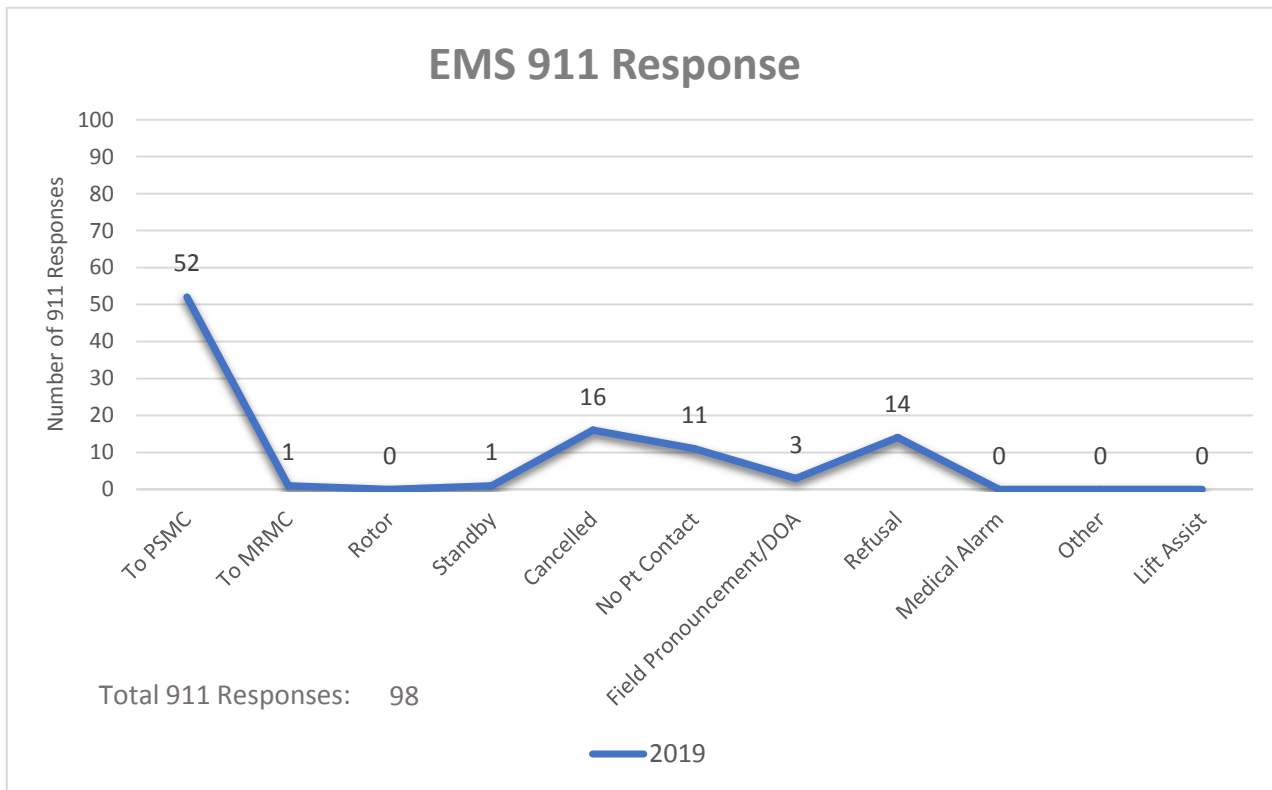
This report provides a summary of the discussions of the Board's Finance Committee that met on January 16, 2020.

- 1) **Review of December 2019 Financials:** The Board Finance Committee reviewed the December 2019 financial reports and CFO's slide presentation. The Finance Committee raised no concerns but asked about the following: why benefits were higher than normal (high amount of employee health insurance claims); and why supply was over budget in December and for the year (patient care pharmaceuticals and inventory adjustment of \$33,037.77).
- 2) **Summary of 2019:** The Board Finance Committee received the CFO's slide (last page of slide presentation) of the 2019 pre-audit financial successes including the following improvements over 2018: gross revenue increase by 7.58%, expense was held low with an increase less than the annual standard for hospitals at 1.72%, cash increased by 15.71%, the days of accounts receivable decreased (gross days decreased by 15.31 days and net days decreased by 6.91 days), net income doubled, and the net margin increased. The Finance Committee acknowledged the strong progress made in 2019 toward financial stability.
- 3) **Recommendations of the Board Finance Committee to the Board of Directors:**
 - a) The Board Finance Committee recommends the Board approve the plan and reporting tool to increase days of cash as set forth in the Board's decision agenda at Resolution 2020-01.
 - b) The Board Finance Committee recommends the Board approve the proposed revisions to Board Policy No. 13 regarding financial internal controls as set forth in the Board's decision agenda at Resolution 2020-02.
 - c) The Board Finance Committee received a summary of, and had no objection to, the Cerner Amendment No. 12 as described in the Board's decision agenda at Resolution 2020-03.

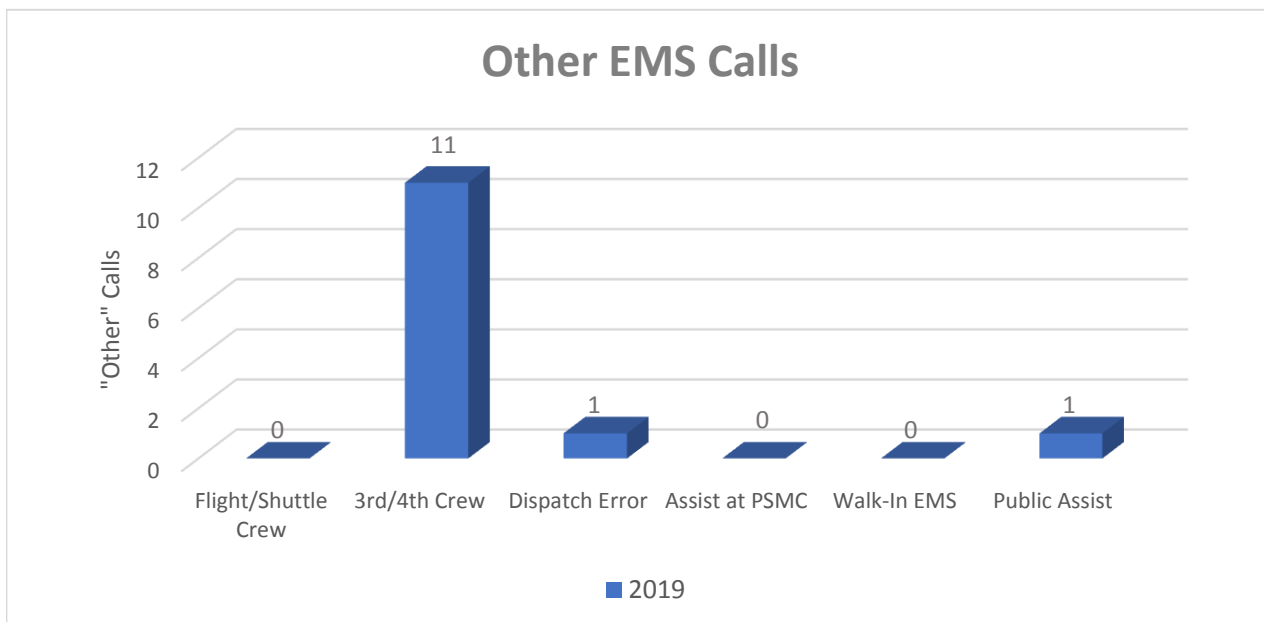
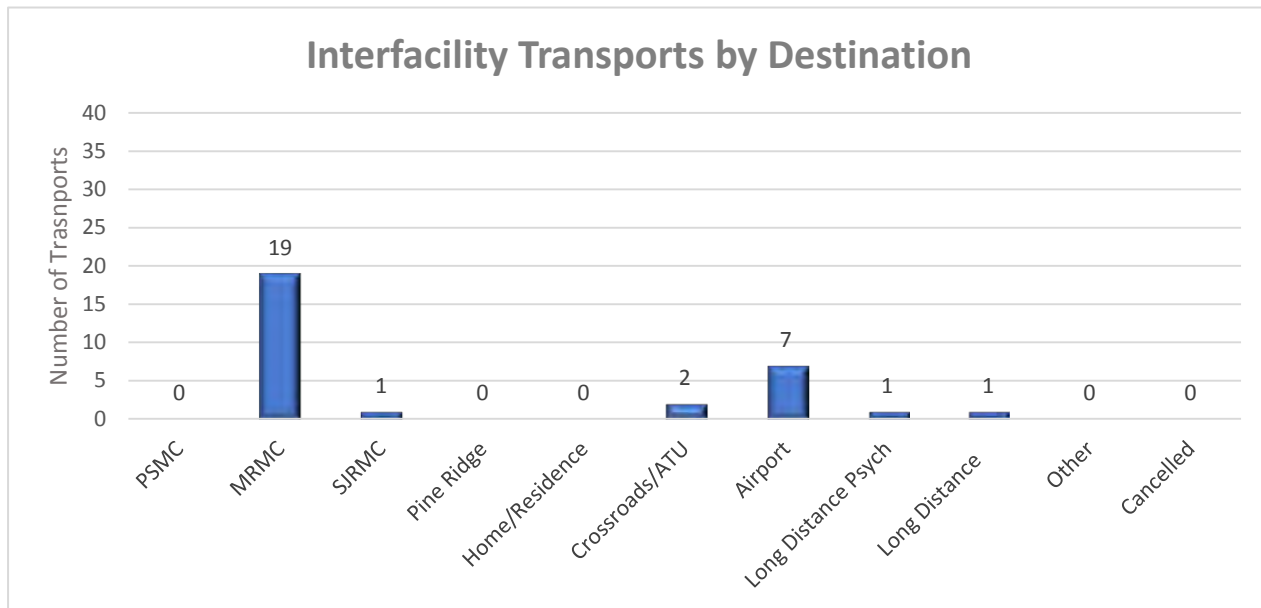


Operations Report for December 2019

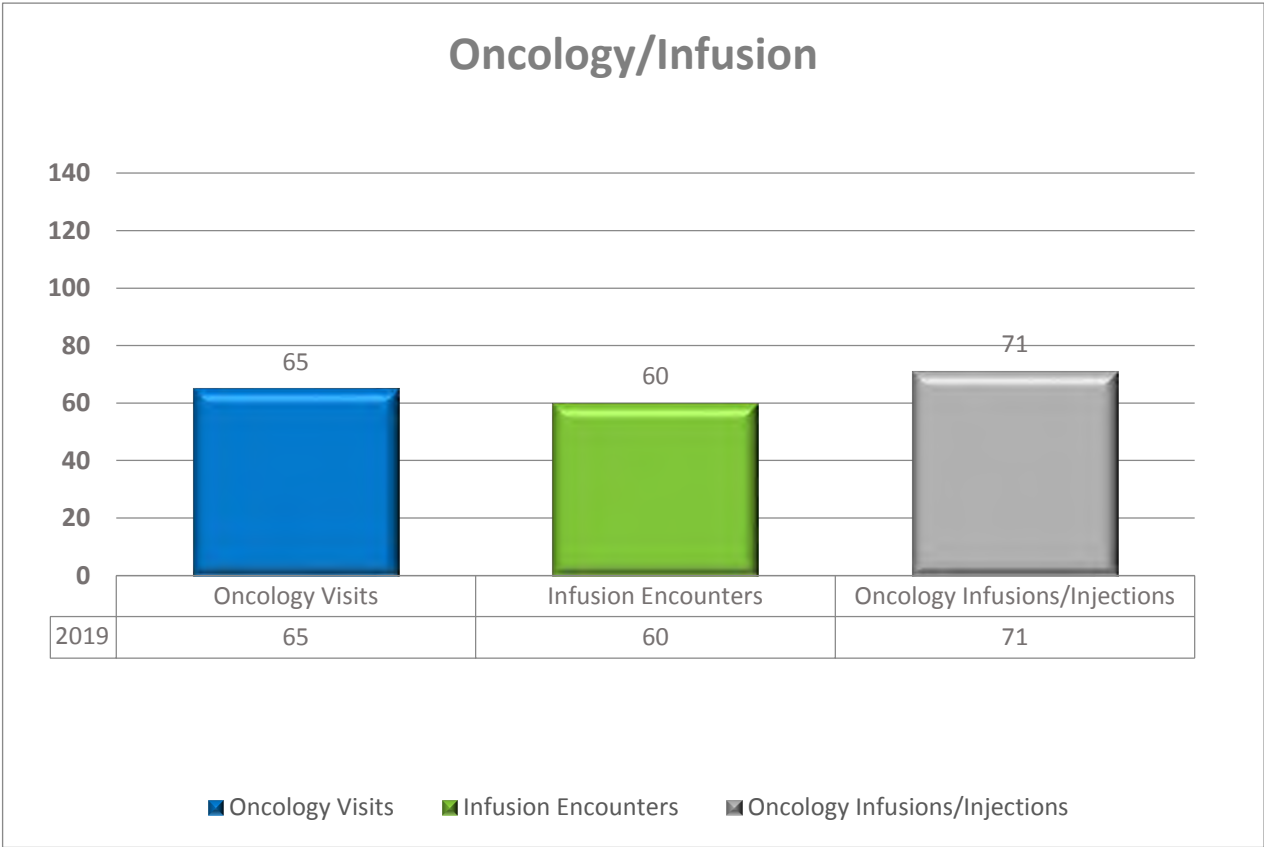
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EMS: December

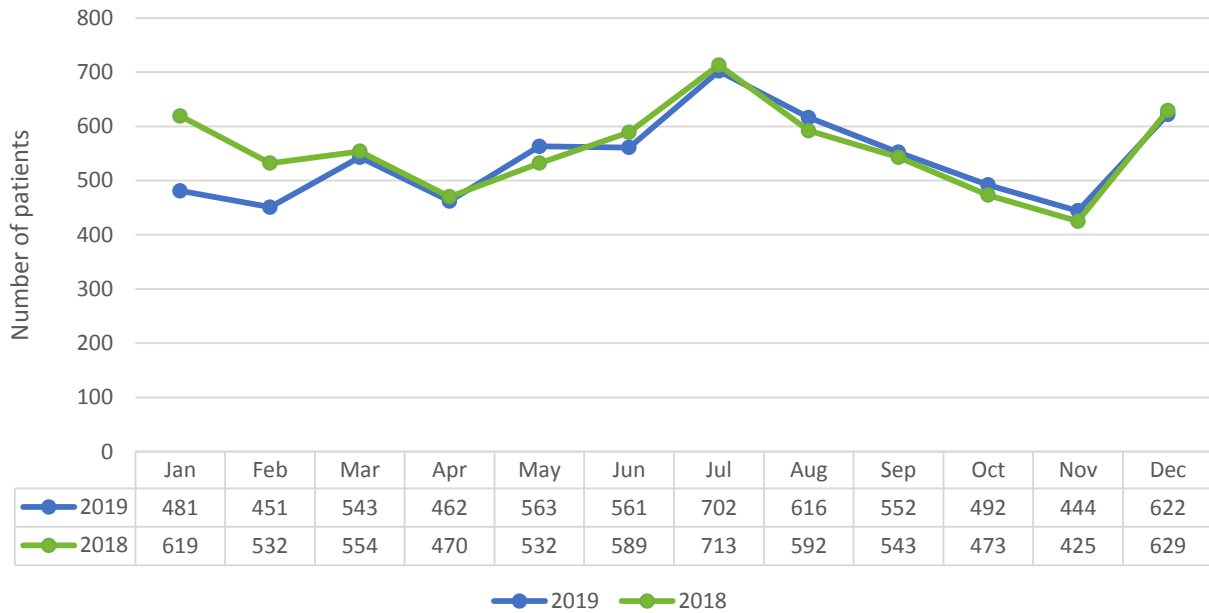


Oncology/Infusion: December

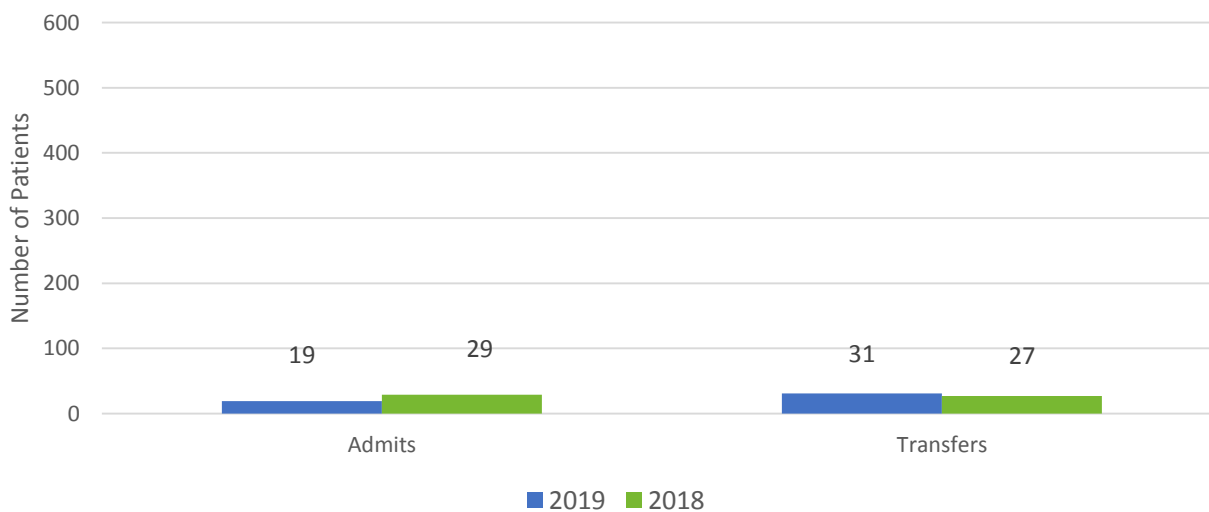


ED: December

ED Yearly Volume Comparison



ED Inpatient Admissions and Transfers Monthly Comparison



ED: December

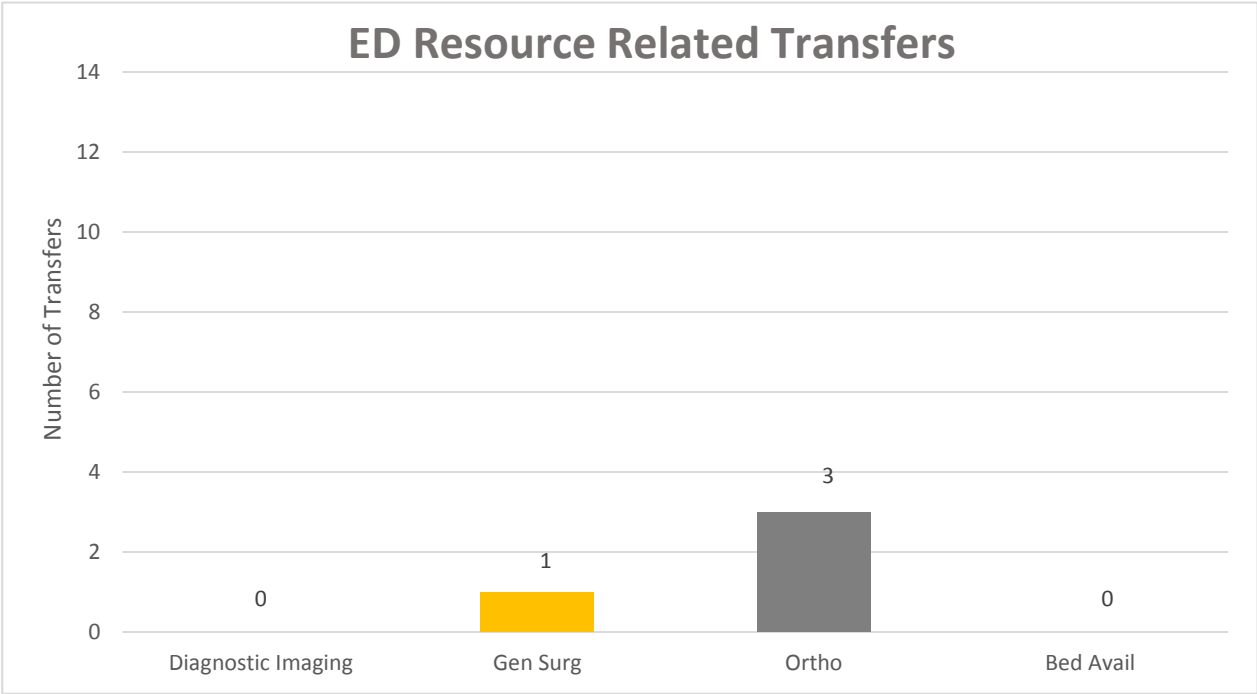


Average Daily Census

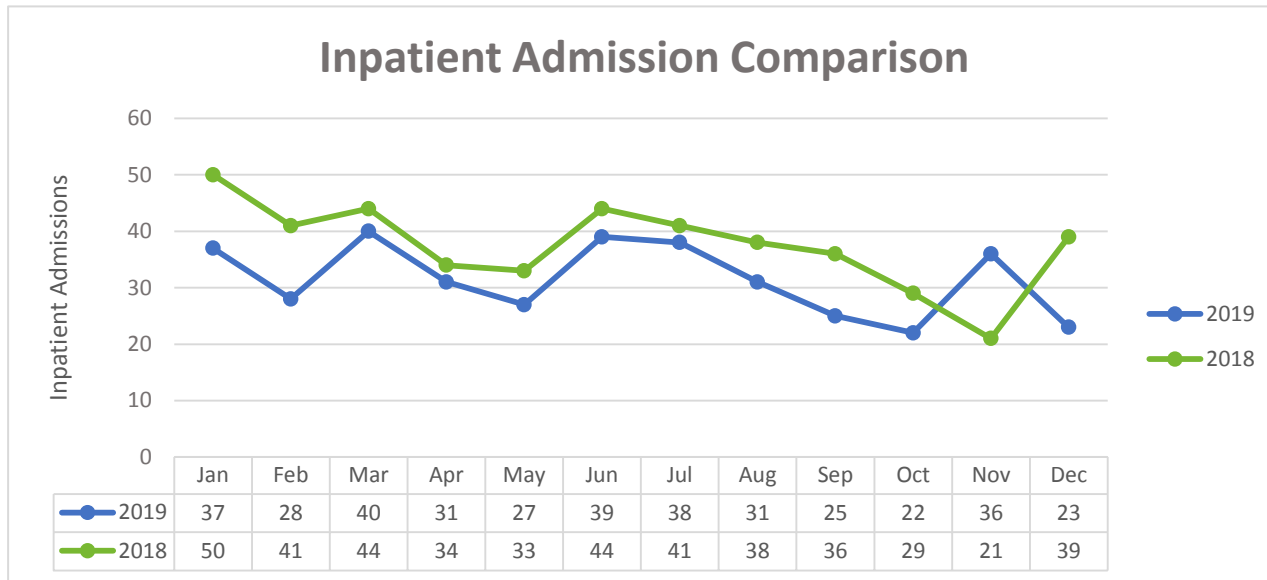
20.0

Average Length of Stay (in hours)

2.1



Inpatient : December



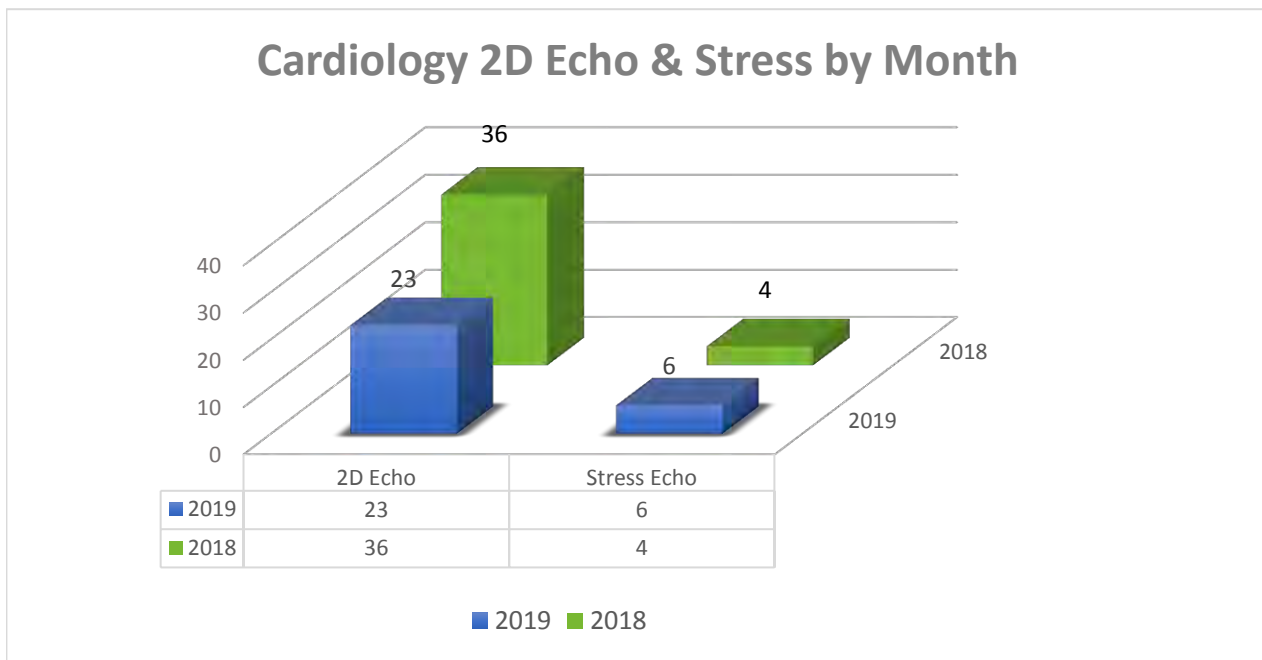
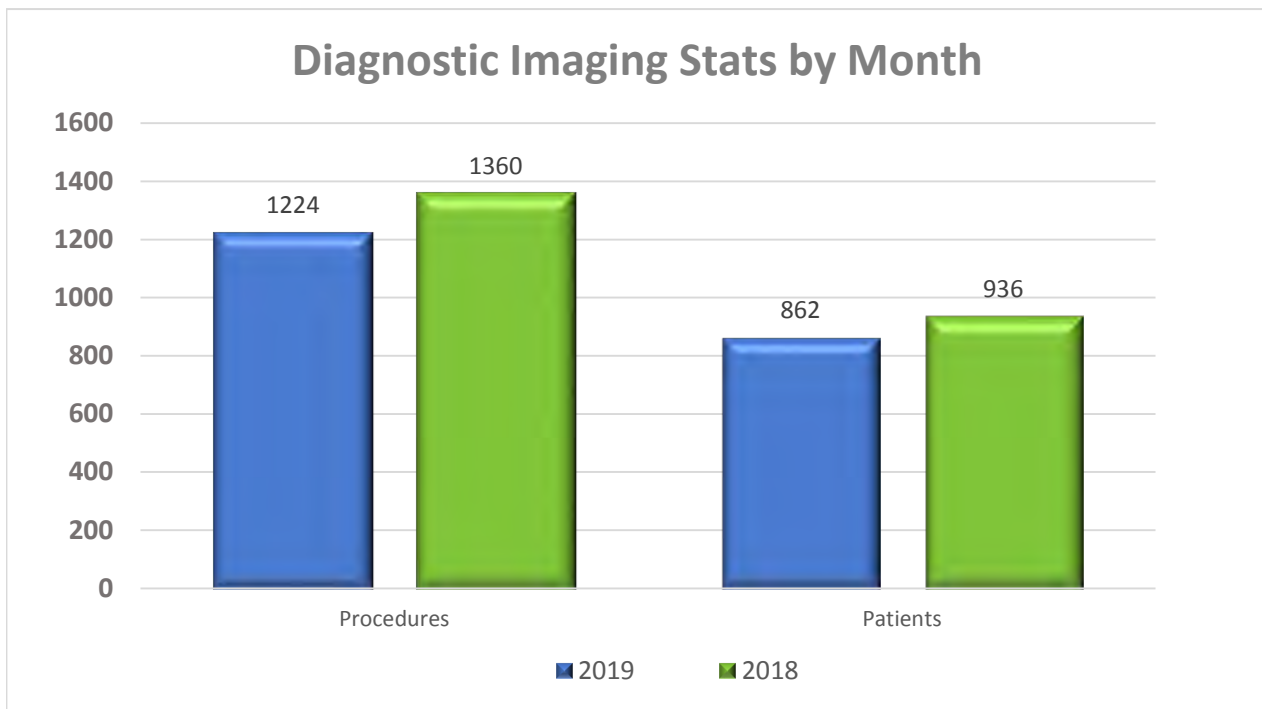
Average Daily Census

3.0

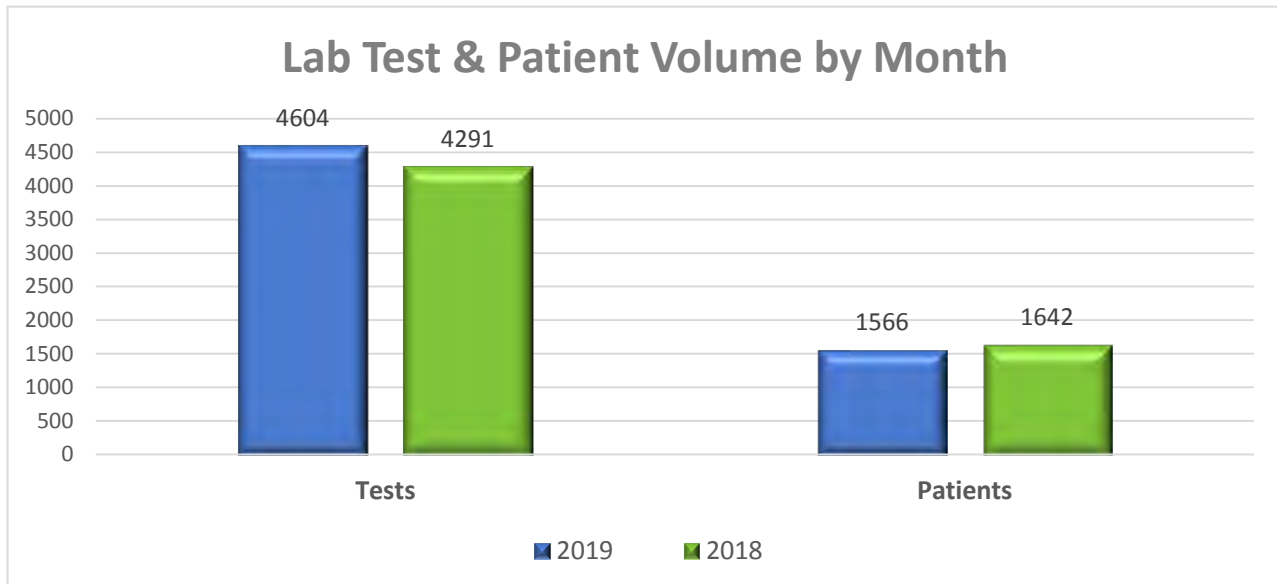
Average Length of Stay (in days)

2.1

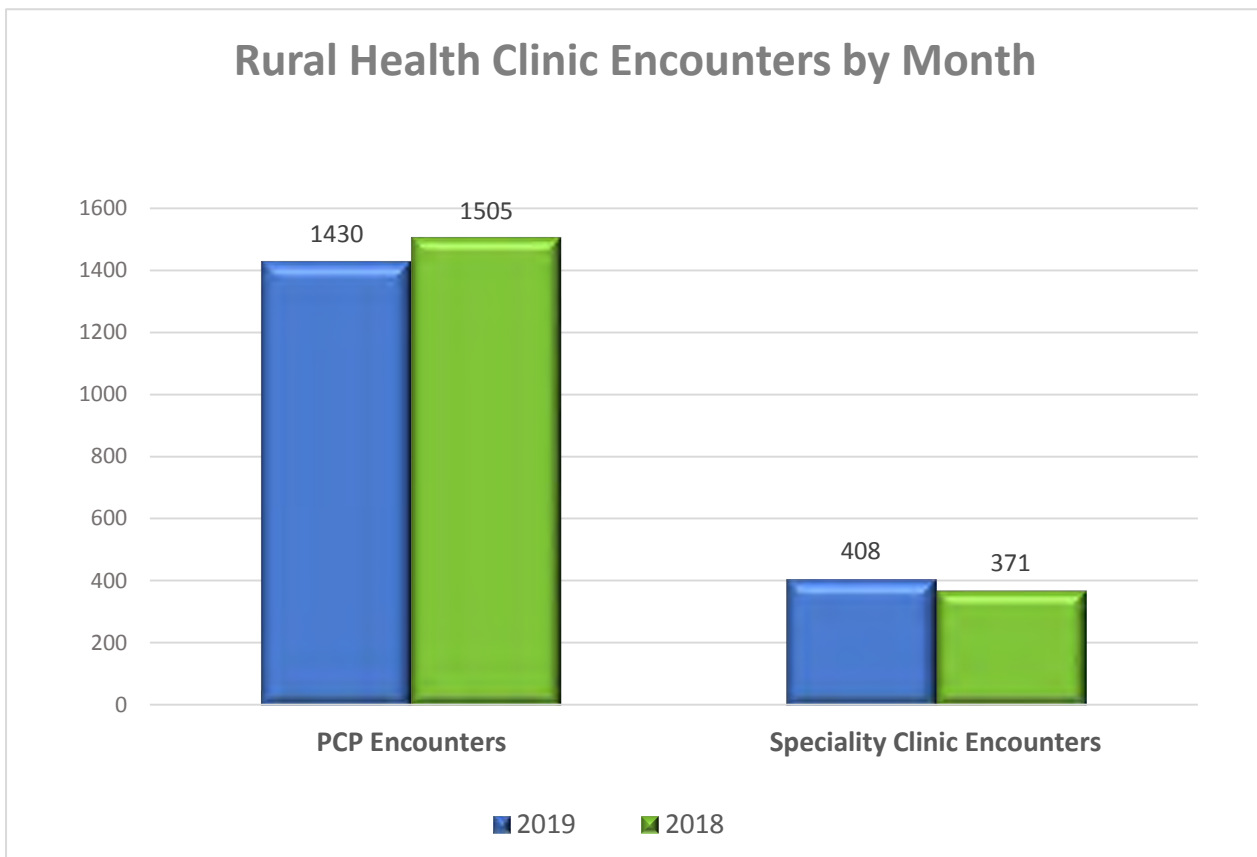
Diagnostic Imaging: December



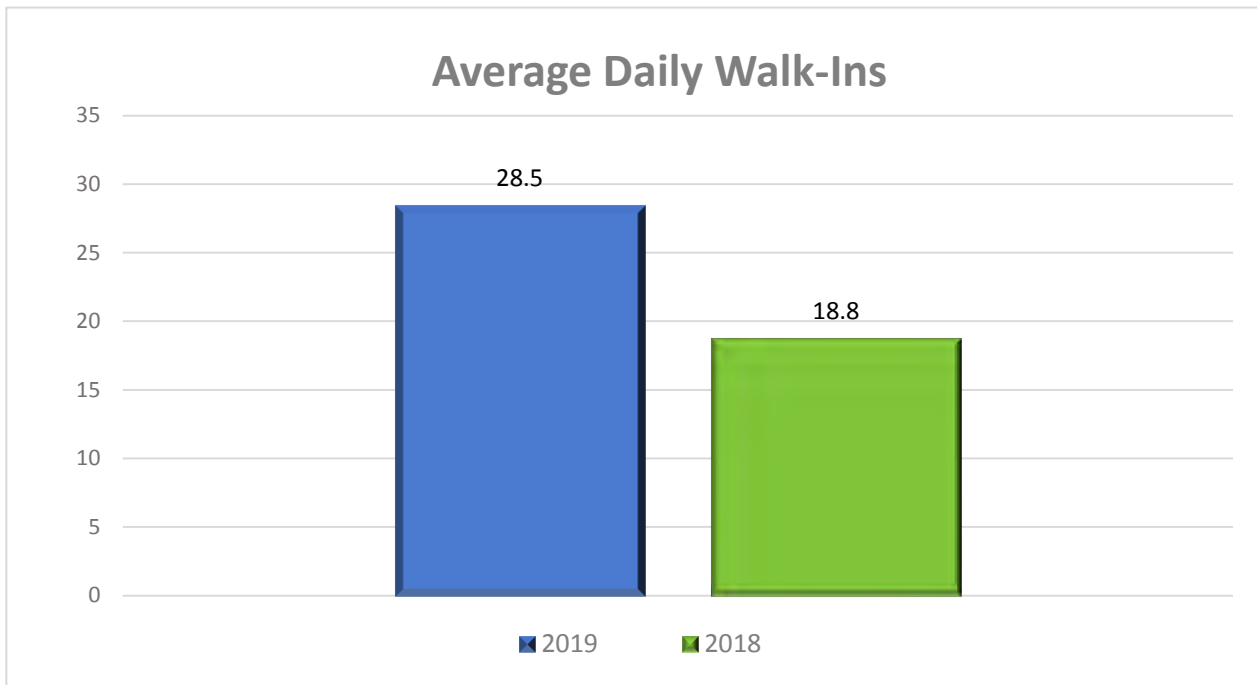
Lab: December



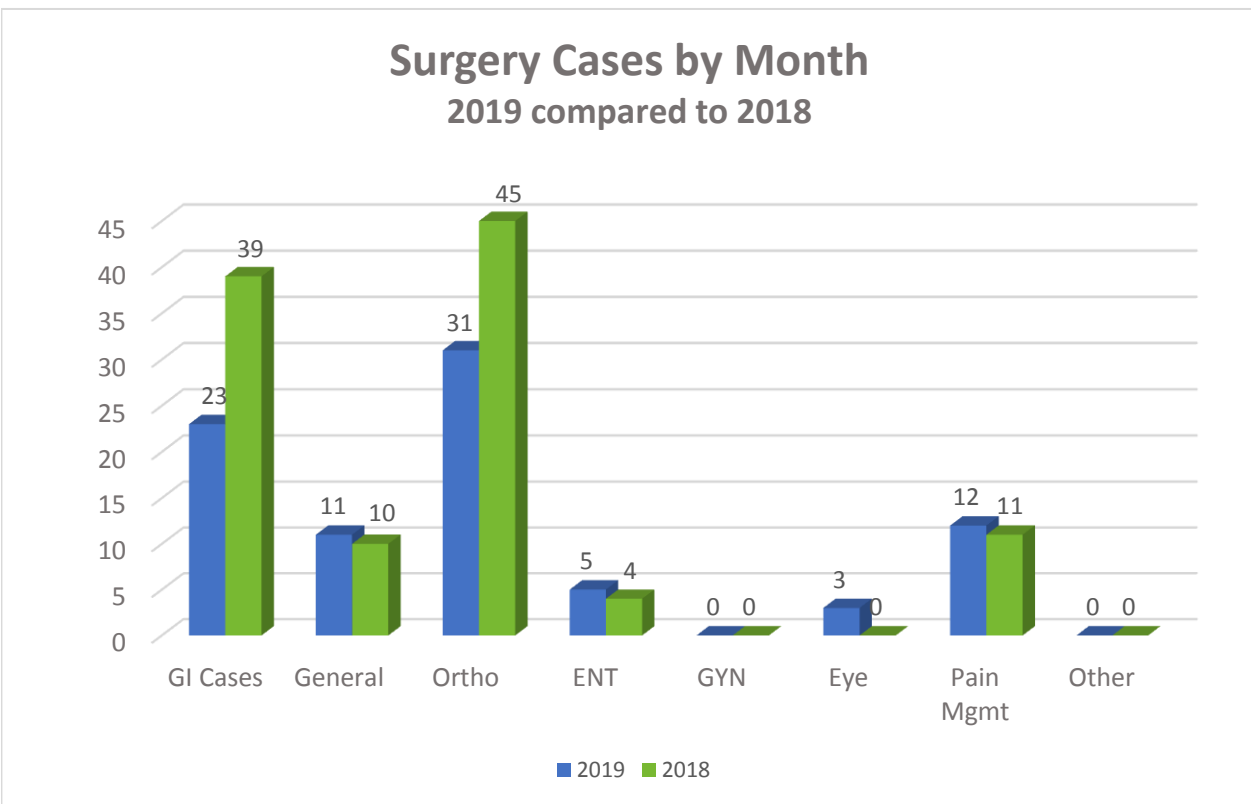
Clinic



Clinic : December



Surgery





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

**MEDICAL STAFF REPORT BY CHIEF OF STAFF, RALPH BATTELS
January 21, 2020**

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
Honorary Medical Staff Category Policy	New Medical Staff Policy
Certified Registered Nurse Anesthetist Privilege Form	Revised Medical Staff Privilege Form
Waiver of Board Certification Requirement for Dr. Robert Brown and Dr. Jim Pruitt	For upcoming reappointment in February; this waiver process is a requirement of the Medical Staff Bylaws.

~~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):~~

III. REPORT OF NUMBER OF PROVIDERS BY CATEGORY

Active: 19
 Courtesy: 24
 Telemedicine: 122
 Allied Health Professionals: 28
 Honorary: 1
 Total: 194

IV. MEDICAL STAFF BYLAWS (not a consent agenda item)

- **Why are you receiving this Redline of the Medical Staff Bylaws?** The Medical Executive Committee has the authority to recommend changes to the Medical Staff Bylaws subject to a process that involves a vote of the voting members of the Medical Staff followed by a vote of the Board of Directors.
- **Process:** Before the voting Medical Staff votes on proposed changes to the Bylaws, the changes must first be presented to the Board of Directors for comment. Following the comment period by the Board, the proposed amendments (and any comments of the Board) are issued to the voting members of the Medical Staff. If the voting members of the Medical Staff approve the proposed changes, the amendments are then placed on the agenda of the Board of Directors as a decision item.
- **Board comment period until Feb. 25, 2020:** The PSMC Medical Executive Committee has reviewed and unanimously voted to approve the attached amendments to the Medical Staff Bylaws. The REDLINE to the Medical Staff Bylaws will be held for any comments of the Board through the end of the day on February 25, 2020 (the date of the next meeting of the Board of Directors).

V. 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. For the terms 1/1/2020 through 12/31/2021, the Medical Staff has elected Dr. Ralph Battels to serve as Chief of Staff and Dr. Corinne Reed to serve as Vice Chief of Staff.

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

**Formal Written Resolution 2020-01
January 21, 2020**

WHEREAS, during 2019, PSMC increased its days of cash to in excess of 60 days but less than 70 days; and

WHEREAS, with respect to the 2016 bonds, PSMC's days of cash satisfy all bond covenants;

WHEREAS, with respect to the 2006 bonds, PSMC administration must propose a plan to the Board relative to increasing PSMC's days of cash;

WHEREAS, PSMC administration has presented the attached plan and reporting tool to the Board's Finance Committee and received the Committee's recommendation to the Board to approve the attached tool.

NOW, THEREFORE, BE IT RESOLVED by the USJHSD Board of Directors to approve the attached regarding administration's plan and reporting tool to increase days of cash.

EFFECTIVE and ADOPTED this 21st day of January, 2020.

UPPER SAN JUAN HEALTH SERVICE DISTRICT

Gregory J. Schulte, Chairman

Attest:

Heather Thomas, Clerk to the Board

DECISION AGENDA 5.a.

(DRAFT) 2020 MANAGEMENT ACTIONS TO INCREASE DAYS OF CASH												
ACTION	DEADLINE	FEB	MARCH	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
REDUCE EXPENSE												
From 2020 staffing budget, continue to reduce FTEs and contractors (as practical and possible) through attrition or restructuring of positions.	ongoing											
Reduce expense through amendments to service agreements.	ongoing											
Evaluate and amend contracts for management of IT to reduce expense and enhance security.	6/30/2020											
IMPROVE REVENUES COLLECTED												
Evaluate self-pay pricing.	3/31/2020											
Evaluate extended hours for outpatient clinic.	3/31/2020											
Change outsourced company for collections to increase percentage of collection.	4/30/2020											
Increase ophthalmology services on-site.	5/30/2020											
Expand services for enhanced pain management.	5/30/2020											
If feasible extend hours for outpatient clinic.	6/30/2020											
Implement coding software to enable PSMC to compute payments on Medicaid EAPGs to assure accuracy of payment. (Note: this was a 2019 goal in which 50% was accomplished, but the remainder of the work is required of Cerner.)	6/30/2020											
Improve information on billing statement to reduce questions and disputes (deadline reflects that this requires changes in Cerner).	9/30/2020											
Develop and implement operational goals/plan to end the year with gross days of A/R of 60 days.	12/31/2020											
MANAGEMENT AND PLANNING												
Implement plan to accomplish State Hospital Transformation Project obligations.	ongoing											
Evaluate and develop/implement a plan to reduce ongoing expense for MRI. (Note: this was a 2019 goal in which 40% was accomplished.)	6/30/2020											
Conduct the advance work data collection and meetings with stakeholders) in order to begin meetings the Board's Strategic Planning Committee regarding service lines and future direction.	6/30/2020											

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

**Formal Written Resolution 2020-02
January 21, 2020**

WHEREAS, PSMC administration proposes the attached revisions to Board Policy No. 13 in an effort to assure transparency and provide clarity as to when certain contracts will be presented to the Board for approval; and

WHEREAS, PSMC administration has presented the attached proposed revisions to the Board's Finance Committee and received the Finance Committee's recommendation to the Board to approve the revisions to Board Policy No. 13.

NOW, THEREFORE, BE IT RESOLVED by the USJHSD Board of Directors to approve the the proposed revisions to Board Policy No. 13.

EFFECTIVE and ADOPTED this 21st day of January, 2020.

UPPER SAN JUAN HEALTH SERVICE DISTRICT

Gregory J. Schulte, Chairman

Attest:

Heather Thomas, Clerk to the Board

**UPPER SAN JUAN HEALTH SERVICES DISTRICT d/b/a
PAGOSA SPRINGS MEDICAL CENTER
Policy of the Board of Directors of USJHSD**

**Subject: First Amended and Restated Financial Internal Controls
Policy No.: 13**

I. OBJECTIVES

The purpose of this policy is to provide for internal controls for authorizing USJHSD payments (checks, wire transfers, ACH transactions, credit or otherwise) and contracts.

II. POLICY

A. Payment Transactions of \$99,999 or less.

1. The CEO has authority (consistent with PSMC's enterprise status and the approved budget or other specific approval) to authorize payments of \$99,999 or less.
2. The authorized signors for payments of \$99,999 or less are: (a) the sole signature of the CEO; or (b) a combination of two (2) signatures of the following persons acting within the scope of CEO approval: the CFO, the COO/CNO, the CAO and/or the Controller.

B. Payment Transactions of \$100,000 or more.

1. Board approval (consistent with PSMC's enterprise status and the approved budget or other specific approval) is required to authorize payments of \$100,000.00 or more.
2. The signatures required for payment transactions of \$100,000.00 or more are a combination of two signatures of the following persons: a USJHSD Board officer and the CEO, CFO, CNO/COO, CAO or Controller.
3. The foregoing requirement of Board approval for payments is not to be construed as a limitation on the authority of certain employees to enter contracts as set forth in Section C of this policy.

C. Authority To Execute Contracts. The CEO, CFO, COO/CNO and CAO are authorized to enter into contract agreements on behalf of USJHSD as follows:

1. All physician/provider employment contracts and independent contractor/provider agreements so long as: (a) such contracts are within the material terms of the standard form agreement reviewed from time to time by the Board's Contract Committee; and (b) within the parameters for compensation approved by the USJHSD Board's Contract Committee, or if outside fair market value up to the

90th percentile of MGMA as such fair market valuations are issued by MGMA approximately every 3-4 years) and presented to the ~~the standard parameters, with the specific approval of the~~ Board's Contract Committee; and ;

2. Contracts (including, without limitation, operational contracts) reasonably anticipated by and flowing from the budget approved by the Board; and
3. Contracts resulting from specific approval of the Board and/or otherwise reasonably anticipated by and flowing from a specific approval from the Board.
4. With respect to this Section C, the following are limitations on the authority of the CEO, CFO, COO/CNO and CAO to execute contracts described in this Section C:
 - Subparagraph 1 regarding physician/provider:
 - Any physician/provider contract not meeting the criteria set forth in Section C(1) of this policy shall always be presented to the Board's Contract Committee, and the Contracts Committee will make recommendations regarding approval/denial of the contract by the Board of Directors.
 - Not less than one time per year (and more often if material provider contract activity warrants), PSMC leadership will present to the Board Contract Committee a complete spreadsheet of all physician and provider contracts which includes MGMA percentile of pay and any previously approved deviations from the material terms of PSMC's form contract. The Board Contract Committee will report on the same to the Board of Directors.
 - Subparagraph 2 and Subparagraph 3:
 - The following contracts (including amendments and extensions) shall require specific approval and as such shall be presented to the Board's Finance Committee. The Finance Committee will make recommendations regarding approval/denial of the contract by the Board of Directors:
 - The contract for the Board's auditor.
 - Contracts to buy/sell/convey real property.
 - Contracts to take out a loan or bond financing.
 - Contracts to increase employee retirement or health coverage benefits at a cost/coverage in excess what is currently in place.
 - Contracts with a term in excess of five years except that there is authority to proceed with execution if such contract includes a "no cause / no penalty" provision to terminate the contract with notice of one year or less.

- Contracts that are not included/anticipated by the budget (i.e. would be in excess of the budget) and are an expenditure in excess of \$100,000 in the budget year.
 - This limitation does not preclude decisions made by the CEO (or CEO's designee) together with the Board's representative (the Board Chair -- or, if unavailable, the Vice-Chair or Treasurer) to enter into a contract for something to address an emergency for an amount in excess of \$100,000 and not anticipated by the budget. In such instance, the contract would be presented to the full Board for ratification at the next practical time.
 - This limitation is not intended to limit, for example, new or changes in vendors for patient care such as infusion medications when infusion medications are anticipated by the budget even where expenditures for such patient medications may be in excess of budget.
- The CEO employment contract (except this contract is negotiated and recommended to the Board by the Board's Executive Committee and does not go to Finance Committee).
- Not less than two times per year (and more often if material contract activity warrants), PSMC leadership will present to the Board's Finance Committee a complete spreadsheet of all contracts (but not physician/provider contracts that are addressed by Contract Committee). The Board Finance Committee will report on the same to the Board of Directors.

3.—

- D. **Review of Check Registers.** The check registers for all USJHSD accounts will be reviewed (together with supporting documentation as reasonable and prudent) and accepted, on a monthly basis (no more than two months in arrears), by the Controller as well as the Chief Financial Officer or the Chief Executive Officer.

- E. **Electronic Signatures.** Nothing precludes an electronic signature on a check so long as such electronic signatures are subject to a written process specifically approved by the Board's Finance Committee.
- F. **Termination of authority to sign is automatic without need for further action.**
1. The signing authority of an employee (by virtue of this policy, a signature card or otherwise) shall *automatically* terminate immediately and concurrently with the employee's termination of employment.
 2. The signing authority of a USJHSD Board Member (by virtue of this policy, a signature card or otherwise) shall *automatically* terminate immediately and concurrently with the termination of the Board Member's board membership.
- G. **Supersedes Previously Approved Policies/Procedures or Previously Implemented Policies/Procedures.** Upon the USJHSD Board's approval of this policy, this policy shall supersede any other policy/procedure *previously* approved or implemented that is inconsistent with this policy.

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

**Formal Written Resolution 2020-03
January 21, 2020**

WHEREAS, PSMC has an electronic health record (also known as an “EHR” or electronic medical record or an “EMR”) and the reason for the EHR and its history at PSMC is as follows:

- Medicare requires hospitals to use an EHR; in addition, Medicare requires, as a condition of participation in Medicare, that the EHR meet evolving specifications.
- In early 2013, PSMC’s Board selected Cerner as its electronic health. PSMC entered into a contract with Cerner for an initial term of 2013 to 2023. Note: The two largest and top-ranked EHRs used by hospitals are Epic and Cerner. Cerner offers a solution for smaller hospitals like PSMC, but Epic does not.
- In February 2014, PSMC went live with the Cerner EHR. The advance work to go live with the new health record was nearly a year (and ideally would take closer to 2 years of planning, work and assessment). Note: The cost to implement an EHR is significant – it cost PSMC over two million dollars although, at the time, PSMC qualified for some federal return on the EHR investment but such funds are no longer available today.
- Since February of 2014, PSMC and Cerner have entered into 12 different contract amendments, over 200 operational adjustments to the Contract, and over 600 invoices as a result of PSMC’s evolving operational needs for tools, evolving PSMC users, evolving requirements of Medicare, and such needs as revenue cycle optimization and education.

WHEREAS, at the end of 2019, Cerner approached PSMC to negotiate a contract amendment that, if executed before the end of the year, would accomplish the following:

1. Extend Cerner as PSMC’s EHR from 2023 through 2033;
2. Add needed tools for patient care including a behavioral health module;
3. Reduce ongoing expense:
 - a. Eliminate expense for Cerner tools for which PSMC was contractually obligated to pay but did not use;
 - b. Eliminate all existing annual inflation expense through 2033 for any Cerner contract in place as of December 31, 2019;
4. Award a one-time credit, applied on December 31, 2019, in the amount of \$123,048.
5. Despite the addition of certain tools, an anticipated savings over the contract term in excess of \$400,000.

WHEREAS, PSMC administration executed the Cerner Amendment No. 12 on December 23, 2019, and whereas after discussion with the Board Chair on December 24, 2019, determined

Upper San Juan Health Service District

Resolution No. 2020-03

Page 2

not to call a special meeting prior to the end of the year, but to request the Board ratify (consent and accept) the Cerner Amendment No. 12 at the January meeting.

WHEREAS, PSMC administration has summarized the Cerner Amendment No. 12 to the Board's Finance Committee and received no objection or concerns.

NOW, THEREFORE, BE IT RESOLVED by the USJHSD Board of Directors hereby ratifies (consents and accepts) the Cerner Amendment No. 12.

EFFECTIVE and ADOPTED this 21st day of January, 2020.

UPPER SAN JUAN HEALTH SERVICE DISTRICT

Gregory J. Schulte, Chairman

Attest:

Heather Thomas, Clerk to the Board

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

**Formal Written Resolution 2020-04
January 21, 2019**

**APPOINTING A DESIGNATED ELECTION OFFICIAL AND
AUTHORIZING DESIGNATED ELECTION OFFICIAL
TO CANCEL ELECTION**

(C.R.S. Section 32-1-804(2), 1-1-111(2), 1-5-208(1.5), 1-11-103(3))

WHEREAS, pursuant to Section 32-1-804(2), C.R.S., the Board of Directors of the Upper San Juan Health Service District, Archuleta, Hinsdale and Mineral Counties, Colorado is authorized to designate a Designated Election Official (the “DEO”) to exercise the authority of the Board in conducting the election; and

WHEREAS, pursuant to 1-5-208, C.R.S., the Board can authorize the DEO to cancel the election upon certain conditions;

NOW, THEREFORE, be it resolved by the Board of Directors of the Upper San Juan Health Service District, Archuleta, Hinsdale, and Mineral Counties, Colorado that:

1. The Board hereby names its Clerk to the Board, **Heather Thomas**, as the DEO for the regular special district election scheduled for the 5th day of May, 2020;
2. The Board hereby authorizes and directs the DEO, if the only matter before the electors is the election of persons to office, to cancel said election and declare the candidates elected, if at the close of business on the sixty-third day before the election there are not more candidates than offices to be filled, including candidates filing affidavits of intent to run as write-in candidates.
3. The Board further authorizes and directs the DEO to publish and post a Notice of Cancellation of election in the offices of the DEO, the county Clerk and Recorder of each county in which the special district is located. The DEO shall also notify the candidates that the election was cancelled and they are elected by acclamation.
4. Pursuant to § 1-11-103(3), and § 1-13.5-513(1) and (4), if the DEO has cancelled the election, the DEO or district will file this resolution, together with the Notice of Cancellation, with the Division of Local Government.

Upper San Juan Health Service District

Resolution 2020-04

Page 2 of 2

ADOPTED and APPROVED this 21st day of January, 2020, by the Board of Directors of the Upper San Juan Health Service District, Archuleta, Hinsdale and Mineral Counties, Colorado.

Greg Schulte, as Chairman of the Board

(DISTRICT SEAL)

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

**Formal Written Resolution 2020-05
January 21, 2020**

TERMS FOR THE REGULAR DISTRICT ELECTION FOR MAY 2020

(C.R.S. Sections 32-1-804 and 1-1-111)

WHEREAS, in accordance with the Special District Act (“Act”) and the Uniform Election Code of 1992 (“Code”), the Upper San Juan Health Service District (“USJHSD”), in Archuleta, and portions of Hinsdale and Mineral Counties, Colorado will hold a regular special district election on **May 5, 2020**, (“Election”) for the purpose of the election of certain Board members; and

WHEREAS, the following Board seats will be on the ballot and elected at the Election:

- | | |
|---|------------------|
| A. The seat currently held by Kate Alfred: | 3-year term; |
| B. The seat currently held by Matt Mees: | 3-year term; and |
| C. The seat currently held by Dr. James Pruitt: | 3-year term. |

WHEREAS, C.R.S. Sections 21-1-305.5 was amended to change election years to off-numbered years (after the 2022 election) and as such, the statute now mandates: “The terms of office of the Directors elected in the regular special district elections held in 2020 and 2022 are for three years.”

WHEREAS, the terms of office of the existing Directors named above shall expire after their successors are elected at the Election and the successors take office at the next regular meeting of the USJHSD Board (scheduled for May 26, 2020).

NOW, THEREFORE, be it resolved by the Board of Directors of the Upper San Juan Health Service District, in Archuleta, and portions of Hinsdale, and Mineral Counties, Colorado that:

1. Pursuant to and in accordance with the Act, Code, and other applicable laws, the regular election of the eligible electors of the District shall be held on May 5, 2020, between the hours of 7:00 a.m. and 7:00 p.m. MST and three Directors will be elected, each to serve a three-year term.
2. USJHSD will hold either a polling place election or a mail-in ballot election, as will be subsequently determined by USJHSD subject to compliance with all applicable laws then in effect. Such election will be held by USJHSD and does not have to be a coordinated election with the counties where the district is located.
3. The USJHSD Board of Directors has designated the Clerk to the Board of Directors, Heather Thomas, as the Designated Election Official of the District (the “DEO”), and the DEO is hereby authorized and directed to proceed with any action necessary or appropriate to effectuate the provisions of this Resolution and the Act, Code, TABOR or other applicable laws. The Election shall be conducted in accordance with the Act, Code, TABOR and other applicable laws. Among other matters, the DEO shall publish the call for nominations, appoint election judges as necessary, appoint the Canvass Board, arrange for the required notices of election, including the TABOR notice, and printing of ballots, and direct that all other appropriate actions be accomplished.

Upper San Juan Health Service District

Resolution 2020-05

Page 2 of 2

4. If applicable and if other special districts with overlapping boundaries of the District are conducting ballot issue elections on the Election Day, the District acknowledges that it is required to enter into an intergovernmental agreement with such special districts concerning the preparation and mailing of the TABOR Notice to the registered electors within the overlapping area. The DEO is authorized, following consultation with legal counsel for the District, to enter into such agreement on behalf of the District.
5. Applications for absentee ballots may be filed with the DEO of the District at 95 S. Pagosa Boulevard, Pagosa Springs, Colorado, between the hours of 8:00 a.m. and 4:30 p.m., until the close of business on the Tuesday immediately preceding the election (Tuesday, April 28, 2020). All absentee ballots must be returned to the DEO no later than 7:00 p.m. on election day.
6. Self-Nomination and Acceptance forms are available at the DEO's office located at 95 S. Pagosa Blvd., Pagosa Springs, CO 81147. All candidates must file a Self-Nomination and Acceptance form with the DEO no later than the close of business (time: 4:30 p.m. MST) on Friday, February 28, 2020.
7. If the only matter before the electors is the election of Directors of the District and if, at the close of business on March 3, 2020 (4:30 p.m. MST), there are not more candidates than offices to be filled at the Election, including candidates timely filing affidavits of intent no later than March 2, 2020, the DEO shall cancel the Election and declare the candidates elected. Notice of such cancellation shall be published and posted in accordance with the Code.
8. Pursuant to Section 1-11-203.5, C.R.S., any election contest arising out of a ballot issue or ballot question election concerning the order of the ballot or the form or content of the ballot title shall be commenced by petition filed with the proper court within five (5) days after the title of the ballot issue or ballot question is set.
9. If any part or provision of this Resolution is adjudged to be unenforceable or invalid, such judgment shall not affect, impair or invalidate the remaining provisions of this Resolution, it being the Board's intention that the various provisions hereof are severable.
10. Any and all actions previously taken by the DEO or the Secretary of the Board of Directors or any other persons acting on their behalf pursuant to the Act, the Code or other applicable laws, are hereby ratified and confirmed.
11. All acts, orders, and resolutions, or parts thereof, of the Board which are inconsistent or in conflict with this Resolution are hereby repealed to the extent only of such inconsistency or conflict.
12. The provisions of this Resolution shall take effect immediately.

ADOPTED and APPROVED by the Board of Directors of the Upper San Juan Health Service District on this 21st day of January, 2020.

Greg Schulte, as Chairman of the Board

(DISTRICT SEAL)

CALL FOR NOMINATIONS FOR
UPPER SAN JUAN HEALTH SERVICE DISTRICT

TO WHOM IT MAY CONCERN, and particularly to the electors of the Upper San Juan Health Service District of Archuleta, Hinsdale, Mineral Counties, Colorado.

NOTICE IS HEREBY GIVEN that a regular election will be held on Tuesday, May 5, 2020, between the hours of 7:00 a.m. and 7:00 p.m. MST. At that time, three (3) directors will be elected to serve three-year terms.

Eligible electors of the Upper San Juan Health Service District (USJHSD) interested in serving on the USJHSD Board of Directors may obtain a Self-Nomination and Acceptance form from Heather Thomas, the Designated Election Official (DEO) for the District, at 95 S. Pagosa Boulevard, Pagosa Springs, Colorado. The deadline to submit a Self-Nomination and Acceptance is close of business, 4:30 p.m. MST, on **Friday, February 28, 2020** (not less than 67 days before the election).

Affidavit of Intent to be a Write-In Candidate forms must be submitted to the office of the DEO not less than 64 days prior to the election (**Monday, March 2, 2020**), by 4:30 p.m. MST.

The Office of the DEO is open on the following days: Monday through Friday, between the hours of 8:00 a.m. and 4:30 p.m. MST.

NOTICE IS FURTHER GIVEN that applications for absentee ballots may be filed with the Designated Election Official of the District at the above address between the hours of 8:00 a.m. and the close of business, 4:30 p.m. MST, on the **Tuesday** immediately preceding the election (**Tuesday, April 28, 2020**). All absentee ballots must be returned to the Designated Election Official by 7:00 p.m. on election day.

UPPER SAN JUAN HEALTH SERVICE DISTRICT

By: /s/ Heather Thomas
Designated Election Official

Published in: *The Pagosa Springs SUN*

Published on: 1/30/2020, 2/6/2020, 2/13/2020 and 2/20/2020

**SELF- NOMINATION AND ACCEPTANCE FOR
UPPER SAN JUAN HEALTH SERVICE DISTRICT**

C.R.S. 1-13.5-303; 1-45-109(1); 1-45-110; SOS CPF Rule 16; 1-4-908(1); 1-4-912

I, _____
(full name of the candidate as the name will appear on the ballot, cannot use titles such as "MD," "Reverend," or "Chief")

who reside at: _____
(Residence Street Name and Number)

(City or Town, Zip Code)

(County, State)

(Mailing Address, if different from residence address)

whose email address is: _____
(Email Address)

hereby nominate myself and accept such nomination for the office of Director for a **three**-year term on the Board of Directors of the Upper San Juan Health Service District at the regular election on May 5, 2020, **and will serve if elected.**

I affirm that I am an eligible elector of the Upper San Juan Health Service District and am an eligible elector at the date of signing this Self-Nomination and Acceptance Form (or letter).

I am an eligible elector because I am registered to vote in Colorado and am (mark one):

- ☐ A resident of the District, or area to be included in the district; or
- ☐ The owner (or spouse/civil union partner of owner) of taxable real or personal property situated within the boundaries of the District, Spouse's Name, if property is in spouse's name:
- ☐ A person who is obligated to pay taxes under a contract to purchase taxable property within the District.

Mark here _____ if you are a member of an executive board of a unit owner's association, as defined in § 38-33.3-103 of the Colorado Revised Statutes, located within the boundaries of the district for which you are running for office.

I further affirm that I am familiar with the provisions of the Fair Campaign Practices Act as required in § 1- 45-110 of the Colorado Revised Statutes, and I will not, in my campaign for this office, receive contributions or make expenditures exceeding \$200 in the aggregate during the election cycle, however, if I do so, I will thereafter file all disclosure reports required under the Fair Campaign Practices Act.

DATED this _____ day of _____, 20____.

WITNESSED by the following registered elector:

(Signature of Candidate)

(Signature of Witness)

(Printed Full Name of Candidate)

(Printed Full Name of Witness)

(Email Address)

(Residence Address)

(Telephone Number)

(City or Town, Zip Code)

For Use by the Designated Election Official:

Received on: _____, at: _____ Received by: _____
(Date) (Time) (Name)

Self-Nomination Form Deemed:

Sufficient on: _____ (Date/Time)

Not Sufficient on: _____ Candidate Notified on: _____ (Date)

Received Amended Form on: _____ (Date/Time)

Amended Form Sufficient on: _____ (Date/Time)

County in which the district court that authorized the creation of the special district is located: _____
County.

Copy sent to Secretary of State on: _____ (Date) [If the election is not cancelled, the self-nomination and acceptance form must be filed with the Secretary of State no later than the 60th day prior to the election, March 6, 2020.].

*****ATTENTION: DO NOT FILE WITH THE SECRETARY OF STATE IF YOUR ELECTION IS CANCELLED!**



MINUTES OF REGULAR BOARD MEETING
Tuesday, December 17, 2019
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 December 17, 2019, at Pagosa Springs Medical Center, The Board Room, 95 South Pagosa Blvd., Pagosa Springs, Colorado.

Directors Present: Chair Greg Schulte, Vice-Chair Matt Mees, Treasurer-Secretary Dr. King Campbell, Director Kate Alfred, Director Jason Cox, and Director Karen Daniels.

Present by Phone: Director Dr. Jim Pruitt

Director(s) Absent: None.

1) CALL TO ORDER

- a) Call for quorum: Chair Schulte called the meeting to order at 5:31 p.m. MDT and Clerk of 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 noted approval of the agenda.

2) PUBLIC COMMENT

There was none.

3) REPORTS

a) **Oral Reports**

i) Chair Report

Chair Schulte deferred giving an oral report until the decision agenda, as he desired to provide information regarding the proposed resolutions.

ii) Contracts

Item intentionally struck from agenda. There was no report.

iii) Strategic Planning

Item intentionally struck from agenda. There was no report.

iv) CEO Report

Item intentionally struck from agenda. There was no report as CEO was not present.

Director Cox requested to make a statement, on behalf of the CEO, of comments that the CEO made during the recent Finance Committee meeting, noting CEO Dr. Webb wanted to recognize the Executive Team for their efforts and hard work in getting cash up in 2019.

v) Finance Report

CFO Chelle Keplinger presented and discussed the November Financial PowerPoint presentation.

Director Dr. Pruitt asked a question regarding gross revenues for payer contractals as noted in the Finance Report as well as how the contractual allowances that were budgeted for 2020 were calculated. CFO Keplinger answered.

Director Dr. Pruitt then asked a question regarding in what way bad debt is accounted within accounts receivable. CFO Keplinger answered. Director Pruitt made a suggestion to include a payer breakdown report of funds contributing to bad debt in future financial reports.

Chair Schulte asked a question regarding if CFO Keplinger foresees any material change to the reported number of days cash on hand through the end of 2019. CFO Keplinger answered that she does not. In observance of CFO Keplinger's opinion, Chair Schulte voice commendation and appreciation of PSMC staff for the noted accomplishment.

b) **Written Reports**

i) Operations Report

Chair Schulte made an observation that there is reported within the Operations Report year-to-date information on several items within the report. Chair Schulte made a suggestion to include a totality year-to-date report of 2019 to be provided at the January regular meeting and to have the items that are currently listing year-to-date information to be compared to 2018.

Director Dr. Pruitt asked a question regarding staffing numbers. COO/CNO Douglas answered.

ii) Medical Staff Report

There were no questions.

4) **DECISION AGENDA**

a) Resolution 2019-12:

Chair Schulte provided a background and overview of the Archuleta County Combined Dispatch Executive Management Board's recommendation to the Archuleta County Commissioners to apply for an increase to the 9-1-1 surcharge for emergency communication services.

Questions were asked and answered.

Director Daniels motioned to accept Resolution 2019-12 regarding endorsing the Archuleta County Combined Dispatch Executive Management Board's recommendation to the Archuleta County Commissioners to apply to the Colorado Public Utilities Commission for an increase to the 9-1-1 surcharge for emergency communication services. Upon motion seconded by Treasurer-Secretary Dr. Campbell, the Board unanimously adopted said resolution.

b) Resolution 2019-13

Chair Schulte gave an overview of Resolution 2019-13.

Questions were asked and answered.

Director Cox motioned to accept Resolution 2019-13 regarding appointing a USJHSD Board member to work with other special districts to select a person to server on the Board of Commissioners of the Pagosa Springs Urban Renewal Authority; and further, recommending a USJHSD Board member to be the person selected by the special districts to serve on the Board of Commissioners of the Pagosa Springs Urban Renewal Authority. Upon motion seconded by Director Daniels, the Board unanimously adopted said resolution.

c) Resolution 2019-14

CAO Ann Bruzzese gave an overview of Resolution 2019-14.

Questions were asked and answered.

Vice-Chair Mees motioned to accept Resolution 2019-14 regarding authorizing the USJHSD administration to enter into agreements with GE Johnson, vendors and other contractors that are necessary and appropriate to complete the HVAC Project in 2020 in accordance with the scope of work and budget summarized on Schedule 1. Upon motion seconded by Director Daniels, the Board unanimously adopted said resolution.

d) Resolution 2019-15

CAO Bruzzese gave an overview of Resolution 2019-15.

Treasurer-Secretary Dr. Campbell motioned to accept Resolution 2019-15 regarding authorizing USJSHD CEO to execute an easement in favor of La Plata Electric Association. Upon motion seconded by Director Daniels, the Board unanimously adopted said resolution.

5) CONSENT AGENDA

Director Daniels motioned to approve the minutes of the regular meeting of 11/19/2019. Upon motion seconded by Treasurer-Secretary Dr. Campbell, the Board unanimously approved said consent agenda item.

6) EXECUTIVE SESSION

The Board did not meet in executive session.

7) OTHER BUSINESS

Chair Schulte reminded the Board that the next regular meeting of the Board, scheduled one week

earlier than normal in January, will commence January 21, 2020.

Chair Schulte advised the Board of the upcoming CEO evaluations to be completed in January, noting an email will be sent with detailed instructions to remit completed evaluations to the Clerk of the Board, Heather Thomas.

CAO Bruzzese noted she had received information from the Dispatch Chair and provided clarification regarding a question posed earlier about ability to use a physical address, compared to using zip codes, in cell phone carriers calculating 9-1-1 surcharges.

Director Cox noted positive comments he received from restaurant guests that had requested to transfer to PSMC to receive their final chemo treatment, stating the guests commented they had a wonderful experience at PSMC.

8) ADJOURN

There being no further business, Chair Schulte adjourned the regular meeting at 6:40 p.m. MDT.

Respectfully submitted by:

Heather Thomas, serving as Clerk of the Board

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

**Formal Written Notice
January 21, 2020**

**NOTICE REGARDING POSTING FOR MEETINGS and
REGULAR BOARD MEETING SCHEDULE FOR 2020**

WHEREAS, Special Districts are required by Colorado Revised Statutes Section 24-6-402(2)(c) to designate annually at the District Board's first regular meeting of each calendar year, the place at which meeting notices will be posted at least 24 hours prior to each meeting; and

WHEREAS, pursuant to House Bill 19-1087, codified in § 24-6-402, C.R.S., as of August 2, 2019, Special Districts are authorized to post full and timely notice of its meetings no less than twenty-four hours prior to the holding of the meeting on the public website of the District; and

WHEREAS, the District's website is accessible at no charge to the public, and the District has provided the website address to the Department of Local Affairs for inclusion in the inventory maintained pursuant to § 24-32-116, C.R.S.; and

WHEREAS, the District will retain one physical location within the District boundaries designated for posting notice no less than twenty-four hours prior to a meeting if the District is unable to post a notice online in the exigent or emergency circumstances, such as a power-outage or an interruption in internet service, that prevents the public from accessing the notice online.

**NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE UPPER SAN
JUAN HEALTH SERVICE DISTRICT HEREBY RESOLVES AS FOLLOWS:**

1. Designated Posting Location. Pursuant to § 24-6-402, C.R.S., the District's designated posting location for public meetings (regular, special, and study sessions) shall be on the District's webpage, accessible online at the following address:

www.pagosaspringsmedicalcenter.org

2. Designated Physical Posting Location. In the event of exigent or emergency circumstances, such as a power outage or an interruption in internet service, that prevents the public from accessing the online designated posting location or prevents the District from posting a notice at the online designated posting location, the District will post notice of public

meetings at least twenty-four hours prior to the meeting at the following physical location within the District:

Pagosa Springs Medical Center
95 S. Pagosa Boulevard
Pagosa Springs, Colorado

3. For 2020, the USJHSD Board of Directors shall meet at 5:30 p.m. on the **FOURTH TUESDAY** of each month (*exceptions for the months of January, November and December are as noted below*) at Pagosa Springs Medical Center located at 95 S. Pagosa Boulevard, Pagosa Springs.

SCHEDULE OF REGULAR MEETING DATES:

January 21, 2020 (<i>3rd Tuesday</i>)	July 28, 2020
February 25, 2020	August 25, 2020
March 24, 2020	September 22, 2020
April 28, 2020	October 27, 2020
May 26, 2020	November 17, 2020 (<i>3rd Tuesday</i>)
June 23, 2020	December 15, 2020 (<i>3rd Tuesday</i>)

Questions concerning meetings should be directed to the Clerk of the Board, Heather Thomas, at 95 S. Pagosa Blvd., Pagosa Springs, Colorado, telephone number 970-731-3700.

APPROVED by the Board of Directors of the Upper San Juan Health Service District on this 21st day of January, 2020.

Greg Schulte, as Chairman of the Board

2020 SPECIAL DISTRICT "TRANSPARENCY NOTICE"

Notice to Electors 32-1-809 C.R.S.

Legal Name of
Special District: Upper San Juan Health Service District

This information must be provided¹ annually to the eligible electors of the district between November 16 and January 15.

Address and telephone number of district's principal business office	95 S. Pagosa Boulevard Pagosa Springs, CO 81147 (970) 731-3700
Name and telephone of manager or other primary contact person for district	Heather Thomas, Clerk to the Board (970) 731-3700
Email address of primary contact (Optional)	Heather.Thomas@PSMedicalCenter.org
District's website address (Required if choosing to post meeting notices online per HB 19-1087)	www.pagosaspringsmedicalcenter.org
Time and place designated for regular board meetings [per C.R.S. 32-1-903]	Fourth Tuesday of every month, except in the months of January, November and December (which shall be the 3rd Tuesday) at 5:30 PM, 95 S. Pagosa Blvd., Pagosa Springs, CO 81147. Exceptions Noted: 3rd Tuesday in January, November and December 2020.
Posting place designated for meeting Notice [per C.R.S. 24-6-402(2)(c)]	www.pagosaspringsmedicalcenter.org Pagosa Springs Medical Center, 95 S. Pagosa Blvd., Pagosa Springs, CO 81147

Names and Contact Information of Board Members <i>Check applicable boxes for a Board Member whose seat will be on the ballot at the next regular election.</i>	(1) Board Chair Name: <u>Greg Schulte</u> Contact Info: <u>gschulte@psmcboard.org</u> <input type="checkbox"/> This office included on next regular election ballot for a <input type="checkbox"/> Two-year term <input type="checkbox"/> Three-year term	(2) Name: <u>Matt Mees</u> Contact Info: <u>mmees@psmcboard.org</u> <input type="checkbox"/> This office included on next regular election ballot for a <input type="checkbox"/> Two-year term <input type="checkbox"/> Three-year term
	(3) Name: <u>Dr. King Campbell</u> Contact Info: <u>kcampbell@psmcboard.org</u> <input type="checkbox"/> This office included on next regular election ballot for a <input type="checkbox"/> Two-year term <input type="checkbox"/> Three-year term	(4) Name: <u>Kate Alfred</u> Contact Info: <u>kalfred@psmcboard.org</u> <input type="checkbox"/> This office included on next regular election ballot for a <input type="checkbox"/> Two-year term <input type="checkbox"/> Three-year term
	(5) Name: <u>Dr. Jim Pruitt</u> Contact Info: <u>jpruittpsmc@gmail.com</u> <input type="checkbox"/> This office included on next regular election ballot for a <input type="checkbox"/> Two-year term <input type="checkbox"/> Three-year term	
For seven-member boards	(6) Name: <u>Karin Daniels</u> Contact Info: <u>kdaniels@psmcboard.org</u> <input type="checkbox"/> This office included on next regular election ballot for a <input type="checkbox"/> Two-year term <input type="checkbox"/> Three-year term	(7) Name: <u>Jason Cox</u> Contact Info: <u>jcox@psmcboard.org</u> <input type="checkbox"/> This office included on next regular election ballot for a <input type="checkbox"/> Two-year term <input type="checkbox"/> Three-year term

Date of next regular election	May <u>5</u> , 20 <u>20</u>	
<p>Self-nomination forms to be a candidate for district board member may be obtained from and should be returned to the Designated Election Official (or Board Chair or Secretary if no DEO). [per C.R.S. 1-13.5-303]</p> <p>Self-nomination forms for the next regular election must be received by the district by:</p> <p style="text-align: center;"><u>February</u> <u>28</u>, 20<u>20</u>, no later than <u>4</u>:<u>30</u> PM.</p> <p>Applications for absentee voting or for permanent absentee voter status are available from and must be returned to the Designated Election Official. [per C.R.S. 1-13.5-1003]</p>		
Designated Election Official:	<u>Heather Thomas</u>	
Contact Address:	<u>95 S. Pagosa Blvd., Pagosa Springs, CO 81147</u>	
Contact Phone:	<u>(970) 731-3700</u>	
District election results will be posted on these websites:	Secretary of State www.sos.state.co.us	Department of Local Affairs https://dola.colorado.gov/lgis

District Mill Levy	<u>3.884</u> mills, for collection in 20 <u>20</u>
Total ad valorem tax revenue received in the previous year (note if unaudited or otherwise incomplete)	<u>\$ 1,267,288.00*</u> <i>(*Figure reported may be incomplete or unaudited as of the date of this notice.)</i>

File copy of this Notice with:

- ☐ Clerk and Recorder of each county in which the district is wholly or partially located
- ☐ Assessor of each county in which the district is wholly or partially located
- ☐ Treasurer of each county in which the district is wholly or partially located
- ☐ Board of commissioners of each county in which the district is wholly or partially located
- ☐ Governing body of any municipality in which the district is wholly located
- ☐ Division of Local Government
- ☐ District's principal business office where it shall be available for public inspection

¹ Notice must be provided in one or more of the following manners:

- a) Mail Notice separately to each household where one or more eligible electors of the special district resides (Note: Districts with overlapping boundaries may combine mailed Notices, so long as the information regarding each district is separately displayed and identified);
- b) Include Notice as a prominent part of a newsletter, annual report, billing insert, billing statement, letter, voter information card or other Notice of election, or other informational mailing sent by the district to the eligible electors;
- c) Post Notice on district's official website (Note: You must also provide the Division of Local Government (<http://www.colorado.gov/dola>) with the address of your district's website in order to establish a link on the DLG's site. Please use our Contact Update form available on our website or by request.);
- d) Post Notice on website of the Special District Association of Colorado (<http://www.sdaco.org>) (Note: Your district must be an SDA member. Send Notice to SDA by mail or electronic transmission); or
- e) For a special district with less than one thousand eligible electors that is wholly located within a county with a population of less than thirty thousand, posting the Notice in at least three public places within the limits of the special district and, in addition, posting a Notice in the office of the County Clerk and Recorder of the county in which the special district is located. Such Notices shall remain posted until the Tuesday succeeding the first Monday of the following May.



Upper San Juan Health Service District (USJHSD)
CONFLICT OF INTEREST DISCLOSURE AGREEMENT

Preliminary note: In order to be more comprehensive, this statement of disclosure/questionnaire also requires information with respect to certain parties that are related to you. These persons are termed “*affiliated persons*” and include the following:

- Your spouse, domestic partner, child, mother, father, brother or sister
- Any corporation or organization of which you are a board member, an officer, a partner, participate in management or are employed by, or are, directly or indirectly, a debt holder or the beneficial owner of any class of equity securities
- Any trust or other estate in which you have a substantial beneficial interest or as to which you serve as a trustee or in a similar capacity.

1. NAME OF PERSON: (Please print)

2. CAPACITY:

☐ Board of Directors ☐ Executive Committee ☐ Volunteer
☐ Committee Member ☐ Staff (position):

3. Have you or any affiliated persons provided services or property to USJHSD in the past year?

☐ YES ☐ NO

If yes, please describe the nature of the services or property and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

4. Have you or any affiliated persons purchased services or property from USJHSD in the past year?

☐ YES ☐ NO

If yes, please describe the transaction(s) and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

5. Please indicated whether you or any of your affiliated persons had any direct or indirect interest in any business transaction(s) in the past year to which USJHSD was/is a party:

___ YES ___ NO

If yes, please describe the transaction(s) and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

6. Were you or any of your affiliated persons indebted to pay money to USJHSD at any time in the past year?

___ YES ___ NO

If yes, please describe the indebtedness and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

7. In the past year, did you or any of your affiliated persons receive, or become entitled to receive, directly or indirectly, any personal benefits from USJHSD or as a result of your relationship with USJHSD, that in the aggregate could be valued in excess of \$1,000.00, that were not or will not be compensation directly related to your duties to USJHSD?

___ YES ___ NO

If yes, please describe the benefit(s) and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

8. Are you or any of your affiliated persons a party to or have an interest in any pending legal proceedings involving USJHSD?

___ YES ___ NO

If yes, please describe the proceeding(s) and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

9. Have you or any of your affiliate persons entered into a contract for valuable consideration with the District which is currently in effect?

___ YES ___ NO

If yes, please specify such contract, agreement or transaction and the value of such benefit:

10. Do you or any of your affiliated persons intend to enter into a contract for valuable consideration with the District?

___ YES ___ NO

If yes, please specify such contract, agreement or transaction and the value of such benefit:

11. Are you aware of any other events, transactions, arrangements or other situations that have occurred or may occur that you believe should be examined by USJHSD's Board of Executive Committee in accordance with the terms and intent of USJHSD's Conflict of Interest policy?

___ YES ___ NO

If yes, describe the situation(s) and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

12. Are you an elected or appointed official to the board of any other local government or other entity that does business with the District?

___ YES ___ NO

If so, please specify your position and the local government or entity:

I HEREBY CONFIRM that I have read and understand USJSHD's Conflict of Interest policy, and that my responses to the questions above are complete and correct to the best of my knowledge.

Furthermore, I agree that if I become aware of any information that might indicate that this disclosure is inaccurate or that I have not complied with this policy, I will notify the Board Chair immediately.

Signature

Date



Upper San Juan Health Service District (USJHSD) GIFT POLICY AND DISCLOSURE FORM

As part of its Conflict of Interest policy, USJHSD requires that Board of Directors, officers, staff, committee members and volunteers of USJHSD decline to accept certain gifts, consideration or remuneration from individuals or companies that seek to do business with USJHSD or are a competitor of it. This policy and disclosure form is intended to implement that prohibition on gifts.

Responsible Person is any person serving as a Board of Directors member, officer, staff, committee member or volunteer of USJHSD.

Family Member is a spouse, domestic partner, parent, child or spouse of a child, or a brother, sister, or spouse of a brother or sister, of a Responsible Person.

Contract or Transaction is any agreement or relationship involving the sale or purchase of goods, services or rights of any kind, receipt of a loan or grant, or the establishment of any other pecuniary relationship. The making of a gift to USJHSD is not a “contract” or “transaction.”

Prohibited Gifts, Gratuities and Entertainment

Except as approved by the Chairman of the Board or his/her designee or for gifts of a value less than \$50 which could not be refused without discourtesy, no Responsible Person or Family Member shall accept gifts, entertainment or other favors from any person or entity which:

1. Does or seeks to do business with USJHSD or,
2. Does or seeks to compete with USJHSD or,
3. Has received, is receiving, or is seeking to receive a Contract or Transaction with USJHSD.

GIFT STATEMENT

I certify that I have read the above policy concerning gifts, and I agree that I will not accept gifts, entertainment or other favors from any individual or entity, which would be prohibited by the above policy. Following my initial statement, I agree to provide a signed statement at the end of each calendar year certifying that I have not received any such gifts, entertainment or other favors during the preceding year.

Signature

Date