

**¹SOUTHWEST HEALTH SYSTEM, INC.
REGULAR BOARD MEETING MINUTES
July 24, 2019**

Present:

Also Present:

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Tom Rice, Chairperson	Aaron Brooks, SHS Attorney	Lindsay Yeager, Sleep/Community Relations
Shirley Jones, Director	Karen Labonte, CNO	Rob Owens, Plant Ops Director
Susan Hodgdon, Director	Rick Shrader, CFO-Interim	
Ex Officio:	Bridgett Jabour, Exec. Asst.	Excused:
Tony Sudduth, CEO	Elva Morgan, SHS Interim Practice Administrator	Cody Burke, CRNA, Vice-Chairperson
Maria Cornelius, MD Chief of Staff	Brad Wayt, MCHD Chair	Dan Valverde, Scty/Treas

Agenda Item/Topic	Findings and Discussions	Conclusions, Recommendations, Actions, and/or Motions	Follow-up Responsible Party
Call to order	SHS Chairperson Tom Rice called the meeting to order at 6:07pm (following the public forum at 5pm).		
Public Comment/Introductions	None.		
Changes/Additions to Agenda			
REPORTS			
CHC Report	<p>CHC members were not in attendance. SHS CEO Tony Sudduth gave the CHC report.</p> <ul style="list-style-type: none"> • CHC provides leadership and oversight of financials and productivity program. • Clinical and Quality support continues. • CHC is working with Senior Leaders to review the draft business plan. Once complete, the plan will be presented to the SHS Board. 		
MCHD Report	<p>MCHD Chair Brad Wayt reviewed the progress made in the moving of the IT Trailer and Kiva Room off the property. Sprinkler Pros will maintain the grounds of the Mancos Clinic. There are three open Board positions for MCHD in April of 2020.</p> <p>Mr. Wayt discussed the Colorado Energy Office (CEO) presentation by Taylor Lewis scheduled to July 31st with DOLA Regional Director Patrick Rondinelli. THE CEO office reviews</p>	Mr. Wayt will be reaching out to other hospitals on the eastern slope that have recently completed such projects,	

	<p>projects to recommend if energy savings could provide loans that are revenue neutral. A meeting is scheduled for July 31st to discuss these offerings in person. Mr. Wayt invited the SHS Board members to attend if possible.</p>	<p>including mixed projects similar to the current needs.</p> <p>Ms. Jabour to forward invite to Colorado Energy Office presentation on July 31st.</p>	<p>Ms. Jabour</p>
<p>Quality Reports</p>	<p>SHS CNO and Quality Director Karen Labonte presented the Quality Scorecard to the Board (enclosure). Ms. Labonte reviewed the policies approved and recommended by committees.</p>	<p>It was moved and seconded to approve the Administrative Searches of Patient Care Areas, Individuals, and/or Belongings for Reasonable Cause. Motion carried.</p>	
<p>Finance/CFO Report</p> <ul style="list-style-type: none"> • June Financials 	<p>SHS Interim CFO Rick Shrader reviewed June Financials (enclosed), Financial Narrative and year-to-date trends:</p> <ul style="list-style-type: none"> • Collections were over \$5 million for the month of June and cash increased by 1.1 days. • June EBIDA was \$667,000 and Year-to-Date is at \$4.38 million. • Gross patient revenue is overbudget by \$705,000, net patient revenue is overbudget by \$636,000 due to strong inpatient and outpatient volumes as well as significant 340b reimbursement. Education on denials is underway for providers. • The GE Chargemaster is being revamped and adjustments are being made to the Cerner chargemaster which will streamline billing processes and address some issues with the time it takes to get bills out the door. DNFB (Days not final billed) is improving revenue cycle operations. <p>Mr. Shrader reviewed the cash goals through the end of 2019 and June of 2020 to meet forbearance requirements.</p>	<p>It was moved and seconded to approve the June 2019 Financials as recommended by Finance Committee. MOTION: Ms. Jones SECOND: Ms. Hodgdon Motion carried.</p>	
<p>CEO Report</p>	<p>SHS CEO Tony Sudduth reviewed the updated proposal for the MRI Chiller. The original quote approved by the Board did not include additional expenses once quoted by Nunn Construction.</p> <p>With the continued improvement and success of SHS over the last year, Mr. Sudduth advised that none of this would have</p>	<p>It was moved and seconded to approve the increase in the total capital expense of the MRI chiller to \$176,071. (Proxy given to Tom Rice by Dan Valverde and Cody Burke for this action.) MOTION: Mr. Rice</p>	

	<p>been possible without the community. A Community Appreciation event is scheduled for September 12th from 4-7pm. Participation in the event by Board members is requested and appreciated.</p> <p>Mr. Sudduth updated the Board on the focused discussions with Southwest Internal Medicine working to improve that relationship with SHS.</p> <p>Mr. Sudduth and Mr. Rice reviewed the background information of the SSR Infrastructure Report (enclosed). Items of most immediate need have been identified including the RTU1 unit over the operating room. Mr. Sudduth reviewed some of the logistical and costs related to replacing this unit.</p> <p>Mr. Rice reviewed Resolution 2019-05 in support of the MCHS (RE1) School District mil levy.</p>	<p>SECOND: Ms. Hodgdon Motion carried unanimously with proxies. Ms. Jabour to send a calendar invite to the Board with date/time of community event.</p> <p>It was moved and seconded to approve Resolution 2019-05 as presented. MOTION: Ms. Hodgdon SECOND: Ms. Jones Motion carried.</p>	Ms. Jabour
Approval of Minutes	June 26, 2019 Regular Meeting Minutes	It was moved and seconded to approve the meeting minutes as presented. MOTION: Ms. Hodgdon SECOND: Ms. Jones Motion carried.	
Executive Session	All were excused for Exec Session except the SHS Board, Ms. Jabour, Aaron Brooks, all Senior Leaders in attendance.	It was moved and seconded to adjourn to executive session at 8:02pm. Motion carried.	
Reconvene Regular Session		It was moved and seconded to reconvene regular session at 8:45pm. Motion carried.	
ACTION ITEMS	June 26, 2019 Executive Session Meeting Minutes	It was moved and seconded to approve Executive Session minutes as presented. MOTION: Ms. Jones SECOND: Ms. Hodgdon Motion carried.	

Adjournment		It was moved and seconded to adjourn the meeting at 8:47p.m. Motion carried.	
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Respectfully submitted:

Tom Rice, Chairperson

Dan Valverde, Secretary/Treasurer