

**SOUTHWEST HEALTH SYSTEM, INC.
REGULAR BOARD MEETING MINUTES
September 25, 2019**

Present:	Also Present:	Also Present:
Tom Rice, Chairperson	Aaron Brooks, SHS Attorney	Tod Beasley, CHC VP Finance
Shirley Jones, Director	John Brooks, SHS Attorney	Laurie Breedlove, CHC VP Human Resources
Susan Hodgdon, Director	Rick Shrader, CFO-Interim	Lindsay Yeager, Sleep Dir & Comm Rel. Mgr.
Cody Burke, CRNA, Vice-Chairperson	Bridgett Jabour, Exec. Asst./Marketing	Chris Alvarez, SHS Patient Access Director
Dan Valverde, Scty/Treas	Elva Morgan, SHS Interim Practice Admin	Nick Daniel, Vectra Wealth Mgt Fin. Mgr.
Ex Officio Members:	Dean Matthews, MCHD Vice-Chair	Dr. Schmitt and Stanwix, SHS Physicians
Tony Sudduth, CEO	Karen Labonte, CNO	Heather Foster, SHS Employee
Maria Cornelius, MD – Chief of Staff	Jeremy Adair, CCO	

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 5:05 pm.		
Public Comment/Introductions	Vectra Wealth Management Advisor Nick Daniel was introduced to the Board. He provides advisory services to Vectra Wealth Management clients on the Western Slope and is based out of Grand Junction. He will be presenting an update on the SHS investments later in the meeting.		
Changes/Additions to Agenda	None.		
REPORTS			
CHC Report	CHC VP of Finance Tod Beasley updated the Board on the work on oversight of the business plan, the budget for 2020, review of managed care contracts, and also providing on-site support with Interim Materials Director Rita Floyd until a permanent is hired.	The Community Health Needs Assessment (required as a 501c3, 2020 Budget, and Business Plan will be presented to the SHS Board at the October meeting.	
MCHD Report	MCHD Vice-Chairperson Dean Matthews updated the Board: <ul style="list-style-type: none"> • Mancos Clinic renovation plans are underway. Facilities continues to work through RTU-1 (Roof-Top Unit over OR) plans and potential start dates and final pricing with Nunn Construction. 		
Quality Report	SHS CNO and Quality Director Karen Labonte reviewed the Quality Scorecard (enclosed) with the Board including initiatives currently underway including improvement in ED		

	<p>wait times and progress of new rounding with clinical departments.</p> <p>Ms. Labonte advised that Lisa Gates has been hired as the new Quality Director for SHS. She is currently the OR Director and will be transitioning to Quality.</p> <p>Candidates for the OR Director position have been interviewed and Jamie Ritthaler has been hired for the OR Director. Ms. Ritthaler is currently the OR Coordinator.</p>		
<p>CFO Report</p> <ul style="list-style-type: none"> • Investment Review (enclosed) • Auditor Recommendation • August Financials (enclosed) 	<p>Vectra Wealth Management Advisor Nick Daniel reviewed the investment accounts since inception in January of 2018. The investment plan is conservative with a stable, long-term approach.</p> <p>SHS Interim CFO Rick Shrader reviewed the Finance Committee review of the auditor RFP's received from BKD, Blue & Co. and Eide Bailly (current auditor). The pros and cons (did you want to put something after this?)</p> <p>August was strong in cash collections totaling \$5.5 million. Cash on hand is 43.3 days. With reserve allowed through forbearance, it is 55 days. Accounts Payable is at 30-45 days. SVP Tod Beasley advised that this is appropriate – you do not want to be paying bills faster than you are receiving revenue. Net Patient Revenue increased by \$722,000. EBIDA for August is \$533,000 / Year-to-Date is \$5.76 million. SHS Plant Operations Director Rob Owens reviewed the infrastructure equipment status including RTU-3 (over lab), procurement of MRI Chiller, and RTU-1 plans. The Board reviewed the stats and ratios – SHS is currently meeting forbearance bond covenants.</p>	<p>Mr. Daniel will report quarterly to the Board and will come back in January of 2020.</p> <p>Finance Committee recommendation is to hire Blue and Co. as main auditor for 2019. It was moved and seconded to hire Blue & Co. as independent auditor for 2019 as recommended by Finance Committee. MOTION: Mr. Valverde SECOND: Ms. Hodgdon Motion carried.</p> <p>It was moved and seconded to approve the August Financials as recommended by the Finance Committee. MOTION: Ms. Jones SECOND: Mr. Valverde Motion carried.</p>	
CEO Report	SHS CEO Tony Sudduth reviewed the appointment of Jeremy Adair as HIPAA Privacy Officer of Southwest Health System.	It was moved and seconded to approve appointment of Jeremy Adair as	

<ul style="list-style-type: none"> • HIPAA Privacy Officer Appointment • MVV Review • Marketing Report • Infrastructure Update • Practice Administrator Search 	<p>When reviewing the Business Plan, it was noted that SHS had not reviewed or revised their Mission Vision Values Statement since 2012. Mr. Sudduth asked that the Board review and advise if there were any recommended changes to the document.</p> <p>SHS Sleep Director/Community Relations Manager Lindsay Yeager and SHS Executive Assistant and Marketing Lead Bridgett Jabour gave a strategic marketing presentation to the Board showing current projects and work being done in Marketing. (Attached)</p> <p>Mr. Owens reviewed the status of the remodel of the Mancos Clinic with the Board. Mr. Owens is working with MCHD Board members to coordinate the work and plans. They're hoping to have the work done by the end of October or early November.</p> <p>The position of Practice Administrator has been posted on MGMA. A few applications have been received but no stand-out candidates at this time. Mr. Sudduth advised that this position will require the right person and it will take some time to find that person. Interim Practice Administrator Elva Morgan will remain on for a few more months and is working to identify an interim until a permanent can be identified.</p>	<p>HIPAA Privacy Officer. MOTION: Mr. Burke SECOND: Mr. Valverde Motion carried.</p>	
<p>Discussion Items</p> <ul style="list-style-type: none"> • Performance Contracting • Holiday Board Meeting Schedule 	<p>The Performance Contracting status as a feasible way to finance some of the infrastructure remodeling/replacement of antiquated equipment is currently being vetted by Mr. Dobry and Mr. Wayt with the MCHD Board. They're soliciting feedback from other hospitals who've undergone performance contracting coordinated through the Colorado Energy Office. This work is a requirement of the DOLA (Dept of Local Affairs) to apply for available grant money to remodel/replace equipment in the older part of the facility. Once feedback and details have been received, MCHD and SHS will have to decide how to move forward with these projects.</p>	<p>After discussion, it was decided to schedule the annual and regular Board meeting for November and December on December 4th at 5 pm in the EMS</p>	

		Training Room. Meetings will resume to the 4 th Wed. of each month beginning in January of 2020 through October of 2020. Jan 2020 Finance Committee will be on the 23 rd with the Board meeting on January 29 th .	
Approval of Minutes	Special Meeting Minutes August 14, 2019 Regular Meeting Minutes August 28, 2019	It was moved and seconded to approve the meeting minutes as presented. MOTION: Mr. Burke SECOND: Mr. Valverde Motion carried.	
Break	All were excused for Exec Session except the SHS Board, Ms. Jabour, Aaron and Johns Brooks, and all Senior Leaders in attendance. The group took a break from 6:40 – 6:55pm.		
Executive Session		It was moved and seconded to adjourn to executive session at 6:55pm. Motion carried.	
Reconvene Regular Session		It was moved and seconded to reconvene regular session at 7:51pm. Motion carried.	
ACTION ITEMS	August 28, 2019 Executive Session Meeting Minutes	It was moved and seconded to approve Executive Session minutes as presented. MOTION: Ms. Jones SECOND: Mr. Burke Motion carried.	
Adjournment		It was moved and seconded to adjourn the meeting at 7:53 pm. Motion carried.	

Respectfully submitted:

Tom Rice, Chairperson

Dan Valverde, Secretary/Treasurer