SAN JUAN HEALTH SERVICE DISTRICT REGULAR BOARD MEETING
SAN JUAN HEALTH BUILDING CONFERENCE ROOM BLANDING, UT
JUNE 20, 2024 6:00 PM

Present: Chair, Allen Barry: Board Members: Doug Christensen, Steve Simpson, Paul Sonderegger, Casey Veach and Stephen Williams; Staff: Clayton Holt, CEO; Farley Crofts, CFO; Ashley Reynolds, CNO; Nick Fox; Skyler Crofts, Deputy Recorder, and others as listed on guest list.

TOPIC	DISCUSSION	CONCLUSION	ACTION
Board Meeting Called to Order:	Allen called the regular meeting to order at 6:11 p.m.	Absent: Jimmy Johnson	
Board Minutes Approval: May 16, 2024	May 16, 2024 board minutes were reviewed LBA May 16, 2024 board minutes were reviewed	Minutes will stand as written Minutes will stand as written Motion made to accept the minutes as written	Motion: Casey V Second: Doug C Motion Unanimous
Public Comment:	N/A		
Celebrations:	Ashley Reyolds shared that the Dietary staff have gone above and beyond to work with a patient that doesn't have a strong desire to eat – they even made cupcakes for her when she requested		

	Casey Veach shared that he had a similar experience with the Dietary staff when he was in the hospital – they would offer to make him whatever he wanted to eat Nick Fox shared that we had a big win with a patient that we have been working with for a long time – the clinic, surgery, lab, front desk staff coordinated very well to handle a biopsy procedure that was very delicate and needed to be done very timely – Our new general surgeon was also a part of this situation Ashley Reynolds shared that our new general surgeon, Dr Stevens, has been on site for one week – he made a good impression on the staff that had a chance to work with him – we are his first locum assignment and are optimistic that it will be a good experience – Dr Stevens was able to perform 6 cases while he was here Clayton Holt shared that Dr Henderson will be starting on Monday, and there are 3 scheduled cases – there are a few procedures lined up for her next time slot with us		
Vision & Values			

	Allen Barry read the Vision Statement		
Open LBA Public Hearing	Transition to Local Building Authority Public Hearing at 6:21 p.m. Resumed Regular Meeting at 6:25 p.m.	Motion made to open the LBA Board Public Hearing	Motion: Paul S Second: Casey V Motion Unanimous
Old/New Business: 1. Approve FY 2024 District Property Tax Rate	Tax Data - The information in the Board Packet is supplied directly from the Certified Tax Rate System History - Voters authorized a tax levy for our organization that allows us to collect up to a rate of .001 - As property tax values have risen over the years, the certified rate have fallen Current Certified Rate - The base has been quite stable this year - There are 3 components to the property tax base – personal, centrally assessed, and real property		

	- New personal property, and the revaluation of real property do not generate additional property tax revenue for the District, they just drive down the certified rate - Any new growth does generate opportunities for additional property tax revenue - The changes to the tax base have driven the certified rate from .000835 to .000826 - The new rate will allow us to collect the same amount we did last year, plus the additional funds from any new growth - Recommendation to the Board is to accept the new certified tax rate of .000826	Motion made to adopt the calculated certified tax rate of .000826	Motion: Steve S Second: Casey V Motion Unanimous
Financial/Statistical: 1. CFO Report	Financials: Revenues: - We are about $1.7M increase in revenues compared to last year, which calculates to an 11% increase - All 3 clinics are showing positive growth year-to-date compared to last year – clinic growth is so significant		

	because they are the gateway to services within the hospital - Radiology, Spanish Valley Pharmacy, Surgery, and Emergency departments are continuing to show growth Bank Balances: - Comparing our current cash balances to those in the audited financial statements shows that our cash balance is increasing Audited Financial Statements - The 2023 audited financial statements have just been made available by the External Auditors - The letter from the auditors indicates that there were no adjustments given to the management of the district – it is tough to go through an audit with no adjustments, but it is a testament to the good work that has been done by our finance team - The letter also noted that there were no disagreements with management, no significant difficulties encountered in performing the audit, and no		

	other findings or issues noted during the audit - The auditors also gave an opinion that the District has complied in all material respects with State compliance requirements for the year 2023 Financial Statement Highlights - The balance sheet shows that we had approximately $11.4M in cash and cash equivalents - Assets were up due to some chemo drugs being left in inventory as of 12/31 - Our liabilities did decrease in correlation to the debt payments that were made last year - Our income statement did show growth in our net revenues - Interest income was over $500K for the year - We were at about $1M in net income - There was a net operating loss of about $750K	- This is a significant item for the Board Members to pay attention to - The previous year we were had about a $2M net operation loss - All healthcare systems have been struggling post COVID	

	External Auditors - The plan is to have one of our external auditors call in to the next board meeting (July 18th) - The Board Members are encouraged to review the audited financial statements and prepare any questions they might have for the auditors next month - It is critical that the Board Members have the opportunity to interact with the auditors to ensure accountability of the Administration team Cost Report	- There are also a few revenue items that show up below the line that could potentially be moved up into operating revenues, but we have opted to keep them below the line for reporting purposes – Items like property tax revenue, 340B proceeds, and interest income are important but we do not feel that they should be mingled with our core operations - We are always aiming for a net zero operation as an organization	

	- This was due May 31st - It has been submitted and accepted by CMS - We are anticipating a payment back, but we are unsure of the timing of the payment 2021 DSH Audit - This audit has been completed, and we will have a payback associated with the audit - The payback (approximately $785K) will be due this fall - A liability had already been included on the financial statements to account for this payment - We will receive 30% of this payment back as seed money Other: Clearinghouse Follow-Up - We are continuing to see improvements from the time of the Change Healthcare breach to when we switched to a new clearinghouse - We have gone from a 92 day hospital collection cycle at the worst of the crisis to about 74 days – we are aiming to get back to a 64 day collection		

	cycle, which is where we are at when operating optimally - On the clinic side, we are now at 41 day collection cycle – we would like to be around a 35 day cycle Cyber Security - The issue with Change Healthcare stemmed from a cyber attack - It is an issue that we are constantly concerned about, and are trying to do what we can to protect the system - There are comparable systems within the Rural 9 that have been the victim of ransomware attacks, so we are aware of the risks that all healthcare are trying to deal with Employee Retirement - Lupe Lopez from Housekeeping has decided to retire - She has worked for our organization for about 21 years		
2. Capital Equipment Budget Update	N/A		

3. Expenditure Review and Approval	Replacement Hospital Project Expenditures - There are preliminary items that need to be addressed before the main building replacement project begins - We have a rough total budget for the project, but more time will be needed before a formal budget can be provided - There will be expenses in the meantime that will be needed for infrastructure, equipment, designs, etc. - We need to have a way to manage items that are outside the scope of the building construction project (i.e., utilities) - The best option may be to define a spending threshold that the Board will need to require approval before purchases can be made	Motion made to approve the expenditure of items up to $250K for expenses associated with the construction of the new hospital - Paul S abstained from voting on this item to preserve his ability to bid on work associated with the project	Motion: Steve S Second: Casey V Motion Unanimous (Paul S abstained)
Goals: 1. Review Goals and Progress	Will be reviewed in July		

Administrative Report: 1. Staffing Update	Provided in the Board Packet		
2. CEO/CNO Report	CNO: COVID/Infection Control Update: - Saw a small uptick in COVID cases, including one hospitalization - No flu, or RSV - Seeing more respiratory illnesses, especially pediatric cases Trends: - 50 admissions for the month of May - 6 OB patients - 3 same-day surgery stays - 1 SNF stay - 163 ER visits in May – 14 emergent cases (8% of total) - Saw a higher number of transfers due to not having a general surgeon - Tele-CCU is the only telehealth service that was utilized Surgery: - 8 Orthopedic cases (4 total joints) - No general surgery - 16 Colonoscopies (Dr Doel)		

	- 1 ENT (Dr Jeppesen) - 2 C-Sections (1 planned, 1 emergent) Clinical Projects: Oncology - Dr Reese is back as our oncologist - 37 patients in the program - We have 15 chemo patients – we did have one graduation, and a couple of patients have opted to stop treatment Cardiology - Continuing to see completely full in-person days, and mostly full telehealth days InterQual Report - Seeing a downturn in our numbers - This is a little subjective, so we are going through some changes from when Mersadez was in charge of this tracking - There is also some lag because of the timing of entering patient data - We are also having to keep some CO patients longer because of the lack of home		

	health availability for these patients CEO: Dr Doel - He has notified us that his last day will be October 6th - He has accepted a new position in Fresno, CA - This will require us to shuffle staff around in the short-term - We will begin trying to find a replacement as soon as possible Replacement Hospital Project Schematic Design - This phase focuses on the floorplan, and getting the adjacencies nailed down - Clayton, Ashley, Farley and Jimmy have been meeting with their departments to get insight and feedback for each section of the new building - The Admin team has then been meeting with the Architects every Wednesday and Thursday to fine tune the plans further - The layout of the building is designed to be a hub and		

	spoke, with the most frequently used areas (Dietary, Lab, Radiology) in a more publicly accessible area toward the front of the building - The nurses station will be more of an access control point, which will limit who comes and goes into the patient rooms and other more private areas - The nurses station is also located to facilitate more direct access to certain types of rooms (Trauma, CCU, behavioral health, etc.) - All of the elements in the design are required to maintain our status as a Critical Access Hospital – We are working hard to ensure that everything can be included and maintain our budget for the project - There are opportunities in the design for future expansion if it is needed or wanted, but all of the elements and space requirements are needed to meet guidelines and regulations - The next phase in the process will be the construction		

	design, which will focus a lot more on the details of each space that we are defining now - Conversations have just begun to determine what the building will look like, and a rendering should be available in the near future Financing - We have been granted $30M from the State - We have received confirmation that the split will be $12.5M in grant funds and $17.5M as a loan - The entire amount of funding is all statutory funding from the most recent legislative session - $10M of the funding should be available in the very near future - The remaining $20M will become available after July 1st – these funds will be issued as bonds – we are trying to negotiate a low interest rate with the State - Now that we've had our public hearing, we should be able to move toward closing on the CIB funding		

	- We are hoping to get ownership of all funding as soon as possible in order to benefit from the good interest rates we are seeing right now		
Sub-Committee Reports: 1. Medical Staff Report	Summary provided in the packet Sleep Study Presentation - We don't have a lot of resources for sleep studies - The company gave good information to our providers, and offered options for home testing Lab - The issue with the Rhogam shots has been resolved – we now have a supply on hand		
2. Credentialing	1. Individuals for credentialing:	Motion made to accept the Medical Staff's recommendation to credential the following: Andrew Stevens, MD Stephanie Henderson, MD Tele-Pharmacy: Brandi Strauser, Pharmacist Tele-Radiology:	Motion: Paul S Second: Casey V Motion Unanimous

		Justin Marshall, MD	
	2. Individuals for credentialing:	Motion made to accept the Medical Staff's recommendation to re-credential the following: D Zeb Crofts, MD Kristopher Hiatt, FNP Richard Ward, PT	Motion: Paul S Second: Casey V Motion Unanimous
	3. Delegated Credentialing	Motion made to accept the Medical Staff's recommendation to approve the updated schedule C-1 for the following services: Tele-Cardiology Tele-Crisis	Motion: Paul S Second: Casey V Motion Unanimous
Policy Review & Approval 1. New Policies 2. Existing Policies		Motion made to approve the new, revised and unchanged policies as listed in the Board Packet.	Motion: Paul S Second: Casey V Motion Unanimous
Closed Session: 1. Personnel – Character, Professional Competence, or Physical or Mental Health of an Individual 2. Strategy Session to the purchase, exchange, or lease of		Motion to go into closed session at 8:08 p.m. Stephen Williams – Aye Paul Sonderegger – Ayr Doug Christensen – Aye Casey Veach – Aye	Motion: Steve S Second: Paul S Motion Unanimous

real property when public discussion of the transaction would disclose the appraisal or estimated value of property under consideration or prevent the public body from completing the transaction on the best terms possible		Steve Simpson – Aye Allen Barry – Aye Motion made to go out of closed session at 8:38 p.m.	Motion: Steve S Second: Casey V Motion Unanimous
Other Business 1. Next Meeting Date 2. Medical Staff Meeting	July 18, 2024 in Monticello July 11, 2024		
Adjournment:		Meeting adjourned at 8:41 p.m.	Motion: Steve S Second: Casey V Motion Unanimous

Allen Barry, Chairman

Date 7/18/24