

REGULAR BOARD MEETING Minutes (file 160721a)

July 21, 2016, 12:30 PM – Alpine Bank, Ridgway, Colorado

(Note: Items recorded in accordance with adopted agenda notwithstanding sequence of discussion)

Present: Board members: Boland, Gingrich, McElroy and Wojciechowski, and administrator Liccardi. Medical provider Dr. Joel Gates and MMC staffer Josie Scoville.

1. **Call to Order** at 1232 by Mike Boland.
2. **Review of Agenda:** Dr. Gates suggested he provide a discussion of what it takes to operate a primary care provider practice under item 5.
3. **Minutes approval. MOTION** by Dick, second by Coleen to approve June 16, 2016 minutes as previously distributed; motion passed.
4. **Public Input:** None.
5. **Discussions with Medical Provider:**
 - Ridgway's Main Street project is causing some disruption for patients, some of whom refuse to obey the flagmen's directions in accessing the clinic. The construction company has used the parking lot for storage of equipment for a short time, but not much. As of today the construction company has not provided notice of when they will be replacing the retaining wall, which will tie up the parking lot.
 - The computer used by the check-out operation has gotten very slow, it is old and needs to be replaced. MMC suggests a Del tower with a quoted cost of \$765.50.
 - Linda's (nurse) lap top has been demonstrating problems and MMC would like to replace that as well. Discussion about computer issues with suggestion that MMC's IT consultant (Todd DeJulio) who will be installing software on the replacement check-out computer should be tasked to assess the laptop.
 - MMC new computer with Windows 10 operating system had many problems, they moved back to Windows 7 operating system with great difficulty.
 - Mike asked whether any other computer replacements are foreseen, and Josie responded that hers is slowing down, but should be adequate for the rest of the year. In some cases a good technician can effectively rejuvenate a computer by cleaning up software.
 - **MOTION** by Coleen, second by Richard, to authorize expenditure of up to \$800 to replace the check-out station computer. Motion passed.
 - Joel suggested it makes sense to have the IT tech, when he comes to install the new Del tower, check out all the computers to pre-empt problems. Josie indicated Linda's lap top had been crashing monthly is now crashing daily.
 - **MOTION** by Coleen, second by Dick, to authorize expenditures of up to \$1,000 to purchase a new lap top for nurse if indicated by the IT consultant's assessment that a new lap top is necessary. Motion passed.
 - MMC noted Jake Coulter had fixed the employee rest room door, the sprinklers have been adjusted and Mike noted Susie is coordinating the scheduling of touch up painting.

- Dr. Gates presented an impassioned top level description of what it takes to operate a primary care practice in the current environment, emphasizing the following areas that require significant effort and management:
 - Human resources, i.e. obtaining qualified providers, nurses, front office staff, billing operations, task management, training and inter-personal relationship challenges.
 - Physical facility including the building itself but also maintaining stocks of a very wide range of supplies and maintaining equipment and facility in proper order and cleanliness and ensuring proper utilization, as well as record keeping for billing.
 - Information technology, especially the mandated Electronic Medical Records (EMR) systems which continually change and require expensive software changes while presenting challenges in training and consistent use by the different providers and challenges in completing reports, made more difficult by varying requirements from different government agencies and a diverse set of government programs and insurance carrier programs with divergent coordination and authorization requirements. EMR and various computer systems are never ending problems.
 - Billing processes with different contractual requirements and a wide variety of complicated requirements as to reimbursements. Third party aggregators of insurance program processing offer some benefits. MMC has signed up with an Independent Physicians Association (IPA), a Montrose company to facilitate billing.
 - Credentialing of providers is labor and time-intensive and their services cannot be billed until they have been properly credentialed annually, differently to the various payers.
 - Patient demographic information, which requires repetitive solicitation of the same information over and over, has become critical as any difference kicks the billing out of the system.
 - Coding of services/procedures is complicated and to some degree subjective but impacts reimbursement as documentation of history and assessments via the code has to justify tests and treatment and provided.
 - Collections is another complicated area with a diverse universe of allowable cost rules and insurance programs.
 - Government regulations on reimbursement are constantly changing. MMC has to adopt revised procedures now because 30% to 50% of reimbursements starting in 2019 will be based upon “quality” documented in 2017, a concept of managing the population with its medical home at MMC relative to the population’s 2017-1018 data, rather than payment of fee for service (or the number of visits or treatment provided). Government is abandoning the “meaningful use” concept in favor of managing the population. Regulations that have to be implemented in January 2017 are not expected to be published until late 2016.
 - Much now revolves around “big data” in which the boxes checked in the EMR determine allowable payment, and the system requires all sorts of counseling (dietary, exercise, smoking) and risk assessments (fall risk, depression screen, BMI, etc.) before the issue the patient came in for is even addressed.
 - Medical practice is evolving from patient care and satisfaction to mandated legal documentation with both legal liability and reimbursement impacts. Primary care

providers are being held accountable for services obtained, or not obtained, by patients from referrals and from hospital care over which the primary providers have no control. The difficulty in obtaining referred care by specialists in a timely manner is especially challenging for Medicaid patients. Significant barriers exist to obtaining care by specialists, who may be minimizing the availability of appointments for Medicare patients by rationing due to insufficient reimbursements, but the primary provider is held responsible for the outcome. Providers are spending a much larger proportion of time on documenting procedures, and good documentation is perceived as more important than actual treatment.

- Coordination with other resources such as the Quality Health Network and Tri-County Health can be beneficial, but consumes time resources, e.g. two hour meetings every two weeks plus the expected changes in operations. Coordination of testing and avoiding duplicative testing is a challenge. MMC has been invited to participate in additional mental health care, which would entail providing space for a provider, supervising such a provider who is a Tri-County Health rather than an MMC employee and providing overhead (scheduling, billing) support to such a provider. Dr. Gates has not yet decided whether MMC can take on this additional effort. The objectives of these various grant programs are not entirely aligned with the objectives of primary care providers.
- The attractive feature of larger practices, such as the one that Dr. Gates has been considering joining, is that the size enables assignment of people to specialize in the various complicated administrative areas.

6. Old Business:

a. Resolution 2016-06, Appointment of Designated Election Official.

- **MOTION** by Richard, second by Dick, to ratify the resolution adopted at the June meeting. Motion passed.
- Richard noted the appointment has to be made each year there is an election.

b. Building projects.

- Flooring. Mike reported RSA received an invoice from Western Slope Floors for the \$500 balance of the contract amount, and presented a proposed letter rejecting their invoice pointing out that they did not complete the work, that numerous calls and visits to their office were unanswered and RSA had to hire other contractors to complete the work Western Slope Floors had undertaken. Board consensus the letter should be sent.
- Flooring and dry-wall. Jake Coulter completed the cleanup work repairing flooring edges and drywall damage.
- Mike and Susie Blakney (MMC) met with Peggy Brink who had been recommended by Jake Coulter to do the painting. They reviewed the work that needs to be accomplished. Ms. Brink indicated the touch up painting can be accomplished for well under \$1,000, and Susie will coordinate scheduling the work with her.
- Mike noted there is some minor damage to the stucco on the rear of the building which needs to be repaired. He will arrange for that.
- Mike noted the rain gutter outlet at the back of the building has been flattened blocking drainage. Mike will take action to replace the flattened part of the rain gutter.

- Mike reported RSA has received the invoice from CAM Electric, which had apparently been misdirected.
- c. Review of action items from June board meeting:
- Item 6.a. - Joey is out of town, board has not received written resolution 2016-05 from him.
 - Item 6.b. - Mike has not investigated alternative sprinkler maintenance sources. Current contractor, Rainmaker, was tasked with adjusting the sprinkler. Discussion that Laura would provide the contract with Rainmaker to the board to ascertain its term and that an alternative source would be located to take over the maintenance when that contract concludes.
 - Item 6.d. i - Susie advised Laura the prior discussion was incorrect, RSA had in fact paid for Joel's laptop, but MMC paid the tax on it because it should have been purchased tax-exempt under RSA's sales tax exemption, so the prior statement that MMC had purchased it was incorrect.
 - Item 6.d.iv - expiration date on AED pads has not been obtained.
 - Item 6.d.v - Joey is out of town, status of completing inventory not known.
 - Item 6.f.i - draft schedule for 2017 budget has not been developed. Discussion that developing 2017 budget should be easier this year following the process started last year, but that finalizing charter of accounts needs to be done first, that August workshop should be used to start the budget process with the goal of having an approved budget at the November board meeting.
 - Item 6.f.ii - web page on RSA elections has not been developed. Richard offered to develop a first draft, as this needs to be in place in early August. For the August meeting need to have three self-nomination forms at the board meeting. Richard also suggested that instead of monthly updates on upcoming events, which can fall behind, the annual schedule of meetings be placed on the web.
 - Item 8.b. - standard conflict of interest memorandum: Richard indicated he had provided Joey with information regarding conflict of interest, but was unable to obtain a standard memorandum, which needs to be filed not only with the board, but also with the state. Joey has sufficient information, and the June minutes reflected the board's awareness of the potential conflict of interest.
 - Item 9.ii - Richard had developed a draft presentation which he had intended to present at the July workshop, but that workshop was canceled, so board can discuss at the August workshop what else the presentation should address.
 - Other action items had been accomplished.
- d. Shed. Discussion of the storage shed:
- Josie noted there is a pipe (gas line) exiting the rear wall where the shed is proposed to be located. Mike indicated the proposed pavers for support would allow the shed to be located several inches away from the wall.
 - Josie noted the shed is needed to move the lawnmower and outdoor equipment off of the new carpet inside the building where it is in the way.

- The “Toughshed” vendor discussed in June can provide and deliver the shed for \$1,076, but Mike would like to investigate a local vendor, American Buildings in Montrose before making a selection. Several other potential sources were discussed.
- **MOTION** by Richard, second by Coleen, to authorize \$1,200 to purchase a storage shed. Motion passed.

7. Reports from Administrator:

- a. Invoices: **MOTION** by Richard, second by Coleen, to approve the invoices presented; motion passed.
- b. Correspondence:
 - Laura provided the board ASAP payroll’s quarterly report of wages paid and premiums owed.
 - Colorado Department of Transportation survey regarding easement negotiations was turned over to Richard for action.
- c. Financial reports: Laura has connected all board members with QuickBooks to be able to pull down whatever reports each board member desires.

8. New Business:

- a. Summer schedule: Coleen noted the last minute cancellation of the July work session due to unavailability of board members, and suggested that the board either not schedule work sessions in June and July or move work sessions to a different day to accommodate family time during the summer Thursday night concert season. Discussion suggested that this conflict be addressed at the annual schedule establishment in January.
- b. 2016 RSA board elections: Richard brought up the election calendar, and several items need resolution prior to the August meeting.
 - Web page with information regarding nomination and election for board positions, including making self-nomination form accessible, needs to be posted, per prior discussion with county election official Michelle Nauer. This needs to be accomplished prior to the early August date when nomination forms can be accepted. Richard will develop a rough draft and provide to Laura.
 - Laura had sent the notice of intent to hold an election, but post office returned it as undeliverable; she had also sent it via e-mail.
 - IGA has not been received from the county election official. Board only has one regular meeting (August) before the IGA has to be signed. Board requested Laura contact Michelle Nauer to request the IGA. Who pays the cost may be an issue.
 - Board members should review the draft legal notice to the public in the procedure and provide any comments to Laura, as that has to be published soon.
 - Discussion of where/how nomination forms are to be submitted concluded they should be mailed to the RSA post office box.
 - Board needs to review election procedure to ascertain whether any resolutions related to the election process need to be adopted at the August meeting. [Resolution 2016-06 already

directs the DEO to cancel the election should there be not more than one candidate for a position.]

- c. QuickBooks memorized reports. Richard noted QuickBooks includes a report memorizing feature that allows grouping of memorized reports. Establishing a set group of memorized reports as standard for review prior to board meetings would decrease board member workload and provide a common basis for discussion of finances at the board meetings. Discussion that all board members should look at the many prepared reports QuickBooks offers and identify to Laura via e-mail those suggested for inclusion in a standard package prior to the next meeting.
- d. Chart of accounts, budget alignment and possible budget amendment.
 - Richard has reviewed the chart of accounts package prepared by Laura and the accountant, as reflected in QuickBooks and has identified a few accounts or entries that appear to belong in different cost elements. His first cut has been posted to Drop Box for review. Conflicting schedules have not permitted a detailed discussion with Laura and Mike, but should occur soon.
 - Richard suggested the board formally adopt the shift in the charter of accounts to provide an audit trail, with only top level accounts dictated and the administrator with accountant free to establish appropriate subsidiary accounts. Richard had posted a proposed draft resolution to Drop Box. **MOTION** by Richard, second by Coleen, to adopt **Resolution 2016-07, Financial Charter of Accounts**. Motion passed.
 - Richard indicated that in reviewing the accounts certain shifts in budget appear warranted, and that re-aligning the accounts and therefore the budget is probably best done by formal resolution, once the accounts arrangement and allocation of budget to the reconfigured accounts is satisfactorily accomplished. The August work session is the next opportunity for a free flowing discussion of the accounts and budget.
 - Discussion consensus was that the August work session (i) discuss possible amendments to the 2016 budget and (ii) kick off the 2017 budget deliberations, and the board attempt to finalize the budget at its November meeting. A “Draft B” resolution is in Drop Box.

9. Board Workshop: This is scheduled for August 11 at 5:30 p.m. to 7:30 p.m. at the Ouray county Land Use office with identified topics being the charter of accounts, discussion of possible 2016 budget amendment, kick off for 2017 budget development, and the draft RSA overview presentation Richard has been working on.

10. Next Regular Board meeting: scheduled for August 18 at 12:30 p.m.

10. Adjourned at 1436 pursuant to **MOTION** by Coleen, second by Richard; motion passed.

Submitted by:
Richard Wojciechowski

Secretary

Attachment: Action Items from June meeting reviewed

Approved by the Board on August 18, 2016

Michael Boland

President

Action Items from RSA Board Meeting - June 16, 2016 (file Action Items 160616)

(Items are numbered based on agenda topic numbering)

- 6.a. Submit resolution 2016-05 for ratification. [Joey]
- 6.b. Identify and contact alternative sprinkler system maintenance vendors, obtain their suggestions for appropriate maintenance. [Mike]
- 6.c. i. Arrange for touch up painting as follow-on to new flooring installation. [Mike]
- 6.c. ii. Arrange for correction of employee bathroom door. [Mike]
- 6.c. iii. Document retaining of withholding from Western Floor unfinished work. [Mike]
- 6.d. i. Provide documentation of Joel's lap top purchase to Laura and Joey. [MMC]
- 6.d. ii. Provide headset warranty information. [MMC]
- 6.d. iii. Consult with Moreland et. al. regarding charter of accounts. [Laura]
- 6.d. iv. Ascertain expiration dates on AED pads, provide to Laura for entry on future calendar. [MMC]
- 6.d. v. Finalize inventory - Lazy Kats action. [Joey]
- 6.d. vi. Ascertain appropriate disposal method for imagery scanner. [Laura with MMC assistance]
- 6.d. vii. Get QuickBooks/Surface interface working. [Laura]
- 6.f. i. Develop draft schedule for developing 2017 budget with election schedule in mind, present to board. [Laura]
- 6.f. ii. Draft web page on RSA elections, including method of nomination submission and proposed legal notice, for discussion at July meeting. [Laura]
- 6.f. iii. Place ratification of resolution 2016-06 on July agenda.
- 7. i. Contact CAM electric re invoice. [Laura]
- 7. ii. Pay Jake Coulter. [Laura & Mike]
- 8.a. i. Provide full set of financial reports prior to July meeting. [Laura]
- 8.a. ii. Place shed on July agenda. [Laura]
- 8.b. Obtain conflict of interest memorandum format. [Richard]
- 9. i. Ascertain when Dr. Gates may be available for a tutorial on medical practice economics. [MMC]
- 9. ii. Pull together work on general presentation accomplished to date for July workshop. [Richard]