

**REGULAR BOARD MEETING Minutes (file 161215)**

December 15, 2016, 12:30 PM – Alpine Bank, Ridgway, Colorado

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

Present: Board members: Boland, Gingery, McElroy, Huddleston and Wojciechowski; administrator Liccardi; incoming board member Vonnie Kuijnhoven; medical provider Dr. Joel Gates and, MMC staffer Susie Blakney. Guests representing Uncompaghre Medical Clinic in Norwood Scott Bookman, CEO, and board members David Jones and Judy Chamberlain.

Guests from Uncompaghre Medical Clinic, which is purchasing Mountain Medical Center practice, were introduced.

1. **Call to Order** at 1233 by Mike Boland.
2. **Review of Agenda:** Item 9, added resolution 2016-10, added year-end checklist and budget procedure. Mike wanted to ensure incoming board member Vonnie
3. **Minutes from November 17, 2016: MOTION** to approve by Dick, second by Coleen, motion passed.
4. **Minutes from December 8, 2016:** Several comments received from board members that minutes were fine but Dr. Gates indicated he had sent extensive red-line mark up. Richard has not received those. Dr. Gates suggested the minutes not be approved absent his comments; Dr. Gates was requested to re-transmit the comments. Consideration was deferred to the next board meeting
5. **Public input:** None.
6. **Discussion with medical provider.**
  1. Issues:
    - In response to minutes of prior meeting, Dr. Gates indicated MMC has remained under the \$2,500 threshold for minor maintenance and thus has not brought the issue to the RSA. Susie indicated MMC staff has been keeping track of minor maintenance expenditures, that under the prior board (2015) that information had been provided to the then administrator, but she had not known how to arrange for work or to whom to transmit the data on the current board.
    - Susie provided a positive reaction to board's concept of entering into a time and materials arrangement with a handyman, and would be glad to coordinate work as required with him. Mike will make arrangements with Steve Allen, by trade a painter but capable of doing minor maintenance for RSA.
    - Richard noted complaint from staff about a draft at the exit door. The door was redone a year or so ago, but the door doesn't close all the way. The door adjustment should be done by the door company.
  2. Presentation by Uncompaghre Medical Clinic (UMC) CEO Scott Bookman.
    - Mr. Bookman provided his background in emergency as a paramedic rising to chief of EMS for the city of Denver and later administrative director of the trauma center for Denver Medical Center, his experience in management of large medical facilities, the history of UMC, UMC's plans to merge with Mountain Medical Center (MMC), the 19 requirements to qualify as a Federally Qualified Health Center (FQHC), the anticipated

benefits of the merger to Ouray county, and the way forward to accomplishing this, foreseeing an April 1<sup>st</sup> completion date. Mr. Bookman's handout is attached.

In discussions UMC representatives indicated

- The clinic operated as the Uncompaghere Combined Clinics (Norwood and the Basin Clinic in Nucla/Naturita) under the FQHC program starting in 1979 but split off in 1992 in disagreement over providing 24/7 access, for which FQHC funds are not available.
- As the Uncompaghere Medical Center the clinic gained a new facility in 2003, renovated in 2008 to add a dental clinic, expanded in 2010 which is where the pharmacy opened in 2016. It currently provides primary care as well as mental health and dental care and operates a 340B program pharmacy with a staff of 38.
- The FQHC program is intended to serve the medically under-served communities such as remote communities that cannot support medical practices absent financial support, as well as serving the financially challenged. Their FQHC target service area includes all of Ouray county (map in handout is incorrect) and the FQHC does not turn away any patient.
- The FQHC operates on a three-year "330 grant" cycle, competing within the assigned service area every three years and has received numerous other grants.
- FQHC focus is primary care, not emergency care, but to meet FQHC emergency response requirements UMC contracts out a telephone nurse consultancy function available 24/7. Norwood clinic does have an "ER" and sees 6-10 emergency patients per week, primarily walk-ins but some brought there by the local ambulance.
- The clinic assists patients with transportation primarily by providing gas vouchers to assist needy patients with transportation to specialists to which they have been referred.
- UMC's vision is to continue the primary care mode existing at the Ridgway clinic with the potential for future expansion of services, such as dental or pharmacy. But Ridgway patients would be eligible to purchase medications from the Norwood clinic pharmacy with next day courier delivery.
- The federal program ensures UMC is paid 100% of cost on Medicare and 133% of their costs on Medicaid patients. The pharmacy program purchases drugs at 10% of cost and sells them at 11% of cost.
- UMC's vision is a melding of the two boards of directors. Discussion indicated that may not be feasible, and alternatives need to be explored. If RSA board does not join UMC board, UMC would look to expand Ouray county representation on UMC board.
- UMC's assessment is that Ridgway clinic facility currently is adequate in size to add either a dental or pharmacy operation, but not both.
- UMC's Norwood clinic does not have an x-ray technician, but it has trained Medical Assistants to limited scope level radiography, and could cross train Ridgway clinic personnel in similar manner so radiography would be available whenever the clinic is open without increasing staff.
- UMC's salary and benefits structure is higher than that at the Ridgway clinic so all employees would benefit.

- A majority of UMC's board is required to consist of UMC patients. Board members must have less than 10% of their income from the health care sector. On adding the Ridgway clinic, over 30% of UMC patients would be from Ouray county.
- UMC board and Dr. Gates have already agreed to contractual terms to acquire the Mountain Medical Center practice and to employ Dr. Gates for five years. UMC is taking a number of actions simultaneously including seeking HRSA approval to expand via merger and Medicare and Medicaid enrollment.
- UMC hired attorney to draft contracts for acquisition of the medical practice and employment contract with Dr. Gates.
- The proposed merger incurs various costs and UMC is looking for RSA to help cover the estimated \$50,000 cost of the transition (legal fees, electronic health record conversion, insurance fees, and community communications) with UMC covering any costs over that amount. UMC sees an initial infusion of cash from RSA as critical to the merger. Termination costs of MMC's EMR system is not in the above cost is unknown, but the systems would most likely need to be run in parallel for the balance of 2017.
- UMC seeks a five year facility lease on the building and the equipment therein for a long term lease at the same rates as Dr. Gates has had.
- UMC is interested in ownership of Information Technology assets (e.g. computers, software) to standardize with single control. UMC would be happy to take over the electronic health records, etc. and ultimately take on ownership, replacement costs, software maintenance, etc.
- UMC sees RSA's role over time as having been completed and no longer necessary as the community benefits from the expanded clinic.
- UMC can see the RSA working itself out of the need for the RSA. UMC needs some assurances of long term (5 years) availability of the physical facility, such as a right of first refusal to purchase the building so it isn't left without a facility should the RSA cease operations.
- UMC contract with Dr. Gates is contingent on two elements: (a) obtaining financial support of the transition and (b) obtaining a lease for building and equipment at the same rates as Dr. Gates enjoys.
- UMC had not planned on presenting a proposed contract, but is willing to provide a list of its desires prior to the next RSA board meeting (January 12). UMC requested copies of the current contracts with Dr. Gates and with Allscripts.
- Mike offered that RSA would be willing to bear the cost of terminating the Allscripts contract when it makes sense to do that, and that one objective of the RSA is to get out from the business of the electronic health records as that has been the most significant costs, and in reducing that cost the RSA would be willing to reduce the rent.
- Richard noted the RSA will need to discuss its objectives in executive sessions.
- Actual objectives
- Discussion concluded at 1416.

**7. Old business:**

1. QuickBooks status: Corrections still not complete; contractor in Grand Junction still working on it. Some data from prior years has been pulled in, but it depends upon the account.
2. Action item review: Most items accomplished.
  6. a. Two of four CD statements provided to Joey; need the other two.
  6. a. Contractor in Grand Junction still needs to update CD information in QB.
  6. a. Joey investigating investment opportunities
  6. b. Fixed asset composition still needs to be addressed.
  6. c. Inventory: No further progress.

**8. Reports from administrator:**

1. Calendar review: Need to move December 2017 board meeting up to second Thursday to meet mil-levy certification deadlines. Need to ensure the conference room is available that day.
2. Correspondence:
  - Drop Box has had some reorganization. Any topic which has chronological files will appear once at the top level index, with chronological break out, e.g. 2016, 2017, below that, but related topics, e.g. board meeting agendas, minutes, actions items will not be grouped together but each topic stands alone at the top level.
  - State of Colorado letter regarding unemployment insurance passed to Richard.
3. Financial statements: still awaiting completion of conversion by contractor. Some but not all prior year data incorporated into current data set.
4. Invoices/checks: **MOTION** by Dick, second by Joey, to approve invoice payments.

**9 New business:**

1. Automatic payments for recurring bills. Automatic payment and on-line payment rejected as payments require board approval.
  2. Resolutions 2016-09 and 2016-10 to set mil levy and appropriate funds: **MOTION** by Richard, second by Mike, to ratify 2016-09 and approve 2016-10. Motion passed.
  3. Inventory: Decisions to have Lazy Cats LLC complete the inventory to get it done.
  4. Water system letter: Richard relayed conversation with Joanne Fagan, Town of Ridgway; Joanne stated Town is supposed to be notified of backflow prevention device, had not known about, she will send note to Dan; property owners are required to notify Town and to provide copies of annual inspection certificates. Mike/Laura will find certificates of testing at installation and at last service and forward copies to Town.
  5. Year-end checklist: ASAP payroll has provided on-line year end checklist. Richard input responses based on assumptions (verified correct) as to W-2 handling. Noted that W-2's now required to be sent to Social Security Administration (ASAP will do so) and shorter deadlines for filing of IRS Forms 990.
  6. Budget procedure: Last minute action on budget and mil-levy certification brings great risk. To make it smoother next year, Richard has started drafting a procedure to serve as a guideline. First rough draft was placed in DropBox for comments.
10. Next meetings:

- Dick declined invitation to the True Grit to celebrate the end of his four years on the board; Dick says he will be out of town for the next month, but is to contact Laura when he is available for a celebratory social event.
  - Noted Land Use conference room has been reserved second Thursdays at 5:30 p.m. for 2017.
  - January 12, 2017, special meeting to include executive session to discuss contractual issues subject to negotiation at 5:30 p.m. at Land Use conference room.
  - January 19, 2017, 1230 p.m. regular meeting at Alpine Bank conference room.
11. Adjourned at 1446 pursuant to **MOTION** by Joey, second by Coleen, motion passed.

Submitted by:

Approved by the Board on February 16, 2017

*Richard Wojciechowski*

*Coleen McElroy*

Secretary

Vice-President

Enclosures:

1. Agenda
2. UMC handout
3. Action items reviewed from Dec 8 meeting
4. Action items from this meeting

**Ouray County Regional Service Authority**  
**REGULAR BOARD MEETING December 15, 2016**  
12:30 PM – Alpine Bank Conference Room, Ridgway

AGENDA

1. Call to Order
2. Review of Agenda
3. Approval of Minutes from November 17, 2016
4. Approval of Minutes from December 8, 2016
5. Public Input
6. Discussions with Medical Provider (Dr. Gates)
  - a. Discussion with Norwood FQHC
7. Old Business
  - a. QuickBooks status
  - b. Action Item review
8. Report from Administrator
  - a. Calendar review
  - b. Correspondence
  - c. Financial statements
  - d. Invoices/checks
9. New Business
  - a. Automatic Payments for Recurring Bills
  - b. Resolution 2016-09
  - c. Inventory
  - d. Water System Letter
10. Next meetings
  - a. January 12, 2017 at 5:30 pm at TBD
  - b. January 19, 2017 at 12:30 pm at Alpine Bank Conference Room
11. Adjourn Regular Meeting

**Action Items Reviewed**

From Special Meeting December 8, 2016

- 3. Place Uncompaghre Medical Clinic on agenda for December 15, 2016 regular meeting in lieu of discussion with medical provider. [Laura]
- 4. a. Contact county to ensure certification of tax levies form is correctly filled out, obtain copy of prior years' forms, and file forms in Drop Box. [Laura]
- 4. b. Place ratification of Resolution 2016-09 on agenda for Dec 15. [Laura]
- 6. a. Provide copies of Certificates of Deposit statements to Joey. [Laura]  
Update QuickBooks data to reflect current data on CD's. [Laura]  
Provide legal restrictions on investments to Joey. [Richard]  
Investigate investment opportunities. [Joey]
- 6. b. Investigate composition of fixed asset amounts in QuickBooks, tie in to inventory. [Laura & Joey]
- 6. c. Complete inventory. [Laura and Joey]
- 6. d. Request MMC provide accounting of minor maintenance actions/costs this year. [Laura]

=====

**Action Items**

From Regular Board Meeting December 15, 2016

Numbering based on Draft Minutes

- 6.1 Arrange for door contractor to adjust clinic exit door to eliminate draft. [Mike?]
- 6.1 Arrange time & materials agreement with Steve Allen for on-call handyman work at clinic. [Mike]
- 6.2 Send pdf copy of lease and provider contract to UMC. [Laura]
- 6.2 Provide copy Allscripts contract to Richard. [Laura]
- 7.1 Ascertain completion of correcting QuickBooks entries with contractor. [Laura]
- 7.2 Provide remaining CD statements to Joey for review. [Laura]
- 7.2 Investigate investment opportunities. [Joey]
- 7.2 Obtain depreciation schedule from Moreland (left over from prior) [Laura]
- 7.2 Review fixed asset composition/ depreciation table, compare to QB. [Laura/Joey]
- 8.1 Adjust calendar to reflect early regular meetings in December.
- 8.2 Review correspondence received. [Richard]
- 9.1 Place ratification of resolution on January agenda. [Laura]
- 9.3 Complete inventory. [Lazy Kats]
- 9.4 Locate copies of back-flow prevention testing certificates at installation and annual test at winter service; transmit copies to Town of Ridgway. [Laura]
- 9.6 Review rough draft budget procedure. [All board members, and especially Mike and Laura]
- 10. Contact Dick to ascertain availability for social get together after mid-January. [Laura]
- 10. Ascertain availability of Alpine Bank conference room for changed date of December 2017 regular meeting.