



BOARD OF DIRECTORS MEETING MINUTES
Tuesday January 22, 2019
6:00 p.m.

MEMBERS PRESENT:

Aydt, Kenny
Epperson, Christina
Hatfield, Paula
Lewis, Mike
Meuhlenbein, Greg
Morris, Wayne
Rowland, Larry
Warner, John

MEMBERS ABSENT:

Katie Folden

OTHERS PRESENT:

Victoria Woodrow, CEO
Justin Epperson, Controller
Patty Blazier, Chief Nursing Officer
Bryan Russell, Quality Director
Pam Harbison, Director of HI, Rural Health Clinics, & Compliance
Carolyn Pool, Executive Assistant
Holly Hubele, Administrative Services Coordinator

Mike Lewis, Board President, called the meeting to order at 6:00 p.m. Roll call was taken and, with a quorum present, the meeting proceeded.

President Lewis welcomed two high school students that were present to observe the proceedings.

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Topic of Discussion	Description	Action Taken
<p><u>Public Comment</u></p>	<p>No comments were made.</p>	
<p><u>Review of Minutes from December 2018 Board Meeting</u></p>	<p>Minutes were reviewed.</p>	<p>Paula Hatfield made a motion to approve the December 2018 Board of Directors Meeting Minutes. Greg Meuhlenbein seconded the motion. Motion carried with all favorable votes.</p>
<p><u>Financial Statements</u></p>	<p>Justin Epperson, Controller, reviewed the December finances and statistics</p> <p><u>Current Assets</u> HMHD has an operating cash balance of \$6,878,048 which is a decrease of \$628K from the previous month.</p> <p><u>Gross Patient Revenue-</u> Total revenue has remained steady at \$2,646,000 which was \$218K below budget. This revenue is broken down into two areas: --\$2.5M Hospital Revenue (\$186K below budget) --\$132K Clinic Revenue (\$32K below budget)</p> <p><u>Operating Expenses-</u> \$1,442,329 were the total operating expenses for December. This represents an increase of \$91K from the prior month and was \$100K above budget. Salaries fell at \$31K</p>	<p>Financial Statements for the month of December were reviewed. Larry Rowland made a motion to approve the Financials. Kenny Aydt seconded the motion. Roll Call Vote: Paula Hatfield – Yes; Greg Muehlenbein – Yes; Kenny Aydt – Yes; Christina Epperson – Yes; Paula Hatfield – Yes; Wayne Morris – Yes; John Warner – Yes. Motion carried.</p>

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	<p>below budget and Employee Benefits were \$82K over budget for a difference of nearly \$114K. Reinsurance companies lumped together all outstanding payments in December to close the year and this was the main reason that Employee Benefits were higher.</p> <p><u>Net Income-</u> The net loss of \$47K represents a decrease of \$98K from the prior month and is \$120K below budget. Higher Employee Benefits and closing costs for loan extensions were the main reasons of the loss</p> <p><u>Final Adjustment to Bottom Line</u> The initial net loss was \$161K for December. There were three balance sheet accounts that were adjusted in December:</p> <ul style="list-style-type: none">--The reserve account for the Sandra Tate payments was lowered from \$32K down to \$10K. This account is adjusted bi-annually and the goal is to have it zeroed out in June 2019.--The receivable for FY18 Cost Report is \$51K and was recorded. Initially \$100K was reserved for the FY18 Cost	
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	<p>Report but the end result was a receivable.</p> <p>--The \$100K reserve was lowered down to \$60K and this will be applied to FY19 Cost Report.</p> <p>Paula Hatfield questioned how the credentialing failed concerning Sharon Tate. Pam Harbison explained that Sandra Tate had the wrong initials behind her name and Medicare would not pay.</p> <p><u>Cash Flow Statement</u> <u>Beginning Cash Balance</u> for the month of December was \$7.4M <u>End of Month Cash Balance</u> for the month of December was \$6,774,918. <u>YTD</u> the Net increase in Cash is \$1,142,193. <u>Days of Cash on Hand</u> – 164 (significantly higher than the target of 100 for December) <u>Cash Projections for the Fiscal Year 2019</u> The DSC Ratio or run rate of 1.59 is slightly higher this quarter because we had to report to the bank. Changing the percentage from 55.6% to 55% changed the Total Operating Expenses from \$1.29M to \$1.39. This is</p>	
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<p><u>Capital/Building/Grounds</u></p>	<p>a very conservative forecast since it is difficult to forecast out revenue.</p> <p><u>Metronic Covidien Ligasure</u> Dr. Miller has requested this machine for his surgeries. Current equipment is 20 years old and needs replaced immediately. The old equipment will be moved and utilized in the scope room as a backup. Mike Lewis added that this equipment will frequently require new pencils that average \$10 each. Total cost with all start up pieces is \$25,635.30</p> <p><u>Steris Synergy Remanufactured Surgical Instrument Washer</u> The current washer/disinfector was purchased in 2009 from a German company. It is used on a daily basis to wash and reprocess instruments for the entire hospital. It has had issues since day one and malfunctions often. It needs immediate replacement. Total cost is \$26,575.00</p>	<p>Wayne Morris made a motion to approve the Metronic Covidien Ligasure. Cristina Epperson seconded the motion. Roll Call Vote: Larry Rowland-Yes; Kenny Adyt-Yes; Greg Muehlenbein-Yes; John Warner-Yes; Paula Hatfield-Yes; Mike Lewis-Yes Motion carried.</p> <p>Kenny Aydt made a motion to approve the Steris Surgical Instrument Washer. Greg Muehlenbein seconded the motion. Roll Call Vote: Wayne Morris-Yes; Cristina Epperson-Yes; Larry Rowland-Yes; John Warner-Yes; Paula Hatfield-Yes; Mike Lewis-Yes Motion carried.</p>
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<p><u>Reports</u></p>	<p><u>Quality Report</u> Bryan Russell, Quality Director, reviewed the Quality Dashboards and narratives. He stated that Inpatient Influenza Status Assessed was 92% down from the goal of 98%. This is due to patients being asked during their hospital stay but providers are not ordering prior to discharge. Intervention- discussed with the Quality Committee and Safety Committee on possibly making them a standing order if patient requests and there are no contraindications.</p> <p>REAP falls were 3 and this is up from the goal of zero. All falls were reported and charted correctly.</p> <p>Ancillary Departments - Patient cancellations and no shows are up from goal in both Occupational Therapy and Physical Therapy. Intervention- working to integrate Well-Sky patient scheduling. They will automatically call patients with reminders.</p>	<p>Paula Hatfield made a motion to approve the Quality Report as presented. Wayne Morris seconded the motion. Motion carried with all favorable votes.</p>
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	<p><u>Compliance Report</u> Pam Harbison explained that there had been a reportable breach in the Business office with a new employee not checking the 2nd identifier when changing addresses. This resulted in patients receiving the wrong information. Information was corrected and the employee re-educated.</p> <p>The Business Office also reported that there was an employee that did not observe the “Minimum Necessary” rule for HIPAA on two occasions. Decision was made to re-train employee and employee completed approximately 4 hours of HIPAA training on 1/11/2019.</p> <p>Victoria Woodrow stated that she will dedicate time for continued HIPAA training.</p> <p><u>2nd Quarter Safety Summary</u> Victoria Woodrow announced that Mike Kerans has been appointed Safety Director. He and Bryan Russell will be going to Crisis Prevention training. The Quarterly Safety Summary was reviewed and no issues were reported.</p>	<p>Christina Epperson made the motion to approve the Quality Compliance Report as presented. Greg Meuhlenbein seconded the motion. Motion carried with all favorable votes.</p> <p>Larry Rowland made a motion to approve the 2nd Quarter Safety Summary as presented. Kenny Aydt seconded the motion. Motion carried with all favorable votes.</p>
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<p><u>Policies</u></p>	<p>Victoria Woodrow discussed the need for after hour hospital security. Patty Blazier discussed the After Hour Action plans based on the safety drill.</p> <p><u>Policy #137</u> Purpose: To describe the process used to opt in and/or opt out of the Laborers' International Union of North America, the Southern and Central Illinois Laborers' District Council and the Laborers' Local 1197. Policy: Opting in or opting out of the Laborers' Local 1197 will follow as directed in the Collective Bargaining agreement. This is for new employees and existing Union members.</p> <p><u>Policy #139</u> Purpose: To address the segregation of duties of the Director of Revenue Integrity related to billing, payments, adjustments and deposits. This will be enforced to prevent recurrence of issues that can cause compliance risk. Director of Revenue will only perform the listed duties in an emergent situation with supervision/ approval from Controller or CEO. --Prepare Cash Deposits --Post Cash to Patient Accts.</p>	<p>Wayne Morris made a motion to approve the policy as presented. Greg Meuhlenbein seconded the motion Motion carried with all favorable votes.</p> <p>Christina Epperson made a motion to approve the policy as presented. Kenny Aydt seconded the motion Motion carried with all favorable votes.</p>
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<p><u>CEO Report</u></p>	<p>--Post Adjustments to Patient Accts.</p> <p>Victoria Woodrow went over the Marketing update that was prepared by Bethany Reyling.</p> <p>The Auxiliary donated \$708.79 to help fund the new Thumper, which is a mechanical CPR device. They also donated all 19 visitor chairs for the patient rooms.</p> <p>Chamber Dinner is February 2, 2019.</p> <p>Congratulations to new providers:</p> <ul style="list-style-type: none">--Dr. Rodney Miller, M.D.--Heather Johnson, AGACNP, FNP--Emily Harris, PA-C <p>Wayne Morris suggested putting Bethany's Marketing Updates somewhere for public viewing.</p> <p><u>Statistics</u></p> <ul style="list-style-type: none">--Hospital admissions down in December to 39--Transitional Care down to 12--Revenue driven/ER visits up to 455--CT scans down to 164--Clinics combined down to 1164--Lab is down YTD	
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	<p>--Cash on hand is up to 164 days --Net days in A/R 49 days which is Gold Standard --Upfront collections trending down at \$10,504</p> <p><u>Flash Reporting</u> --Gross Hospital Revenue 1.16M Jan. 1-13 --Cash \$254K Jan. 1-13 --Gross A/R \$725K --ER visits 286 Jan. 1-21</p> <p><u>Updates and Issues</u> --Surgery Steering PICC team will continue to meet. --Chargemaster Review on site February 6-7. --CPSI Clinic Conversion goes live April 2019 --Mammography machine not working well and has failed the ACR accreditation. A new machine is needed immediately. Considering a new 3D machine costing approximately \$311K. Information regarding this will be handed out at the February board meeting.</p> <p><u>Capital Budget Update</u> Victoria Woodrow went over the Capital Budget Update and explained the big budget items that need to be replaced.</p>	
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	<p>Mammography – completely down and needs replaced immediately. Approximate cost is \$311K</p> <p>Ultrasound-needs replaced immediately. Approximate cost is \$110K</p> <p>Cardio Center EKG – needs replaced immediately</p> <p>Cardiac Monitoring Phone System Omni Cell - have all been budgeted for in 2019</p> <p>Cautery Ligasure – Dr. Miller Pass Through Washer- Not budgeted but needed immediately</p> <p>Chargemaster has revealed that our room rates are among the lowest in the area and that they have not seen an increase in recent years. Observation rooms are billed at a higher amount than regular room rates and this needs to be corrected. Managed care plans only allow for increases of 5%. Room rate comparisons will be discussed at February’s board meeting.</p>	
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<p><u>Annual Board of Directors' Compliance Review and Documentation</u></p>	<p>Board Member Acknowledgment sheet signed and dated by Board members, minus Katie Folden, who was absent.</p> <p>Conflict of Interest Disclosure Statement and Confidentiality Agreement signed and returned by all Board Members minus Katie Folden, who was absent and Cristina Epperson who submitted when appointed to the board.</p> <p>Statement of Economic Interest signed and dated by Board members, minus Katie Folden, who was absent.</p> <p>Discussion on how compliance promotes quality care. Continued training, team meetings and reporting to board will help ensure quality care to patients.</p>	
<p><u>Executive Session</u></p>		<p>Paula Hatfield made a motion at 7:30 p.m. to go into Executive Session. Larry Rowland seconded the motion. Motion carried with all favorable votes.</p>

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<p><u>Meeting Adjournment</u></p>		<p>Paula Hatfield made a motion to exit the Executive Session and return to the Regular Session at 7:50 p.m. Greg Meuhlenbein seconded the motion. Motion carried with all favorable votes.</p> <p>Wayne Morris made a motion to adjourn the meeting at 7:55 p.m. Paula Hatfield seconded the motion. Motion carried with all favorable votes.</p>
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HAMILTON MEMORIAL HOSPITAL DISTRICT



John Warner, Secretary
Board of Directors

