



**BOARD OF DIRECTORS MEETING MINUTES**

Tuesday February 26, 2019

6:00 p.m.

**MEMBERS PRESENT:**

Kenny Ayd  
Christina Epperson  
Paula Hatfield  
Mike Lewis  
Wayne Morris  
Larry Rowland  
John Warner  
Katie Folden

**MEMBERS ABSENT:**

Greg Muehlenbein  
Bryan Russell, Quality Director

**OTHERS PRESENT:**

Victoria Woodrow, CEO  
Justin Epperson, Controller  
Patty Blazier, Chief Nursing Officer  
Pam Harbison, Director of HI, Rural Health Clinics, & Compliance  
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 a room full of high school students that were present to observe the proceedings.

BOARD OF DIRECTORS MEETING MINUTES

February 26, 2019

Page 2

Topic of Discussion	Description	Action Taken
<u>Public Comment</u>	No comments were made.	
<u>Review of Minutes from January 2019 Board Meeting</u>	Minutes were reviewed.	Paula Hatfield made a motion to approve the January 2019 Board of Directors Meeting Minutes. Kenny Aydt seconded the motion. Motion carried with all favorable votes.
<u>Financial Statements</u>	<p>Justin Epperson, Controller, reviewed the January finances and statistics</p> <p><b><u>Current Assets</u></b>  <b>Cash</b> – HMHD has an operating cash balance of \$6,749,817 which is a decrease of \$128K from the previous month.  <b>Accounts Receivables-</b> The net patient receivable balance increased by \$26K over the prior month to \$1,954,445.  <b>Other Receivables-</b> Decreased by 2K over the prior month to \$161K  <b>Inventories and Other Assets</b> Increased by \$95K leaving a balance of \$563K. This is mostly due to an increase in prepaid expenses paid in the beginning of the year.  <b>Property and Equipment-</b> \$10k was used to purchase an automated CPR machine.</p>	<p>Financial Statements for the month of January were reviewed. Wayne Morris made a motion to approve the Financials. John Warner seconded the motion. Roll Call Vote: Wayne Morris-Yes; John Warner-Yes; Kenny Aydt-Yes; Christina Epperson-Yes; Katie Folden-Yes; Paula Hatfield-Yes; Larry Rowland-Yes. Motion carried.</p>

<p><b><u>Financial Statements</u></b> <b><u>(continued)</u></b></p>	<p><b><u>Current Liabilities</u></b> <b>Accounts Payable-</b> \$2.23M is the total in Payables for January and is broken down into 4 payable areas: -\$406K Regular Business -\$284K Vacation amounts to employees -\$1.015M Due to Medicare -\$163K Accrued Bond Interest <b>Long Term Liabilities-</b> Remained at \$18,290,000, the outstanding amount of bonds payable by HMHD</p> <p><b><u>Gross Patient Revenue</u></b> Total revenue has remained steady at \$2.752M which was \$112K below budget. This revenue is broken down into two areas: -\$2.6M Hospital Revenue (\$102K below budget) -\$154K Clinic Revenue (\$10K below budget)</p> <p><b><u>Deductions</u></b> Contractual adjustments and bad debt allowances are recorded at 62% of gross revenue, which is above the prior month of 51%. Deductions were higher due to \$215K write off by O/S.</p>	
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<p><u>Financial Statements</u> <u>(continued)</u></p>	<p><b><u>Operating Expenses</u></b> \$1,363,010 were the total operating expenses for January. This represents a decrease of \$79K from the prior month and was \$9K below budget. Salaries are \$17K above budget and Employee Benefits were \$30K below budget.</p> <p><b><u>Net Income</u></b> \$239K below budget due to contractual allowances.</p> <p><b><u>Unusual and Infrequent Items</u></b> One Source, who was used for our Medicare and Medicaid billing, completed a \$215K Medicaid write-off on January 31<sup>st</sup>. This amount should have been divided over the last 4 months, October- January, and in doing so, January would have incurred \$53K in Medicaid write-offs. Wayne Morris asked whether there would have been red flags when there were zero write-offs for October-December and Victoria Woodrow stated there would not have been. As of early January, HMHD has terminated the contract with One Source and all Medicare</p>	
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<p><u>Financial Statements</u> <u>(continued)</u></p>	<p>and Medicaid billing will be done in-house.</p> <p>It was discussed that Revenue Cycle is spending excessive amounts of time on MCO issues. With education, HMHD employees will have the tools needed to do a better job than One Source and will gain efficiency by doing so. The money for the cost of training will be well spent.</p> <p>-Victoria Woodrow discussed the legislative letter on MCOs that she sent out.</p> <p>-Victoria Woodrow explained the benefits of 340B to the Board. We have added Plum Street Pharmacy, York's Pharmacy, area Walmarts and are now waiting for area CVS Pharmacies to be added.</p> <p><b><u>Key Statistics</u></b></p> <p>-Days of Cash on Hand- 163</p> <p>-Hospital A/R over 90 days for all payers – 39.4%</p> <p>-Hospital A/R over 90 days for Medicaid 29.4%</p>	
<p><u>Capitol/Building/Grounds</u></p>	<p><b><u>Mammography</u></b></p> <p>Victoria Woodrow discussed the handout on Mammography and Revenue Look-back.</p> <p>The decision has been made to purchase a 3D</p>	<p>John Warner made a motion to approve buying the mammography machine. Wayne Morris seconded the motion. Roll call vote: John Warner-Yes; Wayne Morris-Yes; Kenny Aydt-Yes;</p>

BOARD OF DIRECTORS MEETING MINUTES

February 26, 2019

Page 6

<p><u>Capitol/Building/Grounds</u> <u>(continued)</u></p>	<p>Mammography machine and it will be marketed as such. The machine will be good for 5 years and afterwards HMHD would like to partner with other hospitals on a mobile unit. This will take several years of planning since it will have to be coordinated when other hospitals have the same need. Conversations with other facilities concerning the mobile unit has already began.</p> <p>Mike Lewis reiterated the discussion from the finance committee meeting concerning why buying the mammography machine is the best option over leasing. In 5 years it will pay for itself without a profit.</p>	<p>Christina Epperson-Yes; Katie Folden-Yes; Paula Hatfield-Yes; Larry Rowland-Yes; Motion carried.</p>
<p><u>Reports</u></p>	<p><b><u>Quality Report</u></b> Patty Blazier reviewed the Quality Dashboards and narratives, stating that ED Stroke Door to Transfer and ED STEMI Door to Transfer are way up from the goal due to lack of ambulance availability. Discussions on what can be done to fix the issue and the importance of everyone having Airvac service followed.</p> <p>Harre's Ambulance, the non-subsidized county</p>	<p>Wayne Morris made a motion to approve the Quality Report. Paula Hatfield seconded the motion. Motion carried with all favorable votes.</p>

<p><u>Reports (continued)</u></p>	<p>ambulance, has had limited availability for transfers.</p> <p>The management Team will be working with Mike Lewis and regional and local ambulance services to create short term and long term plans</p> <p>Paula Hatfield asked for a report at the next Board meeting concerning any patient that did not get transferred in a timely manner. Discussion will continue at the March Board Meeting.</p> <p><b>Ancillary Department Review-</b></p> <ul style="list-style-type: none"><li>-Occupational Therapy cancellations were up to 19 with a goal of 10 per month.</li><li>-No shows were up to 7 with a goal of 5 per month.</li></ul> <p>Bryan has gotten a sample of a No-Show policy from another hospital to see what they are doing. HMHD has integrated Well-Sky patient scheduling to automatically call patients with reminders.</p> <p><b><u>Compliance Report</u></b></p> <p>Pam Harbison stated that there were no new issues in February.</p> <ul style="list-style-type: none"><li>-It was decided that it will be required for HMHD to provide all billing for</li></ul>	<p>Paula Hatfield made a motion to approve the Compliance Report. Larry Rowland seconded it. Motion carried with all favorable votes.</p>
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<p><u>Reports (continued)</u></p>	<p>behavioral health. This should fall off the Compliance Report in the coming months.</p>	
<p><u>Policies</u></p>	<p><b>Policy #138 – Workplace Violence and Aggression</b> Purpose: To outline the appropriate guidelines for the prevention and management of any threat or act of violence, intimidation or harassment that may occur against employees or volunteers of the HMHD. -This was a legislative requirement that had to be initiated by January 1, 2019. -Victoria Woodrow stated that Mike Kerans and Bryan Russell are currently in CPI training for this and upon returning, will be able to train hospital staff on how to handle violence and aggression. Victoria Woodrow also discussed the need for after hour security here at the hospital.</p> <p><b>Policy #140 – ROSC-U Miniature Chest Compressor</b> Purpose: To describe the appropriate means to apply, operate and discontinue the ROSC-U mechanical CPR device in patients 18 years of age or older requiring mechanical chest</p>	<p>Katie Folden made a motion to approve Policy #138. John Warner seconded the motion. Motion carried with all favorable votes.</p> <p>Paula Hatfield made a motion to approve Policy #140. Kenny Aydt seconded the motion. Motion carried with all favorable votes.</p>



BOARD OF DIRECTORS MEETING MINUTES

February 26, 2019

Page 9

<p><u>Policies (continued)</u></p> <p><u>Medical Staff Appointments and Reappointments</u></p> <p><u>Executive Session Recordings</u></p>	<p>compression related to cardiac arrest.</p> <p>Discussion concerning anything older than 18 months can be destroyed. Mike Lewis will listen to the recordings and then make recommendations on anything 18 months and newer that should be kept confidential.</p>	<p>Paula Hatfield made a motion to approve the list of Medical Staff Appointments and Reappointments. Christina Epperson seconded the motion. Motion carried with all favorable votes.</p> <p>Christina Epperson made a motion to approve anything 18 months and older to be destroyed. Katie Folden seconded the motion. Motion carried with all favorable votes.</p>
<p><u>CEO Report</u></p>	<p>Victoria Woodrow reviewed statistics for the month of January.</p> <ul style="list-style-type: none"><li>--Hospital admissions up 1 to 40</li><li>--Transitional Care up 5 to 17</li><li>--Revenue driven/ER visits down 30 to 425. This is due to not having a physician in place to facilitate a nursing home strategy. The numbers should increase with Dr. Miller on board now. HMHD will continue recruiting efforts for a physician.</li><li>--CT scans down to 11 to 153</li><li>--Clinics combined are up to 1293. With Carmi at 597 and</li></ul>	

<p><u>CEO Report(continued)</u></p>	<p>Mcleansboro at 696 --Lab had significant increase to 7766 due to flu and strep season.</p> <p>--Cash on hand is down 1 to 163 days --Net days in A/R 50 days which is Gold Standard</p> <p><b><u>Surgical and Surgical Clinic</u></b> For the month of February, Dr. Miller had 34 clinic visits and 12 scopes/general surgery. There were 14 eye cases.</p> <p><b><u>Flash Reporting</u></b> --Gross Hospital Revenue 1.68M February 1-20</p> <p><b><u>Provider and Issues Update</u></b> RHC Chargemaster alignment has repriced all of our clinic visits so now there is justification of pricing.</p> <p><b><u>Coding and Revenue Cycle Engagement</u></b> Many opportunities for process improvement but will require ongoing coding training.</p> <p>Mike Lewis asked about Board Self-Evaluations and stated that the next one should be due in March.</p>	
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BOARD OF DIRECTORS MEETING MINUTES

February 26, 2019

Page 11

<p><u>Executive Session</u></p>          <p><u>Meeting Adjournment</u></p>	<p>Wayne Morris asked if there is an updated list of our specialty clinics and Victoria Woodrow communicated that there is with the rack cards in place as well.</p>	<p>Paula Hatfield made a motion at 7:36 p.m. to enter Executive Session. Katie Folden seconded the motion. Motion carried.</p> <p>Paula Hatfield made a motion at 8:02 p.m. to exit Executive Session. John Warner seconded the motion. Motion carried.</p> <p>Paula Hatfield made a motion to adjourn the meeting at 8:05 p.m. Kenny Aydt seconded the motion. Motion carried.</p>
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HAMILTON MEMORIAL HOSPITAL DISTRICT

John Warner, Secretary  
Board of Directors



