



**BOARD OF DIRECTORS MEETING MINUTES**

Tuesday June 25, 2019

6:00 p.m.

**MEMBERS PRESENT:**

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

**MEMBERS ABSENT:**

Katie Folden

**OTHERS PRESENT:**

Victoria Woodrow, CEO  
Justin Epperson, Controller  
Patty Blazier, Chief Nursing Officer  
Bryan Russell, Quality Director  
Glenna Sutton, Interim Compliance Officer  
Sheila Thompson, Director of Revenue Integrity  
Holly Hubele, Administrative Services Coordinator

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

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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 May 2019 Board Meeting</u></p>	<p>Minutes were reviewed.</p>	<p>John Warner made a motion to approve the May 2019 Board of Directors Meeting Minutes. Paula Hatfield seconded the motion. Motion carried with all favorable votes.</p>
<p><u>May 31, 2019 Financial Statement Narrative</u></p>	<p>Justin Epperson, Controller, reviewed the May 2019 finances and statistics</p>	<p>Financial Statements for the month of May were reviewed. Wayne Morris made a motion to approve the Financials. Christina Epperson seconded the motion.</p>
<p><u>Balance Sheet</u></p>	<p><b><u>Current Assets</u></b>  <b>Cash</b> – HMHD has an operating cash balance of \$6,257,789, which is a decrease of \$11K from the previous month.  <b>Accounts Receivables-</b> The net patient receivable balance decreased by \$11K over the prior month to \$2,644,305.  <b>Other Receivables-</b> Increased by 52K over the prior month to \$1K  <b>Inventories and Other Assets-</b> decreased by \$6K leaving a balance of \$572K.  <b>Property and Equipment-</b> None</p> <p><b><u>Current Liabilities</u></b>  <b>Accounts Payable-</b> \$2.375M is the total in Payables for May which</p>	<p>Roll Call Vote: Wayne Morris-Yes; Christina Epperson-Yes; John Warner-Yes; Greg Muehlenbein-Yes; Larry Rowland –Yes; Paula Hatfield-Yes; Kenny Aydt-Yes. Motion carried.</p>



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<p><u>Income Statement (continued)</u></p>	<p><b>Net Income</b> The net loss of \$78K represents a decrease of \$109K from the prior month and is \$63K below budget. Contractual allowances are the primary driver of the net loss.</p>	
<p><u>Final Adjustments to the Bottom Line</u></p>	<p>There were no adjustments made to the bottom line in May. The end of June adjustment will be a soft close with an audit following in August. The hard close will follow the audit. HMHD will utilize the Clifton Larson Allen (CLA) cost report template and any changes will take 2-3 months to update. This will be beneficial to HMHD next year.</p>	
<p><u>Prevailing Wage Ordinance</u></p>	<p>Victoria Woodrow, CEO, reviewed the Prevailing Wage Ordinance. HMHD will investigate and ascertain the prevailing rate of wages as defined in said Act. The Prevailing Wage Ordinance No. 191 was passed and approved by the Board and the required signatures were executed.</p>	<p>Wayne Morris made a motion to approve the Prevailing Wage Ordinance. Paula Hatfield seconded the motion. Motion carried with all favorable votes.</p>
<p><u>FY '19-'20 Budget</u></p>	<p>Victoria Woodrow, CEO, discussed Clifton Larson Allen's (CLA) findings on room rates. CLA identified HMH was drastically underpriced in</p>	<p>John Warner made a motion to approve the FY '19-'20 budget. Larry Rowland seconded the motion. Motion carried with all favorable votes.</p>

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<p><u>FY '19-'20 Budget (continued)</u></p>	<p>room rates compared to peers. A 5% increase in the aggregate will be aligned with charges that are underpriced and will only impact commercial insurance payments. The development of the new charge amount has been substantiated.</p> <p>Swing-bed Room Rates: Medicare patients are allowed 100% pay for a set amount of days in swing-bed and then patients will be required to pay the Medicare elected amount of \$170.50 per day. This will not change with the 5% increase.</p> <p>Acute Room Rates: Sheila Thompson, Director of Revenue Integrity, discussed acute room rates with peer hospitals. HMHD acute room rates will be adjusted accordingly.</p> <p>Services not being charged by HMHD will be corrected: -Telemetry (Cardiac Monitoring) -Isolation Supplies (PPE or Personal Protective Equipment) will be bundled and charged for each entry.</p> <p>FY '20 will see improved relationships with lending institutions with operational expenses being controlled. Budget upside potential also</p>	
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<p><u>FY'19-'20 Budget (continued)</u></p>	<p>includes strong transitional care program, Senior Enrichment Program, a wound care service line rebuild, and a new physician.</p>	
<p><u>Reports</u></p>	<p><b><u>Quality Report</u></b> Medical-Surgical and Emergency Quality Dashboard was reported by Bryan Russell.</p> <p>HMHD has been awarded continued attested status of a Stroke Ready Hospital.</p> <p>Occupation Therapy and Physical Therapy cancellations are higher than the goal. Patients will continue to be reminded of their appointments through Well-Sky.</p> <p><b><u>Compliance Report</u></b> Glenna Sutton, Interim Compliance Officer, went over the May Compliance Report. Quarterly Compliance meetings will continue.</p>	<p>Paula Hatfield made a motion to approve the Quality Report. Christina Epperson seconded the motion. Motion carried with all favorable votes.</p> <p>Wayne Morris made a motion to approve the Compliance Report. Paula Hatfield seconded the motion. Motion carried with all favorable votes.</p>
<p><u>Policies</u></p>	<p>Hospital Policy #84 – <b><u>Verbal Orders / Telephone Orders</u></b> Purpose: To provide a mechanism to ensure correct and timely care of patients while minimizing the risk of errors.</p>	<p>Christina Epperson made a motion to approve Hospital Policy #84 Verbal Orders/Telephone Orders. Greg Muehlenbein seconded the motion. Motion carried with all favorable votes.</p>

<p><u>Policies (continued)</u></p>	<p><b>Hospital Policy #154- Specialty Clinic Facility and Systems Access</b></p> <p>Purpose: To ensure specialty clinic providers in leased HMH Family Clinic’s space have appropriate access to facility and systems. These providers are not employees of HMHD.</p>	<p>Greg Muehlenbein made a motion to approve Hospital Policy #154 Specialty Clinic Facility and System Access. Christina Epperson seconded the motion. Motion carried with all favorable votes.</p>
<p><u>Medical Staff By-Laws Review and Revisions</u></p>	<p>Victoria Woodrow, CEO, explained that there will be many medical staff by-law changes in the future, starting with these. All have been approved by the Illinois Provider Trust (IPT) and were approved at the quarterly Med-Staff meeting in May.</p> <ul style="list-style-type: none"><li>- Provisional Appointment removal; Article V; Section 2b, p. 27</li><li>- Telemedicine Privileges revision; Article VI; Section 7, p. 30</li><li>- Appointment Acceptance removal; Article V; Section 1, p. 26</li></ul>	<p>Paula Hatfield made a motion to approve the Medical Staff By-Laws Revisions. Kenny Aydtd seconded the motion. Motion carried with all favorable votes.</p>
<p><u>Medical Staff Appointments and Reappointments</u></p>	<p>Medical Staff appointments and reappointments were reviewed.</p>	<p>Paula Hatfield made a motion to approve the Medical Staff Appointments and Reappointments. John Warner seconded the motion. Motion carried with all favorable votes.</p>

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<p><u>Board of Directors FY '19-'20</u> <u>Nominating Committee</u> <u>Appointments</u></p>	<p>Greg Muehlenbein, Christina Epperson and Kenny Aydt were appointed to the Board of Directors FY '19-'20 Nominating Committee. They will meet today, June 25, after the Executive Session. Nominations will then be given at the July 23, 2019 Board Meeting.</p>	
<p><u>Executive Session Recordings</u></p>	<p>Discussion and/or Action to destroy Executive Session recordings for the months prior to December 2017 under 2.06 Section C of the Open Meetings Act.</p>	<p>Greg Muehlenbein made a motion to destroy Executive Session recording prior to December 2017. Paula Hatfield seconded the motion. Motion carried with all favorable votes.</p>
<p><u>CEO Report</u></p>	<p>Victoria Woodrow, CEO, announced that Sabrina Stout, FNP, has accepted a teaching position at Southeastern Illinois College and will be resigning in September from HMHD.</p> <p><u>Surgery Volumes for May</u> -Scopes and General Surgery 22 -Eye Surgery - 17</p> <p><u>Key Statistics</u> -Days Cash on Hand – 152 and will drop to 125 after bond payment. -Debt Service Coverage – 1.57 -Net Days in A/R – 66 Slower claims submissions due to the clinic EMR conversion has been the cause.</p>	



<p><u>CEO Report (continued)</u></p>	<p><b><u>Statistics for the month of May:</u></b></p> <ul style="list-style-type: none"><li>--Hospital admissions up to 43 from 34</li><li>--Transitional Care up 3 to 10</li><li>--Revenue driven/ER visits down from 427 to 423</li><li>--CT scans up to 176 from 163</li><li>-- Imaging for May was 990 and driven by Gold Standard, 3D Technology</li><li>--Clinics combined are up to 1172. Carmi had 434 clinic visits and McLeansboro had 738 clinic visits.</li><li>--Labs had a significant decrease to 6814 from 6931.</li></ul> <p>Victoria Woodrow, CEO, went over the HMHD project matrix explaining what has been accomplished at HMHD and projects that are in the process of completion. The extensive list falls under four categories:</p> <ul style="list-style-type: none"><li>- Long-term Debt Financing</li><li>- Capital and Operations Projects</li><li>- Clinic and Hospital Operations</li><li>- Regulatory and Compliance</li></ul> <p>Victoria Woodrow, CEO, stressed that HMHD is taking</p>	
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<p><u>CEO Report (continued)</u></p>	<p>the Quadruple Aim Approach to better quality for the following:</p> <ul style="list-style-type: none"><li>- Patient Experience</li><li>- Population Health</li><li>- Reducing Cost with Better Quality</li><li>- Care Team Well-Being</li></ul> <p>A Marketing Campaign will directly connect to the Quadruple Aim and community health development.</p>	
<p><u>Executive Session</u></p>	<p>The HMHD employee health plan option inclusion of Minimum Value Plan was reviewed.</p>	<p>Greg Muehlenbein made a motion at 7:57p.m. to enter Executive Session. Christina Epperson seconded the motion. Motion carried.</p> <p>Greg Muehlenbein made a motion to accept HMHD employee health plan option inclusion of Minimum Value Plan per management recommendations. Christina Epperson seconded the motion. Roll Call Vote: Greg Muehlenbein-Yes; Christina Epperson-Yes; Paula Hatfield-Yes; Kenny Aydt-Yes; Larry Rowland-Yes; Wayne Morris-No; John Warner-No. Motion carried.</p>

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<p><u>Meeting Adjournment</u></p>		<p>Wayne Morris made a motion at 8:35 p.m. to exit the Executive Session. Paula Hatfield seconded the motion. Motion carried.</p> <p>Paula Hatfield made a motion to adjourn the meeting at 8:38 p.m. John Warner seconded the motion. Motion carried</p>
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HAMILTON MEMORIAL HOSPITAL DISTRICT



John Warner, Secretary  
Board of Directors