



BOARD OF DIRECTORS MEETING MINUTES
Tuesday, June 25, 2024
6:00 p.m.

MEMBERS PRESENT:

Wayne Morris
Kenny Aydt
Marilyn Cross
Christina Epperson
Kelly Karcher
Greg Muehlenbein
Carrie Ragan
Jason Waier
John Warner

MEMBERS ABSENT:

OTHERS PRESENT:

Victoria Woodrow, CEO
Justin Epperson, CFO
Patty Blazier, CNO
Jenee Wilson, Director of Quality/Risk
Bobbie Hamblin, Director of Human Resources
Nick Hansen, Director of Facilities Management
Lindsay Hansen, Marketing/Foundation Manager
Holly Hubele, ASC

Wayne Morris, Board President, called the meeting to order at 6:00 p.m. This meeting was held at the Hamilton Memorial Hospital located at 611 S. Marshall Avenue, McLeansboro, Illinois and will be the site of all future meetings unless communicated otherwise.

Roll call was taken and with a quorum present, the meeting proceeded.

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Topic of Discussion	Description	Action Taken
<u>Public Comment</u>	No comments were made.	
<u>Board of Directors May 2024 Meeting Minutes</u>	Regular Session minutes were reviewed and approved.	John Warner made a motion to approve the May 2024 Board of Directors Regular Session minutes. Jason Waier seconded the motion. Motion carried.
	Executive Session minutes were reviewed and approved.	John Warner made a motion to approve the May 2024 Board of Directors Executive Session minutes. Jason Waier seconded the motion. Motion carried.
<u>May 31, 2024 Financial Statement Narrative</u>	Justin Epperson, CFO, stated that May saw an increase in revenue, as well as an increase in volumes across many areas. Expenses were flat from April, but an increase in contractual allowances produced a net loss. In May, all of the remaining A/R from CPSI was written off, which impacted allowances. This move consolidates all of HMHD A/R into one system and will allow for an update to the methodology for recording reserves.	Jason Waier made a motion to approve the May 31, 2024 Financial Statement. Kelly Karcher seconded the motion. Roll Call Vote: Jason Waier- Yes; Kelly Karcher- Yes; Greg Muehlenbein- Yes; Carrie Ragan- Yes; John Warner- Yes; Kenny Aydt- Yes; Marilyn Cross- Yes; Christina Epperson- Yes. Motion carried.
<u>Balance Sheet</u>	<u>Current Assets</u> <u>Cash-</u> Cash is at \$12.9M, a decrease of \$192K from the prior month.	

<p><u>Balance Sheet (continued)</u></p>	<p>Accounts Receivables- Net A/R is \$2,372,309, a decrease of \$64K from the previous month.</p>	
<p><u>Income Statement</u></p>	<p><u>Gross Patient Revenue-</u> Total revenue was \$3.3M, which was \$220K above budget. Gross Patient Revenue is broken down into two areas: -\$3.1M Hospital Revenue (\$179K below budget) -\$201K Clinic Revenue (\$41K above budget)</p> <p><u>Deductions</u> Contractual adjustments and bad debt allowances are recorded at 54% of gross revenue, which is above the previous month of 49%.</p> <p><u>Cash Collections</u> Cash collections were \$1.7M in May, a decrease of \$100K from the previous month.</p> <p><u>Cost Report Template</u> The Cost Report Template has not been completed due to Collective Bargaining Agreement negotiations.</p> <p>Higher than average Employee Benefits continue for the second month along with higher Operating Supplies. Purchased Services remain</p>	

Hamilton Memorial Hospital hosted *Senior Health Insurance Program* (SHIP) training at the

<u>Key Statistics (continued)</u>	<p>Hamilton County Unit 10 Administrative building. SHIP is a free statewide health insurance counseling service for Medicare beneficiaries and their caregivers. Justin Epperson stated that this training will help with patient financial counseling when there are questions regarding Medicare Managed Care Plans and traditional Medicare. Elizabeth Brown, Revenue Integrity Analyst, Catherine Jackson, Revenue Cycle Supervisor and Justin Epperson, CFO are now certified counselors.</p>	
<u>Loan Refinance Update</u>	<p>Justin Epperson, CFO stated that loan discussions continue and are going well. A decision has not been made regarding whether this will be a traditional loan or a bond instrument. Covenants would remain the same and closing costs are \$45K for both.</p> <p>Peoples Bank is working on ways to secure the rate at a lower amount, noting that collaboration with the Department of Commerce is helpful to ensuring the best rate. Hamilton Memorial Hospital's footprint, supported by Epic reports, validates that the areas serviced by Hamilton Memorial</p>	

<p><u>Loan Refinance Update (continued)</u></p>	<p>Hospital are impoverished, thus aiding in the securement of a lower interest rate. All loan refinance decisions will be made by August 2024.</p>	
<p><u>Request to Formally Engage Peoples National Bank</u></p>	<p>Peoples National Bank (PNB) has sent a recommendation letter asking for the Hamilton Memorial Hospital's Board of Directors to vote to engage PNB for the purpose of a loan refinance. No formal resolution is needed other than notation in the Board of Directors meeting minutes.</p>	<p>Greg Muehlenbein made a motion to engage Peoples National Bank for the purpose of a loan refinance. Marilyn Cross seconded the motion. Roll Call Vote: Greg Muehlenbein- Yes; Marilyn Cross- Yes; Christina Epperson- Yes; Kelly Karcher- Yes; Carrie Ragan- Yes; Jason Waier- Yes; John Warner- Yes; Kenny Aydt- Yes. Motion carried.</p>
<p><u>FY24-25 Operational Budget</u></p>	<p>Justin Epperson, CFO reviewed the FY24-25 Operational Budget noting that it is very conservative and is broken down per month. Due to the impending loan refinance, expenses have been kept to a necessary minimum. The new Collective Bargaining Agreement has been incorporated in to the Operational Budget. Payroll is based on a fully staffed hospital and does not include ETO or purchased services, such as travel nurses. New costs for the below items were discussed: - Extended coverage for the Respiratory</p>	<p>Jason Waier made a motion to approve the FY24-25 Operational Budget. Carrie Ragan seconded the motion. Roll Call Vote: Jason Waier- Yes; Carrie Ragan- Yes; John Warner- Yes; Kenny Aydt- Yes; Marilyn Cross- Yes; Christina Epperson- Yes; Kelly Karcher- Yes; Greg Muehlenbein- Yes. Motion carried.</p>

<u>FY24-25 Operational Budget (continued)</u>	<p>Department</p> <ul style="list-style-type: none">- Imaging extending to 24-hour coverage to maintain <i>Stroke Ready</i> status- Implementation of enhanced Hospitalist program to improve patient care and inpatient volumes	
<u>Annual Prevailing Wage Ordinance #208</u>	<p>No changes from the previous year on the Annual Prevailing Wage Ordinance. The Department of Labor chart was included in the packet.</p>	<p>John Warner made a motion to approve the Annual Prevailing Wage Ordinance #208. Marilyn Cross seconded the motion. Motion carried.</p>
<u>Capital/Building/Grounds</u>	<p><u>Facility, Building and Grounds Update for June 2024</u></p> <p>Nick Hansen, Director of Facilities/Life Safety Management reviewed the June 2024 report.</p> <p>Recent Activities:</p> <ul style="list-style-type: none">--Maintenance Department attended offsite training for Infection Control Risk Assessments for maintenance and new construction.--Completed soil boring and sampling for installation of new LP gas tank for the new boilers; results are pending--Removed the old fuel oil Tank--Annual pest control treatment for hospital interior	

<u>Capital/Building/Grounds (continued)</u>	<p>--Planning for the boiler replacement project is ongoing and large components have been ordered</p> <p>Upcoming Activities:</p> <p>--Preparing to relocate boiler #3 due to the boiler room project</p> <p>Major Breakdowns:</p> <p>--Ongoing boiler condensate and feed systems failures</p> <p>--RTU #2 (Med Surg roof HVAC unit) tripping frequently due to excessive outside temperatures</p>	
<u>CEO Report</u>	<p><u>Board Committee Engagements</u></p> <p>--CNO Search Committee has been appointed and includes Carrie Ragan, Board of Directors member. First pool will end August 2, 2024 with interviews tentatively scheduled for the week of August 19th.</p> <p>--A retirement celebration for Patty Blazier, CNO honoring her 40+ years of service will be held on July 30, 2024 from 10:00 until noon.</p> <p><u>June 2024 Flash Reporting</u></p> <p>HMHD is experiencing a favorable increase in volumes and revenue, noticeably in the inpatient</p>	

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<p><u>CEO Report (continued)</u></p>	<p>unit. Increases are due to improved ED patient transition to Med/Surg in observation and acute stays.</p> <p>Hospital & Clinic Charges: June 1-24 --Gross \$3M --ER Visits- 371 projected --Clinic Visits: Carmi- 251 McLeansboro- 663 --Transitional Care-11 admits --Acute- 31 admits --Observation- 46 admits</p> <p>Key revenue driver's data including acute and transitional care volumes, average daily census (ADC), CT scans, and ED visits were reviewed compared to the prior 24-month activity.</p> <p>The May ADC of 4, trails the prior month of 5, and is well below the monthly goal of 13.</p> <p>Outpatient and inpatient revenue, as well as total payroll expenses and RHC volumes for the prior 24-months, were also reviewed and discussed.</p> <p><u>Statistics for the month of May 2024</u> --General Surgery and Scopes: 29 --Eyes: 14 Surgery numbers are Now on a 16-month</p>
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<p><u>CEO Report (continued)</u></p>	<p>look-back --CT scans: 197 --Lab: 3866 --ER: 402 --Clinics combined had 1295 patient visits Carmi: 311 McLeansboro: 984 --Acute Admissions: 20 --Transitional Care: 5 --IP Observation: 47 --Average Daily Census (Tran & Acute): 2</p>	
<p><u>Reports</u></p>	<p><u>Quality Assurance & Performance Improvement Report (QAPI)</u> Jenee Wilson, Quality Risk Director reviewed the QAPI report for May 2024. Performance Improvement Project (PIPs) continue in all departments to ensure issues are acknowledged, reviewed and resolved by identifying a corrective action to follow.</p> <p><u>Current & Completed PIPs:</u> --Nurse Staffing Committee --Average Unread Exams --Discharge Timeout --Employee Pulse Review --C. Diff for API Survey --UC Verification Times --Charging Workflow --Dictation/Transcription Accuracy in Aquity --Rehab Telemedicine Service Offerings --ED Provider Onboarding</p>	<p>Carrie Ragan made a motion to approve the May 2024 Quality Assurance and Performance Improvement Report. Kenny Aydt seconded the motion. Motion carried.</p>

<u>Reports (continued)</u>	<p>and Training</p> <ul style="list-style-type: none">--Initial and Annual Competencies--AWV Process Coding--DC After-Visit Summary <p><u>Compliance Report</u></p> <p>Jenee Wilson stated that there were zero HIPAA breaches reported for May 2024, and zero calls were received to the Compliance Hotline.</p> <p><u>Annual Nurse Staffing Committee Report</u></p> <p>Patty Blazier, CNO stated that the Nurse Staffing Committee has decided not to make any recommendations for changes to the current staffing plan based on the following information:</p> <ul style="list-style-type: none">--Patient outcomes--Patient complaints related to staffing--Nursing overtime hours worked--Critical shifts called in to work--Reported nursing variances by the nursing personnel to the nursing staffing plan--Acuity level staffing Compliance <p><u>Semi-Annual Nursing Care Committee Report</u></p> <p>Patty Blazier, CNO reviewed the HMHD Nursing Care Committee Semi-Annual Report for</p>	<p>Jason Waier made a motion to approve the May 2024 Compliance report. Marilyn Cross seconded the motion. Motion carried.</p> <p>John Warner made a motion to approve the Annual Nurse Staffing Committee Report. Kelly Karcher seconded the motion. Motion carried.</p> <p>Jason Waier made a motion to approve the Semi-Annual Nursing Care Committee Report. Kenny Aydt seconded the motion. Motion carried.</p>
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<p><u>Reports (continued)</u></p>	<p>November 2023 through April 2024:</p> <ul style="list-style-type: none"> --Patient outcomes and quality reporting are recorded on a daily huddle board --Patient complaints consist of dietary issues --Overtime hours totaled 1358.5 hours --100% compliance with acuity level staffing with all shifts either meeting or exceeding staffing levels --Zero nursing variances by nursing personnel 	
<p><u>Policies</u></p>	<p><u>EPIC LMS Education</u> Purpose: This new policy is to provide guidance for completion of assigned training in the EPIC Learning Management System (LMS) for new employees. EPIC LMS education is a contractual requirement by SSM for structured EPIC training.</p> <p><u>Scribe Documentation in the Clinic EMR</u> Purpose: This new policy is to define the use of a scribe and documentation in patient Electronic Medical Records (EMR) for the Hamilton Memorial Family Clinics.</p>	<p>Jason Waier made a motion to approve the new EPIC LMS Education policy. Greg Muehlenbein seconded the motion. Motion carried.</p> <p>Kelly Karcher made a motion to approve the new Scribe Documentation in the Clinic EMR policy. Carrie Ragan seconded the motion. Motion carried.</p>
<p><u>Board of Governance Nominating Committee Appointments</u></p>	<p>Wayne Morris, Board President appointed Kelly Karcher, Marilyn Cross and Jason Waier to the Board of Governance Nominating</p>	<p>Carrie Ragan made a motion to approve the appointments to the Board of Governance Nominating Committee. Kenny Aydt seconded the motion. Motion carried.</p>

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<u>Board of Governance Nominating Committee Appointments (continued)</u>	Committee. The three appointees will meet 15-minutes prior to the July 23, 2024 Board of Directors meeting to select nominees for the Executive Committee which includes: --President --Vice President --Secretary --Treasurer	
<u>Executive Session Recordings</u>	Discussion and/or Action to destroy Executive Session recordings for months prior to August 2022 under 2.06 Section C of the Open Meetings Act.	Jason Waier made a motion to destroy Executive Session recordings prior to August 2022. John Warner seconded the motion. Motion carried.
<u>Executive Session</u>	Convened into Executive Session under Section 2a of the Illinois Open Meetings Act. Review of hospital personnel took place.	Jason Waier made a motion to enter into Executive Session at 6:58 pm. Greg Muehlenbein seconded the motion. Motion carried. Jon Warner made a motion to exit Executive Session and return to Regular Session at 7:46 pm. Carrie Ragan seconded the motion. Motion carried.
<u>Union Collective Bargaining Agreement</u>	Review and discussion took place in Executive Session regarding key changes in the Union Collective Bargaining Agreement (CBA). The CBA has been approved by the Union Members and is a 3-year agreement for FY24-27.	Jason Waier made a motion to approve the changes in the Collective Bargaining Agreement. Carrie Ragan seconded the motion. Jason Waier- Yes; Carrie Ragan- Yes; John Warner- Yes; Kenny Aydt- Yes; Marilyn Cross- Yes; Christina Epperson- Yes; Kelly Karcher- Yes; Greg Muehlenbein- Yes. Motion carried.

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<u>Meeting Adjournment</u>		Kelly Karcher made a motion to adjourn the meeting at 7:47 pm. Jason Waier seconded the motion. Motion carried.
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HAMILTON MEMORIAL HOSPITAL DISTRICT



John Warner, Secretary
Board of Directors