

## **COFFEY COUNTY HOSPITAL BOARD OF TRUSTEES MEETING**

The Coffey County Hospital Board of Trustees met in regular session on July 25, 2016, in the Allen Woods II Conference Room. Board Members attending were: Steve Hopkins, Chairman; Peter Allegre, Vice-Chairman; Rosemary Rich, Secretary; Dennis Young; Cameron Roth; and Judy Reese. Employees attending were: Leonard Hernandez, CEO; Dr. John Shell, Chief of Staff; Jim Van Hoet, Chief Financial Officer; Patty Thomsen, Vice President of Medical Clinics; Theresa Thoele, Vice President of Human Resources; Melissa Hall, Vice President of Clinical Services; James Higgins, Vice President of Ancillary Services; Tracy Campbell, Marketing Director; Rebecca Thurman, Director of Quality Improvement, Risk Manager and HIPAA Privacy Officer; and Terri Tweedy, Executive Assistant. Board members, Craig Stukey, Treasurer; Jeff Clark; and Levi Saueressig were absent.

Chairman Hopkins called the meeting to order at 6:30 p.m.

Higgins led the Pledge of Allegiance.

No revisions were made to the Agenda.

### Consent Agenda

There were no changes to the June 27, 2016 Board of Trustee Minutes.

Dr. Shell gave the Medical Staff Report. The Medical Staff elected to change the monthly Medical Staff meeting to the third Monday of each month. This will be revised in the Medical Staff Bylaws, Rules and Regulations documents.

Hopkins attended the Dementia presentation held at Waverly. He found this very informative.

Hopkins asked when Ashley Beying's credentialing will be complete so that she can begin practicing. Thomsen expects to have everything complete this week. This will allow Beying to have temporary privileges and begin practicing. Her application will be submitted for approval at the next Medical Staff meeting.

Hopkins and Van Hoet reviewed the Executive Finance Committee Report. A narrative has been added highlighting changes to the financial reports. A new report monitoring patient billing errors has been created. This report will help to identify trends that need addressed. Total net revenue for June was \$2.19 million while expenses were \$2 million creating a profit of \$205,241 for the month. The updated 2015/2016 Capital Budget report has been sent to the County Clerk. The report items in red have been paid, the black represents unpaid. Roth requested that when facility flooring is replaced to consider alternatives to carpet. 2015 Physician bonuses are scheduled to be paid in late July or early August.

Thurman reviewed the Quality, Compliance, Risk Management meeting report. The Compliance Plan is being revised; no information has been received from the Meaningful Use (MU) Audit, Hall will send an inquiry to BKD regarding the MU audit; there were twelve incidents, all levels 1 or 2, during the second quarter of 2016; and two claims are being reviewed by KaMMCO involving falls. Centers for Medicare and Medicaid Services (CMS) will require electronic submission of data in the near future. At this time, CHS is unable to comply due to Healthland not providing appropriate software. Healthland and CMS are

aware of this situation. Should this issue not be resolved by the fourth quarter, CMS may reduce the CHS Medicare reimbursements by as much as 2%.

- Reese moved and Allegre seconded the motion to approve the actions of the Board committees, the Medical Staff Bylaw, Rules and Regulations revision, and each Medical Staff Credentials/reappointments. Motion carried unanimously.

#### CEO Report

Hernandez stated Baird, Kurtz and Dobson (BKD) accountant, Jason Barb, has found that since expenses have reduced this year, the Critical Access Hospital (CAH) reimbursement calculations would decrease since reimbursements are based on actual costs. CHS's mix of lower inpatient and higher outpatient volume is a better mix for CAH designation. Barb calculated that if CHS had been a CAH facility the first half of 2016, an additional \$180,000 in reimbursements would have been received equating to a little less than \$400,000 for the year. Barb will submit a more definitive report when complete.

There are 26 residents at Sunset and 23 residents at The Meadows.

The 340B program is going well. The Yates Center pharmacy has not yet indicated participation.

The City of Madison has not responded to the last correspondence suggesting dividing the cost of the concrete foundation repair.

Greenwood County Hospital has not responded about their overdue MRI bill.

There is no new information regarding the Nuance account. The Attorneys are working on this.

A speech Therapist, Jessica Jones, has been hired and will begin practicing in December.

A new program has been launched by KHA entitled, "We Care We Vote". This is to encourage the 84,000 Kansas healthcare workers to vote.

It was stated that one of the major factors for St Francis closing was due to the non-expansion of Medicaid. They stated that because of not implementing the expansion, they lost several million dollars.

Thurman spoke to attorney, Brook Azure, regarding the Board accepting gifts from the Commission, specifically Chamber Bucks, and gifts to employees. Azure said that the spirit of the policy is that there is no indication of impropriety involved in giving/receiving Chamber Bucks from the County Commission. The OIG has set \$50 to \$100 gift limits as the standard for compliance. Hernandez is working on the policy verbiage for this matter.

The KHA Convention is September 8<sup>th</sup> at 9<sup>th</sup> in Overland Park at the Sheraton. Hernandez stated the 7:30am meeting, the luncheon, and the 6:30pm social hour appeared to be the most beneficial for Trustees. The cost for attendance of these three events is \$100 each. This fee will be paid from the Board Fund. Trustees are to contract Tweedy by August 12<sup>th</sup> if they want to attend.

- Allegre moved and Reese seconded the motion to pay for these events from the Board account. MCU.

The meeting recessed for 5 minutes beginning at 7:40 p.m.

The meeting resumed at 7:45 p.m

Consultation Items

None

Information, Other

None

Executive Session

- Young moved and Roth seconded the motion to enter into a 30 minute Executive Session with Leonard Hernandez, CEO and Terri Tweedy, Executive Assistant, to discuss non-elected personnel with open session to resume at 8:12 p.m. in Allen Woods II Conference Room. Motion carried unanimously.

Executive session began at 7:46 p.m.

Regular session resumed at 8:16 p.m. in Allen Woods II Conference Room.

- Allegre moved and Young seconded the motion to approve the settlement agreement and release of the Rand case with prejudice. Motion carried unanimously.

Roth stated Hernandez did well in addressing personnel matters.

Allegre asked if there was any preference in where to hold the Retreat. All agreed that they would like to keep it local and for a single day. Allegre and Hernandez will set the Retreat Date.

Hopkins stated three Trustee appointments will terminate this December. These three need to decide if they will reapply for appointment. If anyone wishes to be an officer in 2017 please notify Young.

- Roth moved and Reese seconded the motion to adjourn the meeting at 8:26 p.m. Motion carried unanimously.

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Rosemary Rich, Secretary

Possible follow-ups (not all inclusive) for August meeting:

Payment to CMS for refund error	Annual Retreat
Surgeon	Nuance Contract
Durable Medical Equipment Service	Greenwood County Hospital MRI Account
340B Pharmacy Program	Progress on trends identified in Juanita's billing error tracker
Madison Foundation	Capital plans
Update on Evaluation process (VP)	Special projects designation? (Person)