

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

The Coffey County Hospital Board of Trustees met in regular session on September 26, 2016, in the Allen Woods II Conference Room. Board Members attending were: Peter Allegre, Vice-Chairman; Craig Stukey, Treasurer; Rosemary Rich, Secretary; Jeff Clark; Levi Saueressig; Cameron Roth; and Judy Reese. Employees attending were: Leonard Hernandez, CEO; Dr. Chris Jarvis, Vice-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; and Terri Tweedy, Executive Assistant. Board Member and Chairman, Steve Hopkins, arrived at 7:00 p.m. Board Member, Dennis Young, was absent. No visitors were in attendance.

Vice-Chairman Allegre called the meeting to order at 6:30 p.m.

Allegre led the Pledge of Allegiance.

Jeff Clark added to the Agenda the subject, Back Sidewalk, as Item E to Section VII. Information. There were no other changes to the Agenda.

### Consent Agenda

There were no changes to the August 22, 2016 Board of Trustee Minutes.

Dr. Jarvis gave the Medical Staff Report. Five medical staff applications were approved for appointment, reappointment, and to extend privileges. Dr. Jarvis left the meeting.

Stukey and Van Hoet reviewed the Executive Finance Committee Report. Stukey said that after reviewing the accounts held by CHS, the Committee decided to close the Blue (HRA) account and move the funds to the General Operating Account.

Van Hoet stated the account balances at the Yates Center and Gridley banks will be reduced to \$5000 each. The funds over \$5000 will be transferred into the General Operating Account.

Van Hoet reviewed the financial documents. He noted that August volumes were stronger than July but not as strong as previous months. The Gross Patient Revenue was \$3,259,411. Other Operating Revenue increased due to billing several months of dietician contract services on one statement to Allen County Regional Hospital. Net loss for the month was \$103,526; Year to date loss is \$43,132. A lump sum of \$205,000 was expensed during August for physician bonuses. This expense will be accrued monthly beginning in 2017. Utilities increased for the month. Saueressig asked if the utilities were still tracked by Schneider Electric. Hernandez stated he thought that service was terminated but will verify that information. Van Hoet said the patient volumes trend favorably for Critical Access Designation with a decrease of acute patients and increase of outpatients. FTE's have decreased 7% from last year.

Rich asked why the clinic numbers decreased. Thomsen explained that three main factors for the low numbers were due to the change of billing the Emergency Room Fees from the Clinic to the Hospital, Dr. Atkin and Sarah Nuessen leaving the Yates Center Clinic, and the Waverly Clinic being closed.

Clark asked about the funds received from the County and how it was shown on the reports. Van Hoet said these funds are in the Non-Operating Revenue and is evenly distributed throughout the year.

Hernandez said an updated Capital Equipment List was included in this month's packet.

Rich asked if the Billing Error Report has revealed any trends. Van Hoet said a meeting is scheduled later in the week to discuss this report and possibly create better efficiencies.

Sauressig asked how patient credit balances were processed. He recently found he personally had a credit balance for one year. He is concerned that others have a credit without being made aware. Van Hoet said Merri Michaels and Cathy Paige are working through the accounts, one by one. Each episode must be reviewed individually to ensure the credits are valid. An average of \$20,000 to \$30,000 in credit balance accounts are being processed monthly. Hernandez will review how staff determines which accounts to process, by alpha or date order.

- Reese moved and Stukey seconded the motion to approve the actions of the Board committees and the Medical Staff Credentials/reappointments. Motion carried unanimously.

#### CEO Report

Hernandez said that the Critical Access application is complete. The application will be submitted later this week after Hopkins and Dr. Jarvis sign the documents.

Hopkins arrived at 7:00 p.m.

There are 26 residents at Sunset and no Medicaid-pending accounts.

There are 23 Meadows residents. Three people have expressed interest in an apartment.

The recertification for the 340B plan's second quarter has been denied due to low Disproportionate Share (DSH) percentages. With Critical Access Designation, DSH will not be a factor and the 340B program can be reinstated.

Hernandez has been in contact with representatives from Nuance regarding the account balance. They reported they had no correspondence from the CHS attorney. Hernandez sent the e-mails from our attorney with responses from Nuance attorneys so that they have documentation of previous correspondence. More information will be shared as it becomes available.

The Coffey Health Foundation is sponsoring a Zombie Walk as a fund raising benefit. The Foundation recently paid for CNA tuitions.

Dr. Farrell has to reschedule her on-site visit to CHS. She will contact Hernandez when her schedule permits a visit.

The Women's Health Conference will be on October 5<sup>th</sup>. The main topic will be Self Defense. 300 are expected to be in attendance.

Hernandez has met with Dr. Hughes about the billing service he utilizes. Hughes has stated he is changing service. A letter for patient distribution will be requested regarding his billing practices.

### Board Selection

Trustee terms for Hopkins, Rich, and Saueressig will expire on December 31, 2016.

### Consultation Items

None

### Information, Other

Allegre and Hernandez will set a date for the annual Retreat.

The Employee Christmas Party is scheduled for December 3<sup>rd</sup> at Rock Creek Country Club. Employee service awards will be given at the event.

Thoele explained the Exit Interview process for terming staff. She said less than half of the employees complete and return the document. Once received, they are sent to the staff's Vice President and Director for review. Young suggested meeting with the individual prior to leaving employment.

Clark received 2 pictures from staff after the last heavy rain showing that there was two inches of water to walk through from the staff parking lot to the building. There are Capital Equipment Funds remaining that may pay for this drainage project. The Maintenance Department will get estimates to address the drainage issue.

Roth asked about the employee health insurance. Hernandez stated this is an item for Executive Session but that a fully funded plan may save approximately \$500,000 this next year.

### Executive Session

- Stukey moved and Clark 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 8:02 p.m. in Allen Woods II Conference Room. Motion carried unanimously.

Executive session began at 7:32 p.m.

Hernandez and Tweedy left the Executive Session at 7:50 p.m.

Regular session resumed at 8:02 p.m. in Allen Woods II Conference Room.

- Stukey moved and Hopkins seconded the motion to enter into a 20 minute Executive Session to discuss non-elected personnel with open session to resume at 8:23 p.m. in Allen Woods II Conference Room. Motion carried unanimously.

Executive session began at 8:03 p.m.

Regular session resumed at 8:23 p.m. in Allen Woods II Conference Room.

- Reese moved and Hopkins seconded the motion to enter into a 10 minute Executive Session, to discuss non-elected personnel with open session to resume at 8:34 p.m. in Allen Woods II Conference Room. Motion carried unanimously.

Executive session began at 8:24 p.m.

Regular session resumed at 8:34 p.m. in Allen Woods II Conference Room.

Trustees will have one week to complete the CEO evaluation. Once complete, submit to Tweedy for processing.

- Roth moved and Saueressig seconded the motion to enter into a 5 minute Executive Session, to discuss non-elected personnel with open session to resume at 8:45 p.m. in Allen Woods II Conference Room. Motion carried unanimously.

Executive session began at 8:40 p.m.

Regular session resumed at 8:45 p.m. in Allen Woods II Conference Room.

- Hopkins moved and Stuke seconded the motion to adjourn the meeting at 8:45 p.m. Motion carried unanimously.

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Rosemary Rich, Secretary

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

Annual Retreat

Surgeon

Durable Medical Equipment Service

Madison Foundation

Nuance Contract

Greenwood County Hospital MRI Account

Drainage at back sidewalk

Progress on trends identified in Juanita's billing error tracker

Progress on annual evaluation process