

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

The Coffey County Hospital Board of Trustees met in regular session on December 19, 2016, in the Allen Woods II Conference Room. Board Members attending were: Steve Hopkins, Chairman; Peter Allegre, Vice-Chairman; Craig Stukey, Treasurer; Rosemary Rich, Secretary; Jeff Clark: Judy Reese; Dennis Young; and Trustee Designate, Jodi Thomas. Employees attending were: Leonard Hernandez, CEO; Jim Van Hoet, Chief Financial Officer; Melissa Hall, Vice President of Clinical Services; Patty Thomsen, Vice President of Medical Clinics; James Higgins, Vice President of Ancillary Services; Theresa Thoele, Vice President of Human Resources; Tracy Campbell, Marketing Director; Juanita White, Controller; and Terri Tweedy, Executive Assistant. Trustee, Cameron Roth arrived at 6:38. Trustee, Levi Saueressig, was absent. Dr. John Shell, Chief of Staff, was absent. No visitors were in attendance.

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

Allegre led the Pledge of Allegiance.

Tweedy announced that Tracy Campbell had created 2017 calendars that featured the Coffey Health Foundation and were available to take and distribute.

Tweedy stated that pages 9 and 7 in the packet were identical.

There were no changes to the agenda.

### Consent Agenda

Hopkins stated there are two sets of Minutes to review and approve. These are the November 28<sup>th</sup> and the December 12<sup>th</sup> Retreat Minutes. There were no changes to either set of Minutes.

Hernandez gave the Medical Staff Report. There were two reappointments for approval. Medical Staff Officers were elected; Dr. Shell was elected Chief of Staff; Dr. Jarvis. Vice Chief of Staff; Dr. Sloyer, Secretary; Dr. Jarvis, Medical Director for Sunset Manor. Hopkins stated there are several items to be approved by the Board for Medical Staff. Tweedy will research to determine if items are ready for approval and will add to the January 2017 agenda if appropriate.

Stukey and Van Hoet reviewed the Executive Finance Committee Report. Stukey said there were no action items to report.

Van Hoet reviewed the financial reports. He reported a net loss for November of \$20,000. Gross revenue was \$3,259,000 and net revenue was \$1,799,000. Other operating revenue for one mobile MRI customer was \$40,000. Contract labor, supplies, and insurance expenses decreased for the month. Year to date net loss is \$151,059. Paid FTE's are 5% lower than last year. The Billing error report is still a work in progress. Billing issues are being identified and processes are being improved.

Clark asked how a patient account is moved to Bad Debt classification. Hernandez stated once a self-pay account goes to HRG, they work the account for 120 days by sending statements and making phone calls. If no payment or payment arrangement is received within 120 days, it is then referred to a collection

agency. HRGs progress report has improved stating a 13% error rate to the self-pay accounts. To create a similar report from Healthland for insurance categories is not easily created. White stated to pull the information would be very time consuming and labor intensive. She found that the HRG report counts each episode

This type of report cannot be done for insurance categories. HRGs report appear to be skewed because out of 78 episodes, only 32 were actually incorrect. HRG was counting each episode, not each patient. White has requested a detailed error report from HRG.

A new report has been created and included in the financial packet that shows visits by clinic, each clinic's revenue and expenses. Hopkins requested staffing be added to the report. CMS has begun to pay Clinic claims that were required to be held until their system could process the submissions. Discussion regarding the Gridley Clinic ensued. Gridley Clinic is not classified as a Rural Health Clinic (RHC). Reese asked if it would be possible to make it a RHC. One of the RHC regulations would require more provider coverage which would be difficult to schedule at this time. The salaries for the RHCs are allocated to the appropriate clinic through payroll. Thomsen noted that a locums would be difficult to train for the Gridley Clinic when the regular mid-level is out of the clinic. This is due to EHR. Reese stated that the Gridley Clinic numbers look bad but it closed a lot due to no provider in the office. Reese said she has been told by people in the community that they are tired of it not being open and are going elsewhere. The Gridley Clinic closing notification process will be reviewed with staff. Thomsen stated there has been turnover at that clinic and they may not be aware of the process.

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

#### CEO Report

Hernandez has spoken with CMS about the Critical Access Hospital application. He was told it is being reviewed but no timeline was given for completion. Hernandez stated we are still PPS until designation is given for CAH.

There are 26 residents out of 32 (86%) at Sunset and 25 residents out of 26 (94%) at The Meadows.

There is no new information regarding the Nuance account.

The Coffey Health Foundation meets tomorrow and will discuss the loan to CHS and bus for Sunset Manor.

Higgins said there is no information from Greenwood County Hospital on their account. He has left several messages by phone and email. No response has been returned. He found the CEO has been out of the office for some time as well as the CFO. Higgins was told checks were unable to be written until they return. The MRI is scheduled to be at Greenwood County Hospital on Tuesday and expects to receive a check at that time.

White spoke about HRG procedure for the self-pay account collection process. She explained that after insurance payments are posted, accounts are changed to self-pay. HRG pulls self-pay account information three times per week. The day they receive the information, is day one for the account. The first statement is to be mailed from HRG within 72 hours of received the account. If a partial payment is made to an account within 14 days of the initial statement mailing, HRG calls the guarantor to set up a payment schedule. A second statement is mailed after HRG has had the account for 25 days. 14 days later, a call is made to the guarantor. A third statement is sent and a final notice is sent before being

turned over to a collection agency. A complaint received was receiving a call from HRG on the day the first statement was received. White said we now have the capability of listening to the calls HRG makes to each customer. HRG has stated they are working the accounts as we have asked them to. The billing complaint log is still being maintained.

CHS pays annual dues to Associated Purchasing Services (APS) in the amount of \$1500 per year. This allows CHS to be part of a larger purchasing group. This year, the dividend from APS was \$6578.91.

Hernandez stated that Life Team, an air ambulance service, is no longer contracted with Blue Cross Blue Shield. This service is not utilized routinely by CHS. He wanted the Board to be aware that patients could be responsible for large portion of their bill if this service is used.

Roth is working with the "Focus on the Future", a strategic planning committee for Coffey County. This group is working to determine how to deal with the scheduled expiration of the WCNO license in 2045. He said a grant has been awarded by the Kansas Leadership Center allowing forty people from Coffey County to attend a two and one half day training session in Wichita. Five people from CHS can attend; one Trustee and four staff. Roth will forward the email to Hernandez.

### Consultation Items

Thoele reported that staff evaluations are being performed. The end of the year deadline will not be met but department supervisors are working to complete the documents as quickly as possible. A self-evaluation form has been created for staff to access from the Portal and complete. They are to bring it to their evaluation appointment to discuss the information with their supervisor. A new appraisal form is available to supervisors but they are allowed to use their previous document if they choose for 2016. The new evaluation will be required for 2017. Thoele stated that 25% of the staff evaluations are complete as of today. Hopkins stated that the leadership is accountable for getting these documents completed by the set deadline. Young asked what the incentive was for getting the self-evaluations complete. Thoele stated that this was a tool to help the supervisor speak to how to help the employee grow in the direction they desire.

### Information, Other

Hopkins wished everyone a Merry Christmas and Happy New Year.

The meeting recessed for five minutes.

### Executive Session

- Roth moved and Young 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 8:17 p.m. in Allen Woods II Conference Room. Motion carried unanimously.

Executive session began at 7:53 p.m.

Regular session resumed at 8:17 p.m. in Allen Woods II Conference Room.

- Allegre moved and Clark seconded the motion to enter into a 15 minute Executive Session with Leonard Hernandez, CEO and Terri Tweedy, Executive Assistant, to discuss non-elected

personnel with open session to resume at 8:32 p.m. in Allen Woods II Conference Room. Motion carried unanimously.

- Executive session began at 8:32 p.m.
- Regular session resumed at 8:47 p.m. in Allen Woods II Conference Room.

Discussion was held about Sunset Manor. Reese stated it may be beneficial to speak with the Waverly City Council about the building so they are aware of the issues. Tracy Campbell will look to see if grants are available for replacement equipment. Roth asked if the county Economic Development or Chamber of Commerce had been asked to help with the situation. This will be addressed before the next Strategic Planning meeting in January. Hopkins will attend the January Strategic Planning meeting.

Elections and committee selections will be held in January. All officer seats are required to be replaced per the Bylaws. Hopkins asked that ideas be brought to next month's meeting and for everyone to be prepared to vote.

- Reese moved and Clark seconded the motion to adjourn the meeting at 8:55 p.m. Motion carried unanimously.

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Rosemary Rich, Secretary

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

Nuance Contract

Durable Medical Equipment

Madison Foundation

MRI Account

Progress on annual evaluation process

Progress on clinical documentation review, employee health documentation, lab and social services.