

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

The Coffey County Hospital Board of Trustees met in regular session on January 23, 2017, 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; Cameron Roth; and Jodi Thomas. Employees attending were: Leonard Hernandez, CEO; Dr. John Shell, Chief of Staff; Jim Van Hoet, Chief Financial Officer; Melissa Hall, Chief Nursing Officer; 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; and Terri Tweedy, Executive Assistant. Trustee, Dennis Young 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.

Hopkins welcomed Jodi Thomas to the Board and thanked her for volunteering for this position.

Items added to the Agenda were: Accounts Payable Review & Approval and Applicable Check Signing as item (h) under Action Item 3; and Follow-up on Focus on the Future Discussion as item (C.) under VI. Consultation Items.

### Election of Officers

- Roth moved and Clark seconded the motion to elect Judy Reese as Chairperson, Craig Stukey as Vice-Chair, Steve Hopkins as Treasurer, and Peter Allegre as Secretary. Motion carried unanimously.

Reese then presided over the meeting. She began by thanking Hopkins and Hernandez for their hard work in getting the facility turned around. She stated that we have a great board and great staff.

### Consent Agenda

Hopkins noted the December 19, 2016 Minutes that were distributed in the paper copy were different than what was sent electronically. Dr. Shell was listed as present, but was absent and the information stated by Hernandez regarding the census at Sunset Manor and The Meadows was changed to state the percentage of occupancy and the total number of beds at each facility.

Dr. Shell gave the Medical Staff Report. Two new lab tests have been added to help in evaluating patients. Critical Access Designation was discussed by the Medical Staff. An upcoming change to the Medical Staff Bylaws will be to delete the action of meeting with an attorney annually to review the Bylaws.

Stukey gave the Executive Finance Report. An Agreement was entered into with the Coffey Health Foundation to purchase a van for Sunset Manor. The Foundation agreed to donate \$30,000 toward the purchase and finance the balance for three years at zero percent interest. The approximate cost of the van is \$57,000.

A formal Agreement was signed with the Coffey Health Foundation to pay \$100,000 per year for three years beginning in 2018. Funds (\$600,000) from Coffey Health Foundation were used as collateral in

2014 for a loan with Central National Bank. The remaining principal will be \$300,000 after the February 2017 payment of \$100,000.

Stukey and Hopkins will continue to review the Accounts Payable as Executive Finance Committee members.

Hopkins stated that as part of the action approval of the committees, Stukey and Hopkins will be approved to continue as signators.

Hernandez explained why the mil levy checks that were received recently, were not equal amounts. The County Clerk explained that there is a formula used to allocate collected taxes to entities. She noted that should there be delinquent taxes, some funds may not be available.

Van Hoet gave the financial report. Gross revenue for December 2016 was almost \$3.2 million, net patient revenue was \$1.6 million. There was a loss of \$166,000 for the month and \$317,000 for the year. Cash collections were almost \$2 million for December.

Van Hoet plans to have the departmental budgets distributed to the Executive Team tomorrow. He will meet with each one to review the information, answer questions, and make revisions. The information will be firmed up within the next two weeks so that budget columns will be filled on future reports.

Hopkins said a change was needed to the Bylaws regarding delinquent accounts. Hernandez currently reviews delinquent accounts prior to being turned over for legal action. Section 4.6.1.3.4 will be deleted and Section 6.1.1.25 will be added and will state: Shall review and approve delinquent accounts and determine appropriate actions to address such accounts.

Shell asked about the clinic Medicare billing delay due to the CMS directive. Van Hoet stated that reports show the peak occurred in October in the amount of \$276,000. The balance is reduced to \$138,000 as of the end of Dec.

Allegre gave the Strategic Planning Committee report. The three year plan was reviewed and revised. Board Retreat items will be reviewed at the next meeting on April 18<sup>th</sup>.

Hernandez informed the board that KHA has extensive educational information on line for Trustees. This will be included in the Trustee manual.

Rich gave the Quality, Compliance, Risk Management (QCRM) report. Rich served as Chair for the meeting. She noted that the revision of the Compliance Plan revision was nearing completion. This document is expected to be approved at the April QCRM meeting. There was one Risk management claim that is expected to be closed by the end of February. The Assisted Living regulations do not require Quality Assurance measures. Surveyors do not recommend putting these in place as this could create complications when a survey is performed. The Meadows does perform Risk Management. The Assisted Living Operator is listed as a member of the QCRM committee. Removing this position from the Bylaws requires a Bylaw change. Also listed in the membership requiring Bylaw change is the title of Director of Sunset Manor which should be Long Term Care Director. A potential HIPAA violation was investigated and no violation occurred. There were 41 Standard of Care Incidents reported for the final quarter of 2016. All were rated as a 1 or 2 which is the lowest rating. There were no trends found in the incidents. A patient ID policy was implemented in July. No incidents have been reported since implementation. Several process improvement projects will begin in 2017. These projects include auditing of all patient

transfers, Antimicrobial Use & early Sepsis Intervention, Hand Hygiene, establishing department quality measures and chart reviews.

Thoele spoke about the KaMMCO malpractice premium. This coverage is financed through Fidelity State Bank in the amount of \$176,592. The premium is divided into eight equal payments. When this policy is to be renewed in 2017, the same people that signed the documents for 2016 will sign the 2017 documents.

- Allegre moved and Hopkins seconded the motion to approve the actions of the Board committees, Constitution & Bylaw changes, and the Medical Staff Credentials/reappointments. Motion carried unanimously.

Hernandez has called the State and CMS about the Critical Access application. He said information has been requested by CMS from Van Hoet. No other information has been received.

The final results of the recent PPS state survey have not been received. The exit interview lasted ten minutes which is remarkable since the last survey was five years ago. Hand washing and lighting issues were the only items discussed at the Exit Interview. This survey was a week in duration. Hernandez has been lobbying for this survey to be used for the CMS Critical Access survey. No answer has been received.

The Fire Marshall performed a very thorough inspection last week. Vic Blaufuss, Facilities Operations Manager, found that the Fire Marshall was unable to send the results due to incorrect contact information. This has been corrected. Hernandez contacted the state to verify they had the correct contact information regarding the PPS survey. He was told if they had not contacted us, they weren't finished.

There are 27 residents out of 32 (84% occupancy) at Sunset and 23 residents out of 26 (88% occupancy) at The Meadows.

Two checks were received from Greenwood County Hospital in December. No payment has been received during January. This account is being closely monitored.

The Kansas Hospital Association is hosting a Critical Issues Summit in Wichita on February 23rd and 24th. If anyone would like to attend, contact Terri Tweedy.

- Hopkins moved and Roth seconded the motion that expenses be paid to cover the cost of attending the Critical Needs Summit Feb 23 and 24. Motion carried unanimously.

The completion of the facilities tour will be scheduled. The remaining buildings to walk through are the Waverly Clinic, The Meadows, and Rehab.

Thomsen gave an update on the Registration/Admissions Audit. She stated information was obtained from the recent billing error and HRG communication reports. Processes and education were reviewed prior to beginning the audit. Registrations from the first part of February will be analyzed and outcomes will be determined by the end of February.

A space needs walkthrough survey will be done on Feb 15<sup>th</sup>. Space will be reviewed to determine if areas can be better utilized. There is no cost for this service. Results will be shared at the February meeting.

### Consultation Items

Hall said the Home Health Advisory Board met recently and reviewed the policy manual. As required by state regulations, a Board of Trustee signature page is required to be included with the manual. All Trustees are to sign the document that states acceptance of responsibility of being the governing agency of the CHS CCH Home Health agency.

- Stukey moved and Rich seconded the motion that the Coffey Health System Board of Trustees, by their signature, accept the responsibility of being the governing agency of CHS CCH Home Health Agency. Motion carried unanimously.

Committee membership was reviewed. Trustees appointed to the Executive Finance Committee were: Stukey, Hopkins and Reese. Trustees appointed to the Strategic Planning Committee were Allegre, Rich and Roth. Trustees appointed to the Quality, Compliance, Risk Management Committee were Thomas and Rich, with Rich serving as Chair. Home Health Advisory Committee Trustee will be Thomas. Patient, Family Advocacy Committee Trustees will be Reese and Rich. No appointments were made for the Board Selection Committee or the Capital Committee. The Capital Committee seat was a temporary seat and the Board Selection Committee is not needed at this time.

A county-wide group is being formed called, Focus on the Future. The purpose for the group is strategic planning in preparation for the future loss of the WCNOG plant. CHS has been allocated five seats for the group. Preferably one Trustee and four staff members. Training is scheduled as two day events and will be offered over a four month time frame. Reese asked Clark if he would like to serve on this committee. Clark agreed to serve. Roth will attend but not in a Trustee capacity.

Hernandez will periodically share reading information regarding healthcare transition in his weekly CEO report. This information may be good for future discussions.

The Medicaid Expansion hearing is scheduled for February 7<sup>th</sup>, 8<sup>th</sup>, & 9<sup>th</sup> and will be held in Topeka. He said the first day was to be an overview, the second day would be cons, the third day would be pros. Hernandez will attend on the 9<sup>th</sup>.

Thomas expressed eagerness to help in any way possible. She has healthcare background and is willing to share her knowledge. Hernandez invited her to stop by his office anytime.

### Information, Other

The Trustees were given their annual Conflict of Interest, Confidentiality, and Code of Conduct documents to review, sign and return. All documents were completed and returned.

### Executive Session

- Allegre moved and Stukey seconded the motion to enter into a 10 minute Executive Session with Leonard Hernandez, CEO and Terri Tweedy, Executive Assistant, to discuss non-elected personnel with open session to resume at 7:55 p.m. in Allen Woods II Conference Room. Motion carried unanimously.

Executive session began at 7:45 p.m.

Regular session resumed at 7:55 p.m. in Allen Woods II Conference Room.

- Hopkins moved and Thomas seconded the motion to enter into a 20 minute Executive Session with Leonard Hernandez, CEO and Terri Tweedy, Executive Assistant, to discuss Confidential Data Relating to the Financial Affairs or Trade Secrets of Corporations, Partnerships, Trusts, and Individual Proprietorship with open session to resume at 8:16 p.m. in Allen Woods II Conference Room. Motion carried unanimously. Jeff Clark recused himself.

Executive session began at 7:56 p.m.

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

- Allegre moved and Stukey seconded the motion to enter into a 5 minute Executive Session with Leonard Hernandez, CEO and Terri Tweedy, Executive Assistant, to discuss Confidential Data Relating to the Financial Affairs or Trade Secrets of Corporations, Partnerships, Trusts, and Individual Proprietorships with open session to resume at 8:16 p.m. in Allen Woods II Conference Room. Motion carried unanimously. Jeff Clark recused himself.

Executive session began at 8:17 p.m.

Regular session resumed at 8:22 p.m. in Allen Woods II Conference Room.

- Hopkins moved and Allegre seconded the motion to adjourn the meeting at 8:30 p.m. Motion carried unanimously.

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Peter Allegre, 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.

Departmental Budgets

Tour Schedule

Space Needs Survey

PPS Survey

Fire Marshall Survey

Registration/Admissions Audit (March)