

COFFEY COUNTY HOSPITAL BOARD OF TRUSTEES MEETING

The Coffey County Hospital Board of Trustees met in regular session on July 24, 2017, in the Allen Woods II Conference Room. Board Members attending were: Judy Reese, Chair, Craig Stuke, Vice-Chair; Steve Hopkins, Treasurer; Peter Allegre, Secretary; Rosemary Rich; Jeff Clark; Cameron Roth; Dennis Young; and Jodi Thomas. Employees attending were: Leonard Hernandez, CEO; Jim Van Hoet, Chief Financial Officer; Melissa Hall, Chief Nursing Officer; James Higgins, Vice President of Ancillary Services; Theresa Thoele, Vice President of Human Resources; Tracy Campbell, Marketing Director; Juanita White, Controller; Stacy Augustyn, Director of Quality and Process Improvement, Employee Health, and Education Coordinator; and Terri Tweedy, Executive Assistant. Visitors were: Hallie Boyce, Physical Therapist; Joan Kuhlmann, Physical Therapist; Barbara Anderson, Kansas Department of Commerce; and Stacy Haines, Coffey County Economic Development Director. John Shell, Chief of Staff, and Patty Thomsen, Vice President of Medical Clinics, were absent.

Chairperson Reese called the meeting to order at 6:30 p.m.

Reese welcomed and introduced the visitors to the meeting.

Reese mentioned a celebration took place in honor of Stacy Augustyn as the CHS Healthcare Worker of the Year. At the ceremony, Hernandez spoke about how proud he was to be the Coffey Health System CEO and how CHS has received several awards recently. Those awards were: The High 5 Award for Mom and Baby; a bronze award for the Emergency Room; and the Mammography Department passing their certification.

Hernandez led the Pledge of Allegiance.

Campbell spoke about the nomination for a Business Appreciation Award. She explained there was a lot of data that had to be compiled and submitted to the state. She thanked Haines for nominating CHS. Receiving this award can be used for grant applications and marketing tools in the future. Anderson then read the congratulatory letter from Governor Sam Brownback and presented a plaque to Hernandez. Haines and Anderson left the meeting.

Physical Therapists, Joan Kuhlmann and Hallie Wilson, gave a presentation on a new cash based service offered through the Rehabilitation Department. Kuhlmann and Wilson recently received certification in Dry Needling procedures and plan to receive more training in the near future. This treatment is considered experimental by insurance which makes this a non-covered service. Kuhlmann and Wilson left the meeting at the conclusion of their report.

Marketing is planning to begin a multi-phase campaign that will encompass several new service lines pertaining to pain treatments. Dry Needling will be one of the services advertised.

Consent Agenda

There were no changes or revisions to the July 24, 2017 Minutes.

Hernandez gave the Medical Staff Report. Items discussed at that meeting were: revisions made to isolation signage to better inform visitors of precautions; presentation of Sepsis Order Sets; creation of a new screening tool for the Sepsis Order Sets; Allied Health Statutes regarding CRNA's and administration of anesthesia; review, but not approval, of the revisions to the abbreviation list; Ongoing Professional Practice Evaluation education; completion of the Critical Access Hospital survey; and the appointments/reappointments to the Medical Staff.

Stukey gave the Executive Finance Committee Report. He said HRG is working to complete itemized bill templates. White is working on the Financial Assistance Policy. Expenditures in the amount of \$1,215,371.88 were approved.

Van Hoet reviewed the financials. Net revenue for the month was \$1,750,000 for a month-to-date loss of \$87,000. Year to date net revenue was \$10,695,000 for a year-to-date loss of \$435,000. Revenues are less than 2016 and less than budgeted even though gross revenue is higher than 2016. He stated this is due to higher bad debt and charity deductions, unfavorable payer mixes, Medicare outpatient revenue was \$459,000 higher, Medicare acute revenue was lower at \$56,000, and lower commercial revenue of \$808,000.

Hopkins asked what the Self-pay category consisted of. Van Hoet explained the Self-pay category is patients with no insurance and patients that have balances after insurance has paid. Typically, the average collection rate is .15 for every dollar. The national average is .17.

White stated the Orthopedic clinic category was set up incorrectly. 100% of the revenue was allocated to that clinic but none of the expense. She has corrected this error. The totals do not change on the financial reports, only the allocations.

Hernandez said there is \$230,000 in the 120 day and over column for Blue Cross, Medicare, and Medicaid. He has instructed the billing department to focus on those accounts to avoid them aging out. He will follow-up with the progress.

Rich, Quality Compliance Risk Management (QCRM) Chair, asked Augustyn to report on her portion of the QCRM meeting.

Augustyn began by talking about the patient satisfaction scores. The response time measure increased to the 96th percentile; controlling patient pain and discharge information scores declined. Augustyn contacted Press Ganey to learn how to troubleshoot the low scores. She explained our current processes to Press Ganey and found we are doing everything Press Ganey recommends. They helped Augustyn run additional reports on the secondary elective survey questions. She found that the patients were not feeling ready to be discharged which contributes to the lower discharge score. To better prepare patients for discharge, new processes will be created and implemented.

The Patient Identification policy has been approved and will be implemented at the next Leadership Meeting.

With the conversion to Critical Access Hospital (CAH) designation, changes will have to be made to overall Quality. ISO 9001 is an international standard Quality Management System that will be

followed for CAH compliance. Augustyn will attend training along with other staff members to learn how to follow ISO 9001. The cost for the training will be paid by the SHIP grant, not from operations.

Augustyn mentioned that Krista Cubit, Long Term Care Director, gave an update to the committee about quality and the star rating for Sunset Manor (SSM). The star rating declined due to the quality measures being geared to skilled facilities. SSM is not a skilled facility so measures such as, how many residents got better and went home, does not apply to SSM, but lowered the score. Hernandez remarked that adding Electronic Health Record (EHR) to SSM would help as they are manually charting at this time.

Rich stated Adam Haag, I.T. Manager, was invited to join the QCRM Committee as a permanent member. She said this is a positive addition as several committee discussion topics were about reporting issues. His committee involvement will be beneficial.

Rich discussed the Compliance Plan. The current Plan was adopted in 2013. Thurman has been working on a revised Plan for several years. Rich commended Thurman on her thoroughness of the project. However, the revised Plan is 86 pages in length. The committee's recommendation was for Thurman to contact two or three CAH hospitals to acquire their Plans and use as examples to try and reduce the bulk of the Plan.

Rich noted the QCRM Committee approved adding the recently received legal recommendations to the existing HIPAA policy regarding Law Enforcement requests.

22 incidents were assigned Risk Management Standard of Care assignments for the last quarter. Incident ratings assigned were between 0 and 2, which are the lowest standards.

Risk Management trending processes are being reviewed and may be revised to better determine any problems and how they are addressed.

- Thomas moved and Hopkins seconded the motion to approve the actions of the Board Committees and the Medical Staff Credentials/reappointments per consent agenda. Motion carried unanimously.

Reese mentioned that the Constitution would need to be revised to add the I.T. Manager to the QCRM Committee.

- Stukey moved and Clark seconded the motion to include the position of I.T. Manager to the Quality, Compliance, Risk Management Committee. Motion carried unanimously.

CEO Report

Hernandez said the CAH designation has been submitted to CMS for final approval. The certification and accreditation have been received but CMS and WPS approval have not.

Pending CMS CAH approval, the 340B is expected to begin October 1st. The applications cannot be submitted until the approval letter is received.

June census at Sunset Manor was 26 out of 36 for 73% occupancy rate and The Meadows was 20 out of 26 for 77% occupancy rate.

Physician recruitment efforts are continuing. A recruiting contract is in place with the National College of Physicians but no information has been received to date. This contract may be discontinued.

The annual Board Retreat will be scheduled the first week of October. The hours will be 9am to 2pm with the main topic being the Community Health Assessment by Tracy Campbell and Lindsay Payer. Other topics may include Long Term Care and Mental Health. Reese asked that the Trustees notify Tweedy of any calendar conflicts for that week.

The Kansas Hospital Association (KHA) convention will be September 7th and 8th in Wichita. Two people from CHS will be recognized. Stacy Augustyn for Healthcare Worker of the Year nominee and Steve Hopkins as Trustee of the Year. Reese reminded the Trustees that the registration deadline for the convention is August 18th and to contact Tweedy if you would like to attend.

Consultation Items

There were no Consultation Items.

Information, Other

There was no other information.

- Allegre moved and Roth 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 7:54 p.m. in Allen Woods II Conference Room. Motion carried unanimously.

Executive session began at 7:39 p.m.

Regular session resumed at 7:54 p.m. in Allen Woods II Conference Room.

The tuition assistance program was discussed. This program was suspended in 2015 due to finance issues. Hernandez said staff are beginning to request this program be reinstated. The program limits the amount that can be paid to an individual. Hernandez said where he previously worked, Board approval was needed for special circumstances that were above the normal assistance policy. He knows of a person that is interested in the Ultrasound position but is needing more education and is requesting assistance. The Board agreed to allow Hernandez to pursue this possibility.

Hernandez stressed the importance of filling the HealthLand Coordinator position due to the upcoming CAH conversion and working with the HealthLand changes.

Allegre asked about review of the Charge Master and moving self-pay accounts to “in-house”. Hernandez said the Executive Finance Committee decided to wait and have the Charge Master reviewed after the CAH designation is complete and moving self-pay to in-house would require two or three people to perform that function. HRG, self-pay billing company, receives 10 cents on the dollar, overall, for this service. At this time, due to the cost and staffing, HRG is more affordable.

Hernandez thanked the Trustees for the CEO evaluation and comments.

Hernandez left the meeting at 8:05pm.

- Hopkins moved and Roth seconded the motion to enter into a 10 minute Executive Session to discuss non-elected personnel with open session to resume at 8:15 p.m. in Allen Woods II Conference Room. Motion carried unanimously.

Executive session began at 8:05 p.m.

Regular session resumed at 8:15 p.m. in Allen Woods II Conference Room.

- Allegre 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 8:26 p.m. in Allen Woods II Conference Room. Motion carried unanimously.

Executive session began at 8:16 p.m.

Regular session resumed at 8:26 p.m. in Allen Woods II Conference Room.

Hopkins spoke about Open Session rules and emails.

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

Peter Allegre, Secretary