

COFFEY COUNTY HOSPITAL BOARD OF TRUSTEES MEETING

The Coffey County Hospital Board of Trustees met in regular session on August 28, 2017, in the Allen Woods II Conference Room. Board Members attending were: Judy Reese, Chair, Craig Stukey, Vice-Chair; Steve Hopkins, Treasurer; Peter Allegre, Secretary; Rosemary Rich; Jeff Clark; Dennis Young; and Jodi Thomas. Employees attending were: Leonard Hernandez, CEO; John Shell, Chief of Staff; 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; and Terri Tweedy, Executive Assistant. Visitor, Jessica Jones, M.A., CCC-SLP, arrived at 6:55. Trustee, Cameron Roth, was absent.

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

Hopkins led the Pledge of Allegiance.

Reese stated there was a document at each Trustees seat that was an update to insert into their Trustee manual.

One Executive Session was added to the Agenda.

Consent Agenda

There were no changes or revisions to the August 28, 2017 Minutes.

Dr. Shell gave the Medical Staff Report. He noted there was a Medical Staff Bylaws change that was approved at the meeting. This change documents that mid-level providers that are supervised by physicians outside of Coffey Health System (CHS) are supervised by those same physicians while working inside CHS.

Dr. Shell said the Provider Peer Review Program has been reinstated.

Hopkins gave the Executive Finance Committee Report. He stated the amount approved by the committee for expenditures was \$761,299.41.

Hopkins informed the Board that the itemized bills being created by HRG are now able to be sent upon request.

The Clinic Revenue Report has been revised to correctly state revenues and expenses for each clinic. The Orthopedic Clinic column did not have expenses allocated in previous reports. Hopkins said that the revenue column only states the clinic revenue, not the entire revenue generated throughout the System. Hernandez is working on a report that will state total revenue by physician.

Van Hoet reviewed the financials. Net revenue for the month of July was \$1.84 million, expenses were \$2 million which created a net loss of \$156,736. He noted that August's net revenue is trending higher at \$2.8 million to date. He expects the month to close at \$3.1 million or slightly higher.

Discussion was held about self-pay accounts and what patients were included in this category. Hopkins stated this category differs depending on the report and would like clarification as to which reports reflect patients uninsured at time of registration and which reports include accounts that have moved to self-pay after insurance has paid.

Clark asked how an account moves to Bad Debt. Van Hoet said HRG handles all self-pay accounts. If no payment has been made after 120 days, the account is returned to CHS to submit to an outside collection agency.

Van Hoet and White reviewed the revised Financial Assistance Policy. This policy was approved at the Executive Finance Committee meeting.

Hernandez stated KHA sent out a memo recently regarding a grant that is available to pay half of a Navigator's salary to help patients with financial assistance opportunities during open enrollment.

Jessica Jones, M.A., CCC-SLP, gave a presentation on the swallowing program now offered at the Rehab and Wellness facility.

Rich, Quality, Compliance, Risk Management (QCRM) Chair, spoke about the QCRM Committee meeting that was held today. The committee approved six new policies that are required by the Critical Access Hospital Plan of Corrections. The approved plans are: Hazardous Materials and Waste Management; Life Safety Management; Utility Systems Management; Safety Management; Security Management; and Utility Systems Management.

Allegre reviewed the Strategic Planning Committee meeting. The committee reviewed the goals. He said there was discussion about increasing usage of public transportation, offering residential care in the hospital, and making wage increases a priority for staff. Thematic Goal #6, Item 1; Attempt to re-establish provision of on-site health care at Wolf Creek was retired. Strategic Planning will be discussed at the upcoming Retreat. The Committee will schedule a meeting after the Retreat to prioritize Retreat items.

Hernandez said after the Retreat, a meaningful five year plan can be created.

Thomas asked if Electronic Health Record (EHR) should be added to Strategic Planning. Hernandez said that it definitely should be added especially since there is no more funding for EHR. As a cost based facility, a portion of EHR expense will be reimbursed by Medicare.

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

CEO Report

Hernandez said the WPS letter has been received making CHS a Critical Access Hospital as of July 11, 2017. Medicare reimbursement is set at \$1930 per day for acute care, Swingbed is \$1387 per day and 31% on outpatient services. National Provider Identifier (NPI) numbers will not be required to change. Billing process have not slowed due to the new status.

Hernandez has been in contact with Matt Bobo regarding the 340B program. Bobo said CHS missed the filing deadline for an October start date. This was due to not receiving the official letter until August. 340B application deadline was July 15, 2017. An application will be submitted by October 15, 2017 so that this program can begin January 1, 2018.

The Sunset Manor census was 69% occupancy with 25 residents out of 36 while The Meadows occupancy rate was also 69% with 18 residents out of 26.

Mid-level and physician recruitment is on-going.

The annual Board Retreat is set for Monday, October 2nd at Rock Creek Country Club from 9am to 2pm. Campbell will be speaking about the Community Health Needs Assessment. Reese remarked that she participated in one of the focus groups and is looking forward to hearing the results of the meetings. Jason Barb from Baird, Kurtz, and Dobson will be invited to attend the Retreat and speak about the change from PPS to CAH.

Reese mentioned that there will be expenses submitted by Trustees for the upcoming KHA convention.

Hernandez asked the Trustees to look at the new banner in the hallway leading to the Conference Room.

Clark asked about the letter from Ransom Memorial Hospital that was in the Board packet. Hernandez said Van Hoet received this at his residence and was passing it along for informational purposes.

Consultation Items

There were no Consultation Items.

Information, Other

Reese said that the terms for herself, Roth, and Young will expire at 12/31/2017. Applications for reappointment are on line.

There was no other information.

The meeting recessed for 5 minutes beginning at 7:30 p.m.

The meeting reconvened at 7:35 p.m.

- Thomas moved and Hopkins seconded the motion to enter into a 15 minute Executive Session with Leonard Hernandez, CEO and Terri Tweedy, Executive Assistant, to discuss trade secrets and corporate relations with open session to resume at 7:51 p.m. in Allen Woods II Conference Room. Motion carried unanimously.

Executive session began at 7:36 p.m.

Regular session resumed at 7:51 p.m. in Allen Woods II Conference Room.

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

Executive session began at 7:52 p.m.

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

- Thomas moved and Allegre 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 8:13 p.m. in Allen Woods II Conference Room. Motion carried unanimously.

Executive session began at 8:03 p.m.

Regular session resumed at 8:13 p.m. in Allen Woods II Conference Room.

- Hopkins 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 8:30 p.m. in Allen Woods II Conference Room. Motion carried unanimously.

Executive session began at 8:15 p.m.

Regular session resumed at 8:30 p.m. in Allen Woods II Conference Room.

- Thomas moved and Allegre seconded the motion to pay staff a bonus in the amount of \$100 to every full and regular part time staff member and \$50 to every limited part time and prn staff member. Motion carried 6 to 2.

Hernandez left the meeting at 8:35 p.m.

The meeting recessed for 5 minutes.

The meeting reconvened at 8:38 p.m.

- 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 8:40 p.m. in Allen Woods II Conference Room. Motion carried unanimously.

Executive session began at 8:40 p.m.

Regular session resumed at 8:50 p.m. in Allen Woods II Conference Room.

- Hopkins moved and Rich seconded the motion to renew Leonard Hernandez's contract as Administrator for Coffey Health System for a term of 3 years at the current base salary. Motion carried unanimously.
- Hopkins moved and Stukey seconded the motion to adjourn the meeting at 8:50 p.m. Motion carried unanimously.

Peter Allegre, Secretary