

COFFEY COUNTY HOSPITAL BOARD OF TRUSTEES MEETING

The Coffey County Hospital Board of Trustees met in regular session on January 22, 2018, in the Allen Woods II Conference Room. Board Members attending were: Judy Reese, Chair; Craig Stukey, Vice-Chair; Steve Hopkins, Treasurer; Peter Allegre, Secretary; Jeff Clark; Dennis Young; Jodi Thomas; and JoAnn Osburn . Employees attending were: Leonard Hernandez, CEO; Dr. John Shell, Chief of Staff; Jim Van Hoet, Chief Financial Officer; Melissa Hall, Chief Nursing Officer; James Higgins, Vice President of Ancillary Services; Tracy Campbell, Marketing Director; Juanita White, Controller; Stacy Augustyn, Director of Quality and Process Improvement, Employee Health, and Education Coordinator; Krista Cubit, Long Term Care Director; and Terri Tweedy, Executive Assistant. Rosemary Rich, Trustee; Samantha Kuhlmann, Medical Practice Administrator; and Theresa Thoele, Vice President of Human Resources were absent.

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

Clark led the Pledge of Allegiance.

Reese thanked Campbell for promoting the new CMS 5 Star rating by hanging a banner in the hall and placing announcements in the newspaper.

Reese welcomed new Trustee, JoAnn Osburn, to the Board.

Reese also thanked Van Hoet, White and the finance staff for their hard work during the CAH conversion and to Augustyn and Cubit for the outstanding ratings CHS.

Election of Officers

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

Two items were added to the Agenda under number IX. Information, Other. Item C, Executive Session in open session discussion; and Item D, Critical Access Summit.

Krista Cubit, Long Term Care Director, spoke about the recent CMS Composite Scores for Sunset Manor (SSM). These scores compare 331 Kansas nursing homes and ranks them according to their score. SSM was ranked #2 for the period of September 2016 to September 2017. Hernandez congratulated Cubit and Higgins on their efforts to achieve this ranking.

Hopkins asked what challenges Sunset Manor has moving forward. Cubit said the biggest challenges are: decreasing census; staffing vacancies, especially CNA positions, and salaries. Cubit left the meeting.

Allegre arrived at 6:43p.m.

Augustyn spoke about the recent CMS 5 Star rating for the hospital. She reviewed several comparisons to area facilities that can also be reviewed on the Hospital Compare web site. Augustyn left the meeting.

Higgins said the Telerad 360 project has not started yet.

Consent Agenda

There were no changes to the December 18, 2017 Minutes.

Dr. Shell gave the Medical Staff Report. A policy is being created to address delinquent clinic patient charting. When complete, the policy will be presented to the Board for final approval. There is a policy in place for delinquent hospital patient charting. The applications approved by the Medical Staff for appointments, reappointments, credentials, and privileges are listed on the Agenda.

Hopkins, Executive Finance Committee Chair, asked White to speak about the KaMMCO premium. She explained this premium is for physician and general liability policies and is paid over a 10 month period. This action requires Board approval according to the paperwork provided by Fidelity. Chairperson, Reese, approved Hopkins to sign the document so that the deadline was met.

Hopkins reviewed the terms of the new loan from the Coffey Health Foundation. Hernandez explained the reason for the loan was due to the sluggish cash flow from the CAH conversion. The amount borrowed by the Foundation from Central National Bank was \$200,000. This term of the loan is 6 months at an interest rate of 5%. At the end of the 6 months, this will be reviewed and may be added to the balance of the loan that was made in 2014. Hernandez said should a large influx of cash be received, the \$200,000 may be paid if full.

Hopkins said expenditures in the amount of \$695,333.04 were approved by the Executive Finance Committee.

Hopkins and Van Hoet spoke about the 340b program. Hernandez had commended Van Hoet on getting the program approved. The Gridley Clinic and Lebo pharmacy were not registered. Lebo pharmacy will be registered during the next registration period of April 1 through April 15. Gridley Clinic cannot be registered due to its classification. Thomas cautioned to make sure the information going to the 340b contractor is correct to alleviate potential problems.

Van Hoet stated patient accounts are billed and up to date. This is helping to increase the cash flow.

Hopkins said the most important Accounts Payables are being paid each week. These accounts include local vendors, payroll expenses, and accounts over 60 days old.

Hopkins noted that the claim from WPS on behalf of Medicare is charging an interest rate of 9.75%.

The Ambulance claim appeal is still pending.

Hopkins stated the data has been received from Lutz and Co. for the Charge Master review. Changes have been made to the Orthopedic Clinic charges that will mainly effect contractuals. These changes were effective January 1, 2018.

Van Hoet said the December Gross Revenue of \$3,241,000 and the Net Revenue was \$1,773,000. There was a profit of \$8000 for the month.

Approximately \$178,000 in Orthopedic Clinic charges were submitted for payment. \$10,000 was unbillable due to timely filing.

White recently negotiated with Blue Cross Blue Shield (BCBS) to increase the Progress Intermediate Payment (PIP) from \$30,000 to \$55,000 per week and to receive a one-time payment of \$242,670 for the solutions based product that pays for treating patients in the marketplace. Currently, BCBS pays \$700 per week for the solutions based product.

The policy for collecting co-pays and deductibles at time of service is being created but is not complete at this time.

- Hopkins moved and Allegre seconded the motion to ratify the action taken by Chairperson Reese allowing Hopkins to sign the Fidelity application for the KaMMCO premium. Motion carried.
- Stukey moved and Thomas seconded the motion to ratify the action taken by Chairperson Reese to enter into a formal six month agreement with the Coffey Health Foundation to borrow \$200,000. Motion carried.

Thomas gave the Quality, Compliance, Risk Management (QCRM) Committee report.

The Home Health Supervisor was added as a Committee member to the QCRM committee .

The Privacy Practice policy is being reduced from 6 pages to 2.

The Compliance and Risk Management Plans have been submitted to attorneys for review. Hernandez mentioned there is a new Risk Management Director at KDHE that has created a 55 page plan for Kansas hospitals to comply with for Compliance and Risk Management. The legal team at KHA is speaking with KDHE about reducing the requirements.

The Rehab Department is reviewing the WebPT software.

- Young moved and Stukey seconded the motion to approve the actions of the Board Committees, including expenditures in the amount of \$695,333.04, and the Medical Staff Credentials/reappointments per consent agenda. Motion carried.

CEO Report

An offer has been made to an Ultrasound Technician. An answer is expected very soon.

Two mid-levels have been contacted about the ER positions.

Hernandez mentioned an ad that ran recently in the Topeka Capital outlining several perks for new hires in the medical field. He said we cannot compete with those types of incentives at this time which makes recruiting very challenging.

Hopkins asked if there was a policy regarding work hour limitations. Hall stated there is nothing formal, but no one is allowed to work over 18 hours straight. Staff volunteer to fill open shifts during the staffing shortage.

Sunset Manor staff work double shifts (16 hours) to fill the open shifts until positions are filled.

Hernandez said salaries should be reviewed in 2018.

Hernandez reviewed CEO Strategic Plan strategies for 2018. He said the first thing needed is to determine a master plan of who we are going to be, what the facilities will look like, and how will we get there; how will the 340b program and Critical Access Hospital designation benefit us; reduce billing days to the 45 to 50 day range; get cash flow rolling again; create a competitive wage scale; create a 5 year capital budget; hire an EHR Coordinator; evaluate clinic space; and determine if the time is right to begin talking about acquiring the Woodson County Ambulance service.

The EHR Coordinator position will be advertised soon.

The Sunset Manor census had 64% occupancy rate with 23 residents out of 36.

The Meadows occupancy rate was 69% with 18 residents out of 28.

Higgins said resident criteria for The Meadows has not been revised since the facility opened and needs to be reviewed and compared with state requirements. Hernandez, Higgins and Lana Bahr, Assisted Living Operator, will begin reviewing the resident criteria.

Two interviews were done last week for the Physician Clinic Director position.

At 7:55 p.m. Reese dismissed staff members wishing to exit the meeting.

Information, Other

Reese reviewed Trustee committee assignments. Allegre, Clark, and Thomas will serve on the Strategic Planning Committee; Rich, Young, and Hopkins will serve on the Quality, Compliance, Risk Management Committee; Reese, Stukey, and Osburn will serve on the Executive Finance Committee; Thomas will serve on the Home Health Committee; Reese and Rich will serve on the Patient Family Advocacy Committee; and Clark will serve on the Focus on the Future Committee. Reese noted if anyone would like to change their assignment, please contact her. She also asked that the current Committee Chairs remain in that capacity for the first meeting. If a Committee decides to have a new chair, please let Reese or Tweedy know.

Reese mentioned topics for the 2018 annual Retreat may include: the 2018 CEO Strategic Plan; new services to pursue; and possibly invite the County Commissioners, Economic Development Director, and Housing Director for part of the session.

Reese stated the Trustee Manual is being revised and will be available on-line soon.

The Organization Chart is being revised and will be presented for approval when complete.

Minutes will not be recorded for Executive Sessions as they may be discoverable according to legal counsel.

The annual KHA Critical Issues Summit will be held on March 1st and 2nd. Tweedy will send the brochure with the topics listed. If anyone wishes to attend, please contact Tweedy.

Clark commended Hernandez for responding quickly to issues that are brought to his attention. He spoke about several instances that Hernandez addressed over the past year.

The dress code was briefly discussed. Specifically, the unprofessional appearance of the multicolored leggings and sweatshirts.

Marketing will post more information on social media sites to inform the public about various System topics.

- Hopkins moved and Clark seconded the motion to adjourn the meeting at 8:33 p.m. Motion carried.

Peter Allegre, Secretary