

Cascade Medical Center Board Minutes

February 17, 2021

CMC Conference Room/Zoom

12:00 pm – 2:36 pm

Trustees present in person: None

Trustees attending remotely via Zoom: George Greenfield, Lesa Becker, Jacque Zemlicka, Rachel Smith, Mary Tracey, and David Gough

Members absent and excused:

Others present: Tom Reinhardt, David Donnahoo, Teri Coombs, Sarah Hasbrouck, Dr. Ronald Ellsworth, David Croshaw, Dave Imus and Eric Volk with Wipfli.

Mission Moment:

Lesla expressed her gratitude regarding how successful the COVID Vaccine roll out for the community has been. She shared a quote regarding teamwork and how the most ideal result occurs only when everyone comes together.

Mary also shared how appreciative she was that the registration process was kept simple, and that it worked well for those 65 and older.

Call to Order: Meeting called to order by George Greenfield at 12:04PM

Approval of Agenda: A motion to approve the agenda changing the order to allow the 2020 Financial Audit to move to the first item was made by Lesa Becker, seconded by Rachel Smith; all in favor, motion passes.

BOT Minutes:

The minutes from the January 20th 2021 Board Meeting were reviewed. Correction advised to remove Anthony Henry from the roll. A motion to approve the minutes with this change was made by Jacque Zemlicka, seconded by Mary Tracey; all members were in favor, motion passes.

FY2020 Financial Audit:

Dave Imus and Eric Volk with Wipfli presented the FY2020 Financial Audit, including Required Communications, a Financial Analysis, a Ratio Analysis and the Accounting Standards Updates. They issued an unmodified (clean) opinion of the FY2020 Financial Statements. Ratio analysis shows that Cascade Medical Center is financially healthy and functioning above most benchmarks (as presented) when compared to other Idaho hospitals, as well as hospitals within the Northwest US.

Operations Report:

Medical Staff Minutes:

Teri provided a summary of the Medical Staff Minutes. An update was provided regarding the new Pharmacy Process Improvement Project, as well as the Medical Staff's acceptance of the amendment to the Medical Staff Bylaws which includes the suggested update to the language relating to documentation completion times allowing 24 hours for hospital charts and 48 hours for clinic charts.

The Utilization Review and Volume Trends for the month of January 2021 were as follows:

UTILIZATION REVIEW:

- Total ER Visits: 88 (117 January 2020)
- Total OP Visits: 14 (18 January 2020)
- Total Physical Therapy Visits: 258 (249 January 2020)
- Total Clinic Visits: 460 (460 January 2020)
 - Dr. Ellsworth: 98
 - David Hill: 68
 - Dr. Camarata: 61
 - Heather Lewis: 68
 - Dr. Dardis: 25
 - Courtney Hill: 84
 - Allison Dwyer: 7
 - Jamie Coffey-Kelly: 49
- Total Laboratory Visits: 273 (224 January 2020)
- Total Radiology Visits: 103 XR's, 44 CT's and 10 US's (113 XR's, 35 CT's, 3 US's January 2020)
 - Death – none
 - Blood Transfusions – none
 - Inpatients – there was one inpatient in the month of January and one observation patient
 - Leaving Against Medical Advice – none
 - Left Without Being Seen – none

PEER REVIEW:

For the fourth quarter, six charts were sent to the IHA for Peer Review as part of CMC's Ongoing Professional Practice Evaluation program (OPPE). All six charts were reviewed. No actionable items or deficiencies noted.

QUALITY REVIEW:

All provider response times were within the 30-minute window.

EMERGENCY DEPARTMENT CALL BACKS:

69 patients called / 12 not indicated / 7 missed = 90.7% success rate

TRANSFERS:

All transfers were noted to be appropriate. The following reasons were cited for services and/or equipment needed at CMC to keep patient here:

<i>Transfers</i>		<i>Mode</i>	
Surgery	1	Rotor	3
ENT		Fixed Wing	
Neurology	1	Ambulance	6
CCU	2	Private Vehicle	
ICU	5	Ambulance Rendezvous	
Obstetric		Contracted Psych	1
PICU			
Psych	1		

INPATIENT CARE PLANS:

The one inpatient chart in the month of January did not have a Care Plan. The patient was admitted to Inpatient status and then due to a change in status was quickly sent to St. Luke’s Meridian via Life Flight.

Financial Report:

David presented the financial report, noting that January revenue is still below budget due to the impact of COVID on volumes across the service lines. David did note that we are managing our expenses well, and currently expenses are within 7% of budget YTD.

David also explained a new Departmental Volume Report, which will be included for future meetings outlining volumes compared to current month, prior month and second prior months as well as prior year by each department.

Provider Privileges:

Sarah presented Dr. Laura Linstroth with Gem State Radiology who is requesting Telemedicine-Credentialing privileges for a term of two years from today’s date. A motion to approve Dr. Laura Linstroth as presented to the Board of Trustees was made by Rachel Smith and seconded by Lesa Becker; all members were in favor, motion passes.

CEO Report, Old & New Business:

Legislative Update:

Tom provided an update on what is occurring within the Idaho State Legislature. Medicaid Expansion will require additional funding. The Idaho Hospital Association has done well advocating on our behalf, and thus far, Idaho Hospitals will not be taxed to pay for the gap in funding Medicaid expansion.

CMC will be joining a Healthy Connections Value Care Organization by 6/2021. Quality Metrics for this will be summarized and presented to the Quality Committee of the Board at their next meeting.

CMC is also compliant with both the new Patient Care Act as well as the Pricing Transparency requirements on the website.

COVID Update:

COVID-19 Testing is trending downward; positivity rate has dropped to about 3.4%.

COVID-19 Vaccinations will begin taking place February 18th and March 3rd at the American Legion Hall and will follow the Tiers established by the State in terms of who is eligible for vaccinations.

Committee Reports:

Finance Committee:

Members:

Mary Tracey, Chairperson
Jacque Zemlicka
David Donnahoo
Tom Reinhardt

The Finance Committee met in February to review the Audit Presentation by Wipfli.

The committee also reviewed recent property tax revenues. A slide was provided by David showing Property Tax Levy Funds and their Statutes and Interpretations. The Finance and Accounting Department is implementing improved tracking of receipt and use of Levy Funds. There is currently an excess of \$340,303 in Tort-for Insurance Levy funds. The recommendation of the Finance Committee is to forego requesting future Tort for Insurance levies until the previously excess funds received have been expended, most likely taking 5-6 years. A motion was made by David Gough to forego the Tort for Insurance Levy until the amount of historic over-levy totaling \$340,303 is expended. Rachel Smith seconded; all members were in favor, motion passes.

Quality Assurance, Performance Improvement and Compliance Committee:

Members:

Lesa Becker, Chairperson
Rachel Smith
David Gough
Aline Lee
Tom Reinhardt
Teri Coombs
Sarah Hasbrouck
Dr. Camarata
Chantelle Williams

The Quality Assurance, Performance Improvement and Compliance Committee met. One of the new QAPI Compliance requirements coming out in March will require all departments and every employee to participate in a QAPI project. A Pharmacy Process Improvement Project, as well as a pharmacy contract, is currently in development with Ben Watkins to better include our Pharmacist in the care team going forward. He will also be attending clinic huddle on Wednesdays and Fridays, as well as providing quarterly education to the Med Staff on Antibiotic Stewardship. A new Provider Peer Review Process was successfully initiated, utilizing both internal and external resources to review hospital and clinic charts. Medical Staff Peer Review meetings will now be taking place quarterly, beginning in March. Tom provided an updated draft of the Quality Dashboard.

Strategic Planning Committee:

Members:

David Gough
Mary Tracey
Tom Reinhardt
Jack Knoblock
Karolyn Plehal
Ann Young

The Strategic Planning Committee did not meet and has no update to provide.

Board Opening:

Discussion of potential members for the open board position took place during today's meeting. A motion was made by Rachel Smith to elect Dr. David Croshaw to the Board of Trustees to fill the seat vacated by Anthony Henry for the remainder of his term. Jacque Zemlicka seconded the motion; all members were in favor, motion passes.

Executive Session:

An Executive Session was not held at the meeting on February 17th, 2021.

Other/Next Steps:

Board Education Module:

Lesa reminded everyone to look at the Idaho Hospital Association's Board Education opportunities, and to let the members know if there are any that would be of interest for future education.

Meeting Evaluation:

Jacque appreciated the update on what is occurring in both the State and Federal Legislatures, and perhaps this could be a quarterly educational update. Rachel also appreciated having Dr. Ellsworth's participation in the meeting, as did David Gough.

Adjournment: George Greenfield adjourned the meeting at 2:36PM.

Attachment A

Variance Detail Analysis - Jan 2021 FYTD						
Category	Budget FYTD Jan, 2021	Actual FYTD Jan, 2021	Variance to Budget	Variance %	Explanation	Correction/Action Plan
REVENUES						
Gross Revenue from Inpatient, Outpatient, ER, and Clinic	\$ 1,866,296	\$ 1,638,415	\$ (227,881)	-12%	Nearly all of our volumes (with the exception of Lab and Ultrasound) are below budget and prior year as a result of the COVID-19 pandemic.	We are continuing to respond to COVID-19, and have completed two highly-successful vaccine clinics.
Off-sets to Revenue						
Contractual Adjustment	\$ 208,803	\$ 345,541	\$ 136,738	65%	There are several factors that drive contractual adjustments: 1) contractual adjustments will vary significantly month-to-month as claims are adjudicated by payers, 2) we have been successful in enrolling uninsured patients in Medicaid, which will reduce Bad Debt Expense as well as Indigent Care Write-Off (which is down \$62K to prior year), but will adversely affect Contractual Adjustments, as Medicaid pays the least. Taking these factors into account, we are still continuing to monitor Contractual Adjustments, and seek a payment vetting solution.	Need to conduct audit of payor contractals and assess contracts to verify that adjustments are correct, and that contracts with insurance companies going forward are fair. Project TBD.
Bad Debt	\$ 45,754	\$ 61,444	\$ 15,689	34%	Several very large ER patient balances were assigned to Bad Debt in January. These accounts had July service dates, with balances several thousand dollars above a typical bad debt account. Bad debt will peak six months after peak volume months (seasonality).	Continue to monitor Bad Debt and work with the Business Office to work to further minimize bad debt risk.
Indigent Care Writeoff	\$ 74,652	\$ 52,923	\$ (21,728)	-29%	Enrollment in Idaho Medicaid Expansion continues to grow, with the statewide enrollment now hitting the original projection. Locally we are having success in retroactive eligibility for some patients, shifting revenue from sliding scale write off to Medicaid receipts.	Continue to enroll patients in Medicaid. Support IHA lobby of Idaho legislature to maintain support of Medicaid expansion and budget.
Other Revenue	\$ 319,744	\$ 759,011	\$ 439,267	137%	Net of CARES Act PRF, Other Revenue is \$14,189 unfavorable to budget. Variance is due to straight-lining of budgeted Grant Revenue where actual payment timing may vary and is not predictable.	Continue to engage potential donors and grant funding sources in FY 2021. We anticipate applying CARES Act Provider Relief Funds on a quarterly basis
EXPENSES (Unfavorable Variances > \$5,000 from Budget YTD)						
Benefits	304,583	343,110	38,527	13%	Variance due to COVID Hazard Pay Bonus paid to employees in Nov, 2020. Benefits in January were \$6k below budget, and total personnel costs are only \$2k above budget FYTD	No action needed.
Contract Labor	40,229	34,221	(6,008)	-15%	Contract labor is back below budget, however, we anticipate needing to hire a contract Radiology Technician in the summer if we are unable to fill the current department vacancy.	Continue to work to fill vacancy.
Supplies	86,827	196,535	109,707	126%	Supply costs are higher than expected because of medical supply and drugs purchased, including COVID related supplies, extra PPE. Additionally, 340B drug expenses are coded to Non-Chargeable Expense to match methodology in audited financials.	Need project to assess purchasing arrangements and GPO options. Leadership to develop supply chain strategy.
Repairs & Maintenance	10,696	23,693	12,997	122%	\$8,400 Tri-Plex expenses (interior work and driveway grading and repair), \$3,300 of COVID-Related expenses installing security cameras (to monitor hospital entrances). Expenses for January were at budget	No action needed. Tri-plex is now in use and ready for winter. CARES Act Provider Relief Funds are still covering COVID-related expenses
Depreciation & Amortization	88,651	106,625	17,974	20%	Capital equipment purchases incurred in late FY19 and into FY20 drove D&A higher than budget. Some items (e.g., modular buildings) are COVID related. FY21 will see purchase of \$100k in new lab equipment hitting depreciation. Note: Depreciation Expense dropped \$2,800 due to the CT being fully depreciated as of January 2021.	No correction planned. Some items will "age-off" our depreciation schedule in 2021 as they become fully depreciated.
Favorable variances in Green		Unfavorable variances in Red				