

Cascade Medical Center Board Minutes

January 15, 2020

CMC Conference Room

12:00 pm – 2:18 pm

Members present: George Greenfield, Lesa Becker, Jacque Zemlicka, Mary Tracey, Anthony Henry and Larry Walters

Members absent and excused: Rachel Smith

Others present: Tom Reinhardt, Teri Coombs, Sarah Hasbrouck, and Ronald Ellsworth

Call to Order: Meeting called to order by George Greenfield at 12:18.

BOT Minutes:

Minutes from the December 18, 2019 meeting were read. There were no corrections; a motion to approve the minutes from the December 18th meeting was made by Anthony Henry, seconded by Larry Walters, all members were in favor; motion passes.

Operations Report:

Medical Staff Minutes:

Teri presented the Board with the January 8th, 2019 Medical Staff Minutes, which include the Utilization Report and Volume Trends, for review.

The Utilization Review and Volume Trends for the month of December 2019 were as follows:

- Total ER Visits: 100 (90 December 2018)
- Total OP Visits: 27 (15 December 2018)
- Total Physical Therapy Visits: 332 (250 December 2018)
- Total Clinic Visits: 503 (358 December 2018)
 - Dr. Ellsworth: 138
 - Chantell Williams: 118
 - Rebecca Echols: 29
 - Marc Nagel: 104
 - Jim Dardis: 45
 - Allison Dwyer: 17
 - Julie Mills: 4
 - Jamie Coffey-Kelly: 48
- Total Laboratory Visits: 210 (217 December 2018)
- Total Radiology Visits: 98 XR's, 37 CT's and 10 US's (88 XR's, 36 CT's December 2018)
 - Deaths – none
 - Blood Transfusions – none
 - Average Length of Stay for Inpatients – there were three inpatients in the month of December, ALOS 35.42 hours (four observation patients)
 - Leaving Against Medical Advice – none

QUALITY REVIEW:

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

TRANSFERS:

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

Transfers

| | |
|--------------|---|
| Surgery | 4 |
| ENT | |
| Neurology | |
| CCU | 2 |
| ICU | 5 |
| Obstetric | |
| PICU | |
| Psych | |
| Burns (Utah) | |

INPATIENT CARE PLANS:

There were three inpatients in the month of December, all charts contained a complete care plan.

Financial Reports:

Tom presented the December Financials, as well as the Variance Table, which was reviewed by the BOT members and has been included as “Attachment A” following the official version of the minutes for this meeting.

Executive Session:

With Dr. Ellsworth present, Anthony Henry requested a motion to enter into Executive Session at 12:41pm, in accordance with Idaho Code 74-206(1) (b) to discuss personnel.

Poll was taken by members to enter into Executive Session; all member were in favor of entering executive session.

At 1:00pm, the members exited the Executive Session; no motions was made.

CEO Report / New Business/ Unfinished Business:

CEO Update:

Tom notified the members of the board that we are now fully staffed in our Radiology Department, allowing us to eliminate the need for expensive contract labor to cover the vacant positions. Additionally, Tom provided an update on the provider recruitment plan, which included reactivating the contract with the Inline Group.

Tom also updated the members of the board on community partnerships that will provide benefit to the community:

- Lecture at the Library on Heart Health: CMC will be working in conjunction with the Cascade Public Library as well as Dr. Jennifer Anderson, Cardiologist from Saint Alphonsus to do a presentation on February 7th at the Library. At the lecture, CMC staff will be present to offer blood pressure screening.
- On February 14th, CMC and the Southern Valley County Recreation District will offer a “healthy heart” day where CMC’s Dietician, Ryan Vance, will present on heart healthy diets. Saint Alphonsus will be on site to teach hands-only CPR and how to operate an AED.
- Art Gallery: CMC has installed display cases in the hallway in the hospital and partnered with Cascade Public Schools to showcase artwork done by the students at Cascade Schools. This will be a rotating exhibit.

Lastly, Tom updated the members of the board that contracts have been signed with Zoom, a HIPAA compliant platform to provide remote meeting services, as well as having the potential to allow our providers to provide remote patient care visits in the future.

A contract has also been signed with Health Stream, which is an online learning platform providing employee education. Assignments can be made based off job description, as well as all educational compliance requirements, like HIPAA and Fire Safety. All information will be accessible via employee transcripts in the event we need to pull the data for auditors.

Committee Reports:

Finance Committee:

Members:

Mary Tracey, Chairperson
 Jacque Zemlicka
 George Greenfield
 Tom Reinhardt

The Finance Committee met on January 15th, 2020. They continue to investigate the increasing indigent care write-offs, and have asked for more data to further evaluate this trend.

Mary Tracey also pointed out with Kim’s departure, the Board of Trustees will be without a Treasurer. Lesa Becker nominated Mary Tracey to become the Interim Treasurer, beginning at 6pm on January 17th, 2020. Anthony Henry made a motion to accept Mary Tracey as the Interim Treasurer until the position can be filled by Kim’s replacement. Larry Walters seconded his motion. All were in favor; motion passes.

Quality Assurance, Performance Improvement and Compliance Committee:

Members:

Lesa Becker, Chairperson
 Rachel Smith
 George Greenfield
 Aline Lee
 Tom Reinhardt
 Teri Coombs

The Quality Assurance, Performance Improvement and Compliance Committee met on January 7th, 2020. The ED Lab turnaround time seemed to improve for all employees, the Handwashing Survey in the clinic is completed; staff did a wonderful job of hand hygiene, especially compared to national standards. Physical Therapy has quality indicators built into WebPT and have enrolled to begin gathering this data onto a dashboard.

Strategic Planning Committee:

Members:

Larry Walters
Anthony Henry
George Greenfield
Tom Reinhardt
Karolyn Plehal
Ann Young

The Strategic Planning Committee did not meet; however, Tom provided an update that he will be giving community presentations on January 28th at noon to the Cascade Chamber of Commerce and tentatively at 6:00pm in the City of Cascade offices that same day.

Board Education:

Critical Access Hospital Finance Primer

Lesa provided follow up questions from the education packet she sent out in December resourced from the National Rural Health Resource Center about finances in small, rural hospitals and clinics.

Executive Session:

Jacque Zemlicka requested a motion to enter into Executive Session at 1:55pm, in accordance with Idaho Code 74-206(1) (c) to deliberate an interest in acquiring real property.

Poll was taken by members to enter into Executive Session; all member were in favor of entering executive session.

At 2:10pm, the members exited the Executive Session; Mary Tracey made a motion to allow for Tom to proceed in the purchase of the real property. Motion was seconded by Jacque Zemlicka. All members were in favor; motion passes.

Other / Next Steps:

Agenda Topics for Next Meeting:

- Wipfli will present the finalized Cost Report.

Meeting Evaluation:

The members appreciated how efficient the meeting was, and that they are able to be flexible in accommodating Dr. Ellsworth over his lunch hour so that he could participate in the first Executive Session.

It was also appreciated that the members are able to have constructive dialogue, and that members feel free to share openly with each other and disagree respectfully.

Adjournment: The meeting was adjourned by George Greenfield at 2:18pm.

The next meeting is scheduled for February 19th, 2020 at 12:00 pm.

Attachment A

| Variance Detail Analysis - December 2019 FYTD | | | | | | |
|--|-------------------------|-------------------------|-----------------------|---------------|---|---|
| Category | Budget FYTD Dec 2019 | Actual FYTD Dec 2019 | Variance to Budget | Variance % | Explanation | Correction/Action Plan |
| REVENUES (Variances with known causality) | | | | | | |
| Gross Revenue from Inpatient, Outpatient, ER, and Clinic | \$ 1,168,460 | \$ 1,336,343 | \$ 167,883 | 14% | Overall volumes and gross revenue are trending significantly higher than budget. | No action necessary |
| Gross Revenue from 340B Rx Plan | \$ 36,109 | \$ 44,019 | \$ 7,910 | 22% | 340B revenue was below budget in Oct/Nov, due to providers not being included in the program. In December we added the missing providers and Macrohelix applied the 340B credit (revenue) retroactively. This has corrected the problem. | No further action needed. |
| Off-sets to Revenue | | | | | | |
| Contractual Adjustment | \$ 79,895 | \$ 75,027 | \$ (4,868) | -6% | December shows negative contractual adjustments due to the extra money (adjustment) received by Medicare for earlier Inpatient stays. The size of the positive adjustment from Medicare overwhelmed the negative adjustments (contractual discounts) from other carriers. | Need further analysis of commercial payor contracts and audit of adjustments processed. Intend to complete during FY20. |
| Bad Debt Expense | \$ 29,796 | \$ 43,548 | \$ 13,752 | 46% | Indigent care YTD is higher than expected due to the higher acuity of claims we see during the summer and the timing of claims. However, in December the actual bad debt expense was right on budget. As expected, bad debt expense leveled out after the summertime claims worked through the bad debt/charity care process. | No action necessary. |
| Indigent Care Writeoff | \$ 29,796 | \$ 93,994 | \$ 64,198 | 215% | CMC implemented the indigent care "sliding scale" program in Fall of 2018. The actual dollar amount written off has far exceeded the estimate. | CMC Business Office will reexamine the criteria applied to indigent care applications including documentation required to qualify. We will compare our practice to the NHSC guidelines to verify that we are using the appropriate level of income qualification and document review. |
| EXPENSES (Unfavorable Variances > \$5,000 from Budget YTD) | | | | | | |
| Purchased Services | 151,055 | 158,885 | 7,830 | 5% | Purchased services shows an increase this month and YTD due to the University of Utah contract. The 1st bill was for multiple months, including two months from FY19, at a cost of \$12,000. Going forward the cost is \$3,000 a month. | No action needed. |
| Supplies | 61,374 | 90,800 | 29,426 | 48% | Supply costs are higher than expected because of medical supply and drugs purchased. Volumes have been higher in all departments, partially accounting for the increase. | No action needed. Drug purchases fluctuate throughout the year. We expect to be within budget, adjusted for actual volumes, at year end. |
| Repairs & Maintenance | 2,585 | 9,443 | 6,858 | 265% | Projects scheduled for completion in FY19 drifted into FY20, especially electrical work. December expenses were on budget. | No action needed. |
| Hospital Insurance | 7,134 | 12,619 | 5,485 | 77% | Timing of insurance premiums billed. | No correction planned. We should be at or close to budget by year-end. Through our broker, Chivaroli, we have already price-shopped policies and selected the best value. |
| Other Expenses | 41,524 | 49,848 | 8,324 | 20% | CMC contracted with Zoom to provide tele/video conference capabilities, including HIPAA compliant secure conferencing. Paid full year of \$1,999 in advance for savings. TVL expense of \$3,000. | No correction planned. We expect to be within budget, adjusted for actual volumes, at year end. |
| Depreciation & Amortization | 67,850 | 96,674 | 28,824 | 42% | Capital equipment purchases incurred in late FY19 drove D&A higher than budgeted, and will continue throughout FY20. | No correction planned. In fact, D&A will go higher still as a result of anticipated purchases this year of a \$105k cardiac monitoring system (replacement) and possibly a \$45k lab analyzer. |