

Cascade Medical Center Board Minutes

October 22, 2024

CMC Conference Room/Zoom

12:00 pm – 2:00 pm

Trustees present in person: Rachel Smith, Jacque Zemlicka and David Gough

Trustees attending remotely via Zoom: Lesa Becker and Michael Drury

Members absent and excused: David Croshaw

Others present: Tom Reinhardt, Randy Kyrias, Sarah Hasbrouck, Teri Coombs, and Tom Watson

Call to Order: Meeting called to order by Rachel Smith at 12:01PM.

Mission Moment:

Randy shared a mission moment, stating how important it is for him that the medical center feels connected to the community. He shared the feedback received while purchasing gift cards from businesses for our employee recognition program, on how connected the medical center seemed to be with the community based on input and stories from each of the businesses he spoke with. It made him proud to be a part of the community and the medical center.

Approval of Agenda:

Rachel Smith asked if there were any updates to the agenda. Hearing none, David Gough made a motion to approve the agenda as posted, Jacque Zemlicka seconded this motion. All members were in favor, motion passed.

2. Public Comment

There was no public comment at the October 22, 2024, BOT meeting.

3. Consent Agenda:

- a) Approval of Minutes of the September 2024 BOT meeting.
- b) October Medical Staff Minutes & September Utilization Report

The members of the board reviewed the Consent Agenda items for additional discussion. Hearing that no items needed to be withdrawn from the Consent Agenda for further discussion, Rachel Smith adopted the two items within the Consent Agenda.

4. Appointment of New Board Member

The members of the Board had a brief discussion to fill the vacancy of George Greenfield's seat until the next biennial election in May of 2025. Tom Watson was recommended to replace George Greenfield. David Gough made the motion to accept the appointment of Tom Watson to George Greenfield's vacated seat. Michael Drury seconded this motion. All members were in favor, motion passed.

Tom Watson then recited the Oath of Office, and signed the documents required.

5. Leadership Updates

Landscaping

Tom shared that the landscaping has been completed, along with fencing installation. Randy commented that the project came in under budget by \$2k.

Perpetua Clinic

Tom shared a brief update on the Perpetua Clinic, stating that the Record of Decision and permits for the Stibnite Gold Mine project are pending Forrest Service processes, and that if approved, a clinic will be one of the first things needed to begin the construction of the mine site project. Tom and a few staff will be visiting the project site next week to scope both temporary and long-term clinic locations.

Rural Emergency Hospital License Status

Tom shared that this project is still moving at a slower pace, but that he is still pushing forward. David Gough shared that he was able to meet with a few members of the Idaho Department of Health and Welfare, as well as members of the Idaho Hospital Association at the IHA conference in Sun Valley. He let the board know that both groups were supportive of our reasons for changing the license status to an REH, however the ability for Medicaid to recognize the new license type needs to be addressed within the statutes of the Idaho Legislature. There is a meeting scheduled with Medicaid leadership, facilitated by the Idaho Hospital Association, to assist with the statute creation to allow for Idaho to recognize the REH license designation, as well as to develop how the REH will be paid by Medicaid at the OPPS rate instead of the clinic per diem rate.

EPIC Contract & Implementation Status, Multiview System

Tom shared that he has finalized all terms with Ochin Epic and is waiting for a DocuSign document to execute the contract. David Gough did share a brief comment about his recommendation that this contract include how Ochin Epic will help CMC integrate AI into its practices to maximize efficiency and accuracy. Tom shared that this has been considered and is included within the Ochin Epic contract as a subpart of our integration with Nuance Dragon's product.

Randy shared that we have also contracted with Multiview for accounting software, and that it will be integrated into Epic prior to go-live. He has the initial set up meeting this week.

Lesa Becker also asked what, if any educational resources would be included within the Epic or AI software. Tom shared the different integrations, such as access to two pharmacy references and Krames patient education literature/leaflets. Tom did share that Up To Date is also paid for by CMC and utilized by the providers and nurses, but is not specifically integrated with Epic.

6. Financial Report

Randy shared an overview of the year end financial reports, having given a full review to the Finance Committee. He shared a slide reviewing FY23 vs. FY24 Net Revenue, outlining adjustments made to the financials this FY24 to begin cleaning up outstanding AR. He shared that the total adjustments made to bad debt and AR clean up by the Business Office will allow for a better transition to Epic.

Randy also spoke to a new accrual that he began for payroll and benefits, as well as corrections to booked and fixed assets and depreciation. Both of these are one-time corrections, and show as a reduction to Net

Income for FY24. Previous, one-time expenses for the Hospital Bond Initiatives were converted from a capitalized expense to an operating expense since the new hospital was never built. Members of the board did question the amount of this expense, however it was noted these expenses were associated with two Bond initiatives and included costs for strategic planning, surveying, engineering consultation, and architect renderings of the proposed building. Randy also spoke of corrections made in Tax Levy entries and the Umpqua Bank balances. Michael Drury also made the comment that this Umpqua Bank adjustment was made on the recommendation of our auditors at DZA. Randy did state that there were a larger than normal number of adjustments made to the last fiscal year, which he will be working with DZA on this year to avoid.

Randy shared that operationally, once all of the corrections and adjusting entries were made, FY24 would have had a net income of \$917k, which is more in line with historical performance. He also shared that he had DZA fast track our FY24 financial audit, and that he has already send all of the required documents to the auditors.

Tom presented drivers of FY24 Financial Variance. He spoke to the impact lower volumes in our higher reimbursement departments like the ER had on the bottom line. He shared the efforts to market the Donnelly clinic to increase volumes there, and that this has been the marketing focus of the quarter. He spoke to additional funds the organization would gain once the REH conversion is completed, as well as potential additional revenue from supporting the Perpetua clinic. In terms of non-operating revenue, CMC has revitalized the 340B program and revenue is now again beginning to come in from the program. Regarding the investment in Donnelly, CMC will continue to subsidize the Donnelly clinic until it can realize the volumes to cover its costs.

7. Adding Specialist Clinics

Orthopedic Clinic: Dr. Tim Neuschwander, Tobin Purslow, PA. Tom shared that Dr. Neuschwander is leaving St. Luke's McCall for a private surgical practice, but will still have surgical privileges at St. Luke's McCall. He has asked to rent space here at CMC see patients in Cascade.

Neurology Clinic: Dr. Dan Simmons, Saint Alphonsus. Tom shared that Dr. Simmons, who works in the ambulatory Neurology clinic at Saint Alphonsus, will be seeing patients at CMC once per quarter.

The members of the Board did discuss surveying patients utilizing these traveling specialists from time to time to make sure they are satisfied and getting quality care. It was recommended that Leadership ask all traveling providers for patient satisfaction data and QAPI evidence of participation, to ensure adequate care and participation.

David Gough made a motion to allow CMC leadership to approve the request to lease space to Dr. Tim Neuschwander to hold a specialty clinic at CMC. Tom Watson seconded the motion. All members were in favor, motion passed.

Jacque Zemlicka made a motion to allow CMC Leadership to approve the request to lease space to Dr. Dam Simmons to hold a specialty clinic at CMC. David Gough seconded this motion. All members were in favor, motion passed.

8. Committee Reports:

Quality Assurance, Performance Improvement and Compliance Committee:

Members:

Lesa Becker, Chairperson
David Gough
Tom Watson
Aline Lee
Tom Reinhardt
Teri Coombs
Sarah Hasbrouck
Dr.Katie Camarata
Sylvia Kober
Brianna Haderlie

The Quality Assurance, Performance Improvement and Compliance Committee did meet and gave an update the committee's work to improve the Quality Dashboard in an effort to remain relevant and then adapt the Dashboard once CMC has completed the REH conversion. Lesa also asked new Quality Committee member Tom Watson to share a brief video on the 4DX concepts that he is working with CMC leadership on teaching to the staff. Tom spoke to this concept as it applies to the upcoming Epic conversion and how all of the 4DX concepts will assist with this.

Finance Committee:

Members:

Michael Drury, Chairperson
David Croshaw
Jacque Zemlicka
Randy Kyrias
Tom Reinhardt

The Finance Committee met and reviewed all of the financial information presented in the October Board meeting. They had no further comments beyond what Randy and Mike Drury already presented. Michael Drury also spoke about the committee recommending that Teri Coombs be granted check signing authority at Umpqua Bank. Tom also notified the members of the Board that Jacque and Lesa were also listed as approved to sign checks.

David Gough made a motion to approve the request of Leadership, at the recommendation of the Finance Committee to allow for Teri Coombs to be added and Lesa Becker and Jacque Zemlicka remain as approved signers at Umpqua bank. Michael Drury seconded the motion. All member were in favor, motion passed.

Strategic Planning Committee:

Members:

David Gough
David Croshaw
Tom Reinhardt
Karolyn Plehal
Mike Saunders
Charlie Gowing
Ann Young

The Strategic Planning Committee did not meet.

9. Annual IHA Meeting

David Gough shared his experiences from the IHA conference, speaking about how impactful the keynote speakers were to him. They spoke about reducing provider burnout and the importance of wellness for all staff, not just providers. He shared the 7 principles for board members on provider wellbeing. David Gough did close with the request that at some point, the Board would like to hear what CMC is doing to reduce the risk of burnout. David Gough also shared Alex Adams' goals as the new director of Idaho Department of Health and Welfare and how they will impact those lives that fall within the protection of IDHW as his focus will be on people, not Medicaid reductions.

Regarding the A.I. presentations at the conference, he shared that while AI will not replace health care workers, people not willing to incorporate AI will be out of step with the industry. He also noted that the AI is having a positive improvement on reducing provider burnout. He shared insight on the new laws regarding consent of an unemancipated minor child, that now no healthcare services can be provided under any circumstances without prior parent consent, apart from EMTALA regulations to treat a minor in a medical emergency. Lastly, David Gough shared that healthcare provider education is within the "Launch" program to cover future staffing needs in Idaho. He also expressed the need for hospitals to find alternative sources of income and the need for leadership to reconnect to the needs of patients on their levels.

10. Executive Session:

An Executive Session was not planned for the October 2024 Board Meeting and did not occur.

11. Other/Next Steps:

Agenda Topics for Next Meeting:

- Standing Updates on Epic
- REH Update and Impression of IHA Leadership
- CY25 Employee Benefits update
- Holiday Events

Meeting Evaluation:

Good Meeting.

Adjournment: Lesa Becker made a motion to adjourn the meeting, Tom Watson seconded this motion. All members are in favor, motion passes. Rachel Smith adjourned the meeting at 2:14pm.