



BOARD OF TRUSTEES

Regular Meeting

July 23, 2020

Minutes

10:00 am

Members Present:

Rod Waeckerlin, President
Jason Campbell, Vice President (via phone)
Garry Goergen, Treasurer
Jerry Steele, Secretary (via phone)
Mark Kostovny, Member

Administration:

Ken Harman, CEO
Jon Smith, CFO
Collin McDonald, Compliance and Risk Management Director
Lisa Woodcock, Human Resources Director (via phone)
Dr. Johnson, Chief of Staff
Chandra Buchholz, Executive Assistant

Guests:

Abbi Forwood, Legal Counsel (via phone)
Woody White, QHR AVP
Melissa Yowell, Clinic Director (via phone)
Dr. Chiu, Clinic Medical Director

Rod Waeckerlin, President, called the Memorial Hospital of Carbon County Board of Trustees meeting to order at 10:00am.

Approval/Amendment of Agenda:

President Waeckerlin requested to move the Department Report (item 10) to immediately follow the approval of the minutes.

Garry Goergen made a motion, and Mark Kostovny seconded the motion to approve the agenda as amended. Motion carried.

Approval of Regular Board Minutes from Board of Trustees 6.25.2020:

Garry Goergen made a motion, and Mark Kostovny seconded the motion to accept the minutes as presented. Motion carried.

Department Report (Revenue Cycle) presented by Robin Bradbury, re|solution President:

- Mr. Bradbury shared that re|solution focuses on helping rural and community hospitals optimize their revenue cycle performance by working together as a partner, not a vendor. With an on-site Business Office Manager, and 9 FTEs working accounts remotely, the goal is to define different workflow processes and to train MHCC employees in those processes in order to eventually bring the billing back

in-house. Mr. Bradbury shared a PowerPoint presentation with specific information related to the progress that has been made at MHCC since we partnered in April.

Discussion: President Waeckerlin asked if they are training other people, rather than just one person, as one person won't be here indefinitely. Mr. Bradbury assured him that they work with all of the staff and really focus on looking for Leads and Supervisors as well.

Medical Staff Report presented by Greg Johnson, MD:

- Dr. Johnson reported that qler, the TelePsychiatry program, has been used a couple of times and is going well, and he also said that the medical staff is excited about the Allergy Clinic that is being implemented. In addition, he reported that credentialing privileges for Dr. Harold Pierce, Urologist, and continued provisional review status for Dr. Magruder, a previous Locum Tenens at FPC, were approved and recommended by the Medical Executive Committee.

Discussion: There was some discussion revolving around the spike in COVID cases, which were mostly related to the Wyoming State Penitentiary, over the last few days and how much healthcare MHCC provides to them. Secretary Steele relayed that the prison has an "isolate and defend in place" policy, so we will likely not be affected too much by those cases unless there is an emergent situation. Dr. Johnson pointed out that if it does start to spread throughout the community, it could affect our staffing and ability to do elective surgeries again.

Administrative Report: Consent Agenda

Discussion: Treasurer Goergen noted the phone issues at FPC, and he stressed that it is a severe problem, as we are losing customers to our competitors. CEO Harman agreed that it is an issue that needs to be fixed immediately. He expressed that the clinic staff are doing a good job; however, they can't answer the phone if it doesn't ring. He said that Matt Brooke, IT Manager, is working hard, and, as they fix one issue, they find another issue. A third party vendor who has extensive experience with the Mitel system has been contacted, and we are confident that they will be able guide us in getting the settings set appropriately. If they are not able to give us an answer within two weeks, then we will look at just getting a new/separate phone system for the clinic.

Dr. Johnson noted that Dr. Mikesell has hit the ground running and is a great fit for the organization.

President Waeckerlin also added that if we close the west parking lot to FPC, then we need to have appropriate barriers and signage put up.

Garry Goergen made a motion, and Mark Kostovny seconded the motion to accept the items within the Consent Agenda as presented. Motion carried.

QHR Report presented by Woody White, QHR Vice President, Finance:

- QHR was voted as one of the best places to work in 2019/2020.
- The QHC supply chain has moved over to QHR, which makes it a \$1 Billion operation now.
- Quorum has successfully completed their Chapter 11 structure reorganization and have appointed Joey Jacobs as CEO, along with a new Board of Directors. Duane Gunter is still the CEO for QHR and is moving things forward quickly. The new investors took \$5 Million worth of debt and gave us \$200 Million in operating cash.
- We are refocusing on the price transparency law that has been passed and goes into effect January 2021. There are still some lawsuits that are being filed, as this law compels healthcare organizations to breach the non-disclosure provisions of their contracts with their insurance providers, but this is not going to go away. It will require us to have our prices, reimbursement rates and patient calculators on our websites, and we are working with Experian to be able to offer a product to assist in being compliant with those regulations.

Discussion: Treasurer Goergen inquired about whether the assistance that QHR has offered us in getting PPE will decrease. Mr. White assured him that QHR will continue to stock up on PPE for at least the next year and continue to offer support in that area. CEO Harman noted that the majority of PPE that MHCC gets is acquired through Quorum.

Corporate Compliance Report presented by Mark Kostovny:

- There were no calls on the hotline.
- Another reminder about the availability of the hotline went out.

Compliance and Risk Report presented by Collin McDonald:

- Mr. McDonald reported that he was supposed to have the final call with the insurance company to wrap up the flood claim, but they ended up asking for more information. They want to further examine the \$30,000 claim for loss of surgery supplies and the damages to the loading dock, which we didn't know was damaged until three weeks later. He informed the Board that he was very adamant with them that this has been drawn out long enough, and they agreed to pay a pre-settlement payment in the amount of \$250,000.

Discussion: Board Member Kostovny asked what the status of the flood claim at the Hanna Clinic was, to which Mr. McDonald said we are waiting on the State for approval, but he doesn't think it will reach the deductible.

Open Session dismissed for a 10-minute restroom break at 11:10am.

Open Session resumed at 11:20am.

Jon Smith, CFO, handed out the preliminary financial summary for June 2020.

Finance Report presented by Jon Smith, CFO:

- Mr. Smith informed the Board that he is just presenting preliminary numbers for June due to the need to keep the financials open for year-end processes. Right now, June showed a gain of \$1,936,366 from operations, with a total net profit of \$1,946,753 compared to a budgeted net income of \$38,506. COVID-19 has continued to negatively impact all areas of MHCC operations and volumes. The gain from operations and net income were directly related to \$1.2 Million of February 2020 Disaster and adjustments to bad debt as a result of positive accounts receivable activity. Patient revenues were 10% below budget, due to COVID-19 limitations on access in certain areas, and operating expenses were 19% above budget, due to the purchase of PPE and contract labor for OB and Respiratory Therapy. Days in AR decreased to 99.2, as compared to 100.4 in May.

Discussion: Treasurer Goergen asked if the repayment on the Accelerated Payment Loan was going to be automatic. CFO Smith explained that there are still discussions going on in the Legislature on whether that loan will be forgiven, but, if it is not forgiven, we will be notified and have the option of making payments or paying it in full.

President Waeckerlin asked for Woody White's, QHR Vice President of Finance, insight as to where he thinks MHCC sits compared to the other hospitals that he works with. Mr. White replied that he believes MHCC is in healthy shape, especially given the catastrophes that we have encountered over the last few months. He stressed that is important to look at days cash on hand without COVID funds included and to not only look at the bottom line, but to take into account the EBIDTA number as well. MHCC's operations look good, and getting AR on track is the best thing that we could have done right now.

Approval of June 2020 financials was tabled, pending a final summary report in August.

Garry Goergen made a motion, and Mark Kostovny seconded the motion to approve the vouchers for the period ending 6.30.2020 as presented. Motion carried.

New Business:

- 2020 Strategic Plan – Ken Harman, CEO: Mr. Harman presented the 2020/2021 Strategic Plan that was put together by the Administration Team. He informed the Board that this is a draft and would appreciate any feedback, as it will be brought back to the Board in August for final approval. In summary, the 5 areas of focus include 1) Improve Care and Quality of Services 2) Become the Employer of Choice in Carbon County 3) Develop and Grow Services to Meet Community Needs 4) Improve Revenue Cycle and Create Financial Growth and Sustainability and 5) Assist in Growing Quality of Life in Carbon County (Community Stewardship). Some more details were provided for each area on how those goals will be accomplished. Updates on the progress will be given to the Board periodically.

Discussion: President Waeckerlin expressed his appreciation in how far MHCC has come in community stewardship, and he looks forward to seeing the improvements that will continue to be made in that area. Board Member Kostovny agreed that education is important to help inform our community of the services that we have to offer. CEO Harman noted that we will be providing school physicals in Rawlins, Baggs, and Saratoga as another effort to build relationships and engage our community. The Board all agreed that they liked the plan and are excited for the future of MHCC.

Open Discussion/Citizen Participation: No comments were made.

Motion Recess Board of Trustees Public Meeting to go into Executive Session.

Mark Kostovny made a motion, and Garry Goergen seconded the motion to Recess the Board of Trustees Public Meeting to go into Executive Session. Motion carried.

Board convened to Executive Session at 12:08pm to discuss personnel issues and to consider or receive any information classified as confidential by law.

Resume Board of Trustees Public Meeting.

Mark Kostovny made a motion, and Garry Goergen seconded the motion to resume the Board of Trustees public meeting at 1:30pm. Motion carried.

New Business Continued:

- Credentialing:

Mark Kostovny made a motion, and Jason Campbell seconded the motion to approve credentialing privileges for Harold Pierce, MD and continued provisional status for Joy Magruder, MD as presented. Motion carried.

- Consideration and/or approval of contracts and additional Board business:

Jason Campbell made a motion, and Jerry Steele seconded the motion to approve \$500.00 Hazardous Bonus Pay for each full-time employee, \$300.00 Hazardous Bonus Pay for each part-time employee, and \$100.00 for each PRN employee as presented. Motion carried.

Jason Campbell made a motion, and Mark Kostovny seconded the motion to give MHCC Administration the authority to sign the contract with Shepard Construction, Inc. for the MHCC Health Center-Platte Valley construction project in Saratoga, Wyoming, upon final review by MHCC Legal Counsel. Motion carried.

Jason Campbell made a motion, and Mark Kostovny seconded the motion to authorize Ken Harman, CEO, and any additional Board Member to make decisions and implement the contract with Shepard Construction,

Inc. up to the amount of \$1,752,600 to start the MHCC Health Center-Platte Valley construction project in Saratoga, Wyoming. Motion carried.

President Waeckerlin thanked the Board members for their due diligence in all of the time and effort that they put into Memorial Hospital of Carbon County.

Adjournment:

Mark Kostovny made a motion, and Garry Goergen seconded the motion to adjourn the Board of Trustees public meeting at 1:40pm with no further business coming before the Board.

The next Board of Trustees meeting will be August 27, 2020.

Respectfully Submitted.

Chandra Buchholz, Executive Assistant
Jerry Steele, Secretary, Board of Trustees

crb