



BOARD OF TRUSTEES

Regular Meeting

May 27, 2021

Minutes

10:00 am

Members Present:

Rod Waeckerlin, *President*
Jason Campbell, *Vice President*
Garry Goergen, *Treasurer*
Jerry Steele, *Secretary*
Mark Kostovny, *Member*

Administration:

Ken Harman, *Chief Executive Officer*
Jon Smith, *Chief Financial Officer*
Collin McDonald, *Compliance and Risk Management Director*
Dr. Johnson, *Chief of Staff*

Guests:

Abbi Forwood, *Legal Counsel* (via phone)
Melissa Yowell, *Director of Clinics*
Woody White, *QHR, Vice President Finance* (via phone)

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

Approval/Amendment of Agenda:

Mark Kostovny made a motion, and Jason Campbell seconded the motion to approve the agenda as presented. Motion carried.

Approval of Board of Trustees Open Session Minutes from 04.22.2021:

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

Medical Staff Report presented by Greg Johnson, MD, Chief of Staff:

- Dr. Johnson reported that the Medical Executive Committee continues to review numerous Lab policies as Dr. Long, the Lab Medical Director, reviews and approves them.

The Medical Executive Committee recommended approval of credentialing for the following individuals:

- Gregory Johnson, MD – Emergency Medicine: Active Staff Reappointment
- Richard Bentley, MD (MIA) – Radiology: Courtesy Staff Reappointment
- Mary Phillips, FNP-BC – Pain Management: Allied Health Staff Appointment
- Abdur Khan, MD – Cardiology: Courtesy Staff Appointment
- Frank Rosenbloom, MD – Internal Medicine: Locum Tenens Staff Appointment
- Ahmad Zabad, MD – Internal Medicine: Locum Tenens Staff Appointment

MEC also recommended the continuation of provisional status for the following individuals, based on their patient volume:

- Oscar Busso, MD – Internal Medicine: Locum Tenens Staff (continued provisional)
- Hamza Mancy, MD – Internal Medicine: Active Staff (continued provisional)
- John Brooks, MD – Emergency Medicine: Courtesy Staff (continued provisional)

And Dr. Chad Cooper is being recommended for full, unrestricted privileges.

Administrative Report - Consent Agenda:

Discussion: President Waeckerlin noted the improvement in the employee retention numbers. Secretary Steele also commented that the Board would like to meet new providers as they join MHCC.

Garry Goergen made a motion, and Jason Campbell seconded the motion to approve the Consent Agenda as presented. Motion carried.

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

- Mr. White reported that they have been working with CFO Jon Smith on the annual financial review and should have the report ready in two weeks.

Corporate Compliance Report presented by Mark Kostovny, Board of Trustees, Member:

- Mr. Kostovny reported that they did not have the Compliance meeting yesterday due to illness. He noted that there was one call on the Compliance Line this month. It wasn't a Compliance or HR complaint, but more of an operations concern. CEO Harman added that the concern was regarding a process in our clinic, and it had been addressed and resolved.

Compliance and Risk Report presented by Collin McDonald, Compliance/Risk Management Director:

- Mr. McDonald thanked the Board for their support on looking for a new electronic health record system. He added that he would be comfortable with any of the three vendors that are being considered, as it will make HIPAA audits a lot easier by having one system for all medical records. Mr. McDonald also informed the Board that Administration is conducting mock surveys throughout the hospital.

Discussion: President Waeckerlin asked for reports on the mock surveys to be brought back to the Board. CEO Harman also noted that there was a HIPAA complaint that was reported after the last board meeting, but before the end of the month, so it was not mentioned in the previous report; however, he assured everyone that it had been addressed.

Quarterly Report presented by Christina Baugh, Director of Quality and Infection Prevention:

- Mrs. Baugh reported that a process for the State survey has been developed that will direct employees on how to deal with and greet the surveyors from the time they walk in the door until the time they leave. In addition, Administration is putting together a binder that will have the information they will be requesting ready for them before they even ask, and the Conditions of Participation will be given to each department manager so they can get their departments ready and keep them ready at all times.

Mrs. Baugh also gave an overview of the Root Cause Analysis process. She explained that the purpose for an RCA is to find the cause of a sentinel or near miss event and develop a policy or process change to prevent it from happening again. The intent is to solve the problem in 2-3 meetings and to implement a rapid cycle change, which initiates the change and training for staff immediately, rather than waiting 60-90 days for the new policy to go through the MCN policy manager approval process. Adjustments to the process are then made later if needed.

Discussion: CEO Harman commented that managers are doing the work, and we are seeing real change being made.

Secretary Steele also inquired about the 50% vaccination rate that was mentioned in the Consent Agenda. Mr. Harman informed him that we are close to 50% of Carbon County residents being partially vaccinated and about 37% are fully

vaccinated, while about 2/3 of the hospital employees are vaccinated. He added that we continue to do screenings and test non-vaccinated employees. The Board asked Mrs. Baugh to send them a short, weekly COVID report so they can have accurate information when being asked questions out in the community.

Program Return on Investment Report for Rural Physicians Group (Hospitalists) presented by Phil Reints, Chief Nursing Officer and Jon Smith, Chief Financial Officer:

- Mr. Reints shared an overview of the status of the partnership with Rural Physicians Group, which provides MHCC with the Hospitalist program. In summary, it began in January 2019 as an effort to provide consistency and improve the quality of care for our patients, and, although we are not seeing the numbers that RPG proposed, MHCC is essentially breaking even financially on the program. Mr. Smith added that the program is still very valuable in that the providers are more available and the quality of documentation has been a huge improvement.

Discussion: There was discussion regarding the option for MHCC to hire our own hospitalists, to which CEO Harman explained that it would take 2.5–3 FTEs to fully cover the shifts. There were also concerns raised about the recruitment and stability issues that that would bring. Mr. Reints pointed out that, with Dr. Chiu leaving, RPG has struggled to keep a consistent group of physicians, and, additionally, 2020 was a tough year in many areas anyway so we will continue to monitor the program.

Open Session dismissed for a 10-minute restroom break at 11:05am.

Open Session resumed at 11:15am.

Financial Report presented by Jon Smith, Chief Financial Officer:

- CFO Smith reported that April 2021 showed a modest gain from operations of \$50,133 and a total net income of \$51,032 as compared to a budget of \$77,997. Volumes in many service lines continued to be lower than prior fiscal years, largely due to the impacts of COVID-19, but we continue to market all service lines at MHCC to make sure everyone is aware of all that we have to offer.

Gross patient revenues were roughly 24% below budget and operating expenses were also 0.3% below budget.

Mr. Smith also noted that the number of days' cash on hand were 143.8 on April 30th compared to 136.2 on March 31st. We are expecting an additional \$176,000 in cost report settlement from 2019, which will add 2 days to the cash. He also added that cash collections are 120% compared to revenue, and AR is under \$10 Million now. In addition, we are working on a long-term payment program with BHG Lending and Bank of Commerce that will allow our patients to make payment plans for up to 5 years, while adding to our cash and dropping our AR even more.

Discussion: Treasurer Goergen inquired about the status of the PPP loans, to which Mr. Smith explained that we are still waiting for forgiveness on the first PPP loan, after the government requested more documentation, and the second one is being filed. The \$3.1 Million is still in reserves from the first repayable COVID loan, but they have not taken out any payments up to this point.

Mark Kostovny made a motion, and Jason Campbell seconded the motion to approve the financials for period ending 04.30.2021 as presented. Motion carried.

Garry Goergen made a motion, and Mark Kostovny seconded the motion to approve the vouchers for period ending 04.30.2021 as presented. Motion carried.

- Mr. Smith also presented the draft of the FY22 Capital and Operations Budget. In summary, the capital projections are expected to be \$1,173,030, mostly consisting of HVAC system updates, OR equipment, the door and key project, and the replacement of IV pumps and beds. The goal is to achieve 1% profit from operations with \$69,559,321 total revenue projected. Projected expenses include a 2% cost of living wage increase for all employees and an additional 1% increase if the organization achieves budget and some other quality and patient satisfaction goals.

Discussion: At the request of President Waeckerlin, the Board agreed to do a workshop session in order to review and discuss the budget in greater detail before approval at the June board meeting. The tentative date was set for June 10th.

Old Business: There were no agenda items.

Open Session dismissed for a 10-minute restroom break at 12:35pm.

Open Session resumed at 12:45pm.

New Business:

- **Memorial Hospital of Converse County Periodic Lease Agreement – Ken Harman, Chief Executive Officer:**
CEO Harman presented the Periodic Lease Agreement renewal for Memorial Hospital of Converse County for our Visiting Specialist Clinic. He noted that the lease had previously been for the hospital as a whole, and they could send whatever providers they wanted; however, the agreement has been changed this time to allow only Dr. Freeman, ENT, to come. This allows us to have control over which specialists are being brought in. Mr. Harman added that Dr. Freeman is doing about 1 surgery per month here at MHCC, but we will be pushing for him to do more here.

Mark Kostovny made a motion, and Jerry Steele seconded the motion to approve the Periodic Lease Agreement for Memorial Hospital of Converse County as presented. Motion carried.

- **Carbon County Therapy Lease Agreement (MHCC Health Center – Platte Valley) – Ken Harman, Chief Executive Officer:**
Mr. Harman informed the Board that this lease agreement is for the space that Fremont Therapy Group will be using at the MHCC Health Center – Platte Valley. He explained that we used the same agreement that Fremont Therapy Group had MHCC sign for the Carbon County Therapy partnership. The only adjustment was the square footage. The agreement has a rolling 3-year term, and the total payment will be about \$3,000 per month.

Mark Kostovny made a motion, and Jerry Steele seconded the motion to approve the Carbon County Therapy Lease Agreement as presented. Motion carried.

- **Primary Care Mental Health Services – Ken Harman, Chief Executive Officer:**
CEO Harman presented to the Board the idea to add a mental health counselor to our Family Practice Clinic, as the rates of depression and suicide rise. He explained that Patti Shue is spending about 1-2 hours per day doing counseling, as well as some of the other providers. The clinic is also going to start doing a depression screening on every patient, which will add to that work load. Mr. Harman also noted that there can be a stigma for people going to see a counselor, whereas, if it's in the clinic, the reason for the visit is not identifiable. The plan is to have a counselor in the clinic 3 days per week, and, perhaps, expand that out to Saratoga and Hanna within a few months if the need is as big as we anticipate. He added that the return on investment shows a small profit of \$5,908, but it is more importantly about the service that we can offer to our community.

Discussion: Board Member Kostovny commented that it is a very innovative idea for a much needed service.

Open Discussion/Citizen Participation: Mr. Kostovny inquired how the billing for our intercepts services with SCWEMS is being handled, as the Consent Agenda only reported 2 intercepts. CEO Harman explained that EMS Manager Dan Starr will be giving a monthly report to CFO Smith in order to get them billed out and accounted for accurately.

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

Jerry Steele made a motion, and Mark Kostovny seconded the motion to move the Board of Trustees into Executive Session. Motion carried.

Jerry Steele made a motion, and Garry Goergen seconded the motion to recess the Board of Trustees Public Meeting for Executive Session at 1:05pm. Motion carried.

The Board took a 30-minute lunch break.

The Board convened to Executive Session at 1:35pm 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 Jason Campbell seconded the motion to resume the Board of Trustees public meeting at 3:50pm. Motion carried.

New Business Continued:

- **Credentialing:**

- Gregory Johnson, MD – Emergency Medicine: Active Staff Reappointment
- Richard Bentley, MD (MIA) – Radiology: Courtesy Staff Reappointment
- Mary Phillips, FNP-BC – Pain Management: Allied Health Staff Appointment
- Abdur Khan, MD – Cardiology: Courtesy Staff Appointment
- Frank Rosenbloom, MD – Internal Medicine: Locum Tenens Staff Appointment
- Ahmad Zabad, MD – Internal Medicine: Locum Tenens Staff Appointment

Mark Kostovny made a motion, and Jason Campbell seconded the motion to approve credentialing privileges for the individuals listed above and as presented. Motion carried.

- **Provisional Reviews:**

- Oscar Busso, MD – Internal Medicine: Locum Tenens Staff (continued provisional)
- Hamza Mancy, MD – Internal Medicine: Active Staff (continued provisional)
- John Brooks, MD – Emergency Medicine: Courtesy Staff (continued provisional)

Jerry Steele made a motion, and Jason Campbell seconded the motion to continue provisional status for the individuals listed above and as presented. Motion carried.

- Chad Cooper, MD – Gastroenterology: Courtesy Staff (full, unrestricted)

Jerry Steele made a motion, Jason Campbell and seconded the motion to approve full, unrestricted status for Dr. Cooper as presented. Motion carried.

- **Employment Contracts:**

- Jennifer Motley, MD (OB) – Physician Employment Contract (New)

Mark Kostovny made a motion, and Jerry Steele seconded the motion to approve the Physician Employment Contract for Dr. Motley as presented. Motion carried.

- Jen Wagdy, DNP – Nurse Practitioner Employment Contract (Revision/Renewal)

Mark Kostovny made a motion, and Jason Campbell seconded the motion to approve the Nurse Practitioner Employment Contract for Jen Wagdy, DNP as presented. Motion carried.

- Joanne Reints – Mental Health Counselor Employment Contract (New)
- Palur Sridharan, MD – PRN Physician Employment Contract (Renewal)
- Vicki Macy, MD, FACOG – PRN Physician Employment Contract (Revision)

Mark Kostovny made a motion, and Jason Campbell seconded the motion to approve the employment contracts for the individuals listed above and as presented. Motion carried.

Jason Campbell made a motion, and Jerry Steele seconded the motion to grant authorization to MHCC Administration to pursue discussions on the real estate purchase as discussed. Motion carried.

Adjournment:

Mark Kostovny made a motion, and Jason Campbell seconded the motion to adjourn the Board of Trustees public meeting at 3:55pm with no further business coming before the Board.

The next Board of Trustees meeting will be June 24, 2021.

Respectfully Submitted.

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

crb