



Board of Trustees Meeting

Regular Meeting

4.28.2022

Minutes

10:00am

Members Present:

Rod Waeckerlin, *President*

Jerry Steele, *Secretary*

Garry Goergen, *Treasurer*

Mark Kostovny, *Member*

Absent Members:

Woody White, *QHR, VP Finance*

Administration:

Ken Harman, *Chief Executive Officer*

Jon Smith, *Chief Financial Officer*

Guests:

Abbi Forwood, *Legal Counsel* (via phone)

Rod Waeckerlin, President, called the Memorial Hospital of Carbon County Board of Trustees meeting to order at 1000am. The Pledge of Allegiance and a moment of silence in recognition of those affected by COVID-19 followed.

Approval/Amendment of Agenda:

President Rod Waeckerlin requested to add MHCC Master Plan Update to New Business as item "d."

Mark Kostovny made a motion, and Jerry Steele seconded the motion to approve the agenda as amended. Motion carried unanimously.

Approval of Board of Trustees Open Session Minutes from 3.24.2022:

Mark Kostovny made a motion, and Jerry Steele seconded the motion to accept the minutes from the regular meeting on March 24th, 2022 as presented. Motion carried unanimously.

Employee Recognition presented by Rod Waeckerlin, Board President:

- President Waeckerlin recognized Gary Mikesell, MHCC Family Practice Clinic Physician, as April Employee of the Month. Dr. Mikesell was not present for his award, however, arrangements will be made to present him with his award when he returns. Emily Weber, Business Office Supervisor, was recognized as Supervisor of the Quarter. Both employees represents the heart of MHCC by continually going above and beyond to help others.

Welcome Back presented by Rod Waeckerlin, Board President:

- President Waeckerlin welcomed back Nurse Practitioner, Chere Bohr to the MHCC Family Practice Clinic.

Medical Staff Report presented by John Lumb, MD, Chief of Staff:

- Dr. Lumb informed the Board the Medical Executive Committee reviewed and approved Nursing Policies that will standardize procedures. They supported a resolution for the MHCC Trauma Program. They are also looking at formulating guidelines for the supervision of Physician Assistance along with expanding PA skills. Dr. Lumb also informed the Board of implementing intubation training of newborns for providers. Providers would like to be more comfortable with newborn intubations; plans for training are in progress. The Board was in support and offered to assist in any way possible if needed.

Dr. Lumb also reported that the Medical Executive Committee recommended nine staff appointments for March. They also recommended reappointments for two providers, recommended permanent inpatient call for one provider, recommended reappointments for two providers, recommended full, unrestricted telemedicine staff membership for two providers and lastly, recommended removal from provisional status for one provider.

Discussion: President Waeckerlin inquired about Dr. Lumb's thoughts on surgeries increasing as a result in decline to COVID-19 cases. Dr. Lumb stated there wasn't a large increase; he noticed Dr. Cooper is increasing his case load, but he couldn't directly correlate that to the decrease in COVID-19. Dr. Lumb would like to see growth in his own case load as well. Mr. Harman stated to the Board that there is a slight uptick in surgical cases, but is unsure either, if this is due to the decrease in COVID cases. Mr. Waeckerlin inquired about cancelled surgeries. Dr. Lumb stated he hasn't had to cancel any cases, but cases have been delayed due to air pressure issues. Mr. Harman stated that there hasn't been any facility based cancelations in the Operating Room for two months.

Financial Report presented by Jon Smith, Chief Financial Officer:

- Mr. Smith reported March 2022 showed a loss from operations of -\$188,335 with a total net loss of \$150,439 compared to a budgeted net income of \$201,214. MHCC has had an YTD loss from operation of \$1,016,423 and a total net loss of -\$839,333. Revenues for March were \$5.379 million, one of the highest revenue months of the fiscal year. As previously reported, revenues are still impacted by COVID-19. \$475,000 of operating revenue continue to support MHCC financially. Significant impacts on expenses continue to be caused by traveler staff; 12 traveler staff are working in clinics areas (nursing, lab, and respiratory therapy). MHCC continues to evaluate new staffing models and other ways to limit overall expenses each month. Costs for travelers have increased to roughly \$100,000 per week is and quickly eroding our cash position. We are currently working to review options to reduce expenses to be able to afford the cost of travelers, who we need at present in order to staff some departments.

Patient Revenues for March were just under \$524 million with patient at \$1,263,268 compared to a budget of \$1,586,626 and outpatient at \$4,116,392 compared to a budget of \$4,017,299. YTD, revenues are \$45.3 million compared to a budget of \$50.4 million and inpatient is now 25% below budget YTD, while out patient is 4% below budget YTD. Unfortunately, surgical volumes continue to be low compared to budget, however, did increase from 49 to 65 during the month. Swing bed volumes continue to run low at 9 days for the entire month. Strong clinic volumes continue to support the overall outpatient volumes.

The 340B, Paycheck Protection Program, and Qualified Rage Adjustment all participated in the additional funds for a total of \$475,206.

Revenue deductions (allowances + bad debt) totaled 40.1% as compared to a total budget of 44%. Overall accounts receivable have increased over the last few months to roughly \$14.5 million. The impacts are due to a couple factors, such as, State Medicaid delaying payment on claims for about 2

months due to computer issues, the Malware attack and lack in completion of documentation by some physicians. Bad Debt was 4.7% and Contractual Allowances were 35.3% of total revenue for March.

Expenses for the month of March were 24.2% above budget during March and are 8.3% over budget YTD. Professional fees, physician fees and purchased services continue to be well above the set budget (traveler cost and locum tenen physician in OB and Hospitalist Services). We are continuing to search for a permanent partner for Dr. Motley in OB to decrease expenses and increase services, however, this has proven to be a challenge for us. For March, purchased services are high due to various reasons such as, fees associated with our current computer system conversion, contract staff costs (over \$500,000) and delayed invoices from vendors. Employee and benefit expenses for the month of March were 41.9% of total operating expenses, supplies were 9.5% purchased services and other professional fees were 37.2%, and all other expenses were 11.4%.

Mr. Smith reported that the day's cash on hand were 49.8 as of March 31st, compared to 73.4 on February 28th, 2022. The CMS fund take back as of March 31st was at \$784,000, however as of April 21st, is it as \$550,000. The total cash reported for March (as of the 31st) was \$5.3 million with a \$5 million in investments and \$300,000 in operation cash. RNB is holding roughly \$1.1 million and Back of Commerce is holding roughly \$4.2 million. Due to Medicaid not paying claims for 2 months, physicians delayed documentation, and the recent Malware attack, days in AR has increased. Mr. Smith reported net days in AR were 51.1 and 88.4 gross. Overall AR balances for the hospital and clinic are \$14.5 million and credit balances are at \$442,000. Days in AP were 38.5 and Inventory on-hand is at 63.8 due to our COVID supplies and increased inventory. The DNFB has been averaging 6.5 days due to delays in documentation. Cash collections as a percentage of net patient revenue was 82% overall (2.6 million).

Mr. Smith reported that the MHCC clinics generated over \$1.0 million in patient revenues from visits (1,955) and surgery professional fees. Mr. Smith advised the group that this was a very strong total, and we hopefully can continue and even grow this area. For the month of March, the clinics demonstrated an overall profit of \$173,000 and YTD show a profit of nearly \$2.5 million due to the combination of visit and professional fee revenues.

Mr. Smith also advised the group that the Muliview go live date is 5/1/2022. This is the financial side of Cerner which will allow us to electronically send and receive invoicing, budget forecasting will be completed electronically and will allow for us to run better reports, for example financials, which will allow us to be more efficient and accurate.

President Waeckerlin asked Mr. Smith how April was projecting and Mr. Smith responded stating clinic volumes were on track for the month, there were more swing bed patients and a 5% boost to the bottom line for reimbursement, which makes Mr. Smith feel a little more confident in our financial standing. There was some discussion around the clarification about the 5% reimbursement increase.

President Waeckerlin also inquired about the Medicare Payback to which Mr. Smith stated that we are currently at \$550,000 left for that program. There was discussion about paying off the rest of the balance directly so we can start getting our full reimbursements from Medicare again. Mr. Smith stated we wanted to pay the full balance off in the very beginning, however the government told us we were not allowed to do so, but instead would pay back through a portion from our Medicare reimbursement funds. Mr. Smith also reported to the group that we have not been paid for our cost report either, he is currently looking into that and hopes to have an answer soon.

Board Member, Mark Kostovny understood the expenses were negatively affecting the bottom line, however, he was still wondering if Carbon County residents were still utilizing local services. Mr.

Harman stated yes, from a basic family practice care standpoint, the community is utilizing the clinics. However, the hospital based services they are not, meaning orthopedic surgical services, general surgical service and obstetric services. There was discussion around a drop in market share for surgeries and OB care. We are not seeing much growth in these areas and very little return on investments. It was noted that Dr. Cooper (visiting provider in Urology) is adding more days to his clinic and surgical schedule. There has been a dramatic growth in the Pain Clinic services, so those providers will be adding additional days each month as well.

Secretary Jerry Steele asked for clarification as to why the MHCC Health Center Platte Valley clinic is doing well versus the MHCC Family Practice Clinic. Both Mr. Harman and Mr. Smith stated it is because we started adding more providers to the MHCC Health Center Platte Valley schedule, but that to do so means we are taking away providers from the MHCC Family Practice Clinic; hence more availability for care in the Platte Valley, but less availability for Rawlins. We also started to have more specialty providers (Dr. Lumb, Bob Keel, PA-C and Dr. Motley) see patients at the MHCC Health Center Platte Valley clinic as well, which has allowed for additional patient visits. The MHCC Family Practice Clinic provider costs are still being billed to MHCC FPC, hence the profit differences. Secretary Goergen asked if we need to be finding additional providers to back fill for the loss of patient visits at MHCC Family Practice Clinic when those providers are sent to cover at other clinics. Mr. Harman stated that was the reasoning for hiring Chere Bohr, NP, but would not be opposed to looking further into it if there was a definite need. Mr. Goergen also suggested doing a better job at not letting multiple providers off at one time, to allow for better coverage across all MHCC clinics. There was also a question of expanding the Family Practice clinic hours; will visit if and when that is necessary.

The Board also expressed thank you's to those who assisted in getting the new furniture for the board room. They are excited for the installation of the new IT equipment.

Mark Kostovny made a motion, and Jerry Steele seconded the motion to approve the financials for period ending March 31st, 2022 as presented. Motion carried unanimously.

Garry Goergen made a motion, and Mark Kostovny seconded the motion to approve the vouchers for period ending March 31st, 2022 as presented. Motion carried unanimously.

Motion to Recess Board of Trustees Public Meeting to go to Executive Session:

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

Recess Board of Trustees Public Meeting for Executive Session:

Jerry Steele made a motion, and Garry Goergen seconded the motion to recess the Board of Trustees Public Meeting for Executive Session at 11:07 am. Motion carried unanimously.

The Board convened to Executive Session at 11:07 am 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 3:01pm. Motion carried unanimously.

Administrative Report - Consent Agenda:

Discussion: Mr. Kostovny noted that the reports for the Quality Council that were submitted were hard to understand as they all looked the same. Mr. Harman stated it was just to let the Board know where each department reported to be on their quality reports. Mr. Goergen asked for clarification on Mr. Collin McDonald's Compliance/Risk report in regards to challenges with licensure for MHCC Health Center Platte Valley. Mr. Harman stated there was one finding with the inspection, which requires us to install a hand rail at the front entrance.

Garry Goergen made a motion, and Mark Kostovny seconded the motion to approve the Consent Agenda as presented. Motion carried unanimously.

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

- None to report.

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

- Mr. Kostovny stated they had a good meeting this month. There was discussion around possibly changing the current masking policy. No calls were made to the compliance line.

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

- Mr. McDonald reported there were no HIPAA complaints for the month. There was a total of 11 incident reports (all nursing), 4 falls, 1 take home medication error (not filled), two patient care delays (Lab and Radiology), 1 patient was discharged with an IV port still in (Mrs. Peggy Lake, NP assisted with the removal)

Discussion: Mr. Steele asked for an update on the ransomware reimbursement. There was not an update to give as MHCC is still collecting data.

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

- Mrs. Baugh presented the corrective action policy for managers when they are tracking and reporting their quality initiatives. Mrs. Baugh also reported trends for incident report tracking and resolutions for departments, such as, creating an MA preceptorship for the clinics. Doing educational trainings like this should cut down on the amount of incident reports that are submitted. Mrs. Baugh also touched on the reasoning for RCA (Root Cause Analysis) and the important roles they play for MHCC.

Return on Investment Report: Jon Smith, Chief Financial Officer & Melissa Yowell, Director of Clinics

- Mr. Smith reported the ROI report at the Board of Trustees meeting. The topic of discussion was the MHCC Health Center Platte Valley for the last 9 months. Overall the report showed growth for the clinic as far as revenue and clinic visits. There was a total of 3,211 patient encounters, total charge per encounter was \$253.33, which resulted in \$813,433 in total revenue. Fremont Therapy reported a total of 1,211 modalities, with a \$199.99 total charge per modality for a result of \$224,189 in total revenue. There was a total of 265 imaging studies, a total charge of \$300.82 per study which resulted in a total of \$79,717. The laboratory testing came to a total of 2,006 tests, total charges per test were reported to be \$99.37 for a total revenue of \$199,336. Overall revenues were reported \$1,316,685.

President Waeckerlin added that this is a success story for MHCC. Additionally Mr. Harman stated that the clinic exceeded its financial goals and has been great for building relationships in the Platte

Valley. There was a brief discussion about a patient's missing labs, however, Ms. Yowell stated there was workflow miscommunication and it has been resolved going forward.

Old Business:

- None to report.

New Business:

- Acute Care Unity Policy was presented by Mrs. Janessa Mann. This policy will allow for nursing staff to utilize the Lippencott program as a resource for patient care or procedural informational site. This is due to the length of time it takes for supervision to update policies, as health care procedures are often times update every 6 months. We need to be able to provide the most up to date care as possible, and the Lippencott system will allow us to do so. This policy will hold employees accountable as to where to find the most up to date information.

The OR has a duplicate policy they presented as well, except it is called AORN and strictly for surgical policies, however, employees will be using Lippencott as well.

Mark Kostovny made a motion and Garry Goergen seconded the motion to approve the Acute Care Unit Policy as presented. Motion carried unanimously.

Mark Kostovny made a motion, and Garry Georgen seconded the motion to approve the AORN policy as presented. Motion carried unanimously.

- Mr. Harman asked for the Board to table the Master Plan Update discussion to next May's Board Meeting. Board members agreed.

New Business Continued:

- **Credentialing:**

1. Gary Hembd, CRNA – Recommend Appointment to Allied Health Staff
2. Amy Apodaca, DO – Recommend Appointment to Locum Tenens Staff
3. Daniel Wandsneider, DO – Recommend Appointment to Locum Tenens Staff
4. Chere Bohr, APRN – Recommend Appointment to Allied Health Staff
5. Patricia Shue, PNP – Recommend Permanent Privileges for Inpatient Call
6. Steven Burgess, MD – Recommend Appointment to Active Staff
7. Kelly Ryder, DO – Recommend Appointment to Active Staff
8. Christopher Malcom, DO – Recommend Appointment to Courtesy Staff
9. William Hoskinson, DO – Recommend Appointment to Active Staff
10. Oussama Lawand, MD – Recommend Reappointment to Courtesy Staff
11. Judd Dawson, DO – Recommend Appointment to Active Staff
12. Chad Cooper, MD – Recommend Reappointment to Courtesy Staff
13. Lincoln Westfall, DO – Recommend Removal from Provisional Status (Except C-Sections)
14. Dishant Shah, MD – Recommend Full Unrestricted Telemedicine Staff Membership
15. Patrick Burke, MD – Recommend Full Unrestricted Telemedicine Staff Membership

Mark Kostovny made a motion, and Jerry Steele seconded the motion to accept the Medical Executive Committee's recommendation to approve credentialing privileges for the individuals listed above and as presented. Motion carried unanimously.

- **Resignation of Privileges**

1. Michael Biddulph, MD – Recommend Acceptance of Resignation

2. Bao Nguyen, MD – Recommend Acceptance of Resignation

Mark Kostovny made a motion, and Jerry Steele seconded the motion to accept the Medical Executive Committee’s recommendation to approve the resignation of privileges for the individuals listed above and as presented. Motion carried unanimously.

- **Employment Contracts**

1. Sonia Klein, APRN – Family Practice & Wound Care

Mark Kostovny made a motion, and Jerry Steele seconded the motion to accept the offer letter for Mrs. Sonia Klein.

Open Discussion/Citizen Participation:

- Board Member, Mark Kostovny wanted to bring an upcoming inspection to the Board’s attention as our last inspection was cancelled due to the floods years prior. Mr. Kostovny inquired about guidelines departments could follow so they can be prepared for the inspection. Mr. Harman stated that Mrs. Baugh has those guidelines and will get them out to department managers.
- Mr. Garry Goergen made a motion, and Jerry Steele seconded the motion to regretfully close the OB and Women’s Health Services permanently.

Adjournment:

Mark Kostovny made a motion, and Garry Goergen seconded the motion to adjourn Board of Trustees public meeting at 3:47 pm with no further business coming before the Board. Motion carried unanimously.

The next Board of Trustees meeting will be May 26th, 2022

Respectfully submitted.

Abbie Webster, *Executive Assistant*
Jerry Steele, Board of Trustees, *Secretary*

crb