



Board of Trustees Meeting

Regular Meeting

7.12.2022

Minutes

12:00 pm

Members Present:

Rod Waeckerlin, *President*

Jerry Steele, *Secretary*

Mark Kostovny, *Member*

Absent Members:

Garry Goergen, *Treasurer*

Administration:

Ken Harman, Chief Executive Officer

Guests:

Abbi Forwood, *Legal Counsel* (via phone)

Woody White, *QHR, VP Finance*

Rod Waeckerlin, President, called the Memorial Hospital of Carbon County Board of Trustees meeting to order at 12:01 pm. The Pledge of Allegiance and a moment of silence in recognition of those affected by COVID-19 followed.

Approval of Agenda:

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

Approval of Board of Trustees Open Session Minutes from 7.12.2022:

Mark Kostovny made a motion, and Jerry Steele seconded the motion to accept the minutes from the regular meeting on 5.26.2022 as presented. Motion carried unanimously.

Employee Recognition presented by Rod Waeckerlin, Board President:

- President Waeckerlin recognized Tiffany Gruetzmacher, EMT-A, as June Employee of the Month. Tiffany represents the heart of MHCC by continually going above and beyond to help others.

Medical Staff Report presented by Ken Harman, Chief Executive Officer:

- Mr. Harman presented on Dr. Lumb's behalf as Dr. Lumb was out of the office. Mr. Harman state there was a lengthy Medical Executive Committee conversation about partnership with Ivinson Memorial Hospital (IMH). So far, the agreement has been working out well and IMH referrals to MHCC have increased. It was noted that IMH has vocalized that they will utilize local resources for patients and not refer out of town (if services are offered in town). Currently, MHCC is planning to look for additional partnerships for various patient care services.

Mr. Harman also reviewed additional projects that have come to a close, starting with the go live of the new IV pumps that were deployed in the nursing areas of MHCC; there were some issues, however, they are currently being addressed and corrected. The Trauma Survey went very well for the

facility. There were no reportable findings from the State and overall, the survey went very well. Kathi Parks and Dr. Lumb did a great job compiling the information and for reviewing any requested documentation with the State surveyors. Appreciation for Kathi Parks and Dr. Lumb's hard work was commented several times by the Board of Trustees.

Mr. Harman reviewed the credentials that were recommended by MEC. There is one recommendation to appoint a provider to locum tenens staff; one recommendation to close a file if documentation is not received for a courtesy staff member; two recommendations to appoint providers to allied staff; fourteen recommendations to appoint providers as courtesy staff; one recommendation to reappoint a provider to telemedicine staff; and one recommendation to reappoint a provider to active staff.

Mr. Harman offered a chance for the Board to ask questions and at this time, Board Member Mark Kostovny asked if the Administration team and Dr. Lumb started to pursue open charts. Mr. Harman answered yes to the question and stated that Administration had to meet with Dr. Motely to establish a timeline for her open charts to be completed before her departure. If charts were not closed by the due date, her final check would be held. This did not have to occur, however, as she was able to complete her charting before the deadline.

Secretary Jerry Steele inquired about the uptick in COVID and how that is reflecting towards hospitalization increases. Ken stated there is a little uptick in admissions, however, not as much as what is happening across the nation.

Financial Report presented by Jon Smith, Chief Financial Officer:

- Mr. Smith reported the financials for the eleventh month of MHCC's fiscal year. May showed a minor gain from operations, which was reported to be \$48,843 with a total net income of \$60,845 compared to a budgeted net income of \$201,204. There has been a loss from operations year to date, the amount reported was -\$1,104,451 along with a total net loss of -\$903,357. May revenues were \$5.126 million, which is slightly above the monthly revenue average of \$5.017 million for FY2022. MHCC has continued to be supported by other operational revenues from QRA, PPP program and 340B. The total amount that was reported as a sum of these program revenues was \$586,657. Mr. Smith reported that expenses associated with contract staff is still a driving factor in MHCC's rapid decrease in MHCC's overall cash position, also including the negative impact it has on the income statement. Currently there are 8 traveler staff in house (nursing, lab and respiratory therapy), however, speaking specifically for the month of May, 12 travelers were still in house and in turn, that led to \$500k in costs for the month. July financials will reflect the changes in the Obstetric program that MHCC made a few months ago. MHCC Leadership continues to utilize the Financial Action Plan that was presented at the April 2022 Board Meeting and we started to see some of the impacts beginning in June.

Mr. Smith reviewed patient revenues with the Board of Trustees for the month of May. It was reported that revenues for the month were under \$5.1 million; inpatient was at \$953,734 compared to a budget of \$1,586,626 (note that this is significantly lower than the average year-to-date of \$1.14 million) and outpatient revenues were reported to be \$4,172,972 compared to a budget of \$4,017,299 (please note the average for inpatient revenues is \$3.88 million). Mr. Smith reviewed the year to date revenues and reported MHCC is just over \$55 million compared to a budget of over \$61 million. Inpatient is now 39% below budget YTD and outpatient is 3% below budget YTD. A decrease in inpatient swing-bed and surgeries have contributed largely in the decreased inpatient revenues this year. Clinic volumes have stayed strong (1,790 for May) however, they have been negatively impacted by Dr. Mikesell and Dr. Westfall covering hospitalist shifts during the transition of our new hospitalist group, Aligned Providers of Wyoming. President Waeckerlin asked if Aligned Providers

of Wyoming found additional coverage for the coming months. To this Mr. Smith answered yes; July and August are fully covered by APW.

Other revenues provided additional support in funding from the 340B (\$200k), Paycheck Protection Program (\$200k), QRA (\$142k) and grant funding which supports Wyoming Home Services.

Mr. Smith moved to reviewing revenue deductions for the month of May. Revenue deductions totaled 38.6% as compared to a total budget of 44%. Accounts receivable was reported as holding steady at about \$14.5 million at the end of May. Several factors have contributed to the outstanding AR, such as, delayed payments from Corizon (they are holding about \$500k in claim payments that are owed to MHCC). MHCC did start to receive payments on said claims and are currently waiting for the final \$100k to be considered as paid in full. Medicare and Medicaid held some claims due to corrections with claim payments. Bed Debt was 4.6% and Contractual Allowances were 34% of total revenue for May.

Expenses were reported by Mr. Smith as well. It was reported that operating expenses were 18% above budget for the month and are 10% over budget YTD. Professional fees, physician fees, purchased services and contract labor overall have continued to be main areas of concerns for expenses. Additionally, there were Cerner start-up costs for our conversion that we were aware of, however, with the unplanned need for traveling staff (12 for May) it had a significant impact on the overall cash and expenses for MHCC over the previous months. Costs continued for locum tenen physicians in OB along with the increased rates for our hospitalist program provided another role in expenses. For the month, employees and benefit were 42% of total operating expenses; supplies were 9.6% for the month; purchased services and professional fees were 34.6%; and all other expenses were 13.8% for the month. Mr. Smith noted that if patient volumes don't rise, drastic measures will need to be taken.

Mr. Smith reported that the cash on hand was 29.8 as of May 31st compared to 41.2 on April 30th. Increased expenses for traveler staff resulted in a significant drop in cash. As of May 18th, the Medicare take back was considered paid in full. We will start to see 25% of Medicare payments coming back to us going forward. Total cash as of May 31st was \$2.9 million down from \$4.4 million on April 30th. Of these funds, \$2.1 million is in investments, and \$800k in operating cash. RNB is holding about \$800k and Bank of Commerce is holding about \$2.1 million. Gross days in AR were 89.7 and net days in AR were reported to be 41, as of May 31st. AR balances over all were reported to be at \$14.5 million for the hospital and clinic. This was also Days in AP were reported to be 24.2 and Inventory on-hand is at 58.6 days due to our COVID-19 supplies and increased inventory. Due to the modification of our AP processes, we are paying bills at net 45 currently, versus net 25-30 which helps with cash flow. The DNFB increased to 9 days due to provider documentation and bill holds. We are looking at alternative methods for decreasing this as we convert over to Cerner. Cash collections as a percentage of net patient revenue was 91% overall (\$2.9 million). MHCC has been focusing more on the self-pay AR and has added additional resources in the form of staff working after hours, making cold calls to collect additional patient balances. In July, we will be going live with an early-out self-pay vendor which will help MHCC's upfront costs and collections processes.

Mr. Smith stated to the Board of Trustees that the MHCC clinic generated about \$818k in patient revenues from visits (1,790 clinic visits plus surgery professional fees). Mr. Smith stated that this is a very strong total and is hopeful we can grow this area as the clinics are the front door to MHCC. The clinics generated an overall profit of \$429k for the month of May. YTD they show a profit of over \$2.3 million due to the combination of visit and professional fee revenues.

Discussion: Mr. Smith also reviewed the Revenue by Provider report. He explained the major key players for referrals and high producing providers in the clinic setting. Mr. Kostovny asked for clarification that the report showed revenues for both clinics and hospital visits; Mr. Smith confirmed this was correct.

Mark Kostovny made a motion, and Jerry Steele seconded the motion to approve the financials for period ending June 30th, 2022, as presented. Motion carried unanimously.

Mark Kostovny made a motion, and Jerry Steele seconded the motion to approve the vouchers for period ending June 30th, 2022 as presented. Motion carried unanimously.

Budget Hearing

- In addition to the regularly scheduled MHCC Board of Trustees Meeting, MHCC held a public Budget Hearing to review the FY 2023 Budget. Mr. Smith was responsible for reporting next year's budget. He stated this was designed to be a realistic budget and many hours were spent honing the budget from all departments. There are very few capital equipment items that are going to be submitted due to the tight finances currently. Mr. Smith stated that surgical statistics were lowered and the newly added rate increase was added to the budget. Mr. Smith pointed out to the Board that charges have been a work in progress. Departments have been finding money that has been left on the table for years. Changes in clinical leadership has allowed for this finding. With the declination of additional funds from the County Commissioners, Mr. Smith was forced to remove \$80,000 of funds from the bottom line. Over all, this brought the income down significantly. There was discussion around the lack of legal support from the County Commissioners. President Waeckerlin reminded the Board of Trustees, Administration and the employees of MHCC that per state statute 18-8-102, "Pursuant to statute, the commissioners are required to levy a "sufficient tax on all property" of Carbon County to provide for the maintenance of the hospital. The amount is to be collected and set aside as "the county memorial hospital fund." There was a brief discussion about the frustrations surrounding the lack of support from the County Commissioners to assist in maintenance of the current hospital building. Lack of funds will also impact if MHCC will be approved for any ARPA grants. Mr. Harman made mention that capital budget items will not be funded without ARPA grant funds and added that expenses for repairs are not slowing down. President Waeckerlin stated he tried very hard to get the County Commissioners to work with MHCC, however, had no luck in doing so.

Mark Kostovny made a motion, and Jerry Steele seconded the motion to approve the Fiscal Year 2023 budget as presented with the exception that the wage increase will need prior Board approval. Motion carried unanimously.

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

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

Recess Board of Trustees Public Meeting for Executive Session:

Mark Kostovny made a motion, and Jerry Steele seconded the motion to recess the Board of Trustees Public Meeting for Executive Session at 12:56 pm. Motion carried unanimously.

The Board convened to Executive Session at 12:56 pm to discuss personnel issues and to consider or receive any information classified as confidential by law.

Resume Board of Trustees Public Meeting:

Jerry Steele made a motion, and Mark Kostovny seconded the motion to resume the Board of Trustees Public Meeting at 2:50 pm. Motion carried unanimously.

Administrative Report - Consent Agenda:

Discussion: President Waeckerlin extended his thanks and appreciation to Mr. Ken Harman and the managers who took the time to compile the department board reports. Mr. Waeckerlin appreciated the candidness from our managers.

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

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

- Mr. White presented a new report that will be presented at each board meeting going forward. This report contains a status report for current projects. This report also lists QHR resources and acts as a mini ROI from QHR. President Waeckerlin expressed his thanks to Mr. White and commented that this allows for better connectivity between MHCC and QHR.

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

- Board Member, Mark Kostovny noted there was nothing to review as far as Corporate Compliance. There was one phone call asking if there was a day spa at MHCC.

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

- Mr. Collin McDonald presented the Board with a Compliance report. He reiterated to the group that non-medical related incident reports and complaints go through Collin. Medical related incident reports and complaints are handled by Christina Baugh.

Mr. McDonald covered a mini audit that reviewed compliance with MHCC Family Practice Clinic – Hanna’s drug storage. They were reported to have written on the medication boxes in the past and have now brought compliance back through education and improved staffing. Collin was pleased to see they were back in compliance. At this time, Mr. Waeckerlin asked if Cardinal Health – Pharmacy hired a new Pharmacist. Mr. Smith stated that was currently in process.

Mr. McDonald provided a very brief update on the current FEMA meetings he has been having weekly. Currently they are auditing our Human Resources policies. FEMA will continue to review additional information before they can determine that we qualify for grant funds.

At this time Mr. McDonald spoke about the Trauma Survey conducted at the beginning of June. He was very pleased to announce there were no findings from the survey. He praised Kathi Parks and Dr. Lumb for their dedication and hard work they put in to make this survey successful.

Mr. McDonald also stated that he has been assigned some Human Resource duties and has been assisting Keishah Edwards (Recruiter) when needed. Mr. McDonald stated Ms. Edwards has been doing very well with the additional duties and departure of the former Human Resources Director.

Mr. McDonald wanted to thank the Board of Trustees for rescheduling the Board meeting to a later time to allow for employees to pay their respects for the Walton family. Mr. Waeckerlin said the family will be in our thoughts and prayers.

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

- This agenda item was tabled to the next regularly scheduled Board of Trustees Meeting.

Cerner Update presented by Abbie Webster, Executive Assistant and EHR Administrator

- Mrs. Webster presented a Cerner update to the MHCC Board of Trustees. She reviewed the current phase: Activate and lead the group through Integration Testing 2, which happened during the month of June; Integration Testing 3 which is currently ongoing; End User Training, which is also currently taking place and Physician Training that is set for July. Mrs. Webster also reviewed the Project Management responsibilities (IT builds, equipment deployment, data migration and overseeing the project as a whole).

Mrs. Webster reviewed the current FSI (VPNs, FTPs, Internal Connection) Build. Overall, all but 5 out of the 19 connections have been built and are ready for testing. The pending connections are in process of being created and will move to testing once they are ready.

To follow, Mrs. Webster reviewed the following risks to the project. Any of these risks could delay go live.

1. FSI: Completion of interfaces and testing (not just on the IT side, but also in the individual departments that are reliant on these connections for patient care). Matt and team are working diligently with the vendors and Cerner to have these completed. Progress is being made weekly which is great.
2. Lab: With the departure of the current Lab Manager, this item was moved to the risk list. This is due to the fact that the manager was solely working on the Cerner build for Lab. Ms. Longog, Lab Tech, is going to take over the project. Unfortunately, however, she has not been very involved up until this point, so it will take additional time for her to learn her role. Usually projects have 2-4 people working on the Lab modules, but due to limited resourcing internally, we are struggling to keep up with the workflow. Additionally, Ms. Longog is trying to balance working the bench (as a tech) and to complete her Cerner work as well.
3. Emergency Room: The ER has unfortunately had difficulties completing work (scripting and training), this is largely due to staffing shortages. We had to pull additional resources (Jessica Seldomridge and Janessa Mann) to assist in the deficiencies.
4. Pharmacy: With the departure of the former Pharmacist, there was some difficulties with tasks getting completed. Cardinal Health as has stepped in to assist in the build. They have been doing well getting the Pharmacy portion of the build back on track.
5. Patient Accounting/Revenue Cycle: Originally delayed due to Cerner resourcing. Currently, we are testing charging and billing processes; they continue to be a work in progress. During the IT2 event it was discovered that many charges were not entered into the build environment, which unfortunately did not lead us to be able to test many charges. Now that they have been built, we are able to test more. At present, the following percentage of charges have been completed – 35%; 68% of charges are built; 68% of charges are matched.

The Board of Trustees asked the MHCC Project Management team if they were comfortable going live on August 8th, 2022. To that the Project Management team took time to think about this and answered honestly; depending on how many improvements the above risk areas can make, yes, the team will be comfortable going live on August 8th. However, the Project Management team will still evaluate after further testing and follow up on progress next week.

Old Business:

- Nothing to discuss at this time.

New Business:

- Fremont Therapy Group Signage for MHCC Health Center Platte Valley Clinic, Stephanie Hinkle, *Marketing and Communications Director*
Mrs. Hinkle reported to the Board that Fremont Therapy Group approved MHCC about signage at the MHCC Health Center Platte Valley Clinic. The group wanted to put up signage on various sides of the building, however, the placement of the signage gave a perception that the building was owed and operated by Fremont Therapy Group. Also, the placement of the signage was above a door that is for employees only and would most likely cause confusion for patients who are coming to the facility for services. Mrs. Hinkle proposed the signage to match MHCC's brushed silver lettering that is already displayed and for the signage to be placed under MHCC's signage with the size being the same or slightly smaller than MHCC's signage. The Board agreed with this and noted that both companies need to be supportive of one another in this partnership, along with presenting that way to the community as well. The Board accepted Mrs. Hinkle's proposal. Mrs. Hinkle will follow up with Fremont Therapy Group.
- Cerner Contract Amendment, Ken Harman, *Chief Executive Officer*
Mr. Harman discussed changes to the Cerner contract. The original contract did not include the BDMI interface connections and supplies needed between the hospital equipment and Cerner to speak to each other. The other item is a server that is needed for Cerner to operate in house. The Board expressed their frustration and new payment plans were discussed.

Mark Kostovny made a motion and Jerry Steele seconded the motion to approve the Cerner contract amendment as presented. Motion carried unanimously.

- DZA Fiscal Year 2022 Cost Report and Audit Proposal, Jon Smith, *Chief Executive Officer*
Mr. Smith reviewed the FY 2022 Cost Report and Audit Proposal sent by DZA. The pricing listed in the proposal was noted to be fair, an additional note that made mention was that new auditors will be sent to MHCC this year, as in years past to keep reporting true and fair. Mr. Smith stated that the audit would start in September of this year and also will include an onsite visit from the auditors. Once the audit is complete, DZA will be back onsite to present to the MHCC Board of Trustees. It was noted that we may change audit firms next year as it is best practice to go out to bid every five years and MHCC is coming up on that timeline.

Mark Kostovny made a motion and Jerry Steele seconded the motion to approve the DZA Fiscal Year 2022 Cost Report and Audit Proposal as presented. Motion carried unanimously.

Open Discussion/Citizen Participation:

New Business Continued:

- **Credentialing:**
 1. Mary MacGuire, MD – General Surgeon; Recommend Appointment to Locum Tenens Staff
 2. Joanne Reints, LPC – Mental Health Allied Staff; Recommend full, unrestricted Allied Health Staff membership.
 3. Michael Enslow, MD – MIA Radiologist; Recommend Courtesy Staff Reappointment
 4. Daniel Madsen, MD – MIA Radiologist; Recommend Courtesy Staff Reappointment
 5. Scott Parker, MD – MIA Radiologist; Recommend Courtesy Staff Reappointment
 6. Cory Spicer, MD – MIA Radiologist; Recommend Courtesy Staff Reappointment
 7. James Lamousin, MD – QLER Psychiatrist; Recommend Telemedicine Staff Reappointment
 8. Gary Mikesell, DO – MHCC FPC; Recommend Active Staff Reappointment
 9. Raheel Khalid, MD – Aligned Providers Hospitalist; Recommend Appointment to Courtesy Staff

10. Robert Neuwirth, MD – Aligned Providers Hospitalist; Recommend Appointment to Courtesy Staff
11. Trevor Bush, MD – Aligned Provides Hospitalist; Recommend Appointment to Active Staff
12. Patrick Tufts, MD – Aligned Providers Hospitalist; Recommend Appointment to Courtesy Staff
13. Dustin Tew, DO – MIA Radiologist; Recommend Appointment to Courtesy Staff
14. Gary Idelchik, MD – Visiting Specialist Clinic Cardiology; Recommend Appointment to Courtesy Staff
15. Stephanie Davis, NP – Visiting Specialist Clinic Cardiology; Recommend Appointment to Allied Health Staff
16. Darin Allred, MD – Orthopedics; Recommend full, unrestricted Courtesy Staff membership
17. Atman Shah, MD – Cardiology (EKG reads); Recommend full, unrestricted Courtesy Staff membership
18. Jeffrey Liubicich, MD – QLER psychiatrist; Recommend full, unrestricted Courtesy Staff membership
19. Robert Dowling, MD – Emergency Medicine; Recommend change from Locum Tenens Staff to Courtesy Staff
20. Ajibola Babatunde, MD – Aligned Providers Hospitalist, Recommend Appointment to Courtesy Staff

Dr. Brooks was intentionally omitted due to failure to submit documentation. Dr. Babatunde was added to the credentialing list due to temporary privileges timing.

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.

- **Provisional Reviews:**
There was nothing to review at this time.
- **Additional Privileges Request**
There was nothing to review at this time.

Adjournment:

Jerry Steele made a motion, and Mark Kostovny seconded the motion to adjourn Board of Trustees public meeting at 1612 pm with no further business coming before the Board. Motion carried unanimously.

The next Board of Trustees meeting will be August 25th, 2022. There will be no regularly scheduled Board of Trustees meeting scheduled for July.

Respectfully submitted.

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

crb