



Board of Trustees Meeting

Regular Meeting

10.27.2022

Minutes

10:00 am

Members Present:

Rod Waeckerlin, *President*
Mark Kostovny, *Vice President*
Jerry Steele, *Secretary*
Lisa Engstrom, *Member*

Absent Members:

Abbi Forwood, *Legal Counsel*
Lena Moeller, *Legal Counsel*
Woody White, *QHR, VP Finance*
Garry Goergen, *Treasurer*

Administration:

Ken Harman, *Chief Executive Officer*
Jon Smith, *Chief Financial Officer*

Guests:

Rod Waeckerlin, President, called the Memorial Hospital of Carbon County Board of Trustees meeting to order at 10:00 am. The Pledge of Allegiance and a moment of silence in recognition of those affected by COVID-19 followed.

Amendment of Agenda:

President Waeckerlin asked for an amendment to be made to the agenda. It was requested to add item 15 c. titled as Holistic Pain Management Contract

Approval of Agenda:

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 September 29th, 2022.

Mark Kostovny made a motion, and Lisa Engstrom seconded the motion to accept the minutes from the regular meeting on September 29th, 2022 as presented. Motion carried unanimously.

Employee Recognition presented by Rod Waeckerlin, Board President:

- President Waeckerlin recognized Melissa Webber, as October Employee of the Month. Stephanie Hinkle was recognized as October's Supervisor of the Quarter. Both ladies represent 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 behalf of Dr. Lumb. The most recent Medical Staff meeting held a large discussion around Cerner and additional trainings for providers the week of November 14th, 2022. There are some learning curves for a few providers, so being able to have another chance to sit down with their Cerner consultant will be beneficial. Another topic of discussion was partnerships with other hospitals and how we can utilize their services in Rawlins. MHCC is recognizing that we don't need to rely on ourselves to provide services; we can partner with other facilities to strengthen service lines for both organizations. Thanks to these partnerships, we can expect a new service line in the coming weeks. The next topic largely discussed was the quality of care being provided in the ER. There were some opportunities of improvement identified, such as EKG ordering and service times.

Mr. Harman briefly reviewed the Clinic Care meeting; again, Cerner being a large topic of discussion along with how to increase surgical referral and scheduling times. It was noted that pre-authorization processes have become very strict, and often times, unfortunately, slows the time in which surgeries can be scheduled.

The CLIA survey resulted in a new process for certain tests in the Laboratory within the facility. Due to some findings, the tests are now going to be send outs until further notice.

Mr. Harman reviewed the Credentialing Committee decisions. There is one recommendation for appointment to Allied Staff; one recommendation for appointment to Courtesy Staff; one recommendation for reappointment to Allied Staff; two recommendations for reappointment to Active Staff; and three recommendations for reappointment to Courtesy Staff. Further details will be reviewed in the Executive Session.

Discussion: There was a discussion about the successful OB delivery in the ER with Dr. Pull and team. Ms. Engstrom asked if deliveries were scheduled in the ER, to which her question was answered no, the patient seemed to have waited a little too long before seeking care and it was too late to try to transfer her to another facility. Mother and baby were reportedly doing very well. Mr. Harman stated that telehealth visits will be implemented for patients who are seeing providers from the Iverson Memorial Hospital OB//GYN group. This way, if inclement weather hits the area, patients can still be seen. Jessica Seldomridge, DON of Outpatient Services will provide the in person care and assist with the telehealth visit.

Financial Report presented by Jon Smith, Chief Financial Officer:

- Mr. Smith reported on September financials. Gross patient revenues for the month were strong at \$4,793,796 compared to a budget of \$5,275,000. Inpatient revenues unfortunately remain lower than projected. Mr. Smith reminded the Board that we are going to have a few months of dealing with conversion charges and adjustments; in total, we are seeing a slight uptick in the overall patient volumes. We have averaged 8 patients per day in-house after the go-live compared to 4 prior to that. Mr. Smith reported that outpatient volumes have remained the same. Patient volumes in the clinics have been impacted by the Cerner go live as we had to decrease patient visits to allot for users to learn and work in the system. Overall, Mr. Smith is pleased with the overall revenue for the month when you consider that we went live on a new electronic health record system.

Other revenues for September supported the overall bottom-line. We received additional funds totaling \$74,807; \$14,000 for the 340B program and \$60,000 for the QRA funds. We are working to improve the 340B program and are evaluating a new claims processor who will better assist us in maximizing the program.

Mr. Smith reviewed the expenses; they were 13.5% below budget during the month, which is 7.8% below budget year-to-date which is a great trend for the organization. Lowering the employee and

traveler cost has helped significantly, but to really be successful, we need to lessen our dependence on the traveler staff. We are currently struggling to find good staff for our laboratory, but have been successful so far to fill nursing positions and remove travelers. We do continue to have significant costs in purchased services for physician contract services (APW), traveler, and the costs we are incurring from the collection of our account receivable.

Revenue deduction totaled 40% as compared to a total budget of 40% and sits at 40.3% YTD. These totals are on course compared to previous years at MHCC. Cerner will allow for better tracking for adjustments being taken by insurance companies and will help us to identify areas to improve. Nancy Tanner will be leading these efforts in her new role as Contract Manager. This was previously done by our legacy EHR, MedHost, and was a costly resource to us.

Mr. Smith reviewed the overall AR, which did increase to \$13.9 million from \$13.7 million at the end of August because our overall cash flow has been poor during the last 6 months. Our DNFB has increased significantly to 14 at the end of September and is currently at 18 days due to the conversion and manual corrections that need to take place within the Cerner system. Mr. Smith stated that there are many manual processes in place right now to allow us to get bills out the door, but we are currently working and following up with Cerner to ensure we find permanent fixes and automate those processes. The biggest frustration the organization is facing is our growing self-pay AR. Mr. Smith and Mr. Harman are requesting weekly updates from Resolution and asking for additional resources in order to get the cash-flow improved as this is their area of responsibility. We are very close to going live with our new Early Out Program. There are a couple functions we are still trying to work out, but Mr. Smith is expecting that program to drive down the self-pay AR and help bring cash in the door. This program will allow patient to make payments faster and will provide additional options for paying their bills. Business Office staff are still staying after hours to make cold calls to those patients with outstanding balances. Additionally, MHCC will be sending out letters to all self-pay patients letting them know about our 50% discount and our BHG Lending Programs to see if this will create new interests. This letter will be going out November 1st. President Waeckerlin asked how many accounts would be listed under Carbon County residents versus non-Carbon County residents. It was determined that about 80% of accounts were for Carbon County residents and 20% are for out of state or nonresidents. Mr. Smith and Mr. Harman stated that if there is going to continue to be little to no improvement from Resolution, they will be looking for other options for billing. Mr. Waeckerlin stated he has noticed an increase in delayed claims since Resolution was purchased by QHR. Mr. Kostovny inquired about the frequency of payment from MHCC to QHR. Mr. Smith stated we pay every two weeks and an additional true up is collected as well. Mr. Harman stated that we are also not providing care to those who are here for elective procedures and have outstanding balances. Patients must follow Business Offices processes and submit required documentation for Financial Assistance prior to any elective procedure.

Day's cash on hand were 18.5 as of September 30th, compared to 17.8 on August 31st. Cash collections for the month were \$2.7 million and our net patient revenue was just below \$2.9 million. Total expenses for the month were \$2.9 million. We saw an overall \$20,000 improvement in our cash position for the month. This is largely due to us moving our AP to a net 45 days. Total cash as of September was \$1.8 million. Our credit balances and refunds due to patients and insurance companies were \$485,000. Days in AP were 31.9 and have climbed due to us slowing processing of payables to net 45 days versus net 30 days. Inventory on-hand is at 45.6 days which is a slight increase. A large portion of our backlog of inventory is PPE collected during the main part of the pandemic. We are utilizing it as we can and also considering selling it to other entities prior to expiration in some cases.

Clinics generated about \$750,000 in patient revenues from visits (1,621). This was due to reducing the schedule during the Cerner conversion. Visits dropped nearly 40% which coincides with the

decrease in revenue we saw for those services. Even with the scheduled reduction, we still generated a profit of \$85,000 in our clinics from visits only and much more when you consider the ancillary revenues we generate from providers ordering tests on patients.

Discussion: There was a brief discussion about issues we are experiencing and following up on daily, such as room and bed charges, manual charge review and other interventions. Examples of “buckets” were provided to the board, such as bills being held for errors and/or late charges that we have to fix. Processes have been recently put into place to help alleviate some of these errors. Departments are constantly working with Cerner to automate processes so staff don’t have to dedicate most of their time to these manual work arounds.

President Waeckerlin expressed his concerns about the decreased net revenue and asked Mr. Smith if we are going to hit our revenue goal. Mr. Smith stated he is optimistic that we will be able to reach that goal. Mr. Smith added that he believes we are capturing more charges than we have previously. As discussed in prior board meetings, this conversion has allowed departments to look at their charges and identify items that we have missed and had the opportunity to apply in Cerner. The Board also suggested to disallow multiple providers from being off at one time, to avoid what happened in July.

There was also a brief discussion about holding up bills due to late invoices from vendors. The workaround for this, according to Mr. Smith, is to quote the patient the balance based off previous invoices, rebilling the claim when the invoice comes in or decide if we just don’t bill and absorb the charges. This is for a small number of patients, however, and doesn’t happen very frequently, but is something that we do have to manage time to time.

Mr. Harman asked the board for approval to allow employees to cash out their PTO to use to pay their medical bills. Cashed out money would not go back to the employee, it would be directly applied to the balance owed at MHCC. This will also decrease liabilities for MHCC. The board was very supportive of this. Mr. Harman also provided a brief update about ambulance billing being fixed and accounts being worked to send claims out to be collected on. Room and bed charges are still a struggle, but we are trying to work through those issues. There are issues with scanning inpatient wristbands if an adjustment was made to the patients account (if the patient had two accounts that were merged into one), the Business Office/Admissions will send up new wristbands or communicate to the floors when any changes happen.

There was a brief discussion about how Cerner Service Requests work and the turnaround time for responses. There are some tickets that have been opened since go live that we are trying to close out.

The Board also inquired about accessing patient records from Athena and MedHost once we are officially off those platforms. The Board was brought up to speed about MindsEye, a system that will house all records from Athena and MedHost that staff will have access to.

The Board of Trustees decided they will approve the Financial Summary moving forward.

Mark Kostovny made a motion, and Lisa Engstrom seconded the motion to approve the Financial Summary for September 2022 as presented. Motion carried unanimously.

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

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

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

Mark Kostovny made a motion, and Lisa Engstrom 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 Lisa Engstrom seconded the motion to recess the Board of Trustees Public Meeting for Executive Session at 11:17 am. Motion carried unanimously.

The Board convened to Executive Session at 11:17 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 Lisa Engstrom seconded the motion to resume the Board of Trustees Public Meeting at 11:52 am. Motion carried unanimously.

Administrative Report - Consent Agenda:

Discussion: The Board expressed their thanks to all their managers for all their hard work completing the Consent Agendas, especially during the Cerner conversion. A special thanks was mentioned to Janessa for all her hard work and covering shifts.

There was discussion about one of our CNA's that accepted our nursing scholarship along with the struggle to find nurses who don't want to travel. Traveler wage ranges were discussed briefly.

Mr. Kostovny expressed concern about 22% of staff leaving MHCC, but was wondering over what time span that was (monthly, YTD).

Nurse training was discussed and clarification was provided about the training timeline for full time versus part time employees.

There was a clarification needed as to what an RTU is. It was determined that those are the air handlers for the facility, which have had to be repaired multiple times. The pipes came up as a concern as we are still experiencing frequent leaks throughout the building. We are hoping our SLIB application is approved to help repair some of the piping in this building.

Mark Kostovny made a motion, and Lisa Engstrom 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 was not present to present at this time.

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

- One call was reported. The issue was resolved very quickly.
Compliance meetings will be combined with the monthly Quality meeting starting in November.

Compliance Report presented by Ken Harman, Chief Executive Officer:

- Mr. Harman presented on behalf of Mr. McDonald.
Mr. McDonald is working one HIPAA violation report; he has other complaints that have come in that he will be addressing too.
Ms. Baugh and Mr. McDonald will be working jointly with Compliance projects.
Mr. Harman reviewed the Compliance Line process and stated that all reports to Collin and Mark are confidential.

Quality Report presented by Ken Harman, Chief Executive Officer:

- Mr. Harman presented the Quality report on behalf of Ms. Baugh.
Quality meetings are going well. Mr. Harman reviewed a few department measures and for those departments that are making noticeable changes will have “Thank you” cards sent to them.
Infection rates were questioned and Mr. Harman was happy to note that we have not had an infection in over 90 days.

Old Business: Nothing was presented to the Board.

New Business:

- **Credentialing:**
 1. Sonia Klein, DNP, FNP – MHCC Platte Valley/MHCC Wound Care; Recommend appointment to Allied Health Staff
 2. Rakesh Ponnareddy, MD – Wyoming Cardiopulmonary (VSC); Recommend appointment to Courtesy Staff
 3. David Taylor, CRNA – Anesthesia; Recommend reappointment to Allied Health Staff
 4. Duane Abels, DO, FACEP – Emergency Medicine; Recommend reappointment to Active Staff
 5. Christopher Williams, MD – MHCC Platte Valley; Recommend reappointment to Active Staff
 6. Adrian Fluture, MD – Wyoming Cardiopulmonary (VSC); Recommend reappointment to Courtesy Staff
 7. Robert Novick, MD – Wyoming Cardiopulmonary (VSC); Recommend reappointment to Courtesy Staff
 8. Michael Wilkinson, DPM – The Foot Doctor (VSC); Recommend reappointment to Courtesy Staff

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. Justin Clark, MD – Radiologist (MIA); Recommend acceptance of resignation of privileges

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 individual listed above and as presented. Motion carried unanimously.

- **Contracts – Line of Credit**

Mark Kostovny made a motion and Lisa Engstrom seconded the motion to approve the request of local banks to assist MHCC with the QRA payment line of credit. Motion carried unanimously.

- **Holistic Pain Management Agreement, Renewal**

Mark Kostovny made a motion and Lisa Engstrom seconded the motion to approve the Holistic Pain Management Contract as presented. Motion carried unanimously.

- **Administration Lead Update**

Mr. Harman provided an update about the Administrative team. The CNO position was broken into three roles, Director of Nursing: Inpatient Services; Director of Nursing: Outpatient Services; and Director of Ancillary Services.

Janessa Mann will be acting as the DON: Inpatient Services

Jessica Seldomridge will be acting as the DON: Outpatient Services

Jan Gulbrandson will be acting as the Director of Ancillary Services

Christina Baugh has been added to the Admin team as the Director of Quality, Infection Prevention, Employee Health and Compliance Associate.

- **Christmas Bonus**

This year MHCC will not be funding an employee bonus due to the financial situation. However, the Governor has provided MHCC with grant funds to act as a retention bonus for qualifying staff. The qualifications are very structured, so not all employees will receive a bonus. We should expect to see the funds in the next couple weeks.

Open Discussion/Citizen Participation: Nothing was presented to the Board at this time.

Adjournment:

Mark Kostovny made a motion, and Lisa Engstrom seconded the motion to adjourn Board of Trustees public meeting at 12:32 pm with no further business coming before the Board. Motion carried unanimously.

The next Board of Trustees meeting will be November 23rd, 2022.

Respectfully submitted.

Abbie Webster, *Executive Assistant*

Jerry Steele, Board of Trustees, *Secretary*

crb