



Board of Trustees Meeting

Regular Meeting

9.29.2022

Minutes

10:00 am

Members Present:

Rod Waeckerlin, *President*
Mark Kostovny, *Vice President*
Lisa Engstrom, *Member*

Absent Members:

Jerry Steele, *Secretary*
Garry Goergen, *Treasurer*

Administration:

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

Guests:

Abbi Forwood, *Legal Counsel* (via phone)
Lena Moeller, *Legal Counsel* (via phone)

Rod Waeckerlin, President, called the Memorial Hospital of Carbon County Board of Trustees meeting to order at 10:01 am. The Pledge of Allegiance and a moment of silence in recognition of those affected by COVID-19 followed.

President Waeckerlin welcomed the new Board of Trustees Member, Lisa Engstrom. She has been appointed by the County Commissioners to serve on the MHCC Board. She is a great member to have on our team and we are very excited to have her join us.

Amendment of Agenda:

President Waeckerlin asked for amendments to be made to the agenda. The first Amendment was to strike 12. a., under Old Business as there was no follow up needed as this time. The second amendment made was under New Business, add item 13. d., Masks.

Approval of Agenda:

Mark Kostovny made a motion, and Lisa Engstrom seconded the motion to approve the agenda as or amended. Motion carried unanimously.

Approval of Board of Trustees Open Session Minutes from 8.25.2022:

Mark Kostovny made a motion, and Lisa Engstrom seconded the motion to accept the minutes from the regular meeting on 8.25.2022 as presented. Motion carried unanimously.

Employee Recognition presented by Rod Waeckerlin, Board President:

- President Waeckerlin recognized Leah Ford, as August Employee of the Month. Leah 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 the Medical Staff report on behalf of Dr. Lumb, who was out of the office. Mr. Harman reported that Medical Staff still meets regularly. Last month a large portion of the discussion was around Cerner conversion preparations and expectations. The success of the project was largely tied to the providers involvement during go live. Mr. Harman stated there were discussions in Medical Staff meetings about education for providers along with better ways to provide quality services to our community.

Mr. Harman informed the Board that Sonia Klein has officially started seeing patients in the MHCC Health Center Platte Valley Clinic, General Surgical Clinic and will lead the Wound Care program once that service goes live. Sonia has been a dedicated employee of MHCC throughout the years and was able to further her education to provide services in our community as a Nurse Practitioner. Ms. Klein will also assist MHCC with growing surgical cases by screening patients for colonoscopies in the General Surgery clinic, which will in turn allow for Dr. Lumb to perform said surgeries in the OR. In addition to this, clinic staff are placing cold calls to patients who are 45 years of age and older and will work with the patient to set up appointments for a colonoscopy screening. Patients who take advantage of this will have their copay waived along with their out of pocket costs if they need to have a screening colonoscopy. This will also increase revenues for the organization, which is an area of main focus at present.

Mr. Smith was with an onsite representative, so it was decided to move past financials and onto other items on the agenda for now.

Administrative Report - Consent Agenda:

Mr. Waeckerlin provided a brief explanation to Ms. Engstrom regarding the reasoning for the Consent Agenda. Mr. Waeckerlin also expressed his thanks to those involved in writing these reports.

Discussion: Mr. Harman pointed out that the number of employees from last year to this year caught his attention. Last year at this time we reported 226 employees; this year we reported 200.

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

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

- Mr. Kostovny did not have any calls to the Compliance Phone for the month of August. Mr. Kostovny filled in Ms. Engstrom the reasoning for the Compliance Line; logistics behind the Compliance Line and who the calls are reported to internally.

Mr. Kostovny reported there was not a Compliance meeting held this month due to the Cerner go live. He stated he would like to combine the Compliance meeting with the monthly Quality meeting to eliminate a meeting for staff and save time.

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

- Mr. McDonald presented the August Compliance Report to the Board of Trustees:
Falls: 0
Survey: Touched one more time on the State Clinical Survey – we were sited on our consent forms. They were not being signed appropriately or not at all. Processes have been put in place to avoid this

from happening again. Cerner should also decrease the chance from staff missing obtaining written consent from patients too.

HIPPA: 2 violations. These were reported to be minor violations. One violation was self-reported and the other was reported by a staff member.

Old Business:

- Cerner Update, Abbie Webster, *Executive Assistant/EHR Administrator*
Ms. Webster provided a brief update to the Board of Trustees about the Cerner go live. Overall, the go live went well, however, there were some challenges such as E-Prescribe not working for providers; Anesthesia/OR machine communication errors with Cerner; and compliance with a few departments that chose not to spend time training prior to go live. There are about 30-40 smaller issues that we are currently working towards eliminating.

There was discussion about the clinics and obvious struggles that come with a new computer system. There was observations made that registration staff at the clinics were still trying to learn how to navigate Cerner, which also was the same case for the providers. Patient appointments and intake processes are taking longer than normal because previous historical data needs reviewed in the legacy EHR, Athena, and inputted into Cerner. With time, this process will be quicker as we learn the system and find ways to become more efficient.

There was a question about workflow regarding the check in/registration process for a patient who comes from the clinic for a lab draw or imaging. Ms. Webster was unsure of the workflow, but stated she would follow up and present an answer to the Board. The Board expressed they would like to see a workflow that does not involve a secondary check in at the hospital for services if a patient is sent over from the clinics for services in an ancillary department.

Mr. Waeckerlin asked for a Return on Investment Report in the next 60-90 days.

New Business:

- Quality and Patient Safety Plan, Christina Baugh, *Director of Quality/Infection Prevention*
Ms. Baugh presented a brief review of the Quality and Patient Safety Plan in addition to the 2022-2023 Infection Prevention report. Ms. Baugh reviewed the Quality reporting process that each department manager is responsible for. She also reviewed what tracking form is filled out when new quality measures are added. Ms. Baugh stated the Infection Prevention Report didn't have many changes. The notable additions to the report were lessons learned throughout the pandemic, updated PPE protocols and exposure protocols.

Mark Kostovny made a motion and Lisa Engstrom seconded the motion to approve the Quality and Patient Safety Plan as presented. Motion carried unanimously.

Mark Kostovny made a motion and Lisa Engstrom seconded the motion to approve the 2022-2023 Infection Prevention Report as presented. Motion carried unanimously.

The Board decided to skip items 13. b. and c. until after Executive Session. Item 13. d. would be discussed next.

- Masks, Ken Harman, *Chief Executive Officer*
Mr. Harman presented new information released by the Center for Disease Control (CDC) regarding mask requirements for health care workers. There are other updates that have also come out, but those

will be discussed in another Board meeting because those changes are things that need to be discussed with the Medical Executive Committee. As it pertains to today's Board meeting and mask topic, the below are updates from the CDC:

“When SARS-CoV-2 Community Transmission levels are not high, healthcare facilities could choose not to require universal source control. However, even if source control is not universally required, it remains recommended for individuals in health settings who:

- Have suspected or confirmed SARS-CoV-2 infection or other respiratory infection (e.g., those with runny nose, cough, sneeze); or
- Had close contact (patients and visitors) or a higher-risk exposure (HCP) with someone with SARS-CoV-2 infection, for 10 days after their exposure; or
- Reside or work on a unit or area of the facility experiencing a SARS-CoV-2 outbreak; universal use of source control could be discontinued as a mitigation measure once no new cases have been identified for 14 days; or
- Have otherwise had a source control recommended by public health authorities.

Individuals might also choose to continue using source control based on personal preference, informed by their perceived level of risk for infection based on their recent activities (e.g., attending crowded indoor gatherings with poor ventilation) and their potential for developing severe disease. For example, if an individual or someone in their household is at increased risk for severe disease, they should consider wearing masks or respirators that provide more protection because of better filtration and fit to reduce exposure and infection risk, even if source control is not otherwise required by the facility. HCP and healthcare facilities might also consider using or recommending source control when caring for patients who are moderately to severely immunocompromised.”

There are a few caveats that will need to be understood as well:

- Unvaccinated employees are still required to wear their N95 or higher mask. This is a requirement of CMS at present time. Until such a time comes that CMS changes their requirements, the organization is unable to make a change.
- Per State of Wyoming requirements, EMTs riding with patients in the ambulance, must wear masks.
- When caring for immunocompromised or sick patients, the patient and employees must wear a mask.
- If Public Health deems the community to be at a “high” number of positive cases for flu or COVID, employees may be required to wear masks again.

Discussion: There was a brief discussion regarding what number would indicate a “spike” or “high” volume positive cases for flu or COVID. That number was not clear, but Ms. Baugh did indicate that Public Health would communicate when the community has reached that point. Also, it would be hard to determine an accurate positivity count due to the fact that not all organizations or people are required to report positive cases, (people testing at home with home kits). It was determined that a “true” number of cases, pertaining to MHCC, would be based off what the hospital and clinics were required to report to Public Health. Rules for nursing homes were briefly discussed.

Mr. Harman stated MHCC would still require screening visitors and patients at the Main and ER entrance, but would not require masking. The only time a mask will be required is if a patient is sick. Visitors who are sick will not be allowed to enter the building. There was a comment made that some unvaccinated employees may feel discriminated against due to the new masking rules. That comment was acknowledged, but due to CMS regulations, there are no changes MHCC can make at this time for

unvaccinated employees. There are hopes that CMS will loosen the regulations, but that has not been done as of yet.

Mark Kostovny made a motion and Lisa Engstrom seconded the motion to approve the updated masking requirements for vaccinated staff, visitors and patients as presented. Motion carried unanimously.

The Board of Trustees took a short break from 11:06 to 11:11.

Financial Report presented by Jon Smith, Chief Financial Officer:

- Mr. Smith provided the financial report to the Board of Trustees. Overall, August, which is the second month of the fiscal year, was a strong month for the organization. Mr. Smith reported the bottom line to be \$201,890, which in turn, brought the year-to-date loss down to \$510,984. The increase of surgical procedures drove the increased revenue up by 25%. Clinic visits were also up in August compared to July by a total of 455 visits. These clinic visits also generated increased laboratory and imaging services as well. Expenses were also down for the month of August by 10%; 5% below budget year-to-date, including cost for employees and their benefits. Mr. Smith reported that cash collections have still been up and down. Some weeks have been strong, while others have not been very fruitful. Given the up and down collections, MHCC has been able to maintain payroll and AP due to making significant decreases and adjustments in both areas. Overall, we have been able to renegotiate traveler contracts down to lower amounts; closing Women's Services; and being able to drop payroll costs by 30% in the last three months. We have seen an uptick in inpatient stays as well, at present, we have 10 inpatients in house. Normally we have around 3.5-4.0 at a time. In order to see an overall increase with cash, we must see consistent admissions to hit our goal of \$800,000 per week. We believe that the future Early Out Program will help the organization collect cash in a more efficient and quicker way than current processes. We are also striving for Cerner to allow for more streamlined processes to allow for quicker billing and reimbursement.

Mr. Smith reviewed the gross patient revenues for the month of August, which were \$5,357,736 compared to a budget of \$5,275,000. Unfortunately, inpatient revenues continued to be lower than projected at \$858,046 compared to a budget of \$1,225,000. Patient volumes overall were robust, except for swing-bed volumes and inpatient stays. Looking at the overall picture, everything was up roughly 25% from projections and in some cases they were much higher leading to strong revenue totals. It is vital that we maintain where we are at and actually grow in our inpatient and surgical services. Without these things occurring, our cash will continue to be up and down at best as it is driven by the revenue totals from 60 or so days prior.

During August, we received other revenues totaling \$113,794 which helped support the overall bottom-line. These funds were comprised of \$53k for the 340B pharmacy program; \$60k which is received from the Qualified Rate Adjustment. We are working on new improvements in the 340B program as we believe we have opportunities here still which Kayla Bonnett is leading as she has prior experience in the Pharmacy.

Operating expenses were 10% below budget during August and are 5% below budget year-to-date which is a great trend for MHCC. We have been able to lower our employee and traveler costs significantly, but we must be able to eliminate the traveler dependence overall to see real financial gain. The struggle we are having at present in staffing is still in nursing where we have lost three nurses due to their specific needs to be in different locations and we have only been able to gain one new nurse. When our inpatient, swing-bed, ER, and surgery volumes increase, these losses are magnified as it takes our nurse leaders tasked with other functions and forces them to be on the floor

caring directly for patients and also makes it nearly impossible to complete any other tasks that MHCC also needs them to do. The decision to close Women's Services by the Board was a difficult one to make, but it was the right decision as without this being done when it was our cash would be depleted to \$0 by this point. Mr. Smith reported an estimate that we have already saved over \$250k at this point. By making other changes internally, we have managed to save significant amounts to keep above water. 2022 has been the most difficult year during the pandemic and it has started out worse than all other years where a major recession was occurring. For the month we saw the total amount for employees and benefits reach just over 43% with a budget of 48% of total operating expenses; supplies were 14% for the month; purchased services and other professional fees were 22% for the month; and all other expenses were 16%.

Mr. Smith reported that revenue deductions totaled 40.3% for the month. Compared to prior years, the total is on track for MHCC and should continue for the year. The trend often seen in health care is that as your facility increases its overall gross patient revenue, it grows the amount that you must adjust or write-off.

At the end of July, overall accounts receivable decreased to \$13.7 million from \$14.2 million because of the couple of strong cash weeks we had during August. Bad debt was 6% and contractual allowances were 34% of total revenue for August. As of August 31st, gross day sin AR were 80.4 while net days in AR were 33.4. MHCC's DNFB is at 7.0 days and is largely made up of our 3-day bill hold. Currently, we are still working with Corizon/YesCare (Wyoming State Penitentiary) for payments for outstanding accounts. They have done a good job of catching up many of the outstanding claims, however, working through the payments for profees is still a work in progress. The new representative is trying to assist us and has been very responsive and working on our behalf to get us paid. At present, the totaled amount owed to MHCC is \$75,000. Our self-pay bucket is the largest frustration overall; it's now 50% of our total outstanding AR for the hospital and 40% for the clinics. Processes have been put in place to help combat our outstanding AR (upfront copay collections; cold call placement after hours; send accounts to collections at 120 days; created two loan programs; signed a contract with Frost-Arnett for an Early Out Program; financial Counselor meeting with patients during their stay; contacting surgical patients to set up payment plans prior to their surgery; and offering discounts on patient bills for services with MHCC. Even though we have placed these different options for patients, they are still struggling to pay their bills or they simply refuse to pay altogether. Our charges are lower in almost every case or at least competitive with the hospitals in our region here in Wyoming which we will present to patients upon request.

As of August 31st, days cash on hand were 17.8 as compared to 20.4 on July 31st. The cash drop was due to a decrease in cash collection for two weeks during the month where cash was significantly lower than the total amount of expenses. Cash collections for the month were \$3.2 million versus our patient revenue that was below \$3.2 million. Total expenses for the month were \$3.1 million. As afar as true cash sum, we did see about an \$18,000 improvement in our cash position during the month as compared to how much we paid in AP and payroll. Total cash as of August 31st was \$2.0 million down from \$2.3 million in July 2022. Of these funds, \$1.5 million is in investments and \$500k in operating cash. RNB is holding roughly \$500k and Bank of Commerce is holding roughly \$1.5 million. Our credit balances and refunds due to patients and insurance companies were \$468k. Days in AP were 32.6 and we have slowed our processing of payables to net 45 days versus net 30 days which is closer to the industry standard for hospitals. Inventory on-hand is at 41.2 days which is a decrease.

MHCC clinics generated roughly \$1.0 million in patient revenues from visits (1,943). Overall it was one of the strongest months we have had considering we did not have any visits for Women's Services where we average about 160 per month. For the month of August, the clinics overall

showed a profit of \$269,717 and year-to-date are showing a profit of \$476,404 which really helps the bottom-line of the entire organization as this does not include revenues generated from ancillary services only clinic visits.

There was a discussion about adjusting the days cash on hand goal to a lower amount compared to the 183 days currently set. Mr. Smith and Board of Trustees Vice President, Mark Kostovny, stated they have seen days COH reach that goal over the years and would like to keep it there. Due to COVID, supply chain issues, costs of supplies and expenses, MHCC took a large financial hit and it will take some time to put money back in the bank. The fact that we have no debt is saving the organization right now and we hope to stay that way going forward. It was also noted that MHCC did not cut any staff during COVID; the Board and Administration provided raises to staff members; and new service lines (Wound Care Clinic, Chemotherapy, Nuclear Medicine, DEXA imagining, and purchased the “log cabin clinic”).

Mr. Smith gave a special thank you to Mr. Kostovny and Mr. Steele for stepping up to assist Mr. Goergen during his leave of absence.

Vouchers were reviewed by Mr. Smith and the Board of Trustees.

Mark Kostovney made a motion, and Lisa Engstrom seconded the motion to approve the financials for period ending August 31st as presented. Motion carried unanimously.

Mark Kostovney made a motion, and Lisa Engstrom seconded the motion to approve the vouchers for period ending August 31st 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 11:37 am. Motion carried unanimously.

The Board convened to Executive Session at 11:37 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 1:26 pm. Motion carried unanimously.

Open Discussion/Citizen Participation:

- The Board of Trustees wanted to thank all employees who have worked tirelessly to make sure the Cerner conversion was successful. Mr. Waeckerlin stated he would be putting a thank you in the Friday Report to all employees as well.

New Business Continued:

- **Credentialing:**

1. Gaurav Patel, MD – Hospitalist (Aligned Providers); Recommend appointment to Courtesy Staff with condition that he receives his DEA number within 90 days (DEA has been applied for)
2. H. Wentzell Hamner, MD – Summit Pathology; Recommend appointment to Courtesy Staff
3. Ryan Shedd, CRNA – Holistic Pain Management; Recommend reappointment to Allied Health Staff
4. Amanda Bisby, FNP-C - Holistic Pain Management; Recommend reappointment to Allied Health Staff
5. Kenneth Edgar, MD – Direct Radiology; Recommend reappointment to Telemedicine Staff
6. Michael Berven, MD – Direct Radiology; Recommend reappointment to Telemedicine Staff
7. Miriam Hulkower, MD – Direct Radiology; Recommend reappointment to Telemedicine Staff
8. Justin Clark, MD – Medical Imaging Associates; Recommend transition to full, unrestricted Courtesy Staff
9. Eric Kuhlman, DPM – Podiatry; Recommend continuation of provisional status
10. Narina Grove, MD – Summit Pathology; Recommend continuation of provisional status
11. Gabriel Habermehl, MD – Summit Pathology; Recommend continuation of provisional status
12. Amanda Jones, PA-C – Physician Assistant FPC; Recommend full, unrestricted Allied Health Staff
13. Suzanne Aquino, MD – Direct Radiology; Recommend transition to full, unrestricted Telemedicine Staff
14. William Moore, MD – Locum Tenens OB/GYN; Recommend acceptance of resignation of privileges

Mark Kostovny made a motion, and Lisa Engstrom 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. William Moore, MD

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

Adjournment:

Mark Kostovny made a motion, and Lisa Engstrom seconded the motion to adjourn Board of Trustees public meeting at 1:28 pm with no further business coming before the Board. Motion carried unanimously.

The next Board of Trustees meeting will be October 27th, 2022.

Respectfully submitted.

Abbie Webster, *Executive Assistant*

Jerry Steele, Board of Trustees, *Secretary*

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