

Governing Board of Directors | 2012

March 22, 2012

Members Present: Tammi Hardy, Chair; Jim Bachrach Vice-Chair; Duffie Harrison, Secretary; Nick Yonclas; Deborah Huckabe; Robert Davis; Homer McMillan; Cynthia Drapal CAO, CNO

Staff Present: Steve Lanier, Controller; Ginny Griner HR/ MedStaff Coordinator; Heather Guidry Administrative Assistant/ Recorder

Guests Present: Reverend Dr. John Sink; Rachel Chesnut, Weems Foundation President; Geri Forbes, TMH Regional Development Administrator; Allan Feifer, Concerned Citizens of Franklin County President

TOPIC	DISCUSSION	ACTION
Call to Order	<ul style="list-style-type: none"> The meeting was called to order at 03:30 pm. 	
Approval of Minutes	<ul style="list-style-type: none"> BOD minutes from February 23, 2012 were presented and reviewed. 	<ul style="list-style-type: none"> Motion made by Bachrach to approve 2/23/12 minutes as presented, second by McMillan. Motion carried unanimously.
Executive Session	<ul style="list-style-type: none"> Executive session held to discuss hospital leadership succession. 	<ul style="list-style-type: none"> A workshop will be held April 3, 2012. Mark O’Bryant, CEO, TMH will be present to discuss the management relationship between TMH and Weems. Steve Adriaanse, Chief HR Officer will be present to answer any questions regarding the WMH CEO position.
County Report	<ul style="list-style-type: none"> No county report available. 	<ul style="list-style-type: none"> No action required.

<p>CAO/ CNO report</p>	<p>Board Education</p> <ul style="list-style-type: none"> • “Being a New Board Member” presented and reviewed <ul style="list-style-type: none"> ○ BOD responsible for establishing mission, vision and values ○ Hospital leadership and BOD work to establish strategic plan for organization ○ BOD members responsible for revealing any conflicts of interest • BOD education worksheet presented and reviewed. <p>Therapy Group Contract Update</p> <ul style="list-style-type: none"> • RFP ran in the paper for therapy group bids <ul style="list-style-type: none"> ○ No further bids were received • Contract signed with Therapy Management Group. <ul style="list-style-type: none"> ○ Start date will be 4/23/12. ○ Have discretionary hours built into the contract that will be used to actively recruit between Leon and Bay County. <p>Ct Project Update</p> <ul style="list-style-type: none"> • Anticipated completion 3/30/12 <p>Electronic Health Records</p> <ul style="list-style-type: none"> • To date, Razor Insights has not provided an appropriate implementation plan • Revisiting Healthland <ul style="list-style-type: none"> ○ Currently holds financial software ○ Now has product that comes 80% complete and would require less customization ○ Providing demonstration on April 24th and 25th. Drupal 	<ul style="list-style-type: none"> • All modules will be emailed to Board members by Guidry. <ul style="list-style-type: none"> ○ Education will be reviewed independently.
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	<p>will bring more information to BOD at the next meeting.</p> <p>Financial Report</p> <ul style="list-style-type: none"> • Cost Report for 2011 has been submitted to CMS <ul style="list-style-type: none"> ○ Anticipated refund of \$398,584 (inclusive of Part A, Part B and SwingBed) <ul style="list-style-type: none"> ▪ Adjustment for 2011 increase in Mcr inpatient per diem rate and outpatient per diem rate was not processed by First Coast. This difference accounts for a good portion of our refund ○ Medicare Reimbursable Bad Debt <ul style="list-style-type: none"> ▪ Mcr bad debt not reported since 2008 ▪ Submitted Mcr bad debt for 2011 in the amount of \$123, 448 ▪ Next year will be able to claim more bad debt for previous years (no time limit on retrospective reporting) ▪ Anticipated tentative settlement within 60 days of refund ○ Total Cost Report refund should be \$522,032 • Special Purpose Statement from FYE 2011 audit provided to BOD for reference • Balance Sheet <ul style="list-style-type: none"> ○ Prepays decreased from FYE 2011 to this year due to CT scan being paid in full ○ Accumulated Depreciation increased by \$5000 /month due to CT scan ○ Decrease in Accrued Liabilities due to RTI and ER professional fees 	
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	<ul style="list-style-type: none"> • Income Statement provided with the comparison between current fiscal YTD and February 2011 YTD <ul style="list-style-type: none"> ○ Decrease in Inpatient revenue ○ Outpatient revenue similar, though expect an increase with receipts from the clinic ○ Emergency Department revenue decreased. This is due to the ER group billing their own professional fees. This will reflect a decrease in expenses as well ○ Ambulance income decreased due to slow collections with new ambulance billing company ○ Decrease in expenses associated with non-clinical and clinical supplies <ul style="list-style-type: none"> ▪ Drapal working with general purchasing organizations for better deals with suppliers <ul style="list-style-type: none"> • Anticipated savings this year of \$11,000 with McKesson • Obtained 15.46% discount with Quest which will save an estimated \$19,875 per year ○ Excess Revenues over Expenses improved by approximately \$200,000 • Financial Report Summary provided and reviewed. • Pro Forma for In-House Billing reviewed <ul style="list-style-type: none"> ○ Based on 5 employees, cost would be \$222,586 ○ 2011 cost for outsourced billing (ARX) was \$185,000 ARX fee projected to drop from 4.5% to 2% in 2013 to equal estimated cost of \$82,477 	<ul style="list-style-type: none"> • Motion made by Harrison to keep billing outsourced, second by Bachrach.
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	<ul style="list-style-type: none"> ○ Projected savings by keeping billing outsourced is \$450,914 ● “Corrective Action for Internal Control over Financial Reporting” presented and reviewed. <p>Policies for Approval</p> <ul style="list-style-type: none"> ● Conflict Mitigation and Resolution Policy <ul style="list-style-type: none"> ○ Hardy recommended change for line 6 to read, “....In such situations, the WMH BOD will assist as an Intervener.” ● Utilization Review Plan for 2012 ● De-Staffing Policy <ul style="list-style-type: none"> ○ Existing policy does not take into account cost report reimbursement ○ Department managers to develop individual staffing guidelines specific to their department ○ Drapal to bring guidelines to next BOD meeting. 	<ul style="list-style-type: none"> ● Motion made by McMillan to accept “Corrective Action for Internal Control over Financial Reporting” as presented, second by Huckeba. Motion carried unanimously. ● Motion made by Bachrach to accept Conflict Mitigation and Resolution policy with change as stated by Hardy, second by Huckeba. Motion carried unanimously. ● Motion made by Bachrach to accept the Utilization Review Plan for 2012, second by Yonclas. Motion carried unanimously. ● Motion made by Bachrach to rescind De-Staffing Policy, second by Yonclas. Motion carried unanimously.
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	<p>USDA Loan Application Update</p> <ul style="list-style-type: none"> • USDA team assigned to Weems application has never overseen a hospital loan. Several questions were presented and Drapal has sent response. • USDA currently has 4 times more funding available for community projects than before • Fritz has contacted BOCC offering consulting services • As application progresses, BOD will need to revisit the building plans. 	
<p>Old/ New Business</p>	<p>EMS Communications</p> <ul style="list-style-type: none"> • Communication problems exist between hospital, EMS, and dispatch <ul style="list-style-type: none"> ○ Sheriff Department and EMS have separate communication systems • Drapal presented proposal for RCC consultants to perform site survey and scope of work. <ul style="list-style-type: none"> ○ Proposal not approved by Board members 	<ul style="list-style-type: none"> • Motion made by Harrison to obtain bid from First Communications and Williams Communications, second by Bachrach. Motion carried unanimously.
<p>Adjournment</p>	<ul style="list-style-type: none"> • Meeting adjourned at 6:30 p.m. 	

Respectfully submitted,
Heather Guidry