

Governing Board of Directors | 2012

April 26, 2012

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

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

Guests Present: Joseph Fritz, Rural Development Solutions, LLC; Rachel Chesnut, Weems Foundation President; Margie Solomon, Weems Foundation Trustee; Geri Forbes, TMH Regional Development Administrator

TOPIC	DISCUSSION	ACTION
Call to Order Hardy	<ul style="list-style-type: none"> The meeting was called to order at 03:30 pm. 	
Approval of Minutes Hardy	<ul style="list-style-type: none"> BOD minutes from March 22, 2012 were presented and reviewed. 	<ul style="list-style-type: none"> Motion made by Harrison to approve minutes as presented, second by Davis. Motion carried unanimously.
County Report Jackel	<ul style="list-style-type: none"> Commissioner Jackel not present; no county report available. 	<ul style="list-style-type: none"> No action required.
TMH Report Forbes	<ul style="list-style-type: none"> Forbes states TMH is writing grants to try to include our market in telehealth opportunities. Forbes has been working with Georgia Partnership for Telehealth. Psychiatry and Pain Management has been identified as need for our market. TMH has filed a large grant with HRSA that will not include Franklin County initially. 	<ul style="list-style-type: none"> No action required.
Foundation Report Solomon	<ul style="list-style-type: none"> WMH Foundation is holding a fundraiser on May 11, 2012 at Riverfront Park, Apalachicola. Request to BOD members for volunteer assistance. 	<ul style="list-style-type: none"> No action required.

<p>Special Guest Fritz</p>	<ul style="list-style-type: none"> • Retired Area Director USDA Rural Development <ul style="list-style-type: none"> ○ Worked on WMH application prior to December 2011 retirement. ○ Now offering consulting services for loans/grants at a cost of \$50/hour and works on an “as needed” basis. • WMH USDA application <ul style="list-style-type: none"> ○ Application process slowed initially by the following: <ul style="list-style-type: none"> ▪ Original request at \$14 million. Any request over \$5 million must go to Washington D.C. for approval ▪ Involvement of several entities with the hospital. (BOCC, BOD, TMH, Employee Leasing) ▪ One percent sales tax (50% Capital Improvements/ 50% Operations) ○ Application on hold in December due to the following: <ul style="list-style-type: none"> ▪ Questions in relation to BKD Feasibility report <ul style="list-style-type: none"> • Answers have been provided by Drapal ▪ WMH lack of permanent CEO ○ WMH did receive notice that we were approved as an eligible entity and to move forward with full application. <ul style="list-style-type: none"> ▪ Environmental Report accepted ▪ Architectural Agreement approved ▪ Legal Services Agreement for local council and bond council approved ▪ Balance sheets / audits only valid for 12 month period ○ Once USDA reserves the money, WMH has five years to spend it. Need to ensure that the loan amount is sufficient to complete construction inclusive of 	<ul style="list-style-type: none"> • Motion made by Bachrach to enter into consulting agreement with Joe Fritz, second by McMillan. Motion carried unanimously.
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	<p>medical equipment. Sixteen to eighteen months is the anticipated construction time.</p> <ul style="list-style-type: none"> ○ General rates and terms for community facility loan are currently 40 years at 3.375% interest rate. Interest rate is locked at time of obligation, and will decrease if rate decreases. Can wrap medical equipment and building into one loan or can structure loan to pay for equipment within 7 to 15 years. ○ Fritz does not anticipate qualification for USDA grant 	
<p>Finance Report Lanier</p>	<p>Balance Sheet, Income Statement, and Financial Summary provided.</p> <ul style="list-style-type: none"> ▪ Net Patient Services Revenues <ul style="list-style-type: none"> ▪ \$2,819,865.00 March 2011 YTD versus \$2,753,548.69 2012 YTD ▪ ER Physician group is now collecting their own professional fees which results in a decrease in Emergency Dept. revenue ▪ Total Operating Expenses <ul style="list-style-type: none"> ▪ \$3,880,935.00 March 2011 YTD versus \$3,803,498.41 2012 YTD ▪ Excess Revenue over (Expenses) <ul style="list-style-type: none"> ▪ \$352,227.00 March 2011 YTD versus \$(29,866.79) 2012 YTD ▪ Sales tax capital paid for the Carrabelle clinic completely last year in an amount over \$600,000. The resulted decrease in the Health Care Trust Fund caused the change in the above Excess Revenue over Expenses. 	<ul style="list-style-type: none"> ▪ Per request of Dr. Miniati, Drapal will review ER group contract to determine if the decreased revenue is offset by the decreased cost.

	<ul style="list-style-type: none"> ▪ All contracts are being reviewed. Drapal signed Quest contract last month that will reduce annual lab supply costs by \$20,000 (15.49% decrease in annual rate); also renegotiating with McKesson, the hospital’s drug supplier to decrease the cost of medications. <p>EMS Budget and Clinic Budget provided.</p> <ul style="list-style-type: none"> ▪ By the first of the month, WMH must submit the projected ambulance budget to the BOCC. The clinic budget will also be submitted this year. ▪ The Ambulance Dept runs off a zero balance budget. The amount of county subsidy received last year was \$505,592.00. The same zero balance budget at \$505,592.00 projecting in extra contractual losses, etc. will be submitted this year. ▪ Weems East clinic budget shows a projected operating loss of \$231,249.40, as based on the clinic’s history. This year, a \$120,000.00 subsidy was received from the county. Previously, the clinic was supported completely by the hospital. The same subsidy will be requested for the next fiscal year. <p>CMS Cost Report</p> <ul style="list-style-type: none"> • Inpatient per diem rate has increased from \$1,975.00 to \$2,180.00 • Outpatient per diem rate (includes Observation patients) has increased from 32% to 35%. • SwingBed rates have remained the same at \$1,740.00 • Should receive settlement within the next week in the amount of \$517,409.00. A significant portion will be 	
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	<p>reinvested in the money market account.</p>	
<p>CAO/ CNO Report Drupal</p>	<p>March 2012 Patient Satisfaction survey results presented.</p> <ul style="list-style-type: none"> • Department managers will submit plans to improve patient satisfaction by the end of this month. • New HCAHPS federal requirements will change inpatient reporting. In 2013, CAH will be required to report inpatient satisfaction results to the federal government. Would like to begin reporting sooner than required. <p>Department Staffing Plans</p> <ul style="list-style-type: none"> • Department Managers submitted the same staffing plans with the exception that managers have increased control over staffing as needed for increased work, regardless of the inpatient census. 	
<p>Old/ New Business</p>	<p>Potential for BP claims</p> <ul style="list-style-type: none"> • The county did not file a claim for loss of revenue. The Clerk of the Court and the Finance Office compared revenues before and after the oil spill and determined the county would have a hard time arguing a loss of revenue. Both local gas tax revenue and local sales tax revenues were up or even. • It is doubtful that the hospital could prove loss of revenue in 2010 from 2009 based upon the information about the county as a whole. The deadline for filing loss of revenue claims has expired. <p>EMS Communications</p> <ul style="list-style-type: none"> • Previous 2001 communications update was a failure. • Tim Andrews, EMS Director, has spoken to Williams's 	<ul style="list-style-type: none"> • Bachrach would like to reconsider the potential for BP claims. He will discuss with Drupal. • Motion made by Huckabe to hire RCC Consultants to provide a scope of work for the

	<p>Communications and First Communications. Both referred to Andrews to RCC Consultants, a nationwide company who are communications experts. RCC Consultants evaluate and prepare a proposal for us to take to a vendor for repair. They are an impartial party. Cost for inspection and development of a scope of work which will address and resolve the deficiencies of the current communications system is \$12,445.00. Both Williams and First Communications require this evaluation and scope of work. The communication system encompasses twenty handheld walkie talkie radios (six of which do not work), three base stations, six mobile truck radios, two repeater towers and an unknown number of radios at the sheriff's office and dispatch.</p> <p>Website Improvements</p> <ul style="list-style-type: none"> • Drapal is working with 2K Web Group to improve the hospital's website. <p>Diabetes Education Classes</p> <ul style="list-style-type: none"> • Classes will begin on March 16th. Our registered dietician will be holding two classes/ day. The 10am class will be at the Weems East Clinic and the 5pm class will be held at the hospital <p>SwingBed Program</p> <ul style="list-style-type: none"> • Copy of flyer developed for the SwingBed program presented. • Drapal has an appointment to meet with clinical social workers in Tallahassee to promote the program. 	<p>EMS Communications system, second by Davis. Motion carried unanimously.</p> <ul style="list-style-type: none"> • Conrad volunteered to assist with website improvements.
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	<p>House Bill 5301</p> <ul style="list-style-type: none"> • Bill will force counties to pay the back amount owed to the state for their portion of Medicaid bills. Franklin Co. owes about \$145,000.00; \$80,000.00 of total is still being disputed. • Stipulation in the bill states non-pregnant, Medicaid recipients, over the age of 21 will be limited to six ER visits per year. Education of the physicians has begun. Education of the general public will be needed. Drapal will discuss with the physicians at the MedStaff meeting. <p>Biomedical Services</p> <ul style="list-style-type: none"> • TMH is no longer performing in-house biomedical services. They are now using a third party vendor, Aramark. • Drapal has compared Aramark costs to other Tallahassee vendors. The cost combination of Clinical Engineering Services and our current contracted service providers is \$26,000.00 annually compared to Aramark's cost of \$48,000.00 annually. 	<ul style="list-style-type: none"> • Motion made by McMillan to enter into biomedical services contract as presented by Drapal, second by Yonclas. Motion carried unanimously.
<p>Adjournment</p>	<ul style="list-style-type: none"> • Executive Session for Leadership Succession entered into at 6:00 pm. Hardy to record minutes. 	<ul style="list-style-type: none"> • Executive session adjourned at 6:55 pm.

Respectfully submitted,
Heather Guidry