

Members Present: Jim Bachrach, Chair; Duffie Harrison, Secretary; Doug Creamer; Deborah Huckeba; Robert Davis; Patrick Conrad, MD; Rick Watson, Vice-Chair via phone

Staff Present: Mike Cooper, CEO; John Graham, CFO; Becky Gibson, DON; Ginny Griner, HR/ Med Staff; Craig Gibson, Plant Operations; Heather Huron, Administrative Assistant

Members Absent: Anne Wilson

Call to Order / Approval of Minutes

The meeting was called to order at 9:00am. Huron confirmed public posting of the meeting. Minutes for the 8/27/15 meeting were emailed prior to the meeting for review.

Action

A motion was made by Huckeba to approve the minutes as presented, seconded by Davis. The motion was carried unanimously.

County Report

No county representative was present to report.

Cooper announced the next hospital report to the BOCC would be on 9/15/15. Following Cooper’s report, the hospital Board would request the following:

- 1. BOCC approval to move ahead with the construction project
- 2. Creation of a committee to investigate incorporation and integration possibilities

TMH Report

No TMH representative was present to report.

Cooper shared his recent communication with Lauren Faison. Faison anticipated the clinical affiliation agreement would be ready for presentation to the Board at the September meeting. Cooper reviewed the benefits of clinical affiliation. In response to Creamer, Cooper explained that sharing of physicians would be a benefit of an integration agreement.

CFO Report

Graham presented and reviewed the following financial reports:

- 1. Balance Sheet- July 2015
- 2. Comparative Balance Sheet

Action

A motion was made by Creamer to accept the financial reports as presented, seconded by Davis. The

3. Income Statement- July 2015
4. Clinic Income Statements
5. Key Revenue Cycle & Financial Indicators
 - OTTED loan: paid in full
 - \$150,000 payable due to HCTF will be paid when Medicare reimbursement on bad debt issues is received.
 - The 2014 Cost Report bad debt claim is under audit process. Once completed, Graham anticipated a \$70,000 reimbursement from Medicare.
 - Conrad addressed the seasonal trends in the ER. Historically, July showed an increase in patient encounters, while August typically showed a decrease.

motion was carried unanimously.

Graham distributed the tentative budget for FY 2016. He requested the Board review and return for approval at the September meeting. He noted the budget did not include anything involved with the construction project.

Cooper gave a brief review of the USDA loan process. The loan would be made through a local bank until a Certificate of Occupancy was issued; then the USDA would assume the loan.

CEO Report

State Government

Cooper gave an update on Governor Scott's Commission on Healthcare and Hospital Funding. Cooper detailed the AHCA public records requests, which included a request for hospital certification of Medicaid Managed Care rate agreements, a request for CEO salaries & benefits from 2006 to 2013, and a detailed request for financial records from 2006 to 2013. Following the deadline for certification of Medicaid rate agreements, AHCA announced detailed audits would be made of the hospitals who didn't respond or who responded past the deadline. Following the initial two lists of hospitals to be audited, Gov. Scott ordered random audits of all hospitals with the recommendation for prosecution if hospitals were found non-compliant.

Rural Health Clinic

At Cooper's direction, the process to reclassify the clinics to Rural Health Clinics (RHC) was underway. The conversion would certify the clinics to receive increased Medicare & Medicaid reimbursement, much like Critical Access Hospital reimbursements. The Weems West application had been

completed and was ready for submission. Cooper stated the clinic applications would be submitted separately due to the anticipated delay in receivables associated with the conversion. New billing provider numbers would be required, as well as new contracts with all payers.

CMS Recertification / AHCA Annual Relicensure / Life Safety Surveys

Cooper informed the Board that CMS (Medicare & Medicaid) recertification, AHCA Relicensure, and Life Safety surveys had occurred 8/17/15 to 8/20/15. Cooper stated the Life Safety survey revealed several items which needed correction, which could be expected with the age of the facility. The only noted deficiencies with Annual Relicensure survey were the bi-annual review of the Governing Board by-laws and the annual facility-wide disaster drill. Once the official Statement of Deficiencies was received, a plan of correction would be submitted.

Annual Review of Governing Board By-Laws & Conflict of Interest

The Governing Board By-Laws were distributed prior to the meeting for review. It was noted that recommendations for change would need to be presented to the BOCC for approval. No recommendations for change were made.

The Conflict of Interest policy was distributed for individual review. Cooper recommended a Conflict of Interest statement to be signed by each Board member at the first meeting of every year.

Patient Satisfaction

The July 2015 Patient Satisfaction survey results were distributed and reviewed. At the prompting of a patient comment, ER signage was discussed. C. Gibson stated he was in the process of improving the ER sign on 12th street entrance. Bachrach stated he was researching signage on the Hwy 98/12th Street corner in relation to the city's sign ordinance.

Cooper noted that he, B. Gibson, and C. Gibson were working to improve Quality reporting to the Board each month. Contact had been made with TMH to determine the reports made monthly to their Board.

Physician Recruitment

Dr. Jonathan Fountain's locum tenens assignment ended August 26th. Dr. Benjamin Nutt would begin his assignment on September 1st. Dr. Nutt had expressed his desire for a permanent position. Cooper agreed to an initial 4 month term, after which the possibility of a permanent position could be addressed. An additional physician, through another locum tenens group, had also expressed interest in a permanent position. Creamer recommended a site visit after September 15th.

Wage Disparities

Action

For FY 2015, 3% of the budget had been reserved for wage increases. To determine wage disparities, Griner had performed a wage analysis of each position. Cooper recommended 1.25% to be distributed to individual positions with the greatest inequalities, with the remaining 1.75% spread throughout all positions. Cooper requested Board approval of wage increases to be effective 9/1/15.

A motion was made by Creamer to approve the proposed plan for wage increases to be effective 9/1/15; seconded by Davis. The motion was carried unanimously.

An additional 3% had been included in the FY 2016 budget draft for the same. Cooper hoped that the next increases could be distributed in January.

Employee Pension Plan

Per Cooper, the 457 Plan was not being used due to low interest. A minimum of 5 participants was required and only 3 employees had expressed interest. Cooper speculated the low interest was due to no employer match. While the plan administrator had advised an employer match would be allowed, the benefit attorney had disagreed. If an employer match was made and the IRS determined it was not legal, the penalties would be in the six figures.

Electronic Health Record (E.H.R.)

The Athena / Razor Insights E.H.R. system went live on 8/24/15. Razor Insights and Omnicell staff were on site to assist with the system implementation.

Old Business/ New Business

ALS Ambulance

A used 2000 Ford ALS truck was recently purchased at a cost of \$4,500 from Frazer, the vendor for the new grant-funded ambulance. Frazer offered a 3 month lease for \$3,000; with the cost to purchase at \$4,500, Cooper opted for purchase.

Public Comment

No public comments were made.

Adjournment

Davis made a motion to adjourn the meeting. The meeting was adjourned at 10:25am.