

WMH Governing Board of Directors

September 29, 2016

Members Present: Jim Bachrach, Chairman; Hank Kozlowsky; Doug Creamer

Members Absent: Duffie Harrison; Anne Wilson; Robert Davis; Patrick Conrad MD

Staff / Guests Present: Michael Cooper, CEO; John Graham, CFO; Ginny Griner, HR/Med Staff; Becky Gibson, DON; Jordan Fulkerson, Rev.Cycle; Craig Gibson, Plant Ops Dir.; Courtney Alford, RN; Christa Gilbert, RN; Jennifer Ruic, LPN; Christina Harris, RN; Heather Huron, Recording Secretary

Call to Order / Approval of Minutes

The meeting was called to order at 9am. Huron confirmed that appropriate notice had been given for the public meeting. Approval of minutes was tabled until the October meeting.

County Report- No report was available from the county. **TMH Report-** No report was available from TMH.

CEO Report

Athena Update

Cooper reported overall displeasure with Athena's progress and installation process.

Financial

The General Ledger package continues to be dysfunctional; despite being assured problems had been corrected last Tuesday. To date, the financial reports have been inaccessible. Cooper stressed how unacceptable it was to have no financial reports for the 3rd month in a row.

Clinical

Per B. Gibson, new issues arise with the clinical software after each update. Clinical issues have affected work flow and appropriate documentation. Gibson expressed particular concern that the program's documentation issues would reflect negatively on the annual AHCA survey. Cooper noted that it had been 9 months since implementation and the clinical & admissions staff must still use 2 separate software systems.

Billing

B. Gibson indicated the collection & billing side worked very well.

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Athena's Optimizing Team will be on site in October to resolve issues. Creamer stated if the system was not fixable, then other options should be explored. In answer to Creamer, Cooper stated the cost for the Athena system is \$10k/month x 4 years. Other E.H.R. systems would cost \$1 ½ million up front, as well as additional charges with each update. Cooper speculated it would be best to merge with a bigger hospital's E.H.R. system, such as TMH's Cerner.

Building Program

Cooper stated the building program was on hold pending county approval and signatures on the loan documents. Bonds would take 6 months to secure. Creamer stressed the shortage of time left before the USDA will require the process to begin again.

TMH Partnership

Cooper reported that he and Bachrach had met with Mark O'Bryant, TMH CEO, on 9/26/16. Cooper reported a very positive response from O'Bryant. While O'Bryant continues to seek a 3rd party for the risk partnership, Cooper stated he had spoken with Alliant's CEO 3 times this week and they continued to be very interested. Alliant recently partnered with Calhoun-Liberty Hospital and the Chipley Hospital. Alliant's CEO expressed a potential of shared staff and resources between WMH and Calhoun-Liberty. Cooper also noted that services may be brought "in-house" due to a greater pool of resources. Cooper explained that TMH would be the management piece, while Alliant would be the CAH resource. Alliant has a cost report team; whereas, each year, WMH spends \$20k on the annual MCR Cost Report. Cooper stated under the proposed partnership, if Alliant were doing a poor job, TMH could term the contract.

- Cooper expressed he would like to see the agreement executed by the first of 2017; though, the transition with payroll, benefits, etc. would take longer.
- Per Cooper, the next step would involve a face to face meeting between Alliant and TMH. A meeting had been previously arranged for September 15th, but was cancelled due to a death in O'Bryant's family. Cooper stated he had been trying all week to reschedule the meeting, with the hopes it would be set the following week. This would enable Cooper to give a progress report to the BOCC on 10/18/16.
- Cooper shared his questions regarding the partnership. What would it cost TMH to contract with Alliant? What risk would Alliant be assuming? Alliant's CEO did not recommend they become true risk partners; as it would have a counter effect on WMH's MCR Cost Report.

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- Cooper emphasized two stipulations of TMH: the subsidy from the county sales tax must stay in place and the county must commit to the hospital building program. Creamer speculated that the county would move forward with the loan documents if the TMH/Alliant affiliation agreement was in place.

FHA Annual Meeting

Cooper informed the Board of the upcoming FL Hospital Association annual meeting, October 19-21, 2016. Registration for Board members would be no additional cost. The annual meeting provides intensive education, political updates, networking, and golf.

Security Update

Minutes from the Security Committee were presented for individual review.

- Cooper stated he had signed the purchase requisition for a surveillance system. Cooper noted the surveillance system wouldn't be effective in real time. Creamer emphasized that the surveillance tapes would assist in prosecution if someone harassed the staff.
- On-site training (*Escaping Violent Encounters for the Healthcare Provider*) is pending a response from the company.
- Several new security lights have been installed.

Cash

- Including the Meaningful Use incentive money, \$450k would be deposited in the hospital's operating account that day.
- Cooper stated we would exceed \$400,000 in patient collections for the 3rd month this year.
- Next week, the sales tax and ambulance subsidies would be received.
- LIP/DSH subsidies for FY2017 are predicted to be \$3.4million for Weems. The subsidies are currently 3 months in the rear. Cooper explained while there is a regulation in place to prevent the subsidies from being more than 3 months behind in distribution, there is also a regulation that prevents LIP subsidy distribution until the IGT (intergovernmental transfers) are received by the federal government. Cooper has been working with FHA and has been told to expect distribution in December.
 - Creamer questioned if BOCC should be informed of anticipated receipts and the plan to repay HCTF with the LIP/DSH subsidies. Cooper stated he would be more comfortable informing the commissioners of a specific date, rather than a generalized statement. Creamer expressed that perhaps if the commissioners knew of anticipated income, they would go ahead with the building documents. Bachrach agreed that it may be better to wait until cash was in hand before making any generalized statements.

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Quality Report

Patient Satisfaction results for July & August 2016 were presented for individual review.

CFO Report

Regarding financial reports, Graham stated he was recalculating June financials due to the discovery of another glitch in GL system.

Graham explained that he did not want to provide any inaccuracies in the reports, particularly to the county. At this point, his goal is to have a functional financial system, so that a correct EOY audit may be performed.

- Per Graham, WMH will have 40 days of cash by the end of October.
- Fulkerson expects another \$54k in receivables by the end of next week.
- Cooper noted that if the LIP/DSH subsidies had been booked for July through September, WMH would be breaking even.
- The ambulance subsidy for the 3rd full time ambulance will begin 10/1/16 and will increase the monthly ambulance subsidy by \$25k.

Cooper again expressed his gratitude to Mayor Johnson for his assistance with securing living quarters for the 3rd ambulance crew.

AR Review

Fulkerson gave a confirmation that Athena collections have been working very well. Fulkerson reviewed the updated AR graphs. He noted the last 4 graphs which showed gross revenue vs. collections. In July, the gross revenue dropped, though it came back up in August.

Fulkerson predicted another upcoming decrease in collections due to lower census in August.

Old/New Business

Deborah Huckeba's resignation from the Board was addressed. Board member attendance was discussed. Huron will provide a list of attendance to Bachrach. Creamer stressed that the Board members who are appointed by the commissioners are to be the representatives of the commissioners.

Public Comment

No public comment was made. Creamer welcomed the attending staff nurses and encouraged continued input and attendance.

Adjournment

The meeting was adjourned at 10:23am.