

Bartlett Regional Hospital

**BOARD OF DIRECTORS
Agenda
October 28, 2014
5:15 p.m.
Administration Boardroom**

Mission Statement

Bartlett Regional Hospital provides its community with quality, patient-centered care in a sustainable manner.

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|--------------|---|------------------|
| I. | ROLL CALL | 5:15 p.m. |
| II. | PUBLIC PARTICIPATION ON NON-AGENDA ITEMS | 5:20 p.m. |
| III. | SPECIAL ORDER OF BUSINESS | 5:40 p.m. |
| IV. | APPROVAL OF MINUTES from August 26, 2014 (Pg. 3) | 5:45 p.m. |
| V. | NEW BUSINESS | 5:50 p.m. |
| VI. | CONSENT AGENDA | |
| VII. | STANDING COMMITTEE REPORTS | 6:00 p.m. |
| | A. Executive Committee – Kristen Bomengen reports (Pg. 9) | |
| | B. Finance Committee –Cynthia Brandt reports (Pg. 12) | |
| | C. Quality Council – Ms. Davis reports | |
| | D. Planning Committee – (Pg. 23) | |
| | E. Bartlett Foundation – Linda Thomas reports | |
| VIII. | MANAGEMENT REPORTS | 6:20 p.m. |
| | <ul style="list-style-type: none">• CEO – Chuck Bill reports• Planning Preview | |
| IX. | PRESIDENT’S REPORT – Kristen Bomengen reports | 6:30 p.m. |
| X. | BOARD EDUCATION | |
| | <ul style="list-style-type: none">• Cynthia Brandt, Stand Alone Audit | |
| XI. | EXECUTIVE SESSION | |

- Medical Staff report (Pg. 24)
- Compliance report

6:45 p.m.

XII. OCTOBER BOARD CALENDAR (Pg. 27)

6:55 p.m.

XIII. BOARD COMMENTS AND QUESTIONS

6:50 p.m.

ADJOURNMENT

7:00 p.m.

Bartlett Regional Hospital

3260 Hospital Drive, Juneau, Alaska 99801 907.796.8900 www.bartletthospital.org

**Bartlett Regional Hospital
Board of Directors
Minutes
September 23, 2014**

Called to order at 5:18 p.m.

Roll call

Present

Kristen Bomengen, President
Nate Peimann, MD
Mark Johnson
Nancy Davis, Secretary

Robert Storer, Vice President
Mary Borthwick (by phone)
Alex Malter, MD
Linda Thomas, Immediate Past President

Absent

None

Others present

Chuck Bill, CEO
Toni Petrie, Executive Assistant
Amy Dressel, Chief of Staff

Billy Gardner, CNO
Dick Monkman, Hospital Atty.
Carlton Heine, M.D., Vice Chief of Staff

Public participation – Scott Ciambor, Planner for Alaska Mental Health Board and the Alaska Coalition on Homelessness came to discuss the Housing First Project. Pam Watts with JAMHI was also in attendance to support the project. He handed out an outline of what the project would look like. They are still waiting for a funding source from the state. The timeline is looking to be 2 to 5 years at the most.

Catholic Community Services - John Greeley, president of the Board of Catholic Community Services, attended to say they are facing some difficult decisions regarding hospice and home care in meeting their budget. They are currently running with a deficit. There are approximately 100 people a year that use their hospice care. CCS is asking BRH to be at the table in determining the future of these services.

Dr. Peimann said we currently have an agreement with CCS and we pay \$120,000 per year. Dr. Peimann recommended putting together a work group and then have CCS come back to the Board with suggestions.

Ms. Davis wanted it noted for the record that she hasn't been employed with Hospice and Home Care since 2013.

Approval of the minutes – Ms. Thomas made a MOTION to approve the minutes from the August 26, 2014 Board of Directors meeting. Ms. Morton seconded and they were approved.

SPECIAL ORDER OF BUSINESS:

Mr. Bill said Bartlett Regional Hospital was recognized by Mountain Pacific Quality Health as one of the top 6 hospitals in the state to score above 90% in quality, a great tribute to the staff Medical Staff.

STANDING COMMITTEE REPORT:

Executive Committee - Ms. Bomengen said in this meeting we were mostly updated on ER call issues, Meditech developments and moving forward to looking at our plans for the CAMHU project.

Finance Committee – Ms. Morton said Ms. Cosgrove updated everyone at the Finance Committee on the CFO candidate search.

Mr. Bill announced that the hardware for the Meditech implementation arrived in Juneau damaged. The representatives are coming to look at it to see what the extent of the damage is.

We have signed an agreement with the consulting vendor Santa Rosa and a schedule of work.

Ms. Brandt said since the Medicare audit, Bartlett owes \$230,000 for FY12 for PERS costs that have been disallowed under the cost reimbursement program. This will carry forward and the lost income from Medicare will continue to future years if not appealed, and other hospitals in Alaska have the same issue. We will be seeking specialized legal advice to appeal this.

Ms. Brandt gave an update on the August financials.

Excess of revenues over expenses for the month of August 2014 was \$1,245,657 which was \$464,365 better than budget of \$781,292.

Gross revenue for the month of August was \$12.0 million which was \$528,081 or 4.2% less than budget while contractual adjustments and bad debt expense were under budget by \$855,120 or 17.7%. As a result, net patient revenue was \$327,039 or 4.2% greater than budgeted which was largely driven by an adjustment to true up the contractual and bad debt allowances for the current fiscal year.

Patient days were 793 which were lower than the prior month but higher than budget of 771. Hospital admissions in August were 201 which were lower than the prior month and fairly equal to prior year. Mental Health Unit average daily census dropped over prior month to 7.65 which was also fairly close to the prior year average daily census at 7.81. Surgical volumes dropped in August over July due to decreases in total surgery cases, consequently affecting the total surgery minutes, too. The drop in surgical volumes is mainly related to physician time off.

The total number of C-sections and other gynecological procedures dropped as well. Deliveries were 31 and C- sections were 5 which were lower than scheduled and expected. Emergency Department visits were 1,450 during the month of August which was higher than budgeted visits of 1,400. Ancillary volumes were similar to the month of July. CT volume was 340, Radiology was 809, Ultrasound was 526 and MRI was 139 in August.

Total Expenses were under budget for the month of August by 1.2 % and are right on budget year to date.

While finalizing the August, 2014 financials, the FY15 budget spread was reviewed and revised. As a result, revisions to the July, 2014 budget are reflected in the August, 2014 year to date budget amounts. Significant variances are listed below some of which are still under review:

- Salaries/Wages/Benefits are \$125,000 over budget.
- Fees Physician are \$92,446 under budget due to positive variances in the Emergency Department (JEMA contract) and Outpatient Psychiatric (physician vacancy).
- Fees Other are \$109,730 over budget due to contractual labor expense in several departments including RT, PTOT and OR.
- Supplies are \$149,755 under budget for the month due to positive variances in pharmaceuticals, food and computer software (reclassification of prepaid expense from July)
- Utilities are \$39,493 under budget driven in part by savings with new fuel oil contract.

Operating cash was \$27.2 million as of August 31, 2014 and Days Cash on Hand was 167 which was higher than prior month of 150. Cash receipts totaled \$8.4 million in August, cash disbursements totaled \$6.4 million, and net change in cash was \$2.0 million. Net A/R Days was 88 which were slightly lower than July.

Ms. Thomas said one of the things discussed was more education on the expectations of what the Board is looking to see come out of the stand-alone audit and that we will need to set aside time in the near future for that education.

Ms. Brandt said once the presentation is done, there will be an update and education on how it will unfold. The Board will be included in structure and information of the audit.

The date of the final field work is scheduled for October 20th. The goal was to have the report within a month of that. It would make sense to have it wrapped up and included in our cost report which is due November 21st.

Mr. Bill suggested having Max Mertz from Elgee, Rehfeld and Mertz, to come back to the Finance Committee meeting in October. Ms. Thomas is hoping the report will identify what our financial high risk areas are and our methodology in contractuals that we are using and how it's working.

Ms. Brandt said she would be happy to do that education since its managements report.

Ms. Morton suggested we include this as part of the Board's education in October as well.

Quality Council – Ms. Davis reported that she is working with Ms. Rogers and Mr. Bill on the structure of the Quality Council.

BRH Foundation – Ms. Thomas reminded everyone of the Seafood Gala on September 27th. The Foundation held their annual meeting on September 15, 2014. There were two board members appointed, Beth Chapman and Emily Sharp. Maria prepared an annual report for the Board for 2013 and what they foundation accomplished. The Foundation provided 5 - \$5,000 scholarships and the Gift Shop extended their hours. The Foundation agreed to fund two CCU beds and hopefully raise enough to fun one or two more with the Gala.

Dr. Dressel added that the Foundation will help with the symposium for the All Alaska Pediatric Partnership.

Medical Staff report – ***Mr. Storer made a MOTION at 6:53 p.m., to go into executive session to discuss the Medical Staff report which is confidential by law. Ms. Davis seconded and it was approved.***

The Board came out of executive session at 7:07 p.m. No action was taken while in Executive Session.

Ms. Davis made a MOTION to approve the credentials report as amended by adding Dr. Strickler as active medical staff in radiology, with the caveat that Board Credentialing Member Ms. Davis reviewed the file and gave final approval. Mr. Storer seconded and it was approved.

Management report – Mr. Bill gave highlights to his report that was presented to the Board. He added we are looking at approximately \$40,000-\$50,000 to continue the current dialysis services we are getting. He said we are looking at all the options.

Mr. Bill indicated that it might not make sense to obtain Trauma Level 3. We have had an ongoing discussion on obtaining trauma level 3. Mr. Johnson asked if it would help to have a board member as a champion for obtaining this. Mr. Bill said yes.

Two psychiatrists are coming for a site visit. There hasn't been any luck on recruiting a pediatrician.

President report – Ms. Bomengen thanked Ms. Thomas and Mr. Storer to being attentive on the CAMHU funding issue. She reconstituted the committee and asked Mr. Johnson, Ms. Thomas and Ms. Morton to be on the ad hoc committee. We are hoping to have that well underway by the end of the year.

Ms. Bomengen has been in discussions with Mr. Bill to do board training as a whole, by possibly bringing someone in to do training or the Board going to training out of town. Currently we are on a case by case basis until the planning strategy meeting.

The October calendar was reviewed and changes were made.

Board comments:

Ms. Thomas asked who was responsible for responding on behalf of the hospital to surveys such as the Chamber of Commerce's current survey on the sales tax structure. Mr. Strader and Mr. Bill said we don't respond if it's political. The Board agreed.

Ms. Thomas asked about the nursing program looking for space. Mr. Bill said he was approached by Chancellor Pugh who said they are losing the space they are currently in and he's helping to canvas the area.

Ms. Thomas said as budgets are declining, we are perceived as the leader of healthcare in Juneau and there's an expectation in our community to help with projects related to healthcare and we should consider individual requests in a more holistic manner for the overall strategy of the hospital.

Ms. Thomas asked who was planning the agenda for the Board's Strategic Planning retreat and if we would get a copy of the agenda in advance of the retreat. Mr. Bill said Dennis McMillian with the Foraker Group was responsible for the agenda and planning.

Dr. Peimann encouraged the Board to continue to improve our relationship with the physicians. He said cruise ship is just over and invited the Board to an end of the season celebration with the Emergency Department.

Ms. Davis brought up the email problem that continues with website email addresses not getting through to Bartlett staff and that having a designated Bartlett email might not be a bad idea.

Ms. Davis said the next time we are together the City will be entertaining applications for three board seats and that they should be thinking about that.

Ms. Bomengen said one of the reasons for the people that came to speak regarding the Housing First Project and Hospice and Home Care, is they are looking for board support. It was recommended this go to the Planning Committee. Dr. Malter said it would be more appropriate for management to bring recommendations to the committees.

Adjourned at 8:15 p.m.

Board Secretary

DRAFT

Bartlett Regional Hospital

3260 Hospital Drive, Juneau, Alaska 99801 907.796.8900
www.bartletthospital.org

Executive Committee
October 14, 2014
12:00 p.m.

Called to order at 12:00 p.m.

Attendance: Linda Thomas, Nancy Davis, Kristen Bomengen (by phone), Bob Storer (by phone), Mark Johnson, Jane Sebens (by phone), Chuck Bill, Billy Gardner, Cynthia Brandt, Toni Petrie

Ms. Bomengen made a MOTION to approve the minutes from September 4, 2014. Ms. Thomas seconded and they were approved.

CBJ Legal Report - The September CBJ Legal project list was reviewed. Ms. Sebens noted that CBJ Law is not reviewing every single contract and they are working on a boiler plate template and a policy to put in place to help speed up the review process.

Ms. Bomengen asked if there was going to be some way to address whether the Board needs to be considering pre-execution review on the contracts that were reviewed after execution.

Ms. Sebens said right now it's taking one contract at a time and it will be up to the Board and Mr. Bill to establish the parameters as the various templates are developed. Jennifer Mannix, CBJ Risk Manager, is looking at contract management software for CBJ and BRH.

Ms. Thomas said the intent was never to have CBJ Law review all the contracts. The most important thing as a board member is that it has adequate legal review and we are meeting CBJ's requirements. Ms. Thomas would like an awareness of the time it's taking for legal review and maybe define what's significant to the Board.

There was an issue with procurement because things were not consistent. She would like to see ongoing maintenance costs included in the dollar amount.

Ms. Brandt had a meeting with CBJ Law to develop a decision tree whether or not they need CBJ to review. Once the process is in place they will have an in-service with the department directors. She would like to have a basic standard format for capital purchase items. Ms. Bomengen said we also need to incorporate hospital specific legal review and make sure we are meeting the legal demands.

Ms. Sebens said someone from BRH needs to review the contracts for content. She does involve Mr. Monkman when needed.

Ms. Thomas would like an update on Cerner.

Ms. Thomas said there are concerns amongst board members not knowing what attorney was responsible for what, etc. There needs to be some parameters put in place.

OLD BUSINESS:

Board strategic planning update – Mr. Bill handed out the strategic goals and objectives from 2013 and we are working through those to show the progress. He is looking for more detail from Mr. McMillian for the retreat agenda. He is hoping we will identify strategic growth and initiatives, develop physician relationships, organizational structure that needs to be addressed and employee morale.

Meditech implementation update – Ms. Brandt said the hardware that was delivered was damaged and returned because it was too significant to fix. They need to look at the live date again and hopefully that will happen this week to see if it needs to be adjusted. Santa Rosa arrived last week. The core team leaders have been identified.

Mr. Johnson said there were certain deadlines for moving forward with meaningful use. CMS amended their requirements and gave an extension on phase 2. The deadlines have already passed that were originally established. July 1st is one of those dates and when the switch is flipped and you have 90 days from then. Ms. Davis said CMS had a hardship circumstance clause and with our hardware arriving damaged that might fall under that.

Ms. Thomas said there should be some responsibility of the parties that shipped the hardware. She said there's a lot of opportunity to improve our shipping costs, but you have to be aware of it and participate in any discussions. The Juneau Chamber of Commerce would be a good venue to discuss this topic.

NEW BUSINESS:

Public Employment – Ms. Cosgrove went over a draft participation amendment for PERS. This will be going in front of the Assembly for approval. The way our agreement was worded with PERS did not take into account casual employees, seasonal employees or PRN's.

Ms. Davis asked if this would adversely affect the staff at BRH. Ms. Cosgrove said the only change is how we are using our casual employees and the amount of hours they are allowed to work to be considered casual. If they work over the allotted amount, they would have to participate in PERS.

Quality Council – Ms. Davis said the Quality Council has been revisiting the structure of the committee. When there are three or more board members at the meeting, it requires

public notification. The “draft” Hospital Quality Council Charter was reviewed. There was also a 2015 calendar included for review. The hospital committee will still meet monthly. Every quarter the committee will report to the full board with more detail. We need to revisit the Quality Committee section of the bylaws to see if any revisions need to be made. Ms. Davis said they will have legal review of the charter as well.

Mr. Johnson said he didn’t see any physicians listed in the charter for medical staff representation. Mr. Bill said he is hoping to have the Chief of Staff come to the quarterly quality reporting to the full board.

Ms. Bomengen would like to see better defined membership of the Council. Ms. Davis will include this in the revisions.

OTHER ITEMS:

Ms. Thomas asked if we have an Ebola procedure in place. Mr. Gardner said the CDC guidelines have been distributed and there is a protocol in place.

Ms. Thomas would like to host a party for the Board in honor of the outgoing board member(s).

Mr. Bill wanted to recognize the success of the Bartlett Foundation Seafood Gala.

Adjourned at 1:20 p.m.

Bartlett Regional Hospital

3260 Hospital Drive, Juneau, Alaska 99801 907.796.8900

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Finance Committee October 21, 2014 Minutes

CALL TO ORDER at 5:17 p.m.

ATTENDANCE – Dr. Malter, Nancy Davis, Chuck Bill, Billy Gardner, Mary Borthwick, Linda Thomas, Mila Cosgrove, Cynthia Brandt, Dawn Bailey, Toni Petrie, Urvashi Sehdev, Mark Johnson

Dr. Malter made a MOTION to approve the minutes from the September 16, 2014 Finance Committee meeting. Ms. Thomas seconded and they were approved as presented.

Agenda changes – Financial Audit – Cynthia

Meditech update – Ms. Brandt reported that we are continuing to work on the hardware delivery after the delay due to damage during shipping. We are working the software delivery to be around December 1, 2014. It's more reasonable to assume June 1st for the go live date. Core teams are established, web-ex's are being held. We are about a day or two away from finalizing the Santa Rosa Contract, which is written not to exceed \$716,000. One of the questions that management has for the Finance Committee is what is our mechanism for final approval of this contract?. Ms. Thomas replied that the total project amount has already been approved by the assembly through the capital budget request, so after CBJ legal review, it could potentially go to the Board for final approval on October 28, 2014.

Financial Audit update – Ms. Brandt reported that Monday kicked off the final fieldwork for the first standalone audit at BRH. Ms. Brandt asked for further direction from the Finance Committee regarding the Supplemental Information report included in the Audit and the detailed level of expenses reported. Ms. Thomas stated that she believed a comparative statement of expenses with the prior fiscal year at the subaccount level (that management is already capturing in the Meditech system) would be useful. Also, knowing that as part of the auditor's fieldwork that there was testing done on these accounts for appropriateness of the expenditures would be beneficial for the Board.

Dr. Malter agreed that he would like to see the Board's expenses specified out in the audit report.

NEW BUSINESS:

ICD 10 – Ms. Brandt reported we are pulling all the activities together on a plan. She anticipates she will have the plan at the next Finance Committee meeting.

September Financials Statements – Ms. Brandt went over the September Financial statements. The summary is included in the Finance Committee packet.

Anesthesia Patient Monitor – Ms. Bailey presented the details of the request for the Anesthesia Patient Monitor, with the proposal outlined in the Finance Committee Packet. This request is a partial substitution for the Video Towers for Surgical Procedures already approved in the capital budget at \$85,000.

Dr. Malter made a MOTION to approve the Anesthesia Patient Monitor. Ms. Thomas seconded and it was approved.

Ms. Thomas made a MOTION to go into executive session at 5:51 p.m., to discuss matters which could have an adverse effect on the finances of the hospital.

Out of executive session at 7:55 p.m. No action was taken.

Adjourned at 7:55 p.m.

Bartlett Regional Hospital

September 2014 Financial Operating Summary

Excess of revenues over expenses for the month of September 2014 was \$240,828 which was \$602,704 lower than budget of \$843,532.

Gross revenue for the month of September was \$12.0 million which was \$321,974 or 2.6% less than budget. Contractual adjustments and bad debt expense were over budget by \$182,095 or 3.9% and included a \$412k year to date adjustment to the estimated 3rd party liability for FY15. As a result, net patient revenue was \$504,069 or 6.6% less than budgeted.

Patient days were 947 which were lower than the prior month but higher than budget of 821. Hospital admissions in September were 241 which were higher than the prior month and fairly comparable to prior year. Mental Health Unit average daily census increased in comparison to prior month to 8.83 which was also fairly close to the prior year average daily census at 8.73. Surgical volumes dropped in September over August due to decreases in total surgery cases, consequently affecting the total surgery minutes. The drop in surgical volumes is mainly related to physician time off and cancelled procedures. Emergency Department visits were 1,531 during the month of September which was higher than budgeted visits of 1,401. Ancillary volumes were comparable to the month of August. CT volume was 340, Radiology was 802, Ultrasound was 449 and MRI was 113 in September.

Total Expenses were over budget for the month of September by 1.9 % and are 0.9% over budget year to date. As reported last month, the FY15 budget spread was reviewed and revised at the income statement line item level when completing the August financials. A revision at the department level is in progress and a detailed variance analysis will be completed once that is complete.

- Salaries/Wages/Benefits are \$62,775 over budget due to overtime increase to cover higher patient days and increase in hours for contract employees.
- Supplies are \$69,059 over budget. Of this amount, \$20k relates to a cumulative inventory adjustment for damaged/returned goods which is being evaluated for prior year treatment. The remaining variance is spread through several departments (OR, Lab, etc.)
- Utilities are \$30,857 under budget driven in part by savings with new fuel oil contract. Details are being reviewed.
- Repairs and Maintenance are \$36,828 over budget largely driven by a budget timing difference. The current month includes floor and parking lot repairs which were assumed to occur ratably over the year.
- Insurance is \$15,376 under budget primarily in professional liability due to fewer than assumed providers.
- Depreciation is \$15,118 over budget due to a catch up in depreciation for construction in progress assets placed in service. Year to date, depreciation expense is on budget.
- Interest expense is \$20,017 under budget as the bond interest is less than was anticipated in the budget.
- Other expenses are \$12,153 over budget for the month but are under budget year to date by \$12,613. Many of the expenses in this category are spread evenly over the fiscal year which can result variances due to budget timing differences.

Operating cash was \$28.4 million as of September 30, 2014 and Days Cash on Hand was 174 which was higher than prior month of 167.

Cash receipts totaled \$7.6 million in September, cash disbursements totaled \$6.2 million, and net change in cash was \$1.4 million.

Net A/R Days was 72 for September.

BARTLETT REGIONAL HOSPITAL
 STATEMENT OF REVENUES AND EXPENSES
 FOR THE MONTH AND YEAR TO DATE OF SEP 14

MTD ACTUAL	MTD BUDGET	MTD \$ VAR	MTD % VAR	PRIOR YR MTD ACTUAL		YTD ACTUAL	YTD BUDGET	YTD \$ VAR	YTD % VAR	PRIOR YTD ACTUAL	PR YTD % VAR
Gross Patient Revenue:											
2,337,358	2,242,311	95,047	4.2%	2,048,059	1. Inpatient Revenue - Routine	6,931,234	6,444,262	486,972	7.6%	5,885,994	15.1%
2,352,993	2,641,668	(288,675)	(10.9)%	2,344,288	2. Inpatient Revenue - Ancillary	7,403,505	8,676,423	(1,272,918)	(14.7)%	7,699,693	(4.0)%
4,690,351	4,883,979	(193,628)	(4.0)%	4,392,347	3. Total Inpatient Revenue	14,334,738	15,120,685	(785,947)	(5.2)%	13,585,687	5.2%
5,680,067	5,500,176	179,891	3.3%	5,163,117	4. Outpatient Revenue	17,270,878	17,226,285	44,593	0.3%	16,170,630	6.4%
10,370,418	10,384,155	(13,737)	(0.1)%	9,555,464	5. Total Patient Revenue - Hospital	31,605,616	32,346,970	(741,354)	(2.3)%	29,756,317	5.9%
320,215	439,503	(119,288)	(27.1)%	371,460	6. RRC Revenue	1,069,274	1,331,730	(262,456)	(19.7)%	1,155,724	(8.1)%
1,279,892	1,468,842	(188,950)	(12.9)%	1,350,758	7. Physician Revenue	4,009,652	4,450,700	(441,049)	(9.9)%	4,066,388	(1.4)%
11,970,526	12,292,500	(321,974)	(2.6)%	11,277,682	8. Total Gross Patient Revenue	36,684,542	38,129,400	(1,444,859)	(3.8)%	34,978,429	4.7%
Deductions from Revenue:											
3,821,448	3,567,066	(254,382)	(7.1)%	3,735,552	9. Contractual adjustments	11,044,837	11,067,180	22,343	0.2%	10,453,212	(5.4)%
0	0	0	0.0%	0	10. Prior year settlements	0	0	0	0.0%	0	0.0%
28,185	14,566	(13,619)	(93.5)%	10,452	11. Other deductions	224,275	45,191	(179,084)	(396.3)%	35,019	(84.4)%
230,418	264,383	33,965	12.8%	161,320	12. Charity care	693,900	820,274	126,374	15.4%	676,829	(2.5)%
774,255	826,196	51,941	6.3%	587,872	13. Bad debt expense	2,392,896	2,563,355	170,459	6.6%	2,544,561	6.3%
4,854,306	4,672,211	(182,095)	(3.9)%	4,495,196	14. Total deductions from revenue	14,355,908	14,496,000	140,092	1.0%	13,709,621	(4.5)%
7,116,220	7,620,289	(504,069)	(6.6)%	6,782,485	15. Net patient revenue	22,328,634	23,633,400	(1,304,766)	(5.5)%	21,268,807	4.7%
152,929	130,790	22,139	16.9%	190,424	16. Other operating revenue	497,038	379,185	117,853	31.1%	552,074	(11.1)%
7,269,149	7,751,079	(481,930)	(6.2)%	6,972,909	17. Total operating revenue	22,825,672	24,012,585	(1,186,913)	(4.9)%	21,820,881	4.4%
EXPENSES:											
2,984,808	2,871,242	(113,566)	(4.0)%	2,825,114	18. Salaries and wages	9,052,793	8,785,708	(267,085)	(3.0)%	8,644,560	(4.5)%
1,358,618	1,409,409	50,791	3.6%	1,253,264	19. Employee benefits	4,294,159	4,312,648	18,489	0.4%	3,918,511	(8.7)%
607,530	604,525	(3,005)	(0.5)%	518,039	20. Fees - Physician	1,672,140	1,873,139	200,999	10.7%	1,605,159	(4.0)%
321,051	328,662	7,611	2.3%	271,182	21. Fees - Other	1,019,972	777,455	(242,517)	(31.2)%	641,484	(37.1)%
742,061	673,002	(69,059)	(10.3)%	654,108	22. Supplies	2,251,496	2,141,647	(109,849)	(5.1)%	2,081,522	(7.5)%
140,501	171,358	30,857	18.0%	163,316	23. Utilities	370,106	485,025	114,919	23.7%	462,262	24.9%
251,169	214,341	(36,828)	(17.2)%	180,259	24. Repairs & maintenance	624,862	633,523	8,661	1.4%	532,787	(14.7)%
33,667	27,901	(5,766)	(20.7)%	31,377	25. Rentals & leases	110,910	82,968	(27,942)	(33.7)%	93,304	(15.9)%
43,142	58,518	15,376	26.3%	53,925	26. Insurance	122,442	160,678	38,236	23.8%	148,066	20.9%
593,411	578,293	(15,118)	(2.6)%	575,226	27. Depreciation & amortization	1,739,669	1,735,191	(4,478)	(0.3)%	1,725,989	(0.8)%
57,293	77,310	20,017	25.9%	159,541	28. Interest expense	171,929	234,660	62,731	26.7%	484,257	181.7%
47,797	35,644	(12,153)	(34.1)%	21,936	29. Other expenses	119,832	132,445	12,613	9.5%	81,510	(32.0)%
7,181,048	7,050,205	(130,843)	(1.9)%	6,707,285	30. Total expenses	21,550,310	21,355,087	(195,223)	(0.9)%	20,419,410	(5.2)%
88,101	700,874	(612,773)	(87.4)%	265,624	31. Income (loss) from operations	1,275,362	2,657,498	(1,382,137)	(52.0)%	1,401,471	(9.9)%

RUN DATE: 10/20/14
 RUN TIME: 2247
 RUN USER: BRFIN.CYB

Bartlett Regional Hosp. GL **LIVE**

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BARTLETT REGIONAL HOSPITAL
 STATEMENT OF REVENUES AND EXPENSES
 FOR THE MONTH AND YEAR TO DATE OF SEP 14

MTD ACTUAL	MTD BUDGET	MTD \$ VAR	MTD % VAR	PRIOR YR MTD ACTUAL		YTD ACTUAL	YTD BUDGET	YTD \$ VAR	YTD % VAR	PRIOR YTD ACTUAL	PR YTD % VAR
					Non-operating revenue						
20.177	6.839	13.338	195.0%	8.184	32. Interest income - general	30.447	20.722	9.725	46.9%	24.524	19.5%
132.549	135.819	(3.270)	(2.4)%	128.314	33. Other non-operating revenue	391.127	411.541	(20.414)	(5.0)%	410.147	(4.9)%
152.727	142.658	10.069	7.1%	136.498	34. Total non-operating revenue	421.574	432.263	(10.689)	(2.5)%	434.671	(3.1)%
240.828	843.532	(602.704)	(71.5)%	402.123	35. Excess (deficit) of revenues over expenses	1.696.936	3.089.761	(1.392.825)	(45.1)%	1.836.142	(8.2)%

Bartlett Regional Hospital
Dashboard Report for September 2014

Facility Utilization:	CURRENT MONTH			YEAR TO DATE		
	Actual	Prior Year	Budget	Actual	Prior Year	Budget
<i>Inpatient: Patient Days</i>						
Patient Days - Med/Surg	392	346	330	1,158	1,033	1,055
Patient Days - Critical Care Unit	88	69	65	262	199	205
Avg. Daily Census - Acute	16.00	13.83	13.17	15.43	13.39	13.70
Patient Days - Obstetrics	112	95	95	268	291	285
Patient Days - Nursery	90	88	80	209	237	230
Births	42	37	31	100	110	95
Patient Days - Mental Health Unit	265	262	251	799	734	779
Avg. Daily Census - MHU	8.83	8.73	8.37	8.68	7.98	8.47
<i>Inpatient: Admissions</i>						
Med/Surg	74	69	80	235	231	240
Critical Care Unit	40	38	43	106	116	120
Obstetrics	47	39	36	108	120	115
Nursery	42	37	36	100	110	105
Mental Health Unit	38	34	35	103	107	110
<i>Surgery:</i>						
Inpatient Surgery Cases	52	46	56	156	594	201
Same Day Surgery Cases	197	205	195	609	172	545
Total Surgery Cases	249	251	251	765	766	746
Total Surgery Minutes	16,818	17,225	17,200	52,571	51,244	56,120
<i>Outpatient:</i>						
Total Outpatient Visits (Hospital)						
Emergency Department Visits	1,531	1,241	1,401	4,317	3,994	4,101
Cardiac Rehab Visits	22	47	36	72	136	109
Lab Tests	7,951	7,778	8,000	24,965	24,295	24,886
Radiology Procedures	2,202	2,125	2,388	6,773	6,763	7,332
Sleep Studies	18	13	24	66	48	73
<i>Rain Forest Recovery:</i>						
Patient Days - RRC	389	382	405	1,227	1,198	1,240
Avg. Daily Census - RRC	12.97	12.73	13.50	13.34	13.02	13.48
Outpatient visits	275	352	N/A	968	1,150	N/A
<i>Physician Clinics:</i>						
Specialty Clinic Visits	1,076	991	992	2,802	2,880	2,976
<i>Other Operating Indicators:</i>						
Dietary Meals Served	19,205	21,325	21,815	57,515	67,773	66,101
Laundry Pounds (Per 100)	337.05	316.16	349.00	1,034.48	991.75	1,058.00
<i>Financial Indicators:</i>						
Revenue Per Adjusted Patient Day	5,847.84	6,193.13	6,589.95	6,200.90	6,586.03	6,598.16
Contractual Allowance %	31.92%	33.22%	29.21%	30.11%	39.19%	29.23%
Bad Debt & Charity Care %	8.40%	6.64%	8.90%	8.40%	9.21%	8.90%
Wages as a % of Net Revenue	41.94%	34.56%	38.09%	40.54%	34.61%	40.04%
Staff Hours Per Adjusted Patient Day	37.47	40.62	41.55	39.27	42.20	40.26
Overtime/Premium % of Productive	5.19%	4.45%	3.50%	6.50%	5.01%	3.50%
Days Cash on Hand	174	165	149	174	165	149
Days in Net Receivables	72	73	55	72	73	55

BARTLETT REGIONAL HOSPITAL
 BALANCE SHEET
 AS OF SEP 14

	SEP 14	AUG 14	JUN 2014	CHANGE FROM PRIOR YEAR
ASSETS				
Current Assets				
1. Cash and cash equivalents	28,392,764	27,015,302	24,731,206	3,661,558
2. Board designated cash	13,051,832	13,213,252	13,515,261	(463,430)
3. Patient accounts receivable net	17,292,271	17,612,007	17,692,765	(400,495)
4. Other receivables	670,849	589,749	731,872	(61,023)
5. Inventories	1,588,570	1,532,700	1,597,091	(8,521)
6. Prepaid Expenses	1,047,248	981,272	863,892	183,356
7. Other assets	0	0	0	0
8. Total current assets	<u>62,043,533</u>	<u>60,944,282</u>	<u>59,132,087</u>	<u>2,911,446</u>
Appropriated Cash:				
9. CAMHU and other funds	<u>5,327,673</u>	<u>5,327,673</u>	<u>5,327,673</u>	<u>0</u>
Property, plant & equipment				
10. Land, bldgs & equipment	146,203,975	145,601,894	145,203,906	1,000,069
11. Construction in progress	545,585	498,165	228,426	317,160
12. Total property & equipment	<u>146,749,560</u>	<u>146,100,058</u>	<u>145,432,331</u>	<u>1,317,229</u>
13. Less: accumulated depreciation	<u>(77,735,118)</u>	<u>(77,141,707)</u>	<u>(75,995,449)</u>	<u>(1,739,669)</u>
14. Net property and equipment	<u>69,014,442</u>	<u>68,958,351</u>	<u>69,436,882</u>	<u>(422,440)</u>
15. Total assets	<u><u>136,385,648</u></u>	<u><u>135,230,306</u></u>	<u><u>133,896,642</u></u>	<u><u>2,489,006</u></u>

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BARTLETT REGIONAL HOSPITAL
 BALANCE SHEET
 AS OF SEP 14

	SEP 14	AUG 14	JUN 2014	CHANGE FROM PRIOR YEAR
LIABILITIES & FUND BALANCE				
Current liabilities				
16. Payroll liabilities	1,719.186	1,504.886	866.812	852.374
17. Accrued employee benefits	2,492.301	2,517.228	2,539.235	(46.935)
18. Accounts payable and accrued expenses	2,536.752	1,874.579	1,788.008	748.744
19. Due to 3rd party payors	3,582.414	3,413.003	3,371.335	211.079
20. Deferred revenue	(253.134)	(65.434)	539.986	(793.120)
21. Interest payable	155.202	77.601	388.005	(232.803)
22. Note payable - current portion	725.000	725.000	725.000	0
23. Other payables	844.252	820.288	738.897	105.355
24. Total current liabilities	<u>11,801.973</u>	<u>10,867.50</u>	<u>10,957.278</u>	<u>844.695</u>
Long-term Liabilities:				
25. Bonds payable	22,095.000	22,095.000	22,095.000	0
26. Bonds payable - premium discount	2,425.047	2,445.355	2,485.971	(60.924)
27. Total long-term liabilities	<u>24,520.047</u>	<u>24,540.355</u>	<u>24,580.971</u>	<u>(60.924)</u>
28. Total liabilities	<u>36,322.020</u>	<u>35,407.855</u>	<u>35,538.249</u>	<u>783.770</u>
29. Fund Balance	<u>100,063.628</u>	<u>99,822.801</u>	<u>98,358.393</u>	<u>1,705.236</u>
30. Total liabilities and fund balance	<u><u>136,385.648</u></u>	<u><u>135,230.656</u></u>	<u><u>133,896.642</u></u>	<u><u>2,489.006</u></u>

Bartlett Regional Hospital

Cash Summary for September 2014

	Increase/(Decrease) in Cash	
	<u>Current Month</u>	<u>Year-To-Date</u>
CASH RECEIPTS	\$ 7,563,517	\$ 22,948,357
CASH DISBURSEMENTS:		
Payroll (Net Pay)	\$ 1,803,613	\$ 5,492,829
Accounts Payable	\$ 3,874,562	\$ 11,693,457
CBJ Cash Transactions	\$ 511,925	\$ 1,620,668
Bond Interest Payment	\$ -	\$ 465,606
Total Cash Disbursements	<u>\$ 6,190,100</u>	<u>\$ 19,272,560</u>
Reconciling difference under review	<u>\$ (4,045)</u>	<u>\$ (22,239)</u>
NET CHANGE IN CASH	<u>\$ 1,369,372</u>	<u>\$ 3,653,558</u>
BEGINNING BALANCE	\$ 27,015,392	\$ 24,731,206
NET CHANGE IN CASH	<u>1,369,372</u>	<u>3,653,558</u>
ENDING BALANCE - OPERATING CASH	<u>\$ 28,384,764</u>	<u>\$ 28,384,764</u>
<u>Board Designated Funds</u>		
Capital Reserve Fund	\$ 8,517,639	
BRH CAMHU	\$ 2,500,000	
Insurance Deductible Fund	\$ 125,764	
Contributions	\$ 9,772	
New Bond Debt Service Reserve	\$ 1,686,975	
BRH Deposits	<u>\$ 39,021</u>	
	<u>\$ 12,879,171</u>	
	<u>\$ 41,263,935</u>	
<u>CBJ Appropriated Funds</u>		
CIP	\$ 327,673	
	<u>5,000,000</u>	
	<u>\$ 5,327,673</u>	
TOTAL CASH	<u>\$ 46,591,608</u>	

FY 15 Capital Budget

Capital Item #	Description	Dept.	Approved Budget	Purchased	Remaining	Notes
FY15-CCU1	2 Support Beds	CCU	69,936	84,249	(14,313)	Approved by the Board on 7-22-14
FY15-FAC1	Floor covering with anti fatigue and to reduce noise from boilers/ blood	FAC	13,000		13,000	
FY15-FAC2	Bartlett Outpatient Psychiatric Service (BOPS) Deck Replacement	FAC	40,000		40,000	
FY15-FAC3	Rainforest Recovery Center 1991 Passenger Van Replacement	FAC	40,000		40,000	
FY15-FAC4	Mental Health Unit Passenger Van Replacement	FAC	40,000		40,000	
FY15-FAC5	Bartlett House Flooring	FAC	50,000		50,000	
FY15-FAC6	Juneau Medical Center Fire Alarm System	FAC	100,000		100,000	
FY15-FAC7	Rainforest Recovery Center Fire Alarm	FAC	100,000		100,000	
FY15-FAC8	Storage 1 BAS Upgrade	FAC	125,000		125,000	
FY15-FAC9	Master Facility Plan	FAC	1,000,000		1,000,000	
FY15-HISTO1	Tissue Processor - Tissue Tek	HISTO	55,000		55,000	
FY15-HISTO2	Film Coverslipper - Tissue Tek	HISTO	55,000		55,000	
FY15-LAB1	Microbiology Refrigerator	LAB	9,000		9,000	
FY15-LAB2	Chemistry Refrigerator	LAB	9,000		9,000	
FY15-LAB3	Blood Bank Refrigerator	LAB	9,000		9,000	
FY15-IS1	Powerscribe 360 DICOM SR Integration	IS	22,625		22,625	
FY15-IS2	Risk Assessment/Penetration Testing	IS	48,000		48,000	
FY15-IS3	10 Gig Comm Room Expansion	IS	79,000	69,995	9,005	Approved by the Board on 9-16-14
FY15-IS4	Next Generation Firewall and Web Security Solution	IS	215,000		215,000	
FY15-IS5	Meditech Upgrade	IS	4,130,237		4,130,237	
FY15-M/S1	Accutor V Vital Signs Monitor and Accessories	M/S	7,327		7,327	
FY15-OB1	Linen Warmer	OB	5,540		5,540	
FY15-OR1	Omni Rail and Blade Trays	OR	5,000		5,000	
FY15-OR2	Warming Cabinet (PACU) Post Anesthesia Care Unit	OR	8,000		8,000	
FY15-OR3	Retractor Tray	OR	16,111		16,111	
FY15-OR4	DHS Instrument Set and Screw Set	OR	27,000		27,000	
FY15-OR5	Large Frag Instrument Set and Screw Set	OR	27,193		27,193	
FY15-OR6	2 Portable Monitors	OR	28,000		28,000	
FY15-OR7	CO2 Insufflation Device (Dr. Wagner)	OR	44,500		44,500	
FY15-OR8	Small Sterilizer	OR	76,915		76,915	
FY15-OR9	Video Towers for Surgical Procedures	OR	85,000		85,000	
FY15-OR10	Large Sterilizer	OR	156,494		156,494	
FY15-PAS1	On Call Software	PAS	25,000		25,000	

FY 15 Capital Budget

Capital Item #	Description	Dept.	Approved Budget	Purchased	Remaining	Notes
FY15-PHAR1	Pandora Software	PHAR	19,887		19,887	
FY15-PHAR2	Chargemaster Toolkit	PHAR	52,800		52,800	
FY15-RAD1	Agfa multi-plate CR Reader	RAD	79,652		79,652	
FY15-RAD2	Flashpad Digital X-Ray Conversion Kit	RAD	125,200		125,200	
FY15-RT1	Pulmonary Function Testing	RT	5,441		5,441	
FY15-RT2	New 840 Ventilator	RT	23,310	23,360	(50)	Approved by BOD on 07-22-14
FY15-RT3	V-60 bipap Units	RT	24,000		24,000	
FY15-RT4	840 Model Ventilator Upgrades	RT	61,009	32,174	28,835	Approved by BOD on 07-22-14
FY15-US1	iU22 Ultrasound System (2 upgrades)	US	94,300		94,300	
		Total	7,207,476	209,778	6,997,698	

Bartlett Regional Hospital Strategic Plan

Purpose

Hospital/Health Care

Values/Principles

Quality

Patient Centered

Sustainable

Envisioned Future

In five years we have a credible hospital, more integrated with and embraced by the community with an informed plan for adapting to the emerging realities.

Strategic Direction

- **Ensure our Sustainability-Can we afford it? Can we resource?**
 - Define and articulate core business and competence
 - Develop internal data
 - Identify external data
 - Identify new -financially viable opportunities to augment the core services
 - Create a strategic financial plan-five years-contingency planning
 - Service delivery issues to resolve
 - Adolescent unit-CAMHU
 - Behavioral health Infrastructure-Support
 - Explore feasibility of ASO's-physician staffing-physician staffing plan
 - Enhance use of telemedicine
 - Bed size of facility
 - Move toward wellness
- **Ensure community's confidence in hospital's credible services**
 - Improve culture
 - Transparency including financials
 - Board involved in employee recognition
 - Develop a workforce plan
 - Understand staffing needed
 - Compensation Plan based on fairness and equity
 - Communicate alignment between staff and board
 - Periodic update to board and staff on activities
 - Understand and address community perceptions
 - Periodic surveys
 - Communications plan
- **Strive for effective partnerships that magnify impact**
 - Work with CBJ work to adjust ordinance as needed to ensure ability to adapt. Seek flexibility
 - Seek input from community partners
 - Review current structure and ordinances-why do they look the way they look? What do we want?
 - Ongoing CEO communications with Native health system
 - With other community providers-CEO involved in occasional dialog
 - With other regional communities-develop relationships

Credentials Committee
Hospital Privileges for the Board of Director's Consideration
Tuesday, October 28, 2014 5:15 p.m. – Robert F. Valliant Center Boardroom

INITIAL APPOINTMENTS TO THE MEDICAL STAFF:

<u>Name</u>	<u>Category</u>	<u>Privileges In</u>
1. Dae H. Bang, MD	Consulting	Teleradiology

Dr. Dae H. Bang graduated from the Washington University in 2002. Dr. Bang is a board certified radiologist for Seattle Radiology.

REAPPOINTMENTS TO THE MEDICAL STAFF:

<u>Name</u>	<u>Category</u>	<u>Privileges In</u>
1. Elizabeth Einset, CPO	AHP	Prosthetics and Orthotics

Ms. Elizabeth Einset graduated from the University of Washington – Seattle in 1985. Ms. Einset is a board certified provider for S.E. AK Prosthetics & Orthotics in Ketchikan, AK.

2. Joanne Gartenberg, MD	Active	Psychiatry, Child/Adolescent Psychiatry and Chemical Dependency Detox
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Dr. Joanne E. Gartenberg graduated from the University of Washington School of Medicine in 1981. Dr. Gartenberg is a lifetime board certified psychiatrist for BRH Mental Health Unit and Bartlett Outpatient Psychiatric Services.

3. Dorothy V. Hernandez, MD	Active	Family Medicine w/Obstetrics, Tubal Ligation, C-Section, D&C, Repair of 4 th Degree, Conscious Sedation, Amniocentesis, Thoracentesis, Paracentesis, Amniocentesis, and External Versions
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Dr. Dorothy V. Hernandez graduated from the University of Texas Medical School at San Antonio in 1999. Dr. Hernandez is a board certified family medicine physician at Valley Medical Care.

4. John T. Huttenlocher, MD	Locum Tenens	Emergency Medicine
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Dr. John T. Huttenlocher graduated from the University of Colorado School of Medicine in 1975. Dr. Huttenlocher is a board certified emergency medicine physician for BRH Emergency Department.

5. Keegan Jackson, MD	Active	Family Medicine w/OB
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Dr Keegan M. Jackson graduated from the Michigan State University College of Human Medicine in 2010. Dr. Jackson is a board certified family medicine physician joining SEARHC – Juneau.

6. Anya J. Maier, MD Active Family Medicine w/Obstetrics, D&C, Repair of 4th Degree, Amniocentesis, and Exercise Stress Treadmill

Dr. Anya J. Maier graduated from the University of Washington - Seattle in 1994. Dr. Maier is a board certified family medicine physician for Valley Medical Care.

7. Alan McPherson, MD Active Emergency Medicine and Fluoroscopy

Dr. Alan McPherson graduated from the Birmingham University Medical School in Edgbaston Birmingham, UK in 1983. Dr. McPherson is an emergency medicine physician for BRH Emergency Department.

8. Eric O. Olsen, MD Active Family Medicine, Exercise Stress Treadmill, and Conscious Sedation

Dr. Olsen graduated from the University of Washington in Seattle, WA in 1973. He is a family medicine physician at Family Practice Physicians.

9. John Pappenheim, MD Active Psychiatry, Child/Adolescent Psychiatry, and Chemical Dependency Detox

Dr. John E. Pappenheim graduated from the Medical College of Wisconsin in 1985. Dr. Pappenheim is a lifetime board certified psychiatrist for Bartlett Mental Health Unit and Bartlett Outpatient Psychiatric Services.

10. Jessica Porter, MD Active Family Medicine /OB, Tubal Ligation, C-Section, D&C, and Repair of 4th Degree

Dr Jessica A. Porter graduated from the University of California - Davis Medical Center in 2009. Dr Porter is a board certified family medicine physician joining SEARHC – Juneau.

11. Skan, MD Active Anesthesia

Dr. Paul M. Skan graduated from the University of CA at San Francisco School of Medicine in 1985. Dr. Skan is a lifetime board certified anesthesiologist for Bartlett Regional Hospital.

REQUEST TO WITHDRAWAL:

1. Matthew Benson, MD – (Consulting; Providence Alaska; Pediatric Endocrinology)

LOCUM TENENS:

1. **Robert Baril, DO** – (Self – Radiology, Teleradiology, Lymphography, and Fluoroscopy)
2. **Brian Larson, MD** – (Self; Anesthesia)

TELERADIOLOGY:

1. **Mark Davis, MD** – (Consulting – vRad; Teleradiology)

REQUEST FOR ADDITIONAL/EXPANDED PRIVILEGES:

1. **Jeannette Cook, MD** - (Valley Medical Care; D&C, Exercise Stress and Pharmacologic Testing)

CLOSURE OF FILE:

1. **Tokunbo Matthews, MD** – (Telemedicine – Providence Alaska Medical Center; eICU)

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November 2014

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1
2	3 N-Executive Committee BR	4	5	6 3:00 Compliance Committee	7	8
9	10	11 BRH HOLIDAY-VETERANS DAY 	12 N-Quality Council BR	13 N-Planning Committee BR	14	15
16	17	18 7:00-Credentials Committee BR (changed from the 11 th)	19	20 5:15-Finance Committee BR 	21	22
23	24	25 5:15-Board of Directors BR	26	27 BRH HOLIDAY HAPPY THANKSGIVING! 	28 BRH HOLIDAY	29
30						

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