

Bartlett Regional Hospital

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Finance Committee Meeting Minutes November 15, 2016

Called to order at 5:45 p.m. by Finance Committee Chair, Linda Thomas

Attendance:

Finance Committee Board Members: Linda Thomas, Mark Johnson (via telephone), Mary Borthwick and Dr. Cate Buley

Other Board Members: Marshal Kendziorek, and Brenda Knapp

Staff: Chuck Bill, CEO, Alan Ulrich, CFO, William Gardner, CNO and Anita Moffitt, Executive Assistant

Changes to the agenda - The BRH 5 Year Financial Projections and CIP – 2018 Preliminary had been discussed during the Joint Planning Finance Committee meeting held immediately before the Finance Committee. Management will present the recommendations to the Board. Ms. Thomas asked to move the Executive Session to follow the approval of the minutes.

Ms. Thomas made a MOTION to go into Executive Session at 5:49 p.m., to discuss matters which were confidential by law or could have an adverse effect on the finances of the hospital; Premera Contract Proposal. The motion was approved without objection.

Out of executive session at 6:05 p.m. – no action was taken

Ms. Thomas requested an update about Navigant's review of Bartlett's Compliance program. Mr. Bill reported that the consultants are in phase two of the review. He informed the Committee that Navigant's identifying significant risks areas will be available in January.

Mr. Ulrich stated that Elgee Rehfeld Mertz, LLC would present the financial audit report to the Board of Directors in January. The report would be available to CBJ at that time as well.

The minutes from September 27, 2016 and October 20, 2016 were approved without objection.

Mr. Ulrich reported on the summary of adjustments to the FY16 results.

Mr. Ulrich explained the revisions to the FY16 appropriations. He asked the Finance Committee to recommend that the Board of Directors request an amended appropriations of funds in the amount of \$2,462,204.00. This would cover the Meditech and HR wages paid as well as the PERS in-kind payments. Ms. Thomas stated that the appropriations request will be presented to the Board with the knowledge that the Finance Committee has reviewed the additional appropriations request for propriety.

Mr. Ulrich reviewed the October and year-to-date financial statements. He reported a significant loss for the month. Three factors that affected October's results were:

1. A decrease in total patient revenue from September to October with stable operating expenses.
2. Reduced net revenue due to a shift to government payers.
3. New contractual allowance percentages.

Mr. Johnson reported that the Physician Recruitment Committee is still recruiting a general surgeon. He informed the Committee that a surgeon candidate had accepted a position elsewhere. Mr. Bill reported that Bartlett was collaborating with SEARHC for the recruitment of a psychiatrist. He added that Bartlett was working with Virginia Mason to expand the neurology and oncology service lines.

Dr. Buley expressed her frustration at the inability to admit patients due to the shortage of psychiatrists.

Mr. Johnson requested an update about changing the Medical Staff Rules and Regulations and using mid-level providers to provide services. Mr. Bill reported that this is being looked at by the Medical Staff By-laws Committee.

Mr. Ulrich presented the Prompt Payment Policy to encourage patient payments. He noted that Hall Render counsel had prepared the Policy to comply with Office of Inspector General regulations. Mr. Johnson requested studies from other healthcare facilities showing what incentives work to induce patient payments. **Mr. Johnson made a motion to forward the Prompt Payment Policy to the Board for approval. Dr. Buley seconded the motion and it was approved.**

Ms. Thomas excused herself at 6:38 p.m. to catch a plane. Dr. Buley will chair the remainder of the meeting.

Mr. Ulrich presented the FY18 Budget Timeline. Mr. Kendziorek asked Finance to extend this calendar to December to document future requirements such as the CIP report.

Adjourned 6:41 p.m.