

Bartlett Regional Hospital

Board of Directors

Minutes

January 23, 2018

CALLED TO ORDER AT 5:15 p.m., by Brenda Knapp

ATTENDANCE

Brenda Knapp, President

Mark Johnson, Secretary

Bob Storer

Bob Urata, MD

Marshal Kendziorek, Vice-President

Nancy Davis, Past-President (By phone)

Lance Stevens

Cate Buley, MD

ABSENT

Linda Thomas

ALSO IN ATTENDANCE

Chuck Bill, CEO

Dallas Hargrave, HR

Joe Wanner, CFO

Don Schneider, Vice-Chief of Staff

Katie Bausler, Community Relations Director

Billy Gardner, CCO

Bradley Grigg, CBHO

Jane Mores, CLO

Toni Petrie, Executive Assistant

APPROVAL OF THE AGENDA

Mr. Storer asked to add an item under executive session to discuss the IT Director position.

The agenda was approved as amended.

CONSENT AGENDA

- A. December 21, 2017 Board of Directors minutes
- B. December Management reports
- C. Annual Quality work plans 2018
- D. Infection Control plan
- E. December financials

Mr. Kendziorek made a MOTION to approve the consent agenda. Mr. Johnson seconded and it was approved.

Mr. Kendziorek gave kudos to the Quality Department for all their work they put into on the annual work plans. He appreciated seeing more than just benchmarks, but also seeing what the upcoming goals/plans are.

OLD BUSINESS

Moss Adams project update – Mr. Wanner reported they are finalizing the service line analysis tool. Once that is completed, there will be an onsite visit from their revenue cycle person and then the task force will meet again to discuss moving forward.

MEDICAL STAFF REPORT

Dr. Don Schneider, Vice-Chief of Staff reported on the Medical Staff meeting. He said it was routine business, no issues to bring to the Board.

Mr. Kendziorek made a MOTION to go into executive session at 5:24 p.m., to discuss the Credentialing report, Patient Safety Dashboards and the IT Director position. Mr. Johnson seconded and it was approved.

Out of executive session at 5:40 p.m.

Mr. Kendziorek made a MOTION to approve the credentialing report as presented. Mr. Johnson seconded and it was approved.

CEO REPORT

Mr. Bill announced there will be a Governance Institute webinar, Healthcare Forecast 2018, “trends and implications in the boardroom” held on February 8th at 10:00 a.m., and the full board is invited to participate.

Mr. Bill included an ASHNHA legislative update in his reportg.

ASHNHA has provided us with an analysis of the cost of caring for Medicare patients. It’s an estimated risk adjustment that compares to every hospital in the country.

Dr. Hightower, an Orthopedic Surgeon who has been providing locum coverage for Bartlett is working with JBJC on joining their practice.

We received a year-end report from JAMHI on their progress. They have reinvented themselves and are now JAMHI Health and Wellness effective January 1st. They have also opened their

clinic in the Housing First building. Ms. Knapp asked that the executive director from JAMHI come and report periodically to the Board on their progress, which he said he would do during an earlier visit.

Dr. Urata suggested we have a mandatory established Joint Conference meeting with the Executive Committee and the Medical Staff Committee either every 3 months, or every 6 months to keep communication open. Ms. Knapp said we could set one up after the Assembly appoints board members and we elect 2018 Officers.

COMMITTEE REPORTS

Finance Committee

Mr. Storer asked Mr. Wanner for a 6-month update on the financials. Mr. Wanner reported starting with the December financials.

December 2017 Financial Statement Review – Mr. Wanner provided an overview of the December financials. He stated that BRH realized a gain of \$147,615 as compared to a budgeted loss of \$54,209.. Year to date Bartlett's net gain is \$897,045.

- December patient days were 8% under budget
- RRC patient days were 42 days greater than the budgeted patient days
- "Observation" admissions were 23% under budget
- Total surgery cases were 8% over budget
- Physician visits were 63% over budget; hospitalist visits decreased 10% from November
- Total gross patient revenue was \$330,492 over budget
- Contractual allowances and bad debt were 43.2% in December
- Total operating expenses were 3.4% over budget. Contracted labor and physician contracts continue to run over budget. We anticipate physician contracts to continue to run high until additional psychiatrists can be recruited. Mr. Grigg is looking at hiring nurse practitioners to help fill some of the gaps.
- Salaries and wages were 5.8% over budget. There was a high use of overtime due to sick calls and holiday vacation coverage.
- Total cash on hand for restricted and non-restricted cash is 281 days.
- Accounts Receivable days outstanding increased from 39.2 to 40.1

As requested by Mr. Storer, Mr. Wanner provided a brief six month financial review. Mr. Wanner noted that Acute Patient Days are up 174 over the prior year, or a 5% increase over the prior year. MHU days are up 331, or 23% from the prior year, and RRC days are up 149, or 8% over the prior year. Mr. Wanner noted that Gross Revenue is up 10.4%, or \$7.9 million dollars, Total Operating Revenue is up 12.3% or \$5.4 million dollars. Along with this, Mr. Wanner noted that expenses are up \$3.3 million dollars, with \$2.1 of that being from employee costs. Our Operating income increased roughly \$350,000 from the prior before we account for the Rural Demonstration Program. Mr. Wanner noted that are biggest win during the first six months of the year was the reduction of Contract Labor from \$300,000 a month to \$47,000 in December.

Mr. Storer also asked Mr. Wanner to discuss the items that are requiring board approval on the capital improvement project list.

Mr. Wanner reported that to get the RRC remodel project off the ground, BRH will have to request a supplemental budget from CBJ to ensure that we have funds available. Mr. Bartholomew has informed Mr. Wanner that CBJ has \$700,000 that can be appropriated at this time and an additional \$1.8 million to be appropriated in FY19. A vendor has been selected for designing the project and prices are being negotiated.

The second project that needs to get off the ground this year is the siding replacement in the Robert F. Valliant Building. Mr. Bartholomew has requested that a supplemental budget for the \$300,000 be submitted to CBJ for this as well.

Mr. Wanner stated that the OR renovation and the Information Services Facility project has been put on hold until we can look further into our options. The roof replacement for RRC will become a part of the RRC remodel project. CAMHU funds that had been committed from sales tax funds are no longer available. Mr. Bartholomew has requested that BRH deappropriate the funds for each of these projects. Mr. Storer stated that we need to make a formal acknowledgement to CBJ that the \$6 million set aside for the CAMHU funds are no longer available. He also noted that it would be too premature to request funding from CBJ for the Crisis Stabilization Center.

Mr. Storer made a MOTION to approve \$ 1 million supplemental dollars for the RRC remodel and the siding replacement on the Robert F. Valliant building. Mr. Kendziorek seconded and it was approved.

Mr. Storer made a MOTION to remove CAMHU, Information Services, OR renovation, and the RRC roof replacement from the capital improvement project list. Mr. Stevens seconded and it was approved.

Dr. Urata would like the Board to discuss a long-term plan around behavioral health for adults as well as children at the strategic planning work session.

Board Quality Committee

Dr. Buley gave the Board Quality Committee report. They went over the annual work plans at the meeting that are included in the Board packet. They discussed the charter. They talked about what should be the quality initiatives for the upcoming year. They want to keep the discussion going on anti-microbial stewardship program, transitional care management and expanding that by improving discharge planning to help transitioning patients from the hospital to home and help decrease readmission rates. They also discussed improvement internal communication with the hospitalist program. They will continue to talk about workplace safety. They wanted to add substance misuse and the growing program at RRC.

FEBRUARY BOARD CALENDAR

The Planning Committee meeting for the month of February has been moved to March, date to be determined.

Mr. Storer and Mr. Johnson would like to call in for the strategic planning work session.

Mr. Johnson would like to call in to the Board of Directors meeting.

ADJOURNED AT 6:38 p.m.