

Bartlett Regional Hospital

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Finance Committee Meeting Minutes BRH Boardroom – October 9, 2019

Called to order at 7:00 a.m. by Finance Committee Chair, Dr. Bob Urata.

Finance Committee & Board Members: Dr. Bob Urata (Chair), Mark Johnson, Deb Johnston, Marshal Kendziorek

Staff: Kevin Benson, CFO, Chuck Bill, CEO, Bradley Grigg, CBHO, Billy Gardner, COO, Rose Lawhorne, CNO, Blessy Robert, Director of Accounting, and Megan Rinkenberger, Executive Assistant

Mr. Johnson made a MOTION to approve the minutes from the September 20, 2019 Finance Committee Meetings. Dr. Urata noted no objections and they were approved.

No public comment

August 2019 Finance Review – Kevin Benson, CFO

Mr. Benson explained that Bartlett Regional Hospital had a positive month financially in August 2019. The key driver for this was the increase in In-patient surgeries, which were 40% over budget. The assumption was that this was due to tourism, given it being a summer month. On that note, there had been talk about trying to find a way to identify the percentage of services that are received by tourists, and this may be through a zip code evaluation. Further, it may be worth seeing what proportion of services received by tourists do not receive payment, whether because they have socialized medicine in their home country and do not anticipate needing to pay, or their international insurance doesn't cover it, or if they pay with cash. The motivation behind the assessment being that if a high enough portion of tourist's medical costs are being written off, that could be a reason to seek to raise the "head tax" on tourism to cover those lost costs.

Radiology revenue was up for August as well, specifically CT scans. Expenses were 5% over budget, operating income was at \$2.4M YTD, and liabilities were down \$2M since last year. Mr. Johnson requested clarification on the "Bonuses" category, and Mr. Bill explained that BRH cannot profit off physician contracts, so the excess revenue generated by the physicians are redistributed to them on a quarterly basis as bonuses.

Medicaid Settlement – Kevin Benson, CFO

Regarding the implementation of the 5% cuts from ASHNHA, the settlement reached will true us up for July through September 2019. BRH expects about \$425K. See the ASHNHA Law Press Release in the packet.

IT Project List Summary – Kevin Benson, CFO

The new core for our system has been delivered and is scheduled to be installed on October 18th. Since that is a holiday, there will be a downtime scheduled for the daytime so that maximal staff will be present and focused to minimize downtime by maximizing time efficiency. The V-Block installation will be completed next, likely late November or early December. These projects will result in a stable platform

on which all BRH's software resides. Meditech Expanse upgrade should go live late March 2020 after the build is complete.

CIP Updates – Kevin Benson, CFO

RRC Roof Replacement, Detox Facility, and Crisis Intervention (Bradley Grigg): The RRC roof is 75% complete. There were no leaks following the rainstorm this past weekend. Detox facility is on schedule. The foundation prep is done, and the shell should be completed by next week, ready for winter weather. Northwind Architects are working on the design for the Crisis Intervention facility. The process included interviewing families who are very familiar with mental healthcare to consider their input as well. BRH asked for the design to include an option for a parking garage on the main level, with pricing, etc. to be presented.

Pharmacy Clean Room and Gift Shop/Coffee Bar (Billy Gardner): The Pharmacy Clean Room Phase I is scheduled to be substantially complete by November 6th, and is on schedule. The Gift Shop and Coffee Bar is scheduled to be complete by December 23rd.

Street Replacement (Kevin Benson): BRH met with design engineers yesterday to discuss the project, which is scheduled for next summer. There was \$500K designated for this project, but the city is going to use the opportunity to replace utilities (installed in 1981) at the same time.

Next Meeting: November 13, 2019 at 7:00 a.m. in BRH Boardroom

Committee Member Comments

Ms. Johnston commented that during a visit to the downtown library, a member of the staff commented that they had attempted to contact the RRC Sleep off program pickup for a patron, but that no one answered. The staff member was unaware of the change in hours and location of the Sleep off program. The committee discussed another campaign of community information and education on the changes to the program, which now involves contacting CCFR after hours for pickups. Mr. Grigg stated he and Chief Etheridge will follow up with the library.

Dr. Urata highlighted a patient with specific medical needs requiring the patient to be transferred off-site for treatment. Ideally, there would be specialist credentialed for these types of emergency cases in the ER. Mr. Bill noted that the issue was discussed in the credentialing meeting and determined to be a once-in-five-years case, and that it should be able to be addressed with exceptions issued by either himself or the chief of staff. Due to the rarity of these cases, it doesn't make sense to go through the process of credentialing someone solely for these instances.

Adjourned – 7:45 a.m.