



**BOARD OF DIRECTORS MEETING MINUTES**

Tuesday April 23, 2019

6:00 p.m.

**MEMBERS PRESENT:**

Mike Lewis  
Kenny Ayd  
Christina Epperson  
Paula Hatfield  
Wayne Morris  
Larry Rowland  
John Warner

**MEMBERS ABSENT:**

Katie Folden  
Greg Muehlenbein

**OTHERS PRESENT:**

Victoria Woodrow, CEO  
Justin Epperson, Controller  
Patty Blazier, Chief Nursing Officer  
Bryan Russell, Quality Director  
Glenna Sutton, Interim Compliance Officer  
Holly Hubele, Administrative Services Coordinator

Mike Lewis, Board President, called the meeting to order at 6:05 p.m. Roll call was taken and with a quorum present, the meeting proceeded.

President Lewis welcomed the students from Mrs. Folden's class. He stated that HMHD offers scholarships and if interested, the students should look into the process. Victoria Woodrow added that HMHD also offers job shadowing to those interested in the medical field.

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Topic of Discussion	Description	Action Taken
<u>Public Comment</u>	No comments were made.	
<u>Review of Minutes from March 2019 Board Meeting</u>	Minutes were reviewed.	Paula Hatfield made a motion to approve the March 2019 Board of Directors Meeting Minutes. John Warner seconded the motion. Motion carried with all favorable votes.
<u>March 31, 2019 Financial Statement Narrative</u>	Justin Epperson, Controller, reviewed the March 2019 finances and statistics	Financial Statements for the month of March were reviewed. Wayne Morris made a motion to approve the Financials. Paula Hatfield seconded the motion.
<u>Balance Sheet</u>	<p><b>Current Assets</b></p> <p><b>Cash</b> – HMHD has an operating cash balance of \$6,501,579 which is a decrease of \$129K from the previous month.</p> <p>Justin Epperson reviewed the handout listing HMHD Cash needs for April-June 2019. The total cash need is \$1,685,000 and is broken down into six areas:</p> <ol style="list-style-type: none"> <li>1. Phone System (capital item)</li> <li>2. Cardiac Monitor (capital item)</li> <li>3. Mammogram (capital item)</li> <li>4. Medicare Payback</li> <li>5. CPSI Clinic Conversion</li> <li>6. Long Term Debt Payment</li> </ol> <p><b>Accounts Receivables-</b> The net patient receivable balance increased by \$329K</p>	<p>Roll Call Vote: Wayne Morris-Yes; Paula Hatfield-Yes; Larry Rowland-Yes; John Warner-Yes; Kenny Aydt-Yes; Christina Epperson-Yes. Motion carried.</p>

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<p><u>Balance Sheet (continued)</u></p>	<p>over the prior month to \$2,366,601. It was noted that this increase is due to surgeries.</p> <p><b>Other Receivables-</b> Increased by \$40K over the prior month to \$103K</p> <p><b>Inventories and Other Assets</b> Increased by \$38K leaving a balance of \$592K.</p> <p><b><u>Current Liabilities</u></b></p> <p><b>Accounts Payable-</b> \$2.38M is the total in Payables for March, which includes \$747K for regular business payables.</p> <p><b>Long Term Liabilities-</b> Remained at \$18,290,000, the outstanding amount of bonds payable by HMHD.</p>	
<p><u>Income Statement</u></p>	<p><b><u>Gross Patient Revenue</u></b> Total revenue has remained steady at \$2.7958M, which was \$131K above budget. This revenue is broken down into two areas:</p> <ul style="list-style-type: none"><li>- \$2.6M Hospital Revenue (\$65K above budget)</li><li>- \$229K Clinic Revenue (\$66K above budget)</li></ul> <p>Victoria Woodrow pointed out that the clinic revenue for the month of March has been driven by the addition of Dr. Miller, Emily Harris and the surgery clinic.</p> <p>Payer Mix is being managed and has positively impacted the contractual adjustments</p>	

<p><u>Income Statement (continued)</u></p>	<p>which have gone down. The interim tool will continue to be helpful in this area.</p> <p><b><u>Deductions</u></b> Contractual adjustments and bad debt allowances were recorded at 54% of gross revenue.</p> <p><b><u>Operating Expenses</u></b> \$1,410,821 were the total operating expenses for March. This represents an increase of \$98K from the prior month and was \$6K below budget. Salaries are \$35K above budget and Employee Benefits were \$9K over budget.</p> <p><b><u>Net Income</u></b> The net income of \$36K represents an increase of \$154K from the prior month and is \$6K below budget. -Contractual allowances, as well as new revenue from surgery and clinic, were the primary drivers. The initial net income was \$49K. During a spot check of the surgery inventory, it was discovered that the lens used in eye surgeries was not being expensed when used. The issue was corrected in March at an expense of \$13K and this brought the final income amount to \$36K.</p>	
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<p><u>Reports</u></p>	<p><b><u>Quality Report</u></b> Medical-Surgical and Emergency Quality Dashboard was reported by Bryan Russell.</p> <p>Victoria Woodrow stated that the EMS Collaboration project to address HMHD difficulties with ambulance transfers will begin in mid-May.</p> <p><b><u>Compliance Report</u></b> Glenna Sutton, Interim Compliance Officer, specified that there are two recommended changes for Medical Staff Credentialing and they are scheduled for vote at the quarterly Medical Staff meeting in May.</p> <p>The potential HIPAA breach that was reported last month by a third party billing vendor, has been verified as minimal with zero patient addresses, dates of birth, social security numbers, clinical or diagnosis shared.</p> <p><b><u>Safety Report</u></b> Victoria Woodrow reviewed the quarterly Safety Summary. There were zero issues reported in the following areas: Fire Drills, System Failures, Utilities Management, Risk</p>	<p>Christina Epperson made a motion to approve the Quality Report. Larry Rowland seconded the motion. Motion carried with all favorable votes.</p> <p>Wayne Morris made a motion to approve the Compliance Report. John Warner seconded it. Motion carried with all favorable votes</p> <p>Wayne Morris made a motion to approve the Quarterly Safety Report. Kenny Aydt seconded the motion. Motion carried with all favorable votes.</p>
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<p><u>Reports (continued)</u></p>	<p>Management and Hazardous Waste. The Quarterly Safety Walk-Through and Inspection was completed on March 11, 2019. Few issues were noted at the Hospital, Hospital Clinic, off-site Clinic and Senior Enrichment. Issues noted were either replaced or repaired A full scale tabletop emergency drill with the County will take place July 24<sup>th</sup>.</p>	
<p><u>Policies</u></p>	<p><b><u>PT/OT/ST Insurance Patients</u></b> Purpose: To facilitate communication between the Rehab Services Department and the Business Office in the matter of commercial insurance benefits. Procedure steps for Rehab Services Department only.</p> <p><b><u>Bladder Training</u></b> Purpose: To assist in preparing the bladder prior to Foley catheter removal. Procedure steps for Med-Surg Nursing Department only.</p>	<p>Paula Hatfield made a motion to approve the Rehab Services Department policy. John Warner seconded the motion. Motion carried with all favorable votes.</p> <p>Kenny Aydt made a motion to approve the Medical Surgical Nursing Department policy. Christina Epperson seconded the motion. Motion carried with all favorable votes.</p>
<p><u>Executive Session Recordings</u></p>	<p>Victoria Woodrow explained that under 2.06 Section C of the Open Meetings Act, Executive Session recordings prior to October 2017 can be destroyed.</p>	<p>Christina Epperson made a motion to approve the destroying of Executive Session recordings prior to October 2017. Paula Hatfield seconded the motion.</p>

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<p><u>Executive Session Recordings</u> <u>(continued)</u></p> <p><u>CEO Report</u></p>	<p>Victoria Woodrow reminded the Board that April 25<sup>th</sup> will be the ribbon-cutting for the new mammography machine at HMHD.</p> <p>Surgery and Surgical Clinic Volumes are up in March from the prior month due to the addition of a surgeon. Volumes are slated to continually increase over the next several months.</p> <p><b><u>Statistics for the month of March:</u></b></p> <ul style="list-style-type: none"><li>--Hospital admissions up to 33 from 28</li><li>--Transitional Care down 1 to 11</li><li>--Revenue driven/ER visits down to 386 from 399</li></ul> <p>This is due to not having a physician in place to facilitate a nursing home strategy. Meetings with two potential Family Practice Physicians will take place in May.</p> <ul style="list-style-type: none"><li>--CT scans up to 160 from 135</li><li>--Clinics combined are up to 1337 from the prior month of 1234. Carmi had 548 clinic visits and Mcleansboro had 789 clinic visits.</li><li>--Lab had significant increase to 7547 from 7042.</li></ul>	<p>Motion carried with all favorable votes.</p>
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<p><u>CEO Report (continued)</u></p>	<p><b><u>Key Statistics</u></b></p> <ul style="list-style-type: none"><li>-Days of Cash on Hand- 157</li><li>-Average Days Net A/R -59</li><li>-Upfront Collections \$19,283</li><li>-Surgery:<ul style="list-style-type: none"><li>51-Surgery Clinic Visits</li><li>24-Scopes</li><li>20-Eye Surgeries</li></ul></li></ul> <p>Victoria Woodrow acknowledged several operational and financial projects that have been completed or are near completion:</p> <ul style="list-style-type: none"><li>-Implemented Plante Moran's recommended 40 operational interventions</li><li>-Implemented CLA audit recommendations</li><li>-Completed chargemaster review and implemented results</li><li>-Reinvested in a surgeon</li><li>-Actively forecast financials with 18 month outlook</li><li>-Successfully navigated Illinois expanded Medicaid MCOs</li><li>- Capital Investments including mammography unit, Omnicell system, phone system and cardiac monitoring with HL7</li><li>-Medicare Domestic Claim payback will be completed in May.</li></ul> <p>Victoria Woodrow added that the meeting with HMHD financial lenders went very well, recapping that during the last 18 months there</p>	
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<p><u>CEO Report (continued)</u></p>	<p>have been positive changes that have greatly affected the hospital as a whole. Continued efforts will be made towards enhanced Revenue Cycle management, coding /HIMS reset, alignment of hospital and clinic electronic medical records, and strategic alignment /relationship with larger health system; SSM Health Illinois.</p>	
<p><u>Executive Session</u></p>		<p>Larry Rowland made a motion at 7:17 p.m. to enter Executive Session. Paula Hatfield seconded the motion. Motion carried.</p> <p>Kenny Aydt made a motion at 8:15 p.m. to exit the Executive Session. Wayne Morris seconded the motion. Motion carried.</p>
<p><u>Meeting Adjournment</u></p>		<p>Larry Rowland made a motion to adjourn the meeting at 8:25 p.m. Paula Hatfield seconded the motion. Motion carried.</p>

HAMILTON MEMORIAL HOSPITAL DISTRICT

  
John Warner, Secretary  
Board of Directors