

WHITE PINE COUNTY HOSPITAL DISTRICT

WILLIAM BEE RIRIE HOSPITAL

BOARD OF TRUSTEES

MINUTES

This was a duly noticed Regular Board of Trustees Meeting of the White Pine County Hospital District Board of Trustees held Monday July 24, 2017 at 5:00 p.m.

**TRUSTEE'S PRESENT**

Burton Hilton – Chairman  
Julie Gianoli – Secretary  
Richard Rowley – Trustee  
Leslie Martin - Trustee  
Wade Robison - Trustee  
Michael Mugosa, M.D. – Trustee/  
Chief of Staff

**STAFF PRESENT**

Matthew Walker - Chief Executive Officer  
Tracie Gust, RN - CNO  
Richard Sears – Attorney  
Susan Martin – Administrative Assistant  
Edwin Szewczyk, CFO  
Dr. Nancy Baker  
Frank Ruvolo – CIO  
G. Norman Christensen, M.D.

**TRUSTEE'S ABSENT**

**STAFF ABSENT**

**GUESTS PRESENT**

Carol McKenzie

Attached hereto is the sign-in sheet and by reference incorporated herein.

WHITE PINE COUNTY HOSPITAL DISTRICT

**Regular Board of Trustees Meeting**

1. Call to Order I
2. Roll Call I
3. **Public Comment:** *Comments not exceeding five(5) minutes in length will be accepted from the general public in attendance. If any are made, there may be discussion upon these comments. No vote, decision, or action may be taken upon matters raised under this item until it is formally placed on the agenda as an action item. Comments during Discussion Items will not be* I / D

*accepted from the General public. "Section 8.05, of the Nevada Open Meeting Law Manual indicates that the Public Body may prohibit comment if the content of the comments is a topic that is not relevant to or within the authority of the Public Body or if the content of the comments is willfully disruptive of the meeting by being irrelevant, repetitious, slanderous, offensive, inflammatory, irrational or amounting to personal attacks or interfering with the rights of other speakers".*

**4. Approval and reading of minutes of the last regular meeting and of any special meetings, which may have been held since the last Regular meeting.**

**1) Regular Meeting – Monday, June 26, 2017 at 5:00 pm**

**I / D / A**

**UNFINISHED BUSINESS**

**A. Enterprise Safety & Risk Management**

**1) Enterprise Safety & Risk Management Update**

**I / D**

**B. Financial / Statistical Reports**

**1) Review and Approval of Financial Statements For the Period Ended:**

**a) June 30, 2017 - Edwin Szewczyk, CFO**

**I / D / A**

**2) Request for Approval and Presentation of Vouchers – Julie Gianoli**

**a) Accounts Payable – vouchers #108304 through #108526**

**I / D / A**

**b) Refunds – voucher 6939 to 6972**

**I / D / A**

**c) Payroll – vouchers # 32420 through # 32478**

**I / D / A**

**d) Bad Debt – Self Pay and Medicare**

**I / D / A**

**3) Strategic Plan 2016/2017, 4th Quarter Update – Matt Walker, CEO**

**I / D**

**NEW BUSINESS**

**A. Review/Discuss/Approve Fiscal Year 2018 Operating Budget**

**I / D / A**

**B. Approval to Open Bank Accounts and Signature Cards at Nevada State Bank in Eureka, Nevada for William Bee Ririe Eureka Clinic and William Bee Ririe Crescent Valley Clinic.**

**I / D / A**

**C. Discussion/Action/Possible Approval of hiring a Consultant to conduct a full salary survey for William Bee Ririe Critical Access Hospital and Rural Health Clinic.**

**I / D / A**

**D. Review/Discuss/Approve clarification of Cost of Living Adjustment 2017/2018 for Contracted Employees.**

**I / D / A**

- E. **2017/2018 Budgeted Employee Merit Increase up to 3%.  
Clarification on the Merit Increase distribution process.** I / D / A
- F. **Review/Revise/Approve Governance Policies – Chairman**
  - 1) **2.3 Board Job Description** I / D / A
  - 2) **2.4 Annual Plan** I / D / A
- G. **Review/Discuss Strategic Plan 2017/2018.** I / D
- H. **Review/Discuss/Approve University of Utah Affiliate Network LLC Agreement.** I / D / A
- I. **Appointments/Re-appointments – Mike Mugosa, M.D. -**
  - 1) **Appointments:**
    - a) **Jerome Hicks, APRN – Family Practice** I / D / A
    - b) **Gregory Tanner, M.D. - OB** I / D / A
  - 2) **Re-appointments: None** I / D
- J. **Review/Discuss/Approve Board Agendas and Board Packets to be delivered one week before the Board Meeting.** I / D / A
- K. **Review/Discuss/Approve Changing the Day of the Regular Board of Trustees Meeting.** I / D / A
- L. **Administrators’ Report – Matt Walker, CEO** I / D
- M. **Correspondence Received Since Last Meeting:** I / D
- N. **Set Date and Time for the Next Regular and/or Special Meeting**
  - 1) **Next Regular Meeting – Monday, August 28, 2017 at 5:00 pm** I / D / A
- O. **Board Comments:** I / D
- P. **Staff Comments:** I / D
- Q. **Public Comment** *Comments not exceeding five(5) minutes in length will be accepted from the general public in attendance. If any are made, there may be discussion upon these comments. No vote, decision, or action may be taken upon matters raised under this item until it is formally placed on the agenda as an action item. **Comments during Discussion Items will not be accepted from the General public.** “Section 8.05, of the Nevada Open Meeting Law Manual indicates that the Public Body may prohibit comment if the content of the comments is a topic that is not relevant to or within the authority of the Public Body or if the content of the comments is willfully disruptive of the meeting by being irrelevant, repetitious, slanderous, offensive, inflammatory, irrational or amounting to personal attacks or interfering with the rights of other speakers”.* I / D

## R. Adjournment

I / D / A

### I – Information / D – Discussion / A – Action

\*\* Note: The meeting minutes are presented as outlined on the posted agenda. The meeting may have visited agenda items out of order.

#### 1. Call to Order

Chairman Hilton called the White Pine County Hospital District Board of Trustees Regular Meeting to order Monday, July 24, 2017 at 5:00 p.m.

#### 2. Roll Call

Chairman Hilton noted the sign-in sheet reminding everyone to sign in.

3. **Public Comment:** *Comments not exceeding five (5) minutes in length will be accepted from the general public in attendance. If any are made, there may be discussion upon these comments. No vote, decision, or action may be taken upon matters raised under this item until it is formally placed on the agenda as an action item. **Comments during Discussion Items will not be accepted from the General public.** “Section 8.05, of the Nevada Open Meeting Law Manual indicates that the Public Body may prohibit comment if the content of the comments is a topic that is not relevant to or within the authority of the Public Body or if the content of the comments is willfully disruptive of the meeting by being irrelevant, repetitious, slanderous, offensive, inflammatory, irrational or amounting to personal attacks or interfering with the rights of other speakers”.*

Chairman Hilton asked for public comment. Seeing none Chairman Hilton moved on to item four.

#### 4. Reading of the Minutes of the Last Regular Meeting and of any Special Meetings Which May Have Been Held Since the Last Regular Meeting.

##### 1) Regular Meeting – Monday, June 26, 2017

Chairman Hilton entertained a motion to approve the minutes for the Regular Board of Trustees Meeting of June 26, 2017 as corrected.

**MOTION:** Trustee/Secretary Gianoli moved to approve the minutes for the Regular Board of Trustees Meeting minutes of June 26, 2017 as corrected. The motion was seconded by Vice-Chairman Rowley and carried.

## **UNFINISHED BUSINESS**

### **A. Enterprise Safety & Risk Management**

#### **1) Enterprise Safety & Risk Management Update –**

Matt Walker, CEO informed the Board of Trustees for the month of July, one needle stick and one blood exposure had been reported.

### **B. Financial/Statistical Reports**

#### **1) Review and Approve Financial Statements for the period ended:**

##### **a) June 30, 2017.**

Edwin Szewczyk, CFO reviewed the June 30, 2017 financial statements with the Board of Trustees:

- A typing error on the financial statement highlights – The net gain for June was \$293,000.00 not \$339,000.00. The fiscal year to date net gain is \$981,000.00 not \$ 293,000.00.
- Total operating revenue of \$2.4 million was slightly higher than budget and prior due to higher overall Outpatient volumes. Acute days exceeded budget and prior. Swing days were less than both budget and prior.
- Operating expenses of one million dollars slightly worse than budget but better than prior year due to higher pro fees expense (partially offset by lower salaries expense) due to a shift from hired employee services to contracted services. Pro fees paid for locum lab techs, nursing staff and Pharmacy vacation coverage. This trend is expected to continue. Physician bonuses paid were higher than usual due to an influx in paid claims last month. Total salaries and wages and employee benefits of \$ 1.4 million were less than budget and prior.
- Cash increased by \$710,000.00 from May 2017 due to operational cash flows, favorable cost report settlements and changes to balance sheet line items.

Trustee Robison asked when Eureka gets up and running, will Edwin be able to separate out the financials so we can see if Eureka will be profitable; Edwin explained that Eureka is set up just like another department in the hospital so the answer is yes; if in September the Board would like to see what the performance is Edwin will be able to put together a site analysis which would basically be a Eureka Financial Statement. The Board of Trustees agreed they would like to see a Financial Statement for Eureka quarterly.

Chairman Hilton entertained a motion to approve the Financial Statements for the period ending June 30, 2017.

**MOTION:** Trustee/Secretary Gianoli moved to approve the Financial Statement for the period ending June 30, 2017. The motion was seconded by Vice-Chairman Rowley and carried.

**2) Request for Approval and Presentation of Vouchers**

**a) Accounts Payable Voucher:** Trustee/Secretary Gianoli presented accounts payable vouchers:

6/28/2017	108304-108412	\$ 391,332.35
7/12/2017	108413-108525	\$ 391,058.26
7/17/2017	108526	\$ 2,188.00

Chairman Hilton entertained a motion to approve the accounts payable vouchers as presented.

**MOTION:** Trustee/Secretary Gianoli moved to approve the accounts payable vouchers 108304 through voucher 108526 as presented. The motion was seconded by Vice-Chairman Rowley and carried.

**b) Refunds:** Trustee/Secretary Gianoli presented refunds:

6/22/2017	6939-6972	\$ 2,561.46
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Chairman Hilton entertained a motion to approve the refund vouchers as presented.

**MOTION:** Trustee/Secretary Gianoli moved to approve refund voucher 6939 through voucher 6972 as presented. The motion was seconded by Vice-Chairman Rowley and carried unanimously.

**c) Payroll Vouchers:** Trustee/Secretary Gianoli presented payroll vouchers:

6/23/2017	32420-32448	\$ 451,867.96
6/23/2017	32449-32452	\$ 3,220.49
6/23/2017	32453-32477	\$ 428,992.44
7/06/2017	32478	\$ 2,282.58

Chairman Hilton entertained a motion to approve the payroll voucher 32420-32478

**MOTION:** Trustee/Secretary Gianoli moved to approve the payroll vouchers 32420 through voucher 32478. The motion was seconded by Vice-Chairman Rowley and carried unanimously.

**d) Bad Debt –** Trustee/Secretary Gianoli presented bad debt vouchers:

7/20/2017	Self Pays	June 2017	\$ 115,604.22
7/20/2017	Medicare	June 2017	\$ 9,027.65

Chairman Hilton entertained a motion to approve the bad debt vouchers as presented.

**MOTION:** Trustee/Secretary Gianoli moved to approve the bad debt vouchers dated June 2017 as presented. The motion was seconded by Vice-Chairman Rowley and carried.

### **3) Strategic Plan 2016/2017, 4th Quarter Update**

Matt Walker, CEO reviewed the fourth quarter Strategic Plan for 2016/2017 and updated the Board of Trustees on the completions, progress and updates on the goals and objectives. A discussion followed with Matt and the Board of Trustees on each item on the 2016/2017 Strategic Plan. (See attached Strategic Plan).

Chairman Hilton asked if the Board members had any questions on the 2016/2017 Strategic Plan; seeing none Chairman Hilton moved on to New business.

### **NEW BUSINESS**

#### **A. Review/Discuss/Approve Fiscal Year 2018 Operating Budget**

Edwin Szewczyk, CFO explained the difference between the Annual State Budget and the Operating Budget to the Board of Trustees. Edwin reviewed all assumptions made while preparing the operating budget, a discussion followed. A net gain of \$1,726,644 net gain for 2018 which Edwin compared to 2017 of \$980,000.00. Edwin also reviewed the historical statistics from fiscal year 2016 and fiscal year 2017 and the Capital Expense budget.

Chairman Hilton asked if the Board had any questions regarding the Fiscal Year 2018 Operating Budget; with all questions answered. Chairman Hilton entertained a motion to approve the Fiscal Year 2018 Operating Budget.

**MOTION:** Vice-Chairman Rowley moved to approve the Fiscal Year 2018 Operating Budget. The motion was seconded by Trustee Robison and carried.

#### **B. Approval to Open Bank Accounts and Signature Cards at Nevada State Bank in Eureka, Nevada for William Bee Ririe Eureka Clinic and William Bee Ririe Crescent Valley Clinic.**

Matt Walker, CEO explained the need for two bank accounts in Eureka (one for the Eureka Clinic and one for the Crescent Valley Clinic). The accounts and signature cards must be approved by the Board of Trustees for Nevada State Bank and be noted in the Board of Trustees meeting minutes. Susan Martin, Administrative Assistant provided the signature forms to be signed by the appropriate Board members.

Chairman Hilton entertained a motion for approval to open Bank Accounts and Signature Cards at Nevada State Bank in Eureka.

**MOTION:** Trustee/Secretary Gianoli moved to approve the opening of bank accounts and signature cards at Nevada State Bank for the William Bee Ririe Eureka Clinic and William Bee Ririe Crescent Valley Clinic. The motion was seconded by Vice-Chairman Rowley and carried.

**C. Discussion/Action/Possible Approval of hiring a Consultant to conduct a full salary survey for William Bee Ririe Critical Access Hospital and Rural Health Clinic.**

Chairman Hilton advised the Board of Trustees that he and Trustee Martin discussed the idea of hiring someone to evaluate the facility positions and compare those positions to other facilities in Rural areas as to what they are paying in salaries, just so we would know what range or ball park the facility is in. Trustee Martin pointed out that right now the facility does not have any data to compare. Trustee Martin presented a resume from Sally Angel, President of ASConsulting for the Board of Trustees to review. A discussion followed on pros and cons for hiring an outside agency or preparing a survey in house and how the data would be used. It was determined that as Chief Executive Office Matt should be able to make the decision on employee salaries and whether he prefers to use an outside agency. Matt will have further discussions with Sally Angel and will advise.

**MOTION:** No motion.

**D. Review/Discuss/Approve clarification of Cost of Living Adjustment 2017/2018 for Contracted Employees.**

Chairman Hilton explained the difference between the cost of living adjustment for contracted employees; if an employee (normally a physician) has a cost of living adjustment in their contract an increase will be given if the Board of Trustees approves a cost of living adjustment. Chairman Hilton opened the discussion as to who would receive the cost of living adjustment and what percentage would be approved. A discussion followed with Dr. Mike Mugosa abstaining from any discussion.

Chairman Hilton entertained a motion to approve a 1% Cost of Living Adjustment 2017/2018 for contracted employees.

**MOTION:** Trustee Robison moved to approve a 1% Cost of Living Adjustment 2017/2018 for contracted employees. The motion was seconded by Vice-Chairman Rowley and carried. Dr. Mike Mugosa abstained from the vote.

**E. 2017/2018 Budgeted Employee Merit Increase up to 3%. Clarification on the Merit Increase distribution process.**

Chairman Hilton asked for any questions regarding the definition of the merit increase, seeing none a discussion followed to determine the percentage of increase. The Board packet included the new employee evaluation form; which all Board members liked. Chairman Hilton voiced his opinion to approve up to a 2% increase.

Chairman Hilton entertained a motion to approve the 2017/2018 Employee merit increase.

**MOTION:** Trustee Robison moved to approve up to a 3% Employee Merit Increase for



2017/2018. The motion was seconded by Trustee/Chief of Staff Dr. Mike Mugosa. Chairman Hilton called for the vote; with 2 yay votes and 4 nay votes the motion failed.

Chairman Hilton asked if there was another motion.

**MOTION:** Trustee/Secretary Gianoli moved to approve up to a 2% Employee Merit Increase for 2017/2018. The motion was seconded by Vice-Chairman Rowley and carried.

#### **F. Review/Revise/Approve Governance Policies –**

##### **1) 2.3 Board Job Description**

Chairman Hilton entertained a motion to approve 2.3 Board Job Description.

**MOTION:** Vice-Chairman Rowley moved to approve Section 2.3 Board Job Description of the Board Governance Policies. The motion was seconded by Trustee/Secretary Gianoli and carried.

##### **2) 2.4 Annual Plan**

Chairman Hilton entertained a motion to approve 2.4 Annual Plan.

**MOTION:** Vice-Chairman Rowley moved to approve Section 2.4 Annual Plan of the Board Governance Policies as changed. The motion was seconded by Trustee/Secretary Gianoli and carried.

#### **G. Review/Discuss Strategic Plan 2017/2018.**

Chairman Hilton noted the 2017/2018 Strategic Plan was in the Board packet that Matt had put together and asked if any Board Member had anything to add or change. Chairman Hilton questioned the repair of the parking lots was on the 2016/2017 strategic plan and capitol budget and is now on the 2017/2018. Matt explained the repairs have not been completed; repairs could cost much less that budgeted. Trustee/Secretary Gianoli expressed her appreciation on the past goals on the previous strategic plans which included hiring a full time CFO, bringing billing back into the hospital and the phone systems being upgraded. Trustee/Secretary Gianoli suggested additional topic for the strategic plan:

- Communicate to the public the effects of proposed Federal and State regulations regarding health care in our community.
- Care coordinator
- Education on Chronic disease management. The hospital had classes here in the Board room for diabetes and other illnesses in the past; it may be a good thing to reinstate.
- Continue to seek grant funding and grant opportunities.
- To include as a goal: 90 days cash on hand and 50 days or less in accounts receivables.

- Employee compensation to be less than 60% of the gross revenue to maintain financial stability.
- Hire a full time Pediatrician.
- Assisted Living

**H. Review/Discuss/Approve University of Utah Affiliate Network LLC Agreement.**

Matt explained the Affiliate Network Agreement with the University of Utah, which included the cost of joining and services available. At this point no one knows if the program will work, because it's never been done before. It is a risk at this point with a cost of \$50,000.00. The hospital would not have to join the first year but could join the following year, a discussion followed regarding pros and cons on joining the Network. The Board would like to wait a year and see how the program is working out.

Chairman Hilton: No action to be taken at this time.

**I. Appointments/re-appointments:**

**1) Appointments:**

**a) Jerome Hicks, APRN – Family Practice**

**MOTION:** Trustee/Chief of Staff Dr. Mike Mugosa made a motion to approve the appointment of Jerome Hicks, APRN to the Medical Staff of William Bee Ririe Hospital and Rural Health Clinic. The motion was seconded by Trustee/Secretary Gianoli and carried.

**b) Gregory Tanner, M.D. OB**

**MOTION:** Trustee/Chief of Staff Dr. Mike Mugosa made a motion to approve the appointment of Gregory Tanner M.D. to the Medical Staff of William Bee Ririe Hospital and Rural Health Clinic. The motion was seconded by Vice-Chairman Rowley and carried.

**2) Re-appointments: None**

**J. Review/Discuss/Approve Board Agendas and Board Packets to be delivered one week before the Board Meeting.**

Chairman Hilton reviewed why this item was placed on the agenda and the past distribution history of the Board packets. Chairman Hilton voiced his concern if the packets are delivered too early it could create a long lag time if topics come up last minute. A discussion resulting in changing the delivery of Board Packets to Wednesday followed. The change would give the Board of Trustees five full days to review the agenda.

No action was taken on this agenda item.

**K. Review/Discuss/Approve Changing the Day of the Regular Board of Trustees Meeting.**

Chairman Hilton explained to the Board of Trustee the Board meetings have been the fourth Monday of the month for years with the exception of the Annual Budget Meeting in May and Holidays. With the Board Packets not being delivered a week early there is not a need to change the meeting date and time.

No action was taken on this agenda item.

**L. Administrator's Report:**

Matt Walker reported to the Board of Trustees on:

- Eureka Clinics:
  - a. Jerome Hicks, APRN has moved to Eureka
  - b. Some of our Family Practice Doctors have arranged a schedule to be out there two days a week.
  - c. Waiting for licensing.
  - d. Grand opening is August 1, 2017 at 2:00 p.m.; if any of the Board would like to attend please do so.
- House across from the clinic:
  - a) Matt called with offer, no word from seller as of yet
    - i. They said they would think about it and get back to him.
- Working on credentialing and privileging ENT Physician Assistant, probable start date will be September for ENT services.
- Grant for community paramedicine outreach was awarded to the William Bee Ririe Hospital, Matt is in the process of outlining a plan, measures to be studied, hire an employee and go from there.
- Hearing services will be offered weekly in the clinic.
- Sleep study medicine may be moved to the hospital with the intent of increasing volume.
- BBQ is on August 11<sup>th</sup> at Steptoe Park please try and attend.

**M. Correspondence Received Since last meeting:** None

**N. Set Date and Time for the Next Regular and/or Special Meeting**

**1) Next Regular Meeting – Monday August 28, 2017 at 5:00 p.m.**

Chairman Hilton entertained a motion to approve the scheduling of the next Regular Board of Trustees meeting.

**MOTION:** Trustee/Secretary Gianoli moved to approve the scheduling of the next Regular Board of Trustees meeting for Monday August 28, 2017 at 5:00 p.m. The motion was seconded by Trustee Martin and carried.

**O. Board Comments:** Chairman Hilton met with a gentleman from Eureka who inquired about the clinic; he said the community is very excited to start in a new direction and to have the Hospital there.

**P. Staff Comments:** Dr. Norman Christensen asked if anything was planned for Dr. Milton Lee's retirement, Dr. Mugosa said something will be planned for his last day on Labor Day. Dr. Christensen also made comment on the University of Utah affiliation and to be sensitive of mergers and acquisition.

**Q. PUBLIC COMMENT:** *Comments not exceeding five (5) minutes in length will be accepted from the general public in attendance. If any are made, there may be discussion upon these comments. No vote, decision, or action may be taken upon matters raised under this item until it is formally placed on the agenda as an action item. Comments during Discussion Items will not be accepted from the General public. "Section 8.05, of the Nevada Open Meeting Law Manual indicates that the Public Body may prohibit comment if the content of the comments is a topic that is not relevant to or within the authority of the Public Body or if the content of the comments is willfully disruptive of the meeting by being irrelevant, repetitious, slanderous, offensive, inflammatory, irrational or amounting to personal attacks or interfering with the rights of other speakers".*

Chairman Hilton asked for public comments. Seeing none Chairman Hilton moved on to item R.

**R. Adjournment:**

Chairman Hilton entertained a motion to adjourn the White Pine Hospital District Board of Trustees Meeting.

**MOTION:** Vice-Chairman Rowley moved to approve the adjournment of the White Pine Hospital District Board of Trustees meeting. The motion was seconded by Trustee/Secretary Gianoli and carried.

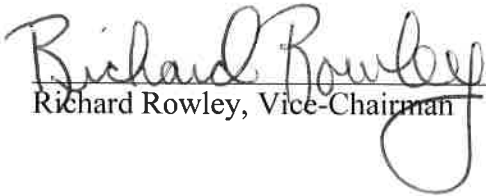
Adjournment: 7:25 p.m.



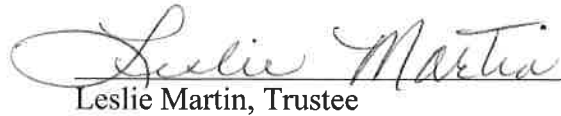
Burton Hilton, Chairman



Julie Gianoli, Secretary



Richard Rowley, Vice-Chairman



Leslie Martin, Trustee



Mike Mugosa, MD –Trustee/Chief of Staff



Wade Robison, Trustee



Matthew Walker, CEO