

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 September 25, 2017 at 5:00 p.m.

TRUSTEE'S PRESENT

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

STAFF PRESENT

Matthew Walker - Chief Executive Officer
Richard Sears – Attorney
Susan Martin – Administrative Assistant
Edwin Szewczyk, CFO
G. Norman Christensen, M.D.
Nancy Baker, DO
Valerie Miller, M.D.

TRUSTEE'S ABSENT

Leslie Martin - Trustee

STAFF ABSENT

Tracie Gust, RN - CNO

GUESTS PRESENT

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: <i>Comments not exceeding five(5) minutes in length will</i> | I / D |

*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".*

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, August 28, 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) August 31, 2017 - Edwin Szewczyk, CFO

I / D / A

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

a) Accounts Payable – vouchers #108798 through #109025

I / D / A

b) Refunds – voucher #7034 to #7061

I / D / A

c) Payroll – vouchers # 32576 through # 32631

I / D / A

d) Bad Debt – Self Pay and Medicare

I / D / A

NEW BUSINESS

A. Open Discussion on Hospital Billing, Bad Debt and Collections

I / D

B. Review/Revise/Approve Governance Policies – Chairman

1) 2.7 Board Committee Principles

I / D / A

2) 2.8 Cost of Governance

I / D / A

C. Appointments/Re-appointments – Mike Mugosa, M.D. -

1) Appointments:

a) Glenn Miller, M.D. – Orthopedic Surgery

I / D / A

b) Gary Zeluff, M.D. – Orthopedic Surgery

I / D / A

- c) Craig Hatton, M.D. – Orthopedic Surgery I / D / A
- 2) Re-appointments:
- a) Mark Rhodes, M.D. – Orthopedic Surgery I / D / A
- b) Gary Seigel, M.D. – Family Medicine I / D / A
- c) Nancy L. Baker, DO – Family Medicine I / D / A
- D. Administrators’ Report – Matt Walker, CEO I / D
- E. Correspondence Received Since Last Meeting: I / D
- F. Set Date and Time for the Next Regular and/or Special Meeting
- 1) Next Regular Meeting – Monday, October 23, 2017 at 5:00 pm I / D / A
- G. Board Comments: I / D
- H. Staff Comments: I / D
- I. **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
- J. 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 on Monday September 25, 2017 at 5:08 pm.

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, August 28, 2017**

Chairman Hilton entertained a motion to approve the minutes for the Regular Board of Trustees Meeting of August 28, 2017 as corrected.

MOTION: Vice-Chairman Rowley moved to approve the minutes for the Regular Board of Trustees Meeting minutes of August 28, 2017 as corrected. The motion was seconded by Trustee/Secretary Gianoli and carried.

UNFINISHED BUSINESS

A. Enterprise Safety & Risk Management

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

Matt Walker reported no workers comp issues for the month of August. The employee Flu Shot clinic is complete – 138 employees participated and have been immunized. The hospital should be in the high 90 percentile for employee immunizations, which the hospital will probably receive an award for the participation. No new legal cases have been reported, the same case is pending since 2013.

B. Financial/Statistical Reports

1) **Review and Approve Financial Statements for the period ended:**
a) **August 31, 2017.**

Edwin Szewczyk, CFO reviewed the August 31, 2017 financial statements with the Board of Trustees:

- Clinic visits exceeded budget and prior year contributing to higher than expected outpatient revenues.
- Operating expenses of \$918 thousand were slightly less than budget, slightly greater than prior year. A timing of the budget for pro fees and HCPro (billing training) expenses are part of this variance, offset by a rebate of LiCON (liability insurance) premiums paid. Salaries and benefits were greater than budget but less than prior year. We continue to focus on reducing labor utilization through attrition and staffing efficiencies.
- The net gain for August 2017 was \$47 thousand.
- Cash increased by \$121 thousand from July 2017 due to operational cash flows and efforts to clean up open AR balances.
- Variance in miscellaneous expenses was caused by the HCPro Training that the hospital paid for during the month of \$24,000.00; which some of the expense should come back from other hospitals that attended the training.
- 340b revenue is behind \$25,000.00 for the month and \$27,000.00 for the year. There is an issue of lagging payments between Ridley's and Economy Drug. Edwin has spoken with SunRx, they will be getting back to him this week after they have contacted the two pharmacies to find out why. Right now the SunRx program is behind about \$200,000.00. Matt added we are losing money on the 340b program right now. SunRx explained to Matt that both pharmacies have been invoiced and neither pharmacy has paid their invoices. Trustee Robison asked if the hospital will catch up to where we were last year; Matt explained that the hospital would catch up if the two pharmacies pay us, if they do not pay then the hospital will have to make some decisions. Some of the terms changed on the SunRx (340b) program and Edwin is looking into the program and why payments are slow in coming.
- Edwin reviewed the statistical summary with the Board of Trustees.
- The cash flow statement; the cash continues to be strong. The daily average collections per day for the month of August, \$120,000.00 which again is the higher end of trend. On the balance sheet the cash approached 14 million dollars.

Edwin answered all questions from the Board of Trustees.

Chairman Hilton entertained a motion to approve the Financial Statements for the period ending August 31, 2017.

MOTION: Trustee/Secretary Gianoli moved to approve the Financial Statement for the period ending August 31, 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:

| | | |
|------------|---------------|---------------|
| 8/24/2017 | 108798-108900 | \$ 480,088.75 |
| 9/07//2017 | 108901-109025 | \$ 369,290.28 |

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

MOTION: Trustee/Secretary Gianoli moved to approve the accounts payable vouchers 108798 through voucher 109025 as presented. The motion was seconded by Vice-Chairman Rowley and carried.

b) Refunds: Trustee/Secretary Gianoli presented refunds:

| | | |
|-----------|-----------|--------------|
| 8/23/2017 | 7034-7061 | \$ 10,920.74 |
|-----------|-----------|--------------|

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

MOTION: Trustee/Secretary Gianoli moved to approve refund voucher 7034 through voucher 7061 as presented. The motion was seconded by Vice-Chairman Rowley and carried unanimously.

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

| | | |
|-----------|-------------|---------------|
| 9/01/2017 | 32576-32601 | \$ 487,500.64 |
| 9/11/2017 | 32602 | \$ 441.00 |
| 9/15/2017 | 32603-32627 | \$ 500,053.53 |
| 9/15/2017 | 32628-32631 | \$ 92,311.90 |

Chairman Hilton entertained a motion to approve the payroll voucher 32576-32631

MOTION: Trustee/Secretary Gianoli moved to approve the payroll vouchers 32576 through voucher 32631. The motion was seconded by Vice-Chairman Rowley and carried unanimously.

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

| | | | |
|-----------|-----------|-------------|--------------|
| 9/19/2017 | Self Pays | August 2017 | \$ 90,791.20 |
| 9/19/2017 | Medicare | August 2017 | \$ 10,538.34 |

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 August 2017 as presented. The motion was seconded by Vice-Chairman Rowley and carried.

NEW BUSINESS

A. Open Discussion on Hospital Billing, Bad Debt and Collections

Edwin Szewczyk, CFO updated the Board of Trustees on the in house billing status, November first is still the go live date. Last week HCPro (an industry leader in hospital billing) came to Ely to train the staff and other rural hospitals. Basically it was billing 101; information on how to bill CMS and general billing training which was attended by our hospital business/billing department

and billing/business offices from other hospitals who helped pitch in on the cost of the training. The training was very thorough, the only complaint was that there was a lot of information given and a bit over whelming. Edwin is looking into having follow up training in a month. CPSI will provide the computer program training on how to process the billing starting tomorrow for three days. The month of October the billing department will be gearing up to bring the billing in, the hospital has already started doing small portions of the billing now. The plan is to start doing small portions of the billing now and then go live on November 1, 2018.

Trustee Robison is pleased to hear of the training and the follow up training that is planned and feels that the cost of the training is money very well spent.

Edwin wanted to reiterate that he does expect a big dip in cash flow once the in house billing is started. There could be a two to three month period of a drop in cash flow, after that it should level off and we will see a significant cash balance after that. Edwin is hoping that bills will drop 4 days from the date of service and the average account receivable days will be 45. A discussion followed on the transition from Trubridge to the hospital.

The auditors were here this week to do the field audit, they didn't give Edwin much of an update other than things are going well. The auditors are hoping to present the audited financials to the Board of Trustee in December.

B. Review/Revise/Approve Governance Policies –

1) 2.7 Board Committee Principles

Chairman Hilton entertained a motion to approve 2.7 Board Committee Principles.

MOTION: Vice-Chairman Rowley moved to approve Section 2.7 Board Committee Principles of the Board Governance Policies. The motion was seconded by Trustee Robison and carried.

2) 2.8 Cost of Governance

Chairman Hilton entertained a motion to approve 2.8 Cost of Governance.

MOTION: Trustee/Secretary Gianoli moved to approve Section 2.8 Cost of Governance of the Board Governance Policies as changed. The motion was seconded by Vice-Chairman Rowley and carried.

C. Appointments/re-appointments:

1) Appointments:

a) Glenn Miller, M.D. – Orthopedic Surgery

MOTION: Trustee/Chief of Staff Dr. Mike Mugosa made a motion to approve the appointment Glenn Miller, M.D. to the Medical Staff of William Bee Ririe Hospital and Rural Health Clinic. The motion was seconded by Trustee Robison and carried.

b) Gary Zeluff, M.D. – Orthopedic Surgery

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

c) Craig Hatton, M.D. – Orthopedic Surgery

MOTION: Trustee/Chief of Staff Dr. Mike Mugosa made a motion to approve the appointment of Craig Hatton, M.D. to the Medical Staff of William Bee Ririe Hospital and Rural Health Clinic. The motion was seconded by Trustee Robison and carried.

2) Re-appointments:

a) Mark Rhodes, M.D. – Orthopedic Surgery

MOTION: Trustee/Chief of Staff Dr. Mike Mugosa made a motion to approve the re-appointment of Mark Rhodes, M.D. to the Medical Staff of William Bee Ririe Hospital and Rural Health Clinic. The motion was seconded by Trustee/Secretary Gianoli and carried.

b) Gary Seigel, M.D. – Family Medicine

MOTION: Trustee/Chief of Staff Dr. Mike Mugosa made a motion to approve the re-appointment of Gary Seigel, MD to the Medical Staff of William Bee Ririe Hospital and Rural Health Clinic. The motion was seconded by Trustee/Secretary Gianoli and carried.

c) Nancy Baker, DO – Family Medicine

MOTION: Trustee/Chief of Staff Dr. Mike Mugosa made a motion to approve the re-appointment of Nancy Baker, DO to the Medical Staff of William Bee Ririe Hospital and Rural Health Clinic. The motion was seconded by Trustee Robison and carried.

D. Administrator's Report:

Matt Walker reported to the Board of Trustees on:

1. Eureka Clinics:
 - a. Fire Marshall Inspection was done last week, Eureka County has a list of small fixes that need to be done then he will be back for a re-inspection.
 - b. We are doing labs and drug tests; things are starting to run smoother.
2. The new orthopedic doctors seem to be well liked by staff and patients.
3. Working on increasing efficiencies with surgery patients, trying to get the process expedited so patients can get cleared for surgery and have surgery within a few

weeks versus a few months.

- a. We are implementing education for patients and doctors, improving communication between departments, making surgical clearance appointments a priority.
4. The hospital received the Joint Commission Certification in the mail. There is one outstanding issue with the OR sink; the State said the sink was fine so Matt will present that to the Joint Commission. The certificate is for three years.
5. 340b not near as profitable as in the past, Edwin has spoken about the program already. Probably at the next board meeting Matt will bring recommendations depending on what we find. As we know the 340b program at some point Ridley's and Economy Drug will be asked to leave the program, SunRx only lets them get so far behind which is around \$100,000.00 which is what the dollar figure was last time. When the two pharmacies get to \$100,000.00 to \$150,000.00 past due then SunRx usually asks them to leave the program. Matt will continue to investigate and will have some recommendations to share at the next board meeting.
6. The second fiber line has now been installed, we now have a backup fiber optic line in the hospital. The internet speed is around 300 megs per second and the download speed is faster; it is nice to have the backup.
7. Winnemucca just hired a new CEO, he is retired and decided to come out of retirement. Matt was unsure of his name, will be starting soon.
8. Battle Mountain fired their new CEO who has only been working for 60 to 90 days.
9. Community flu shots are here, Daren (the hospital pharmacist) has been working on a plan to meet State requirements for distribution; in order to give the flu shots it must be an emergency exercise. A meeting was held with other community entities' and the County would like it to be an emergency exercise for them. The plan is back to square one and needs to be submitted to the State for approval. The flu shot clinic is at least 3 to 4 weeks away.
10. The ENT Physician, Dr. Porter should be able to start in October/November.
11. Robert Winder the maintenance supervisor is retiring and Skip Cunningham has accepted the position of maintenance supervisor.

E. Correspondence Received Since last meeting:

- 1) A thank you note from the Pershing General Hospital for allowing them to attend the HCPro Training.

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

- 1) **Next Regular Meeting – Monday October 23, 2017 at 5:00 p.m.**

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

MOTION: Vice-Chairman Rowley moved to approve the scheduling of the next Regular Board of Trustees meeting for Monday October 23, 2017 at 5:00 p.m. The motion was seconded by Dr. Mike Mugosa and carried.

G. Board Comments: Vice-Chairman Rowley is excited about bringing billing back into the hospital, a lot of work has been done and it sounds great. Trustee/Secretary Gianoli also expressed her excitement.

H. Staff Comments: Dr. Valerie Miller likes the idea of billing in house, she wondered as we get going if a process would be put into place to check the Providers' documentation to make sure it supports the charges and that we are not missing anything. Edwin assured her it will be an ongoing process and part of the revenue cycle process.

Dr. G. Norman Christensen stated that under the Board Committee Principles the policy was generated by Gary Fairman, Attorney (for the hospital at the time) and the Administrator to take care of some rogue board members.

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

J. 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: 6:05 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