

**Mountainview Medical Center
Board of Directors Meeting
November 30, 2016**

Present: Bill Galt, Rick Seidlitz, Otto Ohlson, Chris Schlepp, Dave Wendt, Tanya Hill, Bill Schendel, Shane Sereday, Rob Brandt – CEO, Tony Pfaff– Cypress Healthcare.

Absent: Helen Hanson

Guest: Wayne Hiatt - Wipfli

1. Call to Order

Bill called the meeting to order at 4:00 p.m.

2. Minutes

Rick moved and Chris seconded to accept the minutes of 10/26/16 as presented. **Motion Passed.**

1. DON Report

- Staffing has remained the same, we are using travelers, still down 1.5 RNs and 1 LPN. One LPN is semi retiring in mid-December, so will be short LPNs also.
- Due to high census and acuity extra CNA help was used.
- Project with Kyle to improve processes with central supply and distribution; has been a huge help and cut down on a lot of time and complications.

2. Financials ~ October

- Revenue: hospital \$396,969; clinic 59,399; net \$436,56; was a fabulous month
- Total employee cost: 280,323
- Expenses up a little: \$454,781. A few items that were outliers: cost report preparer \$6K, extra lab coverage, travel nurses 10K, 340b drug expenses, Wipfli assistance. Without those extra expenses, we are in line with previous months.
- 2.9 million total cash
- Loss for the month of \$8,573
- US Bank: just over 1 million: Merrill Lynch: just under 1 million
- Census: inpatient days 21, swing days 90, intermediate days 523, clinic visits 301, AR days 69, 54 ERs.

FY 2016 Audit: Wayne from Wipfli presented the draft audit. Most important is an unmodified opinion, which means statements are correct and in accordance with accounting principles generally accepted - it is what we want. Wayne explained that adverse is bad, and qualified means we didn't account for something along generally accepted accounting principles or rules.

A few highlights:

- Compared to last year, the change in net assets: there was a loss in 2015 and an income this year – which is a positive.
- Cash flow statement – moved from accrual to cash basis. Net cash \$570,526; used 90K. Cash at the end of the year went up, that's a positive.

- Footnotes: all the same as previous years. Next year there will be some changes for not for profit entities regarding restricted revenue. It won't affect us as we currently have no restricted net assets.
- Our long term debt is paid off.
- Days in AR are down from last year (61 to 41). Which means are generating cash and collecting money.

Bill asked what the industry standard was for AR days. Wayne stated that in comparison to other CAHs around us that 41 is as low as they have seen. Typically anything from 40-65 or 70 is good. But this number needs to be looked at on a month to month basis; to see if we are consistent. 41 is good but 63 isn't even bad.

The Board needs to accept the audit to bring it out of a draft version. A motion is needed. Rick moved to approve the Fiscal Year 2016 audit as presented. Shane seconded.

Motion Passed. Hard copies and a pdf version will be sent next week.

3. Quality

Variance report: patient falls are at 4 this month, with our patient load and size is not out of line, but higher than we would like. A program is being worked on that will include providers, PT and a few other staff to see what we can do to prevent falls. We want to take care of our own and be proactive. Med errors were due to us being out of med or it not being in stock. Kari Jo and Kyle are working on this issue.

4. CEO Report

Employee Health Insurance: have new plan with Blue Cross Blue Shield. The increase overall is only \$2k per month. We dodged a bullet of a large increase for the next year unlike a lot of others. The deductible did go up, but we were able to get a good pharmacy plan.

Physical Therapy: currently we have one Physical Therapist and one Assistant. With the reoccurring, inpatient and outpatients Rob is proposing we advertise and hire another Physical Therapist. Doug has to do the bulk of the work and needs help. From a cost report perspective it will be a wash for what we are paying the Assistant now. He would remain on a casual basis.

A larger space is also needed and part of the proposal is to remodel the activities area with the Bair grant next year and would depend on the funds available. Currently they don't have a lot of equipment and would make easy patient access to area.

They are currently scheduling out 2-3 weeks; when we were running 6 swing beds we had to cancel some outpatient visits. We could also see swing beds for a longer period of time every day, as well as maximize long term care patients and employee health and wellness. It would be a big benefit.

Otto noted that Scott has a following, he realizes Doug's problem, but a lot of people like Scott. Question was asked if there was a way to keep him and not replace him, the program may suffer. It is a hard conversation, but the plan is to add a Physical Therapist, we may have to cut back him back and base his usage on the patient load, and use him as needed. They would hate to lose him. Rob noted that even if we did hire another Physical Therapist there would be an evaluation period of a minimum 3 months. Plan is for all three positions to be filled.

Meissner starts in January and referrals will increase as he is a high utilizer. Also, if we increase the space, going along with the theory, if we built it they will come.

No board action is needed, this is a discussion as this is not a light decision. The next step is to advertise. Doug is maxed out, just like some of our nursing staff and can't take vacations.

2013 Community Health Needs Assessment: The IRS is going back and has asked for the assessment. NMHA completed it for all regional hospitals in 2013. We have found the aggregate report for everyone, but can't find the specific one for Meagher County. We are trying to resolve this and wanted to make the Board aware. We are in the clear and getting it taken care of. There has been a lot of change over with the NMHA.

Information Items:

Traditionally the December meeting is cancelled. Rick commented that as long as nothing comes up he's good with that. The finance meeting will still be held. Everyone agreed.

Public comment – none present.

Motion to adjourn into executive session at 4:22 p.m.

4:26 p.m. reopened. Motion made to accept higher of two bonus proposals by Rick and seconded by Chris. **Motion Passed.**

Meeting adjourned.