

**Granite County Hospital District
Board of Directors
Meeting Minutes –DRAFT-
Tuesday January 29, 2019**

Present:

- Mr. John Barbara (Board Chair)
- Mrs. Vivian Krouse
- Mrs. Kristi Mainwaring
- Mr. Jim Waldbillig

Absent:

- Genevieve Kulaski

A quorum of the Board was present.

The meeting was called to order by John Barbara on January, 29, 2019 at 5:30 pm. The meeting was held in the Granite County Medical Center Conference Facility in Philipsburg, MT.

The minutes from the December, 18th, 2018 meeting were reviewed. Vivian Krouse made a motion to approve them as written. Kristi Mainwaring seconded the motion. The motion passed unanimously.

Standing Items

Administrator's Report:

Maria Stoppler, CEO, DON, RN, presented her Administrator's Report. (Please refer to the posted report for details. Please note typographical error on the first sentence showing date as 2018, it should be 2019.)

Financial Report:

Brenda Peyton, JCCS accountant, presented the financial report. (Please refer to the posted report for details.)

Brenda explained that JCCS has introduced new reporting software and asked the board to consider what sort of new reports they would like to see and what sort of reports would be helpful for the general public. She pointed out that pages 2 through 8 of the financial report packet are new material that is still in the evaluation stage. When finalized it will be included for public circulation.

Brenda noted that Clinic and Hospital visits were down which will affect revenue but swing-bed billable days were above target. Kristi Mainwaring asked what the swing-bed numbers were for last year. Brenda said that historical data was still in process for the new reports but that it would be available next month. ER visits and long-term care numbers were good. Brenda noted that the year-to-date report shows 8 income targets to be on track with 4 of them in the high and critical areas of financial impact, three in the medium area. The majority of those that are off-track are in the low impact area.

John Barbara asked Maria if she had received anything from Saint Pats regarding the outstanding balance with regards to preparing a promissory note? Maria said she had not received anything yet.

Brenda referred to the balance sheet and noted that December revenue was only slightly below target in spite of the decrease in hospital days and the loss for the month was just slightly above the budget. Year-to-date revenue is 5.6% above budget and YTD net revenue at about 15% ahead of budget.

John Barbara asked Brenda if the hospital usage had been where we expected do we have any idea where we would be for the month? Brenda said that there is a report available in Athena that breaks down the revenue per visit and she is working on getting that into the targeted utilization so we can do those type of comparisons.

Brenda noted out that the Revenue Analysis forecast, based on the current trend, shows the year-end revenue to fall short of the budget but this could change with just a couple good months like October and November were.

Maria Stoppler noted that, historically, December, January and February are not good income months with the beginning of a deductible year and the holiday season. Usually utilization picks up in April, May and June.

Brenda noted that the Profitability Analysis shows the expenses to revenue ratio at 108% with the break-even point at \$392K and our revenue below that at \$355K. Jim Waldbillig asked if this was over a 30 day period and Brenda confirmed that it was but that she can customize it for 60 days or longer if desired. Brenda said she would pull up that report for 6 months and see what that looks like. Kristi Mainwaring noted that longer period would be helpful but that the revenue is the issue, not the cost and that this report helps to clarify what we have to do. Kristi asked where the traveling staff expenses are recorded and Brenda said the traveler expenses fall under purchased services, not personnel costs. Maria Stoppler suggested that the purchased services be broken out in more detail so that traveler expenses can be identified since it is going up. Brenda said that JCCS has some new cash-flow reports available too but that they will take some time to prepare.

John Barbara asked about the balance of the legacy AR. Brenda recalled that it was down to approximately \$200K since the effort had been made to reduce it last Fall. It has not changed much since last November.

Committee Reports

Finance Committee:

John Barbara and Kristi Mainwaring have contacted a consultant named Jim Blackwood of Sunflower Management Inc. in Mississippi who specializes in assisting financially troubled critical access hospitals. Mr. Blackwood can provide a list of possible services if the hospital will provide a variety of financial and demographic reports. John Barbara circulated a list of the reports that will be required and asked if there was any objection from the board in providing them. The list of reports included: Medicare Cost Report, Audit Report, Balance sheet and P&L, Patient Volume, Payor Mix, Market Share Information in the primary and secondary service areas. Jim Waldbillig noted that all the reports listed in the request are already in the public domain so there should be no problem sharing the reports so long as there is no HIPAA-sensitive information involved. There were no objections from other board members and John will proceed with providing the reports to Mr. Blackwood.

Policy Committee - Mainwaring
No Report

Quality and Safety Committee - Krouse
No Report

Facilities - Waldbillig
No Issues to report.

Marketing Committee - Kulaski (absent)

Kristi Mainwaring reported that the committee had it's first meeting yesterday, 1/28. G. Kulaski lead the meeting. In attendance were Shirley Cornelius, Maria Stoppler, Jim Jenner, Dave Lee, and John Shouden. The topics covered included: The need for SWAT analysis, need for qualitative, person-to-person survey information, staff surveys. The meeting started off with the consensus that, after the weak results of the last levy election, the District can't afford to ask the public for money again. It needs to find a way to operate without asking the public for tax money. The committee want's to educate the locals, update the web site, create a 2019 calendar of events and activities. Set a goal to maintain the current customer base and reach out to meet expectations. We have to not let them go away, we have to bring them back. The committee will analyze front-desk customer service staff job descriptions, benefits and staffing to improve customer service because it is absolutely critical for PR; the customer's first impressions and final impressions in terms of service are everything. Implement before appointment and after appointment calls and customer followup plans. Also a goal to reach out and recruit customers who don't or won't use the hospital's services. We all know from the reports from prior years

that it is all about word-of-mouth and the right dialogue. Change incorrect perceptions and narratives about the hospital and use feedback to create a marketing campaign that can include testimonials. Market PT and local labs and physician referrals as convenience values for the community. Improve the HR marketing because quality staffing is critical. Develop targeted marketing plans for local residents as well as recruiting from the outside. Use the REACH program to increase volunteers. Work as a committee to fine-tune feedback-driven long-term goals. Eventually it is looking at demographics locally and possibly a new slogan "Your Hometown Healthcare Since 1953". We discussed at length the need to be personal, that is going to make us better than anything. The next marketing meeting will be February 11th and Maria will be giving us lot's of material to work with. We have people in addition to the staff who want to be involved in this narrative. It was a great meeting.

John Barbara said it sounds like it was a great meeting and reiterated two points; that we do have a perception problem which needs to be worked on and his goal, and the goal of the administration, is to get the facility to the point where it is financially secure enough to not need a levy. We have to get there because even if we were to ask for it again in two years there is absolutely no guarantee that it would happen. We need to be prepared.

Technology Committee

- Barbara

John Barbara reported that Dave Lee has prepared a long-term strategic plan for IT and that this will be reviewed before the next board meeting.

Professional Affairs Committee

- Waldbillig

Jim Waldbillig noted that Dr. Christopher Harker has been recommended to be credentialed. (The motion is recorded in the Med. Staff Report, below.)

Medical Staff Report:

Dr. Jones recommended to the board that Dr. Christopher O. Harker MD of Medical Imaging Associates be credentialed as a Tele-radiologist.

Jim Waldbillig (Professional Affairs) asked for a motion to credential Dr. Christopher Harker to the medical staff as a Tele-radiologist as recommended by GCMC medical director Dr. Jones for the period from January 2019 to January of 2021. Kristi Mainwaring made the motion. Jim Waldbillig seconded the motion. The question was called and the motion passed unanimously.

Kristi Mainwaring noted that there seemed to be a lot of respiratory illness going around and asked what was happening in the community with regards to the flu season. Dr. Jones reported that the clinics were seeing a typical surge of cases of both influenza A and B, peaking around the Christmas holiday and also a few other virus. They were watching out particularly closely this year for possible cases of the recent neuropathy-paralysis virus that affects children.

Dr. Jones noted that the long-term care Residents were doing very well and that they go to great lengths to get everyone inoculated and reduce the risk of infection from the public.

Foundation Report:

Please refer to the Foundation Report section in the Administrator's Report.

Approval of Warrants:

Warrants have been presented and approved.

Old Business

CT Scanner, Great West Engineering Update:

Mr. Bill Lloyd of Great West Engineering circulated copies of the revised site plans for the CT Scanner project that will open for bidding next month. The pre-bid date is set for February 5th at 11AM at the construction site. Bill provided a copy of the formal "Invitation To Bid" for posting on the Hospital District's web site and physical locations. He said the project is a good fit for local contractors and that they should be urged to bid. He expects to have the bids ready for review at the next regular board meeting in February.

New Business

Board Bylaws Review:

John Barbara asked all board members to review the current copy of the bylaws that had been included in their meeting packet and to make suggestions for changes. Kristi Mainwaring will work on creating a mission statement to include in the bylaws. The mission statement and other proposed changes will be reviewed at the February meeting.

Annual News Letter:

Maria Stoppler circulated a partial draft for a proposed news letter. Maria is getting assistance from the Philipsburg Mail with the layout and graphic design. Maria said her plan is to circulate the news letter as an insert in the Philipsburg Mail rather than by mass mailing to save cost. The news letter can also be available in waiting rooms and other points of contact throughout the community as well as on the web site and Facebook page. If necessary a targeted mailing can be done. The news letter will include acknowledgments to donor organizations.

John Barbara recalled that the original plan was to also include some hospital statistics in news letter.

Board Special Meeting, Legal Advisor:

John Barbara said the previous special meeting, scheduled for Jan 22, had to be canceled because it was not publicly posted. A new meeting with the district lawyer, Daniel Aurbach is scheduled for February 12 at 6 PM. This will be an open, special, meeting where Mr. Aurbach will review the legal role and responsibility of a district board.

Maria Stoppler Annual Review:

Maria Stoppler announced that she had changed her preference from a closed meeting to an open meeting for her annual review. Jim Waldbillig suggested that the board perform her review immediately, during the current meeting. John Barbara said that the board was not prepared to perform the review. (more detail needed)... It was decided to conduct Maria's review as part of the agenda for the next regular meeting on February 26th, 2019.

Open Comment

No comments from the public were presented.

Adjournment

A motion was made by Vivian Kruse to adjourn. This was seconded by Jim Waldbillig. The motion passed unanimously and the meeting was adjourned at 7:00 PM.

These minutes have been reviewed and approved by motion of the board:

John Barbara (Chairman of GCHD Board of Trustees)

Date