



BOARD OF DIRECTORS MEETING MINUTES

Tuesday, May 25, 2021

6:00 p.m.

MEMBERS PRESENT:

Mike Lewis
Kenny Ayd
Christina Epperson
Paula Hatfield
Kelly Karcher
Wayne Morris
Greg Muehlenbein
John Warner

MEMBERS ABSENT:

Larry Rowland

OTHERS PRESENT:

Victoria Woodrow, CEO
Justin Epperson, CFO
Patty Blazier, CNO
Glenna Sutton, Compliance Officer
Bryan Russell, Education and Discharge Planning
Jenee Burchell, Quality Director
Bobbie Hamblin, HR
Holly Hubele, ASC

Mike Lewis, Board President, called the meeting to order at 6:00 p.m. This meeting was held at the Hamilton County Schools Administrative Center located at 804 Golf Course Road, McLeansboro, Illinois and will be the site of all future meetings unless communicated otherwise.

Roll call was taken and with a quorum present, the meeting proceeded.

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Topic of Discussion	Description	Action Taken
<u>Public Comment</u>	No comments were made.	
<u>Review of Minutes from the April 27, 2021</u>	Regular session and Executive session minutes were reviewed.	<p>Greg Muehlenbein made a motion to approve the April 27, 2021 Board of Directors Regular Session minutes. Paula Hatfield seconded the motion. Motion carried.</p> <p>Greg Muehlenbein made a motion to approve the April 27, 2021 Board of Directors Executive Session minutes. Paula Hatfield seconded the motion. Motion carried.</p>
<u>April 30, 2021 Financial Statement Narrative</u>	Justin Epperson, CFO, reviewed the April 2021 finances and statistics.	Christina Epperson made a motion to approve the April 30, 2021 Financial Statement. Kenny Aydt seconded the motion.
<u>Balance Sheet</u>	<p>Current Assets Cash – HMHD has an operating cash balance of \$13,240,068 which is an increase of \$200K from the previous month. Accounts Receivables- The net patient receivable balance decreased by \$83K over the prior month to \$1,585,829. Other Receivables- Increased by \$88K over the prior month to \$61K. Inventories and Other Assets- Decreased by \$34K leaving a balance of \$603K.</p>	<p>Christina Epperson made a motion to approve the April 30, 2021 Financial Statement. Kenny Aydt seconded the motion.</p> <p>Roll Call Vote: Christina Epperson-Yes; Paula Hatfield-Yes; John Warner-Yes; Kelly Karcher-Yes; Wayne Morris-Yes; Greg Muehlenbein-Yes; Kenny Aydt- Yes. Motion carried.</p>

<p><u>Balance Sheet (continued)</u></p>	<p><u>Current Liabilities</u> Accounts Payable- \$6.9M is the total in Payables for April which includes</p> <p>Long Term Liabilities- Long-term liabilities are at \$18,365,726, the outstanding amount of bonds payable by HMHD, the Payroll Protection Program (PPP) and the REDLG loan for the roof.</p>	
<p><u>Income Statement</u></p>	<p><u>Gross Patient Revenue-</u> Total revenue was \$2.83M, which was \$39K above budget. Gross Patient Revenue is broken down into two areas: -\$2.7M Hospital Revenue (\$56K above budget) -\$182K Clinic Revenue (\$14K above budget)</p> <p><u>Deductions</u> Contractual adjustments and bad debt allowances are recorded at 51% of gross revenue, which is above the previous month of 48%.</p> <p><u>Operating Expenses</u> Total operating expenses of \$1,579,913 represents an increase of \$88K from the prior month. Employee Benefits (health costs) were above budget, as well as Operating Supplies (COVID) and Equipment Repair (COVID-\$62K to Rend Lake Plumbing and \$16K to Premium Mechanical for negative air).</p>	

<p><u>Income Statement (continued)</u></p>	<p><u>Net Income</u> The net loss of \$65K represents a decrease of \$250K from the prior month.</p> <p>Revenue and allowances were very favorable. COVID expenses were the difference between net income and net loss. The COVID department, which will be reimbursed with PRF money, had over \$90K in expenses.</p> <p><u>Cash Collections</u> Cash collections were \$1.6M in April, down \$400K from last month.</p> <p><u>Cost Report Settlement</u> The template currently shows a receivable of \$200K. The current reserve sits at \$1M.</p>	
<p><u>Final Adjustments to the Bottom Line</u></p>	<p>None</p> <p>Justin Epperson stated that the floor replacement project was recently pushed back due to an IDPH survey. This has resulted in the first phase not yet being completed. The quote for the second phase of the floor replacement will be reviewed at the June 22, 2021 Board of Directors meeting.</p>	

<p><u>PTO Buy-Back for Non-CBA Positions at 100% in Advance of the FY'22 Paid Benefit Changes Discussion</u></p>	<p>On July 1, 2021 the new paid benefit, Employee Time Off or ETO, will begin for non-CBA positions and replace the current PTO. At this time, the FMLA banks will be frozen. Employees will have 8-hours (1-day) of ETO front loaded and will accrue another 24-hours (3-days). Several employees will have too many hours banked prior to the switch over and buyback will need to take place at 100% instead of the current 70%.</p>	<p>Wayne Morris made a motion approve the PTO Buy-Back at 100%. Kenny Aydt seconded the motion. Roll Call Vote: Wayne Morris- Yes; Kenny Aydt- Yes; Christina Epperson- Yes; Paula Hatfield- Yes; Kelly Karcher- Yes; Greg Muehlenbein- Yes; John Warner- Yes. Motion carried.</p>
<p><u>Capital/Building/Grounds</u></p>	<p><u>Med/Surg Room Renovations for Additional Patient Isolation Environments -Preliminary Opinion of Probable Cost</u></p> <p>The Med/Surg renovation for isolation rooms has a probable cost of \$462,790 or \$545 per square foot and is estimated to take 6-months for completion.</p> <p>Included in the costs:</p> <ul style="list-style-type: none">- HVAC/Mechanical \$196,500- Contingency Cost \$54,628- Architectural & Engineering Fees \$43,975 <p>Provider Relief Fund (PRF) money will be used until the PRF end-date that is currently set for June 30, 2021. If PRF money cannot be used, the project will become an operational expense and can be depreciated out over 20-30 years.</p>	<p>Wayne Morris made a motion to approve the Preliminary Opinion of Probable Cost of \$462,790. Greg Muehlenbein seconded the motion.</p> <p>Roll Call Vote: Wayne Morris- Yes; Greg Muehlenbein- Yes; Kenny Aydt- Yes; Christina Epperson- Yes, Paula Hatfield- Yes; Kelly Karche- Yes; John Warner- Yes. Motion carried.</p>

<p><u>Fiscal Year '21-'22 Operational Budget Presentation</u></p>	<p>Discussion took place with Department Directors and updated expenses were received. COVID expenses have been subtracted from last year due to the anticipation of not having COVID expenses reoccur. Salaries are 2% higher than last year.</p> <p>Wabash Christian Village terminated lab services with HMHD effective June 30, 2021 and this will be a monthly loss of \$13K.</p>	<p>Kelly Karcher made a motion to approve the FY '21-'22 Operational Budget. Christina Epperson seconded the motion.</p> <p>Roll Call Vote: Kelly Karcher- Yes; Christina Epperson- Yes; Kenny Aydt- Yes; Paula Hatfield- Yes; Wayne Morris- Yes; Greg Muehlenbein- Yes; John Warner- Yes.</p>
<p><u>COVID-19 Response</u></p>	<p>Victoria Woodrow, CEO discussed the current COVID-19 Response and Provider Relief Fund (PRF) Planning.</p> <p>The department of Health and Human Services (HHS) will likely delay COVID-19 PRF true-up until 2022 per CliftonLarsonAllen (CLA) Audit Firm. Announcement of the date will be forthcoming.</p> <p>One -Stop Flooring Project #2 quote will be taken to the June, 22, 2021 Board of Directors meeting. The quote will include heat welded hospital and clinic restrooms, remaining ED patient rooms, ED nursed station, ED waiting room, facility soiled utility, operating rooms, pre and post op areas.</p>	

<p><u>COVID-19 Response (continued)</u></p>	<p>Vaccinations –HMHD is now offering both Moderna and Johnson & Johnson. Vaccinations for the public will be scheduled weekly at both HMHD clinics. To schedule a COVID vaccine, call 618.643.5859.</p> <p>Patient Care Staffing is now stable with COVID incentive ending June 30, 2021.</p> <p>Permanent negative-air rooms for Med/Surge are in architectural planning.</p>	
<p><u>Reports</u></p>	<p><u>Quality & Performance Improvement Report</u></p> <p>Jenee Burchell was introduced as the new Quality Director.</p> <p>It was stated that the Illinois Department of Public Health (IDPH) unannounced Critical Access Hospital (CAH) recertification survey began on Monday, May 17 and was successfully completed on Thursday, May 20. No significant deficiencies were identified with one deficiency overall.</p> <p>Review the Quality and Performance Improvement Report took place:</p> <p><u>Fiscal Year '20 - '21</u></p> <p><u>Radiology Goals:</u></p> <p><u>Patient Experience</u></p> <p>Echocardiogram report interpretation times will be completed in less than 48</p>	<p>Wayne Morris made a motion to approve the Quality and Performance Improvement Report. Christina Epperson seconded the motion. Motion carried.</p>

<p><u>Reports (continued)</u></p>	<p>hours or 2 complete business days. Goal: 48 hours or two complete business days Results: 100%</p> <p>Population Health Radiology department will maintain the previous number of mammograms of 95% of FY 2019. Goal: 2 Results: 100%</p> <p>Reducing Cost Radiology will maintain pre-authorizations completed at 100%. Goal: 100% Results: 100%</p> <p>Care Team Well-being A departmental Needs Assessment will be completed one time per year. Goal: 100% Result: 100%</p> <p>Performance Improvement Committee Teams (PIC) continue to meet:</p> <p>EPIC Steering Team: HMH vendor identification for data conversion of CPSI and NexGen patient information on-going between Citi and Harmony. Letter of Intent requested between SSM and HMH to begin price estimation of data conversion required for Epic migration. Imaging PACs migration to Sectra in</p>	
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<p><u>Reports (continued)</u></p>	<p>advance of Epic project kick-off began 5/13. HMM Business Office conducted site visit to Clay County Hospital to view Epic financial environment. Meeting weekly for Epic migration planning continues.</p> <p><u>Compliance Report</u> Glenna Sutton, Compliance Director, stated that there were zero compliance issues for April and no calls were received to the compliance hotline.</p>	<p>Kenny Aydt made a motion to approve the April 2021 Compliance report. Paula Hatfield seconded the motion. Motion carried.</p>
<p><u>Policies</u></p>	<p><u>RHC Respiratory Room</u> Purpose: To decrease exposure of staff and other patients to communicable respiratory illnesses while in the Rural Health Clinics.</p> <p><u>RHC Telemedicine</u> Purpose: To provide quality patient care utilizing telehealth technology in our Rural Health Clinics.</p>	<p>Wayne Morris made a motion to approve the RHC Respiratory Room policy. Christina Epperson seconded the motion. Motion carried.</p> <p>Wayne Morris made a motion to approve the RHC Telemedicine policy. Christina Epperson seconded the motion. Motion carried.</p>
<p><u>May 2021 Medical Staff Appointments and Withdrawals</u></p>	<p>The May Medical Staff Appointments and Withdrawals were approved by the Medical Executive Committee on May 4, 2021.</p>	<p>Christina Epperson made a motion to approve the May 2021 Medical Staff Appointments and Withdrawals. Kelly Karcher seconded the motion. Motion carried.</p>

