

BENEWAH COMMUNITY HOSPITAL
GOVERNING BOARD MEETING
Thursday, May 23, 2019, 7:30 a.m.
Francie Walters Board Room, Benewah Community Hospital, St. Maries, Idaho

MINUTES

Present:	Dan Hammes David Cox Peggy Cuvala	Carol Humphrey Ron Hodge	Mike LaPlante Richard Schumacker
Staff:	Liz Sellers Dr. Bill Wheeler Tyson Frodin	Lori Minier Kristi Masterson	Kent Long Rebecca Plante
Other:	Nancy Wolff, Hospital Legal Council Luke Zarecor, Owner, Dingus, Zarecor & Associates Clint Moquist, Senior Accountant, Dingus, Zarecor & Associates		

1. **Call to Order** – Chairman Hammes opened the meeting at 7:36 a.m.

2. **Regular Session**

Hodge noted that an action item from the May Medical Staff meeting was left off the Board agenda. Plante agreed that the item was missed by mistake and needs to be added to today's meeting agenda for action. A **motion** made by Hodge, second by Humphrey, to approve adding agenda item 6.3. Adding ER Privileges, Dr. Edward Moellmer, M.D. The motion passed.

3. **Approve Minutes** – A **motion** made by Hodge, second by Schumacker, to approve the meeting minutes from April 25, 2019. The motion passed.

4. **340b Program Update** – Frodin distributed a revenue report for 340b since January 2019, broken out by month. As of May 22, we have seen over \$160,000 in revenue. Subtracting fees, our net is \$141,000 year-to-date. Frodin has been in constant communication with Chad Brown at Jack's Pharmacy to make sure we are both capturing the appropriate revenue; discussion followed. Discussion regarding PotlatchDeltic and efforts of trying to capture their business. The Board thanked Frodin for this efforts and success in the 340b program. *Frodin exited at 7:47 a.m.*

5. **Open Forum/Visitors** – None

6. **Medical Staff** – Dr. Wheeler presented the following Medical Staff files:

6.1. **Initial Appointment**

6.1.1. **Peter Edmund Razma, M.D.** –The Medical Staff recommends Dr. Razma's initial appointment to the Medical Staff. A **motion** made by Hodge, second by Cox, to approve Dr. Razma's initial appointment to the Medical Staff. The motion passed.

6.1.2. **Direct Radiology Schedule 1** – Direct Radiology is adding providers to their Schedule 1 of providers who read for BCH. A **motion** made by Humphrey, second by Hodge, to

approve Direct Radiology's updated Schedule 1, adding providers Kenneth Edgar, MD and Faranak Sadri Tafazoli, MD. The motion passed.

6.2. Reappointments

6.2.1. **Robert Zurcher, MD** –The Medical Staff recommends Dr. Zurcher's reappointment to the Medical Staff. A **motion** made by Cuvala, second by Humphrey, to approve Dr. Zurcher's reappointment to the Medical Staff. The motion passed.

6.2.2. **Michael Coats, MD** –The Medical Staff recommends Dr. Coats' reappointment to the Medical Staff. A **motion** made by Cox, second by Schumacker, to approve Dr. Coats' reappointment to the Medical Staff. The motion passed.

6.3. Adding ER Privileges, Dr. Edward Moellmer, M.D. – Dr. Moellmer is willing to work an occasional ER shift if we have a need. The Medical Staff recommends the addition of ER Privileges for Dr. Moellmer. A **motion** made by Hodge, second by Schumacker, to approve the addition of ER Privileges for Dr. Edward Moellmer, M.D. The motion passed.

Dr. Wheeler expressed his appreciation for Dr. Wester and his commitment to BCH. Wheeler stated that all the ER docs are great to work with.

7. Board Committee Reports

7.1. Performance Improvement Committee – Schumacker stated that the PI Committee did not meet in May as Masterson was attending a Cerner training.

7.2. Finance Committee – The Finance Committee met this morning, prior to the Board meeting.

7.2.1. **Approve April Financials** – A **motion** made by Humphrey, second by Cuvala, to approve the April Financials. The motion passed. Hammes expressed his appreciation for staff, congratulating everyone on improvements. *Wolff entered at 7:54 a.m.*

7.3. Board Nominations and Bylaws/Policy Committee – Plante will be getting a meeting set-up for the committee.

7.3.1. **Governing Board Term Dates** – Cox distributed a handout listing Board member term dates as three are due to be reappointed July. The committee will discuss terms this month and will request the Board make a recommendation to the Commissioners.

8. Board/CEO Staff Communications

8.1. Board Rounding – Hodge rounded with ER Physician Dr. Craig Burns. Although Dr. Burns only works a couple shifts a month at BCH, he stated that this is a great place to work and he loves it here.

8.2. Follow-up Items

8.2.1. **Provider Access to MediTech** – Dr. Wheeler has spoken with the secretary at KH's Medical Staff office twice, trying to explain to her the access we are requesting. Dr. Wheeler will be trying to talk directly to their Chief of Staff.

8.2.2. **Generic Drug Discussion with Providers** – Dr. Wheeler stated that this will be discussed at the next medical staff meeting.

8.2.3. **Lab Volume Decrease Q1 2019 compared to Q1 2018** – Minier stated that previous report from Cerner had an error and volumes were not down.

8.2.4. **Posey Chairs for Fall Prevention** – Sellers stated that the Posey Chairs are a minimal expense, and we will work on purchasing these.

8.2.5. **RevWorks Update** – Minier stated that Janella Mojica, Our Cerner RevWorks Team Lead, will be onsite June 4th.

8.2.6. **Provider Based Clinic Billing** – Sellers and Minier have not had time to work on this; discussion followed.

9. **Administrative Reports/Questions** – Cuvala attended the recent Idaho Hospital Association meeting in Coeur d’Alene. At this meeting, they went through Medicaid expansion line item by line item. The federal government has to approve these waivers. With the expansions, our county would see an increase of 355 people that would be eligible for Medicaid. Kootenai County would have over 5,000 people eligible. They also recognize that there is a huge issue with insurance credentialing as well as issues with the Board of Medicine and timely licensing; discussion followed. There have been issues with the clinic phones being answered; Sellers is working on this. We have a physician phone interview this evening with a Family Practice Physician available after Residency in August. Looking at scheduling a phone interview with an Internal Medicine Physician as well.

10. Presentation Agenda

Zarecor and Moquist entered at 8:09 a.m.

10.1. **2018 Audited Financials Presentation** – L. Zarecor and C. Moquist presented the 2018 Audited Financials. Discussions regarding aging accounts, write-offs, allowance calculations, Medicare reimbursement and bad debt, and net patient service revenue by payor class. Zarecor stated that they were able to pull great reports for our self-funded insurance, and one adjustment was made; discussion followed. We also had to make one reclassification; adjusting about \$1.7 million out of the County Cash Account, which was showing as an expected payment, it wasn’t really cash or liability, just an internal number we have to build back up to. Cerner will depreciate over three years, which should increase Medicare reimbursement. Zarecor stated that he was impressed that we reduced cost the year of a new EHR conversion, when typically you see expenses rise. We had a good win for self-funded, but this can change at any time. The loss is largely due to Cerner collection issues. Zarecor recommends becoming a part of an accountable care program; discussion followed. There is a new standard for government hospitals. We have to capitalize and depreciate capital items; discussion followed. *Wheeler exited at 8:39 a.m.* Cuvala requested to view our total margin compared to other nearby critical access hospitals in the future. Zarecor stated that he believes we have the capability of breaking even or even having a profit. Discussions regarding long-term debt to net position, operating margin, and days cash on hand. Zarecor is impressed with our FTE number. Discussion regarding the build America bonds. Discussion regarding Cerner experiences at other hospitals. *Cuvala exited at 8:56 a.m.*

10.2. **2018 Audited Financials** – A **motion** made by Humphrey, second by Hodge, to approve the 2018 Audited Financials. The motion passed.

10.3. 2018 Medicare Cost Report – The Auditors stated that if volumes go up, we will likely have money to pay back to Medicare. *Cuvala entered at 8:58 a.m.* The 2018 payable was \$134,369, pretty much a wash due to the 2018 Medicare receivable. The Auditors completed a detailed review as well as a compliance review, QHR reviewed as well. A **motion** made by Humphrey, second by Schumacker, to approve the 2018 Medicare Cost Report. The motion passed.

11. Communications

11.1. BetterCARE Report – Nothing to report.

11.2. Board Education – None.

Hammes called for a short recess at 9:00 a.m.

Zarecor, Moquist, Minier, Masterson, Long exited at 9:00 a.m.

Meeting reconvened at 9:03 a.m.

12. Executive Session

At 9:03 a.m., a **motion** made by LaPlante, second by Humphrey, to adjourn to executive session per Idaho Code 74-206(1)(b) Personnel, Idaho Code 74-206(1)(j) To Consider Contract Matters, and Idaho Code 74-206(1)(f) Meet with Legal Counsel, Pending Litigation, Koroush vs BCH. Roll Call Vote: All ayes. The motion passed.

Present at this time: Hammes, Cox, Humphrey, LaPlante, Hodge, Schumacker, Cuvala, Wolff, Sellers and Plante.

Plante exited at 9:04 a.m.

Sellers exited at 9:16 a.m.

Meeting adjourned at 9:41 a.m.

Respectfully submitted,

Approved by:

Rebecca Plante, Board Secretary

Dan Hammes, Board Chairman