



Board of Directors' Meeting of Tuesday, November 16, 2021

Call to Order

The meeting of the Board of Directors of Henry Hospital District was called to order by Chair DeSmith at 7:00 p.m. in the hospital conference room. Members present at the hospital conference room were: Directors Ann DeSmith, Denise Ward, Doug Ford, Kim Gehling, Dr. Don Ford, Julie Atwell, and Nancy Lang. Directors Duane Olson and Mike Zerull participated by speakerphone. Also, in attendance were Mark Kuhn, CEO; Jodie Criswell, Vice President of Fiscal Services; Hazel Butter, Vice President of Human Resources Julie Theill, Vice President of Rehab and Long Term Care; Dick Stone, Attorney; Kathy Tank, Executive Assistant; and Diane Biellier, Administrative Assistant. Chip Homes, SVP of QHR participated by speakerphone. Randy Stevens, IMRF Representative participated by speakerphone as a presenter. Krista Nixon, Quality Coordinator attended closed session as a presenter.

Education

Randy Stevens gave a presentation of the IMRF pension that highlighted the following:

- IMRF is not state funded, it is independent managed by a Board of Trustees
- There are 660+ public pensions in Illinois – including universities, state employees, teachers, judges, police & fire pensions
- IMRF serves 3,031 units of local government (cities, counties, park districts, school districts (*non-teaching personnel*)). Currently there are 170,735 active participating members and 142,329 benefit recipients
- IMRF is the best funded state-wide system. It currently has \$49.9 billion in assets. 94.1% is funded on a market basis. Every dollar paid to IMRF retirees comes from three sources: 66% - IMRF investment earnings; 23% IMRF Employers; and 11% IMRF members.
- Employers fund benefits for their employees only. This year we are overfunded, so the hospital received a reduced rate for next calendar year per employee compared to other IMRF organizations.

Randy also shared that our hospital is in an enviable position because we are 100% funded. He noted that part-time employees that work under 1,000 hours annually are not required to participate with the pension plan. Randy affirmed that since we originally opted to participate in IMRF, not another pension option as a district hospital. The hospital would need to dissolve the district or sell to a larger system to no longer participate with IMRF. He thanked the board for their time. Discussion ensued. Hazel stated that we offer a 457B plan for staff, however there is no company match or contribution. The hospital does pay the management fees for the account. Currently there are 200+ employees that participate with the investment opportunity. She stated that employees also can decide if funds are pre or post tax. The IMRF presentation was to provide information and no action was required.

Old Business

Investment Report

Nick Emmerson gave an overview of the current hospital investments with Farmers National Bank. He highlighted that the investment portfolio is receiving an average rate of return of 2.19% and one year ago it was 3.07%. Nick referred to the U.S. Treasury yield curve and it displayed the yield on the 10-year note. It is up 1.04% since August, 2020. He stated that the federal interest rate is down and believes it will remain low. He displayed that core inflation is at 4.2%. Feds are scheduled to start raising interest rates in Summer 2022. Currently they are seeing corporation earnings at a record high. The board thanked Nick for his presentation.

Hospitalist Program Update

Jodie Criswell referred to the hospitalist update in the board packet. She stated that the program had an increase in revenue, which correlates to the increase in volumes. She noted that expenses were overbudget, due to the physician fees for contracted providers. This is for the ER doctor coverage, *during weeknights & weekends*. Jodie stated that Rebecca provided the quality data and overall, the physician communication scores have increased since last year. Mark stated that currently four active physicians provide day shift rotation. The program continues to be successful, receiving exceptional patient satisfaction scores. They are reviewing the potential of allowing nurse practitioners to fill this role and will need physician support to help with the set-up. No action was required.

Fiscal Services

Jodie referred to the October fiscal services report in the board packet. The October financials recorded a net gain in the amount of \$208,265 and a year to date gain of \$1,878,574. Total operating revenue was \$4,828,421 versus a budget of \$4,673,485. Inpatient revenue exceeded budget; inpatient surgeries were below budget. Jodie stated that expenses were above budget due to overtime and premium pay, which was attributed to high volumes and the employee pandemic bonus payment. She noted that leases and rental expenses were below budget; a correction was entered for the ROSA & Stryker lease agreements.

Jodie announced that the contract with Wipfli, LLC, (*audit and cost report firm*) was extended three years. This extension was primarily due to the necessity of completing a single audit, which is required due to receipt of federal funds. Wipfli assisted with the federal funds' application process and with fund reporting. Jodie stated that after the three year extension, then RFPs will be sent to other accounting firms.

Jodie reported that RSM consultants completed the I.T. organization review and we are working through the report. An overview of the I.T. audit will be presented at the next board meeting. A meeting has also been scheduled with Meditech in January to discuss the recommendations.

Consent Agenda

Chair DeSmith referred to the following consent agenda:

- a. Quality Council Meeting minutes of November 10, 2021
- b. Executive Medical Staff Meeting minutes of October 28, 2021

- c. Board Meeting minutes of October 19, 2021
- d. Closed Session minutes of October 19, 2021
- e. Operations Review

A **motion** was made and seconded: To approve the consent agenda. The **motion passed.**

Administrative Reports

QHR Report

Chip Holmes referred to his report that was sent to the board members, Chip announced that strategic planning has kicked off, with leadership conversations and sharing of data. The strategic plan process is as follows:

- November – December – Review data (volume statistics, patient focus, patient demographic & geographic, type of payors, etc.)
- Jan – Feb stakeholder interviews (board members, HHH leadership, medical staff leaders, community leaders, etc.)
- Spring – Strategic Planning Retreat – will work together for final product, targeting April completion.

Chips stated that QHR will keep the board informed during the stages of the strategic planning process.

Chip highlighted that the pandemic has been challenging for hospitals. He commended the state of Illinois for being ahead of many states. He is sharing with other hospitals what our hospital has done to regulate COVID vaccination, per state, federal and CMS guidelines. He encouraged the board to read a publication by The Atlantic “Why Healthcare Workers are Quitting in Doves”. He shared that healthcare staff are dealing with moral distress. Many hospitals are struggling with having enough staff and beds for COVID patients. Boards are deliberating through tough times, plus there are supply issues as well. He recognized that the HHH board and leadership team are caring people and stressed the importance of the leadership and governance for your hospital.

Chip thanked the board for completing the CEO evaluation. QHR will work on compiling the results and submit a summary to the executive committee. The plan will then be presented to the full board at the December board meeting. He encouraged the board to attend the QHR Board / Leadership Retreat the end of February.

CEO

Mark Kuhn referred to the information in the board packet. He reported on the following items:

- Clinic volumes remain stable. A new physician assistant has been hired to work at Kewanee Clinic beginning in late November.
- Dr. Snider will transition to Dr. Ford’s role as Medical Director of Clinics and Home Health and the Liaison of HHH physicians and providers. Dr. Snider will also continue as hospitalist and as a family practice medical provider
- COVID-19 Update – encouraging staff to take the booster, due to seeing more breakthrough cases. Staff receiving flu vaccination is 93%. LTC residents and employees have received booster at nearly 100%

- Lab renovation project –redesign plans are finalized. Next step will be for O’Shea to send the project out for bid. The estimated cost is \$750,000. Funding will be provided by community grants, CARES funding grants, and possible USDA funding. We will bring the capital request to the board when bids are received.
- Currently researching if we should purchase ROSA hip software and table for the ROSA robot. More research needs to be completed to determine if it will be feasible and cost/volume justified.

Mark introduced Diane Biellier, who will be Kathy Tank’s replacement with her upcoming retirement. Laura Domino is also retiring and with this change Mark has been restructuring the organization chart. He shared the proposed revisions and new positions. He will keep the board informed of Laura’s replacement and any other changes that may affect the organization chart.

Patient Care & Provider Services Report

Laura Domino was absent. Mark Kuhn referred to the patient care and physician/outpatient services report in the board packet. He highlighted the following:

- COVID-19 update
 - 23 ED COVID patients during October, currently 3 inpatients
 - Henry Country Rate is 6% and 55% vaccinated over 18 years of age
 - 90% employees vaccinated, 37 have medical or religious exemption and all receive weekly testing
 - REAP survey for liability insurance program – full 4% credit was received
 - COVID – Pfizer vaccines for children beginning this Friday and offered every Friday while supplies last

Human Resources Report

Hazel Butter referred to the “Exit Interview” results, which includes the manager comments. They did not discover any new information; the reason for termination agreed with the employee’s reason. She stated that the termination reasons varied and there was no single area to focus on for improvement. She also referred to the department statistics for turnover rates and commended LTC for improving their turnover rate, which in general LTC has had a reputation of high turnover rate. She also recognized that lab and admitting turnover rates have improved.

Rehab & Long Term Care Report

Julie Theill gave a verbal report. Long term Care has had a census average 36 residents for the month of October. There is a waiting list of over 30-32. They continue to follow the COVID testing for those that are not vaccinated. LTC is due for their annual IDPH survey. Weekly testing has begun for all staff entering the unit, to meet COVID protocol. October was a good month for rehab; however, cancellations continue to be an issue. Three positions are open: athletic trainer, physical therapist and occupational therapist. The pool liner is scheduled to be replaced on February 14.

Shining Star

Hazel Butter announced that Lauren VerStraete, RN for Surgery is the December Shining Star recipient.

Board Action

Approval for Credit Card Issuance

Chair DeSmith referred to the request in the board packet of a recommendation to approve for credit card issuance. Jodie stated that currently the hospital maintains two separate credit card processes for purchases. She recommended to consolidate into one program using one vendor. The selected vendor is Blackhawk Bank and Trust. A **motion** was made and seconded: To approve application for credit cards to be issued through Blackhawk Bank and Trust. The **motion passed.**

Approval of Infection Control Practitioner

Chair DeSmith referred to the information in the board packet for the appointment of Katie Gripp, RN to oversee the Infection Prevention and Control Program based on education, experience, certifications, and qualifications as well as the recommendations of the Medical Staff President and Vice President of Patient Care services. A **motion** was made and seconded: To approve the appointment of Katie Gripp, R.N. to oversee the Infection Prevention and Control Program. The **motion passed.**

Approval of October Bills

Chair DeSmith referred to the bills. The total bills for the month of October are \$3,185,571.30. A **motion** was made and seconded: To approve payment of the bills for the month of October in the amount of \$3,185,571.30. On a roll call vote the **motion passed.**

Recess to Closed Session

A **motion** was made and seconded: To recess to closed session at 9:11 p.m. to discuss credentialing of physicians and other healthcare professionals, and discipline or peer review of physician. On a roll call vote the **motion passed.**

Reconvene into Regular Session

A **motion** was made and seconded: To reconvene the regular meeting of the Board at 9:45 p.m. The **motion passed.**

Credentialing of Physicians and Other Healthcare Professionals

A **motion** was made and seconded: To approve the medical staff appointments and reappointments that were discussed in closed session. All appointments/ reappointments will be effective November 30, 2021. The **motion passed.**

Adjournment

A **motion** was made and seconded: To adjourn the meeting at 9:46 p.m. The **motion passed.**

Respectfully submitted by,

Kathy Tank
Executive Assistant