



## Board of Directors' Meeting of Thursday, September 27, 2018

### Call to Order

The meeting of the Board of Directors of Henry Hospital District was called to order by Chair Olson at 6:30 p.m. at the hospital conference room. Members present were: Directors Duane Olson, Ann DeSmith, James Mickley, Janelle Pettit, Dr. Don Ford, Jack Schlindwein, and Mike Zerull. The following board members had an excused absence: Julie Atwell and Denise Ward. Also, in attendance were Mark Kuhn, Chief Executive Officer, Kevin Stringer, HealthTech Vice President; Laura Domino, Vice President of Patient Care Services; Jodie Criswell, Vice President of Fiscal Services; Lisa DeKezel, Vice President of Physician and Outpatient Services; Dick Stone, hospital attorney; and Kathy Tank, Executive Assistant. Charlene Massarolo, Health Information Manager and Greg Voss, HealthTech Vice President attended the closed session.

### Recess to Closed Session

A **motion** was made and seconded: To recess to closed session at 6:32 p.m. to discuss the CEO evaluation and the credentialing of physicians and other healthcare professionals. On a roll call vote the **motion passed** unanimously.

### Reconvene into Regular Session

A **motion** was made and seconded: To reconvene the regular meeting of the Board at 7:15 p.m. The **motion passed**.

#### CEO Evaluation

A **motion** was made and seconded: To approve the CEO evaluation and HealthTech's recommendation on salary adjustment as discussed in closed session. The **motion passed**.

#### Credentialing of Physicians or 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 September 30, 2018. The **motion passed**.

### Annual FY2018 Audit Report

Paul Trazcek, Wipfli, LLP Auditor presented via teleconference the draft of the hospital's fiscal year 2018 financial statements and annual audit results. Paul reviewed the opinion letter, highlighting various aspects of the required communications and summary of any significant accounting estimates. Paul also reviewed the financial performance of the facility. Operating income before pension related expense was \$937,712 for a total. Operating gain of \$3,531,651, which reflects a \$2,593,939 pension actuarial adjustment. Paul then reviewed the ratios, which compared favorably to other state and regional averages. He highlighted that overall, we performed very well financially and have a strong balance sheet and cash position.

Paul further commented that the audit process went extremely well, and that all requested work papers and supplemental schedules were provided by accounting staff as requested and in a timely complete and manner.

Chair Olson asked for a motion to approve the Fiscal Year 2018 Audit Report. A **motion** was made and seconded: To approve the Fiscal Year 2018 Audit Report. The **motion passed.**

Mark commended Jodie for a great audit and Jodie recognized Beth DeBuysere, accountant; Debbie Rowley, accountant; and Michelle Drinkall, payroll clerk for their hard work.

### Consent Agenda

Chair Olson referred to the following consent agenda:

- a. HHH Auxiliary Report
- b. Medical Staff meeting minutes of September 25, 2018
- c. Quality Council meeting minutes of September 12, 2018
- d. Compliance meeting minutes of September 5, 2018
- e. Finance Committee meeting minutes of August 23, 2018
- f. Board meeting minutes of August 23, 2018
- g. Closed Session minutes of August 23, 2018
- h. Operations Review

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

### Looking Back

#### Fiscal Services Report

##### August Financials

Jodie reviewed the August financial statements. There was a net loss for August 2018 in the amount of \$63,128, with a year to date gain of \$291,376, which is \$12,603 above budget. She noted there were three primary reasons for the operating results: outpatient revenues exceeded budget by \$1,082,654; an increase in deductions from revenue; and operating expenses were above budget due to supply and insurance expense. The accrual for provider tail coverage, provider education and surgery liability insurance were under accrued. Jodie also stated that the FTEs were slightly above budget due to the EHR implementation, staff training, and increased volumes.

Jodie noted that there has not been any recent or additional fraud activity on checking account.

##### Clinic Financials

Jodie referred to the clinic services financial report in the board packet. She stated that RHP recorded a net loss of \$98,823 for the month of August. She stated that Geneseo and Wyoming visits were above budget and Kewanee and Cambridge were below budget. Jodie shared that staff has been positive with the recent Meditech EHR implementation on September 4.

Jodie stated that the surgical clinic had a net surplus for August of \$89,567. The budget was \$106,914. She stated that there were 110 accounts outstanding at month end due to provider delays and staffing within health information management.

Jodie stated that the Colona Clinic had a surplus of \$34,927. This was below budget by \$8,345. Volumes were 864 visits versus a budget of 790. Expenses were above budget due to salaries due to an increase in worked FTEs. Annawan Clinic had a loss of \$2,857. Patient visits were 215, which is 6 below budget. There was an increase of 24 patients in August from July volumes in Annawan.

## Administrative Reports

### HealthTech/CEO Report

Mark Kuhn referred to his CEO report in the board packet. He also reported that the ER project design drawings are completed; and by mid-October the architects will complete the construction drawings that will be sent to contractors to bid the project. Construction is scheduled for January. Mark also stated that the USDA loan application was submitted early September and we should hear soon if we are approved. Mark also announced that a pledge of \$100,000 has been received for the project from the Geneseo Foundation and \$50,000 was pledged from an individual donor.

Mark recognized Laura for her work with securing four PRN physicians to provide emergency department coverage. Mark also stated that the new pathologist group will begin to provide phlebotomy services on October 20. He stated that staff will notify all patients there will no longer be separate bill for pathologist professional fees.

Mark distributed information on the upcoming ICAHN conference and stated that board members are invited to attend. This conference is a good method of educating board members on their role of governance. He asked the board members to contact Kathy to assist with enrolling and reservations.

### Patient Care Services Report

Laura Domino referred to the patient care services report and shared a few updates. She stated that the recent EMS Appreciation event was a success with 45 attendees. They are planning for this to be an annual event. Laura stated that with the recent recruitment of four physicians that is it easy to recruit with a great staff and work environment. She stated that Dr. Jeffries, Emergency Department Medical Director, is pleased with the great physicians and staff to provide coverage in the emergency department. Laura also announced that Dr. Dodds began her hospitalist rotation on Saturday. Laura also recognized that the hospitalists' documentation is at 98.8% accuracy.

### Physician and Outpatient Services

Lisa DeKezel referred to the physician and outpatient report in the board packet. Lisa stated that the recent transition for RHP to an electronic medical record went well and she is proud of the team. She noted that the most difficult part now is scanning of the records, and more assistance may be needed for this project. Lisa also shared that Dr. Dodd's new practice is going well and they have had excellent reviews from the patients. The RHP-Geneseo Clinic will begin urgent care hours on October 1 and Lindsay Tapia, N.P. will be the provider on

Monday – Thursdays; Dr Dodds will provide coverage on Fridays 8:30a.m. – 5:30 p.m., with Janelle Olson, PA-C providing early coverage on Fridays from 7 – 8:30 a.m.

### Shining Star

Kathy Tank announced that Andrea Davis, Occupational Therapist, was the October Shining Star recipient. A collaborative team from the laboratory and emergency departments: Sheila Finley, Janet Hahn, Leigh Appleton, and Jenny Smith won the October Team Award.

### Board Action

#### Approval of August Bills

Chair Olson referred to the bills. The total bills for the month of August are \$3,330,035.56. A **motion** was made and seconded: To approve payment of the bills for the month of August in the amount of \$3,330,035.56. On a roll call vote the **motion passed** unanimously.

#### Adjournment

A **motion** was made and seconded: To adjourn the meeting at 8:34 p.m. The **motion passed**.

Respectfully submitted by,

Kathy Tank  
Executive Assistant