



## Board of Directors' Meeting of Tuesday, November 20, 2018

### Call to Order

The meeting of the Board of Directors of Henry Hospital District was called to order by Chair Olson at 7:00 p.m. in the hospital conference room. Members present were: Directors Duane Olson, Ann DeSmith, Julie Atwell, Janelle Pettit, Denise Ward, Dr. Don Ford, Jack Schlindwein, and Mike Zerull. Director James Mickley participated by speakerphone. Also, in attendance were Mark Kuhn, Chief Executive Officer, Mike Lieb, 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 was a presenter at the closed session.

### Medical Staff

Kevin Jeffries, M.D. was not present. Laura Domino referred to the medical staff minutes in the board packet and gave a brief overview of the meeting.

### Consent Agenda

Chair Olson referred to the following consent agenda:

- a. Medical Staff meeting minutes of November 6, 2018
- b. Finance Committee meeting minutes of October 25, 2018
- c. Board meeting minutes of October 25, 2018
- d. Closed Session minutes of October 25, 2018
- e. Home Health Advisory meeting minutes of October 24, 2018
- f. Strategic Planning Committee meeting minutes of October 23, 2018
- g. Operations Review
- h. Community Support Report

Chair Olson asked if there were any revisions or corrections for items in the consent agenda. A board member asked to revise the strategic planning committee minutes for October 23, 2018 by changing the date to November 2018 for implementing and advertising urgent care for RHP-Cambridge Clinic. A **motion** was made and seconded: **To approve the consent agenda as revised.** The **motion passed.**

### Committee Reports

#### Finance Committee

Director DeSmith stated that the finance committee was held prior to the board meeting. There were no action items. Director DeSmith stated that the finance committee received an update on the hospitalist program, investment report and the October financials. No action was required.

## Administrative Reports

### HealthTech/CEO Report

Mark Kuhn referred to his CEO report in the board packet. He said that an O'Shea representative will connect via teleconference during the board action on the agenda to discuss the additional infrastructure cost for the ED project. Mark also updated the board on the recent RHP MD and NP compensation reconciliation. It was determined that moving forward it will be modeled and recommended RVUs for provider compensation will be calculated every six months versus 12 months, with revisions to the provider agreements. A new agreement has been signed with the providers to implement the November and December 2018 RVU payment structure. Discussion occurred regarding Cambridge volumes and Mark stated that marketing has been increased for this clinic and a detailed progress report will be presented at the January or February board meeting.

### Patient Care Services Report

Laura Domino referred to the patient care services report. She announced that the backup flash sterilizer went down at the end of last week. A backup sterilizer is required per our accreditation and due to the schedule of surgeries. A quote was received from Vizient for a refurbished Steris sterilizer. She shared the following quote with the board members: Steris sterilizer - \$26,865.25; deinstallation old equipment - \$736; installation new equipment - \$1,045; installation small steam sterilizer - \$3,384.62; and one-year maintenance - \$709.80, for a total cost of \$32,740.67. Laura recommended for the board to approve the emergency purchase of the flash sterilizer, which was budgeted as a contingency item, at a cost of \$32,740.67. A **motion** was made and seconded: To approve the purchase of a flash sterilizer, not to exceed \$32,740.67. On a rollcall vote the **motion passed**.

Laura also gave an overview of a recent state voluntary emergency preparedness drill for an active shooter. Areas of opportunities were identified to improve Hammond-Henry's mass communication and lock down process. Laura shared that the 340b program is progressing and the first retail prescription was ordered and went well. She stated that compliance tools will be developed for a transparent audit trail. Discussion ensued. No action was required. Laura also updated the hospital on the pain clinic progress and said that the clinic is booked for the remainder of November.

### Physician and Outpatient Services

Lisa DeKezel referred to the physician and outpatient report in the board packet. Lisa shared that the REAP audit went well and the hospital should receive a credit on their professional liability insurance premium. Lisa stated that RHP process improvement work continues for the new EHR system and to possibly lessen scanning needs. She stated they are considering purchasing a voice recognition transcription product to assist physicians with documentation.

Lisa also reported that architect work continues of the Kewanee RHP expansion project. Research work also continues for the relocation of the Annawan Clinic and she will bring a proposal to the board once the terms are agreed by all parties.

### Shining Star

Kathy Tank announced that Colleen Comeaux, PTA (physical therapist assistant) was the December Shining Star recipient and the medical/surgical department won the December Team Award.

## Board Action

### ED Project – Updated Statement of Probable Costs

Tim Hickey, O'Shea Builders representative joined the meeting via speakerphone. Mark referred to the revised statement of probable costs. He shared with the board that the ED project has evolved with many architect & builder sessions. He asked Tim to provide an overview of the proposed revisions for the ED. Tim stated the schematic designs were originally budgeted at \$1.3M. He stated that through several user meetings, room by room upgrade items, and baseline digital controls have been identified and tracked which then brought the project up to \$1.4M. He stated that a request was made to consider replacing the outdated pneumatic valves and controls with electronic to tie in the with the current direct digital control system. He stated that the new HVAC system and controls would have an energy savings and the proposed HVAC replacement only involves the ED department area. Discussion ensued with regards to postponing the HVAC upgrade or to proceed with replacing at this time. Tim Hickey stated that their team's recommendation is to proceed with the total replacement and incorporate this upgrade into the project. The upgrade cost for the mechanical infrastructure items is estimated at \$210,000, which would bring the revised probable cost to \$1,540,789. It was noted that the total cost also includes \$45,000 for contingency costs. He stated that if the HVAC system is postponed five years, the replacement cost would be higher at approximately \$250,00, plus a 4 percent increase each year and there would also be an interruption with ER services. Discussion ensued. The board asked what the proposed timeline would be if it was decided to move forward with the HVAC replacement. Tim shared the proposed timeline:

- Construction documents would be completed before Christmas.
- Bids would be sent out to subcontractors and would collect bids by January 20.
- One week to vet the bids and at that time would then present a guaranteed maximum price.
- Construction could begin on February 4.

The board discussed further the funding of the project. The funding for the project will be \$1M – USDA interest free loan; \$150,000 Geneseo Community Foundation funds, \$150,000 HHH Foundation funds, and the remainder \$250,000 would be paid with cash reserves. Chair Olson asked for the board to make a decision tonight with regards to keeping on schedule with the project or if it should be delayed 30 days. Discussion ensued. A **motion** was made and seconded: To approve the revised statement probable cost of the ED renovation project, at a cost of \$1,540,789, which includes the replace valves and controls for the HVAC system. On a rollcall vote the **motion passed** unanimously.

### Approval of October Bills

Chair Olson referred to the bills. The total bills for the month of October are \$2,987,051.06. A **motion** was made and seconded: To approve payment of the bills for the month of October in the amount of \$2,987,051.06. On a roll call vote the **motion passed** unanimously.

### Recess to Closed Session

A **motion** was made and seconded: To recess to closed session at 8:28 p.m. to discuss credentialing of physicians or other healthcare professionals and compensation of employed physicians. 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 8:53 p.m. 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 November 30, 2018. The **motion passed**.

### Adjournment

A **motion** was made and seconded: To adjourn the meeting at 8:55 p.m. The **motion passed**.

Respectfully submitted by,

Kathy Tank  
Executive Assistant