

Southern Coos Health District
Board of Directors Meeting
April 15, 2010 – 7:30 p.m.

Minutes

- I. **Call to Order** - The regular monthly meeting of the Board of Directors for the Southern Coos Health District was called to order at 7:35 p.m. by Chairman, David Allen.

Members present: David Allen, Chair; Brian Vick; Marilyn Noorda; and Bob Hundhausen

Others present: Jim Wathen, Alan Dow; David Koch, Dennis Jurgenson, Carol Acklin, Lonnie Scarborough, Gail McClave M.D., James and Donna Reilly, Darwin Noorda, Paula Smith, Jim Smith, Myra Lawson, Diana Gehring, Linda Olsen, Ken Bates M.D., Janet Bates M.D., Monica Reisner, Rayla Albert, and others.

- II. **Public Input** – Carol Acklin told those present that regarding the Med scholars and scholarships, Bandon High School belongs to a statewide program that helps students prepare materials for scholarships. She would be happy to provide you with the names of the two documents that you could read. It would give you an idea what these kids want to do with their lives, what they have already accomplished. The Foundation director could administer that and if you collect these things, you would be amazed at the wonderful kids we have in Bandon. She then thanked the engineering department for fixing a potential problem she had brought to their attention. Myra Lawson thanked the Board for putting the notice of the Board meeting in the Coffee Break. Jim Smith had read a Harvard study regarding health information technology savings. It was based on the American Journal of Medicine, Nov. 9, article. He then passed out the article to the Board.
- III. **Approval of Consent Agenda** – Mr. Allen asked if there was any discussion. Being none he said he would entertain a motion to accept the agenda. Mr. Vick **Moved** to accept the Consent Agenda. Ms. Noorda **Seconded** the motion. Motion passed unanimously.

IV. **Staff Reports**

CEO Report – Mr. Wathen added to his written report, and said they are in the process of discussing and analyzing the stability of the financial institutions we associate with. We are discussing, internally, whether we will issue Requests For Proposals from all locals bank to determine if moving funds would benefit us over the long term. If we determine it is in the best interest of the District, we will approach the Board at a future meeting for approval to generate the RFP. Staff Satisfaction Surveys will be given to all departments over the next 10 days. Results will be available in May. Mr. Wathen then informed the Board of events going on now and over the next few months. Our art show opened on Sunday, April 11, and was a huge success. He gave a huge thank you to Victoria Tierney for her continuing work in bringing these terrific art shows to the hospital. It

draws people to our facility who have no need of health care, allows people to become familiar with us, and it provides a great deal of satisfaction to the patients. Evidence shows that a patient's care and recovery are enhanced when they get something nice out of that. It is good for us and it is good for our patients. We owe a debt of gratitude to Ms. Tierney for her participation. We had our most recent "Passport to Chronic Wellness" program this past Tuesday. He then thanked Tristan Proett of South Coast Rehab and Stephanie Polizzi for their participation in the program. We kicked off a new program, indirectly tied to the 'Passport' program called 'Living Well With Chronic Conditions'. This is a 6-week series with one presentation each week, providing skills and tools to deal with chronic health conditions. On May 15, the South Coast Diabetes Association will hold its 2010 'Diabetes Fun Walk' in Bandon. He encouraged everyone to watch the papers for exact times and events. May 9-15 is National Hospital Week and there will be a drawing for the employees of a 42" LCD TV. TeamSTEPPS - we have had the presentation and we will bring it up again under New Business. Mr. Wathen then asked the Board's permission for a moment of silence for Shelley Ornelas. There was a moment of silence. Mr. Hundhausen asked about the McKesson report and said there was some information that was to be updated sometime this week and asked if there were any significant changes in the report. Mr. Wathen said there were no changes since the report. There will be a Steering Committee meeting next week and if there are any questions or concerns, he will give them any information that comes out to the meeting. Discussion followed in regard to being behind schedule.

CFO Report – Referred members to his report. Monthly gross revenues were over \$2 million for the month and our revenue deductions exceeded \$700,000, both are first time events. A \$100,000 unemployment insurance refund kept our bottom line positive. We had a positive net operating income of \$16,350, and our 9-month YTD operating income is a negative (\$75,395). Cumulative YTD net income is a positive \$269,039. Total revenue was higher than February by \$333,575 and higher than budget by \$322,074. We had 34 surgery cases, the highest for the last twelve months. March operating expenses were higher at \$63,588 and (\$25,113) lower than budget. Bad debts for March (\$62,164), lower than last month and (\$40,158) lower than budget. **Total revenue deductions (including Bad Debts) were higher than the previous month at \$221,101 and \$288,048, higher than budget.** We were at an all time record of over \$1.7 million collected for the month, and up \$643,112 from February. Days in Accounts Receivable fell from 85 days to 71 days. The Budget Committee meeting is April 29 starting at 5:30 p.m. with dinner and the meeting starting at 6:30 p.m.

CNO Report – Thanked everyone for their tremendous outreach during nursing's time of loss. Discussion followed about the reason for the increased ER patients.

Medical Staff – Dr. Janet Bates discussed the letter she had written to the Board regarding handing off patients to the Hospitalist. Said it would be discussed at the Medical Staff. She questioned putting the Surgery Report in the Board packet, saying there is a possible risk of patient confidentiality. Mr. Wathen said the surgery report could be excluded. Ms. Noorda **Moved** to have the Surgical Services report removed from the Board packet or at least have it summarized under surgeries performed. Mr. Hundhausen **Seconded** the motion. Motion passed unanimously. Dr. Bates continued saying they are working on an issue,

with insurance companies we are working with who are getting summaries and refusing them based on not enough detail on something we have used. We are getting into an area where physicians may have to call insurance companies. She will be presenting this issue with the Medical Staff next week. She then gave an example that a monitor was used, but we said nothing in the report that the patient had a heart attack.

V. Old Business – Property Acquisition – Mr. Wathen shared that this pertains to an issue that was discussed in Executive Session at the March meeting. There are two individuals who are involved and want to sell their property on the west side of the District property and the east side of June Ave. The asking price is \$139,000 for the two separate lots. Discussion followed as to why we want to acquire the property, the feasibility of buying the property, and the additional costs that could be involved. Mr. Wathen made a recommendation that the Board allow us to move forward with the purchase of the two lots. Mr. Vick **Moved** that we make an offer of 15% below the asking price. Mr. Allen **Accepted** the motion. Mr. Hundhausen asked that we table the motion until we have a full Board. Mr. Vick felt it was not necessary to table the motion since we are only making an offer. Ms. Noorda wanted to make an offer less than Mr. Vick suggested. Mr. Allen suggested 20% below asking price. Mr. Vick **Amended** his motion to ask for 20% less than the asking price. Motion carried 3 to 1, Mr. Hundhausen voting Nay.

VI. New Business – TeamSTEPPS – Mr. Vick **Moved** for the Hospital to have system wide training. Mr. Hundhausen **Seconded** the motion. Mr. Vick said he was enthused over their enthusiasm and he was 100% for it; money well spent. Mr. Hundhausen said it doesn't sound like a budget breaker. Motion passed unanimously.

Benchmark Reports - National Core Measures and Risk Management Report - Mr. Wathen said the reports are there for the Board's perusal, there was no action needed. There was discussion regarding the Harvard Study.

New Physician – Jeffrey Scott, D.O., has been hired by North Bend Medical Center in Bandon. He will begin his practice on May 10.

Rural Quality Leader Nomination – Last year Southern Coos Hospital was nominated as 'Innovative Leader'. This year we have been nominated for another top, small rural hospital award in the State of Oregon as a Rural Quality Leader. Mr. Wathen said the write-up has been submitted and he will see that the members get a copy of the submission.

VII. Open Discussion

Ms. Noorda – Very pleased to see the TeamSTEPPS presentation.

Mr. Hundhausen – Said to be sure when we go negotiate, that you let them know there was a minority opinion.

Mr. Vick – Regence Blue Cross sent a letter saying they were cancelling his current insurance policy and replacing with a new policy with less benefits and costs \$110 more. His point was that things are not getting any cheaper.

Mr. Allen – There was a superb 2-page item in the Board packet. The article title was 'Don't Take Critical Access Hospitals for Granted'. It describes where Critical

Access Hospitals are, if you read it, you will see we are doing the right things. He recommended the article to everyone. Thanked everyone for their attendance.

VII. Adjournment

Meeting adjourned at 8:40 p.m. The next regular meeting of the Southern Coos Health District Board will be Thursday, **May 20, 2010**, at 7:30 p.m. in the Conference Room.

David R. Allen, Chairman

Vicki Gernandt, Secretary