



AGENDA
COMMUNITY HEALTH SERVICES BOARD
Library Conference Room
SPECIAL MEETING
February 19, 2014 at 6pm

At CCMC, we believe that healthy people create a healthy community.

President
 David Allison
 term expires 03/14

Vice-President
 EJ Cheshier
 term expires 03/15

Secretary
 David Reggiani
 term expires 08/15

Board Members
 Bret Bradford
 term expires 03/15
 Tim Joyce
 term expires 03/14
 Kristin Carpenter
 term expires 04/16
 James Burton
 term expires 03/15

Administrator
 Theresa L. Carté

- I. OPENING**
 - A. Call to Order**
 - B. Roll Call – David Allison, EJ Cheshier, David Reggiani, Bret Bradford, Tim Joyce, Kristin Carpenter, James Burton.**
 - C. Establishment of a Quorum**
- II. COMMUNICATIONS BY AND PETITIONS FROM VISITORS**
 - A. Guest Speaker**
 - B. Audience Comments (limited to 3 minutes per speaker).
 Speaker must give name and agenda item to which they are addressing.**
- III. CONFLICT OF INTEREST**
- IV. APPROVAL OF AGENDA**
- V. APPROVAL OF CONSENT CALENDAR**
 - A. Minutes from January 15, 2014 Special Meeting Pgs 1-2**
- VI. REPORTS AND CORRESPONDENCE**
 - A. Administrator’s Report Pgs 3-4**
 - B. President’s Report**
 - C. Finance Report – Finance report (statistics and P&L report) – Full Year 2013 Pgs 5-13**

- VII. ACTION ITEMS**
 - A. Resolution supporting the Rasmuson Foundation Grant Application Pg 14**
 - B. Re-Credentialing and Privileging of Dr. Susan Beesley**
 - C. Re-Credentialing and Privileging of Dr. Joseph DelZotto**
 - D. Re-Credentialing and Privileging of Dr. David Pedigo**
- VIII. DISCUSSION ITEMS**
 - A. City of Cordova/PHSA Management Agreement and Administrator review – Pgs 15-17
 May be held in Executive Session***
 - B. CCMC Financial Audit review - May be held in Executive Session***
- IX. AUDIENCE PARTICIPATION (limited to 3 minutes per speaker)**
 Members of the public are given the opportunity to comment on matters which are within the subject matter jurisdiction of the Board and are appropriate for discussion in an open session.
- X. BOARD MEMBERS COMMENTS**
- XI. EXECUTIVE SESSION* See (A) and (B) under Discussion Items**
- XII. ADJOURNMENT**

*Executive Session: Subjects that may be considered in executive session are: 1) Matters, immediate knowledge of which would clearly have an adverse effect upon the finances of the public entity; 2) Subjects that tend to prejudice the reputation and character of any person, provided that the person may request a public discussion; 3) Matters which by law, municipal charter, or ordinance are required to be confidential; 4) Matters involving consideration of governmental records that by law are not subject to public disclosure; 5) Direction to an attorney or labor negotiator regarding the handling of specific legal matters or labor negotiations.

Minutes
Community Health Services Board
Library Conference Room
January 15, 2014 – 6:30 PM
Special Meeting

I. CALL TO ORDER AND ROLL CALL –

E.J. Cheshier called the HSB special meeting to order at 6:30 pm. Board members present: **E.J. Cheshier, Tim Joyce, David Allison, David Reggiani, and James Burton.** (**Allison, Reggiani and Burton telephonically**)

A quorum was established.

CCMC staff present: **Theresa Carté**, CEO and **Stephen Sundby**, Director, Sound Alternatives.

II. COMMUNICATIONS BY AND PETITIONS FROM VISITORS

- **Guest Speakers** – None
- **Audience Comments** – None

III. CONFLICT OF INTEREST – None

IV. APPROVAL OF AGENDA

M/ Joyce S/ Allison move to approve the agenda.

Voice vote on Approval of Agenda: 5 yeas, 0 nays, 2 absent. Allison-yes; Cheshier-yes; Reggiani-yes; Bradford-absent; Joyce-yes; Carpenter-absent and Burton-yes. Motion passes.

V. APPROVAL OF CONSENT CALENDAR

M/ Joyce S/ Allison move to approve the minutes.

Minutes from October 2, 2013 Regular Meeting

Minutes from November 14, 2013 Special Meeting

Minutes from November 20, 2013 Special Meeting

Voice vote: 5 yeas, 0 nays, 2 absent. Allison-yes; Cheshier-yes;

Reggiani-yes; Bradford-absent; Joyce-yes; Carpenter-absent and Burton-yes. Motion passes.

VI. REPORTS AND CORRESPONDENCE

- **Administrator's Report –**

Theresa Carté reported on the 2013 Year-End Operating Report. Some of the big items I wanted to let you know about were the Community Health Needs Assessment; we got over 300 people to take the survey and let us know what they need, that, along with the action plan will really help us to address their concerns. We have new permanent staff; we have a Family Nurse Practitioner, two new Nurses, two new Social Workers, a Physical Therapist and a Staff Accountant. In the eICU, we had 16 people that were admitted between April and December, 11 of those we were able to keep here in Cordova because we felt confident with the eICU that we could support them. We've done Satisfaction Surveys for our employees and that will help us to focus our efforts for overall improvement. A detailed copy of this report is available at CCMC.

Stephen Sundby reported the following update on the CT Scanner grant applications. **Sundby** stated that the grant amount for the Rasmuson Foundation is \$375K, the grant due date is March 14, 2014 and it will be reviewed in June. The grant amount for the Murdock Charitable Trust is

\$250K, the grant due date is February 1, 2014 and it will be review in May. There was a \$50K grant from the Providence Foundation that has been awarded. There is a grant for \$50K from the USDA, a grant application has been requested. A commitment is needed from the City of Cordova for \$225K by March 14, 2014 to bring the CT Scanner funding total to \$950K.

- **President's Report** - None
- **Finance Report** – October/November monthly reports

VII. ACTION ITEMS

A. CT Scanner Resolution to fund Task 200: Final Documents to Spark Design.

M/ Joyce S/ Reggiani “I move to support the submission of the “CT Scanner Resolution to fund Task 200: Final Documents to Spark Design, LLC” to the February 5, 2014 meeting of the Cordova City Council.”

Voice vote on the motion: 5 yeas, 0 nays, 2 absent. Allison-yes; Cheshier-yes;

Reggiani-yes; Bradford-absent; Joyce-yes; Carpenter-absent and Burton-yes. Motion passes.

B. Resolution of support for CT Scanner

M/ Joyce S/ Reggiani “I move to support the submission of the “Resolution of support for CT Scanner” to the February 5, 2014 meeting of the Cordova City Council.”

Voice vote on the motion: 5 yeas, 0 nays, 2 absent. Allison-yes; Cheshier-yes;

Reggiani-yes; Bradford-absent; Joyce-yes; Carpenter-absent and Burton-yes. Motion passes.

C. Recredentialing and Privileging of Dr. Deland Barr, DO

M/ Joyce S/ Reggiani “I move to Recredential and Privilege Dr. Deland Barr for the Cordova Community Medical Center.”

Voice vote on the motion: 5 yeas, 0 nays, 2 absent. Allison-yes; Cheshier-yes;

Reggiani-yes; Bradford-absent; Joyce-yes; Carpenter-absent and Burton-yes. Motion passes.

VIII. DISCUSSION ITEMS

A. Review of the 2013 Fiscal Year Audit

Health Service Board asked that Tim Kelly, CFO go through the 2013 Fiscal Year Audit at the next HSB Meeting.

IX. AUDIENCE PARTICIPATION

Randy Robertson, City Manager wanted to publicly commend Ms. Carté and her team, through her and a lot of other people with the Providence leadership, the City benefitted by their efforts for \$150,000. Kudos to Theresa and her team.

X. BOARD MEMBERS COMMENTS - None

XI. EXECUTIVE SESSION - None

XII. ADJOURNMENT –

M/ Joyce S/ Allison Move to adjourn the meeting.

Cheshier declared the meeting adjourned at 7:27pm.

Transcribed by: Faith Wheeler-Jeppson



Cordova Community MEDICAL CENTER

P.O. Box 160, 602 Chase Ave, Cordova, AK 99574-0160; Phone: (907) 424-8000; Fax: (907) 424-8116

ADMINISTRATOR'S REPORT TO THE HEALTH SERVICE BOARD

February 19, 2014 Special HSB Meeting

Date of Report: February 12, 2014

Staffing

We have hired the following employees since our last Board meeting (1/15/2014).

- 1) Melissa Lewis, Physical Therapist
- 2) Shawn Lewis, Staff Accountant
- 3) Kara Beckner, Occupational Therapy Assistant/Activities Coordinator
- 4) Dennis Wood, Medical Lab Tech

We have the following travelers at this time. We had 7 travelers at my last report, we are now at 4 (reduced 2 nurses, 1 NP, 1 Lab Tech, 1 PT, added 2 CNAs). We will be releasing 2 apartments in the next 45 days.

- 1) 1 night Nurse
- 2) 2 CNAs
- 3) 1 Physician

Employee Satisfaction

We are focusing on improving the employee satisfaction this year. Tim James has a team of volunteers who are working to create an action plan to make employee identified improvements. The next Employee Satisfaction Survey will be held in October.

Quality and Patient Safety

We were unable to fill the new role of Quality Improvement and Patient Safety Coordinator. We have put that role on hold while we recruit for our new Director of Nursing. That individual will have the option on filling that position based on their vision for the nursing department. We are updating our Quality Improvement plans and identifying our improvement projects for 2014. We will be focusing in nursing on reducing patient falls and reducing

medication errors. We will have a report at our next quarterly meeting on our quality program.

Facility

- We have completed the renovations on a vacant, unused patient room. It is now ready for a Resident or other patient use.
- Ambulance Bay door has been repaired.
- Waiting for warm weather (spring) to repair the drainage in front of the ER entrance.
- HVAC repairs are still underway. We received updated quotes for completion of the work on the air handling and the chiller. We have seen significant improvements in air handling and room temperatures as a result of work so far.

CT Scanner

We are moving forward with Task 200 with Spark Design as approved by the Health Service Board and The City Council. Progress is being made on all three applications for grant money (Rasmuson, Murdock, and USDA). We have additional copies of the donation form in support of the “Giving Board” requirement that Rasmuson has for their application.

Electronic Health Record (EHR) – Healthland Centriq

We are partnering with our IT vendor, TekMate, to begin project management planning for the migration of our business office from Healthland Classic to Healthland Centriq. This is scheduled for completion in the fall.

Other topics

- We have received State supplied vaccines in our Clinic. This includes pediatric vaccines. We are now offering and advertising this service.



2013 YEAR-END FINANCE REPORT
PRESENTED FEBRUARY 19, 2014

GROWTH

Volumes	FY2009	FY2010	FY2011	FY2012	FY2013
Acute Average Daily Patient Census	0.4	0.3	0.2	0.2	0.4
Swing Bed Average Daily Census	1.3	1.2	1.0	0.6	1.1
Long Term Care Average Daily Resident Census	9.0	9.4	8.9	9.3	9.8
Clinic	1,589	1,511	1,639	1,629	1,949
Outpatient	415	390	502	329	297
Emergency Room Visits	743	728	757	773	641
Lab/X-Ray Tests	2,361	2,249	1,762	1,481	1,243
Observation	59	55	46	25	18
Sound Alternatives Client Visits – billed	1,022	827	907	985	842
Sound Alternatives Client Visits – billed/grant	1,156	862	1025	1168	1087
Total Outpatient Visits	6,721	6,163	5,932	5,551	5,438
Total eICU Admits	0	0	0	0	16

FINANCIAL

Cordova Community Medical Center	FY2009	FY2010	FY2011	FY2012	FY2013
Gross Patient Service Revenue (GPSR)	5,653,178	6,366,818	6,353,869	5,551,737	9,189,060
Net Patient Service Revenue (NPSR)	4,926,561	5,769,348	5,645,017	5,273,175	6,878,654
Full-Time Equivalent Employees (FTEs)	63.22	69.17	66.67	66.05	76.96
# of Employees	112	126	99	96	99
Charity Care/Bad Debt	448,172	759,751	12,861	269,979	359,425
Days Cash on Hand	13.24	31.06	17.45	3.96	8.07
Year-end Cash in the Bank	263,346	574,337	334,755	6,949	42,464
Net Operating Income (Loss)	(1,096,331)	(895,695)	(686,517)	(974,491)	(331,201)

Sound Alternatives Counseling Center	FY2009	FY2010	FY2011	FY2012	FY2013
Grant Revenue	560,302	520,084	420,180	415,772	732,301
Other Revenues	339,651	414,563	308,963	418,481	211,589
Program Expenses	(651,783)	(767,247)	(619,540)	(749,487)	(730,792)
Net Operating Income (Loss)	248,170	167,400	109,603	84,766	213,098

FINANCIAL

City Supplement Trend	2010	2011	2012	2013
Total Operating Support	\$ 697,638	\$ 400,000	\$ 602,369	\$ 500,000*
Capital Support	\$ 121,960	\$ 58,825	\$ 74,849	\$ 574,611

* Management Agreement and Administrator costs

Financial Report for December 2013
By: Timothy Kelly, CFO

Cordova Community Medical Center:

REVENUES

CCMC has exceeded the budgeted amount of revenue for the month of December 2013 and for the short fiscal period July 2013 through December 2013.

- Patient Revenue was \$783,328, which is \$100k higher than budgeted. Contractual rates continue to be high because neither Medicare nor Medicaid has increased CCMC's repayment rates. These rates should change sometime during the period of February or March 2014. The combination of the increased revenue and high contractual still show higher revenues than the budgeted Net Patient Revenue.
- Bad debt was \$12k over budget for the month because of the current write-off of summer self pay accounts. It is lower compared to the same period last year.
- Cost recoveries are approximately \$8k under budget for the month, however, are \$250k below what is expected for the short fiscal period. Most of this is due to a re-negotiated contract for the hospital's internet and broadband connection contract with ACS that went into effect in December 2012. As a result, the hospital received approximately \$101k less in grant revenues for this service; however, the expense was also reduced by that much in purchased services. Two other areas of reduction for the short period were a reduction of rental income by \$34k and a reduction in food services revenue of \$18.5k.
- Swing bed volumes continue to increase the amount of revenue for the month. One patient is currently a commercial Blue Cross/Blue Shield payment while the other is Medicaid.

EXPENSES

Expenses continue to be higher than expected. The most significant increases are in labor, professional services, supplies, and insurance. Some of these costs have been offset by reductions in both minor equipment and utilities.

- Wages and benefits are significantly higher for the month of December. The total increase for the month is approximately \$73k over budget, which equates to an 18.8% increase. Some of this is attributed to a pay increase for selected personnel, while the rest is attributed to an increase in additional full time equivalents. This increase has also increased the required day's cash on hand by \$2,374 per day for the month. While not having as much of an impact, the labor increase for the short fiscal year period is only \$152k, which is a 6.6% increase over budget, most being in the month of December.
- Professional services are \$49k over budget for the month and \$207k for the fiscal period. The major reason for this increase is due to the recognition of the Providence Management Fee and the Administrator's costs for each of these periods. The monthly cost for both is currently \$41.6k, while the six month period is an increase of \$250k. Without the reduction in costs of the broadband connection, the approximate overage would be \$100k.
- Supplies are another cost which has shown a considerable increase. Increases of \$29k for the month of December and \$87k for the fiscal period are due to three major areas. While some of this increase can be credited to a more efficient coding of minor equipment to supplies,

there was a significant increase in pharmaceuticals because of patients' needs. While this has increased our costs, some of these costs have been recouped through Pharmacy revenue. There has also been a major increase in the cost of food for Dietary. This is ascribed to an increase of foodstuffs; part of it may also be due to an increase in freight.

- General and Malpractice Insurance has a monthly increase of around \$3k; however, the fiscal period increase is \$26k. There was an increase in the workman's compensation insurance. The insurance amounts are being amortized over the year on a monthly basis.
- Other significant increases for the fiscal period are rental costs of \$20k, recruitment and relocation of \$14.5k, other expenses (dues) of \$10.3k, and travel and training of \$6.9k. Rental costs increased because of the need to house traveling personnel. There were approximately \$22.6k relocation payments paid out throughout the fiscal period. Other expenses include subscriptions, licenses, and dues and during the month of November, CCMC paid their annual ASHNA dues of approximately \$20,000. Travel and training increases can be attributed to medical records training and billing training in the finance department.
- Finally, with the improvements to the building with the HVAC system, EFIIS, and new roof, there was a savings of \$52.3k in utility costs for the month of December, and a savings of \$291.5k for the fiscal period compared to budget. This is also a comparative to the same period in the previous year.

STATISTICS

NET AR days continue to increase because of the Medicaid Software issue. The increase of AR days for the period of December 2013 was 15.5 days. This has had a tremendous impact on CCMC's cash flows and as of the end of December 2013; Medicaid has advanced CCMC \$647k with another \$160k in January 2014. A repayment plan has yet to be determined, however, it is expected that the recoupment will be from billings after Medicaid's software package has been corrected.

Days' cash on hand (DCOH) is always a major concern. During the month of December, the amount of daily expenditures increased from \$24k a day in November, to \$25.6k a day. The average for the entire year is currently \$23.6k and shows there has been an increase in spending over the past six months.

	Dec-13	Dec-13	2013 YTD	2013 YTD	Dec 2012 YTD
	Actual	Budget	Actual	Budget	Actual
Gross Patient Revenue	\$ 783,328	\$ 680,636	\$ 4,968,779	\$ 4,014,352	\$4,052,854
Net Patient Revenue	615,919	569,983	3,764,988	3,361,729	3,170,859
Bad Debt	(40,775)	(29,021)	(186,016)	(171,164)	(268,233)
Cost Recoveries	131,831	139,164	560,027	820,782	696,617
Total Revenue	706,974	680,126	4,138,999	4,011,347	3,599,242
Labor Expense	(464,215)	(390,643)	(2,456,259)	(2,303,991)	(2,098,836)
Other Expenses	(329,443)	(306,164)	(1,864,713)	(1,805,737)	(1,599,180)
Total Expenses	(793,658)	(696,807)	(4,320,972)	(4,109,728)	(3,698,016)
Net Operating Income (Loss)	(86,684)	(16,681)	(181,973)	(98,381)	(98,773)
Depreciation Expense	(21,879)	(19,835)	(138,187)	(91,592)	(131,897)
City In-Kind Contribution	41,668	41,668	250,000	250,000	250,000
Net Income (Loss)	(66,895)	5,152	(70,160)	60,027	19,330
Full Time Equivalents	72.4	69.3	87.4	71.7	67.1
Acute Average Daily Census	0.19	0.34	0.39	0.34	0.28
Acute Bed Days	6	10	71	60	52
LTC Average Daily Census	10.0	9.5	9.8	9.5	9.7
LTC Bed Days	310	295	1,788	1,748	1,782
Swing Bed Days	46	30	185	180	181
Medicare Swing Days	-	25	138	150	154
OP Visits	17	23	183	140	146
ER Visits	39	58	358	350	368
Clinic Visits	180	142	1,067	852	782
Net AR Days	133.56	60.00	129.68	60.00	77.06
Average Days Cash on Hand	5.91	45.00	8.07	45.00	N/A

Sound Alternatives Counseling Center:

Grant revenues are based upon a total of expected grants to date, annualized over the entire year. Billing for Waiver revenue occurred in December 2013. Total expenses include all department based expenses; however, do not include overhead items such as administrative, building costs and utilities.

	Dec-13	Dec-13	2013 YTD	2013 YTD	2012 YTD
	Actual	Budget	Actual	Budget	Actual
Net Patient Revenue	31,005	10,044	134,210	58,909	89,115
Grant Revenue	96,102	50,771	310,096	297,778	275,710
Total Revenues	127,107	60,815	444,306	356,687	364,825
Total Expenses	(62,922)	(50,825)	(377,223)	(298,093)	(329,203)
Net Operating Income (Loss)	64,185	9,990	67,083	58,594	35,622
Full Time Equivalents	12.89	13	17.4	13	14.3
Visits	75	60	525	360	390

REVENUE	Actual MTD		Budget		MTD		Actual		Budget		YTD Variance		Year to Date		Prior		
	Dec 2013	MTD Dec 2013	MTD Dec 2013	MTD Dec 2013	Variance to Budget	Fiscal Year to Date	Fiscal Year to Date	Fiscal Year to Date	Fiscal Year to Date	to Budget	to Budget	Dec 2012	Comparison	Dec 2012	Comparison	Year	Variance
Patient Services Revenue	783,328	680,636	680,636	680,636	15.1%	4,968,779	4,014,352	4,014,352	4,014,352	23.8%	4,052,854	4,052,854	22.6%	4,052,854	4,052,854	22.6%	
Deductions	(167,409)	(110,653)	(110,653)	(110,653)	51.3%	(1,203,791)	(652,623)	(652,623)	(652,623)	84.5%	(881,995)	(881,995)	36.5%	(881,995)	(881,995)	36.5%	
Bad Debt/Charity Care	(40,775)	(29,021)	(29,021)	(29,021)	40.5%	(186,016)	(171,164)	(171,164)	(171,164)	8.7%	(268,233)	(268,233)	-30.7%	(268,233)	(268,233)	-30.7%	
Cost Recoveries	131,831	139,164	139,164	139,164	-5.3%	560,027	820,782	820,782	820,782	-31.8%	696,617	696,617	-19.6%	696,617	696,617	-19.6%	
TOTAL REVENUES	706,974	680,126	680,126	680,126		4,138,999	4,011,347	4,011,347	4,011,347		3,599,242	3,599,242		3,599,242	3,599,242		
%Deductions/Bad Debt to Revenue	26.58%	20.52%	20.52%	20.52%		27.97%	20.52%	20.52%	20.52%		28.38%	28.38%		28.38%	28.38%		
EXPENSES	Actual MTD Dec 2013	Budget MTD Dec 2013	MTD Dec 2013	MTD Dec 2013	Variance to Budget	Actual Fiscal Year to Date	Budget Fiscal Year to Date	Fiscal Year to Date	Fiscal Year to Date	YTD Variance to Budget	Year to Date Dec 2012	Comparison	Year	Dec 2012	Comparison	Year	Variance
Wages	(306,987)	(266,405)	(266,405)	(266,405)	15.2%	(1,701,115)	(1,571,242)	(1,571,242)	(1,571,242)	8.3%	(1,502,418)	(1,502,418)	13.2%	(1,502,418)	(1,502,418)	13.2%	
Taxes and Benefits	(157,228)	(124,238)	(124,238)	(124,238)	26.6%	(755,143)	(732,749)	(732,749)	(732,749)	3.1%	(596,418)	(596,418)	26.6%	(596,418)	(596,418)	26.6%	
% Benefits to Wages	51.22%	46.64%	46.64%	46.64%		44.39%	46.64%	46.64%	46.64%		39.70%	39.70%		39.70%	39.70%		
General and Malpractice Insurance	(11,814)	(8,821)	(8,821)	(8,821)	33.9%	(78,470)	(52,026)	(52,026)	(52,026)	50.8%	(65,635)	(65,635)	19.6%	(65,635)	(65,635)	19.6%	
Repair & Maint	(4,897)	(5,512)	(5,512)	(5,512)	-11.2%	(32,248)	(32,509)	(32,509)	(32,509)	-0.8%	(28,426)	(28,426)	13.4%	(28,426)	(28,426)	13.4%	
Travel & Training	(5,615)	(4,765)	(4,765)	(4,765)	17.8%	(34,961)	(28,102)	(28,102)	(28,102)	24.4%	(24,282)	(24,282)	44.0%	(24,282)	(24,282)	44.0%	
Other Expenses	(4,442)	(6,384)	(6,384)	(6,384)	-30.4%	(47,920)	(37,652)	(37,652)	(37,652)	27.3%	(35,886)	(35,886)	33.5%	(35,886)	(35,886)	33.5%	
Recruitment & Relocation	(4,821)	(3,397)	(3,397)	(3,397)	41.9%	(34,557)	(20,036)	(20,036)	(20,036)	72.5%	(4,285)	(4,285)	706.4%	(4,285)	(4,285)	706.4%	
Professional Services	(201,726)	(152,375)	(152,375)	(152,375)	32.4%	(1,105,946)	(898,698)	(898,698)	(898,698)	23.1%	(758,810)	(758,810)	45.7%	(758,810)	(758,810)	45.7%	
Supplies	(72,399)	(43,682)	(43,682)	(43,682)	65.7%	(344,610)	(257,633)	(257,633)	(257,633)	33.8%	(260,631)	(260,631)	32.2%	(260,631)	(260,631)	32.2%	
Minor Equipment	(4,105)	(7,448)	(7,448)	(7,448)	-44.9%	(22,258)	(43,931)	(43,931)	(43,931)	-49.3%	(4,478)	(4,478)	397.1%	(4,478)	(4,478)	397.1%	
Utilities and Fuel	(17,780)	(70,128)	(70,128)	(70,128)	-74.6%	(122,076)	(413,611)	(413,611)	(413,611)	-70.5%	(400,613)	(400,613)	-69.5%	(400,613)	(400,613)	-69.5%	
Rent/Lease Equip & Buildings	(1,844)	(3,652)	(3,652)	(3,652)	-49.5%	(41,668)	(21,539)	(21,539)	(21,539)	93.5%	(16,133)	(16,133)	158.3%	(16,133)	(16,133)	158.3%	
TOTAL EXPENSES before Depr	(329,443)	(306,164)	(306,164)	(306,164)		(1,864,713)	(1,805,737)	(1,805,737)	(1,805,737)		(1,599,180)	(1,599,180)		(1,599,180)	(1,599,180)		
NET OPERATING INCOME	(86,684)	(16,681)	(16,681)	(16,681)		(181,973)	(98,381)	(98,381)	(98,381)		(98,773)	(98,773)		(98,773)	(98,773)		
Depreciation Expense	(21,879)	(19,835.00)	(19,835.00)	(19,835.00)	10.3%	(138,187)	(91,592)	(91,592)	(91,592)	50.9%	(131,897)	(131,897)	4.8%	(131,897)	(131,897)	4.8%	
City Contribution In-Kind	41,668	41,668	41,668	41,668		250,000	250,000	250,000	250,000		250,000	250,000		250,000	250,000		
NET INCOME	(66,895)	5,152	5,152	5,152		(70,160)	60,027	60,027	60,027		19,330	19,330		19,330	19,330		
						-1398.4%	-216.9%	-216.9%	-216.9%		-216.9%	-216.9%		-216.9%	-216.9%		

**COMMUNITY HEALTH SERVICES BOARD
RESOLUTION**

**A RESOLUTION OF THE HEALTH SERVICES BOARD OF THE CITY OF
CORDOVA, ALASKA, SUPPORTING THE APPLICATION TO THE RASMUSON
FOUNDATION FOR A TIER 2 GRANT FOR THE PURPOSE OF IMPLEMENTING A
CT SCANNER AT CORDOVA COMMUNITY MEDICAL CENTER**

WHEREAS, the Health Services Board of the City of Cordova and Cordova Community Medical Center have been discussing the Cordova Community Medical Center purchasing a CT scanner; and

WHEREAS, the purchase and installation of a CT scanner at Cordova Community Medical Center would benefit the citizens of Cordova through increase diagnostic capability that could allow patients to receive treatment in Cordova and reduce the need to leave Cordova for services; and

WHEREAS, the success of the CT Scanner Project requires sufficient funding for the project to be successful;

NOW, THEREFORE BE IT RESOLVED, The Health Services Board hereby acknowledges and supports Cordova Community Medical Center's efforts to submit an application to the Rasmuson Foundation for a Tier 2 grant for the purpose of implementing a CT Scanner program at Cordova Community Medical Center.

PASSED AND APPROVED THIS 19th DAY OF FEBRUARY, 2014.

David Allison, HSB President

ANNUAL REVIEW OF PROVIDENCE-CORDOVA MANAGEMENT AGREEMENT

COMMITMENT	STATUS	COMMENTS
1 Health Services Administrator – Is the current Providence provided CEO/Administrator meeting the needs of the City?	TBD	Providence will discuss with HSB in executive session .
2 Management Services – Has Providence operated CCMC consistent with applicable laws and regulations, and the policies and procedures as established by the Board? Are any identified compliance issues being addressed?	G	Refer to CCMC Compliance Assessment .
3 Budgets – Did Providence provide the budget on time to the Board (90 days before the end of the fiscal year of Cordova)?	G	CCMC's budget was submitted to the HSB one week prior to the October 2013 meeting (90 days prior to the end of the fiscal year).
4 Employees – Is the Providence provided CEO/Administrator managing employees according to applicable CCMC employment policies and contracts? Is the City providing the Administrator the authority to perform these duties?	G	
5 Contracts – Are all contracts over \$25,000 going to the City Council for approval? Is Providence following applicable federal, state, and local laws in regard to contracts under \$25,000?	G	All contracts over \$25,000 have gone to the HSB and then on to the City Council for approval. Included in these are the Healthland Contract for the new Electronic Health Record, Centriq, and work on the CCMC building (EFIS, Roof, HVAC).
6 Medical Staff – Has Providence supported CCMC in ensuring that medical staff is organized and operated in accordance with applicable medical staff bylaws and in compliance with all federal, state, and local laws? Has the Community Health Service Board amended or revised the medical staff bylaws, the associated policies and protocols, entered into contracts for professional services or granted medical staff membership or clinical privileges without first consulting Providence?	Y	Partial updates to CCMC's medical staff bylaws have been completed; additional changes are planned for 2014 based on recommendations from Providence provided mock Joint Commission survey.
7 Policy Review – If needed, has Providence provided policy, procedure, and program development reviews, and made associated recommendations for the development of policies, procedures, and programs for CCMC?	G	Providence provided several reviews of CCMC's policies, procedures, and program development including: Medical Records, Lab, Human Resources, Financial Services, Long Term Care nursing and activities practices, Acute and ER care, and Infection Control.

G Completed work

Y In Progress or partially complete

R Incomplete

ANNUAL REVIEW OF PROVIDENCE-CORDOVA MANAGEMENT AGREEMENT

COMMITMENT	STATUS	COMMENTS
8 Accreditation Services – Has Providence advised CCMC on receiving and maintaining accreditation of its behavioral services by the appropriate accrediting bodies?	G	Sound Alternatives is currently in good standing with the State of Alaska and will transition accreditation oversight to The Joint Commission starting in 2015. Providence provided a mock Joint Commission survey in support of Sound Alternatives efforts towards accreditation.
9 Recruiting – Has Providence supported CCMC's recruiting process?	Y	CCMC has recruited numerous positions successfully; however, no permanent physicians have been hired. Providence will work closely with CCMC administrator to bolster physician recruiting efforts and strategy.
10 Start up Activities: a. Evaluation of operations b. Clinic operations c. Electronic Health Record d. Readiness Assessment (eICU) e. Performance Indicators f. Mock Survey	G	Refer to <i>120 Day Plan</i> update.
11 Representative to Providence Community Ministry Board	R	Providence provided information on the role of a community representative to serve on the Providence Region Community Ministry Board and informed the HSB that identifying a community representative to recommend for this service is the prerogative of the Cordova HSB/City Council.

G Completed work

Y In Progress or partially complete

R Incomplete

ANNUAL REVIEW OF PROVIDENCE-CORDOVA MANAGEMENT AGREEMENT

COMMITMENT	STATUS	COMMENTS
<p>12 Fee for Management Services:</p> <p>a. Has the Administrator's salary and benefits been included in the CCMC budget presented to the City?</p> <p>b. Has Providence billed, and the City of Cordova paid, the quarterly payments for the Management Fee and Administrator costs?</p> <p>c. Have any increases in the Administrator's salary been reviewed with the Board?</p> <p>d. Has the annual Management Fee been increased as identified in the agreement?</p>	G	<p>The HSB did not have the opportunity to review increases to the Administrator's salary in 2013; however, it will in 2014. A resolution to the Management Agreement to hold the management fee at its current rate was passed in 2013.</p>
<p>13 Additional Services – Has Providence provided any additional services? If yes, and not included in annual budget approved by City Council, was an addendum to the Agreement created?</p>	G	<p>Refer to <i>Master Services Agreement & Additional Services</i> documents.</p>
<p>14 Governance – Has the City Council dissolved the Health Service Board? If yes, has Providence created a community advisory board?</p>	G	<p>Providence and the City of Cordova agreed that dissolving the HSB wasn't necessary; refer to <i>City of Cordova Ordinance 1106</i>.</p>
<p>15 Code Changes – Has the City amended its Municipal Code in a manner affecting CCMC? If yes, has Providence and the City met in good faith to negotiate the appropriate changes to this agreement to ensure compliance?</p>	G	<p>The Municipal Code was changed in regard to the organization of the HSB; Providence was involved in these discussions. Work was begun by the City of Cordova and CCMC to revise the Employee Handbooks and the related Municipal Code. Providence was involved in this work as it related to CCMC; Municipal Code was not changed.</p>
<p>16 Insurance – Has Providence maintained the appropriate insurance?</p>	G	<p>Providence is self-insured.</p>
<p>17 Access to Cordova's Records – Has Cordova allowed Providence access to the financial and business records to carry out Providence's obligations under this agreement?</p>	G	<p>Cordova has allowed access to all necessary records.</p>
<p>18 Cooperation with Auditors – If asked, has Providence cooperated with governmental or independent auditors and accountants? If yes, was Providence reimbursed by Cordova for the additional time and expense as agreed upon by the city manager and Providence?</p>	N/A	
<p>19 Providence Ethical & Religious Directives – Has CCMC followed the ERDs?</p>	G	<p>CCMC has followed the Ethical & Religious Directives.</p>

G Completed work

Y In Progress or partially complete

R Incomplete