

AGENDA
COMMUNITY HEALTH SERVICES BOARD MEETING
Cordova Library Conference Room
May 2, 2012 – 7:00 PM

CCMC'S core purpose is to deliver quality health care locally.

President

David Allison
term expires 03/12

Vice-President

EJ Cheshier
term expires 08/13

Secretary

David Reggiani
term expires 08/12

Board Members

Bret Bradfford
term expires 08/134

Jim Kasch
term expires 08/12

Keith van den Broek
term expires 08/12

NVE Tribal Council - Vacant

Administrator

Theresa Carte

- I. OPENING**
 - A. Call to Order
 - B. Roll Call – David Allison, Bred Bradford, EJ Cheshier, Jim Kasch, David Reggiani, Keith van den Broek
 - 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 item on the agenda to which they are addressing.
- III. CONFLICT OF INTEREST**
- IV. APPROVAL OF AGENDA**
- V. APPROVAL OF CONSENT CALENDAR**
 - A. HSB Meeting Minutes – 3/14/2012.....Page 1
 - B. HSB Meeting Minutes – 4/4/2012.....Page 6
- VI. REPORTS AND CORRESPONDENCE**
 - A. Administrator’s Report
 - B. President’s Report

- C. City Council Report
- D. Finance Report
 - i. Balance Sheet as of 03/31/12.....Page 10
 - ii. YTD Income Statement as of 03/31/12.....Page 11
 - iii. Three Year Comparative Income Statements (YTD as of 3/31/12)

VII. ACTION ITEMS

- A. Appoint a representative to the Sound Alternatives Board

VIII. DISCUSSION ITEMS

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*

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 person may require a public discussion; 3) Matters which by law, city charter, or ordinance are required to be confidential; 4) Matters involving consideration of government 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
Cordova Library Conference Room
March 14, 2012 – 7:00 PM

I. CALL TO ORDER AND ROLL CALL –

Kristin Carpenter called the HSB meeting to order at 7:00 pm. Board members present: **David Allison** (telephonically), **Kristin Carpenter**, **EJ Cheshier**, **Jim Kasch**, and **Timothy Joyce**. Absent: **Nichole Hunt**. A quorum was established.

CCMC staff present: **Stephen Sundby**, PhD (Acting CEO), **Randy Nichols**, (Contract CFO), and **Susan Humphrey-Barnett** (Administrator, Area Operations, Providence).

II. COMMUNICATIONS BY AND PETITIONS FROM VISITORS – None

III. CONFLICT OF INTEREST – None

IV. APPROVAL OF AGENDA

M/Kasch, S/Joyce: Move to approve the agenda.

A vote was made on the motion: 4 yeas. - 0 nays. Motion passed.

V. APPROVAL OF CONSENT CALENDAR

M/Joyce, S/Kasch: Move to approve the consent calendar.

- a. Health Services Board meeting minutes from February 8, 2012

The word “charges” on page 2 of the minutes should be changed to “changes”.

M/Cheshier, S/Joyce: Move to approve the consent calendar as amended.

A vote was made on the motion: 5 yeas. - 0 nays. Motion passed.

VI. REPORTS AND CORRESPONDENCE

A. Administrator’s Report

Sundby noted that the Lab Manager is speaking with Quest Diagnostics to determine rates associated with the Health Fair lab tests so that the cost of the tests to the public is sufficient to cover CCMC's costs.

With respect to staffing, **Sundby** reported that the Licensed Clinical Social Worker has left and our contract LCSW will be at the facility quarterly to meet Long Term Care regulations. **Joyce** asked how long the LCSW had been with CCMC and was there an impact related to moving expenses. **Sundby** responded that since the individual had only been at the facility for four months, the individual owes repayment of moving expenses. The final paycheck will be withheld and CCMC will seek repayment of the additional \$1,000.

One Medical Laboratory Technician has accepted a position. Providence will take over the Lab Management through an amendment to the services contract and will provide supervision through quarterly visits. Providence will be bringing in a team to initially get the lab up to speed. In response to **Carpenter**, **Sundby** clarified that the MLT is a lower position than a Medical Technician, who normally serves as a lab manager.

B. Financial Statements

Nichols reported that he has been onsite for 16 total days in the last month and a half. Key points related to the financials include the drop in patient days and the fact that CCMC has a vacant Long Term Care bed.

Year-end cost reports have all been filed and accepted. CCMC should see a significant increase in Long Term Care revenue in July, but expects a cash-flow issue between now and then.

Kasch noted that without cash, CCMC will be unable to write checks, and did the Board need to go back to Council for additional funds? **Sundby** responded that the Line-of-Credit has been maxed out; CCMC is awaiting reimbursement to the Line-of-Credit of the \$100K in capital items paid for from CCMC's operating funds. The City has paid \$200K as part of their line item budget and there is another \$200K line item normally paid to CCMC in July. **Joyce** noted that the alternative to ask the City for an early distribution of the \$200K would be fine, but what happens in the next couple of months. **Sundby** responded that funds have been this tight before and that the AP is not aging out too badly. It would be up to Providence whether to ask for more or not. Following discussion, **Carpenter** requested that the minutes reflect that the Health Services Board directs staff to request an early distribution of the \$200K from the City.

Joyce asked why the inpatient care has declined. **Sundby** responded that CCMC had five local patients that frequently received services under acute care that had passed away.

Carpenter requested clarification on the \$1 million of contractual adjustments, charity, and bad debt. **Sundby** responded that CCMC had to write off the difference between the charge master adjusted rates (increases) and the Medicaid Long Term Care rate.

The Board requested a reporting of budget-to-date included in future financials.

C. President's Report – None

D. City Council Report

Cheshier reported that Council is working on making the regulatory changes necessary for the hospital transition. **Kasch** reported that the Mayor discussed a grant for the City to build hospital-related housing. **Allison** reported that the City is progressing with the change to appoint members of City Council to the Health Services Board and that the roles will change.

E. Providence Report

Humphrey-Barnett reported that Theresa Carte, the new CEO, will be on the ground on April 8th. She presented Providence's 120-day plan for Cordova, beginning with the need for a cohesive vision and direction. She further discussed the goal of reducing provider-associated costs by increasing permanent hires. The third priority will be a complete HR review, to include CCMC's wage scale and pay practices. Fourth, to hire a Critical Access Hospital-experienced CFO. Fifth priority is to review options for Electronic Health Records, and sixth will be a consultation to see what more CCMC can do for its residents. To date, Providence has completed Information Technology, Laboratory, Compliance, and Operations reviews.

Humphrey-Barnett discussed the role of performance measures in Providence's management philosophy, and added that the community would participate in a needs assessment every 3 years to help shape the services for Cordova's needs.

Joyce noted that from the past surveys, it appeared that CCMC was doing well.

Humphrey-Barnett agreed, responding that focus areas for improvement will be activities, environment, and getting the residents engaged.

Other focus areas include EICU, a CT machine, signage, annual Charge Master updates, and a target of 45 days cash on hand, initially. This will increase to 150 days cash on hand. To get there, any revenue increases will be shared among four areas: the physical plant, personnel, technology, and putting money in the bank.

VII. ACTION ITEMS

A. Resolution 2012-01 Check Signers

M/Joyce, S/Kasch: Move to approve Resolution 2012-01, a Resolution of the Cordova Community Health Services Board of the Cordova Community Medical Center designating the representatives authorized for signing checks, non-check payroll tax payments, and cash transfers for Cordova Community Medical Center.

A vote was made on the main motion: 5 yeas. - 0 nays. Motion passed.

B. City of Cordova Resoultion 03-12-17

M/Joyce, S/Kasch: Move to approve City of Cordova Resolution 03-12-17, a Resolution of the Cordova City Council authorizing the City Manager to sign an amendment to the agreement with the State of Alaska concerning participation of hospital employees in the Public Employees Retirement System of Alaska.

A vote was made on the motion: 5 yeas. - 0 nays. Motion passed.

VIII. DISCUSSION ITEMS

A. Frequency of HSB Meetings

Kasch stated that it was his understanding that once Council becomes the Health Services Board, they would meet twice a year with Providence and asked how often the Advisory Board would meet. **Humphrey-Barnett** noted that in other communities, the Advisory Board meets monthly, with no less than 9 meetings per year. Following discussion of quorum requirements, potential for merging Sound Alternatives' and Medical Center's Advisory Boards, and membership/representation, directed that the Board would plan to continue scheduling monthly meetings, ensuring that at least nine meetings occur each year.

IX. AUDIENCE PARTICIPATION – None

X. BOARD MEMBER COMMENTS

Allison welcomed new CEO and thanked Stephen. **Joyce** noted that he expects to see a positive turnover over time. **Cheshier** noted the importance of moving forward with this event.

XI. EXECUTIVE SESSION – None

XIII. ADJOURNMENT

M/Joyce, S/Kasch: Move to adjourn the meeting. **Carpenter** declared the meeting adjourned.

Transcribed by: Laura Cloward

Minutes
Community Health Services Board
Cordova Library Conference Room
April 4, 2012 – 7:00 PM

I. CALL TO ORDER AND ROLL CALL –

David Allison called the HSB meeting to order at 7:00 pm. Board members present: **David Allison, Bret Bradford, EJ Cheshier, Jim Kasch, David Reggiani, and Keith van den Broek**. A quorum was established.

CCMC staff present: **Stephen Sundby**, PhD (Acting CEO).

II. COMMUNICATIONS BY AND PETITIONS FROM VISITORS – None

III. CONFLICT OF INTEREST – None

IV. APPROVAL OF AGENDA

M/Reggiani, S/Kasch: Move to approve the agenda.

A vote was made on the motion: 6 yeas. - 0 nays. Motion passed.

V. APPROVAL OF CONSENT CALENDAR – None

VI. REPORTS AND CORRESPONDENCE – None

VII. ACTION ITEMS

A. Election of Vice President and Secretary

M/Reggiani, S/Van Den Broek: Move to nominate E.J. Cheshier as Vice President.

M/Reggiani, S/Van Den Broek: Move to close nominations.

A vote was made on the motion: 6 yeas. - 0 nays. Motion passed.

A vote was made on the main motion: 6 yeas. - 0 nays. Motion passed.

M/Bradford, S/Van Den Broek: Move to nominate David Reggiani as Secretary.

M/Van Den Broek, S/Kasch: Move to close nominations.

A vote was made on the motion: 6 yeas. - 0 nays. Motion passed.

A vote was made on the main motion: 6 yeas. - 0 nays. Motion passed.

B. Resolution 2012-02 Check Signers

Allison recommended adding David Reggiani to the signer resolution.

M/Bradford, S/Van Den Broek: Move to approve Resolution 2012-02, a Resolution of the Cordova Community Health Services Board of the Cordova Community Medical Center designating the representatives authorized for signing checks, non-check payroll tax payments, and cash transfers for Cordova Community Medical Center as amended.

A vote was made on the motion: 6 yeas. - 0 nays. Motion passed.

C. Future Meeting Date and Time

Allison noted that the bylaws require the HSB to meet once per month and recommended that the Board meet prior to one of the monthly scheduled Council meetings. **Allison** further recommended meeting on the first Wednesday of each month, as the second Council meeting of the month is often cancelled. **Allison** also noted that previously, the HSB passed a motion to meet no less than 9 months of the year, which contradicts the bylaws.

M/Reggiani, S/Bradford: Move to hold Health Services Board meetings on the first Wednesday of each month, prior to the City Council meeting.

A vote was made on the motion: 6 yeas. - 0 nays. Motion passed.

VIII. DISCUSSION ITEMS – None

IX. AUDIENCE PARTICIPATION – None

X. BOARD MEMBER COMMENTS – None

XI. EXECUTIVE SESSION – None

XIII. ADJOURNMENT

M/Reggiani, S/Bradford: Move to adjourn the meeting. **Allison** declared the meeting adjourned at 7:06 pm.

Transcribed by: Laura Cloward

Cordova Community Medical Center
Balance Sheet
March 31, 2012

	Current Year 3/31/2012	Last Year 3/31/2011	Increase (Decrease)
Assets			
Cash	145,772	438,064	(292,292)
Receivables			
Accounts Receivable	1,166,148	1,550,916	(384,768)
Allowance for Uncollectible	(226,580)	(807,440)	
Net Accounts Receivable	939,568	743,476	196,092
Other	(79,578)	83,614	(163,192)
Grant Programs & City Transfers	(75,004)	(20,589)	(54,415)
Supplies Inventory	128,082	144,255	(16,173)
Prepaid Expenses	35,772	75,550	(39,778)
Other Assets			
Major Moveable	10,758,944	10,684,094	74,850
Accum Depreciation	(8,581,444)	(8,298,462)	(282,982)
Total Assets	3,272,112	3,850,002	(577,890)
Liabilities and Net Assets			
Accounts Payable	585,955	560,002	25,953
Accrued Payroll & Related Liab	366,184	476,435	(110,251)
Other Liabilities	37,120	60,412	(23,292)
Total Current Liabilities	989,259	1,096,849	(107,590)
Net Pension Obligation	0	0	0
Obligations under Capital Lease	0	0	0
Total Liabilities	989,259	1,096,849	(107,590)
Net Assets	2,282,853	2,753,153	(470,300)
Total Liabilities & Net Assets	3,272,112	3,850,002	(577,890)

**Cordova Community Medical Center
Income Statement (Fiscal Year 2012 -)**

	<i>Actual 2011 July</i>	<i>Actual 2011 August</i>	<i>Actual 2011 September</i>	<i>Actual 2011 October</i>	<i>Actual 2011 November</i>	<i>Actual 2011 December</i>	<i>Actual 2012 January</i>	<i>Actual 2012 February</i>	<i>Actual 2012 March</i>	<i>Budget 2012 March</i>	<i>Budget Variance March</i>	<i>Actual YTD Total</i>
Revenue												
Inpatient Revenue	16,559	40,713	72,644	104,023	51,569	20,219	80,703	5,632	50,189	59,378	(9,189)	442,250
Long Term Care Revenue	289,163	294,374	279,913	290,747	285,377	319,954	274,789	271,689	292,322	287,355	4,967	2,598,309
Outpatient Revenue	243,109	220,799	264,080	188,205	178,400	142,108	197,663	182,360	196,160	220,403	(24,243)	1,812,883
Primary Care	47,468	77,481	50,781	48,193	56,622	33,406	39,654	47,398	51,989	54,331	(2,362)	452,952
Gross Patient Revenue	596,300	633,367	667,398	631,168	571,968	515,686	592,808	507,059	590,640	621,467	(30,827)	5,308,394
Total Deductions	138,619	74,352	191,008	191,468	155,343	171,062	126,011	135,067	90,997	105,649	(14,652)	1,273,928
Net Service Revenue	457,680	559,015	476,392	439,699	416,625	344,624	466,797	371,992	499,643	515,818	(16,175)	4,032,468
Other Operating Revenue	155,394	135,895	142,398	130,379	145,913	152,624	140,819	132,760	142,602	157,583	(14,981)	1,278,783
Total Net Operating Revenue	613,074	694,910	618,790	570,078	562,538	497,248	607,616	504,752	642,245	673,400	(31,155)	5,311,251
Expenses from Operations												
Salaries & Wages	241,588	278,426	250,152	281,815	236,189	257,424	234,627	218,746	236,648	269,845	(33,197)	2,235,615
Employee Benefits	146,146	139,670	108,116	99,160	105,822	118,781	114,434	115,134	103,216	149,523	(46,307)	1,050,479
Professional Fees	68,873	127,922	69,255	82,084	104,579	135,149	137,344	98,090	117,153	87,734	29,419	940,449
Supplies	34,231	39,067	41,476	49,789	44,084	52,625	45,624	23,489	54,093	46,239	7,854	384,459
Purchased Services	48,530	80,339	61,532	70,160	67,147	62,207	119,707	84,206	83,174	75,938	7,236	677,001
Depreciation	21,893	21,893	21,893	21,893	26,230	23,403	23,403	23,365	23,365	22,623	742	207,339
Interest and Amortization	-	-	-	-	-	-	-	-	-	-	-	-
Taxes and Licenses	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	14,291	41,185	7,426	24,136	(10,263)	17,587	35,201	12,018	8,355	21,368	(13,013)	149,936
Total Expenses from Operations	575,553	728,502	559,850	629,017	573,788	667,176	710,339	575,048	628,004	673,270	(47,268)	5,645,277
Excess of Rev over Exp from Ops	37,522	(33,592)	58,940	(58,939)	(11,250)	(169,928)	(102,723)	(70,296)	16,241	130	16,111	(334,026)
Non-Operating Gain (Losses)	-	-	-	-	-	-	-	-	-	-	-	-
Excess of Rev over Exp	37,522	(33,592)	58,940	(58,939)	(11,250)	(169,928)	(102,723)	(70,296)	16,241	130	16,111	(334,026)