

**AGENDA**  
**COMMUNITY HEALTH SERVICES BOARD MEETING**  
**Cordova Library Conference Room**  
**June 5, 2012 – 6:30 PM**

CCMC'S core purpose is to deliver quality health care locally.
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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 Bradford  
term expires 08/13  
Jim Kasch  
term expires 08/12  
Keith van den Broek  
term expires 08/12  
NVE Tribal Council - Vacant

Administrator  
Theresa Carté

- I. OPENING**
  - A. Call to Order
  - B. Roll Call – David Allison, Bret 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 agenda item to which they are addressing.
- III. CONFLICT OF INTEREST**
- IV. APPROVAL OF AGENDA**
- V. APPROVAL OF CONSENT CALENDAR**
  - A. HSB Meeting Minutes – 5/2/2012.....Page 1
- VI. REPORTS AND CORRESPONDENCE**
  - A. Administrator’s Report
  - B. President’s Report
  - C. City Council Report

- D. Finance Report**
  - i. Balance Sheet as of 04/30/12.....Page 4
  - ii. Income Statement as of 04/30/12.....Page 5
  - iii. Three Year Comparative Income Statements (YTD as of 4/30/12).....Page 6
- VII. ACTION ITEMS**
  - A. Approve Pursuing Fiscal Year Change.....Page 8
- VIII. DISCUSSION ITEMS**
  - A. Sound Alternatives Accreditation
  - B. Meeting Frequency (Kasch)
- 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**  
**May 2, 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, David Reggiani, and Keith van den Broek**. Absent: **EJ Cheshier, Jim Kasch**. A quorum was established.

CCMC staff present: **Theresa Carté, PhD (CEO), Stephen Sundby, (Director, Sound Alternatives), Randall Nichols, (Financial Analyst - Providence)**

**II. COMMUNICATIONS BY AND PETITIONS FROM VISITORS – None**

**III. CONFLICT OF INTEREST – None**

**IV. APPROVAL OF AGENDA**

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

**Allison** added the privileging of Dr. Michael Phillips as Action item B.

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

**V. APPROVAL OF CONSENT CALENDAR**

**M/Reggiani, S/Bradford:** Move to approve the consent calendar.

- a. Health Services Board meeting minutes from March 14, 2012.
- b. Health Services Board meeting minutes from April 4, 2012.

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

**VI. REPORTS AND CORRESPONDENCE**

**A. Administrator's Report**

**Carté** reported that CCMC recently underwent a state Long Term Care survey. The surveyors identified several opportunities to improve our practices related to Policies

and Procedures, quality management, HR, and medical documentation. Staff expects their formal letter and findings on May 10, 2012.

**Carté** also reported CCMC's building improvement prioritization, which was completed at the request of the City. Staff assessed the facility needs based on four criteria: 1. impact to patient and family member safety, health, comfort, and cost; 2. safety; 3. impact on employees; and 4. financial impact. Using this criteria, the top priorities were identified as the HVAC system and flooring. Lesser expensive priorities included a laundry booster and floor scrubber. **Carté** additionally noted that the City also requested that staff consider the building's windows and exterior walls, however those two items were not considered a priority based on the four criteria.

**Allison** asked when the Board can expect CCMC's budget, as the fiscal year ends in June. **Nichols** responded that the budget would be available for the June meeting. **Allison** also asked if CCMC had considered changing the fiscal year, and **Carté** responded that yes, the organization would like to.

#### **B. President's Report**

**Allison** welcomed Providence staff and noted that most of the members were new to the hospital board, so any information that staff provides is beneficial.

#### **C. City Council Report**

**Mayor Kallander** reported from the floor that he has received the preliminary numbers on the roof; they are lower than the projections. He further noted that City staff is lining up someone from Anchorage to provide an estimate on the HVAC system. **Allison** added that the HVAC system as it currently runs is costing extra fuel.

#### **D. Finance Report**

**Nichols** reported that he is currently serving CCMC 1 ½ to 2 days every other week. The balance sheet ending March 31<sup>st</sup> reflects a reduced AR balance thanks to the efforts of the billing specialists. **Nichols** further noted that March's Income Statement reflected the first good month since the summer of 2011, but cautioned that it was due to keeping expenses low, not an increase in patients or patient services. **Nichols** expects April's numbers be good and is targeting cash projection discussions in the next month.

### **VII. ACTION ITEMS**

#### **A. Appoint a Representative to the Sound Alternatives Advisory Board**

**Allison** explained the relationship between the Health Services and Sound Alternatives Advisory boards. Both **Kasch** and **Allison** volunteered to attend.

**B. Privileging of Dr. Michael Phillips**

**Carté** explained the privileging process and noted that Human Resources, the Medical Director, and the CEO all review a provider's records prior to recommending privileging. The purpose is to determine if the Board wants the individual to provide care to Cordova community members. **Allison** explained how he reviews the paperwork and added that he trusts the CCMC professionals to correctly assess candidates.

**M/Van Den Broek, S/Regianni:** Move to approve the privileging of Dr. Michael Phillips as presented.

In response to a question from **Bradford, Sundby** responded that we find our locum providers through various agencies with whom CCMC contracts.

A vote was made on the motion: 4 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/Van Den Broek:** Move to adjourn the meeting. **Allison** declared the meeting adjourned at 7:25 pm.

**Transcribed by: Laura Cloward**

**Cordova Community Medical  
Center  
Balance Sheet  
April 30, 2012**

	Current Year 4/30/2012	Last Year 4/30/2011	Increase (Decrease)
<b>Assets</b>			
Cash	159,517	221,145	(61,628)
Receivables			
Accounts Receivable	1,157,618	1,611,058	(453,440)
Allowance for Uncollectible	(254,602)	(796,359)	541,757
<b>Net Accounts Receivable</b>	<b>903,016</b>	<b>814,699</b>	88,317
Other	(62,174)	116,577	(178,751)
Grant Programs & City Transfers	(34,414)	19,970	(54,384)
Supplies Inventory	133,160	143,479	(10,319)
Prepaid Expenses	37,044	52,365	(15,321)
Other Assets			
Major Moveable	10,758,944	10,684,096	74,848
Accum Depreciation	(8,604,809)	(8,319,336)	(285,473)
<b>Total Assets</b>	<b>3,290,284</b>	<b>3,732,995</b>	<b>(442,711)</b>
<b>Liabilities and Net Assets</b>			
Accounts Payable	617,812	479,507	138,305
Accrued Payroll & Related Liab	340,591	452,759	(112,168)
Other Liabilities	35,940	61,828	(25,888)
Total Current Liabilities	994,343	994,094	249
Net Pension Obligation	0	0	0
Obligations under Capital Lease	0	0	0
Total Liabilities	994,343	994,094	249
Net Assets	2,295,941	2,738,901	(442,960)
<b>Total Liabilities &amp; Net Assets</b>	<b>3,290,284</b>	<b>3,732,995</b>	<b>(442,711)</b>

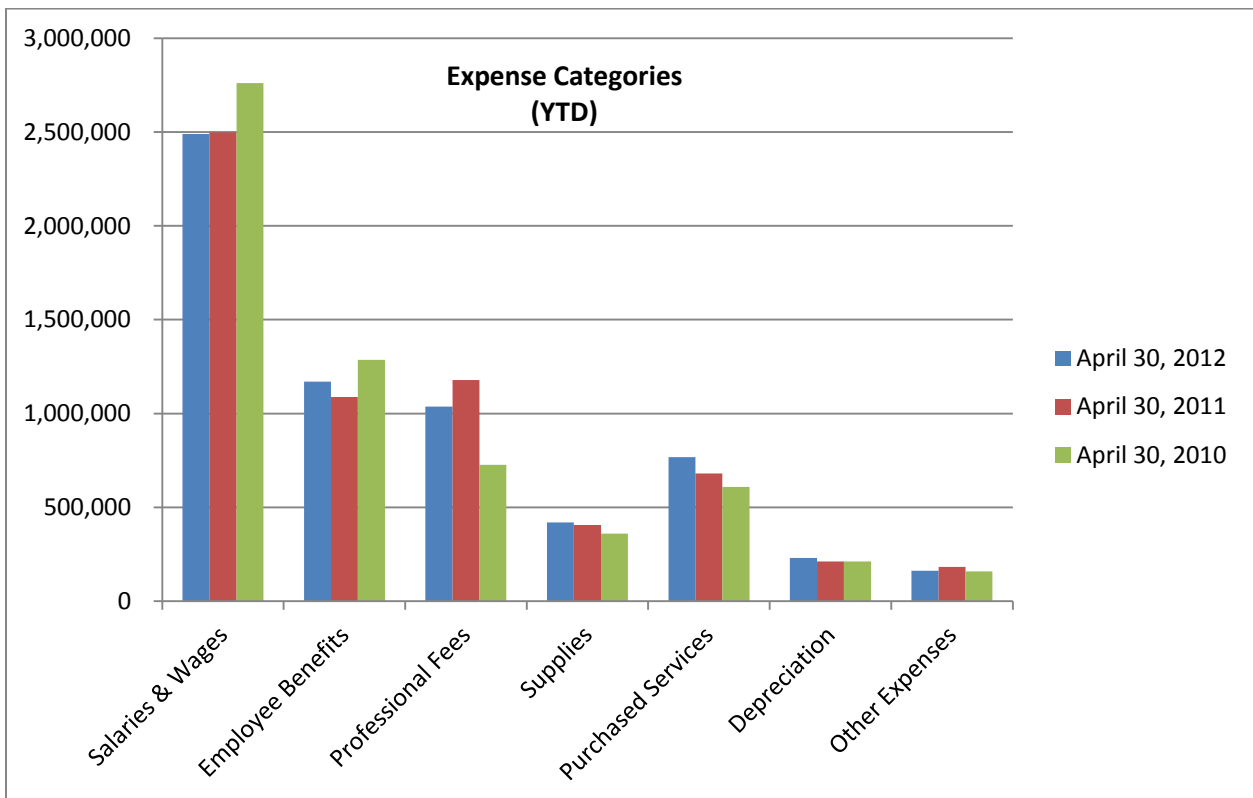
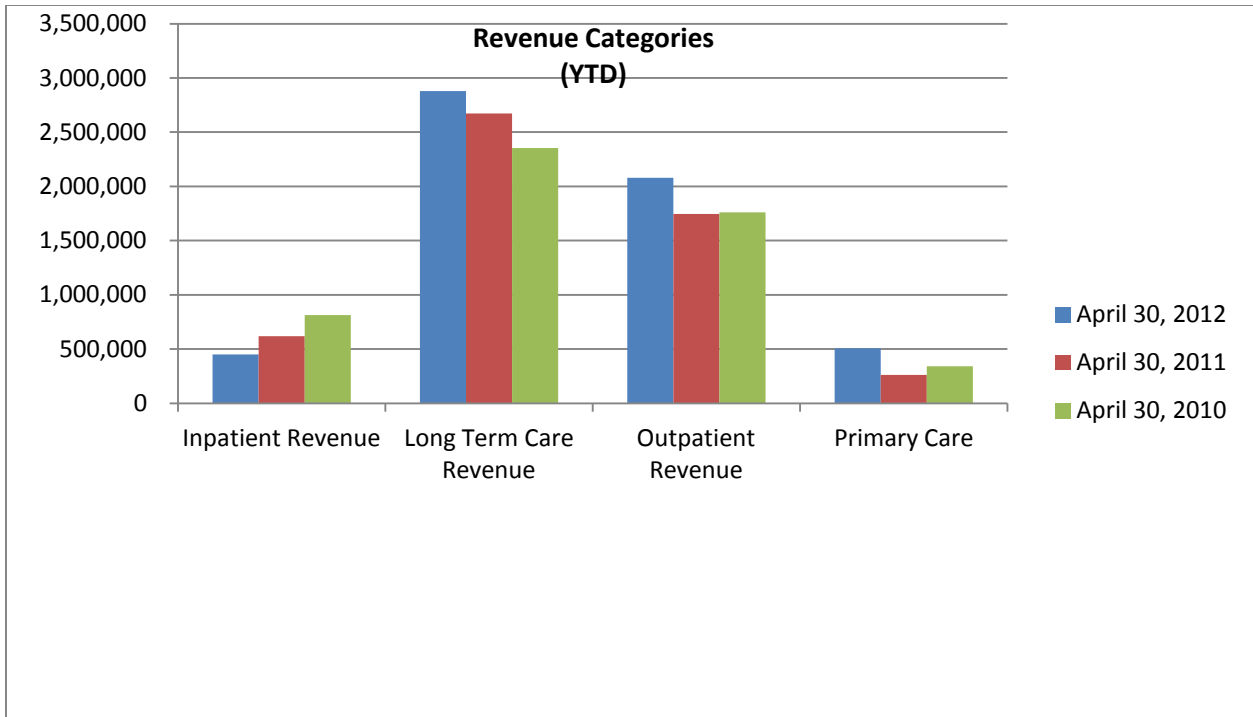
**Cordova Community Medical Center**  
**Income Statement (Fiscal Year 2012 - 7/1/11 through 6/30/12)**

	<i>Actual 2012 April</i>	<i>Budget 2012 April</i>	<i>Budget Variance April</i>	<i>Actual YTD Total</i>	<i>Budget YTD Total</i>	<i>Budget YTD Variance</i>	<i>2012 Budget</i>
<b>Revenue</b>							
Inpatient Revenue	8,975	57,463	(48,488)	451,225	584,206	(132,981)	701,047
Long Term Care Revenue	280,397	278,085	2,312	2,878,706	2,827,200	51,506	3,392,640
Outpatient Revenue	267,572	213,293	54,279	2,080,455	2,168,479	(88,025)	2,602,175
Primary Care	54,656	52,579	2,077	507,608	534,551	(26,944)	641,462
<b>Gross Patient Revenue</b>	<b>611,600</b>	<b>601,420</b>	<b>10,180</b>	<b>5,917,994</b>	<b>6,114,437</b>	<b>(196,443)</b>	<b>7,337,324</b>
<b>Total Deductions</b>	<b>105,051</b>	<b>102,241</b>	<b>2,810</b>	<b>1,378,977</b>	<b>1,039,454</b>	<b>339,522</b>	<b>1,247,345</b>
<b>Net Service Revenue</b>	<b>506,549</b>	<b>499,179</b>	<b>7,370</b>	<b>4,539,017</b>	<b>5,074,983</b>	<b>(535,965)</b>	<b>6,089,979</b>
<b>Other Operating Revenue</b>	<b>138,133</b>	<b>152,499</b>	<b>(14,366)</b>	<b>1,416,916</b>	<b>1,550,409</b>	<b>(133,493)</b>	<b>1,860,491</b>
<b>Total Net Operating Revenue</b>	<b>644,682</b>	<b>651,678</b>	<b>(6,996)</b>	<b>5,955,933</b>	<b>6,625,392</b>	<b>(669,458)</b>	<b>7,950,470</b>
<b>Expenses from Operations</b>							
Salaries & Wages	254,050	261,140	(7,090)	2,489,665	2,654,925	(165,260)	3,185,910
Employee Benefits	118,739	144,700	(25,961)	1,169,218	1,471,112	(301,894)	1,765,334
Professional Fees	97,132	84,904	12,228	1,037,581	863,194	174,387	1,035,833
Supplies	35,030	44,747	(9,717)	419,489	454,932	(35,443)	545,918
Purchased Services	90,186	73,489	16,697	767,187	747,135	20,052	896,562
Depreciation	23,365	21,893	1,472	230,704	222,578	8,125	267,094
Interest and Amortization	-	-	-	-	-	-	0
Taxes and Licenses	-	-	-	-	-	-	0
Other Expenses	13,162	20,679	(7,517)	163,098	210,233	(47,135)	252,280
<b>Total Expenses from Operations</b>	<b>631,664</b>	<b>651,552</b>	<b>(19,888)</b>	<b>6,276,941</b>	<b>6,624,109</b>	<b>(347,168)</b>	<b>7,948,931</b>
<b>Excess of Rev over Exp from Ops</b>	<b>13,018</b>	<b>126</b>	<b>12,892</b>	<b>(321,008)</b>	<b>1,283</b>	<b>(322,290)</b>	<b>1,539</b>
<b>Non-Operating Gain (Losses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess of Rev over Exp</b>	<b>13,018</b>	<b>126</b>	<b>12,892</b>	<b>(321,008)</b>	<b>1,283</b>	<b>(322,290)</b>	<b>1,539</b>

## Cordova Community Medical Center

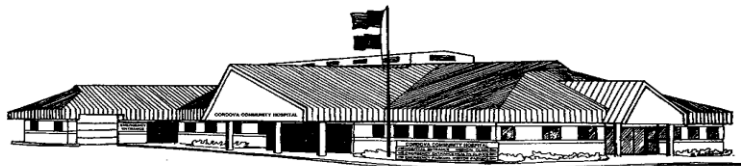
### Three Year Comparative Profit & Loss Statements

	<i>Current to Last Year Comparison</i>	<i>FY 2012 YTD April 30, 2012</i>	<i>FY 2011 YTD April 30, 2011</i>	<i>FY 2010 YTD April 30, 2010</i>
<b><u>Revenue</u></b>				
Inpatient Revenue	-27.1%	451,225	618,625	813,206
Long Term Care Revenue	7.7%	2,878,706	2,672,547	2,353,914
Outpatient Revenue	19.2%	2,080,455	1,745,506	1,761,469
Primary Care	93.5%	507,608	262,382	341,275
<b>Gross Patient Services Revenue</b>	11.7%	<b><u>5,917,994</u></b>	<b><u>5,299,060</u></b>	<b><u>5,269,864</u></b>
<b>Total Deductions</b>	164.2%	<b>(1,378,977)</b>	<b>(522,033)</b>	<b>(1,067,095)</b>
<b>Net Patient Services Revenue</b>	-5.0%	<b><u>4,539,017</u></b>	<b><u>4,777,027</u></b>	<b><u>4,202,769</u></b>
<b>Other Operating Revenue</b>	6.7%	<b><u>1,416,916</u></b>	<b><u>1,327,982</u></b>	<b><u>1,543,276</u></b>
<b>Total Revenue</b>	-2.4%	<b><u>5,955,933</u></b>	<b><u>6,105,009</u></b>	<b><u>5,746,045</u></b>
<b><u>Expenses</u></b>				
Salaries & Wages	-0.3%	2,489,665	2,497,245	2,761,062
Employee Benefits	7.4%	1,169,218	1,089,017	1,285,444
Professional Fees	-11.9%	1,037,581	1,178,212	726,181
Supplies	3.3%	419,489	406,194	360,885
Purchased Services	12.6%	767,187	681,565	608,347
Depreciation	9.2%	230,704	211,308	211,607
Other Expenses	-10.6%	163,098	182,418	158,781
<b>Total Expenses</b>	0.5%	<b><u>6,276,941</u></b>	<b><u>6,245,959</u></b>	<b><u>6,112,307</u></b>
<b>Income/(Loss)</b>	127.7%	<b><u>(321,008)</u></b>	<b><u>(140,950)</u></b>	<b><u>(366,263)</u></b>





# CORDOVA COMMUNITY MEDICAL CENTER



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Phone: (907) 424-8000 • Fax: (907) 424-8116

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To: Health Services Board  
From: Theresa Carté, Administrator  
RE: CCMC Fiscal Year  
Date: June 1, 2012

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Request: Cordova Community Medical Center would like to change the organization's fiscal year end from June 30<sup>th</sup> to December 31<sup>st</sup>, following the calendar year and similar to the City's fiscal year.

Reasoning: Administration would prefer to be on the same schedule as the city and the calendar year is a preferable way to manage the budget.

Processes considered in this request:

- 1) Administration will need to send a request into CMS requesting the change with a reason for the change. The request must be received by the intermediary 120 days or more before the close of the reporting period (deadline for letter is 8/31/12). CCMC would then be required to do a FYE 6/30/12 cost report with 12 months of data, and then a 12/31/12 filing would occur with 6 months of data.
- 2) Staff will need to complete a regular annual inventory in June for the current FYE. Staff would then need to perform a second annual inventory to cover the remaining 6 months of the year for the 12/31/12 year-end.
- 3) The Health Services Board would need to approve a budget for the current FYE (6/30/12) and then approve another one that covers the new FYE (12/31/13), which would be created at the end of 2012.