



AGENDA
COMMUNITY HEALTH SERVICES BOARD
Cordova Center – Community Room A&B
July 14, 2016 at 7:00PM
REGULAR MEETING

AT CCMC, WE BELIEVE THAT HEALTHY PEOPLE CREATE A HEALTHY COMMUNITY.

Health Service Board

President:

David Allison
Term expires 03/19

Vice-President:

Tim Joyce
Term expires 03/17

Secretary:

Tom Bailer
term expires 03/17

Board members:

James Burton
term expires 03/19
Joshua Hallquist
term expires 03/18
Robert Beedle
term expires 03/18
James Wiese
Term expires 03/19

Administrator/CEO

Scot Mitchell

OPENING

1. Call to Order
2. Roll Call – David Allison, Tim Joyce, James Burton, Tom Bailer, Josh Hallquist, Robert Beedle and James Wiese.
3. Establishment of a Quorum

A. APPROVAL OF AGENDA

B. CONFLICT OF INTEREST

C. COMMUNICATIONS BY AND PETITIONS FROM VISITORS

1. Audience Comments (limited to 3 minutes per speaker).
Speaker must give name and agenda item to which they are addressing.
2. Guest Speaker
 - a. Ron Vigus with QHR

D. APPROVAL OF CONSENT CALENDAR

E. APPROVAL OF MINUTES

Pgs.1-4

1. June 1, 2016 Special Meeting Minutes
2. June 9, 2016 Regular Meeting Minutes

F. REPORTS OF OFFICER and ADVISORS

Pgs.5-20

1. President's Report –
2. Administrator's Report - attached
3. Finance Report – attached
4. Medical Director's Report - attached
5. Sound Alternatives Report - none
6. QHR Report – Quorum Monthly Updates

G. CORRESPONDENCE

H. ACTION ITEMS

Pgs.21-22

1. Authorized Check Signers for CCMC

I. DISCUSSION ITEMS

Pgs.23-33

1. CCMC Conflict of Interest and Confidentiality Statement (requires board signatures)

J. 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.

K. BOARD MEMBERS COMMENTS

L. EXECUTIVE SESSION

1. Board Relations with CCMC Staff

M. 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
Cordova Center – Community Rooms A
June 1, 2016 at 6:00pm
Special Meeting

A. CALL TO ORDER AND ROLL CALL –

B. Roll Call ~ David Allison called the HSB special meeting to order at 6:00pm. Board members present: **David Allison, Tim Joyce, Tom Bailer, and Josh Hallquist.**
A quorum was established. 4 members present; 3 member absent.

C. APPROVAL OF AGENDA

M/ Joyce S/ Bailer “move to approve the agenda.”

Vote on motion: 4 yeas, 0 nays, 3 absent. Motion was approved.

D. DISCLOSURES OF CONFLICTS OF INTEREST ~ None

E. COMMUNICATIONS BY AND PETITIONS FROM VISITORS ~ None

- **Guest Speakers**
- **Audience Comments**

F. CORRESPONDENCE ~ None

G. DISCUSSION ITEMS ~ None

H. NEW BUSINESS ~ None

I. BOARD MEMBERS COMMENTS ~ None

J. EXECUTIVE SESSION

1. Personnel Organization (CEO Contract Discussion and Signature)

At 6:03pm M/ Joyce S/ Bailer “move to go into executive session for matters, immediate knowledge of which would clearly have an adverse effect upon the finances of CCMC.”

Noel Rea, Interim CEO; Mary Rios, Interim DON and Randy Robertson, City Manager went into the Executive Session with the Board.

HSB Members came out of Executive session at 6:22pm

Vote on motion: 4 yeas, 0 nays, 3 absent. Motion was approved.

M/Joyce S/Bailer “motion to approve the CCMC Organizational Chart as presented”.

K. ADJOURNMENT –

M/Bailer S/Joyce “I Move to adjourn the meeting.”

Allison declared the meeting adjourned at 6:24pm.

Minutes
Community Health Services Board
Cordova Center – Community Rooms A
June 9, 2016 at 7:00pm
Regular Meeting

I. CALL TO ORDER AND ROLL CALL –

David Allison called the HSB special meeting to order at 7:00pm. Board members present: **David Allison, Tim Joyce (telephonically), Tom Bailer, and Josh Hallquist.**

James Burton, James Wiese and Robert Beedle were absent.

A quorum was established. 4 members present; 3 members absent.

CCMC staff present: Noel Rea, Interim CEO; Stephen Sundby, Executive Director of Sound Alternatives; Olinda White, Interim CFO; Mary Rios, Interim DON; Randy Apodaca, Rehab Services; Vivian Knop, Materials Management; and Kevin Byrd, Radiology Tech.

II. APPROVAL OF AGENDA

M/ Bailer S/ Hallquist "move to approve the agenda."

Vote on motion: 4 yeas, 0 nays, 3 absent. Motion was approved.

III. CONFLICT OF INTEREST ~ None

IV. COMMUNICATIONS BY AND PETITIONS FROM VISITORS ~ None

1. **Annual Audit Report** ~ Sara from the Auditor's office went through the documentation that was provided in the packet. A hardcopy of this information can be provided if requested.
2. **Salary Schedule from JB Rewards** ~ Vance Jacobson went through a power point that was prepared to show the board the time frame and financial impact of a raise in salary. A copy of that power point was provided at the meeting for the board and can be provided if requested.

This was not listed on the Agenda as an actionable item, so no decision can be made at this time. The board asked that this be brought back to the board with more information at the next HSB Meeting.

The Board also felt that more detailed financial information (a full fiscal note) was necessary before they felt comfortable making a decision. The board members also felt that the new permanent CEO Scot Mitchell should have time to review this information as well.

3. **Audience Comments** ~ None

V. APPROVAL OF CONSENT CALENDAR

M/ Bailer S/ Hallquist "move to approve the consent calendar."

CCMC Policies LTC 130, LTC 309, LTC 105, LTC 325, LTC 102, NSG 133A, NSG 133B, RS 207, RS 301, RS 302, RS 303, RS 304, RS 305, RS 401, RS 402, RS 403, RS 404, RS 405, RS 406, RS 407, RS 408, RS 409, RS 410, RS 411, RS 412, RS 413, RS 414, RS 416, RS 418, RS 419, RS 420, QMC 100, ER 111, ER 113, ER 114, LAB 200, LAB 201, LAB 202, LAB 203, LAB 300, LAB 302, LAB 303, LAB 306, LAB 309, LAB 310, LAB 311, LAB 312, LAB 313, LAB 307, LAB 314, LAB 301, LAB 108, DTY 103, DTY 302, DTY 302A, DTY 303, DTY 304, DTY 307, DTY 308, DTY 310, DTY 311, DTY 312, DTY 313, DTY 314, DTY 315, DTY 316, DTY 317, DTY 318, DTY 319, DTY 320, DTY 322, DTY 324, DTY 325, DTY 326, DTY 326A, DTY 327, DTY 328, DTY 329, DTY 330, DTY 331, DTY 501, DTY 502, DTY 504, DTY 507, DTY 509, DTY 510, DTY 513, DTY 514, DTY 515, DTY 516, DTY 700, DTY 701, DTY 702, DTY 323 , DTY 316, DTY 309, DTY 305.

HSB Chairman recommended that for purchasing food that CCMC take a look at Cisco, they are on average 1/3 the price of what Food Services of America charges.

Vote on motion: 4 yeas, 0 nays, 3 absent. Motion was approved.

VI. APPROVAL OF MINUTES

M/ Hallquist S/ Bailer “move to approve the minutes from the April 14, 2016 Regular Meeting Minutes, April 27, 2016 Special Meeting Minutes and the May 12, 2016 Regular Meeting Minutes.”

Vote on motion: 4 yeas, 0 nays, 3 absent. Motion was approved.

VII. REPORTS OF OFFICERS and ADVISORS ~ None

President’s Report ~ Nothing in addition to what we’re already talking about.

Administrator’s Report ~ In addition to what we’ve already talked about, we will have a CFO candidate coming here. His name is Lee Bennett, he has worked at a Critical Access Hospital here in Alaska in Sitka. **Allison** asked if Scot been involved in that. **Noel** responded that Scot has seen his CV. **Allison** asked if he weighed in on him. **Rea** stated that yes, and he thought that Scot was fine with him.

Discussion continued as to whether Scot Mitchell was given the information and had weighed in and agreed to offer a contract to Lee Bennett.

Medical Director’s Report ~ None

Finance Report ~ Olinda reported that even though she provided the financial report it was not 100% accurate. This inaccuracy appears to be due to a computer issue, and I have been working on getting that fixed.

The Board continued with a more detailed discussion regarding the monthly financial materials provided.

Sound Alternatives Report ~ Stephen Sundby report that they are waiting now to hear on their grant and how much it will be.

Quorum Report ~ Ron Vigus stated that they are continuing to search for a CFO for the facility. Ron is planning on being at the July 14th Regular Meeting.

VIII. CORRESPONDENCE ~ None

IX. ACTION ITEMS ~ None

X. DISCUSSION ITEMS

1. List of Contracts Obligating CCMC

Allison asked for this item to be placed on the Agenda to see about having staff generate a list of all of the contracts. **Joyce** stated that it might be a good time to have the discussion of having a Finance Committee to see that information. **Bailer** agreed on a Finance Committee and then they can come back and report to the Board. As far as the Contracts are concerned they aren’t an issue for me at this point. **Hallquist** disagreed about the need for a list of contracts from CCMC. We need to let the people do what we’re paying them to do, if they aren’t doing their job, we should get rid of them.

Rea reported that they have a vendor list, and there are 195 vendors on that list. **Faith** spoke up and reported that she has a spreadsheet that she had created for Stephen that listed every contract that the CEO signs off on.

XI. AUDIENCE PARTICIPATION ~ None

XII. BOARD MEMBERS COMMENTS

Joyce ~ Ron Vigus, Bill Donatella and I met, we all know that we signed an 18 month contract with QHR. We decided to wait to make a decision until Scot Mitchell comes on board to see what his thoughts are on what he thinks QHR can provide that will be beneficial to the facility.

Hallquist ~ Thank you everybody for all of your hard work at the hospital, it's much appreciated.

Bailer ~ Yes I would echo that, and I would look into Cisco especially if it will save money.

Allison ~ Yes, Thank you to staff for coming out and being here in case we have any questions and for all of your hard work.

XIII. Executive Session

1. CEO Transition

2. Personnel Issues (Attorney Client)

At 9:00pm M/ Bailer S/ Hallquist "move to go into executive session for matters, immediate knowledge of which would clearly have an adverse effect upon the finances of CCMC."

Board took a 5 minute break

Board went into Executive Session at 9:05pm.

HSB Members came out of Executive session at 9:45pm

Vote on motion: 5 yeas, 0 nays, 2 absent. Burton-Absent; Allison-yes; Joyce-yes; Beedle-absent; Bailer-yes; Hallquist-yes and Wiese-yes. Motion was approved.

M/ Joyce S/ Bailer motion to direct Chair and staff to proceed as directed in Executive Session regarding the CEO transition.

XIX. ADJOURNMENT –

M/ Bailer S/ Joyce "I Move to adjourn the meeting."

Allison declared the meeting adjourned at 9:50pm.

Prepared by: Faith Wheeler-Jeppson



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

Date: July 7, 2016
To: Health Services Board
From: Scot Mitchell, CEO
RE: CEO Report to Health Services Board

Since arriving at CCMC on June 27, 2016 I have been meeting with staff, HSB members, City leaders, community leaders, State healthcare organizations and other key stakeholders to introduce myself and start learning more about the hospital and community. We are still working on scheduling more of these meetings with our elected representatives and other individuals and organizations. These conversations have been very helpful for me to get up to speed on the many exciting activities at CCMC.

As of my writing this report, I am still learning the major issues facing CCMC and what the previous strategies have been to address them. My goal is to work with all the key stakeholders and start developing operational plans to deal with these major challenges.

In order to start working quickly on the financial situation, I have brought Jason McCormick onsite to conduct a financial and operational analysis. Jason is a former CAH CFO and CEO that I have worked with previously, and he currently works with a national consulting firm to assist small hospitals with the many financial issues facing them. Jason will provide a report back to me on his findings and suggestions for improving our financial services. Jason has graciously agreed to conduct this assessment for us in return for us covering his travel expenses. He already works with another hospital in Alaska.

In addition to the obvious financial and staffing issues that I was made aware of during the interview process, I have found a fairly significant concern regarding our lack of quality reporting. I have spoken with representatives from the State of Alaska and ASHNHA, and they advise me that CCMC has not submitted any required quality data since last year. This puts us in jeopardy of losing some grant funding and not meeting regulatory and licensing requirements. I have already worked with several staff members to start developing an action plan to correct this so we can start submitting our quality data in the near future.

In future reports, I will have much more detailed data and information to report to the HSB. I want to work with the HSB to provide you with the information that you will need to make informed governance decisions. It is important that our internal operational strategies are in alignment with the expectations of the HSB, so I look forward to working with each of you as we continue to build upon the prior successes at CCMC to provide Cordova with the highest quality healthcare system!

In closing, I want to say that I have been very pleased and excited about the great staff at CCMC. I have met with a lot of them, and I have seen a great deal of personal commitment from them for improving the future for CCMC. We have an amazing team, and I am looking forward to working with them!

Nursing Activity Update-

1. Caregiver Openings- Focus on revamping process of posting openings for permanent hire caregivers and the application process on our website.
2. Trauma In-service- Dr. Blackadar held an in-service for our nurses regarding the care of trauma patients in our ED. The class was very well received by our nurse caregivers.
3. Medical, Trauma Triage and Transfer- “Trauma Triage, Transport & Transfer Guidelines” will be reviewed this month with every current and new nurse caregiver that will be working in the ED. The packet includes Trauma Alert Criteria, Trauma Alert Activation and Team Notification guideline. The goal is to ensure consistent and appropriate response for our caregivers with potential trauma patients in our ED.
4. Medication Administration Process- Next step of mounting a laptop on the Acute/Swing and OBS med cart so the nurse can directly reference Centriq (EMR) while preparing and medicating their patients is now complete. This documented best practices will ensure the “5 Rights of Medication Administration” are being followed consistently.

Cordova Community Medical Center
Financial Narrative
May 2016

May was somewhat of an unusual month with the receipt of meaningful use funds from Medicare of \$571,921.

In May the Hospital generated \$903,483 in total patient revenue. This was \$44,724 less than April but \$134,153 above budget. Statistically April and May were similar with the exception of PT which was down from April but comparable to Jan, Feb, and Mar.

Deductions from revenue were \$218,412. This was \$136,255 less than April but \$83,648 above budget. April apparently had a large charity write off while only \$494 was written off in May. Contractual Adjustments were above budget by \$71,614 and have been above budget throughout the year. Will need to assess whether patient utilization has changed or if Medicare/Medicaid/commercial rates changed from when the budget was prepared. Bad Debts were \$33,343 above budget and have been running above budget. This may be a function of cleaning up some old accounts receivable but will need to be looked into.

Cost recoveries were \$754,331. This was \$786,921 above April and \$548,782 above budget. Grants were \$46,157 above budget for May but are \$117,074 below budget on a year to date basis. Do not know if this is a function of how the funds are budgeted versus how they are received. Will check on this. In-Kind Contributions were below budget by \$7,606 and seem to be running about that through the current fiscal year. Other Revenue was \$510,231 above budget due to the receipt of the meaningful use funds of \$571,921. Otherwise other revenue has been running well below budget. Will need to assess this as well.

Total Operating Revenue – money we expect to receive – was \$1,439,402. This was \$878,453 above April and \$599,288 above budget. Again a one-time hit due to meaningful use monies.

Total Expenses were \$956,413. This was \$184,276 above April (which was understated due to the insurance accrual issue) and \$114,465 above budget. Salaries and Wages have been running slightly below budget while Professional Services have been running slightly above budget until May which was well above budget. Will need to track this over the next few months. Other areas that were above budget were Rents and Leases, Utilities and Depreciation which will need analysis. Recruitment and Relocation was also above budget due to hiring a permanent CEO.

For the month of May the Hospital generated a net income of \$482,988 and on a year to date basis has a net loss of \$396,859.

The Balance Sheet does reflect Cash and Cash Equivalents of \$682,719. This is due to the receipt of the meaningful use monies right at the end of the month. Most of those monies were used to pay down accounts payable.

Profit & Loss Statement

17:49

Application Code : GL

User Login Name:lwhite

Through May 2016

Description	Period	Budget	Period	Year-To-Date	Year-to-date	Year-To-Date
	Amount	Amount	Variance	Amount	Budget	Variance
REVENUE						
Acute	71,754.35	30,838.75	40,915.60	312,948.34	154,193.75	158,754.59
Swing Bed	79,799.30	92,045.17	-12,245.87	372,327.21	460,225.85	-87,898.64
Long Term Care	367,646.70	346,378.16	21,268.54	1,769,581.45	1,731,890.80	37,690.65
Clinic	80,709.13	63,292.99	17,416.14	357,361.74	316,464.99	40,896.75
Outpatients-Other	207,504.90	188,519.91	18,984.99	983,058.31	942,599.59	40,458.72
Behavioral Health	96,068.76	48,254.34	47,814.42	271,425.00	241,271.70	30,153.30
Patient Services Total	903,483.14	769,329.32	134,153.82	4,066,702.05	3,846,646.68	220,055.37
DEDUCTIONS						
Charity	494.00	21,803.59	-21,309.59	136,204.46	109,017.95	27,186.51
Contractual Adjustments	165,999.45	94,385.02	71,614.43	865,727.02	471,925.10	393,801.92
Bad Debt	51,919.10	18,575.58	33,343.52	148,719.60	92,877.90	55,841.70
Deductions Total	218,412.55	134,764.19	83,648.36	1,150,651.08	673,820.95	476,830.13
COST RECOVERIES						
Grants	86,965.40	40,807.92	46,157.48	86,965.40	204,039.56	-117,074.16
In-Kind Contributions	93,847.62	101,453.67	-7,606.05	460,787.45	507,268.35	-46,480.90
Other Revenue	573,518.95	63,287.58	510,231.37	558,402.98	316,437.90	241,965.08
Cost Recoveries Total	754,331.97	205,549.17	548,782.80	1,106,155.83	1,027,745.81	78,410.02
TOTAL REVENUES	1,439,402.56	840,114.30	599,288.26	4,022,206.80	4,200,571.54	-178,364.74
EXPENSES						
Wages	274,075.60	294,438.56	-20,362.96	1,404,714.02	1,472,192.80	-67,478.78
Taxes & Benefits	181,710.54	201,960.51	-20,249.97	819,202.08	1,009,808.51	-190,606.43
Professional Services	267,455.97	180,625.27	86,830.70	1,013,671.39	903,126.35	110,545.04
Minor Equipment	411.99	1,447.83	-1,035.84	24,728.33	7,239.15	17,489.18
Supplies	25,887.05	36,269.75	-10,382.70	157,698.36	181,348.75	-23,650.39
Repairs & Maintenance	1,464.73	8,797.83	-7,333.10	12,825.99	43,989.15	-31,163.16
Rents & Leases	19,546.23	10,196.99	9,349.24	60,597.89	50,984.95	9,612.94
Utilities	93,455.72	47,299.67	46,156.05	496,587.56	236,498.35	260,089.21
Travel & Training	2,840.35	4,340.93	-1,500.58	12,310.37	21,704.65	-9,394.28
Insurances	19,887.57	17,220.74	2,666.83	65,227.32	86,103.70	-20,876.38
Recruit & Relocate	21,167.16	7,838.34	13,328.82	62,864.65	39,191.70	23,672.95
Depreciation	42,712.32	22,360.92	20,351.40	212,367.19	111,804.60	100,562.59
Other Expenses	5,798.56	9,151.09	-3,352.53	76,270.89	45,755.45	30,515.44
TOTAL EXPENSES	956,413.79	841,948.43	114,465.36	4,419,066.04	4,209,748.11	209,317.93
OPERATING INCOME	482,988.77	-1,834.13	484,822.90	-396,859.24	-9,176.57	-387,682.67
NET INCOME	482,988.77	-1,834.13	484,822.90	-396,859.24	-9,176.57	-387,682.67

07/07/16

Page:1

Balance Sheet

17:36

Application Code : GL

User Login Name:lwhite

May 2016

Description	Year-To-Date Amount	Prior YTD Amount
ASSETS		
Cash & Cash Equivalents	682,719.90	91,313.94
Net Patient Receivables	1,017,483.04	1,024,938.09
Other Receivables	100,480.80	246,953.47
Fixed Assets	4,902,017.58	4,067,307.72
Prepaid Expenses	22,641.76	27,010.29
Inventory	198,405.41	179,338.56
	-----	-----
TOTAL ASSETS	6,923,748.49	5,636,862.07
	=====	=====
LIABILITIES		
Payables	1,796,676.84	2,586,535.83
Payroll Liabilities	547,355.29	224,961.94
Other Liabilities	2,342,846.00	151,340.53
	-----	-----
TOTAL LIABILITIES	4,686,878.13	2,962,838.30
EQUITY/FUND BALANCE		
	-----	-----
TOTAL FUND BALANCE	2,236,870.36	2,674,023.77
	-----	-----
TOTAL LIABILITIES AND EQUITY	6,923,748.49	5,636,862.07
	=====	=====

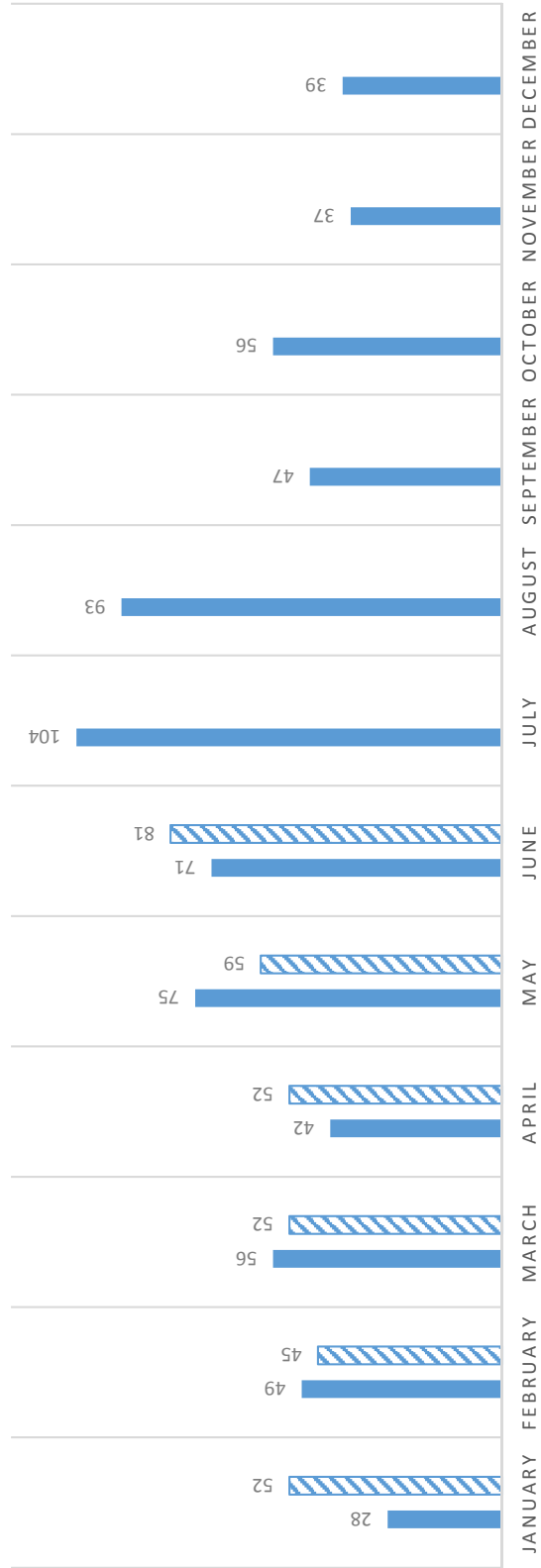
Cordova Community Medical Center Statistics

2015	JAN-15	FEB-15	MAR-15	APR-15	MAY-15	JUN-15	JUL-15	AUG-15	SEP-15	OCT-15	NOV-15	DEC-15
Acute	2	3	7	8	16	3	10	2	11	6	7	2
Swing	31	3	55	60	60	62	18	45	12	10	19	0
Obs	4	5	8	3	4	5	8	6	26	37	36	35
LTC	310	280	308	287	307	300	274	273	388	309	300	310
Clinic	141	151	157	196	204	190	224	270	164	194	131	160
ER	23	46	49	40	104	73	104	97	47	56	37	39
BH	94	90	73	97	37	68	112	49	106	70	71	76
PT	224	197	280	347	321	224	319	345	216	170	296	269
OT	24	55	95	67	108	65	35	107	90	99	115	128
Lab	440	350	533	266	486	311	411	328	359	363	291	367
Xray	27	27	66	68	59	56	99	84	47	34	37	44
OP	8	5	2	4	1	12	4	2	15	12	20	3
Billable Services	1328	1212	1633	1443	1707	1369	1618	1608	1481	1360	1360	1433

2016	Jan-16	Feb-16	Mar-16	Apr-16	May-16
Acute	16	15	18	22	26
Swing	10	40	32	37	24
Obs	37	35	39	34	42
LTC	310	290	310	297	310
Clinic	178	197	170	203	222
ER	52	45	52	52	59
BH	94	100	103	104	89
PT	319	344	349	401	326
OT	105	107	51	139	124
Lab	304	363	324	350	374
Xray	60	52	64	56	76
OP	4	2	5	2	8
Billable Services	1489	1590	1517	1697	1680

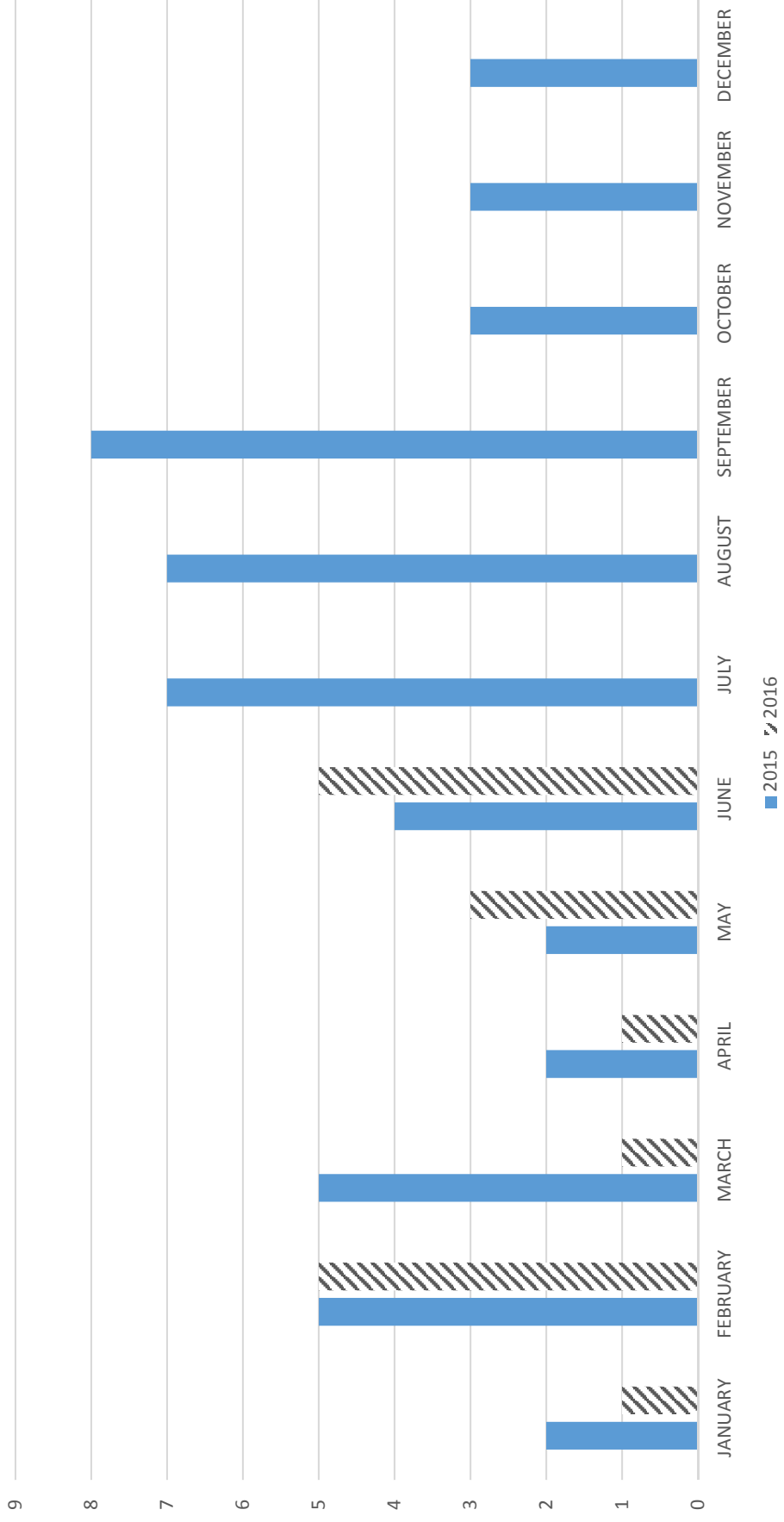
ER VISITS 2015/2016

■ 2015 ■ 2016

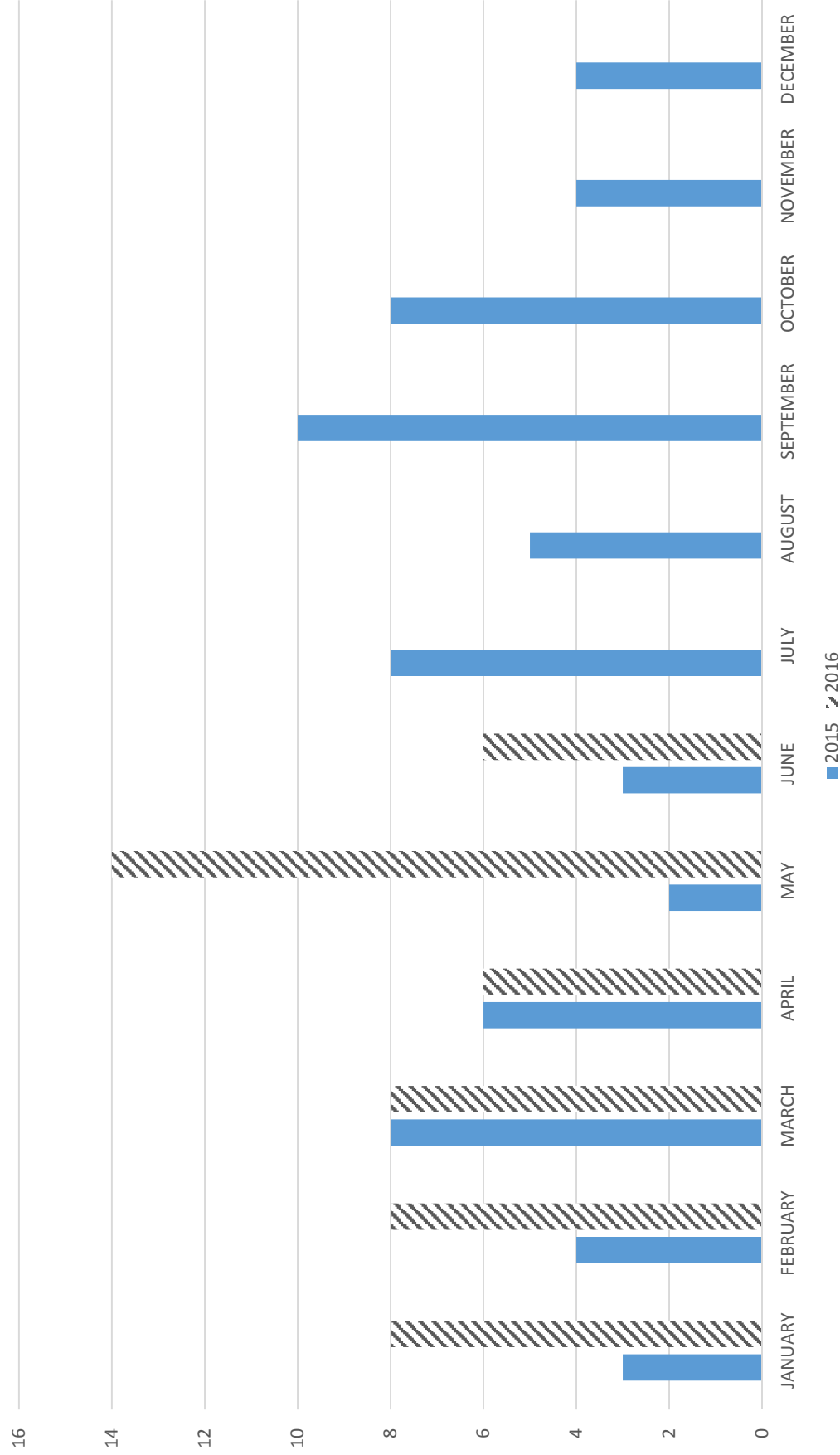




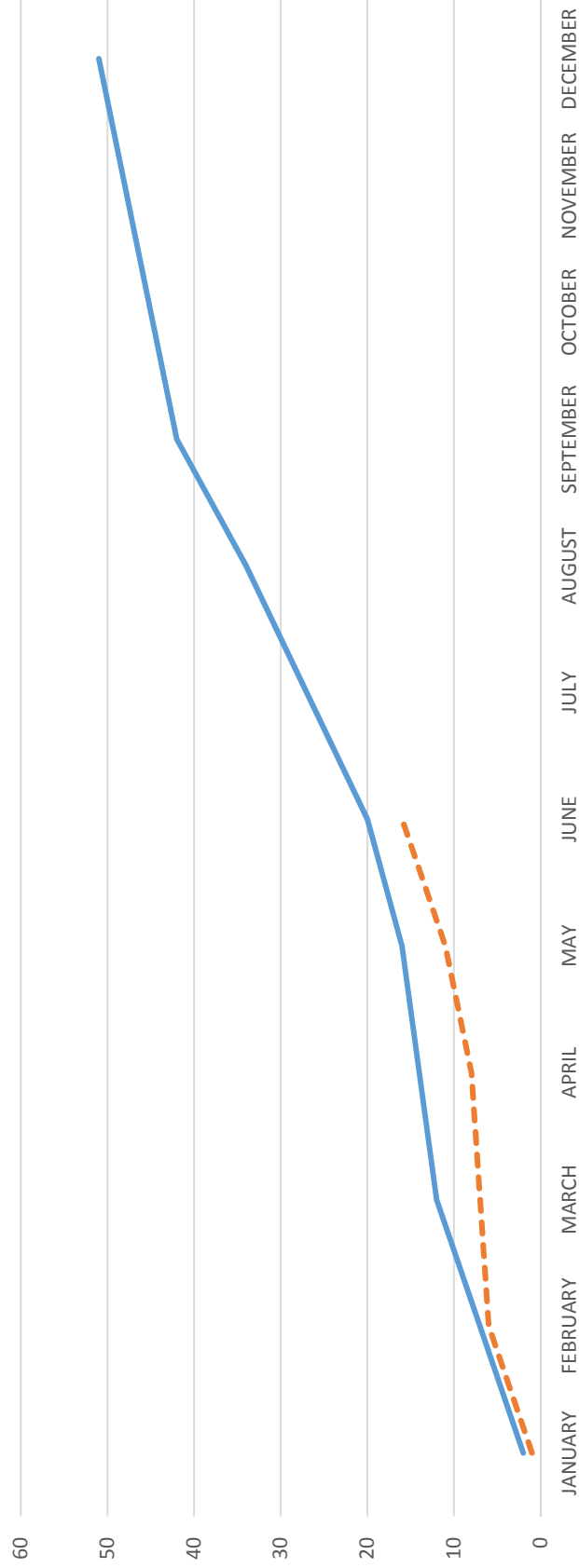
CCMC Transfers



CCMC ADMITS

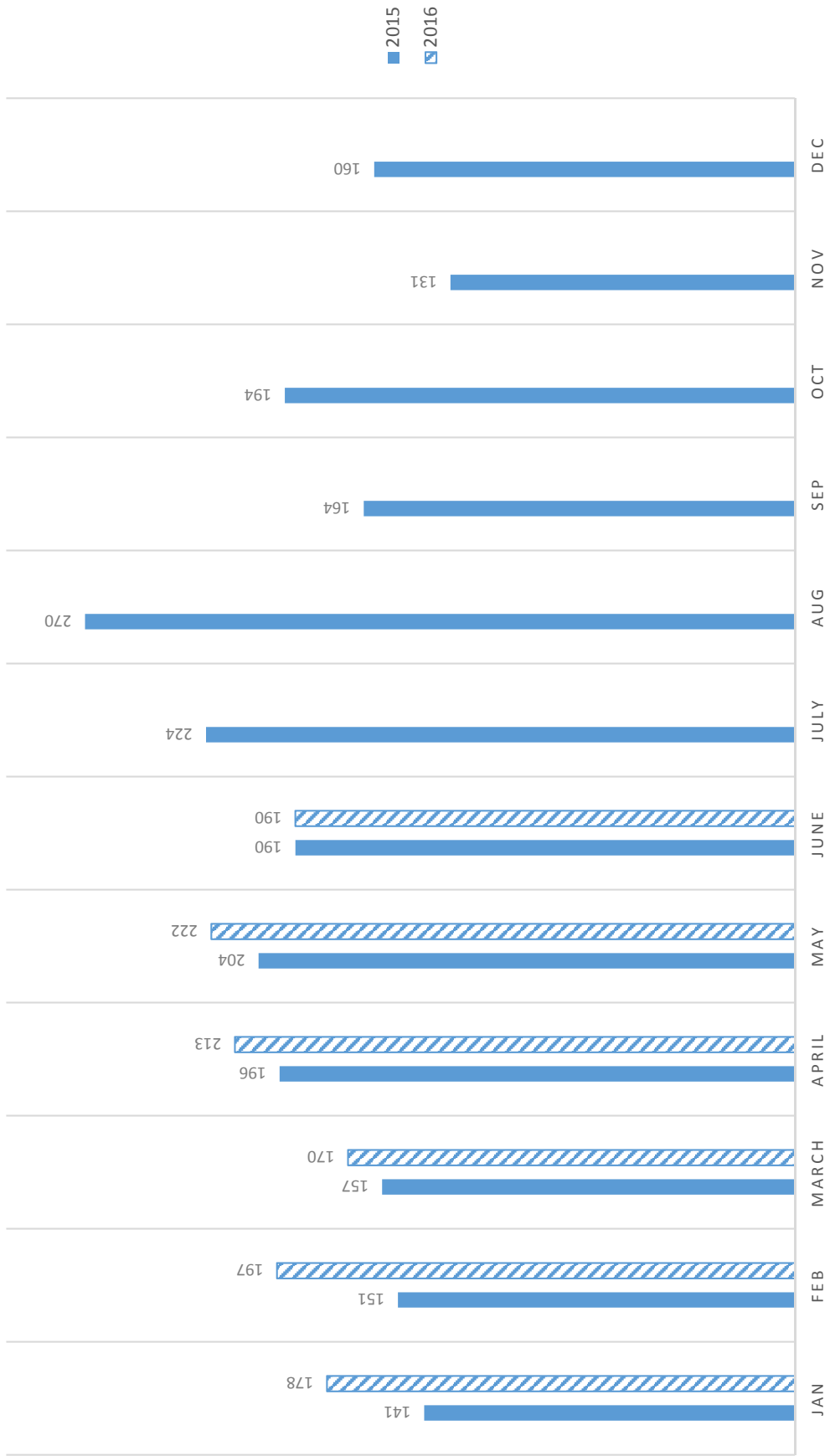


CCMC Transfers



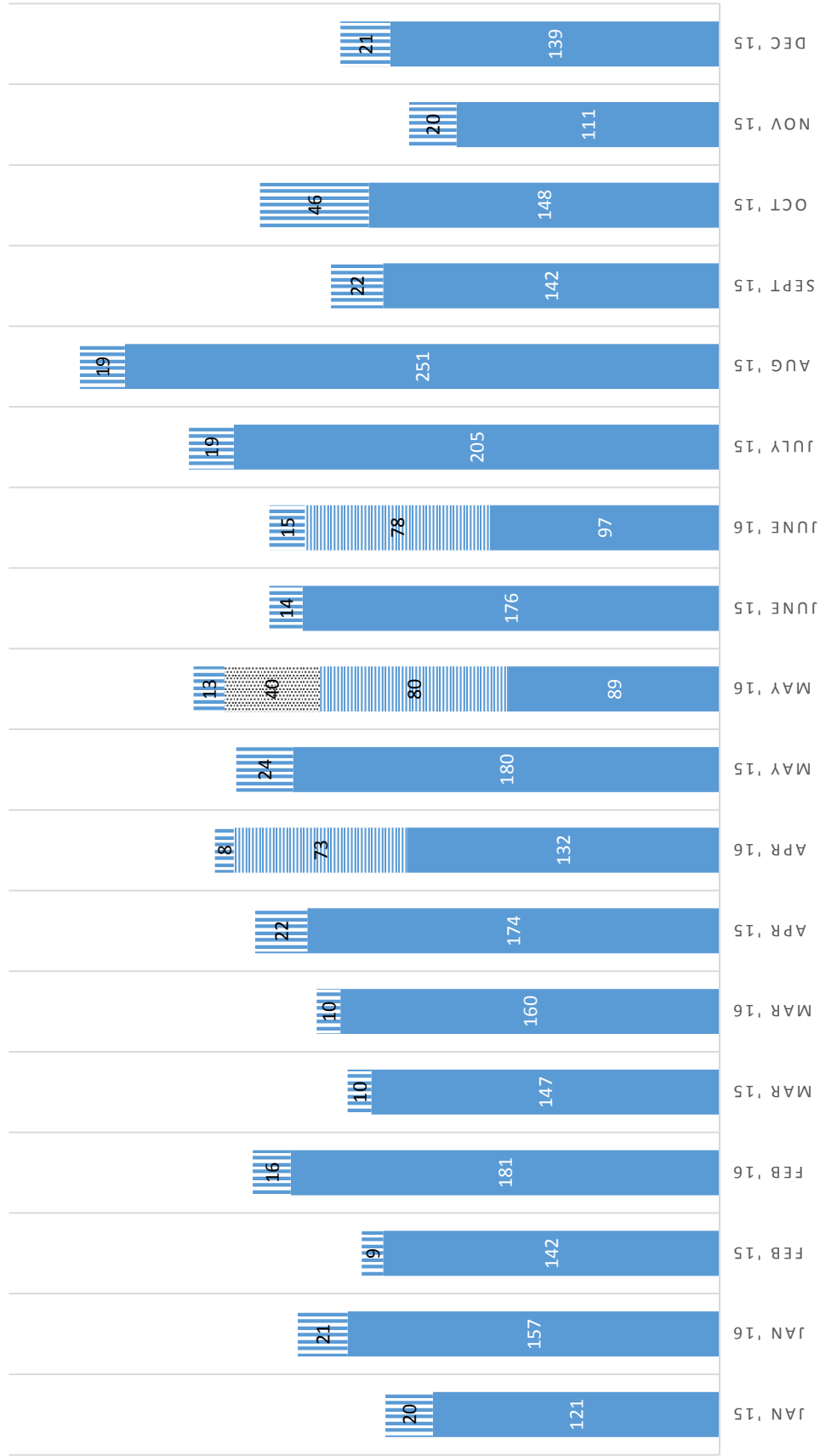


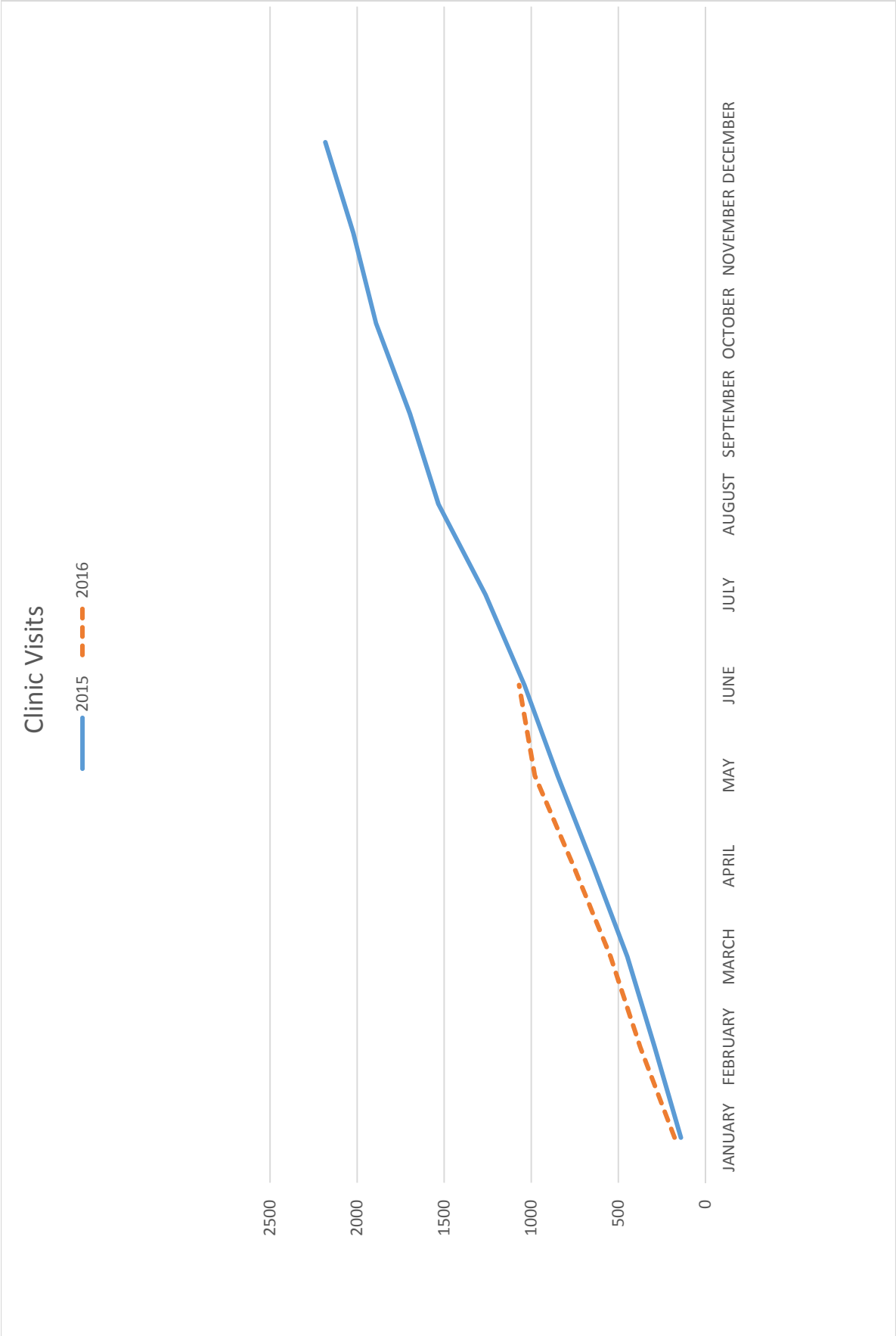
CLINIC VISITS 2015/2016



CLINIC VISITS 2015/2016

■ Dr Blackadar ■ Dr Sanders ■ Other Doctor ■ Nurse







VIEW

JUNE

2016

Quorum's Monthly Digest of the Business of Healthcare

HEALTH INSURANCE OPTIONS EXPECTED TO DWINDLE, PREDOMINATELY IN RURAL REGIONS

REFERENCES

Quotations in the text are drawn from the following sources:

The Wall Street Journal: Insurance Options Dwindle in Some Rural Regions, May 15, 2016

<http://www.wsj.com/articles/insurance-options-dwindle-in-some-rural-regions-1463356031>

The Houston Chronicle: Blue Cross Blue Shield seeks 60% rate hikes in 2017, June 1, 2016

<http://www.houstonchronicle.com/news/houston-texas/texas/article/Blue-Cross-Blue-Shield-seeks-60-rate-hikes-in-7958152.php>

Becker's Hospital Review: Rural U.S. in danger of becoming insurance desert: 6 things to know, June 2, 2016

<http://www.beckershospitalreview.com/payer-issues/rural-u-s-in-danger-of-becoming-insurance-desert-6-things-to-know.html>

CNBC: Big drop in Texans without health insurance, but poor lag, June 1, 2016

<http://www.cnn.com/2016/06/01/big-drop-in-texans-without-health-insurance-but-poor-lag.html>

The Des Moines Register: Wellmark plans 38% to 43% increases for some customers, May 12, 2016

<http://www.desmoinesregister.com/story/news/health/2016/05/12/wellmark-plans-38-to-43-increases-some-customers/84277758/>

USA Today: UnitedHealth warns it may exit Obamacare plans, Nov. 20, 2015

<http://www.usatoday.com/story/money/2015/11/19/unitedhealth-group-earnings-downgrade-obamacare-affordable-care-act/7604032/>

Rural regions may experience even more change in health insurance coverage options over the next year. According to the *Houston Chronicle*, "Insurers across the nation have complained vigorously that they are losing money in the federal exchanges as some customers have proven more costly to cover than anticipated. Under the Affordable Care Act (ACA), an insurer can no longer deny coverage to someone based on her or his health status or pre-existing condition." *The Wall Street Journal* recently reported that many health insurance companies are pulling out of unprofitable markets, mostly in rural regions. The article explained that many people with health insurance "will have only one insurer's plan to choose from on the ACA's exchanges next year." In fact, "so far, more than 650 counties appear on track to have just one insurer on the exchanges in 2017, according to the Kaiser Family Foundation," (*The Wall Street Journal*).

With a growing number of "insurance deserts" throughout the country, many people do not know what their health coverage options will be next year (*Becker's Hospital Review*). According to *Becker's Hospital Review*, "In Alaska and Alabama, state regulators expect to have only one insurer offering plans on the government insurance exchanges for the entire state next year. In addition, Kentucky, Tennessee, Mississippi, Arizona and Oklahoma are also expected to have only one insurer offering government-subsidized plans. Of those counties in jeopardy of having a single insurer next year, 70 percent have mostly rural populations." Limited health insurance options are happening especially in states that have not expanded Medicaid. According to *CNBC*, "A whopping 46 percent of Texans whose household income is below \$16,395 still remain uninsured, according to the report by Rice University's Baker Institute for Public Policy and the Episcopal Health Foundation."

To combat high costs, some health insurers are hiking their rates. *U.S. News and World*

Report said "several industry observers say they expect insurers to seek significant premium hikes in many markets. Final rates will come out later this year, and enrollment for 2017 coverage will begin Nov. 1, a week before the presidential election." Wellmark Blue Cross Blue Shield in Iowa cites "trends related to the ACA and the fast rising costs of prescription drugs," as the main causes for the premium increase. In Texas, "Blue Cross and Blue Shield of Texas asked for rate hikes of nearly 60 percent for next year in three popular HMO plans. The hike could affect nearly 603,000 Texans buying individual policies through the ACA marketplace," (*Houston Chronicle*). 30,000 Iowa residents are also facing sticker shock. Individuals covered under Wellmark Blue Cross Blue Shield were recently notified that premiums would rise from 38 percent to 43 percent next year, (*The Des Moines Register*).

And while some are considering rate increases, other health insurance providers are considering entirely pulling out. As reported in the Dec. 2015 *Q View*, according to *USA Today*, UnitedHealth Group said it planned to pull out of the exchanges next year as it lost \$425 million from health plans sold on the ACA's marketplaces." Joining UnitedHealth Group is Humana. According to *U.S. News and World Report*, "Humana became the latest health insurer to serve notice that it might leave some ACA exchanges next year, creating more uncertainty for customers ahead of this fall's enrollment window and presidential campaign, during which the law is sure to remain a hot debate topic."

As the presidential election approaches, the future of the ACA is still unknown. Talk with your CEO about the availability of insurance exchange options for your local community and the potential impact of increasing health insurance rates and health insurance exchanges will have on your hospital and medical staff. And you can ask your Quorum regional vice president how other hospitals and communities are addressing these challenges.



Memorandum

To: Health Services Board
From: Scot Mitchell, FACHE, CCMC CEO
Subject: Resolution to update CCMC Authorized Check Signers
Date: July 6, 2016

CCMC and the Health Service Board need to update and resubmit the Resolution Authorizing CCMC Check Signers to be in compliance with the HBS Bylaws:

To remove the following individuals as authorized check signers:

Interim CEO	Noel Rea
Interim CFO	Olinda White

To add the following CCMC Employees as authorized check signers:

CEO	Scot Mitchell
SA Director	Stephen Sundby

The updated list of CCMC authorized check signers will be as follows:

CEO	Scot Mitchell
SA Director	Stephen Sundby
Dir. Of Rehab Svcs.	Randy Apodaca
HSB President	David Allison
HSB Vice-President	Tim Joyce
HSB Secretary	Tom Bailer

Suggested Motion: “I move to approve the Resolution of the Cordova Health Services Board designating the representatives authorized for signing checks, non-check payroll tax payment, and cash transfers for Cordova Community Medical Center.”

**Community Health Services Board
Resolution**

**A RESOLUTION OF THE CORDOVA COMMUNITY HEALTH SERVICES BOARD
OF THE CORDOVA COMMUNITY MEDICAL CENTER DESIGNATING THE
RESPRESENTATIVES AUTHORIZED FOR SIGNING CHECKS, NON-CHECK
PAYROLL TAX PAYMENT, AND CASH TRANSFERS FOR CORDOVA
COMMUNITY MEDICAL CENTER.**

WHEREAS, the Cordova Community Medical Center checking accounts for the general fund, payroll fund, grant fund and nursing home patient trust accounts, require two (2) signatures; and

WHEREAS, CCMC investment accounts, funded depreciation accounts, and malpractice trust accounts require the Administrator and one (1) Board Officer's original signatures, and

THEREFORE, BE IT RESOLVED THAT,

1. All checks issued require two signatures; at least one (1) Health Service Board Officer's signature, and that non-check electronic payments and cash transfers from the general checking account to the payroll checking account should be signed off by at least one HSB officer and another authorized signer;
2. The Health Services Board authorizes the following individuals only to act as check signers on the above-mentioned accounts:

CEO	Scot Mitchell
Dir. Of Rehab Services	Randy Apodaca
SA Director	Stephen Sundby
HSB President	David Allison
HSB Vice-President	Tim Joyce
HSB Secretary	Tom Bailer

PASSED and approved this 14th day of July 2016.

Board Signature: _____ Date: _____

**Cordova Community Medical Center
Policy**

SUBJECT: Confidentiality DEPARTMENT: Administration POLICY OWNER: Compliance Officer Original Approval Date: February 8, 2012 Approved by: Theresa L. Carté, Administrator	ADM P303 <input type="checkbox"/> New <input checked="" type="checkbox"/> Revised <input type="checkbox"/> Reviewed Date: 05/08/2014 Page 1 of 3
---	--

Policy:

CCMC employees, members of the Health Services and Sound Alternatives Advisory Boards, and any other person who has a contractual, volunteer, or other relationship with CCMC, shall not purposefully disclose any confidential and/or proprietary information of CCMC unless (i) authorized to do so by CCMC; (ii) required to be disclosed to other employees to enable them to fulfill a legitimate job responsibility, provided the individuals receiving the information are advised of the confidential nature of the disclosure; or (iii) required to do so under applicable law.

Definitions:

Confidential and/or Proprietary Information: Information, material, or data that CCMC considers and treats as confidential, sensitive, or proprietary; is not readily available to the public; or is subject to any legal restrictions on its use. This information includes, without limitation:

- a. Any medical information, also known as protected health information, as defined by HIPAA, to include medical records, diagnostic and therapeutic reports, x-rays, scans, other related photographs, laboratory samples, mental health and counseling information, drug treatment information, patient business (billing and insurance) records, visual observation of patients receiving medical care or accessing services; verbal information provided by or about a patient;
- b. Any personally identifiable information held of an individual served by CCMC;
- c. Employee/personnel records and information;
- d. Any privileged information from legal counsel;
- e. Nonpublic financial, strategic, or operational information; and
- f. Trade-secrets or other confidential information or processes used by CCMC in carrying out its activities, to include recruiting strategies, procurement, and purchasing processes.

Procedures:

All individuals identified above will:

- a. act with reasonable and due care to avoid the inappropriate disclosure of any confidential and/or proprietary information;
- b. assure that confidential and/or proprietary information is maintained in secure files and locations and securely handled, stored, and disposed of;
- c. avoid the use of confidential and/or proprietary information for personal gain or the advantage of any outside organizations or entities.

**Cordova Community Medical Center
Policy**

SUBJECT: Confidentiality DEPARTMENT: Administration POLICY OWNER: Compliance Officer Original Approval Date: February 8, 2012 Approved by: Theresa L. Carté, Administrator	ADM P303 <input type="checkbox"/> New <input checked="" type="checkbox"/> Revised <input type="checkbox"/> Reviewed Date: 05/08/2014 Page 2 of 3
---	---

All individuals identified above will be required to execute a statement regarding conflicts of interest and confidentiality upon hire, appointment, or engagement. The Compliance Officer will maintain copies of all statements for inspection and review in accordance with the CCMC record retention policy.

Reference:

Cross – Reference:

ADM 302 Conflict of Interest

Attachment:

ADM 302a Confidentiality and Conflict of Interest Disclosure Form

**Cordova Community Medical Center
Policy**

SUBJECT: Confidentiality DEPARTMENT: Administration POLICY OWNER: Compliance Officer Original Approval Date: February 8, 2012 Approved by: Theresa L. Carté, Administrator	ADM P303 <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%; border: none;"> <input type="checkbox"/> New <input checked="" type="checkbox"/> Revised <input type="checkbox"/> Reviewed </td> <td style="width: 40%; border: none; vertical-align: top;"> Date: 05/08/2014 </td> </tr> <tr> <td colspan="2" style="text-align: right; border: none;"> Page 3 of 3 </td> </tr> </table>	<input type="checkbox"/> New <input checked="" type="checkbox"/> Revised <input type="checkbox"/> Reviewed	Date: 05/08/2014	Page 3 of 3	
<input type="checkbox"/> New <input checked="" type="checkbox"/> Revised <input type="checkbox"/> Reviewed	Date: 05/08/2014				
Page 3 of 3					

Administrator Signature _____	Date _____
Dept. Manager Signature _____	Date _____
Committee Chair Signature _____	Date _____
Review Signature _____	Date _____
Review Signature _____	Date _____
Review Signature _____	Date _____
Review Signature _____	Date _____
Review Signature _____	Date _____

**Cordova Community Medical Center
Policy**

SUBJECT: Conflict of Interest	ADM P302	
DEPARTMENT: Administration	<input type="checkbox"/> New	Date: 05/08/2014
POLICY OWNER: Compliance Officer	<input checked="" type="checkbox"/> Revised	
Original Approval Date: February 8, 2012	<input type="checkbox"/> Reviewed	
Approved by: Theresa L. Carté, Administrator	Page 1 of 6	

Policy:

Cordova Community Medical Center (CCMC) protects its interests when it is considering entering into a transaction or arrangement that could benefit the private interest of an affected person and provides guidance and direction on actual, perceived, or potential conflicts of interest. A conflict of interest occurs when an individual's personal interests diverge from his or her professional obligations to CCMC. When this occurs, an independent observer may reasonably question whether an individual's professional actions or decisions are determined or affected by considerations of personal gain or benefit, whether financial or otherwise.

Affected persons as defined by this policy shall avoid actual, perceived or potential conflicts of interest. In the event that such a conflict arises, the conflict will be disclosed in accordance with this policy. Failure to disclose an interest in accordance with this policy may result in removal from a governance entity or corrective actions for employees, consultants, or others as appropriate.

Definitions:

Affected Person: Any CCMC employee or contracted entity; any member of the governing or advisory board(s); elected or appointed representatives of the Cordova City Council; and consultants acting on CCMC's behalf.

Conflict of Interest: A situation in which the personal and/or professional interests of a person performing duties on behalf of CCMC might appear to influence the objectivity of that person in carrying out her/his official duty to CCMC.

Immediate Family Member: An individual's spouse, parents, grandparents, children, siblings (whether step, whole, or half blood), and the spouses of the same, where the individual is or becomes aware that the immediate family member has a financial interest or other conflict of interest as defined herein. For purposes of this policy, others living in a residence owned by the individual are included under this definition (e.g., a significant other).

Financial Interest: A situation where an affected person or his/her immediate family member has a financial relationship with CCMC. In general, a financial relationship is a direct or indirect ownership interest, investment interest, or compensation arrangement with CCMC and/or any entity that conducts transactions with CCMC. Specifically for purposes of this policy, a financial interest includes:

- a. An ownership or investment interest in any entity or business in which CCMC has a transaction or arrangement; or
- b. A compensation arrangement with CCMC or with any entity, business, or individual with which CCMC has a transaction or arrangement; or

**Cordova Community Medical Center
Policy**

SUBJECT: Conflict of Interest	ADM P302	
DEPARTMENT: Administration	<input type="checkbox"/> New	Date: 05/08/2014
POLICY OWNER: Compliance Officer	<input checked="" type="checkbox"/> Revised	
Original Approval Date: February 8, 2012	<input type="checkbox"/> Reviewed	
Approved by: Theresa L. Carté, Administrator	Page 2 of 6	

- c. A potential ownership or investment interest in, or compensation arrangement with, any entity, business, or individual in which CCMC is negotiating a transaction or arrangement.

Procedures:

1. Conflicts of Interest – The following are representative, but not all-inclusive, of conflict of interest situations that require disclosure under this policy:
 - a. Influence on the purchase of equipment, instruments, materials, or services for CCMC from any vendor or company in which you or an immediate family member has a financial interest or from any vendor or company with which you or an immediate family member has a competing financial interest.
 - b. Influence upon the negotiation of contracts between CCMC and any vendor or company with which you , or an immediate family member, has a consulting, competitive, or other significant relationship, or if you or an immediate family member could receive favorable treatment as a result of such influence.
 - c. Improper use of CCMC resources for personal gain or the gain of another person.
 - d. Accepting compensation, free services, loans or a gift from a vendor, service provider, or contractor when you are in a position to determine or influence the conduct of CCMC business with the vendor, service provider, or contractor.
 - e. Holding, directly or indirectly, a governance or management role in a competitor to CCMC without disclosing that interest or role.
 - f. Providing business or professional services, whether or not compensated, to any person that requires such time and effort that such services could interfere with his or her responsibilities to CCMC.
 - g. Having a financial interest (compensation or ownership) in a consulting firm or vendor that provides services or products to either CCMC or any direct competitor of CCMC.
 - h. Arrangements such as ownership in or contractual or business agreement with a healthcare related entity including, but not limited to: a drug company, medical equipment supplier, or similar companies.
 - i. Other circumstances that may constitute a conflict of interest under federal or state law or regulation.

**Cordova Community Medical Center
Policy**

SUBJECT: Conflict of Interest	ADM P302	
DEPARTMENT: Administration	<input type="checkbox"/> New	Date:
POLICY OWNER: Compliance Officer	<input checked="" type="checkbox"/> Revised	05/08/2014
Original Approval Date: February 8, 2012	<input type="checkbox"/> Reviewed	
Approved by: Theresa L. Carté, Administrator	Page 3 of 6	

j. Other conflicts of interest may arise that are not covered in the preceding categories.

2. Duty to Disclose

a. General Disclosure

- i. All affected persons must file a conflict of interest disclosure form upon appointment and/or hire. Affected persons that are not employees must thereafter file a new disclosure on an annual basis for the duration of their service.
- ii. The Board president is responsible for ensuring compliance for governing or advisory entities and appointed committees.
 1. Compliance Officer will supply forms to Executive Assistant to take to first Health Service Board meeting each year. The Conflict of Interest disclosure forms must be completed by each HSB member each year.
 2. Upon any change in HSB membership over the course of the year, the Executive Assistant will ensure the new HSB member gets a copy of the form and completes it within 2 months of their appointment to the Board.
- iii. Human Resources is responsible for ensuring compliance for employees, contractors, and/or consultants.
- iv. Conflict of interest disclosure forms are to be forwarded to the Compliance Officer upon completion.

b. Boards and Committees

- i. An affected person with any actual, perceived, or potential conflict of interest must disclose such interest to the members of the appropriate board or committee with board-delegated powers that is considering a decision, transaction, or arrangement that may be in conflict. The interest must be disclosed as soon as reasonably possible.
 1. If CCMC management identifies an actual, perceived, or potential conflict of interest for an individual, the conflict will be reported to the Compliance Officer, who will notify the CEO of the actual, perceived, or potential conflict.
 2. Actual, perceived or potential conflicts of interest may also be reported through the Compliance Hotline.

**Cordova Community Medical Center
Policy**

SUBJECT: Conflict of Interest	ADM P302	
DEPARTMENT: Administration	<input type="checkbox"/> New	Date:
POLICY OWNER: Compliance Officer	<input checked="" type="checkbox"/> Revised	05/08/2014
Original Approval Date: February 8, 2012	<input type="checkbox"/> Reviewed	
Approved by: Theresa L. Carté, Administrator	Page 4 of 6	

- ii. After disclosure of the actual, perceived, or potential conflict of interest, the affected person shall not participate in any board or committee meeting while the conflict is discussed except to provide factual information/respond to board/committee questions, and must leave the proceeding during the board's/committee's general discussion and deliberation process. The remaining board or committee members shall decide if a conflict of interest exists. The outcome of any vote on a conflict of interest shall be recorded in the meeting minutes.

3. Violations of the Conflict of Interest Policy

- a. Affected persons who refuse to complete the required conflict of interest disclosure form or fail to abide by CCMC's confidentiality or conflict of interest requirements will be subject to appropriate corrective action, which may include removal from a Board or committee position or termination of the employment/contractual agreement.
- b. If a Board or committee has reasonable cause to believe that an affected person has failed to disclose an actual, perceived, or potential conflict of interest, it shall inform such person of the basis for such belief and provide the member an opportunity to explain the alleged failure to disclose. If, after hearing the response of the affected person and investigating further as may be warranted, the Board or committee determines that the affected person has in fact failed to disclose an actual, perceived or potential conflict of interest, it shall take appropriate corrective action.

4. Records of Proceedings – Boards and Committees

- a. The Board has "Conflict of Interest" as a standing agenda item for every meeting.
- b. The minutes of all Board and Board committee meetings must contain:
 - i. The name of the person who disclosed or otherwise was found to have had an actual, perceived, or potential conflict of interest;
 - ii. The nature of the interest and actual, perceived, or potential conflict;
 - iii. Any action taken to evaluate whether a conflict of interest was present;
 - iv. The Board or committee's decision as to whether an actual, perceived, or potential conflict of interest existed, including the content of the discussion and any proposed alternatives that were considered; and

**Cordova Community Medical Center
Policy**

SUBJECT: Conflict of Interest	ADM P302
DEPARTMENT: Administration	<input type="checkbox"/> New <input checked="" type="checkbox"/> Revised <input type="checkbox"/> Reviewed
POLICY OWNER: Compliance Officer	
Original Approval Date: February 8, 2012	
Approved by: Theresa L. Carté, Administrator	Page 5 of 6

- v. The names of the persons present for discussions and votes, and a record of any votes taken in connection with the proposed decision, transaction, or arrangement.
- c. Meeting minutes shall be retained in accordance with CCMC’s record retention requirements.
- 5. Compensation – An affected person who receives compensation directly or indirectly from CCMC for services is precluded from voting on matters pertaining to that members’ compensation.
- 6. Periodic Audit and Records Retention
 - a. CCMC will conduct periodic audits of the conflict of interest disclosure process to confirm that CCMC has a process that supports operating in a manner consistent with its mission and legal requirements.
 - b. The Compliance Officer will maintain copies of all conflict of interest disclosure forms for inspection and review in accordance with the CCMC record retention policy.

**Cordova Community Medical Center
Policy**

SUBJECT: Conflict of Interest DEPARTMENT: Administration POLICY OWNER: Compliance Officer Original Approval Date: February 8, 2012 Approved by: Theresa L. Carté, Administrator	ADM P302	
	<input type="checkbox"/> New <input checked="" type="checkbox"/> Revised <input type="checkbox"/> Reviewed	Date: 05/08/2014
	Page 6 of 6	

Reference:

Cross – Reference:

ADM 303 Confidentiality Policy

Attachment:

ADM 302a CCMC Confidentiality and Conflict of Interest Disclosure Statement

Administrator Signature _____	Date _____
Dept. Manager Signature _____	Date _____
Committee Chair Signature _____	Date _____
Review Signature _____	Date _____
Review Signature _____	Date _____
Review Signature _____	Date _____
Review Signature _____	Date _____
Review Signature _____	Date _____

CCMC CONFIDENTIALITY AND CONFLICT OF INTEREST DISCLOSURE FORM

1. Indicate your relationship to CCMC:

- I am a CCMC employee
- I am a Health Services Board Member
- I am a Sound Alternatives Advisory Board Member
- I am a Cordova City Council or Council Committee Member
- I am an Affected Person as defined in the Conflict of Interest Policy
- Other

2. I acknowledge and agree to abide by CCMC's Confidentiality Policy which requires me to:

- a. Maintain the strict confidentiality of CCMC's non-public information including, but not limited to protected health information, employee information, business or propriety information, and any other type of confidential information that I am not authorized to release or disclose.
- b. Not pursue for personal gain any opportunities that arise from my knowledge of confidential or proprietary information acquired by virtue of my relationship to CCMC.

- Yes No

3. I further acknowledge and agree to abide by CCMC's Conflict of Interest Policy which requires me to:

- a. Disclose the existence and nature of any financial interest that may give rise to an actual, perceived, or potential conflict of interest to my supervisor or appropriate CCMC resource.
- b. Put CCMC's interests before a personal interest in any business or corporate opportunity of which I learn in my role with CCMC.
- c. Abstain from participating an absent myself from any board, committee, or other meeting which discusses or votes on matters where I have an actual, perceived, or potential conflict of interest.
- d. Not accept any favor, payment in cash of any kind, gifts, or other items or service of value from any third party in exchange for influencing the actions of CCMC.
- e. Supplement this disclosure and inform your supervisor or appropriate CCMC resource promptly in the event that a conflict of interest that has not yet been disclosed arises.

- Yes No

4. Disclosure of interests.

- a. Financial Interests. List and describe any financial interest that you or an immediate family member has, including ownership in vendors or consultants to CCMC, or in a business that competes with CCMC. Write "None" if you have no financial interests to disclose.

- b. **Contracts.** List any contracts or other written or verbal agreement that you may have with CCMC. Write “None” if you have no contracts to disclose.

- c. **Gifts and Favors.** List any gifts or favors received in your capacity as an interested or affected person at CCMC. Examples include non-business meals, travel, tickets to events, or discounts. Write “None” if you have no gifts or favors to disclose.

- d. **Other Potential Conflicts.** List and describe any other situations including board membership, employment, business or professional activity that may conflict with your duties and responsibilities for CCMC. Write “None” if you have no potential conflicts to disclose.

5. I have disclosed all actual, perceived, or potential conflicts of interest to my immediate supervisor and or appropriate CCMC resource as identified in the CCMC Conflict of Interest Policy.

Affirmation: I affirm that the responses provided in this conflict of interest disclosure form are true and accurate to the best of my knowledge, and that this disclosure was personally completed by me.

Printed Name	Signature	Date
Witness		Date