



**AGENDA**  
**COMMUNITY HEALTH SERVICES BOARD**  
**Cordova Center – Community Room A&B**  
**September 8, 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

**D. APPROVAL OF CONSENT CALENDAR**

**E. APPROVAL OF MINUTES**

1. **Minutes from the July 14, 2016 Regular HSB Meeting**
2. **Minutes from the August 11, 2016 Regular HSB Meeting**

**F. REPORTS OF OFFICER and ADVISORS**

1. President's Report –
2. Administrator's Report - Attached
3. Finance Report – June Financials
4. Medical Director's Report – Nothing to report at this time
5. Sound Alternatives Report – Nothing to report at this time
6. Nursing Report -
7. QHR Report –

**G. CORRESPONDENCE**

**H. ACTION ITEMS**

**I. DISCUSSION ITEMS**

1. **Requested HSB Policy**
2. **Tim Joyce DRAFT HSB Policy**
3. **HSB Governance Structure**

**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**

**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**  
**July 14, 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, James Burton (telephonically), Josh Hallquist and Robert Beedle (telephonically).**

**James Wiese was absent.**

A quorum was established. 6 members present; 1 members absent.

CCMC staff present: Scot Mitchell, CEO; Stephen Sundby, Executive Director of Sound Alternatives; Lee Bennett, Interim CFO; Randy Apodaca, Rehab Services; and Dr. Blackadar, Medical Director.

**II. APPROVAL OF AGENDA**

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

**Vote on motion: 6 yeas, 0 nays, 1 absent. Beedle-yes; Allison-yes; Burton-yes; Bailer-yes; Hallquist-yes and Joyce-yes. Wiese-absent. Motion was approved.**

**III. CONFLICT OF INTEREST ~ None**

**IV. COMMUNICATIONS BY AND PETITIONS FROM VISITORS**

**1. Audience Participation ~ None**

**2. Guest Speaker ~ Ron Vigus, Regional Vice-President of QHR** spoke about finding more opportunities for QHR to help. We’ve come up with three areas that we feel that we can help with, # 1 improving your revenue, # 2 reducing your expenses and # 3 would be overall operations going forward. We also identified education as something that we can help with, for the employees and the trustees. Something that Lee and I talked about was QHR helping with the Revenue Cycle Management. Lee said that CCMC has already put a group together to start working on that and we’ll join in with our expertise.

**V. APPROVAL OF CONSENT CALENDAR ~ None**

**VI. APPROVAL OF MINUTES**

**M/ Bailer S/ Hallquist** “move to approve the minutes from the June 1, 2016 Special Meeting Minutes and the June 9, 2016 Regular Meeting Minutes.”

**Vote on motion: 6 yeas, 0 nays, 1 absent. Burton-yes; Beedle-yes; Joyce-yes; Allison-yes; Bailer-yes; Hallquist-yes and. Wiese-absent. Motion was approved.**

**VII. REPORTS OF OFFICERS and ADVISORS ~ None**

**President’s Report ~ Nothing at this time.**

**Administrator’s Report ~ Scot Mitchell** wanted to thank everybody and stated that he is glad to be here and looking forward to working with everyone. I’ve been meeting a lot of people and getting to know key stakeholders, I have met with most of the staff now, all of the HSB members and quite a few of the community members. Last week I had a colleague of mine who is a former CFO and CEO come in and do a financial and operational analysis for us. The only cost to us for him coming over was that we pay part of his travel expenses. In the next week or so I should have what his recommendations are. I have had some strategic meetings with Kerin

and Cindy from Ilanka, we've already starting some strategic planning with some staff getting them thinking about the bigger picture of what we're doing. There are several areas that were working on, and finances are of course at the top of the list along with the provision of quality health care. Some of the things that go hand in hand with that are recruitment and retention of quality staff. And providing good quality education and training that they need once they get here.

**Finance Report ~ Lee Bennett** reported that his focus has been delving into the books to make sure that the board had a financial and that the numbers are as accurate as they can be. I've been a CFO for 35 years, this is the smallest organization that I have been in.

Lee reported that he does have a little bit of angst about the taxes and benefits, it looks a little low to me so I will be looking into that. Cash flow is an issue, it is always going to be an issue. One of the things that I am going to bring up is that Noel reported to the board that he was going to be paying down the PERS with the Meaningful Use monies. We ended up getting a bill from the self-insurers for \$120,000 for that month which is about twice what it should be and that needed to be paid fairly quickly. So we diverted the fund for the PERS to pay that debt down, there were also some other debts that popped up. They did pay down about \$70,000 of the PERS liability, but we're still in arrears somewhere between \$170,000 - \$200,000. That did not go away, and they do charge us interest on that.

The board went through the financial details provided by Lee Bennett. A hardcopy of the financial information is in the permanent record.

**Medical Director's Report ~ Dr. Blackadar** reviewed the Medical Director's Report to the board. He stated that going through the report you will see that the ER visits are pretty constant compared to last year. The Admits are going up and the Transfers are going down. I also wanted to show you that the clinic visits have gone up a bit, but it's not the amount of growth that I had anticipated.

A hardcopy of the Medical Director's report has been placed in the permanent record.

**Sound Alternatives Report ~ Stephen Sundby** reported that Sound Alternatives is in the process of doing their yearend. We got funded at the same level for our DD Respite Grant. We have not heard anything back on our Treatment and Recovery grant yet. We're anticipating that they are going to cut them.

**Quorum Report ~** A copy of the June QView report was provided in the packet, a copy has been placed with the packet for the record.

#### VIII. CORRESPONDENCE ~ None

#### IX. ACTION ITEMS

##### 1. Authorized Check Signers for CCMC

**M/ Bailer S/ Hallquist** "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."

**Vote on motion: 5 yeas, 0 nays, 2 absent. Beedle-yes; Joyce-yes; Allison-yes; Bailer-yes; and Hallquist-yes.**

**Wiese-absent and Burton-absent. Motion was approved.**

#### X. DISCUSSION ITEMS

## **1. CCMC Conflict of Interest and Confidentiality Statement**

To be in compliance with CCMC policies the Health Service Board members are required annually to read and sign the Conflict of Interest and Confidentiality Statement. A COI and Confidentiality Statement was provided for each HSB Member to sign so they can be placed in the file. Back up documentation (CCMC policies) were provided in the packet for the board.

**XI. AUDIENCE PARTICIPATION ~ None**

## **XII. BOARD MEMBERS COMMENTS**

**Beedle ~ Welcome Ron, Scot and Lee. Thank you**

**Joyce ~ Thank you for coming and providing us an update**

**Hallquist ~ Thank you to staff**

**Bailer ~ Thanks everybody for being here.**

**Allison ~ Welcome to our new staff and thank you for being here.**

## **XIII. Executive Session**

### **1. Board Relations with CCMC Staff**

**At 8:08pm 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 in regards to Board Relations with CCMC Staff.”

Board took a 3 minute recess

Board went into Executive Session at 8:11pm.

HSB Members came out of Executive session at 8:46pm

**M/ Joyce S/ Bailer** motion to direct the Chair to work with staff to create a draft policy on Communications with Staff to be presented at the next regular HSB meeting to proceed as directed in Executive Session.

**Vote on motion: 5 yeas, 0 nays, 2 absent. Beedle-yes; Joyce-yes; Allison-yes; Bailer-yes; and Hallquist-yes.**

**Wiese-absent and Burton-absent. Motion was approved.**

## **XIX. ADJOURNMENT –**

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

**Allison** declared the meeting adjourned at 8:47pm.

**Prepared by: Faith Wheeler-Jeppson**

**Minutes**  
**Community Health Services Board**  
**Cordova Center – Community Rooms A & B**  
**August 11, 2016 at 7:00pm**  
**Regular Meeting**

**I. CALL TO ORDER AND ROLL CALL –**

**David Allison** called the HSB special meeting to order at 7:01pm. Board members present: **David Allison, Tim Joyce (telephonically), Josh Hallquist and James Wiese. Robert Beedle, James Burton and Tom Bailer were absent.**

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

COCM staff present: Scot Mitchell, CEO; Stephen Sundby, Executive Director of Sound Alternatives; Lee Bennett, Interim CFO; and Randy Apodaca, Rehab Services.

**II. APPROVAL OF AGENDA**

**M/ Hallquist S/ Wiese** “move to approve the agenda.”

**Vote on motion: 4 yeas, 0 nays, 3 absent. Allison-yes; Joyce-yes; Wiese-yes; and Hallquist-yes.**

**Burton-absent, Beedle-absent and Bailer-absent. Motion was approved.**

**III. CONFLICT OF INTEREST ~ None**

**IV. COMMUNICATIONS BY AND PETITIONS FROM VISITORS**

1. **Audience Participation** ~ None
2. **Guest Speaker** ~ None

**V. APPROVAL OF CONSENT CALENDAR ~ None**

**VI. APPROVAL OF MINUTES ~ None**

**VII. REPORTS OF OFFICERS and ADVISORS ~ None**

**President’s Report** ~ Nothing to report at this time.

**Administrator’s Report** ~ **Scot Mitchell** stated that a couple of items have come up that weren’t on my written report. As the Mayor mentioned earlier about the tragedy that occurred in the community earlier this week. I have to put it out there that I am really impressed with all of the staff at COCM on the way they responded to the incident was pretty amazing. We had the folks from Sound Alternatives that were in the facility immediately to help with anything that needed to be done there. The Sound Alternatives folks also participated in a Critical Stress Debriefing with the EMS, Fire and Law Enforcement last night. And today we had a Debriefing of the incident itself in regards to the medical aspect of it at the hospital. We had almost two dozen people attend from EMS, Fire Department, Law Enforcement and hospital staff as well. We received quite a few thanks afterward for providing a way to discuss how things went and how things could go in the future. Earlier this week we had an unannounced survey from the Ombudsman’s Office, we did very well. She said that we are one of the best in the state for patient care. The only item that she suggested was that we update and modernize the resident’s dining and activity room to make look more like a home setting rather than an institutional one.

We have an issue with the CT scanner, right now it is completely down. We need to purchase a UPS (Uninterruptable Power Supply). Without one, every time we have a power surge the CT shuts down and goes offline, we then have to call in a Tech to come get it back up and running. The Tech from GE will be here tomorrow to get the CT back up and running. The UPS is a pretty

expensive piece of equipment, it's somewhere in the \$90,000 - \$100,000 range. But it sure beats spending \$12,000 every time they have to come, and I think this is the third or fourth time in 6 months that they've had to come. It's something that we need to get addressed pretty quickly.

I have had discussions with two nurses earlier this week that want to move to Cordova, so we're working on a few things with them. I also spoke with the folks from Prince William Sound Community College about doing some training programs here for our C.N.A's and also Allied Health training programs, plus they have an opportunity to do an Advanced RN training programs that we're looking at as well.

**Joyce** asked if Scot could talk to the rest of the Board a little bit about what we're getting from QHR.

**Scot** stated that in the Administrator's report he has listed out the things that he has reached out to QHR for since he's been here. Ken Ward is also on the phone with us tonight from QHR, he's the Assistant Regional Vice President who has the finance background. We've talked and I think that the biggest area is helping us with the Revenue Cycle opportunities, there are a lot of other things that they bring to the table that can help us. The Quality areas, Purchasing, Policies and Procedures, and Education is a really good opportunity for everybody.

**Finance Report ~ Lee Bennett** went through the Finance Report, some of the highlights from that report were that in June the hospital generated \$903,138 in total patient revenue, this was \$345 less than May but \$133,808 above budget. Deductions from revenue were \$200,412. This was \$18,000 less than May, but \$65,648 above budget. Bad Debts and Contractual Adjustments were both above budget. The Total Operating Revenue was \$860,253. This was \$20,138 above budget. For the month of June the hospital generated a net loss of \$28,476 and on a year to date basis has a net loss of \$425,332.

**Medical Director's Report ~** Nothing to report at this time.

**Sound Alternatives Report ~ Stephen Sundby** reported that Sound Alternatives has been doing a lot in regards to the incident and I've spent quite a bit of time over at the school. What we usually do in times like this is open ourselves up to anyone who needs to talk. We're thinking of having another meeting next week.

Stephen spoke to the board about the grants, informing them that there will be another round of cuts, possibly in December. Sound Alternatives is working on a plan for when the grant goes away.

**Quorum Report ~ Ken Ward** introduced himself to the Board and gave a brief work history. He added that in addition to the QHR update that Scot gave that QHR has posted the CFO position. He has two phone interviews next week and then he will forward them over to Scot. Recruitment is moving along.

**VIII. CORRESPONDENCE ~ None**

**IX. ACTION ITEMS ~ None**

**X. DISCUSSION ITEMS**

**1. Requested HSB Policy update**

**Scot** stated that he had a phone conversation with the attorney yesterday and they are working on it. After a conversation last week they wanted to make some adjustments and we should have the completed draft by next week or two.

**Joyce** stated that after last week he doubted that we would get what they were looking for. Tim stated that he had drafted a policy and he will email it to Faith tomorrow to forward on to the rest of the HSB members.

### **3. Cash Distribution request**

**Allison** explained to the board that this was the same request as had just been at the City Council Special Meeting. When it was put on the Agenda for the HSB we hadn't decided yet when City Council would be meeting and taking up this issue.

### **4. CCMC Check Signer Availability**

As it is right now, Tim is out of town, Tom is out of town until the 22<sup>nd</sup> and I am leaving tomorrow until the 22<sup>nd</sup> so there won't be any HSB Officers in town for check signing. **Scot** reminded the board members that we have three staff members that are authorized to sign checks, what we could do with HSB approval is allow for two authorized staff members to sign in the event that there are no HSB Officers available.

**M/ Joyce S/ Hallquist** "I move to approve having two staff members at the Cordova Community Medical Center sign payroll checks for the upcoming payroll period which would be the second pay period of August."

**Vote on motion: 4 yeas, 0 nays, 3 absent. Allison-yes; Joyce-yes; Wiese-yes; and Hallquist-yes. Burton-absent, Beedle-absent and Bailer-absent. Motion was approved.**

**XI. AUDIENCE PARTICIPATION ~ None**

### **XII. BOARD MEMBERS COMMENTS**

**Joyce ~ No comment, Thank you**  
**Hallquist ~ Thank you staff**  
**Wiese ~ No comment, Thank you**  
**Allison ~ Nothing to add**

### **XIII. Executive Session**

#### **1. Review CCMC Legal Issue**

**At 7:45pm M/ Joyce 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 in regards to a Review of CCMC Legal Issues."

Board went into Executive Session at 7:50pm.

HSB Members came out of Executive session at 8:12pm

### **XIX. ADJOURNMENT –**

**M/ Hallquist S/ Wiese** "I Move to adjourn the meeting."  
**Allison** declared the meeting adjourned at 8:13pm.



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CEO Report to the HSB  
September 8, 2016 Meeting  
Scot Mitchell, CEO

### Finances

Our process improvement efforts continue for our financial situation. Due to my attending the ASHNHA meetings, I'm writing this report a week earlier than usual so the financial statements are not yet completed. Below are some highlights of activities since our last meeting:

- The revenue cycle team has now agreed upon a set of metrics to track as part of a revenue cycle scorecard. These metrics will serve as our baseline for determining the areas we should be prioritizing for improvement. We will continue to develop a strategy for improving our revenue cycle management processes to improve our cash collections.
- I have developed a new tracking method for our utilization statistics. Due to issues with inaccurate data from the Heathland Centriq system, we are manually checking statistics each month to make sure we have correct information. I have asked each department to go back and get accurate data from 2014 through now. This will allow us to have enough information to track trends, which will help us with budgeting and forecasting future utilization.
- I have had conversations with our representatives from Heathland regarding the numerous issues CCMC has had with the Centriq system. They stated that the majority of the issues our staff has been having will be corrected with an upgrade to their most recent version. We have started this process and will continually evaluate to see if the upgrade has fixed those issues.
- We have started having weekly conference calls with Heathland to address the issues that we are encountering that are not fixed with the upgrade. We are also planning for additional training for our staff so we can become more knowledgeable on the system.
- A couple weeks ago, Lee Bennett and I met with a senior executive with CPSI, which is the company that purchased Heathland earlier this year. CPSI has stated that they plan to continue supporting Centriq for about another six years. CPSI is now offering a new model for their hospital EHR systems, where they do not charge you for the system upfront, but instead they require you to allow them to perform your billing services and they take a percentage of collections to pay for the system. We are still researching this to see if it would make any sense for us to consider switching systems in the near future.



- Lee has been pulling together departmental responsibility reports and will be working with each department to develop an operating and capital budget for 2017. Our plan is to have this budget ready for the HSB to approve at the October meeting.

### Quality

As I mentioned in my last report, CCMC has not had an active quality improvement process for some time now. We have been actively working on improving this deficiency in the past weeks. Below are highlights:

- The Quality Management Committee has been charged with overseeing the QI processes of the hospital, but due to the many other issues the QMC is responsible for, we have decided to pull the QI program out as a separate program, but with reports to come back to the QMC. This will allow us to adequately address all of the needed QI projects.
- The QI committee has already begun working on getting started with improving our processes. Each department will be required to participate in at least one QI project for the remainder of this year.
- By the end of this year, the QI committee will develop a QI calendar for 2017, which will include all of the QI projects for the organization. We expect that each department will have at least two or three QI projects to track next year.
- The Conditions of Participation from CMS requires that the governing body of the hospital has to approve the quality program. Our plans are to bring quality reports to the HSB each quarter for approval. We will also bring the 2017 quality calendar to the HSB for approval prior to the end of this year.
- Randy Apodaca is leading the QI program. We will also be working very closely with the medical staff to help make sure we are addressing the appropriate clinical concern that our physicians may have.
- We are still working on industry-standard benchmarking metrics. Due to having such low volumes, industry standards are usually not appropriate for comparing our performance. With the recent focus on collecting our utilization statistics, we can benchmark against our own experiences, and then develop goals for the future.

### Talent Management

We continue to put an emphasis on developing a consistent staffing model for CCMC. The HSB and staff know this is a very important part of improving the quality of care we provide, as well as decrease our expenses.

- Last month I reported that we have been having discussions with three nurses who were interested in moving to Cordova. All three of those nurses have agreed to accept employment offers and will start working for CCMC later this fall. Two will start in November and one in December.
- The Recruitment and Retention Committee has met three times so far and are developing strategies for recruiting and retaining quality employees. The committee has been surveying

staff, both temporary and full time to see why they originally came to CCMC and what tactics CCMC can implement to keep people here.

- We are also working on establishing a LinkedIn page for CCMC. This is one of the most commonly used social media sites for professionals and companies. I have had good experience using LinkedIn to recruit senior level leaders. Faith Wheeler-Jeppson has been leading this project.
- Faith has also recently updated parts of the CCMC website. She has acquired permission to use some very impressive photos of the Cordova area from local photographers. We have already had positive comments from others seeing these updated pages.
- One area of deficiency that was found in our most recent LTC survey was that not all of our employee performance reviews were up-to-date. We have implemented an improvement plan to get every employee current with their annual reviews within the next six months. Once this is accomplished, the managers are expected to keep everyone current according to our policies.
- I have started having monthly Performance Management Interviews (PMIs) with my direct reports. We use this meeting as a time to review any issues they are having, and make sure they have the resources they need to meet the expectations established for them. We are working on performance goals for them as well, which will be included in their annual performance reviews.
- One of the quality improvement projects that is being performed for the Human Resources department is tracking our employee turnover. In 2015 about one-third of the CCMC employees changed. This amount does include temporary staff. Through the end of July of this year, we are running at around 25% turnover rate. This is a fairly high rate, which has cost the hospital a significant amount of money for recruiting replacements. This cost is one of the key reasons for striving for more stability in our staffing.
- I have been working on recruiting a Director of Nursing to replace Mary Rios when her time is up in November.
- CCMC has partnered with Prince William Sound College to offer a Certified Nursing Assistant course. The classroom work will take place at PWSC and the clinical portion will be done at CCMC.

### Quorum Health Resources

As directed by the HSB, I have been actively reviewing the relationship with Quorum Health Resources to help determine the value of the relationship. As reported last month, I have been working with numerous QHR staff to obtain assistance in numerous operational areas. Below is an update with additions from the report last month:

- The revenue cycle team has been assisted by Dan Hobbs, QHR Senior Revenue Cycle Consultant. Dan has provided us with numerous tools to help get this improvement process moving forward. He has helped us with determining the appropriate benchmarking metrics to include in our revenue cycle scorecard. Dan has also participated in all the meetings and provides his many years of revenue cycle knowledge to our team.
- Ken Ward, Assistant Regional Vice President has been helping review potential CFO candidates and is also becoming involved in the revenue cycle team project.

- Ron Vigus and I talk frequently and he is working on connecting us with some of the QHR Strategic Service Partners to see if they can provide services to help us with our improvement projects.
- We have had a few employees participate in some of the QHR educational webinars since they have been made available to them.

### Miscellaneous

- On August 23rd I held a “Lunch with the CEO” at the hospital. We had several key stakeholders from the community participate in this event. I used this as an opportunity to provide the attendees with a quick update on hospital industry trends, and how those trends might impact CCMC. The response was positive from those in attendance, and I plan on doing this every other month, with the next one to be held in October. If you have any suggestions on potential attendees, please let me know.
- Vivian Knop put together a grant application for the Hospital Preparedness Program, and we were awarded just over \$23,000 to help us with planning and preparing for potential disaster situations. One of the requirements is for three staff members to attend the Hale Borealis emergency conference in Anchorage in October. I will attend this program as one of the three CCMC employees.
- Along with a couple other CCMC leaders, I attended the Cordova Emergency Management Organization meeting on August 26th. This was my first time participating, and I am impressed with the preparedness activities that Cordova has in place., and look forward to increasing the hospital’s participation in emergency planning activities.
- Bonnie and I donated a flat screen TV to the hospital. We have placed it in the conference room so staff can use it for educational opportunities such as webinars. It can also be used for presentations since it is connected to our computer network.
- As requested by the HSB, our attorneys have completed a draft plan for HSB members communicating with hospital staff. I sent that information to the HSB after I received it and we have included the draft policy, along with one developed by Tim Joyce, in the packet for this meeting.
- Our attorneys are also working on a potential new governance structure for CCMC. They are planning on having a discussion draft available for this HSB meeting. As of my writing this report, we are still waiting on this document. If we receive it prior to sending out the meeting packet, it will be included in the meeting agenda.

Cordova Community Medical Center  
Financial Narrative  
June 2016

In June the Hospital generated \$903,138 in total patient revenue. This was \$345 less than May but \$133,808 above budget. Statistically May and June were fairly comparable with PT picking back up with the increase in Swing Bed utilization.

Deductions from revenue were \$200,412. This was \$18,000 less than May but \$65,648 above budget. Contractual Adjustments were again above budget by \$77,018. My guess is the Long Term Care Medicaid Contractual amount was understated in the FY 2016 budget as the contractual has been over budget every month this fiscal year. Bad Debts were only \$3,578 above budget this month and have been running above budget.

Cost recoveries were \$157,528. This was \$596,803 below May due to the meaningful use funds receipt and \$48,021 below budget. There were no grant monies received in June. In-Kind Contributions were \$82,474 which was \$18,979 below budget. This area continues to run below budget and do not know if this is a budget issue or more monies will be received in the second half of the fiscal year. Other Revenue was \$75,053 due to the settlement with Providence. This was above budget by \$11,765. This area will need to be analyzed prior to budget submission for 2017.

Total Operating Revenue – money we expect to receive – was \$860,253. This was \$20,138 above budget.

Total Expenses were \$888,726. This was \$67,687 below May and \$46,779 above budget. Salaries and Wages were within \$1,786 of budget. Taxes and Benefits were again below budget. This is one area I feel needs to be analyzed as I feel the expenses are understated. Ran out of time this month but will hopefully have this corrected for the July financials. Professional Services were \$236,882 which was \$56,257 above budget due mostly to booking three months of costs for the interim CEO. Supplies were above budget due to booking six months of pharmacy expenses that are currently not being allocated by the computer system. Will be working with Healthland folks to rectify this. Rents and Leases are above budget due to traveler needs. Travel and Training is above budget but will be adjusted in July to reflect expenses posted there that should be in another account. Recruitment and Relocation had a negative balance this month due to reclassifying expenses that should have been posted to another expense account. Other areas that were above budget were Utilities and Depreciation which appear to have been under budgeted.

For the month of June the Hospital generated a net loss of \$28,473 and on a year to date basis has a net loss of \$425,332.

The Balance Sheet is basically unremarkable with the meaningful use monies now spent.

## Profit &amp; Loss Statement

Through June 2016

Description	Period	Budget	Period	Year-To-Date	Year-to-date	Year-To-Date
	Amount	Amount	Variance	Amount	Budget	Variance
<b>REVENUE</b>						
Acute	87,399.99	30,838.75	56,561.24	400,348.33	185,032.50	215,315.83
Swing Bed	120,756.18	92,045.17	28,711.01	493,083.39	552,271.02	-59,187.63
Long Term Care	351,644.33	346,378.16	5,266.17	2,121,225.78	2,078,268.96	42,956.82
Clinic	66,493.99	63,292.99	3,201.00	423,855.73	379,757.98	44,097.75
Outpatients-Other	251,318.48	188,519.91	62,798.57	1,234,376.79	1,131,119.50	103,257.29
Behavioral Health	25,525.00	48,254.34	-22,729.34	296,950.00	289,526.04	7,423.96
<b>Patient Services Total</b>	<b>903,137.97</b>	<b>769,329.32</b>	<b>133,808.65</b>	<b>4,969,840.02</b>	<b>4,615,976.00</b>	<b>353,864.02</b>
<b>DEDUCTIONS</b>						
Charity	6,855.49	21,803.59	-14,948.10	143,059.95	130,821.54	12,238.41
Contractual Adjustments	171,403.28	94,385.02	77,018.26	1,037,130.30	566,310.12	470,820.18
Bad Debt	22,154.15	18,575.58	3,578.57	170,873.75	111,453.48	59,420.27
<b>Deductions Total</b>	<b>200,412.92</b>	<b>134,764.19</b>	<b>65,648.73</b>	<b>1,351,064.00</b>	<b>808,585.14</b>	<b>542,478.86</b>
<b>COST RECOVERIES</b>						
Grants	0.00	40,807.92	-40,807.92	86,965.40	244,847.48	-157,882.08
In-Kind Contributions	82,474.54	101,453.67	-18,979.13	543,261.99	608,722.02	-65,460.03
Other Revenue	75,053.57	63,287.58	11,765.99	633,456.55	379,725.48	253,731.07
<b>Cost Recoveries Total</b>	<b>157,528.11</b>	<b>205,549.17</b>	<b>-48,021.06</b>	<b>1,263,683.94</b>	<b>1,233,294.98</b>	<b>30,388.96</b>
<b>TOTAL REVENUES</b>	<b>860,253.16</b>	<b>840,114.30</b>	<b>20,138.86</b>	<b>4,882,459.96</b>	<b>5,040,685.84</b>	<b>-158,225.88</b>
<b>EXPENSES</b>						
Wages	292,651.70	294,438.56	-1,786.86	1,697,365.72	1,766,631.36	-69,265.64
Taxes & Benefits	79,686.98	201,960.51	-122,273.53	898,889.06	1,211,769.02	-312,879.96
Professional Services	236,882.83	180,625.27	56,257.56	1,250,554.22	1,083,751.62	166,802.60
Minor Equipment	638.13	1,447.83	-809.70	25,366.46	8,686.98	16,679.48
Supplies	59,111.80	36,268.75	22,843.05	216,810.16	217,617.50	-807.34
Repairs & Maintenance	5,660.99	8,797.83	-3,136.84	18,486.98	52,786.98	-34,300.00
Rents & Leases	25,881.06	10,196.99	15,684.07	86,478.95	61,181.94	25,297.01
Utilities	98,039.41	47,299.67	50,739.74	594,626.97	283,798.02	310,828.95
Travel & Training	16,194.51	4,340.93	11,853.58	28,504.88	26,045.58	2,459.30
Insurances	32,256.14	17,220.74	15,035.40	97,483.46	103,324.44	-5,840.98
Recruit & Relocate	-16,207.12	7,838.34	-24,045.46	46,657.53	47,030.04	-372.51
Depreciation	42,941.21	22,360.92	20,580.29	255,308.40	134,165.52	121,142.88
Other Expenses	14,988.93	9,151.09	5,837.84	91,259.82	54,906.54	36,353.28
<b>TOTAL EXPENSES</b>	<b>888,726.57</b>	<b>841,947.43</b>	<b>46,779.14</b>	<b>5,307,792.61</b>	<b>5,051,695.54</b>	<b>256,097.07</b>
<b>OPERATING INCOME</b>	<b>-28,473.41</b>	<b>-1,833.13</b>	<b>-26,640.28</b>	<b>-425,332.65</b>	<b>-11,009.70</b>	<b>-414,322.95</b>
<b>NET INCOME</b>	<b>-28,473.41</b>	<b>-1,833.13</b>	<b>-26,640.28</b>	<b>-425,332.65</b>	<b>-11,009.70</b>	<b>-414,322.95</b>

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	3	7	8	16	3	10	2	11	6	7
Swing	31	3	55	60	60	60	62	18	45	12	10	19
Obs	4	5	8	8	3	4	5	8	6	26	37	36
LTC	310	280	308	287	307	300	300	274	273	388	309	300
Clinic	141	151	157	196	204	190	224	224	270	164	194	131
ER	23	46	49	40	104	73	104	104	97	47	56	37
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	Jun-16
Acute	16	15	18	22	26	20
Swing	10	40	32	37	24	46
Obs	37	35	39	34	42	34
LTC	310	290	310	297	310	298
Clinic	178	197	170	203	222	191
ER	52	45	52	52	59	79
BH	94	100	103	104	89	75
PT	319	344	349	401	326	396
OT	105	107	51	139	124	53
Lab	304	363	324	350	374	399
Xray	60	52	64	56	76	71
OP	4	2	5	2	8	6
Billable Services	1489	1590	1517	1697	1680	1668

## Balance Sheet

17:09

June 2016

Description	Year-To-Date Amount	Prior YTD Amount
<b>ASSETS</b>		
Cash & Cash Equivalents	213,864.92	165,021.19
Net Patient Receivables	1,095,420.11	1,129,493.31
Other Receivables	100,480.80	272,421.61
Fixed Assets	4,868,886.37	4,242,056.34
Prepaid Expenses	27,226.19	27,010.29
Inventory	155,854.48	183,360.68
	-----	-----
<b>TOTAL ASSETS</b>	<b>6,461,732.87</b>	<b>6,019,363.42</b>
	=====	=====
<b>LIABILITIES</b>		
Payables	1,506,412.92	2,326,619.05
Payroll Liabilities	404,069.00	263,130.78
Other Liabilities	2,342,854.00	52,327.50
	-----	-----
<b>TOTAL LIABILITIES</b>	<b>4,253,335.92</b>	<b>2,642,077.33</b>
<b>EQUITY/FUND BALANCE</b>		
	-----	-----
<b>TOTAL FUND BALANCE</b>	<b>2,208,396.95</b>	<b>3,377,286.09</b>
	-----	-----
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>6,461,732.87</b>	<b>6,019,363.42</b>
	=====	=====

**CORDOVA COMMUNITY MEDICAL CENTER**

**HEALTH SERVICES BOARD**

**COMMUNICATION POLICY**

**Adopted date**

**Introduction**

The Health Services Board (“HSB” or “Board”) of Cordova Community Medical Center (“CCMC”) values the input and insights of community stakeholders and CCMC employees, and believes that effective communication strengthens the Board’s role in policymaking, operational and financial oversight, and strategic planning for CCMC. To facilitate appropriate communication with the Board, this policy outlines the procedures for communicating with the Board by community stakeholders and CCMC employees. To ensure Board members’ communications with CCMC employees and community stakeholders are consistent with the City of Cordova Charter and Code, this policy outlines procedures for the Board’s appropriate communication with CCMC employees and community members.

**Communications to the Board**

The Board will respond to written communications on appropriate topics as indicated in this policy. Any communications with the Board that are transmitted via electronic mail or text message, or which are conveyed to a Board member via phone or in person shall not receive an official response unless subsequently conveyed in writing as indicated in this policy.

The Board has designated the Secretary of the Board as its agent to receive and review written communications addressed to the Board, or any member. Each Board member who receives any communication in any form, shall submit the communication to the Secretary within two (2) days after the communication is received. The Secretary shall respond to all requests for teleconferences, in-person meetings or other forms of communication with the Board, or any member. The Secretary to the Board may communicate with the sender for necessary clarification. The Secretary shall inform the sender of any non-written communication (i.e., text, electronic mail, telephone or in person) that the Board is unable to respond to non-written communications.

As an initial matter, the Secretary to the Board will determine whether the communication is a proper communication for the Board. The Secretary to the Board will share all written communications with Board during each Board meeting, excluding the non-substantive communications identified below. Responses to written communications will generally be approved by the Board, and transmitted by the Secretary. Written communications which are time sensitive will be responded to by the Secretary in conference with the President and Vice President of the Board. The Board will consider each request for a teleconference, in-person meeting or other form of communication on a case-by-case basis.

The Secretary to the Board will promptly forward any communications alleging misconduct by management, or legal, ethical or compliance issues to the Board, CCMC Administrator/CEO,

**ATTORNEY-CLIENT PRIVILEGE; DO NOT DISTRIBUTE TO THE PUBLIC**



City Attorney and City Manager. Allegations of serious misconduct implicating the Administrator/CEO shall be forwarded immediately to the City Manager and City Attorney for independent investigation.

The Secretary will not forward to the Board, any Board committee, or any member communications that are of a personal nature or not related to the duties and responsibilities of the Board, including, without limitation, junk mail, business solicitations, routine patient complaints, suggestions, and opinion survey polls. The Secretary to the Board will maintain a log of any such non-substantive communications not shared with the Board, which any director may review upon request.

#### **Board Member Communications to CCMC Employees and Community Members**

CHAIN OF COMMUNICATION. The general path of communication shall be from the Board to the Administrator/CEO, then Administrator/CEO to CCMC employees.

APPROPRIATE INFORMATION REQUESTS. Individual Board Members may make information requests through the Administrator/CEO as follows:

*Simple Information Requests.* Individual Board members may make simple information requests of employees, through the Administrator/CEO. A simple information request is one that would take the Administrator/CEO or designated CCMC Employee(s) two (2) hours or less to complete in the view of the Administrator/CEO.

*Substantial Information Requests.* A substantial information request is made through the Administrator/CEO and one that would take the Administrator/CEO or designated CCMC Employee(s) more than two (2) hours to complete in the view of the Administrator/CEO. Individual Board members may request that the Secretary place his/her substantial information request on any future agenda, as an item for Board decision by motion. A majority affirmative vote is necessary to approve the action.

COMMUNICATIONS REGARDING PERSONNEL MATTERS: The Board recognizes the Administrator/CEO as the manager of all CCMC personnel. All employees work under the direction and control of the Administrator/CEO of CCMC. A Board member or members shall not direct, order, or make a request of any employee of CCMC in any work-related matter. Board members shall forward all community or CCMC employee complaints regarding an employee or other personnel matters solely to the Administrator/CEO. Board members shall only discuss personnel matters with the Administrator/CEO or in the presence of the Administrator/CEO.

#### POLICY REGARDING CCMC EMPLOYEE COMMUNICATIONS WITH THE BOARD ON PERSONNEL MATTERS:

The HSB will adopt a policy in conference with the Administrator/CEO directing all CCMC employees to use the internal chain of command to discuss issues related to their employment, including, but not limited to, compensation, payroll, evaluations, discipline, work load, insurance, and work environment. All CCMC employees shall refrain from contacting any member of the Board regarding any grievance or other personnel matter.

SOCIAL INTERACTION: Both CCMC employees and Board members understandably share a keen interest in the hospital and health care generally, and it is to be expected that when they meet at social affairs and other functions, they will informally discuss such matters as health care trends, issues, and innovations, and general activities of CCMC. However, since individual Board members have no special authority except when they are convened at a legal meeting of the Board or vested with special authority by Board action, discussions between CCMC employees and Board members of personnel grievances will be considered to be unethical conduct.

DRAFT

Cordova Community Medical Center  
Policies and Procedures

Department: Administration

Policy #: XXXX

Subject: Board Interactions with Hospital Staff

Effective Date: XX/XX/XXXX

**Policy:**

It shall be the responsibility of each member of the Cordova Community Medical Center Board of Directors to only meet with individual employees or staff members of the Cordova Community Medical Center with the presence of the Chief Executive Officer or a person designated by the Chief Executive Officer. It shall also be the responsibility of employees of the Cordova Community Medical Center to insure that when meeting with a member of the Health Services Board (HSB) that the Chief Executive Officer or his designee is present. Failure to include the Chief Executive Officer when meeting with a HSB Member may result in disciplinary action up to dismissal from employment.

1. Exceptions to this policy are as follows;
  - a. HSB member meeting with the Chief Financial Officer or their designee for the purpose of signing checks.
  - b. HSB member being admitted to the Cordova Community Medical Center for medical purposes where the interaction with medical staff is necessary for proper medical care.
  - c. Group social gatherings where Cordova Community Medical Center management and operations are not discussed.
2. In cases where a Cordova Community Medical Center employee suspects that the Chief Executive Officer is complicit in embezzlement or other wrong doing, the employee shall take those concerns to the City Manager.

	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Notes
<b>OCTOBER 2016</b>							<b>1</b>	Oct 10: Columbus Day
	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	Oct 13: HSB Mtg 7pm
	<b>9</b>	<b>10</b>	<b>11</b>	<b>12</b>	<b>13</b>	<b>14</b>	<b>15</b>	Oct 31: Halloween
	<b>16</b>	<b>17</b>	<b>18</b>	<b>19</b>	<b>20</b>	<b>21</b>	<b>22</b>	
	<b>23</b>	<b>24</b>	<b>25</b>	<b>26</b>	<b>27</b>	<b>28</b>	<b>29</b>	
	<b>30</b>	<b>31</b>						
<b>NOVEMBER 2016</b>			<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	Nov 10: HSB Mtg 7pm
	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>12</b>	Nov 11: Veterans Day
	<b>13</b>	<b>14</b>	<b>15</b>	<b>16</b>	<b>17</b>	<b>18</b>	<b>19</b>	Nov 24: Thanksgiving Day
	<b>20</b>	<b>21</b>	<b>22</b>	<b>23</b>	<b>24</b>	<b>25</b>	<b>26</b>	
	<b>27</b>	<b>28</b>	<b>29</b>	<b>30</b>				
<b>DECEMBER 2016</b>					<b>1</b>	<b>2</b>	<b>3</b>	Dec 8: HSB Mtg 7pm
	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	Dec 25: Christmas
	<b>11</b>	<b>12</b>	<b>13</b>	<b>14</b>	<b>15</b>	<b>16</b>	<b>17</b>	
	<b>18</b>	<b>19</b>	<b>20</b>	<b>21</b>	<b>22</b>	<b>23</b>	<b>24</b>	
	<b>25</b>	<b>26</b>	<b>27</b>	<b>28</b>	<b>29</b>	<b>30</b>	<b>31</b>	