

**Minutes**  
**CCMC Authority – Board of Directors**  
**CCMC Admin Conference Room**  
**September 24, 2020 at 6:00pm**  
**Regular Meeting**

**CALL TO ORDER AND ROLL CALL –**

**Greg Meyer** called the Board Meeting to order at 6:01pm.

Board members present: **Greg Meyer, Gary Graham, and Linnea Ronnegard.**

**A quorum was established. 3 members present.**

CCMC staff present: Dr. Hannah Sanders, CEO; Kelly Kedzierski, CNO; Eric Price, CFO; Tamara Russin, Director of Ancillary Services; and Faith Wheeler-Jeppson, Executive Assistant to the CEO.

**A. APPROVAL OF AGENDA**

**M/Ronnegard S/Graham** "I move to approve the Agenda as amended."

**Meyer - yea, Graham - yea, Ronnegard – yea, Hayden - absent, Kuntz – absent.**  
**3 yeas, 0 nay, 2 absent; Motion passed.**

**B. CONFLICT OF INTEREST ~ None**

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

**1. Audience Comments ~ None**

**2. Guest Speaker ~ Audit Findings presented by Shaun Johnson of Dingus, Zarecor & Associates PLLC.**

Shaun Johnson presented the audit findings and this is a summary of that report. Balance Sheet is where we report your assets, liabilities and net position, also deferred inflows and outflows. Assets are what you own, liabilities are what you owe and net position is what's left over, that's the simplest way to break it down. The assets are split into two categories, current and non-current. Current means that it's more liquid in nature, like cash or collectible accounts receivable or closer to turning into cash. Non-current would be capital assets that you would not expect to convert to cash in the next year. On the current assets is the operating cash, the patient account receivable and that is a net number. Capital Assets, only about \$40,000 was added in capital assets, but there was a depreciation expense on the asset base which applied at a higher rate that's why it decreased. Deferred outflows of resources the good will is related to the purchase of the Cordova Drug Company, which is being amortized down over 10 years. The pension plan and the other post-employment benefits, these will show the hospitals proportionate share of the plans. Accounts Payables represented 67 days of operating expenses in 2019, and 74 days in 2018 so it did decrease a little. The Accrued Payroll is what you owed your employees for payroll that they had earned but not yet been paid. Health Insurance Liability there was a little bit of money that was owed to PERS for contribution towards the end of the year. The Operating Revenue, the biggest component of that is the Patient Service Revenue which did go up about \$400,000 from 2018 to 2019. The Inpatient volumes were a little lower in 2019 but your Outpatient volumes were quite a bit higher which caused a net increase. Under Operating Expenses – Salaries, Wages and Benefits being the biggest component, your Salaries represented 53 full time employees, compared to 51

in 2018. You did have a bit of a shift from Salaried Employees to Contract Employees as well. The increase in Employee Benefits was related to Health Insurance, from 33% to 38%. The COVID-19 pandemic after the year end had created economic uncertainties which may negatively impact the hospital's financial situation. Beginning March of 2020, the hospital began experiencing significant declines in revenues due to the State of Alaska temporarily suspending elective procedures and other preventative medicine visits. In addition, the hospital experienced declines in volumes of outpatient and ancillary services, such as radiology, laboratory, and emergency department. The ultimate effect on the hospital due to the COVID-19 pandemic is unknown at this time.

**D. APPROVAL OF MINUTES** ~ None

**E. BOARD DEVELOPMENT** ~ None

**F. REPORTS OF OFFICERS and ADVISORS**

- 1. Board Chair report** – Greg stated that everyone had been very busy, so he doesn't have much.
- 2. CEO Report** – Dr. Sanders report is in the packet, a few additional items to highlight is that we have been updating a lot of those COVID expenditures that were approved. We have not yet ordered a call system, the cost for that system is more than what was approved. And it will require a complete rewire, so that along with trying to figure out how to permanently separate the Long Term Care from the rest of the hospital is a little bigger of a project. The HVAC system evaluation has been done, that's going to be a really big project, somewhere around \$1,000,000. We recognize the importance of updating our HVAC system to protecting the Long Term Care in the event of COVID or another respiratory illness or pandemic.
- 3. CFO Report** – Eric reported that once we completed the audit we discovered a few of those control issues that Shaun had talked about. Notably we had spent a lot of time on how we calculate our Allowance calculation. For this month when we get paid from Medicaid, Medicare, or Commercial payers we only booked what had actually had been taken. We did not do estimates for all of the other collectibles because we believe the account overall has been overstated. We may be engaging with DZA to reconcile that before the end of December. The other thing is we have received a new grant this month, a substance abuse grant. In August we didn't have any Swing Beds, which was a bit of an anomaly. Also in August our Repairs, Maintenance, Supplies and Minor Equipment was high. That was a reflection of those items that we had ordered in May, June, and July being received and making payment on those. One thing I do want to point out on the Balance Sheet for our Accounts Payable, this is the first time according to Ria that we've been below \$500,000 in any month of having accounts payable due. The majority of my work has been simply getting the Cash flow working as it normally should with a routine cycle so we can really start seeing what our future impact is.
- 4. CNO Report** – Kelly couldn't make it tonight, but her reports are in the packet, but she had said from an infection control standpoint she wanted everyone to read what she had put in the packet and make sure you get your Flu shots.

**G. DISCUSSION ITEMS**

**1. Schedule a work session for board involvement for a Drug and Alcohol Rehab.**

Dr. Sanders stated that sometime over the next month or two having a work session and trying to explore how our Board Members can be involved and help us grow that program would be something that we'd like to do. We don't want to let this fall by the wayside. An email will be sent out to the Board to see what date the Board would be available work for a work session.

**2. Holiday Meeting Schedule**

Dr. Sanders wanted to make sure the Board understood that we will be a month behind on the financials. Eric has been working hard to get those out as the meetings are currently scheduled. And if we move those dates up, it will make those timelines where it would be a month behind and then in January we would catch up.

*Board Members attending the meeting discussed alternate dates for the upcoming Board Meetings through the holidays, and agreed to hold the November meeting on November 30<sup>th</sup>, and the December meeting on December 17<sup>th</sup>.*

**H. ACTION ITEMS**

**1. Delineation of Privileges for Yaima Alonso-Jeckell, MD**

**M/Ronnegard S/Graham** "I move that the CCMC Authority Board of Directors approve the Delineation of Privileges for Yaima Alonso-Jeckell, MD as presented."

**Meyer - yea, Graham - yea, Ronnegard - yea, Kuntz - absent, Hayden – absent.**

**3 yeas, 0 nay, 2 absent; Motion passed.**

**I. AUDIENCE PARTICIPATION**

**J. BOARD MEMBERS COMMENTS**

**Ronnegard** ~ I am curious if there is any update on the NVE negotiation? Secondly, the APEI letter that was sent to us, it mentioned a 2% discount on our premium if the Board attended a training. Does anyone have any additional information on this? (the email will be resent)

**Graham** ~ I wanted to talk with someone or get some feedback as to when the pandemic madness may stop.

**Meyer** ~ Greg responded to Linnea's question in regards to NVE and he said that they are supposed to have a meeting this week, and things are moving slowly, there's really nothing new. Thank you everyone for all of your hard work.

**K. EXECUTIVE SESSION ~ None**

**L. ADJOURNMENT**

**M/Ronnegard S/Graham** "I move to adjourn"

**Greg Meyer** declared the meeting adjourned at 7:32pm.

**Prepared by: Faith Wheeler-Jeppson**