

Nevada Regional Medical Center
BOARD OF DIRECTORS
August 26, 2014

Members Present: Glenn Rogers, Steve Russ, Cathy Hissink, Dr. Bill Turner, Jenise Burch, Brad Copeland, Bob Beaver, Larry Bledsoe, Dr. Kevin Leeper (ex-officio), Sean Gravely (arrived 6:42pm) **Members Absent:** Bill Denman
Others Present (external): Bryan Breckenridge, Legal Counsel; Herb Winters, QHR AVP; Bob Hetrick, QHR CFO; Jeff Brokaw, Cerner; Kim Geraldo, Cerner; Gloria Tucker, NDM reporter
Others Present (internal): Greg Shaw, CFO; Cory Vokoun, CNO; Holly Bush, CQO; Heather Brockmeyer, HRAO; Steve Branstetter, LTCAO; Jama Bogart, FNP, Clinic Director; Chris Crist, IT Director; Mandi Jordan, EA

Topic	Discussion	Action & Follow-Up
Presentation	<p>Prior to the meeting being called to order, Holly Bush, Chief Quality Officer, presented information regarding Quality Outcomes:</p> <ul style="list-style-type: none"> • <u>FY14 strategic initiatives</u>: <ol style="list-style-type: none"> 1. CAUTI – current YTD rate is 0%. 2. Elective Inductions – now at 3%. No longer paying for elective inductions before 39 weeks. We have also seen a reduction of catheter utilization in OB due to fewer C-sections. 3. Readmissions – overall 9%, doing very well to impact change. Adding COPD to this indicator FY15. 4. Psych Safety – conducted risk assessment for transfers between ED and BHU, life safety, environmental safety. • <u>FY15 strategic initiatives</u>: toolkits available to help improve. <ol style="list-style-type: none"> 1. Continue to monitor FY14 initiatives 2. Adverse drug reactions – opportunities for employee education 3. Bedside Medication Administration error reduction – prior to EHR conversion, we were at 99% compliance. 4. Reduction of falls with injury 5. Airway safety • Value-Based Payments – 1.5% from value-based purchasing components (patient experience, core measures, outcomes), 1% from hospital-acquired conditions, and 3% from readmission rate. Current benchmark shows we are doing well. • Patient Experience – currently 4 of 8 measures meeting targets • Value-Based Purchasing predictions – according to MHA comparison report, we will do well. • Action items – drill down on readmissions, work with physicians on core measure documentation, engage staff about communicating with patients, implement evidence-based protocol for CAUTI. 	Informational.
Call to Order	Dr. Rogers called the meeting to order at 6:11 p.m. No conflicts of interest were disclosed.	No action taken.
Celebration of Good Things	<ul style="list-style-type: none"> • Dr. Rogers thanked Mrs. Bush for her Quality Outcomes presentation. • Dr. Turner noted that he appreciates the weekly reports from CEO; Mr. Leeper stated that it is hard to manage without key indicators and he wants everyone to know where we stand. • Mr. Leeper discussed positive cash flow. 	Informational.

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Approval of Minutes & Reports	<p><i>Reports and minutes of the following meetings were provided in the packet for review:</i></p> <ul style="list-style-type: none"> • Board of Directors – July 29, 2014 • Workforce Excellence & Community Networking – August 12, 2014 • Financial Strength Committee – August 19, 2014 • Patient Satisfaction Dashboards – August 2014 • Auxiliary Annual Report • Foundation Annual Report 	<p>The minutes and reports were approved upon a motion made by Bob Beaver and a second by Dr. Turner.</p>
Board Education	<p>a. “Hospital Financial Trends,” <i>HealthLeaders Media</i> Fact File, August 2014. Dr. Rogers noted that the fact file shows that 25% of all hospitals still have negative margins. Patient utilization has not increased, except in major teaching hospitals. Growth is in observation. Healthcare spending that goes to hospitals – Missouri gets \$0.45 of each \$1.00.</p> <p>b. “The Impact of Closing Emergency Departments,” <i>QHR QView</i>, August 2014. Discussed implications if emergency rooms close at surrounding hospitals. Steve shared that some patients are going to Fort Scott urgent care in evenings, committee looking at extending NowCare Clinic hours to evenings and weekends. Kevin added possibility of fast track urgent care in ED staffed by mid-level. Need to coordinate with other providers to cover needs of community.</p> <p>c. “Community Health Needs Assessment: Collaborating to Improve Local Population Health,” <i>QHR Board Minutes</i>, August 2014. Completed CHNA with help from Healthy Nevada and QHR. Required every three years. Available on website under Reports. Expressed the need to spotlight some of these positives.</p>	<p>Informational.</p>
Administrative Reports	<p><u>CEO Report</u> – <i>Mr. Leeper provided the following highlights from the full report provided in the packet:</i></p> <ul style="list-style-type: none"> • First impressions – NRMC has a lot of talent, great facilities. Uncovering a lot of opportunities. Impressed with cooperation with staff and physicians, can tell they really want to see a turnaround. Escalated Cerner’s support to help automate processes in the system and increase efficiency to turn AR into cash. • Key priorities – AR/cash, Hospitalist Program, physician engagement, grow inpatient admissions and surgeries. Resolving Cerner issues to get processes automated. Encouraged with amount of data collection, have to refine how we inquire. • Discussed issues related to dictation and transcription. Important service to provide for referral sources. Plan in place. <p><u>QHR Report</u> – <i>Mr. Winters provided the following report:</i></p> <ul style="list-style-type: none"> • Discussed difference in reimbursement for inpatient and observation patients. Expending the same resources, but only receiving 20% of reimbursement. Discussed admissions criteria, need involvement from case management. • Most hospitals working to meet MU. • Provided QHR project status report as handout. Focusing on PFS (AR, cash), Reporting/IT issues, Accounting. Pulled resources to assist. Bob Hetrick onsite to provide assistance and mentoring. Project Manager with IT experience working with Chris Crist. QHR leadership, NRMC leadership, 	<p>Informational.</p>

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Administrative Reports (cont.)	Cerner leadership, all involved in weekly status calls to hold each other accountable. Greg discussed how Bob Hetrick is helping. Bob stated that he has found our Accounting staff to be very green, but very willing to learn. Chris stated that this has provided a clear path where we need to go, expediting what needs to be done.	Informational.
Financial Strength Report	<p><u>CFO Report</u> – Mr. Shaw provided the following highlights for period ending July 31, 2014:</p> <ul style="list-style-type: none"> • First month where financials stand on their own without adjustments relating to prior periods. Had higher health care claims and supply expenses. \$206k loss. • Losses dropped significantly from previous months. Provided restated column on Income Statement to show actual financials, better comparison. • Volumes increased, drove increase in AR days. Still struggling on PFS side to bring cash in. • Cash decreased due to AP catch up, annual expenses. 	The financial report and approval items were approved upon a motion Bob Beaver and a second by Dr. Turner.
	<p><u>Approval Items:</u> details provided in the packet:</p> <ol style="list-style-type: none"> 1. Cardiac Rehab & Cardiopulmonary Medical Directorship renewal 2. Diagnostic Cardiology Consultants renewal 3. CHUBB Property Insurance renewal –small decline in premiums from last year due to decrease in business interruption. \$59,963 	
	<p><u>Update on 2014 Opportunities & Accomplishments</u> - Mr. Shaw provided handouts and the following updates:</p> <ul style="list-style-type: none"> • Gross Revenue opportunities – Cerner optimization and training, IT resource in PFS, chargemaster audit, charge capture audit scheduled for October 2014. • Net Revenue opportunities – Cerner, reduction of AR days, restructured PFS department, sold old non-performing AR, evaluated primary and secondary collection agencies and made changes. • Expenses – analysis of employee benefits, review contracts, service line assessments, continue non-salary expense reduction. Linen contract conversion saving \$105k per year. • Other Operating Revenue – we are on target for additional Meaningful Use compliance and incentives. • Cash – pressuring Medicaid to complete 2009-2012 RHC cost reports, filing for prior year wraparound payments, increase RHC pricing to increase Medicaid cash flow. • Non-Financial opportunities – focusing on clean year end audit, hired insurance consultant for required bi-annual review required for bond compliance, changed management of debt reserve funds to increase ROI • Accomplishments – training on Home Health & Hospice billing, outsourced work comp and liability billing then repurposed staff for Medicaid, revised financial assistance policy, bought additional time from Cerner to focus on billing and collection workflows. Implemented central scheduling, outsourced collections, placed IT financial analyst in PFS full-time to help coordinate Cerner SRs related to PFS, hired second financial counselor, hired additional accounting staff, account reconciliation nearly complete, established contractual allowance %, Dr. Rogers congratulated Mr. Shaw on the progress made. 	Informational.

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Board Committee Reports	Quality Outcomes Committee – Mrs. Bush provided a presentation prior to the meeting being called to order. She asked for approvals on the following items: 1. Performance Improvement Plan 2. Safety/EOC Plan 3. Reappointment of Safety Officer, Doug Hundley	The quality items were approved upon a motion Bob Beaver and a second by Dr. Turner.
	Physician Relations Committee – Dr. Rogers reported that the committee has discussed membership, and continues to address physician concerns including EHR, dictation, scribes.	Informational.
Board Governance	Nothing to report.	None.
Adjournment	The meeting was adjourned at 7:18 p.m. upon a motion made by Dr. Turner and a second by Bob Beaver. A short recess was held.	None.
Call to Order	The meeting was reconvened at 7:40 p.m. to vote on a motion to move into Executive Session in accordance with RSMo (1994) Section 610.021 Subparagraphs (1), (3), (13), and (17). The motion was approved upon a motion made by upon a motion made by Bob Beaver and a second by Larry Bledsoe. Results of a Roll Call vote are as follows:	Bob Beaver Yea Larry Bledsoe Yea Jenise Burch Yea Brad Copeland Yea Bill Denman Absent Cathy Hissink Yea William Turner Yea Steve Russ Yea Glenn Rogers Yea

Respectfully submitted,
Mandi Jordan, Executive Assistant