

Nevada Regional Medical Center
BOARD OF DIRECTORS
January 26, 2016

Members Present: Steve Russ, Jenise Burch, Larry Bledsoe, Brad Copeland, Mike Farran, Delton Fast, Dr. Russ Kemm (arrived 6:44pm), Kevin Leeper (arrived 6:21pm) **Members Absent:** Bill Denman, Bob Beaver, Dr. Sherwin Parungao

Others Present (Internal): Cory Vokoun, CNO; Heather Brockmeyer, HRAO; Steve Branstetter, LTCAO; Mandi Jordan, EA; Danielle Russell, Barone LPN

Others Present (External): Bryan Breckenridge, Legal Counsel; Jeff Hill, QHR RVP; Noah Jones, NDM Reporter

Topic	Discussion	Action & Follow-Up	
Call to Order	Mr. Russ called the meeting to order at 5:59 p.m.	No conflicts of interest were disclosed.	
Celebration	<ul style="list-style-type: none"> Surveyors arrived Monday morning and they have already exited. Overall departments and staff did an excellent job. Very complimentary, good reflection of our staff and managers. 	Informational.	
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"> NRMC organizational chart effective January 1, 2016 Finance Committee – November 23, 2015 Board of Directors – November 24, 2015 Special Board of Directors – December 15, 2015 Home Health Advisory Board – December 17, 2015 Workforce Committee – January 21, 2016 	The minutes and reports were approved upon a motion made by Larry Bledsoe and a second by Mike Farran.	
Board Education	<p><i>Emailed prior to meeting:</i></p> <ul style="list-style-type: none"> a. “MHA Board of Trustees Update,” <i>Missouri Hospital Association</i>, January 2016. b. “Rural Healthcare’s Outlook is Heartening Despite Challenges,” <i>HealthLeaders Media</i>, December 2015. <p>Mr. Russ noted that this article discussed future of healthcare as more of a political issue than healthcare issue. Quorum conference emphasized collaboration, need to continue.</p> <ul style="list-style-type: none"> c. “Instability in Marketplace Affects Healthcare Providers,” <i>QHR QView</i>, December 2015. d. “Enhancing Physician Practice Reimbursement and Improving Population Health,” <i>Quorum Board Minutes</i>, December 2015. 	<p><i>Provided in packet:</i></p> <ul style="list-style-type: none"> e. “Gaps in Mental Health Funding puts Hospital EDs at Risk,” <i>QHR QView</i>, January 2016. f. “The Rise of Consumerism,” <i>Quorum Board Minutes</i>, January 2016. (+ attachment) <p>Mr. Russ stated that patients want convenience and price transparency. The Board needs to be aware of how things may change. New competition for primary care at Walmart. Mrs. Burch discussed Cerner features such as online scheduling, access medical record, contacting providers; Mr. Russ stated that is the long range goal.</p> <ul style="list-style-type: none"> g. “Maximizing the Impact: Making the Most of Your Board Retreat,” <i>MHA Trustee Matters</i>, December 2015. 	Informational.

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Administrative Reports	<p><u>CEO Report</u> –report in the packet:</p> <ul style="list-style-type: none"> • Thanked the Board for their support. 	<p>Informational.</p>
	<p><u>QHR Report</u> –Mr. Jeff Hill presented the Annual Benefit Report for Fiscal Year 2015. Stated that the report includes pre-audit information from July 1, 2014 to June 30, 2015. Shows a lot of work in the last several months: GPO savings of \$300k, discounts on AHA membership, capital projects, educational offerings, monthly phone calls to ensure progress on metrics, financial turnaround as well as other accomplishments. Stellar results, very impressed. Board members expressed appreciation for the report.</p>	<p>Informational.</p>
Financial Reports	<p><u>CFO Report</u> – Mr. Harbor provided the following highlights:</p> <ul style="list-style-type: none"> • December was profitable due to \$300k Medicaid payment on RHCs. Doing better than budget and last year. Will be difficult to meet budget rest of fiscal year, hoping to see improvements. • Volumes have been down, doing a good job controlling our costs. Productivity is strong. • Cash has dropped, plan in place to bring that back up to 70 days by end of fiscal year to meet bond covenants. Days cash on hand down to 56.55 days YTD; 47.1 bond days cash. 	<p>The financial reports were approved upon a motion made by Brad Copeland and a second by Larry Bledsoe.</p>
	<p><u>Approval Items:</u> summary provided in the packet:</p> <ol style="list-style-type: none"> 1. Sightpath Medical Mobile Cataract Service – looked at alternative, but existing vendor proposed new contract with cost savings and better terms. Will look at purchasing equipment in another year. 2. City of Nevada Easement for Sewer Line Replacement – no cost, will not have major impact. 	<p>The contract was approved upon a motion made by Brad Copeland and a second by Larry Bledsoe. The easement was approved upon a motion made by Larry Bledsoe and a second by Mike Farran.</p>
	<p><u>Service Line Analysis:</u> Mr. Harbor presented the following from the reports provided in the packet:</p> <ul style="list-style-type: none"> • Inpatient Analysis – All four units show losses. Inpatient units also include all ancillary revenues for that inpatient stay. Direct expenses do not include those related to ancillary revenues, so took 40% cost to charge ratio from cost report. • Outpatient Analysis – includes Observation stays. Discussed areas of opportunity in Surgery and Rehab. • Clinic Analysis - detail report breaks out six clinics, three provider-based and three rural health clinics. Rich Hill and NowCare show a profit, others operating at a loss. • Payor Mix –report shows payor mix for Med/Surg, ICU, OB, BHU, and Outpatient Surgery. • Breakeven Analysis – Discussed OB outmigration, may not be able to recover the majority as we do not have OBGYN services. Mr. Bledsoe and Mr. Russ discussed opportunities in surgery to 	<p>Informational.</p>

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Financial Reports (cont.)	improve. The Board thanked Mike and his staff for putting this information together, has been requested for a long time. Mrs. Burch inquired how often this report will be updated; Mr. Harbor committed to do this after year end, before audit.	Informational.																		
Board Committee Reports	<ul style="list-style-type: none"> • Workforce Committee – Mrs. Brockmeyer reported a cost savings from renegotiating with Freeman, and overall health insurance costs are running \$400k under budget. Staff are grateful for pay increases. Productivity close to target, still some opportunity. 	Informational.																		
Board Governance	<ul style="list-style-type: none"> • 2016 Board & Committee Schedule <i>(provided in packet)</i> • Annual Signatures – Confidentiality & Conflict of Interest <i>(to be turned into Administration)</i> 	As needed.																		
Adjournment	The meeting was adjourned at 6:57 p.m. upon a motion to move into Executive Session in accordance with RSMo (1994) Section 610.021 Subparagraph (1), (3), and (13) made by Jenise Burch and a second by Larry Bledsoe. Results of a Roll Call vote are as follows:	<table style="width: 100%; border: none;"> <tr><td>Bob Beaver</td><td>Absent</td></tr> <tr><td>Larry Bledsoe</td><td>Yea</td></tr> <tr><td>Jenise Burch</td><td>Yea</td></tr> <tr><td>Brad Copeland</td><td>Yea</td></tr> <tr><td>Bill Denman</td><td>Absent</td></tr> <tr><td>Mike Farran</td><td>Yea</td></tr> <tr><td>Delton Fast</td><td>Yea</td></tr> <tr><td>Sherwin Parungao</td><td>Absent</td></tr> <tr><td>Steve Russ</td><td>Yea</td></tr> </table>	Bob Beaver	Absent	Larry Bledsoe	Yea	Jenise Burch	Yea	Brad Copeland	Yea	Bill Denman	Absent	Mike Farran	Yea	Delton Fast	Yea	Sherwin Parungao	Absent	Steve Russ	Yea
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Respectfully submitted,
Mandi Jordan, Executive Assistant