

Nevada Regional Medical Center  
**BOARD OF DIRECTORS**  
**May 24, 2016**

**Members Present:** Steve Russ, Larry Bledsoe, Bob Beaver, Brad Copeland, Mike Farran, Delton Fast, Dr. Candice Moore, Kevin Leeper,

**Members Absent:** Jenise Burch, Dr. Russ Kemm

**Others Present (Internal):** Mike Harbor, CFO; Cory Vokoun, CNO; Holly Bush, CQO; Heather Brockmeyer, HRAO; Steve Branstetter, LTCOA; Judy Hertsein, Comm. Relations Director, Marci Hardin, IT Manager, Jennifer Eaton, EA

**Others Present (External):** Bryan Breckenridge, Legal Counsel; Jeff Hill, QHR RVP, Johannes Brann, NDM Reporter

Topic	Discussion	Action & Follow-Up
<b>Presentation</b>	<p>Judy Herstein, Community Relations/Foundation Director, provided an overview of a new marketing service opportunity:</p> <ul style="list-style-type: none"> <li>• <b>AdBank</b> – came to board several months ago to promote NRMC</li> <li>• Full access license annual cost = \$36k. Would renew at end of year without 90 day notice. Can only access 1 campaign per month.</li> <li>• Board has asked to inquire with other companies.</li> <li>• <b>MTI Studios</b> – provide purchased ready to go materials. Can rotate campaigns whenever we choose.</li> <li>• Full access license annual cost = \$0; one-time payment of \$5,950</li> <li>• “Quality Care Close to Home” campaign; will develop new theme next year if decide to use them again.</li> <li>• They are including Annual Appeal campaign for Foundation as well.</li> <li>• Will not sell rights to another hospital within 60 mile radius.</li> </ul>	<p>None. Start 5:37 pm</p>
<b>Call to Order</b>	<p>Mr. Russ called the meeting to order at 6:03 p.m. and noted that a quorum was present. No conflicts of interest were disclosed.</p>	<p>None.</p>
<b>Celebration of Good Things</b>	<ul style="list-style-type: none"> <li>• Hospital week went well with activities all week for staff.</li> </ul>	<p>Informational.</p>
<b>Approval of Minutes</b>	<p><i>Reports and minutes of the following meetings were provided in the packet for review:</i></p> <ul style="list-style-type: none"> <li>• Organizational Chart Review – tabled until next month</li> <li>• Finance Committee – April 25, 2016</li> <li>• Board of Directors – April 26, 2016</li> </ul>	<p>The minutes were approved upon a motion made by Brad Copeland and a second by Delton Fast.</p>
<b>Board Education</b>	<p><u><i>Emailed prior to meeting:</i></u>                      <u><i>Provided in packet:</i></u></p> <p>a. QHR Trustee Conference Recap <i>(comments below)</i></p> <p>b. “U.S. Hospitals Prepare for the Zika Virus,” <i>Quorum QView</i>, May 2016.  c. “CMS Unveils New Information Regarding the Physician Payment Overhaul,” <i>Quorum Board Minutes</i>, May 2016.  d. “Shifts in Cardiology Treatment,” <i>HealthLeaders Media Fact File</i>, May 2016.</p> <ul style="list-style-type: none"> <li>• Mr. Beaver recapped speaker, Bob Vento, board members’ job as trustees, affordable care act, quality of care, financial visibility, physician relations, etc. Reminded board that we act as a board only in group; responsibilities of oversight, policy, strategic planning. Suggested that every 1-2 years legal counsel should have board education on responsibilities.</li> </ul>	<p>Informational.</p>

Nevada Regional Medical Center  
**BOARD OF DIRECTORS**  
**May 24, 2016**

<p><b>Board Education</b> <i>(cont.)</i></p>	<ul style="list-style-type: none"> <li>• Mr. Fast noted his presenter, Erica Sundrud, spoke on improving quality at smaller hospitals/systems, improving patient care, transitioning care. Key focus for 2016 is quality. Key phrase last year – clinical integration; this year – population health management. Aims – care is safe, effective, efficient, equitable. Goals based on CMS. Transform the way care is being delivered in the community; hospital compare website; population health management.</li> <li>• Mr. Leeper commented on speaker Dr. Teague – “VP of Medical Transformation.” We are in an era of transformation; fee for service model to pay for performance. Noted how critical it is for these training sessions to include a physician champion that is involved on a day to day basis – they are the drivers. Recruiting &amp; integrating them into our system is key to success and allows ownership. Addressed how to coordinate a team for Diabetic education as a cost containment tool. Primary care physicians are the key to population health.</li> <li>• Mr. Denman inquired as to how it will be measured. Mr. Leeper noted we will be incentivized in controlling cost form of care. Coordinated care across multiple facets (Pharmacy, ED, Counseling, etc.)</li> <li>• Mrs. Bush will bring report next month after review of the merit based policies and what the future will look like.</li> <li>• Mr. Russ stated the consensus among speakers is that the presidential election will not have any effect; we have gone past the point.</li> <li>• Mr. Russ shared hospital testimonials that presented. 1) Texas CEO spoke of being in Rural ACO. Really no experts to go to that could answer questions; clinical affiliations. 2) Montrose CEO/physician integration and its importance; need for relationships with board. 3) Indiana – strategic service partner from QHR; patients can go online and set appointments; they get text messages to update. 4) Colorado – trustee returned after being off board and increased frequency of quality meetings as a focus. Quality of care; tying into strategic plan.</li> <li>• Zika virus article – Mrs. Bush noted education of clinical personnel; website informational piece.</li> </ul>	<p>Informational.</p>
<p><b>Administrative Reports</b></p>	<p><u>CEO Report</u> – Mr. Leeper provided the following highlights from the report provided in the packet:</p> <ul style="list-style-type: none"> <li>• Outlined finances; need to counter some of the community perceptions of what is going on financially.</li> <li>• 2 factors of Inpatient activity: BHU - July – Dec averaged 22+ patient days; since then has dropped to 15 days. Struggled to fill hole with Dr. Taylor out on medical leave.</li> <li>• Med/Surg &amp; OB average was 12.7 July – Dec.; increase to 13.7 Jan – April 2016.</li> <li>• Routine revenue has been lacking.</li> <li>• Locums BHU physician has been picking up slack; May results should show improvement; June as well.</li> <li>• Some resistance from Hospitalists in admitting our local physicians’ patients. Will be reviewing processes and address concerns; laying out expectations and services we can provide.</li> <li>• Corrective action related to productivity through end of fiscal year. Average 36-37 hours per work week.</li> <li>• Refinancing effort is main goal.</li> </ul>	<p>Informational.</p>

Nevada Regional Medical Center  
**BOARD OF DIRECTORS**  
**May 24, 2016**

	<p><u>QHR Report</u> –Mr. Hill provided the following:</p> <ul style="list-style-type: none"> <li>• Monthly client calls continue, MOR, working with Mrs. Jordan on supply chain side; will be optimizing.</li> <li>• Trustee Conference – encourage those that have never attended to do so at some point.</li> <li>• Trustee Satisfaction survey – complete if not done so already.</li> <li>• Routine Contractual bad debt, coding, clinical documentation education.</li> </ul>	Informational.
	<p><u>Quarterly Compliance Executive Summary</u> – Mrs. Bush provided the following:</p> <ul style="list-style-type: none"> <li>• No hotline reports.</li> <li>• 2 surveys – hospital and Home Health both successful; spent time observing various hospital areas, clinics, etc. watching staff.</li> <li>• Consolidating paper medical records as much as possible.</li> <li>• 4 HIPAA investigations; 3 substantiated. Two were sent to Office of Inspector General including documentation of steps taken; minor breaches.</li> </ul>	
<b>Financial Reports</b>	<p><u>CEO Report</u> – Mr. Harbor provided the following highlights:</p> <ul style="list-style-type: none"> <li>• Loss of \$659k for April.</li> <li>• Looked at trends prior to Dec. and then after Jan 1<sup>st</sup>; April net revenues were very comparable to rest of calendar year.</li> <li>• Expenses were up some; gross inpatient revenue comparable.</li> <li>• Numbers have shifted from inpatient to outpatient; don't receive as much revenue back on outpatient.</li> <li>• Contractual allowance changes; some claims paid. Changed model on collection %.</li> <li>• Inpatient revenues down; collection rate decreased. Change in payor mix.</li> <li>• Clean up in accounts receivable.</li> <li>• Bond refinancing – 12 investors interested.</li> <li>• Budget will be presented next month.</li> <li>• Patient discount payment program has been beneficial. Patients after insurance pays is offered up to 55% discount to pay in full – 112 responses; 25% income tax refund discount if paid in full between Jan – June – 385 responses; resulted in \$161K collected.</li> <li>• Reviewed service line analysis areas; broad assumptions.</li> <li>• Mr. Denman inquired about long term contingency plans. May need to look at key service lines.</li> <li>• Mr. Leeper discussed bond days and LTC pre-payment. Mr. Breckenridge recommended to go ahead and approach City Council about LTC pre-payment.</li> </ul>	<p>The financial reports were approved upon a motion made by Larry Bledsoe and a second by Delton Fast.</p>
	<p><u>Approval Items:</u> summary provided in the packet</p> <ol style="list-style-type: none"> <li>1. <b>MTI Studios Marketing Package</b> – will begin in July, start of new fiscal year. Within CEO spending authority – no vote needed; informational.</li> </ol>	<p>MTI package is within CEO spending authority. No vote needed; informational.</p>

Nevada Regional Medical Center  
**BOARD OF DIRECTORS**  
**May 24, 2016**

	<p><b>2. UPS Battery Back Up</b> – replacement batteries are obsolete; had recent failure. Unit needs replaced as it is backup for phone system and network. Installed by June 10<sup>th</sup>, can avoid additional trip charge for installation.</p> <p><b>3. Press Ganey</b> – Avatar bought out by Press Ganey. Leader in industry; over 50% of market share. Gain efficiency, responses. Increase in \$8k/year. Alternatives will be smaller companies that may have issues. More skilled support.</p> <p><b>4. Siemens Maintenance renewal for Fluoro</b> – Table until further information is gathered. Covered until August 2016.</p> <p><b>5. Liability Insurance Renewals</b> – Will receive dividend check soon; Discount of 12%. Majority of hospitals use this company.</p> <p><b>6. Nuance Communications</b> – replacement of current voice recognition and clinical documentation vendors. Transcription/dictation services (Dragon Medical One); Research on software - this one is at the top of the ratings. Will get 25 licenses compared to 15 currently to allow for growth. Savings over 5 years is \$64,425. Should be real physician satisfier. Interface costs for Cerner \$3700; can be used through reference credits. \$100/mo hosting fee on Cerner side; 90 day turnaround time once committed.</p>	<p>The battery back up contract was approved upon a motion made by Bob Beaver and a second by Bill Denman.</p> <p>Press Ganey contract was approved upon a motion made by Delton Fast and a second by Bob Beaver.</p> <p>Liability Insurance Renewal contract was approved upon a motion made by Bob Beaver and a second by Mike Farran.</p> <p>Nuance Communications contract was approved upon a motion made by Bob Beaver and a second by Delton Fast.</p>
<p><b>Board Committee Reports</b></p>	<p><b><u>Physician Relations Committee</u></b> – Guest physician was Dr. Kellenberger; good discussion; concerns with Hospitalists treating their patients. Dr. Miller from Lamar some interest in providing Pain services. Partnership with Pathways/Nevada Mental Health for continuity of care. Proposal review of detox services will be continued as need is identified. Diabetic/Endocrinologist services. Dr. Conley to arrange gathering with Dr. Wilberding regarding admission/discharge processes.</p> <p><b><u>Quality Committee</u></b> – Focus on 4 major areas; Falls with Injuries, Patient Experience of Care, Immunizations, Readmission Rates. Thankful for new patient beds (funded through Foundation); alarms more sensitive. Med/Surg staff participating in safety training (CUSP). Immunization rate at 99.8%; met 90% threshold for CDC reporting. Improved discharge planning process; bedside rounds with nurse &amp; social worker.</p>	<p>The board committee reports and minutes were approved upon a motion made by Brad Copeland and a second by Bob Beaver.</p>

Nevada Regional Medical Center  
**BOARD OF DIRECTORS**  
**May 24, 2016**

	<p><b><i>Workforce Committee</i></b> – information is available to committee members on portal; looked at productivity reports, corrective actions, staffing grid across organization to address needs to flex. Should help long term cash flow to operating volumes.</p> <p><b><i>Patient Satisfaction Dashboards</i></b> – Inpatient HCAHPS scores are at our FY goal; attained 5 of 8 goals. Outpatient scores are improving. ED scores for March very low.</p>																			
<b>Board Governance</b>	<ul style="list-style-type: none"> <li>• Dr. Moore attended QHR Board orientation prior to meeting.</li> <li>• Additional information will be sent out to board.</li> </ul>	Informational.																		
<b>Adjournment</b>	<p>The meeting was adjourned at 8:38 p.m. upon a motion to move into Executive Session in accordance with RSMo (1994) Section 610.021 Subparagraph (1), (2), (3), and (13) made by Bob Beaver and a second by Larry Bledsoe. Results of a Roll Call vote are as follows:</p>	<table style="width: 100%; border: none;"> <tr><td>Bob Beaver</td><td>Yea</td></tr> <tr><td>Larry Bledsoe</td><td>Yea</td></tr> <tr><td>Jenise Burch</td><td>Absent</td></tr> <tr><td>Brad Copeland</td><td>Yea</td></tr> <tr><td>Bill Denman</td><td>Yea</td></tr> <tr><td>Mike Farran</td><td>Yea</td></tr> <tr><td>Delton Fast</td><td>Yea</td></tr> <tr><td>Candice Moore</td><td>Yea</td></tr> <tr><td>Steve Russ</td><td>Yea</td></tr> </table>	Bob Beaver	Yea	Larry Bledsoe	Yea	Jenise Burch	Absent	Brad Copeland	Yea	Bill Denman	Yea	Mike Farran	Yea	Delton Fast	Yea	Candice Moore	Yea	Steve Russ	Yea
Bob Beaver	Yea																			
Larry Bledsoe	Yea																			
Jenise Burch	Absent																			
Brad Copeland	Yea																			
Bill Denman	Yea																			
Mike Farran	Yea																			
Delton Fast	Yea																			
Candice Moore	Yea																			
Steve Russ	Yea																			

Respectfully submitted,  
Jennifer Eaton, Executive Assistant