

Nevada Regional Medical Center
BOARD OF DIRECTORS
December 8, 2020 - Zoom

Members Present: Steve Russ, Kelly Ast, Bob Beaver, Mike Brown, Ron Chandler, Dana Ellis, Delton Fast, Wayne Reinert, Dr. Candice Moore, Steve Branstetter

Members Absent: None

Others Present (Internal): Holly Bush, CQO; Tara Garrett, CNO; Dana White, CFO; Jessica Collier, HRAO; Jennifer Eaton, EA

Others Present (External): Bryan Breckenridge, Legal; Steve Graddy, Freeman; Paula Baker, Freeman; Aimee Meyer, incoming Board Member; David Taylor, BKD (departed 5:42pm)

Topic	Discussion	Action & Follow-Up
Call to Order	Mr. Russ called the meeting to order at 5:17 p.m. and noted that a quorum was present. No conflicts of interest were disclosed.	
BKD Audit Presentation	<p><i>David Taylor, BKD presented the following audit findings:</i></p> <ul style="list-style-type: none"> - Going concern modification removed. Great news! - Understand the impact on hospital and clarity/outlook for future with federal funding. - Overall improvement in operating results compared to 2019. - Continued to have disciplined expense control. - Provider relief funds (\$9.7M) recorded as liability. Regulations still not clear. Had booked \$1.7M in “lost revenues” as of 6/30/20; this was backed out/reversed. - CARES act funds: NRMC received higher amount as compared to other BKD clients. Increases risk of repayment. - Operational issue: changes in accounts receivable (\$629k). Error in accounting formulas. Already started plan to address this. - Medicaid DSH update: risk remains for 2018-2020. Potential risk due to increased funding. - P&L: Does not include any federal funding. Will be reflected on next year’s audit. Still improvement over 2019. - Still generated positive cash flows by \$481k. - Days cash on hand: 24 (federal funding excluded) 	Informational. Start 5:17pm End 5:42 pm
Celebration of Good Things	<p>Mr. Reinert – pleased with care he received after his accident last month.</p> <p>Mr. Russ shared a patient story w/permission. Emergency appendectomy; patient noted they had great experience. Noted a lot of Shining Star recognitions this month – great to see!</p> <p>Mrs. Garrett shared a “thank you” from Dr. Russell to Dr. Seals for coming in when not on call and saved a patient’s life.</p> <p>Mrs. Ellis – daughter graduates next weekend. Father was recent patient – received excellent care.</p> <p>Leadership team has done a great job at turning the hospital around.</p>	Informational.
Approval of Minutes	<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 – October 27, 2020 	Approved as written upon a motion made by Bob Beaver and a second by Delton Fast.
Board Education	<p><u><i>Emailed prior to meeting & in packet:</i></u></p> <ul style="list-style-type: none"> • None. 	Informational.

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Administrative Reports	<p><i>CEO Report – Mr. Branstetter provided the following highlights from the report:</i></p> <ul style="list-style-type: none"> • Continue to see an uptick in positive cases in community. Staff are also affected. Still waiting to see effect from holidays. • Seeing about 30% positivity rate in tests performed here. • Dr. Harrington – hope to start in March. Still working on MO license approval. • Overall pleased with audit. • 340B audit will occur in January. • Still looking to fill several key positions. • Thanked staff for all of their hard work. • K. Ast – thanked Steve for his weekly community call & update he provides & is a voice for the hospital. 	<p>Informational.</p>
FY20 Audit Report	<p>A motion to approve the FY20 audit report as presented by Mr. Taylor, BKD was approved upon a motion made by Bob Beaver and second by Wayne Reinert. All voted in favor.</p>	
Financial Reports	<p><i>CFO Report – Ms. White provided the following highlights:</i></p> <ul style="list-style-type: none"> • Revenue for OCT were over \$10M. First time! Clinic visits up 16% over last year. • Ms. White explained the contractual adjustment of \$630k noted in audit. Formula error in spreadsheet; was not caught. Went back to June 30 & fixed formula error; re-ran July-Oct figures. \$104k adjustment in July; changed net income from \$167,234 to \$62, 809. Aug & Sept already had extra allowances so no impact. Oct was credit balance. Plan of correction and further controls will be put in place. • Expenses \$321k over budget; largely due to COVID expenses (lab, food, purchased services, wages). • Days cash on hand: 149. • Will start repaying Medicare accelerated payment in April '21. • Freeman/Cerner balances: Ms. White noted that repayment had been discussed once we were over 20 days cash on hand. Still holding off currently due to uncertainty of relief funds. 	<p>The financial report was approved upon a motion made by Bob Beaver and a second by Mike Brown.</p>
Approval Items	<ol style="list-style-type: none"> 1) <u>Bit Defender Encryption: IT \$21,300</u> Cloud based encryption to protect all mobile devices on or off the network. Increased security threats. Licensing for 3 years. Email vote 11/16/20. 2) <u>ED Doors (Bays 1-4): \$28,340 COVID</u> Glass doors to control air flow and infection prevention. 3) <u>Missouri Hospital Association & HIDI Dues: \$44,048</u> Yearly dues and HIDI services. 	<p>Approval item #1 was approved upon a motion made by Bob Beaver and second by Candice Moore.</p> <p>Approval item #2 was approved upon a motion made by Candice Moore and second by Delton Fast.</p> <p>Approval item #3 was approved upon a motion made by Bob Beaver and second by Ron Chandler.</p>

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<p>Approval Items (con't)</p>	<p>4) ED Stretcher Beds: \$89,023 COVID Additional stretcher beds to accommodate holding for COVID patients. Quote includes 4 beds and 3 chairs.</p> <p>5) Sterad Sterilizers: \$ not covered under CARES funds. TABLED until further information is gathered on financing options. Renewal of service agreement vs. purchase w/financing option. Old units are approx. 25 years old; beyond end of life. Working with vendor for financing.</p> <p>6) HAT Work Comp: \$349,675 Yearly renewal. Approx. 20% is charged to LTC. Has increased about 15%.</p> <p>7) Cardiac Monitors/Anesthesia Machines: \$977,000 TABLED until more detailed information and cost breakdown can be provided. Facility wide updates. Potential financing options. Current system over 17 years old. Parts difficult to find. Units will feed directly into Cerner/medical record. ICU, Med/Surg, OR, ED, OB, all clinical aspects, streamlines care. Units are transportable between depts. Quote includes Dynamaps as well (portable vital machines). - Can we purchase in units to disperse cost? Mrs. Garrett noted there is a price break for whole system, but could purchase in smaller batches. Not sure if can be COVID related. Exploring financing options as well. Mr. Graddy – cannot assume that funding will be there. Need to do our homework. Mrs. Ellis & Mr. Brown – standard of care and patient safety is a priority. Could we forego the anesthesia machines? Mrs. Garrett stated that is a possibility. Ms. White will work up details and give options.</p> <p>Ms. White noted that we are still reviewing options for laparoscopic tower replacements.</p>	<p>Approval item #4 was approved upon a motion made by Bob Beaver and second by Wayne Reinert.</p> <p>Approval item #6 was approved upon a motion made by Bob Beaver and second by Wayne Reinert.</p>																		
<p>Board Cmte Reports</p>	<p>None.</p>																			
<p>Board Governance</p>	<p>Thank you to Kelly Ast for her service on the board. Presented with recognition plaque. She thanked the board & leadership for good work! Welcome to Aimee Meyer. She will come on board in January.</p>																			
<p>Open Discussion</p>	<p>None.</p>																			
<p>Adjournment</p>	<p>The meeting was adjourned at 6:35 p.m. upon a motion to move into Executive Session in accordance with RSMo (1994) Section 610.021 Subparagraphs (1), (3), and (13) made by Bob Beaver and a second by Ron Chandler. Results of a Roll Call vote are as follows:</p>	<table style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 80%;">Kelly Ast</td><td style="text-align: right;">Yea</td></tr> <tr><td>Bob Beaver</td><td style="text-align: right;">Yea</td></tr> <tr><td>Mike Brown</td><td style="text-align: right;">Yea</td></tr> <tr><td>Ron Chandler</td><td style="text-align: right;">Yea</td></tr> <tr><td>Dana Ellis</td><td style="text-align: right;">Yea</td></tr> <tr><td>Delton Fast</td><td style="text-align: right;">Yea</td></tr> <tr><td>Candice Moore</td><td style="text-align: right;">Yea</td></tr> <tr><td>Wayne Reinert</td><td style="text-align: right;">Yea</td></tr> <tr><td>Steve Russ</td><td style="text-align: right;">Yea</td></tr> </table>	Kelly Ast	Yea	Bob Beaver	Yea	Mike Brown	Yea	Ron Chandler	Yea	Dana Ellis	Yea	Delton Fast	Yea	Candice Moore	Yea	Wayne Reinert	Yea	Steve Russ	Yea
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Respectfully submitted, Jennifer Eaton, Executive Assistant