

**Board of Directors Annual Meeting
Thursday, April 30th, 2020 at 6:30 PM
Minutes**

The Board of Directors of Northwest Health Services met via Zoom on Thursday, April 30th, 2020, at 6:30 pm.

Members Present via Zoom: Whitney Lanning, President; John Thompson, Treasurer; Dr. Phillip Frank, Secretary (joined in general session at 7:43PM); Leslie Phillips, Steve Loucks, Sherry Weldon, Fiona Sansone, Dr. Tim Crowley, Harold Johnson, Kim Ireland, Terry Steinbecker, and Jennifer McKinley.

Members Absent: None

NHS staff present via Zoom: Rodney Hummer, Interim CEO; Rebecca Mankin, CFO; Dr. Brushwood, CMO; Dr. Alan Krebs, CDO; Miranda Phillips, Director of Pharmacy; Terry Petersen, Director of Behavioral Health and Training & Development, Stacey Lawrence, Director of Human Resources, Judy Hood, Director of Compliance; and Jena Propheeter, Scribe.

Whitney Lanning, Board President, called the meeting to order at 6:32 pm. A quorum was established.

Directors Harold Johnson, Terry Steinbecker, John Thompson, and Fiona Sansone have terms that expire this year. John Thompson and Fiona Sansone have accepted an additional three-year term until 2023, if elected. Harold Johnson and Terry Steinbecker have declined.

Kim Ireland made a **MOTION** to re-elect John Thompson and Fiona Sansone as Directors of the Northwest Health Services Board for three year terms ending April 2023 and accepted Harold Johnson's and Terry Steinbecker's declination. Harold Johnson seconded the motion. **PASSED 11-0**

Board Chair presented a slate of Officers as recommended by the Nominations and ByLaws Committee as follows:
Whitney Lanning, President; Kim Ireland, Vice President; Dr. Tim Crowley, Secretary; and John Thompson, Treasure.
No other names offered for Officers.

Terry Steinbecker made a **MOTION** to accept the slate of Officers as presented. Jennifer McKinley seconded the motion.
PASSED 11-0

Members reviewed and discussed the recommended Board Committee memberships as follows:

- Quality Assurance (3 or more Directors)
Kim Ireland, Chair; Steve Loucks; Sherry Weldon; Jennifer McKinley
- Planning & Development (2 or more Directors)
Fiona Sansone, Chair; Whitney Lanning; Les Phillips; Dr. Timothy Crowley
Move meeting to 5:00 PM
- Executive (Board Officers & Standing Committee Chairs)
Whitney Lanning, President; Kim Ireland, Vice President; John Thompson, Treasurer; Dr. Tim Crowley, Secretary;
Fiona Sansone, Standing Committee Chair
- Nominating & ByLaws (Board Officers & 2 Additional Board Members)
Dr. Tim Crowley, Chair; Whitney Lanning; Kim Ireland; John Thompson; Leslie Phillips and Jennifer McKinley
- Finance & Audit (2 or more Directors)
John Thompson, Chair; Dr. Phillip Frank; Whitney Lanning

Sherry Weldon made a **MOTION** to accept the recommended Board Committee memberships as presented. John Thompson seconded the motion. **PASSED 11-0**

Recruitment of New Board Members:

Nominees were reviewed. Board Chair will contact nominees as per discussion.

Fiona Sansone made a **MOTION** to adjourn the Annual Meeting. Dr. Crowley seconded the motion. **PASSED 11-0**

Board of Directors Meeting Minutes
Thursday, April 30th, 2020
Zoom Meeting

The Board Chair opened the floor for removal of items from the consent agenda.

John Thompson made a **MOTION** to accept the consent agenda, which included the March 26th, 2020 board minutes, BKD Audit Letter, and Senior Leader reports. Kim Ireland seconded the motion. **PASSED 11-0**

The Board reviewed the Financial Minutes for March 31st, 2020.

Financials:

Productivity Statistics

- Total visits: March : 7,569 actual / 10,803 budgeted (70% of budget achieved)
 YTD: 16,036 actual / 20,902 budgeted (77% of budget achieved)
- Medical visits: March: 4,489 actual / 6,541 budgeted (69% of budget achieved)
 YTD: 9,340 actual / 12,653 budgeted (74% of budget achieved)
- Dental visits: March: 1,849 actual / 2,439 budgeted (76% of budget achieved)
 YTD: 4,118 actual / 4,827 budgeted (85% of budget achieved)
- BH visits: March: 1,231 actual / 1,823 budgeted (68% of budget achieved)
 YTD: 2,578 actual / 3,422 budgeted (75% of budget achieved)
- Prescriptions: March: 8,325 actual / 6,960 budgeted (20% over budget achieved)
 YTD: 15,590 actual / 13,656 budgeted (14% over budget achieved)

Accounts Receivable

- AR graph (graph on right side of dashboard) demonstrates that NHS gross charges and net AR balances are trending down.
- The net AR as of March 31, 2020 was \$1M and average net AR days was 17 and YTD is 18. The gross AR as of March 31, 2020 was \$2.5M and average gross AR days was 42 and YTD was 42.6.
- The gross AR graph (graph on left side of dashboard) shows the % of claims by aging bucket as of March 31, 2020. The \$ value of total claims in each aging bucket is identified below:
 - 30% in 0-30 bucket (\$724k) ; 13% in 31-60 bucket (\$310k); 11% in 61-90 day bucket (\$271k); 39% in 91-120 day bucket (\$948k); 3% in 121-150 day bucket (\$71k); 2% in 151-180 days bucket (\$64k); and 2% in 180 day plus bucket (\$80k)
 - 54% of AR is in 0-90 days bucket; 44% is in 91-180 days bucket; and 2% is in 180 day plus bucket. There was a large project in January to send a large volume of claims to PAM (pre-collections) and to send claims over 180 days to NWFS (collections). We were notified in mid-March that PAM and NWFS were discontinuing making calls to patients and not pursuing any litigation on accounts until further notice due to the COVID-19 pandemic.

Balance Sheet

- \$2.3M in cash, of which \$568k is operating cash and the remainder is reserved for Medicaid Payable.
- Day's unrestricted cash on hand is 5.1 as of March 31, 2020. We had discussed previously trying to get our days cash on hand increased closer to the goal of 45 days cash on hand, interim goal set was 30 days. With the advent of COVID, our attention has been on this and we're also focusing extensive amount of time applying for grants. There has been an uptick in available grants since the Secretary of Health and Human Services declared a public health emergency on January 31, 2020. The significant decline in visits in the latter half of March is result of COVID and President's Declaration of National Emergency on March 13, 2020. The majority of our patients are staying home and the clinics have begun implementing telehealth visits for patients in medical, behavioral health and dental. The four pharmacies scripts have exceeded the budgeted levels.
- On Dashboard BS, when comparing to prior year Cash and Investments, we declined by \$457k. The key factor is settling Medicaid cost reports.
- Accounts receivable decreased by \$153k from prior year. This aligns with the decrease in average gross AR days from 52 days last year to 42 days this year.

- Account payable average days in accounts payable are 37 days. This is in line with average gross AR day's receivable of 42 days.

Income Statement

- Net Income Loss for the Month/Year: For the month of March 2020 was (\$258,066) and YTD was (\$743,744).

Revenues

- Gross Patient Revenue: For the month/year was \$1.8M (69% of budget) and \$3.75M YTD (73% of budget)
- Net Patient Revenue: For the month/year was \$1.1M (80% of budget) and \$1.9M YTD (71% of budget)
- Grant and Other Revenue: For the month/year was \$549k (96% of budget) and \$1.05M (93% of budget)
- Pharmacy Revenue: For the month/year was \$551k (32% over budget) and \$1M (27% over budget)
- 340B Revenue: For the month/year was \$488k (92% of budget) and \$899k (89% of budget)
- **Total Revenue: For the month/year was \$2.7M (93% of budget) and \$4.9M (88% of budget)**

Expenses

- Salaries and Wages: For the month/year was \$1.5M (99% of budget) and \$3.05M (100% of budget)
- Professional/Contract Fees: For the month/year was \$278k (17% over budget) and \$425k (90% of budget)
- Other Expenses: For the month/year was \$857k (16% over budget) and \$1.6M (12% over budget)
- 340B Expenses: For the month/year was \$274k (94% of budget) and \$528k (95% of budget)
- Total Expenses: For the month of month/year was \$2.9M (5% over budget) and \$5.7M (2% over budget)

Payer Mix

The payer mix has slightly shifted this month: FY 2020 payer mix: Medicaid 28%, Medicare 32%, Commercial 26%, and Self Pay 15%. Center's focus is to increase Medicaid and Medicare payer mixes. The 100,000 Medicaid patients that no longer have Medicaid are negatively impacting the center's efforts on increasing Medicaid payer mix.

Other Discussion:

- Triumph testing
 - \$200/test
 - Not an encounter as only testing
 - Tested 2500 to date
- Revisit Budget
 - Medicare Wellness under budget
 - COVID-19 Impact
 - Living Budget – with sub committee

John Thompson made a **MOTION** to approve the March Finances as presented. Kim Ireland seconded the motion.
PASSED 11-0

Planning & Development Committee:

Planning & Development Committee Minutes

December 19, 2019 (Approved by P&D Committee)

February 20, 2020 (Pending P&D Committee approval)

Harold Johnson made a **MOTION** to accept the Planning and Development minutes. Dr. Crowley seconded the motion.
PASSED 11-0

Quality Assurance Committee:

Quality Assurance Committee Minutes

January 14, 2020 (Approved by QA Committee)

Kim Ireland made a **MOTION** to accept the Quality Assurance minutes. Sherry Weldon seconded the motion.
PASSED 11-0

Re-Privileging:

The following Re-privileging requests were reviewed:

- Dr. Aleman
- Dr. Ewigman

Harold Johnson made a **MOTION** to approve the Re-privileging requests. Jennifer McKinley seconded the motion.

PASSED 11-0

Moonlighting:

The following Moonlighting requests were reviewed:

- Dr. Alan Krebs
- Dr. Kyle Milson
- Hilary Shoemaker

Harold Johnson made a **MOTION** to approve the Moonlighting requests. John Thompson seconded the motion.

PASSED 11-0

(Dr. Frank joined the meeting.)

Policies:

Pharmacy

- NHS 340B Policy & Procedures Manual Update 3.2020

John Thompson **MOTIONED** that the 340B Policy & Procedures Manual Update be accepted as presented. Sherry Weldon seconded the motion. **PASSED 12-0**

Finance

- AA-47 Contracting (No Action)
- FM-09 Purchasing - Procurement (No Action)
- FM-22 Contract Management & Consultants
- FM-26 Grants Management
- FM-28 In Kind Policy – Eliminate - as policy is covered in FM-32 Contribution Policy
- SFS Income Poverty Guidelines - SFS Discount Program Federal Poverty Level

Terry Steinbecker **MOTIONED** that the Finance Policies FM-22 Contract Management and Consultants and FM-26 Grants Management be accepted as presented and the FM-28 In Kind Policy be removed as recommended. John Thompson seconded the motion. **PASSED 12-0**

New Business:

- Grant Funding
 - 1st HRSA Supplemental – \$82,182
 - 2nd HRSA Supplemental – \$1,179,530
 - MFFH Emergency Fund for Missouri FQHCs - \$150k
 - HHS Cares Act Provider Relief Fund – 1st round - \$149,437.85
 - Paycheck Protection Plan (PPP) Loan - \$2,984,200 – resolution
 - HHS Cares Act Funds – 2nd Round - \$686,698
 - HHS Cares Act Funds – 4th Round - (\$ Unknown)
 - United Way – Request: \$75k for downtown health clinic
 - Federal Communications Commission (FCC) Telehealth Grant – Request: \$1M
 - HRSA Capital Assistance for Disaster Response & Recovery Efforts – Request: \$250k
 - SEMA/FEMA – (\$ Unknown)

Fiona Sansone made a **MOTION** to approve current grants and ratify the previous grants above listed by approving terms and conditions that are spelled out in the applications. Dr. Crowley seconded the motion. **PASSED 12-0**

- Primary Health Care Grants & Site Locations
 - 330 SAC Grant
 - IBHS Grants
 - HIV Grant
 - Renewing SUD Grant
 - Updated Site Locations

Terry Steinbecker made a **MOTION** to ratify the previous grants above listed by approving terms and conditions that are spelled out in the applications. Kim Ireland seconded the motion. **PASSED 12-0**

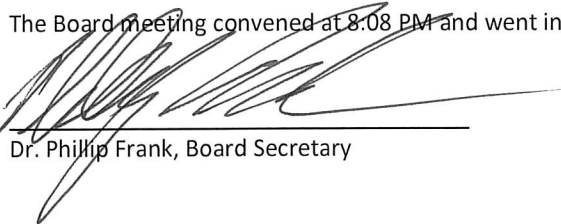
- Community Link Consulting Engagement

Terry Steinbecker made a **MOTION** to approve Community Link Consulting to assist with Scope of Work and Financial Planning Consideration for Pandemic & team at MPCA's cost. John Thompson seconded the motion. **PASSED 12-0**

- Credit Cards Usage/Limits, discussion:
 - FM-25 Debit Credit Card Usage Policy
 - Changed Policy to read the Board of Directors sets the limits and users of the cards
 - Process put into place on card usage

Kim Ireland made a **MOTION** to revise the FM-25 Debit Credit Card Usage Policy to state that the Board of Directors sets the limits and users of the cards and a process of usage will be put into place. Les Phillips seconded the motion. **PASSED 12-0**

The Board meeting convened at 8:08 PM and went into Executive Session.



Dr. Phillip Frank, Board Secretary