

Board of Directors Meeting Minutes
Thursday, July 30th, 2020
Meeting Provided by Zoom and at FMA

The Board of Directors of Northwest Health Services met on Thursday, July 30th, 2020, at 6:30 pm at Northwest Health Services, 2303 Village Drive, St. Joseph, Missouri, and by Zoom.

Members Present: Whitney Lanning, President; Kim Ireland, Vice President; John Thompson, Treasurer; Dr. Tim Crowley, Secretary; Steve Loucks, Sherry Weldon, Carolyn Hall, Jennifer McKinley, Les Phillips and Patrick Modlin.

Members Absent: Dr. Phillip Frank

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

Whitney Lanning, Board President, called the meeting to order at 6:34 pm. A quorum was established.

The Board reviewed the consent agenda items, including the June 25th, 2020 and July 6th, 2020 board minutes and Senior Leader Reports. Board Chair opened the floor for removal of any items from the consent agenda.

Patrick Modlin made a **MOTION** to accept the consent agenda, which included the June 25th, 2020 and July 6th, 2020 board minutes and Senior Leader reports. John Thompson seconded the motion.

PASSED 10-0

The Board reviewed the Financial Minutes for June 25th, 2020.

Financials:

Financial Summary Dashboard

Productivity Statistics

- **Total visits:** June : 7,805 actual / 10,317 budgeted (76% of budget achieved)
YTD: 36,622 actual / 52,342 budgeted (70% of budget achieved)
- **Medical visits:** June: 4,800 actual / 5,917 budgeted (81% of budget achieved)
YTD: 22,754 actual / 31,113 budgeted (73% of budget achieved)
- **Dental visits:** June: 1,591 actual / 2,493 budgeted (64% of budget achieved)
YTD: 7,493 actual / 12,273 budgeted (60% of budget achieved)
- **Behavioral Health visits:** June: 1,414 actual / 1,907 budgeted (74% of budget achieved)
YTD: 6,375 actual / 8,956 budgeted (71% of budget achieved)
- **Prescriptions:** June: 7,591 actual / 6,783 budgeted (12% over budget achieved)
YTD: 37,191 actual / 33,954 budgeted (10% over budget achieved)

Accounts Receivable

- NHS gross charges are recovering from big dip from March to April, \$1.45M May, and \$1.6M in June.
- The net AR as of June 30, 2020 was \$435k and average net AR days was 8 and YTD is 15. The gross AR as of June 30, 2020 was \$2.345M average gross AR days was 43 and YTD was 45.

Balance Sheet

- \$7M in cash, of which \$6.4M is operating cash and the remainder \$677K is reserved for Medicaid Payable.
- Days unrestricted cash on hand is 66 days as of June 30, 2020.
- On Dashboard BS, when comparing to prior year Cash and Investments, we increased by \$4M. The key factor is additional federal grant funds to address COVID fiscal impact and COVID testing.
- AP average was 30 days

Income Statement

- Total Net Income for the Month/Year: For the month was (\$292K) and YTD was \$700K. The \$2.9M in PPP Loan Funds, will not be recognized as grant funds until the loan funds are officially forgiven. The SBA will accept application for forgiveness starting August 10, 2020.

Revenues

- Net Patient Revenue: For the month/year was \$495k and \$4.25M YTD (70% of budget)
- Grant Revenue: For the month/year was \$836K and \$4.2M (86% over budget)
- Other Revenue: For the month/year was \$301K and \$1.3M (269% over budget) – this is predominately COVID testing, YTD equates to \$650K in revenues not budgeted in other revenues for medical services.
- Pharmacy Revenue: For the month/year was \$509K and \$2.5M (25% over budget)
- 340B Revenue: For the month/year was \$494K and \$2.3M (89% of budget)
- Other Income: For the month/year was \$39K and \$99K (232% over budget) – consists of Contrarian account gain of \$23K, pharmacy adherence money and other income of \$23K, and interest income for \$10K.
- Total Revenue: For the month/year was \$2.67M and \$14.7M

Expenses

- Salaries and Wages: For the month/year was \$1.5M and \$7.4M (3% under budget)
- Professional/Contract Fees: For the month/year was \$436K and \$1.5M (30% over budget)
- Other Expenses: For the month/year was \$753K and \$3.75M (3% over budget)
- 340B Expenses: For the month/year was \$228K and \$1.3M (8% under budget)
- **Total Expenses: For the month of month/year was \$2.96M and \$14M**

Kim Ireland made a **MOTION** to accept the June 30th, 2020 Financials. Steve Loucks seconded the motion.
PASSED 10-0

Re-Privileging:

- Carissa Crabb
- Rosemary Shadwick

Patrick Modlin made a **MOTION** to accept the Re-privileging requests. John Thompson seconded the motion.
PASSED 10-0

New Business:

New Position Requests:

- Finance Assistant
- Gower LPN Position

After brief discussion,

John Thompson **MOTIONED** that the above new position requests be tabled. Patrick Modlin seconded the motion.
PASSED 10-0

Cainsville Medical Clinic:

Interim CEO shared that the Provider has resigned and owns the Cainsville Medical Clinic building. NHS leases the building for \$1,000/mo and provider maintained the property, parking lot, and lawn care. The lease states, the lease ends when the provider leaves. Appraisal on building shows \$70,000 value, however no current market.

In order to be intentional and thoughtful in a decision, the Board would like a focus group to assess. Assessment to include; impact to patients and community, medical records transferred, patient count, visit with community partnerships, rent option and expenses.

Dr. Tim Crowley **MOTIONED** to table for 30 days to allow a focus group to assess. Jennifer McKinley seconded the motion. **PASSED 10-0**

Purchase of Pano X-ray Machine and Portable X-ray Machine:

CDO shared the Pano X-ray machine in the Savannah Clinic needs replaced. Due to volume, CDO would like to move the NWFDPano X-ray to Savannah and replace the Pano X-ray at NWFDP for \$15,000 (Dental Clinic Manager negotiated the price down \$5,000 from first quote). The Portable one has already been purchased for \$6,300 as procurement states \$7,500. CDO requests approval to purchase the Pano X-ray machine for \$15,000.

John Thompson **MOTIONED** the request for a Pano X-ray machine be accepted as presented. Dr. Tim Crowley seconded the motion. **PASSED 10-0**

UHC Capacity Building Pathways Grant:

CFO shared we have received and spent the funds of \$3,288 for COVID-19 and asking for approval.

John Thompson **MOTIONED** the above grant be accepted as presented. Kim Ireland seconded the motion. **PASSED 10-0**

Policies:

The following Policies were reviewed:

HR Director reviewed the following personnel policies with the Board of Directors.

- AP-15 Employee Dress Code
- AP-86 Light Duty Policy and Return to Work Form

After review and no discussion,

Patrick Modlin **MOTIONED** that the above personnel policies shall be accepted as presented. Carolyn Hall seconded the motion. **PASSED 10-0**

Old Business:

CC-6 Quality Assurance Committee Charter:

This charter was passed by the board of directors in an e-mail vote on July 17, 2020 and scribe asked permission to record in minutes.

Internet/Phone Outage Impact Report:

CFO shared the estimated fiscal impact for phone outage on 6/12 and 6/17 is approximately \$100k for all service line productivity revenue losses.

X-ray Equipment Update:

Interim CEO advised Merri X-Ray offered \$65,000 for 5 x-ray machines. Amount owed greater than offer and trying to figure out how to increase utilization. No action at this time.

Fiscal Impact:

After discussion, the consensus of the board is to have set meetings with Board Officers, Finance Committee, and any Board of Director interested, to meet weekly if possible to address NHS Finances.

CEO Search Announcement:

Moved to Executive Committee.

Quality Assurance Committee:

Quality Assurance Committee Minutes for March 10, 2020, provided for review and approval.

Steve Loucks **MOTIONED** the Quality Assurance Committee minutes be accepted as presented. Jennifer McKinley seconded the motion. **PASSED 10-0**

Patient Safety & Risk Management Committee:

Director of Compliance reviewed the Quarterly NHS Risk Management & Patient Safety Report in detail with the board. Discussion included the board recognizing the value of the report and supporting NHS efforts in reaching the goals set. Board inquired as to how often NHS does Safety Surveys and response was every two years. Another area to look at is "Closed Loop Orders" per CMO.

Kim Ireland **MOTIONED** the Quarterly NHS Risk Management & Patient Safety Report be accepted as presented. Patrick Modlin seconded the motion. **PASSED 10-0**

Resignation of Board Member:

Fiona Sanone regrestfully resigns from the NHS Board of Directors.

Steve Loucks **MOTIONED** to accept her resignation and for Resolution for board service. Dr. Tim Crowley seconded the motion. **PASSED 10-0**

The Board meeting convened at 8:42 PM and went into Executive Session.

Dr. Tim Crowley, Board Secretary