

Date: February 18, 2015  
Time: 1:00 P.M.  
Location: Mayers Memorial Hospital  
Burney, California

*(These minutes are not intended to be a verbatim transcription of the proceedings and discussions associated with the business of the board's agenda; rather, what follows is a summary of the order of business and general nature of testimony, deliberations and action taken.)*

**1. CALL MEETING TO ORDER:** President Abe Hathaway called the regular meeting to order at 1:01 p.m. on the above date with the following present:

Abe Hathaway, President  
Mike Kerns, Vice President  
Beatriz Vasquez, Secretary  
Allen Albaugh, Treasurer

**Board Members Absent:** Art Whitney

**Staff Present:** Valerie Lakey, Board Clerk; Travis Lakey, CFO; Sherry Wilson, CNO; Caleb Johnson, CCO; Keith Earnest, CCO, Louis Ward, COO;

**2. CALL FOR REQUEST FROM AUDIENCE TO SPEAK TO ISSUES OR AGENDA ITEMS: None**

**3. APPROVAL OF MINUTES – A motion/second (*Vasquez, Albaugh*), and carried, the Board of Directors accepted the minutes for the regular meeting – January 28, 2015 Approved All**

**4. OPERATIONS REPORT:**

***In addition to the written operations report included in the board packet, the following verbal reports and discussions are summarized below:***

▶ ***Matt Rees, CEO:*** Absent

▶ ***Keith Earnest, CCO:*** In addition to his written report, Earnest reported on the following:

In the PT Department they are looking for a 3<sup>rd</sup> PT. They have just signed a registry aide for a 13 week contract. There are 22 patients waiting to be evaluated in the PT Department; that number has gone down. Earnest feels we are moving in the right direction.

The Lab will be getting Phlebotomy students through Shasta College. We will get some free training for a MMHD employee. Students are here for 4 weeks at a time. Often we try to hire some of the students upon completion of their program.

Pharmacy – With E-prescribe, we are closer all of the time. We have learned some things and have a strategy. We hope to be partially connected and functional by next board meeting. The largest delay came with how we can prescribe medications – cannot use a PO Box for a patient.

Canby Clinic – MMHD will provide their pharmacy consulting service – quarterly clinic inspection.

Hospice Dinner – March 28 at the Rex Club, Medieval theme. \$40 tickets. Raffle, door prizes

▶ ***Sherry Wilson, CNO:*** Wilson reported that the CNA class is getting closer to being a reality – there is a meeting set up with 2 college deans (Shasta and Feather River). Feather River hadn't budgeted for the class. Shasta College is helping to pay and MMHD paying half. All of the expenses covered. We should hear by the end of the day.

The Feather River class would be in March. After that Shasta College has agreed to facilitate the class. Our staff will train to be Shasta employee. Modoc is holding 2 spots at their class. Shasta class has a home health aide add-on

Wilson also noted that staff is moving office space to free up two rooms; which would allow for 4 new LTC beds – census would then be at 85. We have ordered the beds.

- ▶ **EMR – Louis Ward, Chief Operating Officer –**  
Ward reported that they have finished Outpatient area projects.

EMR Stage 2 – FlexIT act – will change from 365 day reporting period to a 90 day reporting period.

ADA toilets through the foundation.

ES – weekly walk-through with Infection Control and ES manager. Look at facility from the patient perspective.

- ▶ **Caleb Johnson, Chief Compliance Officer**  
Billing office is getting healthier. Clean claim rate continues to improve. It was 45% at end of January – we are hoping to get up to 60%.

Gross A/R days – we want to get to 55-60. We are within 5% of interim goal of 65 days. The % over 120 barely ticked up – we continue to focus on the older account resolutions in a timely fashion.

\$1.296 in bad debt collections. Submit bad debt accounts in waves – instead of all at once. Financial counselor will make calls first and provide options.

ICD10 – Kerns asked if we are on track – will get back on it next month

## 5. BOARD COMMITTEES:

### 5.1 Finance Committee – Chair Allen Albaugh

**5.1.1 Committee Meeting** – The committee met yesterday (2/17/15). Albaugh talked about the cash flow situation. Albaugh asked Lakey to explain. Lakey broke down all accounts with all cash collections, etc. Albaugh said “we are bleeding” and he wants a directive from the board to Rees to get this thing in order. We would have to increase by \$320,000 to cover collections of \$160,000. Hard to project or assume patient activity, but we do have control over expenses. Ward said we need to focus on reducing expenses but the conversation always turns to increasing revenue. Hathaway said we need to look at all expenses. Lakey doesn’t think we are going to be able to pay off line of credit. Albaugh said the Board needs to put pressure on CEO for a reasonable, do-able and not a “pie in the sky” plan. Albaugh also said he feels like we have a lot of “bloat” in the personnel. He requested that the CEO comes back with something that will work for the March meeting; focusing on expense reduction.

**5.1.2 January 2015 Financials – Approved All(Albaugh, Kerns)**

**5.1.3 Board Quarterly Finance Review (Albaugh, Kerns)**

**5.1.4 USDA Update** – Lakey talked to USDA this morning – they want more of the loan secured with our GO Bonds; that is not an option. We are a “need” area, but not a

“high need” area. (for New Market Tax Credits) The bigger question – we have deadlines coming up with OSHPD. Albaugh said we are not getting anywhere with USDA and it is time to start over; get rid of architects, construction firm and start over. We might be able to get \$20 mil; so we need to reorganize to build something in the \$25 mil range. Hathaway asked if can get out of all of the contracts we have. For us to do a Design-Build – legislation is needed. May be too late for this year. Need to explore options. Kerns asked to look at options at next month’s meeting.

**5.1.5 Clinic Update** – Looked at Clinic space (tour)

**5.2 Strategic Planning Committee – Chair Abe Hathaway**

**5.2.1 Committee meeting** – *No meeting*

**5.2.2 Board Assessment Presentation** – (PowerPoint available) – more follow-up in April at SP meeting and retreat.

**5.3 Quality Committee – Chair Mike Kerns**

**5.3.1 Committee Meeting Report** - There were a lot of department reports – see minutes as distributed.

**6. NEW BUSINESS**

**6.1 Quarterly Worker’s Compensation Report**

Libby Mee was present to discuss Worker’s Comp for 2015; so far there are 4 first aid injuries. There has been nothing reportable. No reports yet on the mod rate. Last week of the year – 2 reportable, CNA moving a patient, the other is being investigated. Both are still pending status. Last year only 4 reportable for the entire year. The mod should start dropping.

**7. INFORMATION/BOARD EDUCATION/ANNOUNCEMENTS**

- ▶ Board Education – QHR Webinar 2<sup>nd</sup> Tuesday each month, 10 a.m. PST

**8. ANNOUNCEMENT OF CLOSED SESSION: 3:03 PM**

**9. RECONVENE OPEN SESSION – ANNOUNCE ACTION TAKEN IN CLOSED SESSION**

**10. ADJOURNMENT:** There being no further business, at the hour of 3:40 p.m., President Hathaway declared the meeting adjourned. Next meeting March 25, 2015 – Fall River Mills

