

## **Board Meeting Brief**

**October 26, 2020**

**Trustees present:** JoAnn Casalez, Chairman; Michelle Miller, Secretary; Bill Hammargren; Gene Hunt; Alicia Cramer; and Ken Tipton

### **Hospital Department Reports:**

#### *Medical Staff Report – Chief of Staff Dr. Richard Davis*

The medical staff will hold an election to fill their Treasurer seat. Candidates for the seat are Dr. David Masuck and Dr. Rommel Adajar.

Dr. Davis reported an overall increase in the number of COVID cases in the community. As of Wednesday, October 21, there were 157 reported cases in Humboldt County. By Monday, October 26, that number had increased to 173. The increase correlates with the finding of the waste water testing program being conducted by the City of Winnemucca. The findings in the testing have served as an early warning system for the spike in cases. In response to the increase in cases, HGH had stopped visitation last week and more recently, moved meetings from in-person to virtual.

A weekly COVID meeting continues to be held which is led by Dr. Davis and includes hospital leadership, medical staff, as well as Dr. Charles Stringham from public health. The group discusses the number of current cases, availability of testing supplies and PPE, turnaround times at the state lab for results, and any other issues impacting hospital operations. Rapid result tests are used for anyone coming to the emergency department or for those patients having a medical procedure. Turnaround times from the state lab have been delayed, which causes concerns for both the medical staff and hospital. Long term care unit residents and staff are currently being tested once a week.

A presentation was made by Envision Physician Services, the group that provides medical staff coverage in the HGH emergency department. Envision has provided services since 2005. They reported that they have established a core group of physicians for the HGH ED. The core group includes: Dr. Chad Farr, Dr. Eric Stirling, Dr. Scott Stone, and Dr. Nina House. Additional physicians that may cover shifts include: Dr. Anthony Sciascia, Dr. Greg Paloolian, Dr. Craig Dates, and Dr. Ajeet Mahendernath. Dr. Farr serves as the medical director and will work with hospital leadership to ensure that the emergency department meets performance metrics, including patient satisfaction.

Envision reported recent patient satisfaction scores overall are very positive. From May to September 2020, patients reporting that they were “very satisfied with their visit” averaged 78%. In September, 94% of patients waited less than an hour to be seen by a doctor. Also, in September, 95% of patients said that they would recommend the ED to their family and friends. Chairman JoAnn Casalez requested that Envision make quarterly presentations to the Board.

#### *Administration Reports – CEO Tim Powers*

CEO Tim Powers introduced additions to the medical staff and hospital staff. Joining the medical staff are: Dr. Lacy Fettic, who was born at HGH, joins as the Rural Residency Director. Dr. Fettic has returned to the area from Reno. Dr. Brittany Smith joins the Women’s Health Clinic. She recently completed her training in Chicago and is originally from Charlotte, NC. Sierra Ribero joins HGH staff as one of the new OB unit’s directors. She is a midwife originally from Chicago. Additions to HGH leadership are Cory

Burnett as chief financial officer. From Spokane, WA, Cory has more than 10 years' experience in healthcare finance and formerly worked with HGH in a consulting capacity before joining staff full-time. Laura Shea is the new marketing and community relations director. She has nearly 20 years' experience in marketing and community relations in a small community hospital in rural upstate New York.

#### *EMS Report – Chief Brett Peine*

Chief Brett Peine reported that the EMS department is in good shape with staffing with 15 paramedics, 1 EMS-RN, and 11 AEMT/EMT. They have 21 casual call employees. The Winnemucca Station is fully staffed and they are recruiting to fully staff Orovada Station. They currently have 33 patients enrolled in the Community Paramedic Program; have 169 Community AEDs in Service; and continue to work with the car seat safety program. Their quality improvement projects include: Rapid Sequence Intubation Success Rate (first attempt) and response times. EMS participated in a HAZMAT drill on August 22. They completed Ropes Operations training October 12-16 and a Critical Care Refresher training was completed October 19-21. The number of EMS calls remains steady and they are on track for exceeding last year's numbers. Chief Peine is looking at EMS-specific billing and plans to add additional staff training.

#### *HR Updates – Didi Almendares, Human Resources Director*

Twenty-one supervisors completed Supervisory Skills Training provided by the Nevada Association of Employers. Open enrollment for employee benefits will be held November 16-18. Employees can meet individually with company representatives or they can complete enrollment online. On October 16, HGH recognized employees for years of service. Eighteen were recognized for 5 year; 3 for 10 years; 3 for 15 years; and 3 for 20 years.

#### *CEO Report – CEO Tim Powers*

Pharmacy Hood Project/Assessment and proposal on Kitchen Hood: CEO Powers provided an update on the issues with the hood in the HGH pharmacy. The hood does not meet requirements for air exchanges and must be fixed. Pharmacist Cody Bright and CEO Powers are meeting with contractors CTA to remedy the issues. They will review the original construction agreement to ensure that work completed matches the scope. CEO Powers proposed that the work on the kitchen hood be paused so that CTA could focus on the pharmacy hood. The Board wants both issues resolved without delaying work on the kitchen. CEO Powers agreed with that course of action and will provide the Board updates on the pharmacy project resolution.

Revenue Cycle Review: CEO Powers reported a laundry list of issues with the current billing and coding company. Interim Business Office Director, Darlene Mangrum and her team are working to identify and resolve issues as quickly as possible. The issues have resulted in over 6,000 individual accounts not being coded and therefore not billed. Included in that count are community paramedicine accounts. A total dollar amount is not yet known but an action plan for getting the accounts complete and out the door is underway. A proposal for addressing issues to the entire revenue cycle will be presented at the November Board meeting. Board Secretary Michelle Miller applauded the transparency into billing and for the hospital for providing a solution, not just identifying the problem.

EOC Meeting Update: an EOC meeting was held on October 23 with HGH staff and city and government agencies. Updates were provided about the COVID response from hospital staff, city, and school district. The group will continue to meet and collaborate to ensure that the COVID response is not a siloed process.

Internal restructuring: Hannah Kohler has been named full-time nurse manager of med/surg and ICU; Tina Wilson has been named full-time ED manager; and Janet Sturtz now serves as manager of perioperative services and as the infection control nurse. These individuals are an example of HGH developing an internal talent pool.

Armory Site Visit: CEO Powers and others toured the Armory and it would be a great site for EMS. He is going to talk with the city manager next week and will provide an update at the November Board meeting.

Cath Lab: waiting to speak to the foundation in Reno; credentialing process underway; more details to come.

Strategic Planning: a meeting will be held with Board and senior leadership. It will be held November 20-21 and will be led by consultant Ray Price.

CEO Straight Talk Breakfast: approximately 15 employees attended the breakfast. There was good conversation and the breakfast provided by the dietary department was great. The breakfasts will be held monthly for employees born in that month.

#### *Consent Agenda*

Board trustees approved the minutes for the following meetings: September 22, 2020. Additionally, board members approved medical staff applications for appointments, reappointments and privileges for ten medical providers. Trustees Michelle Miller and Gene Hunt abstained from the approval of the meeting minutes due their absence from the meeting.

#### Financial Report

CFO Cory Burnett presented financial reports for September 2020:

- Gross patient revenue for the month of September was \$9.2M compared to budget of \$8.9M and prior year of \$9.2M.
- Inpatient revenue for the month of September was \$2.6M compared to budget of \$3.5M and prior year of \$3.7M. In reviewing stats for September, patient days were significantly higher in September 2020 than September 2019 yet gross inpatient revenue was significantly lower in September 2020. An independent Cerner certified charge services consultant is currently researching this to determine the cause of this discrepancy.
- Contractual adjustments and bad debt was \$4.2 M or 46% of gross revenue compared to budget of \$4.4M or 50% of gross revenue and prior year of \$4.4 M or 47% of revenue. Now that we are getting a better understanding of our payer portfolios the volatility in our contractual and bad debt is becoming more predictable.
- Net patient revenue for September was \$5.0M compared to budget of \$4.5M and prior year of \$4.9M. YTD net patient was \$13.4M compared to budget of \$13.7M and prior year of \$13.8M.
- September total operating revenue was \$5.0 M compared to budget of \$4.5M and prior year of \$4.9M.
- Spending for the month of September was \$5.3M compared to budget of \$4.9M and prior year of \$4.7M. The increase in spending from budget is primarily driven by purchased services.
- YTD spending was \$15.1M compared to budget of \$15.1M and prior year of \$14.3M.
- Net operating loss for September was \$(221K) compared to budget loss of \$(401K) and prior year an operating gain of \$(286K). The operating loss for September is primarily a result of

increased purchased services from correcting issues in the revenue cycle. Correcting issues in the revenue cycle will maximize revenue and keep the organization on a path towards a positive operating margin.

- The YTD operating loss was \$(1.6M) compared to a budgeted loss of \$(1.2M) and a prior year loss of \$(373K). The September YTD loss is primarily a result of a decrease in anticipated revenue for the first two months of the fiscal year.
- Non-operating revenue for September was \$498K compared to budget of \$443K and prior year of \$674K.
- Included in the \$498K of non-operating revenue was \$416K of Humboldt County tax revenue. September YTD non-operating revenue was \$1.6M compared to budget of \$1.4M and prior year of \$1.9M, is reasonably in line.
- The net gain for September was \$277K compared to budget income of \$42K and prior year income of \$(960K).
- Increased gross patient revenue is primarily responsible for the net gain in September. September YTD the net loss was \$(50K) compared to budgeted income of \$123K and prior YTD income of \$1.5M. Less than anticipated gross patient revenue is the primary cause for the YTD loss.
- Days in Accounts Receivable decreased to 75 days from 79 days in August.
- Days of Cash on Hand increased to 235 days from 232 days in August.

#### Business Items-Other Reports

1. Hospital Administration / request for approval of professional services agreement with Architectural Nexus, Inc. for the Laboratory area renovation project; Trustees unanimously approved.
2. Hospital Administration / proposal to enter into revised contract with MedX AirOne to provide medical emergency flight services; CEO-Administration asked for proposal to be table since contract was still being negotiated. Will present for approval at November Board meeting.
3. Hospital Administration-ER / proposal to purchase Point of Care Ultrasound for ER; Trustees unanimously approved.
4. Hospital Administration-EVS / proposal to purchase two washing machines for Laundry; Trustees unanimously approved.

#### Trustee Comments

All Trustees welcomed new staff and expressed appreciation for developing of staff for new roles.

Trustee Gene Hunt thanked CEO Tim Power and Chief Nursing Officer Leeann Cushway for their help with a patient issue. The patient was very pleased with the outcome and stated that Leeann made them feel like they were the most important part of her day

Trustee Ken Tipton was pleased that Dr. Feticc has joined HGH, noting that it was good to see individuals return home.

Trustee Bill Hammargren expressed his appreciation of CEO Powers' willingness to let Trustees visit with their concerns.

Chairman JoAnn Casalez also expressed appreciation of CEO Powers and looks forward to all the positive changes, especially in billing.

The Humboldt County Hospital District Board of Trustees will meet next at 5:30 p.m. Tuesday, November 23, in the Sarah Winnemucca Conference Room.