



February 23, 2023 at 7:30am

BOARD OF DIRECTORS MEETING MINUTES

Virtual attendance option available

Attendance: Colleen Todd, Board Chairman; Dan Mast, Board Secretary/Treasurer; Clay Davis, Board Member; Jeff Lang, CEO; Becky Sanders, Quality & Risk; Jennifer Storts, Lab Manager;
Members Attending via Zoom: Michelle Reyna, CFO; Terri Brandt-Correia, CNO; Shala Kudlac, Board Counsel;

Visitors/Public Attendance: None

1. Call to Order 7:35AM
2. Public Comments and Correspondence: Note included in packet.
3. Approval of Minutes
 - a. Regular Board Meeting January 26,2023
 - b. Special Board Meeting February 09,2023

MOTION: To approve the minutes of the Regular Board of Directors meeting on January 26th, 2023 and the Special Board meeting minutes of February 09,2023; as presented.

APPROVAL: Davis/Mast; Unanimous Approval

4. Department Reports
 - a. Lab annual Report- Jen Storts
 - i. Lab Manager, Jen Storts reports that COVID positive tests are still present at a consistent level in the community. The new chemistry analyzer and coagulation analyzer were installed earlier this year and are functioning great. Microbiology specimens from Bandon is increasing. The only downtime with our new analyzers has been during the regular preventative maintenance checks. Staffing changes were explained, night shift had an unexpected vacancy. Jen explained the training requirements for high complexity testing and discussed how we have trained our own tech successfully in the past. Jen reported she is currently advocating for one of her staff members to start a training program and looking to recruit others to this tract. Jen continues to have no applications for MLT/MT's.
5. Medical Staff Report – Jeff Lang
 - a. Medical Staff Report – none heard
 - b. Credentialing
 - i. Dr. Randall Fryer, ED, Locum Tenens
 - ii. Amanda Krantz, FNP, Active AHP

MOTION: To approve the credentialing of Medical Staff as presented and recommended by the Medical Staff Committee.

APPROVAL: Mas/Davis; Unanimous Approval

6. Patient Care Report – Terri Brandt-Correia, CNO

- a. Connect to Purpose – Terri refers to the note in packet from the public.
- b. Operational Report
 - i. Terri reports that staffing is still a challenge. We currently have 12-14 traveling nurses on staff. We recently hired 2-part time nurses. She noted that traveling opportunities seem to be drying up. Travelers pay rates are declining and demand in some areas such as Radiology has increased.
 - ii. SWOCC nursing students are looking promising, we hope to identify those who we could potentially makes employment offers. Terri reported that the state provided RSV crisis nurses have completed rotations. There has been a new connection with a vendor because of this program. Radiology lost a traveler due to a family member needing care at home.
 - iii. Terri updated the Board that the Trauma survey results are not in yet; we have been working on noted areas for improvements.
- c. Policy Approval
 - i. STEMI Protocol
 - ii. Nitroglycerin IV Infusion Protocol - Pharmacy
 - iii. Scope of Services – Cardio Pulmonary

MOTION: To approve the updated policies as presented and recommended by the Medical Staff Committee.

APPROVAL: Mast/Davis; Unanimous Approval

- a. Terri reports on the OHA new nurse staffing survey: OHA has informed us that the submitted plan of correction has not been accepted. We are looking for resources to help. While we are on revision 5 another hospital is reportedly on revision 7. The OAHHS is trying to partially repeal nurse staffing law and expects that HB2697 will further complicate compliance to the nurse staffing bill. We feel it would be difficult to adhere to this bill. There is language in House Bill 2697 requiring hospitals to maintain staffing levels at all times that are unrealistic in this current staffing crisis. Terri will go to the house to lobby against the HB2697. Jeff noted that there is a super majority for the labor component and they are not taking into account Critical Access Hospitals or the smaller facilities in their considerations. Defining the minimum requirements beyond what is realistic is the issue.

7. Quality Report – Becky Sanders

- a. Quality Report – Patient Care
 - i. Becky reviewed a power point presentation on the hospital clinical quality dashboard. She was encouraged that the incident reporting showed double the reports in this quarter, highlighting the positive nature of this increase.

- ii. The ActionCue committee is meeting every Wednesday, which facilitates timely resolution to issues and provides timely feedback to staff.
- iii. Facility Quality Dashboard Q4 - fall in parking lot was highlighted.
- iv. Complaints and Grievances are increasing which is positive as we are doing a better job of capturing these issues. A service recovery model will be added to Manager training including delivering constructive feedback to people involved.
- v. Becky highlighted several workgroups, committees and department measures. Becky noted the goal of Triage times within 15 minutes.
- vi. Inpatient falls - 124 days without a fall. The most recent fall with a wheel lock issue went through a root cause analysis and preventative measures were employed.
- vii. The imaging department quality indicators were reviewed. Receiving correct orders for with/with and without contrast CT's continue to be out of target. Becky reviewed Tim's action plan to gain complinace.
- viii. Becky summarized by saying: We are working to move from adequate to wonderful patient experiences.

8. Finance Committee Report – Michelle Reyna, CFO / Dan Mast

- a. Michelle reports that this is the last week in the SOU MBA program before graduation for Jennifer Stine and herself.
- b. Financial Volumes – January 2023

- i. Inpatient days remain unfavorable to budget month to date, year to date and prior year, however, outpatient volumes continue to be favorable to budget compared to year to date and prior year.
- ii. The acute average length of stay was 4.3 year to date, which was slightly over our budgeted ALOS of 4.0 days. To maintain CAH status we need to be within our 4.0 days once the 1135 waiver is lifted, which is expected 6/11/2023.
- iii. Swingbed days were unfavorable by over (85%) for January with 4 admissions and 14 days. Our SB length of stay averages year to date are unfavorable by over (550%) and average length of stay is 12 days and we budgeted for almost 2 days.
- iv. Total inpatient admissions are almost (60%) unfavorable year to date.
- v. Average total patient days year to date are unfavorable by (20%) to budget.
- vi. Outpatient volumes are overall favorable to budget; ED is doing well with 9% favorable year to date. ED is maintaining an average of 17 patients per day for January which are pre-Covid numbers.
- vii. Clinic is doing well for the month of January with 1,192 visits, slightly favorable to budget at 4%, but year to date we are unfavorable by (14%) to budget.
- viii. Lab is doing well for January favorable by 7% and on budget for the year to date year to date at 0.4% favorable to budget.

- ix. Total radiology volume is slightly unfavorable month to date at (-0.7%) and year to date at (-0.3%); Michelle noted that there has been staff turnover with the Echo Tech moving back East to care for family and reminded the Board that the Radiology department budgeted for an 8% increase, so the volume is favorable to prior and meeting what was planned as the increase in FY23.
 - x. No inpatient surgeries were done in January and we are almost (73%) unfavorable to budget year to date. Outpatient surgeries are 43% favorable in January and almost 40% favorable year to date.
 - xi. Total FTEs 158.9 in January compared with 147.4 in January 2022.; Days Cash on Hand at the end of January was 156; DNFB is 54.8 trending down slightly over prior year and Days in A/R are 36.2.
 - xii. Jeff summarized that the story with our volumes is that outpatient is trending up and is good and inpatient is not quite as good. Which is how we are doing on a utilization perspective as well.
- c. Statement of Revenues, Expenses and Change in Net Assets
- i. Michelle reports the gross patient care revenue for the month was \$4.8M. She highlighted that the inpatient gross revenues were unfavorable to budget and the outpatient gross revenues were all favorable to budget year to date; resulting in 5.5% favorable to budget over all for year to date with \$30.5M.
 - ii. Michelle noted that we received a cost sharing check from SWOIPA for \$880K for cost sharing for the year. This revenue was booked to both gross revenue by department and other revenue.
 - iii. Contractual allowances overall are favorable by 10.6% for the month and 8.5% for the year.
 - iv. The Medicare model reflected a true up paid in January for the calendar 2022 true-up of \$98K. We will be pulling an updated PS&R in March and updating our Medicare model to fine tune the cost report predictions. Michelle will be working with Diane Petrik at CLA on this.
 - v. The total net patient revenue was \$3.2M in January and \$20.1 year to date, favorable by 19.3% for January and 14.5% YTD.
 - vi. The total net revenue was \$3.3M and 18.5% favorable to budget for January and \$20.6M and 14% favorable year to date.
 - vii. Total operating expenses, contract labor is still an outlier compared to budget at 84% over budget year to date. In other expenses we have property tax income offsetting the budget, Michelle notes it should be in other operating revenue not expenses, as it was budgeting incorrectly. Interest income BAB interest was also budgeted incorrectly offsetting interest expense. Operating expenses were unfavorable year to date by – (14.6%).
 - viii. The operating income for the month of January was \$300K and year to date is (\$759K); 33% favorable to budget.

- ix. Our non-operating income includes about \$34K in interest and \$72K in property tax income. Non-operating expense includes \$98K for to the Bed Tax true up paid in January related to the calendar year 2022 true-up.
- x. Our net income for the month of January was \$309K and our year to date loss is (\$15K).
- d. Michelle explained the balance sheet increased by \$1.3M in cash related to the A/R collections of \$760k combined with the SWOIPA payment of \$880K partially offset by an increase in expenses.
- e. Approval of Disbursements over \$25,000

MOTION: To approve payment of the disbursements over \$25,000 for the month of January 2023 and those that will accrue before the next meeting; as recommended by the Finance Committee.

ACTION: Davis / Mast; Unanimous Approval

- f. Review of scheduled cash and investments
 - i. We transferred \$1M from merchant to the LGIP account. Michelle notes the LGIP interest rate was increased to 3.75% as of 01/27/2023.
- g. Capital Request - ED IQ US system – Jeff explained that this is a hand held device for fast ultrasounds in the ER. Terri noted that the team worked together and we are able to bill for this service, training on documentation was completed. These images will be stored in PACS, Andy in IT worked to make the interface capable function with this device.

MOTION: To approve the Capital request of the ED IQ Ultrasound system as presented

ACTION: Mast / Davis; Unanimous Approval

9. Administrators Report – Jeff Lang, CEO

- a. Building Project Update
 - i. Jeff highlighted recent changes in the building project schematic plans for the Board and noted that design development conversations with the architectural group are going well. The suggested changes are resulting in creative solutions for room details.
 - ii. The Pharmacy Ante room requirements are explained. Plans for the Pharmacy will be going to the Oregon Board of Pharmacy to complete a required review.
 - iii. Jeff will also seek a required waiver from the State for Surgery Option B; he will discuss with FPS at OHA for clarification surrounding recovery room needs. We do have a back-up plan that includes improved scope processing.
 - iv. Jeff expects the SD price estimation update soon, this is where architect fees are set. He notes that the Financial Feasibility Analysis is 98% complete. Jana sent revision 3 and it should be finalized soon.
 - v. In early March, Jeff will attend an OHA intake conference with FPS for assignment of representative for our project that will be attending to our project for the duration.

- vi. Jeff explained that we will submit a functional program narrative at the end of SD. Will consider submitting our application to the USDA with a request for an alternate method of construction. Jeff explains the Design, Bid, Build vs Construction Manager/General Contractor (CMGC with Guaranteed Maximum Price (GMP)) will included in a Construction Manager contract: A CM is a party that provides preconstruction services, constructability expertise, cost estimating, budgeting, schedule development, and construction management. With a GMP – the CM assumes the risk.
- vii. He noted that this provides greater value by involving construction expertise in design to incorporate value engineering in design and lowers overall cost. As well as phasing expertise – shorter construction schedule with less operational disruption. Construction Managers can generate interest in the bidding phase for a more complete bidding environment.
- viii. We would like to bring in the Construction Manager soon so that they can be involved in the early aspects of the process. Selection of the General Contractor will be done by the Finance Committee/OR and CEO /CFO. We will be using the AIA Standard form agreement after negotiations for Construction Manager.

MOTION: Recommendation by the CVH Board of Directors is to request an alternate method of construction from USDA indicating our preference in using the Construction Manager as Contractor with a Guaranteed Maximum Price as the preferred construction method for the CVH project.

ACTION: Mast / Davis; Unanimous Approval

- ix. Jeff reviewed the updated floor plans details with the Board.

b. Operational Update

- i. Governance Project update – Jeff explained that Bryan and Macy at Stroudwater assured him that the USDA is familiar with the proposed model and explained the debt service would stay with the District entity. Tom and Jeff are to consult an attorney who specializes in financial transactions to solidify legal understanding.
- ii. Jeff discussed how a larger integrated hybrid governance structure could be used to create an area health system. Jeff will be discussing the model with area CEO's to see if there is any interest in exploring greater cooperation at this time.
- iii. Jeff remarked on the recent press release from Bay Area Hospital, and the need for a contingency plan if BAH strikes. Financial insecurity is a concern in our area; Jeff emphasizes the impact and risk if an agreement between BAH and the Union can't be reached.
- iv. Jeff provided an update on the radiology issues, PACS process issues, and the status of our open contract. Jeff informed the Board he expected to finalize negotiations with the Eugene Radiology group in the next few weeks.

- v. Jeff reports that SCOA providers would like to have more time here. He also noted that an OB/GYN provider contacted him and they would like to have an opportunity here, other groups have also reached out.
- vi. New providers on staff: Amanda Krantz first month produced over bonus amount, very busy and happy to be here. Tyanna Bergeron FNP will join the clinic next week.
- vii. NBMC partnership - we are reviewing financial projections – there is a disagreement in net benefit. Jeff is in contact with an attorney to draft legal documents, to be able to layout terms of the professional services lease agreement.
- viii. We have stalled in negotiations related to the property acquisition. Property valuation is the issue, especially in light of the fact that the current service providers would likely be leaving the facility.
- ix. Board noted the Rotary presentation in Myrtle Point was well received and highlighted that there were people that didn't know about our services, he would like more marketing, newspaper article was suggested.
- x. Jeff noted that the specialist coverage by Dr. El Youssef has been very productive. We would like more time with him to expand to other services as well.
- xi. Jeff notes that area integration is a new project where he would like to leverage the hybrid model. Healthcare in our area has not had a strong year, some entities are looking at a Management Services Organization (MSO). This model was explained. Jeff would like to explore a strategically designed partnership for our area healthcare entities. The status quo is not sustainable and we may need to take bold steps forward to make a positive effect in providing for our community healthcare needs here.
- xii. Jeff would like to provide services outside of our CVH District area. Bryan to help with the logistics to be able to do that. Orthopedic and OB/GYN discussed, Jeff will have discussions with area CEO's soon.

10. Board Chair Report

- a. Election Paperwork
- b. Board candidates - no applications received.

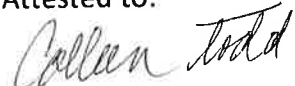
11. **Next Regular BOD Meeting: Thursday, March 23, 2023 at 7:30 AM**

12. Adjournment: 9:52am

Respectfully submitted:


Dan Mast, Secretary/Treasurer

Attested to:


Colleen Todd, Chairman