



# Coquille Valley Hospital

Thursday September 28, 2023 at 7:30am

## BOARD OF DIRECTORS MEETING MINUTES

Virtual Attendance Option Available

Attendance: Colleen Todd, Board Chairman; Dan Mast, Board Secretary/Treasurer; Dr. James Sinnott, Board Vice Chair; Jeff Lang, CEO; Michelle Reyna, CFO; Terri Brandt-Correia, CNO; Linda Maxon, CDO; JR Edera, Human Resource Manager; Dr. Brock Millet, Chief of Staff; Members Attending via Zoom: Becky Sanders, Quality & Risk; Shala Kudlac, Board Counsel; Visitors/Public Attendance: None

1. Call to Order 7:30am
2. Public Comments and Correspondence - None
3. Approval of Minutes
  - a. Regular Board Meeting, August 30th, 2023

**MOTION:** To approve the minutes of the Regular Board of Directors meeting held on August 30th 2023; as presented.

**ACTION:** Sinnott/Mast; Unanimous Approval

4. Department Reports
  - a. Human Resources Quarterly Review – JR Edera
    - i. JR reviewed a PowerPoint presentation for the Board concerning employee data. CHV has 189 employees. There were 10 separations this quarter and 22 employees were hired. For the year, turnover is trending down.
    - ii. Jeff notes we transitioned our LCSW to Waterfall clinic due to space needs. Several different options for transfer were offered and Adam chose direct employment with Waterfall.
    - iii. Nursing turnover was reviewed, we had 4 separations and 8 hires. Statistics on separations by department were reviewed. JR notes that some are leaving the area to seek other employment. Jeff asks the question on competition, we are competitive in terms of salary and most are leaving for larger urban areas. Terri notes that travelers are winding down, and former travelers are looking for permanent positions to land on.
    - iv. JR detailed the 10 key additions in department roles including 3 providers and 2 managers.

- v. Current open 14 positions were reviewed. Terri noted that we are doing a lot of interviewing. JR notes that we have the great addition of Linda who has helped with recruitment as well.
- vi. JR reviewed the upcoming events for activities.

5. Medical Staff Report - Dr. Brock Millet

- a. Medical Staff Report - Dr. Millet gave a report on Medical Staff, focusing on encouraging staff participation.
  - i. Discussion heard on the need for providers and patient volume.
  - ii. Policies were reviewed and Medical Staff and recommended below.
  - iii. SWOIPA meeting topics were discussed including a larger entity coming into the area. Consensus on staying independent with ideas ranging to combining the area services under one umbrella and consolidating area services over time for value in scale benefits.
  - iv. Board asks if the services of cardiac and oncology are needed based on volumes. Dr. Millet responded that there have been a few iterations of those services and eventually it could be a viable service here. Not sure of the volumes. He speculated that Urology and Neurology are probably more of a need than cardiology. Dr. Millet notes that primary care in a rural setting refers less and handles more. He noted a study that cited rural care as more inclusive and less fractured with referrals and patients get better care coordinated and facilitated by one primary provider.
- b. Credentialing
  - i. Dr. Veronica Simmonds, Urology/GYN - New – Active MS
  - ii. Dr. Jane Gilbert, Ophthalmology – Re-Cred - Courtesy MS
  - iii. Dr. Cameron Evans, Telerad - New - Courtesy MS
  - iv. Linda Bono, ARPN, FNP – New – Active AHP

**MOTION:** To approve the listed providers for membership to the CVH Medical Staff and the privileges requested as recommended by the CVH the Medical Staff.

**ACTION:** Mast / Dr. Sinnott; Unanimous Approval

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

- a. Connect to Purpose - Terri reviewed a note from a patient thank you card.
- b. Operational Report
  - i. Sacha and Terri will go to SWOCC with JR for a jobs fair and will visit area hospitals to facilitate communications.
  - ii. Discussion heard on hosting more students in our organization - nursing students and medical students.

- c. Joint Commission Accreditation Update
  - i. Terri noted that work continuing in the back ground. She reviewed a PowerPoint presentation of JCAHO chapters and measures, with details on progress in each category. Plans for October focus groups were reviewed. She will prepare the employees for surveyor arrival.
  - ii. Noted the bulk of materials to gather for surveyors - 79% complete. Survey activities were noted with Terri's impression is that we are excited to join JCAHO and we are making progress and will be prepared by November 1st and are on track to be ready. Jeff gives the example of process improvement in medication management. Terri notes that the Board will be tasked with approval of revised policies. It was noted that JCAHO approval fosters a culture of safety and best practices and may garner more students in a certified facility.
  - iii. Discussion was heard on the current Covid and flu situation this year.
- d. Policy Approval
  - i. Provision of Care:
    - 1. *Blood and Blood Products Administration – Updated language 11 pages*
    - 2. *Adult and Pediatric Pain Assessment and Management – 10 pages*
  - ii. Infection Prevention:
    - 1. *External Urinary Catheters – 4 pages*
    - 2. *High Level Disinfection US Probe Policy/Procedure – 2 pages*
    - 3. *Influx of Infectious Disease Policy – 6 pages with 4-page checklist*

**MOTION:**                    **The Coquille Valley Hospital Board of Directors moved to approve the policies as presented and recommended by the Medical Staff Committee.**

**ACTION:**                    **Dr. Sinnott/Mast; Unanimous approval**

7. Quality Report – Becky Sanders

- a. Medical Staff Quality Update – Jeff presented the medical staff quality report/dash board with the Board, reviewing the surgical utilization, admission/discharge data, and other medical staff quality measures.
- b. Average Inpatient length of stay showed that providers are discharging appropriately and the transfer to a higher level of care is still difficult but not as bad as it was in the past months.
- c. CPOE data is still not accurate, we are working with Cerner to refine this process.

- d. Medication Reconciliation is trending up and improvements have been made.
  - e. Closed Chart audits were reviewed. Clinic is improving.
  - f. Attendance and Patient Satisfaction metrics were reviewed still lower return rate on surveys that hoped for.
8. Finance Committee Report – Michelle Reyna, CFO / Dan Mast
- a. Financial Results – August 2023
    - i. Inpatient Admissions are favorable 18.8% MTD, 7.8% YTD and 27.8% YOY, and we had 38 IP admissions in August and have 69 YTD.
    - ii. Swingbed Admissions are on budget MTD; YTD we are unfavorable one admission, resulting in an unfavorability of (12.5%).
    - iii. Swingbed Days are unfavorable (42.6%) MTD or 23 days and unfavorable (8.3%) YTD or 9 days.
    - iv. Swingbed Average Daily Census in August was 1.0 and we budgeted 1.7 patients, resulting in unfavorability of (42.6%); YTD we had a SB ALOS of 1.6 and budgeted 1.7, so slightly unfavorable at (8.3%).
    - v. Total Patients per Day (IP+SB) we had 151 and budgeted 160, resulting in an unfavorability of (16.1%) MTD; YTD Total Patients per Day were 304 compared to a budgeted 358, resulting in an unfavorability of (15.1%). Total Average Daily Census MTD and YTD is unfavorable by (16.1%) or .9 of a patient.
    - vi. Emergency Visits are right on budget MTD and YTD. We are averaging 17 patients a day in the ER.
    - vii. Clinic visits for August totaled 1,600 compared to a budgeted 1,509, favorable by 6%. YTD visits were 2,700 and we budgeted 3,018 resulting in a unfavorability of (10.5%). Over PY we are favorable 33.5%. Michelle notes that on Clinic volumes were estimated as to new provider start dates and we anticipate the visits will meet budget soon; RVUs are favorable by almost 9% MTD and on budget YTD.
    - viii. Lab procedures are unfavorable to budget (7.2%) MTD and (14.9%) YTD. We budgeted lab visits for FY24 over the entire fiscal year instead of when providers would be hired, which is causing the unfavorability. Lab is 5.4% favorable over prior year.
    - ix. Radiology is 7.7% favorable MTD and unfavorable (1.6%) YTD. The new Ultrasound Tech and Interim Radiology Manager are starting Monday. We budgeted a 15% increase for outpatient overall.

- x. Inpatient surgeries are on budget MTD and we had 3 hips and 1 knee inpatient; YTD we are slightly unfavorable with 7 IP surgeries compared to a budgeted 8.
  - xi. Outpatient procedures are unfavorable MTD (26.8%) or 15 procedures, as we performed 41 and budgeted 56 – In August, Dr. El Youssef had 19; Dr. Johnson had 16 (3 were hips and 5 were knees); and Dr. Eric Niespodzany the Ophthalmologist had 6 cataracts. YTD we budgeted for 112 OP procedures and we have performed 84, a (25%) unfavorability.
  - xii. Michelle notes we have a meeting scheduled on Monday to discuss how surgery charges are being captured.
  - xiii. We ended August with 169.9 FTEs, 10 FTEs greater than this time last year.
  - xiv. Days Cash on hand is 173 and PY was 163. Our total days in AR were 55.3 in August compared with 59.1 this time last year.
  - xv. Jeff notes volumes are slightly lower than budget by about 1 patient, also, we didn't spread volumes based on provider arrival. There is a backlog in coding contributing to a larger RVU count in August. We have 2 new providers on now and 2 new starting next month, which will have a positive impact on activity.
  - xvi. Statement Review of scheduled cash and investments
    - 1. \$5.2M in Gross Patient Revenue is slightly favorable to the budgeted \$5.1M, a favorability of 1.6%. YTD we have \$10M in Gross Patient Revenue, which is right on budget.
    - 2. Contractual entries were within \$1,000 for MTD, which is right on budget. We have \$4.07M YTD in contractual allowances, a favorability of 8.8%.
    - 3. Net Patient Care Revenue in August was \$2.9M compared to a budgeted \$2.8M, favorable by 2.8%. YTD we have \$6M in Net Patient Care Revenue, a favorability of and 6.3%.
    - 4. Expenses - Contract labor is unfavorable to budget MTD by (5.5%) and YTD we are unfavorable by (6.8%).
    - 5. YTD net operating profit of \$69K.
    - 6. Overall Profit for the year of \$371K compared to a budgeted loss of (\$143K).
  - xvii. Balance Sheet
    - 1. Other assets limited to use net of current portion: Will adjust journal entry to reclassify the assets of the restricted LGIP account at year end.
- b. Approval of Disbursements over \$25,000

- i. August 8th was the Oregon paid leave that Kronos paid State of Oregon, kept getting a refund check for this, now resolved.
- ii. Noted that the Cyber/Med Defense insurance was separated out this year. Michelle will report back on what that covers.

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

**ACTION:** Mast/Dr. Sinnott; Unanimous Approval

- c. Cash
  - i. LGIP interest percentage increased from 4.3% to 4.5%.
  - ii. Mortgage reserve account percentage is now 4.46% - discussion on this change after phone call.
- d. Capital
  - i. Arthrex Video Laparoscopic Equipment Upgrade - \$128,608.64

**MOTION:** To approve the Capital request for an upgrade of the Arthrex Video Equipment at a cost of \$128,609 as presented and recommended by the Finance Committee.

**ACTION:** Dr. Sinnott/Mast; Unanimous Approval

- e. Audit Update - went really well and they are pleased with the entry and cooperation. We expect that Dan Frein's team from CLA will be done with the audit and will present results at the October BOD meeting.

#### 9. Strategic Projects Update – Linda Maxon

- a. Linda submitted a report to the Board in their packet with a list of project updates and priorities.
- b. Myrtle Point Clinic Update
  - i. Moving forward - securing designers and advertising the RFP. Expediting time for construction, looking for time saving innovations in the design and construction processes. Sewer system was reviewed and the impacts on design were explained. S&B James Company reviewed the project for RFP submittal; excited about doing the work, believe the timeline is achievable. Linda notes the lack of services in the area and will consider a trauma reduced design as well as we will offer Behavioral Health, discussion heard on privacy, efficient design and aesthetics will be a focus.
  - ii. Linda reported that the Harvest Festival outreach to Myrtle Point was positive. Developing a contact list for outreach. Will be doing

more contact outreach, will speak at the City Council meeting and will keep in contact with the city manager, former engineer.

- c. Fundraising Update
  - i. Grants have come back and we will reapply for the summer round.
  - ii. “How-To Grant”, we were invited for the second tier and 6 grants were given, we will try again.
  - iii. More grants are being applied for.
- d. Retail Pharmacy Update
  - i. Linda explained the design and construction project and we will have 6 months for credentialing which will run parallel to the construction and start up.
  - ii. Linda will explore an Urban Renewal Grant with the Coquille City Manager for funding of the construction start-up costs.
- e. Coos County Commissioner meeting was overwhelmingly positive. Shared good experiences with our organization.
- f. Working with the Turrell group for marketing and will increase social media and mail chimp email newsletter.
- g. Linda noted the improvements in onboarding providers and introductions for better references in the system.
- h. Staff coming to the pharmacy are experienced in 340b and are very customer oriented. The margin for the pharmacy will stay locally is a selling point.
- i. January for MP and March for Pharmacy.

#### 10. Administrators Report – Jeff Lang, CEO

- a. Building Project Update
  - i. USDA has reviewed the application and responded with a large amount of questions, financing progressing slowly.
  - ii. CVH made a request to remove the east wing prior to the start of the project, to allow for soil testing under the building. This will be done outside the scope of the construction project. Jeff also requested permission from HUD. Planning for approval the 3rd week in October and we expect to ask for permission at Board meeting in October for demolition. Jeff explained the removal of the building will cause a decrease of \$328,000 in net assets. The cost is around \$300K for the removal, \$100K for abatement and then \$200K for demolition. Jeff confirmed that OHA / State doesn't need to approve the demolition, OHA is approving construction plans. County or City will need to permit the demolition. HUD will approve the removal of the asset.

- iii. Interim financing is at the same place last meeting as finance team has been focusing on Audit and cost report.
  - iv. Budget - 4th floor shell space approved by USDA, so that has been put us back into budget. Will do cost estimates on saving and moving the services.
  - v. Jeff explained the design accent of angled glass and wood beams which was too expensive; will now do straight vertical walls, this is to be changed to conserve financing. Cost savings from brick to metal panel, more concerned with the inside function and aesthetics.
  - vi. Canopy is important for rain, adjustments for services moved to Clinic. Jeff explained the hyperbaric oxygen will need to wait. Splitting the HVAC to two units will save money for later.
  - vii. Generator upgrade will be delayed until fourth floor is complete. Current set up is sufficient for now.
  - viii. The good news is that with the changes noted, we are back within budget and have not had to reduce the overall size of the shell being built.
- b. Governance Transition Update
- i. The new corporation, Coquille Valley Health, has been established. The OHA will likely be reviewing the transaction. One note regarding the lease is there needs to be Oregon specific language regarding a purchase option. This will be incorporated in the final draft.
  - ii. 501c3 request application has been filed with the IRS.
- c. Operational Update
- i. Community Conversations are occurring regarding the provider recruitment, governance changes, M.P. Clinic and the Pharmacy. Jeff noted the Sentinel will be running stories on each of these items over the coming weeks. Jeff explained that the communications with employees on Governance change will happen a little later and closer to the transition date, however, he has been open with the ONA in negotiations with what the hybrid governance structure is and what it will accomplish.
  - ii. NBMC recently called a meeting with CVH, BAH, and SCHHC to discuss the future of general surgery. NBMC would like to have their group service the totality of general surgery needs for the hospitals of the area. Initially, they propose increasing services to CVH 2 days per week. Inpatient, ER, and non-scheduled procedure



coverage is not possible until they recruit at least 3 or 4 more surgeons.

Jeff reviewed the current professional services agreement terms with the board and projected it forward with both a contracted model and an employed model. Our current PSA with an additional day would cost \$312K-\$370K per year with an “as-is” scenario. Jeff also projected PSA expenses to meet volume demands projected with 2-4 minor and 1-2 major surgical cases per week (\$471 to -\$575K annually). An employed general surgeon would cost approximately \$455K, plus benefits.

A CVH employed general surgery model provides CVH control over the General surgery program. Additionally, Jeff believes CVH will only be able to meet our needs by having an employed model as NBMC was not able to provide in-patient, ED or major case coverage to CVH. Having the ability to have ED patients that need surgical procedures stay in the hospital is vital to our survival. Jeff relayed that 23% of hospital stays are related to surgical stays.

- iii. Jeff’s recommendation is for CVH Take positive steps to address CVH general surgery needs within the next 12 months. The Board was supportive of hiring a general surgeon, noting the difficulty of recruiting a General Surgeon. Jeff noted that we may need to hire another CRNA if our volumes continue to increase.
- iv. Coquille Medical Office Space
  1. Jeff reviewed a list of CVH and NBMC providers, exam rooms, and office in the CVH Medical Office Building noting NBMC has significant underutilized space. .
  2. Jeff reviewed the status of the lease with NBMC in the Coquille Medical Office Building, noting the lease is currently a hold over lease or month to month.
  3. Jeff reviewed the counter proposal made by NBMC regarding giving CVH additional space and why it is not compliant from a space separation standpoint. Jeff explained the issues surrounding the procedure room and “shared space” requirements. NBMC would not be able to meet the shared space requirements.
  4. Consensus of the Board is to move forward with hiring a General Surgeon. The Board also strongly supports modifying the NBMC lease so that CVH can control the space just past the procedure room. The Board suggested CVH

offer use of the procedure room on a schedule to NBMC, but felt we need the procedure for GYN and for General Surgery.

11. Board Chair Report

- a. Oath of Office and resolution on positions, next meeting.
- b. November Board meeting will be moved to the last Thursday the 30th - Dr. Sinnott gone. Will schedule January 4th for the December Meeting, and then the regular January meeting on the 25th.
- c. Conference options were discussed.

12. Next Regular CVH BOD Meeting: Thursday, October 27, 2023 at 7:30 AM

13. Adjourned meeting at: 10:45AM

Respectfully submitted:



Dan Mast, Secretary/Treasurer

Attested to:



Colleen Todd, Chairman