



# Coquille Valley Hospital

Thursday January 25th, 2024, at 7:30am

## BOARD OF DIRECTORS MEETING MINUTES

### Virtual Attendance Option Available

Attendance: Colleen Todd, Board Chairman; Dan Mast, Board Secretary/Treasurer; David Elmer, Board Member; Jeff Lang, CEO; Michelle Reyna, CFO; Terri Brandt-Correia, CNO; Linda Maxon, Chief Development Officer; Shala Kudlac, Board Counsel; Andrea Love, HIM Manager/Privacy Officer.

Members Attending via Virtual: Dr. James Sinnott; Vice Chair; Becky Sanders, Quality; Craig Langseth, S&B James; Garrett Smith, FOX Group; Abram Jenks, the Klosh Group.

Visitors/Public Attendance: None

Absent: Mark Libby, Board Member.

#### 1. Call to Order 7:30am

#### 2. Public Comments and Correspondence

- a. Letter of appreciation from patient of Wound Care.

#### 3. Approval of Minutes

- a. Regular Board Meeting, January 4<sup>th</sup>, 2024

**MOTION:** To approve the minutes of the Regular Board of Directors meeting held on January 4th, 2023; as presented.

**ACTION:** Mast/ Elmer; Unanimous Approval for Regular meeting minutes.

#### 4. Early Removal of the East Wing – Jeff Lang/Abram Jenks of Klosh & Craig Langseth of S&B James

- a. Early authorization for work, EAW #1.
  - i. Abram reviewed a prepared presentation for the Board covering the Scope, Schedule, and Budget for the building project and the early authorization of work, EAW #1 – capital request.
  - ii. The scope of the project and work occurring on each floor of the hospital was reviewed.
  - iii. The updated project schedule was reviewed with the Board. The significant dates were EWA #1 (if approved) start of demo for the east wing on 3/15/24, CVH Board approval of a GMP on 3/19/24, Start of construction on 6/10/24, and end of project November 25.
  - iv. Abram reviewed the overall project budget of \$20M broken down by section.
  - v. EWA #1 cost estimates were reviewed. Abram pointed out these costs are included in the project and do not represent additional costs, rather, EWA # 1 pulls costs out of the main contract to complete the work early to reduce the schedule and save costs on the back end.
  - vi. Abram explained the risks and benefits of the early work authorization. The benefits are an approximate 11-week savings on the project schedule estimated at \$240,000. The risks associated are that financing

may not be approved halting the project and there would be no way to walk back the building removal or costs, HUD, USDA, and the lender need to approve, there is a restocking fee on the long lead electrical gear order that would be lost.

- vii. The board asks for details on the purpose/cost of the lower lay down area which is estimated to cost \$100,000. Jeff explained the driveway will need to be built up for safety and in the lower area compacted rock needs to be added to raise up base out of the floodplain.
- viii. After discussion it was the consensus of the Board members that the old hospital building needs to be removed regardless of the status of the building project.

**MOTION:** Board approval of pricing noted in EWA 01 for Abatement, Demolition & Long Lead Electrical Gear in the amount of \$1,440,175, pending USDA and HUD Approval.

**ACTION:** Elmer/Mast; Unanimous Approval was heard.

- 5. Quarterly Compliance and Privacy Report – Garrett Smith, Fox group and Andrea Love, Privacy Officer
  - a. Garrett reviewed the Q4 compliance report. All activities were completed with no concerns being noted.
  - b. Andrea reviewed the privacy report. HIPPA training for new employees is now being conducted before orientation. A quick sheet at intake was developed for new employees and the incidents have gone down. Six total cases were closed in Q4. Three inappropriate disclosures and all cases had low PHI, with no reportable breaches.
  - c. Garrett reviewed the proposed 2024 compliance workplan with the Board. The Board asked about the Joint Commission and if there were any comments from them regarding our compliance program. Garrett noted that they had no issues during the survey.

**MOTION:** To approve the 2023 Q4 Report and 2024 Compliance Workplan as presented.

**ACTION:** Mast /Dr. Sinnott; Unanimous Approval for Regular meeting minutes.

- 6. Medical Staff Report – Dr. Brock Millet
  - a. Medical Staff Report
  - b. Credentialing
    - i. Re-Credentialing
      - 1. Dr. Wesley Johnson, Ortho – Active
      - 2. Heather Day, CRNA – Active
    - ii. New
      - 1. Dr. Stephan Groth, GYN surgeon to attend one surgery 01.31.2024

**MOTION:** To approve the providers listed: Dr. Wesley Johnson, CRNA Heather Day, & Dr. Stephan Groth for membership to the CVH Medical Staff with the privileges requested as recommended by the Medical Staff Committee.

**ACTION:** Mast/ Elmer; Unanimous Approval.

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

- a. Connect to Purpose - Terri shared a patient story -she read a letter from the family of an ER patient for the Board. A Board member also relayed a positive story and was grateful for the care received in ER.
- b. Joint Commission Accreditation officially obtained on 01.11.2024.
  - i. Terry reviewed a presentation for the Board showing the Safer matrix and the 46 requirements for improvement identified. The Joint Commission visited in December on the 45-day items, and all were corrected apart from 6 items which were scheduled to be addressed that week as they required outside vendors.
  - ii. Managers affected were listed and work continues perfecting policy and compliance with guidelines. Other managers continue to work on TJC chapters and will commit to sharing monthly quality data. Which was recommended to managers by the survey team; Terri will review individual quality metrics with managers in accordance with JCAHO standards by the 15th of the month for the month prior. Terri reviewed the regular meetings that were curtailed due to TJC are now meeting again. Terri commended the program for its robust approach to quality and will continue to build on this quality structure. We will then turn to staying in a constant state of readiness - running tracers.

8. Quality Report – Medical Staff – Jeff Lang

- a. Jeff reviewed the medical staff dashboard with the Board highlighting utilization review statistics. Jeff mentioned the LOS for both the ED and inpatient floor has been lower due to the ability of the providers to find appropriate locations or services for patients.
- b. CPOE data was reviewed. Jeff explained we continue to have problems with the data coming out of Cerner as it relates to CPOE. Jeff highlighted the differences between inpatient and ER provider requirements.
- c. Medication Reconciliation work towards improvement was explained and the goal of 90% was noted.
- d. The closed chart audit results were shared as was medical staff meeting attendance and patient satisfaction scores.
- e. Jeff provided an update on the FPPE/OPPE work completed as part of the Joint Commission RFI process.
- f. Jeff provided a peer review committee report. He commended the team for the robust review and good cooperation in the medical staff.

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

- a. **Stats:**

- i. Inpatient days unfavorable to budget in December driven by lower total average daily census of 3.5. YTD our IP Admissions and ADC are unfavorable to budget, however. After adding in our extended recovery ALOS YTD of 1.2, we are favorable to budget with an ADC of 4.6. We had 24 IP admits from our ED in December. PY average was 19/mo. and YTD through December we are at an average of 19/mo.
- ii. SB – Days unfavorable in December driven by a lower ALOS of 9.6 days per patient. We had 5 SB admissions in December, which was favorable to budget. YTD our SB days were unfavorable driven by decreased SB admissions combined with an unfavorable to budget ALOS of 12.2 days per patient.
- iii. Total Days (IP + SB) – Same story as the IP and SB days with YTD unfavourability of almost (26.5%) in total admissions. Our Total ADC YTD was (21%) unfavorable at 4.6 patients per day.
- iv. ED Visits – slightly favorable MTD with 539 visits and slightly unfavorable YTD with 3,143 visits. We averaged 17.4 patients per day in December and 17.1 YTD.
- v. Adjusted Patient Days – Favorable in December and YTD.
- vi. Clinic Visits/RVUs – Clinic Visits and RVUs were unfavorable in December and YTD. Dr. Ravindran was on vacation in the month of December and Dr. El Youssef is no longer seeing patients in the clinic.
- vii. Lab – Unfavorable both MTD and YTD, but favorable almost 14% over PY. We budgeted for a 23% increase in IP and 28% increase in OP volumes over PY.
- viii. Radiology – Unfavorable for both MTD and YTD, but favorable almost 9% over PY. You can see that the MRI and CT procedures were both favorable to budget and those are our highest cost procedures. We budgeted for a 15% increase in our OP volumes over PY.
- ix. IP Surgeries – We did not have any IP surgeries in December and are unfavorable YTD by (88%). This is because surgeries previously performed as IP are now performed as OP due to insurance guidelines.
- x. OP Procedures – Unfavorable for both MTD and YTD driven by the decrease in Ophthalmology services that are no longer performed and a decrease in the number of procedures performed by Dr. El Youssef (was averaging 25 procedures/month, December was 11). Ferrer 1 colonoscopy; Hobson 2 (1 hip/1 knee); Johnson 20, and Simmonds 2 (hysterectomy/Leep). We budgeted for a 5% increase in OP Procedures over PY.
- xi. Extended Recovery – We had 12 patients who were moved from surgery to the IP floor in December resulting in 14.6 days and an average daily census of .5 and an average length of stay of 1.2.
- xii. FTEs – We ended December with 181.7 FTEs compared to the 160.5 this time last year.
- xiii. Days Cash on Hand - We had 185 Days COH at the end of December with 36 days restricted for future Capital compared with 176 Days COH this time last year.
- xiv. Total Days in A/R – 61.9 compared with 58.4 this time last year.

b. **Income Statement:**

- a. Gross Revenue – We ended December with almost \$5.3M in Gross Revenue and \$31.3M YTD. While December is unfavorable to budget by (2%), we are favorable YTD which is driven by our OP Services, Surgery, and Clinic Operations.
- b. Contractual Deductions – We booked \$354K to true-up to our Medicare Model Payable as of December 31<sup>st</sup> with a YTD Payable of (\$748K).
- c. Other Operating Revenue – Unfavorable for both MTD and YTD driven by timing differences of grant revenue received.
- d. Operating Expenses – Favorable MTD, but unfavorable YTD, primarily driven by unbudgeted Turell Group costs.
- e. Net Operating Margin - \$177 in December and \$869K YTD
- f. Non-Operating Revenue and Expense includes \$71K in interest income, \$71K in Property Tax Revenue, and \$45K in rents.
- g. Net Profit for December was \$117K and YTD was \$1.5M.
  - i. Jeff explained that the Medicare model is usually conservative, and the cost report usually bares out a receivable.
  - ii. Terri noted the volume of contract staff has been lowered and a contracted nurse converted to full time employee.
  - iii. The board asked if we share these statements with USDA. We do.
  - iv. Michelle noted the Bond Covenants to HUD included. All in compliance.

c. **Balance Sheet:**

- d. Cash decreased by (\$430K) driven by increased A/P payments.

- a. **Approval of Disbursements over \$25,000**

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

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

- b. **Review of scheduled cash and investments**

- i. nothing unusual noted.

- c. **Bond Covenant Metric Calculations**

- i. were presented for the Board's information, all are within guidelines.

- d. **Capital Requests**

- i. Jeff explains the need for the new nurse call systems, swing bed guideline software to replace InterQual that interfaces with Cerner. The storage carts for OR.
- ii. Ascom Gateway – IT / Nurse Call: \$6951.55
- iii. MCG: \$13,905
- iv. Metro Carts – OR: \$36,209

**MOTION:** To approve the Capital request for the Ascom Gateway \$6952; the MCG \$13,905; Metro Carts \$36,209; as presented and recommended by the Finance Committee. To be paid out of restricted memorial Reitman Trust capital budget funds.

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

**e. Banking Resolution #01-2024**

- i. Michelle reviewed the points of the resolution with the Board, noting the pharmacy will need a separate checking number for DEA restrictions. We will also expend all the funds of the memorial account and close that account. Will have conversations on restricted donations.

**MOTION: To approve the Banking Resolution #01-2024 as presented**

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

Michelle reviewed the current 403b program and the proposed changes to the plan.

- 1) Change entrance dates into the program from January 1 and July 1 to the first of the month following eligibility.
- 2) Once eligible, the 1000-hour rule is difficult to manage given quarterly deposits. We are working to address, may look at a quarterly hour qualification.
- 3) Move from 3% guarantee deposit and .25 for every \$1 match up to 1.5% additional to a 1.5% guaranteed deposit and up to an additional 6% matched \$1 for \$1 for a total of 7.5% matching.

**10. Strategic Projects Update – Linda Maxon**

- a. Coquille Clinic – Linda relayed that the expansion was completed, and the new look was being retrofitted. CCO quality measures were noted, and provider recruitment was explained. Patient centered medical home tier 4 status will be sought.
- b. Branding and Marketing investment to date reviewed, as well as new areas of marketing coverage and avenues for marketing. Linda will track and measure results, will bring this data to the Board. She highlighted an article on marketing in a handout to the Board. She explained the 10 areas of marketing.
- c. The Board asked if Linda wrote articles for the newspaper. She has, with editing by Turrell. Will do human interest story with new providers and this will make relatable connections for them. Jeff noted a patient saw a Facebook ad and wanted to see the “provider who lives in the bus”. On the website the Cafe Menu sees 18,700 hits a week, there are lots of community members here for breakfast and lunch on weekdays. Jeff notes that some of the RVU levels of our new doctors surpassed the existing providers. Linda expanded that there is good synergy with the providers who cover patients for each other and collaborate.
- d. The Health and Wellness Fair and Garden Staring Party will be at the Coquille Community Building on Saturday, March 16th (10am and 2pm), more information to follow.
- e. Myrtle Point Clinic Update
  - i. The floor plan was reviewed. Linda notes the items left to complete with a timeline. Jeff commended the design. A Board member will provide a contact to help remove the heavier bank safety deposit doors.
- f. Retail Pharmacy Update

- i. The floor plan, process for remodel and timeline were explained. Linda will utilize the urban renewal grant funds for a refacing of the facade.
- g. Fundraising Update
  - i. Linda noted the success in capital grants, and she will now focus on program grants. She explained the interest in the private donor and family foundation for capital and employee salary expense.
  - ii. The board asked about pharmacy - how do we explain to donors that this pharmacy is a benefit to community need? Linda explained the investment in the community and the 340b reimbursement profits go right back into the community through programs at the hospital, not to an out of state corporate office as they do now.

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

- a. Building Project Update
  - i. Project is currently out for bids. We are starting to work on a phasing plan for the project as well.
- b. Financing update
  - i. Capital reserve or replacement fund. Jeff explained that USDA would like to have a restricted fund; we would prefer not to have a restricted account for capital under the USDA program. Expect this to be an item in the letter of conditions.
  - ii. The payoff of the HUD note at the beginning of the project has come up again. USDA would prefer to leave that loan in place. Jeff will direct them to the actual language in the HUD regulatory agreement as well as the bond documents that make this impossible for CVH.
  - iii. An appraisal update will be needed. USDA would like the appraisal to reflect the revised Financial Feasibility Report and Preliminary Architecture Report. We are trying to determine if a new appraisal needs to be completed or if an update will suffice.
  - iv. Jeff reminded the Board the issue of additional equity may come up in the future.
- c. Operational Update
  - i. Governance – Jeff and Michelle have begun to seek quotes for insurances that need to be transitioned to different policies once a governance transition occurs. The insurance policies are primarily those offered to public entities only.
  - ii. General Surgeon, Primary Care recruiting is ongoing and Orthopedic recruitment will be discussed later.

#### 12. Closed Session At 10:31am

- a. ORS 192.660(2)(i) / ORS 192.660(8)  
*To evaluate the performance of an officer, employee, or staff member.*

#### 13. Open Session – 11:00am

14. CEO Performance Evaluation

15. CEO 2024 Incentive Compensation Goals

**MOTION:** To approve 2023 CEO incentive compensation payment of \$39,752.40 based on achievement of 2023 goals and to approve the 2024 CEO incentive compensation plan with noted clarification of in addition to Myrtle Point on section 4 goal 4.

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

16. Board Chair Report

a. 2023 Board Self Evaluation Results

- i. Jeff reviewed the changes from last year. Strong scores were noted. The Board expressed the increase in opportunities and need. Getting the board packets earlier was noted for improvement.

17. Next Regular CVH BOD Meeting: Thursday, February 22, 2024, at 7:30 AM

18. Adjourn Board Meeting 11:13am

Respectfully submitted:

  
Dan Mast, Secretary/Treasurer

Attested to:

  
Colleen Todd, Chairman