

GRANT COUNTY PUBLIC HOSPITAL DISTRICT NO. 2
dba QUINCY VALLEY MEDICAL CENTER
BOARD OF COMMISSIONERS MEETING
January 27, 2014 - 5:30 p.m.
QUINCY VALLEY MEDICAL CENTER BUSINESS OFFICE CONFERENCE ROOM

Present: Anthony Gonzalez, Randy Zolman, Don Condit, Robert Poindexter.

Also in attendance: Mehdi Merred, CEO; Sarina Pirkey, Glenda Bishop, Dean Taplett, Tom Richardson, Sheryl Wood, Colleen Canfield, Collette Lancaster, Brandy Nicolas, Michele Wurl, Jill Fitzsimmons (QVPR).

CALL TO ORDER – Anthony Gonzalez, Chairman of the Commissioners, called the meeting to order at 5:40 p.m.

1. **Comments from the Audience:** None.
2. **Approval of Minutes:** *A motion was made by Randy Zolman with a second from Don Condit to approve the minutes from the December 23, 2013 meeting as published. Motion carried.*
3. **Board Chair Report:** Anthony reported that he had an opportunity to represent the hospital at the recent Leadership Council meeting, and to talk on behalf of our facility's financial position and plan of action for the future months.
4. **QI Report** Mike was unable to attend, but Mehdi and Sarina explained the information collected through RHQN. Positive numbers were reported from our emergency department, showing excellent response times, and indicating very timely assessment and treatment of our patients in the E.D. Mehdi also commented that he is pleased with the LEAN training which is taking place in the Clinic. *A motion was made by Randy Zolman with a second from Robert Poindexter to approve the QI Report as presented. Motion carried.*
5. **Consent Agenda**
Bad Debt/Charity Care: A new figure was presented to replace the numbers on the Agenda: ***\$35,692.09 Charity Care and \$532,190.57 in Bad Debt for a total of \$567,882.66***
Dean explained that this change is a result of "clean up" for 2013. Don noted that we have good incentive to move towards a more aggressive collection approach in order to give our account holders a sense that we are "serious". Dean is hopeful that within a couple of weeks we will be moving forward with arrangements with WA Trust Bank, recognizing that people are more attentive to paying their bills if the account lies with a financial institution than they are with a healthcare facility (we tend to "get paid last", if at all). Mehdi also explained our movement toward the "financial assistance" options, applying a wide gamut of possibilities from financing, assisting with applying for healthcare on the Exchange, and payment schedules. *A motion was made by Randy Zolman with a second from Don Condit to approve the Bad Debt/Charity Care Adjustments totaling \$567,882.66 as corrected. Motion carried.*

Vouchers (Accounts Payable and Payroll): *A motion was made by Don Condit with a second from Randy Zolman to approve the Vouchers totaling \$933,979.95 as presented. Motion carried.*

6. **Standing Committee Reports**

Finance Committee:

December's net loss of \$87,659 brings our year to date loss to \$894,126 and of that number \$1.7M is attributable to bad debt and charity care. This emphasizes the size of the problem that we currently have. The focus of the Finance Committee meeting was to discuss the things we can do to address these numbers. The Charity Care program is one of the elements we will aggressively emphasize (and have not done so previously). Our operating expense is up a bit, but not to the extent of the loss, so it appears we are managing expenses well, with bad debt and charity care remaining a problem. The managers are not "on the firing line" for how our patients pay their bills. It was a hard year and unfortunately the sooner we can get our hands around the bad debt and charity care the better it is going to be. Dean noted that December's gross revenue is the best December he's seen in the years he's been here. If it weren't for the bad debt/charity care we would have seen a profit. There are a lot of positive things going on, i.e. fewer complaints, higher quality of care, so we are focusing on what it takes to get the bills out "clean". Our warrant line is currently at 3.2 million. Our "gross to net" appears to be right at 62%. Mehdi added that he does not recall ever having a 16 million dollar gross revenue year, which is a confirmation that our patient volumes are going up. Mehdi stated "Again, it is frustrating that we are seeing more patients, and we try to tell our managers to decrease their expenses." Dean and Mehdi also added that we are increasing our services, looking to provide more necessary services to the community. We also implemented a fee increase based upon the pricing analysis by Clifton Larson Allen which showed that we were in the 25th percentile for charges.

Building & Grounds Committee: None.

Personnel: None.

7. **Old Business:**

a. **Health Care Authority Audit and Appeal:** Paul Kube from Ogden Murphy Wallace explained that we were originally facing an "overpayment" determination of \$148,000+ as a result of the Health Care Authority Audit last fall; following an appeal/challenge we changed the liability to \$15,000, reaching a settlement just this week.

8. **New Business:**

a. **Election of Officers:** *Robert Poindexter made a motion to maintain the Chairman and Secretary positions the same as 2013 with a second from Don Condit. Motion carried.*

b. **Medical Staff Reappointments:** Reappointment applications have been reviewed and recommended by the Medical Staff and were outlined for the Board of Commissioners. *A motion was made by Randy Zolman with a second by Robert Poindexter to approve the reappointment of applicants as presented in the Medical Staff Credentialing report. Motion carried.* Anthony also acknowledged that Dr. Dominguez has agreed to continue as President of the Medical Staff for 2014 and Dr. Camden will serve as Vice-President.

9. **Department Reports:** Anthony noted that the first event of the year will be March 2nd, Oscar Party at Cave B. Anthony will purchase two tickets to be raffled off for employees.

Administrator's Report: Mehdi recognized Robert Poindexter's commitment as a Board member for ten years.

Mehdi updated the Board regarding our General Surgeon search. We currently have Dr. Kevin Fradkin and Dr. Milton Kim who are providing general surgery services as locum tenen providers.

Colleen explained some of the activities in Outpatient Services, including occupational health meetings with ConAgra and other businesses. We are continuing to go to Ephrata on Thursdays for consulting appointments. We are also looking at a wound care clinic in Ellensburg, and we are considering the possibility of opening a "Better Breathers" club for the Quincy/Ephrata areas.

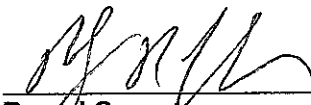
Mehdi also talked about the tele-psychiatry program through *HealthLinkNow* which we are working to bring to QVMC in order to facilitate local, quality psychiatric care to our patients. Dr. Dominguez noted that he felt this was an excellent opportunity for us as a facility.

12. Executive Session. An Executive Session was called for thirty minutes for the discussion of Legal matters and a Personnel matter with no action to be taken following the Executive Session. The session was extended by an additional fifteen minutes.

Adjournment: *There being no further business, a motion was made by Robert Poindexter with a second from Randy Zolman to adjourn the meeting at 7:30 p.m. Motion carried.*



Board Chairman



Board Secretary

(Minutes recorded by and submitted by Glenda Bishop)