

**GRANT COUNTY PUBLIC HOSPITAL DISTRICT NO. 2**  
**dba QUINCY VALLEY MEDICAL CENTER**  
**BOARD OF COMMISSIONERS MEETING**  
**December 28, 2015 - 5:30 pm.**  
**QUINCY VALLEY MEDICAL CENTER ANNEX**

**Present:** Don Condit, Anthony Gonzalez, Robert Poindexter

**Also in attendance:** Jerry Hawley (Interim CEO), Dean Taplett, Glenda Bishop, Tom Richardson, Alene Walker, Mike Pirkey, Verna Teeter (Hospital Foundation), Curt Morris, Michele Talley, Jill Fitzsimmons (QVPR).

**CALL TO ORDER – Don Condit**, Secretary of the Commissioners, called the meeting to order at 5:35 pm.

1. **Comments from the Audience:** Curt Morris introduced himself and stated his ongoing interest in the hospital and the medical services represented by QVMC.
2. **Approval of Minutes:** *A motion was made by Anthony Gonzalez with a second from Robert Poindexter to approve the minutes of the November 23 Regular meeting and the December 9 Special meeting. Motion carried.*
3. **Board Chair Report:** Don welcomed the attendees to this post-Christmas meeting, and expressed his appreciation to Michele Talley for her attendance at the last meeting. Anthony Gonzalez was sworn in for a new six-year term which will begin on January 1, 2016.
4. **QI Report:** Mike Pirkey presented the scorecards, noting a change which is reflected in the financial report for profitability. The Safety Scorecard reflected 100%. Mike also gave an overview of some Performance Improvement committees which are in process. The QI Meeting will continue to be held on the third Wednesday of the month in 2016. *A motion was made by Anthony Gonzalez with a second from Robert Poindexter to approve the Quality Improvement report as presented. Motion carried.*
5. **Consent Agenda**  
*Bad Debt/Charity Care: A motion was made by Robert Poindexter with a second from Anthony Gonzalez to approve the Bad Debt (\$144,090.96)/Charity Care (\$40,422.56) adjustments as presented, totaling \$184,513.52. Motion carried.*

*Vouchers (Accounts Payable and Payroll): A motion was made by Robert Poindexter with a second from Anthony Gonzalez to approve the Vouchers totaling \$840,151.13. Motion carried.*

6. **Standing Committee Reports**

**Finance Committee:** Don reported that the profit for the month is “helpful”, but we are showing an \$865,000 loss year to date. Don also noted that we are down about \$400,000 in expenses, and \$600,000 in salaries so in excess of one million “down” this year, but still falling short of our budget. “It’s a shame that we can show that kind of cost control in the organization and still incur such a significant loss.” Don also noted that we can look at other operational areas this year, but he described the efforts this year as “herculean.” Dean added that we’ve cut operating expenses by slightly over a million dollars, unfortunately the community’s usage dropped by 1.2 million dollars. Dean explained “Until we can get the

community support to use the facility and drive the revenue to a higher level we will be looking at continuing losses unless we evaluate and reassess our lines of service. We are down to making some tough choices.” Dean said he would give the Managers “all the credit in the world,” but on the other side of the story revenue is so difficult to control. Services are necessary, we provide good care. Dean added that more than 60% of CAHS operate at a loss, but rely on cost-based reimbursement to keep their organizations afloat. Our facilities are almost completely depreciated so we don’t have the advantage to get the higher reimbursement from the Federal government. “Not only does the roof leak, but so do the finances.” Curt Morris inquired about the tax monies anticipated for 2016, and Dean stated that he anticipates close to 1.4 million for next year. Curt also noted that the legislation to receive monies from entertainment ticket sales is being pushed forward again this year. Anthony asked about the anticipated total for Bad Debt (2015) and Dean responded that it will most likely be slightly down from last year. Curt Morris stated that with the change in City Council, and the community realizing that we aren’t just “blowing smoke”, the realization is there that we’ve got to have this hospital; “you can’t cut any more services. We’ve got to go to the deep pocket and it’s deep over there [the City].”

Don asked Dean about the self-pay component, and how we are addressing the “up front” money. Dean responded that we are going a couple of different directions. In the ER we have to wait until the patient is assessed and often treated, and then we are going in and asking about payment/options. In the Clinic the staff call ahead, asking about payment and letting them know that the expectation is “up front” payment at the time of service for those fees which will be considered “self-pay”.

**Building & Grounds Committee:** Anthony discussed the snow removal in the parking lots

**Personnel:** Nothing to report.

7. **Old Business:** None.

8. **New Business:**

a. **EPOWERdoc:** Tom Richardson explained the financing options presented to us by EPOWERdoc. Dean noted that he was glad to see that EPOWERdoc stepped up with financing options. ***A motion was made by Robert Poindexter to approve option number two as presented if a 5-6 month delay is approved, or defer to option number one, with a second from Anthony Gonzalez to approve moving forward with the lease acquisition of EPOWERdoc as presented. Motion carried.***

b. **Fire Suppression Project Approval of Construction Expenses:** ***A motion was made by Robert Poindexter with a second from Anthony Gonzalez to approve up to \$45,000 in construction expenses to address the fire suppression deficiencies identified. Motion carried.***

c. **Rental Property sewer system repairs:** Lanny Roberts, Maintenance Director, explained the situation at the rental house. Anthony will visit with Lanny tomorrow and get some contacts to initiate a quick repair which take care of the problem (emergency repair) for much less than the \$5,000 limit which can be approved by the CEO without action of the Board.

***d. Appointment of Commissioner Position #5. Deferred to January.***

9. **Department Reports:**

Jerry explained that his goal tonight was to “listen”, which he has been doing for the past two weeks. He will also be meeting with each Department Manager during the next two weeks.

He noted that he has met a couple of times with Amy York (who he hired nearly twenty years ago), and added "she is making money – that is a bright spot." Jerry reported that he has been able to find a temporary Physical Therapist to help Amy. Jerry also reported that "some things haven't changed – like The Gorge" – which was a problem when he was here twenty years ago. Jerry also remarked that the building, as was stated, is like "an old car --- once it starts to go it's like a ticking bomb." He explained that he was a consultant to three different healthcare architect firms so he is used to identifying how you translate the population needs and demographics into the facility needs. He also noted that he has heard that there is a certain apathy in the community and we need to create some new excitement and energy. We have no service lines making money – except maybe Physical Therapy making a little. Preliminarily the Emergency Department is critical – whether or not it is making money. So how do we make it a desirable option for the community? "This is life and death stuff – we're not just fooling around with budget numbers here," stated Jerry Hawley.

**10. Executive Session:** None called.

**Adjournment:** There being no further business, *Anthony Gonzalez made a motion to adjourn with a second from Robert Poindexter; the meeting was adjourned at 7:10 p.m.*

  
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Board Chairman

  
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Board Secretary

(Minutes recorded by and submitted by Glenda Bishop)