

Winneshiek Medical Center Board of Trustees Public Budget Hearing

Wednesday, June 6, 2018

4:30 pm, Conference Room B2-B3

<u>Topic</u>	<u>Presenters</u>	<u>Time</u>	<u>Adjourn:</u>
Open Hearing on Amendment of Current Budget for FY2018	Rick Burras, Chairman/Lynn Luloff, CFO	4:35 p.m.	4:43 p.m.
This Public Hearing is for the purpose of amending the current fiscal year's budget that was submitted to the State of Iowa in March of 2017. The amended budget increases expenditures for the fiscal year from the submitted \$62,885,897 to \$63,885,897 based on latest projections. The Iowa Code states that any increase in expenditures over the amount originally submitted needs to be approved prior to exceeding. The above budget expenditures are supported by budget revenues and does not impact the property tax assessment.			
Public Comment			
There were no public comments.			
Motion to Close Public Budget Hearing	Rick Burras, Chairman	Approval	
With no public comments, a motion was made to close the Public Budget Hearing at 4:43 p.m. Motion: Made by Clark Goltz, seconded by Roger Huinker to close the Public Hearing. All voting aye. Motion carried.			
Board Members Present: Rick Burras, Clark Goltz, Steve Hildebrand, Roger Huinker, Karl Jacobsen, Judy Robinson, Tim Schweizer			
Staff and Medical Staff Present: Robert Flinchbaugh, D.O., Chief Medical Officer; Lisa Radtke, Chief Administrative Officer; Kathy Moritz, Chief Nursing Officer; Lynn Luloff, Chief Financial Officer; Dave Rooney, Administrator-Operations; Joan Peter, Executive Assistant			
Visitor: Sue Zbornik			

Winneshiek Medical Center Board of Trustees

Wednesday, June 6, 2018

5:00 pm, Conference Room B2-B3

Comments from the public: No comments

Minutes

<u>Topic</u>	<u>Presenters</u>	<u>Purpose</u>
Call to Order	Rick Burras, Chairman	
Rick Burras, Chair, called the meeting to order at 4:45 pm. <i>Value of the month – read by Steve Hildebrand: Value of Respect – Respect if Foundational! – Treat every person with dignity “I do not like this person, I must get to know him better” ~ Abraham Lincoln</i>		
Approval of Agenda	Rick Burras, Chairman	Approval
The meeting agenda was reviewed for approval. Action: Motion was made by Clark Goltz, seconded by Judy Robinson to approve the agenda. Vote:		

All voting aye. Motion carried.		
Consent Items	Rick Burras, Chairman	Approval
<p>Regular Meeting minutes: Minutes of May 2, 2018 Acceptance of Management Committee Report: April 2018</p> <p>Action: Motion was made by Clark Goltz, seconded by Roger Huinker to approve consent items. All voting aye. Motion carried.</p>		
Medical Staff Report	Tyler Menke, MD, Medical Staff President	Approval
<p>In Dr. Menke’s absence, Dr. Robert Flinchbaugh reported the recommendation of the Medical Staff Executive Committee to grant Membership and Privileges for:</p> <p><u>Mayo Clinic Telemedicine Privileges to perform telemedicine (interpretative) services from Mayo Clinic-Rochester. (see attachment)</u></p> <p><u>Second Quarter Reappointments (July 1, 2018 – June 30, 2020):</u></p> <ol style="list-style-type: none"> 1. Fagerholm, Robert, MD, Emergency Medicine (<i>Of note, request to transition from Active Medical Staff to Courtesy Medical Staff Membership-Mayo Supplemental Employee</i>) 2. Flinchbaugh, Robert, DO, Family Medicine 3. Freedland, Robert, MD, Ophthalmology 4. Gentry, Tedd, MD, Emergency Medicine 5. Gesing, Rebecca, ARNP, H&P only 6. Gipp, Jen, OD, Optometry 7. Haas, Mary, DO, H&P only 8. Johnson, Glenn, MD, Orthopedic Surgery <p><u>Provisional Courtesy Medical Staff Membership with Privileges in Orthopedic Surgery:</u></p> <ul style="list-style-type: none"> • Justin Mitchell, MD (Gundersen Health System) <p><u>Allied Health Professional Staff Privileges:</u></p> <ul style="list-style-type: none"> • Staci Vrzak, ARNP (H&P Only) <p>Action: Motion was made by Clark Goltz, seconded by Judy Robinson to appoint and grant membership and privileges as listed. All voting aye. Motion carried.</p> <ul style="list-style-type: none"> • There will be no Medical Staff Meeting in July 2018; therefore, no Board member will be attending. 		
Department Presentations	Same Day Services/Deb Tekippe, Supervisor	Information
<p>The department presentations will serve as a way for board members to learn more about each department and meet/interact with managers and their staff.</p> <ul style="list-style-type: none"> • Same Day Services – Deb Tekippe, Supervisor introduced herself and staff members: Tracie Schuring, Surgical Coordinator and Sue Busta, RN from Same Day Services. Ms. Tekippe reported Same Day Services has 12 nurses and one patient care technician. She then invited Board members to tour their department. Ms. Tekippe shared a poster showing the increase of numbers of Same Day Services from 2005 to 2017. Same Day Services is the department that prepares patients for their surgical procedures and facilitates their discharge. Same Day Services also provides infusions/chemotherapy for many cancer and chronic illness drug therapies. Our skilled and dedicated surgeons incorporate state-of-the-art techniques and technologies for routine procedures and complex surgeries right here in Decorah. Board members were very appreciative of the tour. 		

Finance Committee Report for April 2018	Lynn Luloff	Information/ Discussion
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April’s Operating Loss was (\$236,603). With non-operating revenues of \$63,348, there was a Net Loss of (\$173,255) for April. Net Patient Revenue was (2.3%) less than anticipated while operating expenses were 5.7% higher than anticipated for the month. WMC has experienced a lower inpatient census this year when compared to last fiscal year. In addition, charity care and bad debt expense has seen an increase from last year. Total Operating Revenues have increased by 1.8% compared to last year at this time.

Operating expenses year-to-date are \$51.9 million and have increased 7.0% over last year at this time. The largest negative variance for the month and year remains the cost of pharmaceuticals. Charity Care has increased 18% from last year. After ten months of the fiscal year, Winneshiek Medical Center’s Operating Loss is (\$1,440,256). With non-operating revenues of \$565,463, the Net Loss is (\$874,793).

Ms. Luloff reviewed with board members items we are working on to help increase our net revenue.

Financial Ratios – Financial ratios had minimal change from last month.

FY2018 Financial Challenge – This fiscal year’s goal is to have a positive change margin of not less than 0.8%. There was an increase in net revenue compared to last April of 3.3%. The increase in operating expenses compared to last April was 10.8%. No improvement in the year-to-date change margin was made with numbers through April.

Ms. Luloff reported *Iowa Total Care* has been selected as the third Medicaid insurer in Iowa to administer coverage for the state’s Medicaid members. *Iowa Total Care* will begin administering coverage July 1, 2019.

Clinical Reports and Provider Updates	Dr. Robert Flinchbaugh, Chief Medical Officer; Kathy Moritz, Chief Nursing Officer; Dave Rooney, Administrator of Operations	Information
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Dr. Flinchbaugh, CMO reported:

Recruitment update:

Emergency Medicine

- Dr. Sandy Clayton – Dr. Clayton is currently working in Emergency Medicine-Active Duty in Ft. Riley, Kansas. She is doing supplemental work for WMC until she would be available full-time with us in July 2019.
- Dr. Christopher Cooper – Dr. Cooper is currently working Emergency Medicine – Active Duty in Ft. Riley, Kansas. He is doing supplemental work for WMC until he would be available full-time with us in July 2019.

Family Medicine

- Dr. John Vogel – Family Medicine Physician at Travis Air Force Base in California. Dr. Vogel will be joining WMC in July 2019.

CRNA (Certified Registered Nurse Anesthetist)

- WMC has hired two CRNAs – Ben Levinson, available August 2018; and Tiffany

Zweibohmer, available October 2018.

Kathy Moritz, CNO reported:

- Quality Reports - Ms. Moritz reviewed the patient care quality reports for the third quarter as well as discussing process improvement initiatives to address areas where we are under our goal. Quality Safety reports reviewed were: Medication Safety, Falls, Event Reporting, Critical Result Reporting, Universal Protocol, and Patient Safety Indicators.

Dave Rooney, Administrator of Operations reported:

- Winneshiek Medical Center offers Winneshiek County senior citizens free coupons to be used at the Decorah Area Farmers Market. Participants will receive \$10 in coupons for locally grown fruits and vegetables. The WMC Farmers Market Senior Nutrition Program is funded by The United Way of Winneshiek County, with participating vendors from the Decorah Area Farmers Market.
- WMC will host our Grand Community Picnic on Thursday, August 30, from 4:00-7:00 p.m. This is our chance to say thank-you to our community for supporting local health care.
- The annual WMC Hospice ride (all bikes and cars) and breakfast, organized by community members supportive of hospice, will be held on June 10, 2018, the ride begins at WMC and ends at Toppling Goliath Brewing Company. The proceeds will be donated to WMC Hospice.
- WMC has scheduled babysitter training sessions for this summer on June 11, June 22, July 17 and July 30. Babysitter training is a one-day class and is held from 8:30-4:00 p.m. on the lower level of WMC. Class cost is \$40 per child. All four days are already filled.

No Action: Accepted as presented

Administrative Reports and Updates	Lisa Radtke, Chief Administrative Officer	Information/ Discussion
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Ms. Radtke reported on administrative items including:

- WMC and other Community Connect Cohorts met with University of Iowa Hospitals and Clinics (UIHC) to continue to optimize our partnership and gain efficiencies with Epic. A meeting is scheduled between WMC and UIHC leadership on June 20 to review and discuss the revised draft contract.
- WMC Code of Conduct is undergoing a refresh. The Code of Conduct provides guidance on Ethics, Conflict of Interest and Outside Activities, Use of WMC Funds and Assets, Confidential Information and Trade Secrets, Suppliers and Referring Providers, Books and Records, Political Activity and Contributions, Safety, Health and Environment, Employee Relations, and Compliance Resources.
- We held All-Staff Forums in May with 272 staff attending. We provided a Financial update, Strategy update, updated Code of Conduct, Emergency Preparedness Education and Email Security threats. Staff provided input on their preferences for staff recognition processes and events. This will be reviewed by members of Administrative Council for further action. Additionally, Ms. Radtke commented on the level of staff involvement and interest in learning more about our current financial challenges and ways to positively impact our performance.

Foundation:

- The 2018 Annual Fund is getting ready to kick off in July. The theme is “Giving Is…….”
- WMC Auxiliary and Foundation will have a commercial booth at the Winneshiek County Fair, July 10-14, 2018. We’ll be celebrating Christmas in July.

No Action: Accepted as presented.

Old Business	Rick Burras, Chair	Discussion
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None

New Business	Rick Burras, Chair	Approval
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- Approval of amendment of current budget for the fiscal year ending June 30, 2018

Motion: Made by Clark Goltz, seconded by Karl Jacobsen to approve amending the current General Fund budget for the fiscal year ending June 30, 2018 by increasing expenditures from the submitted \$62,885,897 to \$63, 885,897. All voting aye. Motion carried.

- Capital Equipment Request – review/approval
 - IT – Data Identification & Monitoring Solution - \$88,918

Motion: Made by Roger Huinker, seconded by Steve Hildebrand to approve the capital request totaling \$88,918 for Data Identification and Monitoring Solution. All voting aye. Motion carried.

- IHA is offering a Governance Webinar Series that will provide tools to become more effective related to governance obligations, legal risks, fiduciary responsibility, privacy and patient security risks, civil rights responsibilities as well as health care fraud and waste. The series scheduled times are June 20, August 2, October 2 and December 4 from 1:00 to 2:00 p.m.

Action: Ms. Peter will register for the Governance Webinar Series and send invites to Board members for the dates of June 20, August 2, October 2 and December 4 held at WMC.

Closed Session	Rick Burras, Chair	Discussion
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At 6:45 p.m., Board members went into Closed Session pursuant to Iowa Code 21.5(1) (I) to discuss proprietary business in connection with strategic planning.

Motion: Made by Clark Goltz, seconded by Roger Huinker to enter a Closed Session. Roll Call Vote: Burras, aye; Huinker, aye; Goltz, aye; Hildebrand, aye, Jacobsen, aye; Robinson, aye; Schweizer, aye. Motion carried.

Returning to Regular Session	Rick Burras, Chair	
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At 8:15 p.m., Board members returned to Regular Session.

Adjournment

With no further business, the meeting adjourned at 8:16 p.m.

Motion: Made by Tim Schweizer, seconded by Roger Huinker to adjourn the meeting. All voting aye. Motion carried.

Members: O = Absent, X = Present

Rick Burras, Chair	X	Judy Robinson, Board member	X	Lynn Luloff, CFO	X
Roger Huinker, Vice-Chair	X	Karl Jacobsen, Board member	X	Dave Rooney, Administrator - Operations	X

Clark Goltz, Secretary-Treasurer	X	Robert Flinchbaugh, DO, CMO	X	Tyler Menke, MD, President- Medical Staff	O
Tim Schweizer, Board member	X	Lisa Radtke, CAO (by phone)	X	Joan Peter, Executive Assistant	X
Steve Hildebrand, Board member	X	Joe Kruse, CAO, MCHS-FH	O		

Guests: Deb Tekippe; Tracie Schuring; Sue Busta

Clark Goltz, Secretary

Recording: Joan Peter, Executive Assistant