

Memorial Hospital Lafayette County 'MHLC'
 April 26, 2016
 MHLC Conference Room
 Minutes from Monthly MHLC Committee Meeting

Present: MHLC Chair Bill Moody; MHLC County Supervisors Larry Ludlum; Bob Boyle; Dr. Matt Solverson; Bev Anderson; Homer Evenstad; Administrator Julie Chikowski; DON/COO Kathy Kuepers; County Finance Director Nicola Maurer; Interim Director of Finance: Joe Svetlik; Executive Secretary Jody Tuescher; OR Managers Mary Roelli & Patty Hardyman; Hospital Maintenance Manager Jim Pahnke

Absent: MHLC County Supervisors Jack Wiegel, Wayne Wilson.

I. Call to Order

Mr. Moody called the meeting to order at 12:00 p.m.

II. Posting

Mr. Moody asked if the meeting had been properly posted. Ms. Tuescher reported that the meeting had been posted with notices at the Hospital, Health Department, Manor, Court House, County Website, and sent to the local media. Mr. Moody declared the meeting to be legal.

III. Approval of Agenda - Discussion and possible action requested

Mr. Moody presented the agenda and inquired if there were any changes. Mr. Ludlum made the motion to approve the agenda, seconded by Dr. Solverson. Voice vote, motion passed.

IV. Minutes – Discussion and possible action requested

After a brief discussion the motion was made by Dr. Solverson seconded by Mr. Ludlum to approve the minutes of the Special Meeting on April 13, 2016 with the correction that Mr. Ludlum made the motion, not Mr. Wilson to approve the split of the Finance Position. Voice vote, motion passed.

After further discussion the motion was made by Mr. Ludlum seconded by Dr. Solverson to approve the minutes of the March 29, 2016 meeting. Voice Vote, motion passed.

V. Financial Report:

Dept. Profit/(Loss) & Income Statement – Mr. Svetlik & Ms. Maurer

Mr. Svetlik handed out the reports and reviewed. After going through some of the reports it was found that there were some inconsistencies. After a lengthy discussion regarding the reports and since Ms. Johnson left there may be a few adjustments. He will meet with Ms. Chikowski and Ms. Maurer to go over the numbers, make corrections, and bring back next month for review.

- March monthly total net loss is \$160,206.
- March profit YTD is down from 2015 by \$105,762.
- YTD Swingbed days are down from 2015 by 27 patient days.
- YTD Acute Inpatient days are down from 2015 by 15 patient days.
- YTD Observation hours are down from 2015 by 107 patient hours.
- Comparing Department Current YTD Inpatient Revenue to Budget:
 - Med/Surg, Radiology and Therapy are above budget.

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- All other departments are below budget - due to a decrease in the ancillary service for an inpatient.
- Comparing Department Current YTD Outpatient Revenue to Budget:
 - Therapy is the only department above budget.
 - Med/Surg is at budget.
 - All remaining departments are below budget - due to decrease in patient count and ancillary service.
- Total Clinical Expenses YTD:
 - Med/Surg, Outpatient Clinic, Therapy, and Radiology are over budget.
 - OR, ER, Pharmacy and Lab are below budget.
- YTD Net income is a loss of \$83,939, which is a -2.44% total margin YTD. Operating Percentage Margin
 - YTD is -1.79%, below 2015 which was 0.40%.
- Account balances that were written off to charity care for 2016 amount to \$1,955, compared to 2015 amount of \$5,331.

Balance Sheet

- Cash as of March 29, 2016 is \$1,884. Cash is low due to the operating loss we have experienced.
- The Gross Accounts Receivable balance as of March 31, 2016 is \$3,077,913.
- There has been one capital purchase for a truck for \$8,070 so far in 2016.

Aged Accounts Receivable

- The net days outstanding in accounts receivable is 56.79.
- 54.34% of our aging accounts receivable is in 0-30 days outstanding, and 19.631% are in 31-60 days outstanding.
- Self-pay balances March 2016 total \$459,820, compared to self-pay balances March 2015 total \$576,240.
- Currently for March 2016, \$595,447 is greater than 90 days outstanding, compared to March 2015, \$544,102 greater than 90 days outstanding.
- Currently for March 2016, 49.81% of our aging accounts receivable consists of Medicare and Medicaid.

Liabilities

- Long term liabilities includes \$650,000 loan for the remodel of the outpatient clinic. Payments are being made monthly, and the current balance is listed at \$585,871.

We welcomed the new hospital committee members; Bev Anderson and Homer Evenstad and went around the table and everyone introduced themselves.

VI. Audit of the Bills: Discussion and possible action.

Mr. Svetlik reported that there was nothing out of the ordinary for AP. After a general discussion Mr. Ludlum made the motion to approve the audit of the bills, seconded by Ms. Anderson. Voice vote motion passed.

VIII. Personnel – discussion and possible action requested.

1. Staff Updates: Ms. Chikowski/Ms. Kuepers:
 - We are advertising for Finance Manager, CNO & CNA's.

Focus Statement
 "Caring...Quality...Life... We take it Personally."
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- We hired a CNA/HUC and are orienting her this week. We recently lost 4 really good CNA's and are looking to replace 2 and cross train to be HUC's. General discussion regarding the difficulty in hiring and retaining CNA's continued. Ms. Chikowski said that the Manor has recently become a training site for CNA training through Southwest Tech. We have also approved a Med Tech position at the Manor that would be able to pass meds. The hospital has nursing techs that are in their last year of RN school and are able to help extend our nursing staff so we are getting creative to help fill the gaps. Val Steiner, County HR will be posting and advertising all open positions in the county on the county's website with a tab for Wisconsin JobNet so that it will be broader and further reaching for possible applicants and a better marketing tool.
- 2. March OT Report: Ms. Chikowski:
Training, turnover and illness are the primary reasons for OT - to cover open shifts and illnesses. We continue to watch it and authorize as needed.

IX. Medical Staff Report:

1. Appointments: Dr. Solverson:
No new appointments.
2. Family Health/Hospital Communication:
Dr. Solverson reported that Dr. Neumann retired and a retirement party was held at Family Health – a lot of people attended – it was very nice.

X. Management Report: Discussion and possible action requested.**Old Business:**

1. Laundry Quotes: Ms. Chikowski:
Reported that we do not have a recommendation for this yet – we are looking at the old contract with Superior and looking at what services each have to offer. Regardless of which one we choose we will save money. We will bring back a recommendation at the next meeting.
2. Nursery Buildout Update: Jim Pahnke, Maintenance Supervisor reported that as per the hospital committee's decision last month we paid \$18,000 for the design and requested more bids. We received a bid from Findorf for \$27,000 and Miron for \$57,000 and are expecting one from Epic. He will bring them back to the next meeting for review and possible action.
3. Space Utilization within Hospital: Ms. Chikowski:
A general discussion of tentative plans for various areas of the hospital continued. We are looking at the possibility of moving the Materials Management area to the old Dialysis room – this would make sense because deliveries are done through the back. Existing Materials would then become 3 – 4 exam rooms. We are also looking at the possibility of expanding Pharmacy and bring the Manor pharmacy business to the hospital. Ideas how to utilize the LDRP rooms in the OB Suite were discussed - maybe use for long term hospice care – the rooms are behind closed doors and gives privacy for family during their stay.

XI. New Business:

1. IT Request(s): Ms. Chikowski:
None at this time – they are very busy with projects.
2. Medivator for the OR: Mary Roelli & Patty Hardyman OR Managers:
The Medivator is the piece of equipment that sterilizes the metal/flexible scopes that are used for upper and lower procedures in OR. Our unit went down recently and we ended up having to divert patients. We are looking at replacing the unit as it is 20 years old. We received 2 bids, one from Medivator for \$50,000 and the other from Steris for \$48,000. We have worked with Medivator before and currently have our loaner from them as well – they were very accommodating when we needed to have a loaner they had one here immediately. Ms. Roelli would like to recommend going with Medivator as they are the leader in the industry and they have proven they have great customer service. Ms. Roelli said that with the purchase of a new Scope we would need a new storage cabinet as our current cabinet is at its end of life. The cabinet we are

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looking at would cost \$47,000. Ms. Kuepers told the committee that there was \$150,000 in the Capitol Budget for a fracture table and other items that we were not going to be using and we would like permission to put toward these 2 items for a total of \$100,000. Ms. Roelli recommended to the committee that we purchase the 2 items from Medivator. After a general discussion the motion was made by Dr. Solverson, seconded by Ms. Anderson to purchase the 2 items as described from Medivator using money from the fracture table in the Capitol Budget. Voice vote, motion passed.

3. Strategic Planning Meeting:

Ms. Chikowski reported that she was not ready to discuss this item.

4. Glidescope for the ER/OR: Ms. Kuepers/Ms. Roelli:

Our current Glidescope is at its end of life and has recently developed a cloudy screen so it is very difficult to use. It is used in both ER & OR in code situations to manage difficult airways. We received a bid for \$11,590 and would be shared between ER & OR. The Foundation recently purchased a defibrillator we had budgeted for which saved us \$8,000 - this could be put toward it. Ms. Chikowski said that our purchasing firm EMTS will check leasing vs purchasing and will help save us money. After a brief discussion the motion was made by Mr. Boyle, seconded by Mr. Ludlum. Voice vote, motion passed.

Ms. Maurer wanted to make sure the committee was aware that after looking at the current financials we do not have the cash to make these purchases even though they have been budgeted for. Although we are expecting cash back from the Cost Report and hopefully an increase in Medicare dollars the purchases that are being approved are being done by using the County's money. After a general discussion members of the hospital committee said that they are aware, and the Finance Committee is aware – and feel it is a fair trade off for all the money the County has gotten from the hospital over the years. It is the obligation of the County Board to support and help out with cash until the hospital is on their feet again. The hospital is essential for the County's healthy economy. The hospital committee thanked Ms. Maurer for making sure we understand what we are doing with the money and keeping an open communication with everyone.

XII. Set Next Meeting Date – After a general discussion Mr. Moody set the next meeting date.

**Next Hospital Committee Meeting
May 24, 2016 12:00 p.m.
MHLC Downstairs Conference Room**

XIII. Adjournment – Mr. Boyle made a motion, seconded by Mr. Ludlum to adjourn the meeting. Voice vote, meeting was adjourned.