

Memorial Hospital Lafayette County 'MHLC'  
November 3, 2016  
MHLC Conference Room  
Minutes from Monthly MHLC Committee Meeting

**Present:** MHLC Chair Jack Sauer; MHLC County Supervisors Wayne Wilson; Larry Ludlum; Dr. Matt Solverson; Homer Evenstad; Administrator Julie Chikowski; COO Kathy Kuepers; MHLC Finance Manager Molly Wiegel; Finance Director Nicola Maurer; Executive Secretary Jody Tuescher; RJ Reporter; County IT Director Jason Walter; County IT Tech Chris Douglas; County Treasurer/IT Committee Member Becky Taylor; County Clerk Linda Bawden.

**Absent:** Bev Anderson, Jack Wiegel

**I. Call to Order**

Mr. Sauer called the meeting to order at 8:00 a.m.

**II. Posting**

Mr. Sauer 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. Sauer declared the meeting to be legal.

**III. Approval of Agenda - Discussion and possible action requested**

Mr. Sauer presented the agenda and inquired if there were any changes. After a brief discussion the motion was made by Mr. Wilson to approve the agenda, seconded by Mr. Boyle. Voice vote, motion passed.

**IV. Minutes – Discussion and possible action requested**

Mr. Ludlum made the motion to approve the minutes of the October 13, 2016 meeting, seconded by Mr. Wilson. Voice vote, motion passed.

**V. Financials – Discussion and possible action requested**

Ms. Wiegel handed out and reviewed the financial reports. Highlights were as follows:

**Dept Profit/(Loss) & Income Statement September 2016**

- Monthly total net gain is (\$57,491).
- Net income YTD is behind 2015 by \$577,506.
- YTD swing bed days are up from 2015 by 187 patient days.
- YTD acute inpatient days are up from 2015 by 13 patient days.
- YTD observation hours are down from 2015 by 55 patient hours.
- Comparing Department Current YTD Inpatient Revenue to Budget:  
Med/Surg, Radiology, and Therapy are above budget.  
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:  
Pharmacy is below budget.  
All departments are above budget.
- Total Clinical Expenses YTD:  
Med/Surg, ER, Outpatient Clinic, and Therapy are over budget.  
All remaining departments are below budget.
- YTD net income is a gain of \$71,881, which is a 0.356% total margin YTD.
- Account balances that were written off to charity care for 2016 amount to \$14,623

**Balance Sheet**

- Cash as of September 30, 2016 is \$1,441,587.
- The Gross Accounts Receivable balance as of September 30, 2016 is \$3,304,665.
- We purchased the one capital item listed below this month. Bringing our total spent on capital to 132,569

Focus Statement

“Caring...Quality...Life...We take it Personally.”

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- Prime Big Wheel Elect Stretcher at \$14,404.60

**Aged Accounts Receivable**

- The net days outstanding in accounts receivable is 45.07.
- 61.48% of our aging accounts receivable is in 0-30 days outstanding, and 10.73% are in 31-60 days outstanding.
- Self-pay balances September 2016 total \$614,989, last month the balance was \$557,371
- Currently 50.61% 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 \$550,984.

## Budget discussion:

Ms. Maurer updated the committee on changes in the budget. After a general discussion, Dr. Solverson thanked Ms. Maurer for the update. The motion was made by Mr. Boyle, seconded by Mr. Ludlum to approve the financial report as presented, voice vote, motion passed.

**VI. Audit of the Bills – Discussion and possible action requested**

Mr. Sauer asked if there was anything out of the ordinary and Ms. Wiegel pointed out painting of the building was done and paid for and the pharmacist Matt McGowan is still on and will be on the pre-approved list for another month or so. After a brief discussion the motion was made by Dr. Solverson, seconded by Mr. Boyle to approve the invoices. Voice vote, motion passed.

**VII. Personnel – Discussion and possible action requested**

## 1. Staff Updates – Ms. Chikowski:

- Ms. Wiegel referred the committee to the HR Notes that Shelley Lange put together and Ms. Chikowski reviewed them. The new hires:
- 2 Full time NOC RN's & 1 PRN Med Lab Tech. There was one 7 Year longevity increase.
- Other notes that were discussed per the Resolution 48-16 dated September 27, 2016 where several CNA's had not been included in the \$1.55 per hour increase on October 1 – October 23 Pay periods. The word "benefitted" needs to be taken out of the Resolution so it will include all CNA's. After a general discussion it was decided that this could be done at HR. Ms. Maurer requested an effective date so that those who did not get the increase would get their back pay. The motion was made by Mr. Wilson, seconded by Mr. Ludlum to approve. Voice vote, motion passed.
- Ms. Chikowski read the Resolution for Pharmacist Compensation - she asked the committee for their permission to set a wage range of \$120,000 to \$140,000 and send this recommendation onto the HR Committee for consideration. After a general discussion the motion was made by Mr. Boyle, seconded by Dr. Solverson approve this request. Voice vote, motion carried.

**VIII. Medical Staff Report – Discussion and possible action requested**

## 1. Appointments:

None at this time.

## 2. Family Health/Hospital Communication – Dr. Solverson:

Reported that he had been approached by an outside consultant asking when the hospital would be bought by Meriter. He wanted to clear this up – the fact is that we are working toward an agreement where we will be affiliated with Meriter that will more than likely include CFO expertise and buying power. Equipment and will be better able to negotiate contracts and provide more specialists in our Specialty Clinic. We are only getting specialists at this time, but after UW & Meriter finish their affiliation – all the specialists will be UW/Meriter and will open the panel for Unity Community to be open to these doctors. Hopefully Medical Associates will follow – Mr. Ludlum said that a lot of people are switching to Medical Associates due to the lower premiums. General discussion continued.

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MalPractice Insurance:

Ms. Kuepers brought up that after the purchase of the clinic the hospital and clinic need to be on the same Malpractice Insurance. Currently the hospital has MMIC and the clinic has Pro Assurance. After a general discussion the motion was made by Mr. Wilson, seconded by Mr. Boyle that since the hospital insurance renewal is July 2017 to have both MMIC and Pro Assurance give bids prior to that time and we will review and make a decision which to go with. Voice vote motion passed.

**IX. Management Report – Discussion and possible action requested**

Old Business:

1. Nursery Buildout Update:

Ms. Chikowski reported that we are getting the new HVAC put in place and as soon as that is complete and we get the approval from state we can start the building process. Jim Pahnke says that this should be done by the end of the year.

2. Strategic Planning - Ms. Chikowski:

We are in the middle of the purchase of the family health clinic and our goal is to accomplish this by the end of the year. We have not received the appraisals back yet and so do not have the final numbers. After a general discussion it was decided that we will contact the appraiser to get the information for review at the next hospital committee meeting.

3. Clinic Purchase – Ms. Chikowski:

Read the Resolution to INCREASE the MEMORIAL HOSPITAL OF LAFAYETTE COUNTY HUMAN RESOURCE COORDINATOR FROM A .6 TO A 1.0 FTE INRESPONSE TO THE ACQUISITION OF FAMILY HEALTH OF LAFAYETTE COUNTY EMPLOYEES TO MEMORIAL HOSPITAL OF LAFAYETTE COUNTY EMPLOYEES. This is a request to increase Shelley Lange's FTE due to taking on 30 extra employees, which was in the budget. After a brief discussion the motion was made by Mr. Wilson, seconded by Mr. Ludlum to approve this request to go onto HR. Voice vote, motion passed.

Read the Resolution regarding the COMPENSATION AND ACQUISITION OF FAMILY HEALTH OF LAFAYETTE COUNTY EMPLOYEES TO MEMORIAL HOSPITAL OF LAFAYETTE COUNTY EMPLOYEES. We will be bringing them all on as a group for a 6 month probationary period beginning 1/1/2017. They will complete an orientation and then be eligible for county insurance beginning 1/1/2017. To make sure that everything is completed properly, Nicola Maurer and Val Steiner will be involved in this process. This contract will be completed by the next hospital committee meeting and then forwarded onto HR so it is in place by 01/01/2017. Motion by Mr. Ludlum, seconded by Mr. Boyle to approve, voice vote motion passed. Mr. Sauer asked that this be put on the agenda for the next meeting.

Read the Resolution for the CREATION OF AN ADVANCED PRACTICE NURSE PRACTITIONER / PHYSICIAN ASSISTANT, JOB DESCRIPTION AND WAGE RANGE AT MHLC. After a general discussion it was determined that this needs to be amended and brought back to the next meeting. Mr. Wilson made the motion to amend the resolution and send onto HR, seconded by Mr. Boyle. Voice vote motion passed.

Read the Resolution for the CREATION OF AN EMPLOYED PHYSICIAN AND SALARY RANGE AT MHLC. After a general discussion the motion was made by Mr. Ludlum, seconded by Mr. Boyle to approve the range to be between \$90,000 and \$120,000. Voice vote, motion passed.

New Business:

1. IT Request(s):

Ms. Chikowski talked about the proposed resolution for borrowing the money for the implementation of Epic. Becky Taylor, County Treasurer and IT Committee member told the committee that at their IT Committee meeting they had given the recommendation that the entire cost be disclosed to them prior to proceeding

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with borrowing. Ms. Chikowski said that we do not have all of the numbers yet but initially thought that it would be \$1.2 million. Wipfli suggested we add \$100,000 and we did - \$1.3 million. This would include the whole package. We haven't signed anything yet and will bring it back to this committee for review and approval. Jason Walter expressed concerns about the \$100,000 that is paid to RWHC to manage the firewall and PACs systems – Ms. Chikowski said that they will continue to manage these. We will have read only access with RWHC as well as Family Health's EHR Vitera for 8 years so we are compliant. RWHC actually came back with a new bid and contract which will be saving us money in the long run. General discussion continued.

2. Budgeted Wage Adjustments:

General discussion – no action taken.

3. Hospital Borrowing:

After a lengthy discussion the motion was made by Mr. Wilson to put out for bids for the clinic purchase and implementation of Epic to all banks in the area and do on a draw as needed basis not to exceed \$2.7 million. The motion was seconded by Mr. Ludlum. Voice vote motion passed - Dr. Solverson abstained from the vote. This will go onto the Finance Committee and County Board for their consideration.

- X. **Set Next Meeting Date** – After a general discussion Mr. Sauer said that we should have the appraisal by then so we can finish that Resolution of the Purchase of the Clinic. We will also put Budgeted Wage Adjustments on the agenda for next meeting.

The next meeting date was set for:

**Next Hospital Committee Meeting  
November 9, 2016 7:00 a.m.  
MHLC Downstairs Conference Room**

- XI. **Adjournment** – Mr. Wilson made a motion, seconded by Mr. Boyle to adjourn the meeting. Voice vote, meeting was adjourned.