

Wheatland Memorial Healthcare
Board of Trustees' Meeting

The Meeting of the Board of Trustees of Wheatland Memorial Healthcare was held on June 28th, 2018 in the Health Education Center.

MEMBERS PRESENT:

June Voldseth, <i>Chair</i>	Tom Bennett, <i>Trustee</i>
Jenny Peters, <i>Secretary/Treasurer</i>	Katie Rein, <i>Trustee</i>
Don Amundson, <i>Trustee</i>	

EXCUSED MEMBERS:

Aubrey Miller, *Vice Chair*

OTHERS PRESENT:

Dr. Joan McMahon, <i>COS</i>	Rick Poss, <i>CEO</i>
Gia Holiway, <i>Clinic Director</i>	Jane Moe, <i>Foundation/Marketing Director</i>
Allison Fenley, <i>Director of Nursing</i>	Pat McConnell, <i>Billings Clinic</i>
Kayla Tellock, <i>Executive Secretary</i>	Misty Carnahan, <i>Radiology Supervisor</i>
Becky Sturdevant, <i>FNP</i>	Terry Tellock, <i>Maintenance Supervisor</i>

EXECUTIVE SESSION

The executive session began at 5:00 p.m.

WELCOME AND INTRODUCTION

Ms. Voldseth called the meeting to order at 5:46 p.m. Reading of the mission statement.

MAY MINUTES

The May Board Minutes were presented.

Upon motion made by Mr. Bennett and second by Ms. Peters, the May Board Minutes were approved as presented.

CONSENT AGENDA

- a. The Board recognized Karen Tomlinson for a great job on the CLIA inspections.
- b. The guild donated a spruce tree that has been planted by the front entrance.
- c. Medicaid Cost report came back and we didn't have to get a loan to pay it off, we were able to pay in full.
 - i. *Upon motion made by Mr. Amundson and second by Ms. Peters, the Consent Agenda was approved with the preceding discussion.*

REGULAR AGENDA

I. Financials

- a. For May, we posted a gain of \$182,802. This was favorable to budget by about \$152,613. Total Operating Revenues of \$622,591 were favorable against budget by approximately \$29,000.

- b. Our Operating Expenses of \$628,090 were unfavorable to budget by about \$34,000. Professional fees were unfavorable to budget by \$87,000 due mainly to overages in PT, administration, medical records, acute care, clinic and information services. Some of the overages in professional fees are offset a bit by favorable variances in salaries. Depreciation is unfavorable to budget do to classifying the lease on the CT machine as a capital lease. This increased depreciation expense but decreased rent expense which is part of the favorable variance in other expenses.
- c. Non-operating revenues for the month include \$160,000 received from the Bair Memorial Trust.
- d. Year to date: we posted a gain of \$508,320. This was favorable to budget by approximately \$357,000. Total Operating Revenues of \$3,280,188 were favorable against budget by approximately \$311,000.
- e. Our Operating Expenses of \$3,048,649 were unfavorable to budget by about \$80,000. Professional fees were unfavorable to budget by \$315,000 due mainly to Lab and PT travelers that were budgeted as salaries as well as some overages in acute care, medical records and administration. Depreciation is unfavorable to budget do to reclassifying the lease on the CT machine as a capital lease. This increased depreciation expense but decreased rent expense which is part of the favorable variance in other expenses.
- f. Balance Sheet, we ended the month with almost \$600,000 in Cash. Cash increased by just under \$163,000 from the prior month resulting in 32 days of cash on hand.
- g. We have approximately \$1.97m in net Restricted Funds, and \$1,571,831 in Net Patient Accounts Receivables. Our vendor payables balance was \$369,501, resulting in 20 days outstanding payables which are a little less than the 30 days we want to maintain.
- h. Accounts Receivable days ended the month at 72; this was a 5 day decrease from the prior month's balance of 77 days.
- i. Debt was paid down by \$80,000 more than normal with using half of the Bair Memorial Trust funds for this purpose.
- j. Other items: Audit wrap-up – they have the final cost report numbers and schedule we had to get to them. We have emailed back and forth a couple times with questions and getting them additional items to support the schedule we sent.
 - i. *Upon motion made by Mr. Amundson and second by Mr. Bennett the approval of the May Financials were approved as presented.*
- k. Patient Accounting Policies
 - i. Small Balance Write-Off Policy was recommended to raise the \$4.99 write off.
 - 1. *Upon motion made by Mr. Amundson and seconded by Ms. Rein, the Small Balance Write Off policy was approved as written.*
 - ii. Self-Pay Accounts was recommended to change the waiting period to 90 days instead of 180.
 - 1. *Upon motion made by Ms. Rein and seconded by Mr. Amundson, the Self-Pay Accounts policy was approved with the amendments recommended by the Board.*
 - iii. Bad Debt Processing recommended changing it to 60 days instead of 180. It is more than likely if you have an account already in collections that the new bill won't be paid either.
 - 1. *Upon motion made by Ms. Rein and seconded by Ms. Peters the Bad Debt Processing policy was approved as written.*

I. Citizens Bank CD

- i. Instead of renewing the CD we thought we would let it lapse and pay off the \$41,000. The board discussed the options for the CD. Will need to make a new board resolution for this.
 1. *Upon motion made by Ms. Rein and seconded by Mr. Amundson it was approved to cash out the CD and pay off the US Bank loan and put the \$16,000 in a savings account.*

II. Discussion Topics

a. Authorizations

- i. **Ultrasound Purchasing:** Currently have a Phillips Envisor 2005. Received a phone call last week that they will no longer make parts for the this ultrasound. Would like to get Phillips Epiq 5G Ultrasound. Ms. Carnahan showed the difference in imaging resolution between the old machine and new machine. The service contract does included system updates. Providers would be able to make more orders for patients instead of sending them out of town for procedures. It takes two years of education but if you are cross training you can get it certified quicker.
 1. *Upon motion made by Ms. Rein and seconded by Ms. Peters it was approved to purchase the ultrasound machine Phillips Epiq 5G Ultrasound with the 60 month service plan.*
- ii. **Roofing Quote:** Received a quote for the roof. Most of our problem is in the seams of the building and not having a snow coat on it. This winter was harsh with all the snow we had caused water damage. We did put in a claim for the damages inside. Originally we were requesting \$8,500 but to be on the safe side we would like to raise the budget cost for \$10,500. The board would like to know if there is a warranty for the roof. This is just a maintenance repair, so chances are there is no warranty.
 1. *Upon motion made by Mr. Bennett and seconded by Ms. Rein the roofing quote was approved with the budget of \$10,500 to repair the roof.*
- iii. **Nursing Sign-On Bonus:** Ms. Fenley requested to have a \$25,000 sign on bonus that would be paid in a 3 year period. In order for them to receive this bonus they have to stay for the 3 years. This would pay itself off within 6 months. There has been discussion to give compensation for the nurses we have currently.
 1. *Upon motion made by Mr. Bennett and seconded by Mr. Amundson the Nursing sign-on bonus for \$25,000 paid in a 3 year period was approved as presented.*
- iv. **Architectural Plans for Housing:** This is a request to move forward with looking for architects to build a 4 to 6 apartment complex. We are currently spending a lot of money on housing right now. Would like to build this on the empty lot across from the hospital. Mr. McConnell suggested we have Mitch from Billings Clinic come in and assess what would be WMH's best option. Would like to revisit looking at the armory as well. The Board discussed the options for expanding Wheatland Memorials facility at a different location. Also discussed the issue of traveling companies requiring separated female or male housing. Mr. Poss will get in touch with Mitch at Billings Clinic and report back to the board.
- v. **Charge Master Audit:** Mr. Poss presented the two quotes with Xtend and Eide Bailly. Mr. Poss has recommending going with Eide Bailly who has a lower bid of \$14,000. The charge master has not been audited for a while and we need to have it done. This helps us find items

we are possible coding wrong or not coding for. *Upon motion made by Ms. Peters and seconded by Mr. Amundson the board approved to move forward with Eide Bailly for the Charge Master Audit.*

III. Other Topics

- a. Ms. Moe presented the thank you cards for Marie Berg's and Audrey Miller's memorial.

IV. Adjournment

- a. *There being no further business to be brought before the Board, a motion was duly made by Mr. Amundson, and Ms. Peters the meeting was adjourned at 7:02 p.m.*



JENNY PETERS, SECRETARY/TREASURER