



Coquille Valley Hospital

Thursday July 25th, 2024, at 7:30am

DISTRICT BOARD OF DIRECTORS MEETING MINUTES

Virtual Attendance Option Available

Attendance: Colleen Todd, Board Chairman; Dr. James Sinnott; Vice Chair; Dan Mast, Board Secretary/Treasurer; Mark Libby, Board Member; Jeff Lang, CEO; Terri Brandt Correia, CNO; Linda Maxon, CDO; Shala Kudlac, General Counsel; Brock Millet, CoMS; JR Edera, HR Director; James Kamps, OR Manager.
Members Attending via Virtual: Becky Sanders, Quality.
Absent: Michelle Reyna, CFO
Visitors/Public Attendance: None

1. Call to Order 7:30am
2. Public Comments and Correspondence- none.
3. Approval of Minutes
 - a. Regular Board Meeting, June 27th, 2024

MOTION: To approve the minutes of the Regular Board of Directors meeting held on June 27th, 2024; as written and presented.

ACTION: Mast/Libby; Unanimous Approval

4. Board of Directors annual conflict of interest and compliance review.
 - a. Jeff noted that the policy is unchanged and reviewed the policy with the Board. All signed Conflict of interest policy attestations were collected from the board members following the meeting.
5. Monthly Departmental Reports:
 - a. Surgery Annual Report – James Kamps
 - i. James reviewed the volumes this year over the previous year, highlighting the new service line of GYN. Surgery volume notes: Dr. Hobson has done 25 more cases than last year; Dr. Ferrer has done 45 endoscopies since starting and has 28 to schedule. Dr. Johnson did 185 cases this year, up significantly from last year.
 - ii. James explains that the OR team is making advances in patient satisfaction. Improving the low score of “information for patients before they arrive”. They are implementing a program to inform patients of what to expect during their stay here and working on consistency of communication and paperwork.
 - iii. The Board asked what James’s priorities for this year are - he expects growth both in current programs and hopes to get a general surgeon for new service lines. He will be helping to facilitate the endoscopies for Dr. Ferrer. The Board asked about Dr. El Youssef’s time at CVH; he is currently doing one Friday a month.

- iv. The Board asked about CRNA coverage. James shared the plan to recruit two CRNAs through CV Health.
- b. HR Quarterly Report – JR Edera
 - i. JR presented the second quarter HR quarterly report.
 - ii. The Board commented on the significant increase in the number of employees in the organization, up to 216 total. JR noted we have been successful in reducing travel positions by filling openings. Jeff commended the very low turnover rate at CVH. Terri provided an overview on the RN resource position recently created and how that flexibility is positively impacting staffing on the ED/MS floor. Jeff commends Terri and Sacha for their leadership.
 - iii. JR reported there were several employee losses due to childcare issues in our community. The Board suggested we investigate establishing a childcare program. Administration agreed to review options and to return at a future date with a childcare program recommendation/analysis.
 - iv. Key Additions were highlighted by JR with the hiring of 1 Full time and one Casual on call nurse they have hired 12 nurses total for year to date.
 - v. Activities for the quarter were noted, hospital week was well received.
- 6. Quality Report — Becky Sanders
 - a. Patient Care and Safety - nonclinical
 - i. Becky reviewed the non-clinical quality dashboard. Dr. Sinnott questioned if the fall in Radiology was related to an unlocked gurney. Becky reported staff are attending safe patient movement training in response to the fall.
 - ii. Becky noted that workplace violence reports have increased as staff awareness has increased due to our organizational focus on eliminating workplace violence. Becky reviewed the evolving workplace violence task group (TAG) and discussed the impact it is having. TAG managed 7 individuals and have remediated behaviors for all 7. The Board noted that the recent conference focused on violence against healthcare workers and that the AHA is working to have it become a federal crime.
 - iii. Becky noted the MRI ferromagnetic object variance. Systems were reinforced to ensure everyone was aware of the policy. Key rings were replaced.
 - iv. Becky reviewed the life safety dashboard and commented on the great job Pete G. was doing in ensuring all the Joint Commission standards were up to date.
- 7. Medical Staff Report – Dr. Brock Millet At 8:23am
 - a. Medical Staff Report

- i. Dr. Ravindran and Pradeep are leaving in September. Laura Franklin FNP is ramping up. Nothing of note to the Medical Staff. The board asked if NP/PAs should have their own meeting. Dr. Millet noted there is a clinic wide once a month lunch meeting with Linda.

8. Credentialing Recommendations and Updates

- a. Initial Appointments
 - i. Laura Franklin, FNP-BC- Family Practice- Active
 - ii. Brent Hatch, PA-C- Orthopedic PA- Courtesy
- b. Reappointments
 - i. Charles Hurbis, MD- Otolaryngology and Facial
- c. Plastic Surgery- Courtesy
 - i. Jennifer Christenson, DO- Otolaryngology and Facial Plastic Surgery- Courtesy

MOTION: To approve the credentialing recommendations of the Medical Staff Committee as presented.

ACTION: Dr. Sinnott/Mast; Unanimous Approval

9. Patient Care Report – Terri Brandt-Correia, CNO

- a. Operational Update
 - a. Radiology is now fully staffed utilizing travel technologists. Terri reported we had another resignation by our only employee certified to do mammography - she is leaving CVH to become the manager of a department in the area. Terri shared multiple modality travelers are difficult to source. We have Ultrasound 3 days a week and are still looking for an Echo tech. Jeff commented that we are looking at incentives and our rate of pay to try and spark success in recruitment. He reported we might engage a recruiter as well. The board asked about high school shadowing and possible scholarship for radiology as being a potential option.
 - b. A Joint Commission lab survey will occur in September and the Lab and Clinical Staff feel ready. It will involve other departments as well.
 - c. The first surgery committee meeting went well. They are working on workflow processes. Dr. Simmonds has agreed to chair the committee. The Board asks about our OR utilization, are we at 50% yet? No, we have plenty of capacity to expand. Terri has reached out to CRNA locum and will engage them for a September 1st start date.
 - d. Terri reports that Sacha has taken on the management of the Outpatient infusion department. She has made progress in revenue, staff education and workflows; giving it her attention has resulted in some robust growth. Resource nurses are utilizing our space creatively for multi-purpose needs. Jeff noted that the infusion drug costs doubled in the first month. Terri noted that she is considering new software for nurse education for infusions. Discussion heard on the type of infusions done.
- b. Policy Approval
 - a. *Hand Hygiene Policy – Infection Prevention / system-wide - 6 pages*

- b. *Norepinephrine Infusion Protocol –Pharmacy- 1 page*
 - c. *Influx of Infectious Disease & Specimens Policy –IP & Lab- 5 pages*
 - d. *Infection Prevention for COVID -19 – IP – 1pg*
 - e. *Components of a Protective Environment – IP - 2 pages*
 - f. *Healthcare Documents Contaminated with Potential Infectious Materials – IP/HIM – 2 pages*
 - g. *Lab Infection Prevention Plan – Lab & IP – 2 pages*
 - h. *Respiratory Illness & Pandemic flu Management – IP – 11 pages*
 - i. *Provider vacations/Holidays – HR – 2 pages*
- c. Terri explained the new guidelines on Covid testing and regulations on returning to work. Jeff noted that the basic guidelines are: if you don't feel well, don't come to work.
 - d. Jeff reviewed the revision of the provider vacation policy and highlighted the change of PTO after notice and prorate share to help with retention and recruitment and not deter advanced notice for departure.

MOTION: To approve the policies, recommend by the Medical Staff Committee as written and presented.

ACTION: Dr. Sinnott/Mast; Unanimous Approval

10. Finance Committee Report – Jeff Lang, CEO / Dan Mast

- a. Financial Results – June 2024
 - i. Michelle reviewed the draft yearend financial statement. Michelle explained the statement will remain in draft form until the audit and cost report are finalized.
 - ii. Statistics – good month all the way around. Inpatient admissions were up 22% for the month and 14.3% for the year to date. We have a length of stay that is trending down and was slightly lower for the year, we have added extended recovery days as a metric. The year-to-date numbers are beating the previous year by 10% however we are trending about 200 days less than budget for the year. Related to about a day decrease in length of stay which is good management for the patients by the nurses. good ability of care to get patients out and transferred.
 - iii. We have had a 50.3% increase to inpatient admissions over last year. Budgeted for low admissions in SB and the YTD admissions are 40 which is 8 under for budget, swing bed was over PY of 36 by 11%. We have the opportunity for increased volumes in this service.
 - iv. Total patient days - we beat budget month over budget by 7.4% Total ADC includes around 20 days of extended recovery. We are 22.6% for total patient days. We are doing a good job meeting the needs of the community and we can admit patients as needed and we consistently have 7-12 patients Daily. Our total admissions are 59.9% over where they were last year.
 - v. ER volumes are steady and right where we expected them to be.
 - vi. Our Adjusted Patient Days for the Month are 32.6% favorable trending up throughout the year. 13% favorable to budget for the year and 40.6% over prior year. The financials in outpatient will translate in the

- financials we are at 22% in the inpatient/outpatient split, we are more of an outpatient facility than an inpatient one.
- vii. Key statistics – In the clinic an RVU is attributed when coded so that a delay in coding delays the month. While we were (12.7%) YTD, we missed, but we see a 52.5% increase over the PY.
 - viii. Outpatient - radiology turnover affected the volumes. Increases of 12.1% overall in radiology over the previous year were highlighted. CT stayed consistently higher than budget. We expected more of an increase with mammograms. Discussion heard on Mammogram install timing and tech future attrition.
 - ix. Surgery is replacing lower paying procedures with higher paying procedures, so while volumes are lower, the revenue is higher.
 - x. FTEs are 197; Days Cash on hand was 180 and the total days in Days outstanding is 73. The monthly revenue is increasing and the DNFB - dollar amount has increased significantly for monthly revenue. Some of this amount will be converted to cash and we expect to see \$700K pick-up in cash.
 - xi. Board notes Days in AR are higher, we have more employees; why are the process times increasing. The board wonders if there is a troubleshooting person in AR to get that number lower. Jeff responds the increase in revenue is due to admitting etc. We still need people experienced in coding/billing, and we need to train and onboard them to be able to effectively work in the system. The Revenue cycle team are working on it and setting metrics for the goals we have. We will see the number go down in the next few months significantly. (JL states: "Put that in the minutes.")
 - xii. Income bottom line almost \$400k in the month of June, which is a typically lower month for us and \$1.6M for the year. We almost broke \$6M this month for revenue which is 5.5% over budget for the month. Very aggressive in getting the revenue attributed in June to be recorded for the end of fiscal year.
 - xiii. \$65M in total patient care yearly revenue. The deductions are consistent and to the model were not quite what we expected. Medicare payable of \$2.5M. Right where we expected at year end.
 - xiv. Expenses are as expected except for contract labor. Shifted from nursing to radiology and we will also need ED providers in the future. Dr. Davisson has given notice.
 - xv. Predicting expenses in supplies is difficult, didn't know ortho cases would double when budget was made. We should see a cash increase and a reduction in allowance for doubtful accounts. Should see an increase in money collected, most items are under 90 days. The money allowance under 90 days is small. Our Medicare payable of \$2M will be taken via our payments from Medicare; they will start clipping and won't pay until cost reimbursement is achieved. The Board asks how many months it will take for Medicare to recoup. Jeff estimates it will be a 2–

3-month process – 3 to 4 checks. The Board asks if other payers outside of Medicare contribute to the Medicare model. Jeff responds and explains the cost to charge ratio. Volumes fluctuate and the Medicare margin of -1% due to sequestration due to congress. Return on investment of 5.3% was noted as contributory. Jeff briefly explained the cost to charge ratio and its impact on payment. The Cost model tries to predict the amount of payment or take back for that margin.

- xvi. Jeff noted on our statement of net position / balance sheet that the current year balance of \$11M in net patient care receivables YTD at the bottom line from that which is strong. Compared with \$4.1M from last year it is a 71.23% favorable improvement.
 - xvii. The Board added that the impact of the new style of scheduling to a 4/10 shift for the revenue cycle employees might not be working for CVHD. Michele Erickson and Michelle Reyna will research and adjust schedules as needed.
 - xviii. Covenant Bond ratios are noted in the packet. CVHD is complying to standard in all areas.
- b. Approval of Disbursements over \$25,000

MOTION: To approve payment of the disbursements over \$25,000 for the month of June 2024 and those that will accrue before the next meeting as recommended by the Finance Committee.

ACTION: Mast/Dr. Sinnott; Unanimous Approval

- c. Review of scheduled cash and investments
 - i. Payables were noted. Hope to cash flow that from take-backs.
 - ii. Mortgage reserve interest is slightly higher than the LGIP account, so we won't transfer excess out.
- d. Grants and Project Expenditure tracking
 - i. Not a lot of change there.
- e. Capital Requests
- f. Comments on each item.
 - i. Pain Pump Percussor PCA kit - \$7500
 - ii. M Fried Store Fixtures – Pharmacy Shelving - \$14,927
 - iii. P&P Painting of outside of West Clinic - \$27,900
 - iv. Portable Vision Screener - \$ 6,580
 - v. Midmark Exam beds (3 Total) - \$22,000

MOTION: To approve the Capital request for the items listed as presented and recommended by the Finance Committee.

ACTION: Libby/Mast; Unanimous Approval

11. Strategic Projects Update – Linda Maxon

- a. Myrtle Point/Coquille Projects

- i. No unanticipated change orders, we have delays – CV Health should be able to open the Clinic in September. Made changes to reduce costs. We will have drywall in the clinic by 8/8; Linda was able to retain and repurpose some items.
- ii. Andy and Pete are working on the low voltage IT wiring with our contractor.
- iii. Working with city manager and city officials including school district.
- iv. The board asks about desktops or laptops on rolling carts. Dr. Hanst prefers a laptop with a rolling cart. The staff should reassess once they have used the space for a month or two. Linda will have a team meeting in CVH. The Board asks about construction costs. Linda will send that out, she just received invoices for work in process. She reviewed and explained the photos of the construction progress. The clinic will operate 5 days a week and will gradually build up the services provided. The board asks if 3 providers will be the top limit. Linda relayed that we would pay attention to needs and have planned to be flexible for the 3 or 2.5 with primary care and .5 of behavioral health.
- v. Pharmacy is somewhat dependent on Myrtle Point for contractor time. Looking at September 16th for opening. Will need electrical, internet and other services mandatory. We prepped the pharmacy for growth. Working on workflows and communication between the Clinic and pharmacy team. Recruitment success was shared. Board question on business plan and inventory waiting for scripts to be filled. We can see the prescribing patterns to avoid wait time. Board mentioned that we need to reconsider vaccines and offer a free breakfast at CVH as that would bring them in for something pleasant and we will gain community engagement. Linda brings up the concept of no wrong door to get them to use our services. The Hospital can do an outreach of community health in the pharmacy for value add. Vaccines are now associated with pharmacies. She plans to have a looping video of Hospital providers and services. Coquille Valley Hospital Community Pharmacy is the business name at the moment. The Board noted that the sidewalk should be pressure washed regularly.
- vi. Provider Recruitment
 - 1. Laura Franklin, FNP announcement with Facebook had a huge influx of patient appointment requests. Quick turnaround time - 14 days from start. She is seeing patients quickly and up to 15 a day now.
 - 2. 3 search firms were explained with a specific focus for each for primary care.
- b. Grants & Fundraising
 - i. Linda has pulled back this as a focus with the other items going on and will renew her attention to this soon. Will look at Oregon Energy Trust and City of Coquille.
- c. Clinic Operations

- i. Risk stratification on patient transition assessing level of condition.
- ii. Working with Michele Erickson on front desk/ admitting customer service. Tenured MAs are coming in and mentoring younger MA's.
- iii. Turrell group will be here Monday and will create content to help with recruiting including a nursing video. She passed around the rack cards for each provider. Linda states the videos have had positive impacts on recruiting. She has rack cards for Clinic nurses as well.
- iv. Will work on quality measures and putting them on the wall in the Clinic break room.

12. Administrators Report – Jeff Lang, CEO

a. Building Project/Financing Update

- i. Jeff reported to the Board we need a decision on the fourth floor and a guaranteed loan component before we can move forward with USDA's application.
- ii. As a precaution, we will conduct a financial feasibility study in the next 30 days to analyze the impacts of the increased costs, increase in interest rate with USDA, and our ability to utilize alternate financing if required (and able to secure).
- iii. Jeff reports he met with our financing partner when he was in MN. Kurt will be meeting with Anita at USDA on our project and several others they are working on that have stalled as well.
- iv. Jeff reported USDA's timeframe for obligation of funds has us realistically looking at Jan / Feb. This will push the groundbreaking to June or July 2025.
- v. The Board is concerned our delays are constraining our ability to meet our patients' needs, and we need to look at other alternatives to keep the project moving. Jeff agreed and indicated he will have more information on the debt capacity model and options next month. It will take at least 2 years for the new building and remodeling to be completed once it's started.

b. Operational Update

i. Provider Recruitment

1. General surgeon recruitment was outlined. More site visits are happening soon. Jeff mentioned that we might have recruitment from within Coos County related to the instability in our market right now.
2. ER provider will visit next week.
3. Alison has been doing very well with managing logistics for recruitment and making good first impressions.
4. We have been looking at the structure for providing anesthesia coverage to the hospital. CRNA's will be employed through CVHEALTH in the future to allow for greater resources during times of need. This will increase the productivity at both the

hospital and surgery center by allocating CRNA time where the need is.

ii. FY 24 Year in Review

1. Statistics were noted on key metrics noted.
2. Inpatient Admissions are up 50% over last year. We had 131 extended recovery days that aren't being attributed to inpatient volumes. Swing bed admissions are up by 11% and the SB days are up by 26%. Adjusted Patient Days are up 40.6% indicating significant growth. Work RVU's are up 52.5% and lab and radiology are 20.3% & 12.1% increased respectively.
3. Clinic volumes up 50% with a corresponding revenue increase of 64%.
4. Net revenue is up 11.9% and expenses are only up by (6.15%), we have good staffing levels and are staffed right for volumes.
5. The Board stated we need a medical office building and modifications in surgery to accommodate this volume.
6. We are the only facility in our area expanding and others are looking at just paying the bills.
7. CVHEALTH partnership was touched upon, and Jeff reviewed the next steps facing the Hospital District.
 - Two representatives from this district board have been seated on the CV Health Board, and the District needs to affirm those appointments.

Motion: To affirm the recommendation of Dr. Sinnott and Dan Mast to the CVHEALTH board of directors.

Action: Libby/Todd; Approved

8. Jeff informed the Board that CVHEALTH will likely be requesting a startup capital loan from CVH District. The District will also need to develop and sign a sublease for MP Clinic from the District to CVHEALTH. All improvements made to the building will be amortized over the life of the lease so that CVHD will recoup its investment.
9. Jeff reminded the Board that when CVHEALTH is ready to stand up, the Hospital will transfer the employment of our Senior leadership team and other personnel to CVHEALTH/CMG.
10. Board asks about employee health benefits - CVHEALTH staff will have a separate benefits program which we anticipate being comparable with CVHD's.
11. Jeff noted the structure involving CVHEALTH and CMG due to USDA's requirements. If CVHD does not move forward with a building project, or if CVHD utilizes non-USDA financing, the original governance structure change could be back on the table with the hospital operation being leased to CVHEALTH.

12. Jeff reported he made an offer to an orthopedic sports medicine physician, and they passed on it due to the salary level. We have current contracts with 4 Ortho and a different level provider. Will can wait until volume demands to make more additions. We will concentrate on the recruitment of a general surgery and any opportunities of possible attrition in our area.

13. Board Chair Report

a. AHA Rural Health Conference Recap

- i. Worthwhile, heard about larger hospital problems, AI, AHA has IT and AI cybersecurity lists. Jeff will meet with Andy on options for AI in billing and coding and intends to have a solution in 18 months or less. Telehealth was a resource for help with difficult cases and ER department. Jeff noted that we will need to explore telehealth conversations in the next 4 months; there are challenges with the current model.
- ii. Selection of new Board members Committee. Dan will be gone for the September meeting - will discuss a change of date for October 3 at the next meeting.
- iii. Mark Libby has agreed to serve on the Finance Committee.

Motion: To appoint Director Mark Libby to the CVHD Finance Committee.

Action: Dr. Sinnott/Mast. Approved.

b. CVH District Board Officer Elections

- i. Nomination heard: Colleen as Chair.

Motion: Colleen Todd to remain the CVHD Board chair.

Action: Dr. Sinnott made this motion – both Libby and Mast affirmed unanimously passed.

- ii. Nominated: Dan as Sec/Treas

Motion: Dan Mast to remain the CVHD Board Secretary / Treasurer

Action: Mark Libby made this motion and Dr. Sinnott seconded it. Approved.

- iii. Nominated: Dr. Sinnott as vice chair

Motion: Dr. James Sinnott to remain the CVHD Board Vice Chair

Action: Mark Libby made this motion and Dan Mast Seconded. Approved.

14. Next Regular CVH BOD Meeting: Thursday, August 22nd, at 7:30 AM

15. Adjourn Board Meeting At 10:46am

Respectfully submitted:



Dan Mast, Secretary/Treasurer

Attested to:



Colleen Todd, Chairman