

**SPARTA COMMUNITY HOSPITAL  
BOARD OF DIRECTORS MEETING MINUTES**

The regular monthly meeting of the Board of Directors was held on September 18, 2018 in the Board Room of Administration.

**Members Present Included:** Kevin Wilson, Dennis Ernsting, Gary Stephens, John Clendenin, Alene Holloway, Lynette Jalivay, Claudia Kerens, and Kay Hapke

**Members Absent:** Chris Haury

**Non-Members Present:** Joann Emge, Dr. Beckemeyer, and Kelsey Diskey

The meeting was called to order at 6:55pm by Mr. Wilson.

<b>Item</b>	<b>Action</b>
<p><b>Minutes</b> Approval of the August 28, 2018 minutes.</p>	<p>Mr. Stephens motioned to approve the August 28, 2018 minutes. Mr. Ernsting seconded. Motion carried.</p>
<p><b>Financials</b> Mr. Stephens shared the treasurer’s report.</p> <p>Joann Emge shared the financials for the month of August 2018:</p> <p><b>Balance Sheet</b></p> <p><u>Cash and Investments</u></p> <ul style="list-style-type: none"> <li>• Cash increased \$1,042,587 or 9% in comparison to July. Day’s cash on hand increased to 146. We measure favorably to the performance indicator established at 90 days.</li> </ul> <p><u>Accounts Receivable</u></p> <ul style="list-style-type: none"> <li>• Total system gross accounts receivable decreased \$620,621.</li> <li>• Total system Days in A/R (excluding claims reimbursed by the State of Illinois) decreased from 70 in July to 65 in August. Our performance indicator is 62 days.</li> <li>• Hospital patient gross accounts receivable decreased \$405,071.</li> <li>• Hospital Days in A/R (including IL State) decreased from 82 in July to 77 in August.</li> <li>• Hospital Medicaid gross receivables are \$3,595,172.</li> <li>• Hospital gross receivables from State of Illinois’ self-funded insurance plans for its employees and retirees is \$1,487,946.</li> <li>• Of the hospital gross A/R, 44% is greater than 90 days old from discharge, with 53% and 40% of Medicaid and the State of Illinois’ self-funded insurance plan greater than 90 days, respectively.</li> <li>• Clinic gross accounts receivable decreased \$1,713 or 0%.</li> <li>• Clinic gross A/R is 2.1 times current clinic revenue. We measure unfavorably to the performance indicator of 2 time’s current revenue.</li> </ul> <p><u>Account Payable</u></p> <ul style="list-style-type: none"> <li>• Accounts payable increased \$42,405.</li> <li>• Current month has 11 days non-salary expense in A/P, July had 12. We measure favorably to the performance indicator of 30 days.</li> </ul>	<p>Ms. Holloway motioned to approve the treasurer’s report subject to audit. Ms. Kerens seconded. Motion carried.</p>

<p><b>Income Statement</b></p> <p><u>Revenues</u></p> <ul style="list-style-type: none"> <li>• Inpatient revenues increased \$78,871 or 36% compared to July.</li> <li>• Outpatient revenues increased \$65,869 or 2%.</li> <li>• Emergency service revenues decreased by \$161,719 or 8%.</li> <li>• Swing bed revenues increased by \$14,210.</li> <li>• Physician office revenue increased by \$127,156 or 21%.</li> <li>• Total system gross revenues increased \$124,387 or 2%.</li> <li>• System net revenues increased \$404,257 or 15%.</li> <li>• Gross revenue per calendar day is \$232,402 vs. \$223,600 budgeted.</li> <li>• Allowance of revenues is 54% vs. 54% budgeted.</li> <li>• Total system gross revenues, year-to-date are \$421,319 or 3% over budget.</li> </ul> <p><u>Expenses</u></p> <ul style="list-style-type: none"> <li>• Salary and fringe benefit expenses increased \$109,116. Our performance indicator is 50.5% of net patient revenues; salary and fringe benefit expense is 54% for August.</li> <li>• Bad debts, we measured favorably (4.1%) to the performance indicator of 5% of gross patient revenues.</li> <li>• Total expense per calendar day is \$94,457 vs. \$96,450 budgeted.</li> <li>• Expenses year-to-date are \$283,381 or 5% under budget.</li> </ul>	
<p><b>Physician's Report</b></p> <ul style="list-style-type: none"> <li>• E-prescribing controlled substances is working well and Marissa Medical Clinic is the final clinic to setup.</li> <li>• Patient and providers are happy with services provided by Dr. Zhu, pain management. He is adding more days to meet the current patient need.</li> <li>• Dr. Moore, podiatrist, is coming in October and the medical staff are very excited for him to join SCHD.</li> <li>• Prairie Cardiovascular has added an additional provider one day per week for added cardiology coverage.</li> <li>• Starting November 2018, patients who call before noon wanting an appointment will be seen by a provider in their preferred office on the same day.</li> </ul>	
<p><b>CEO Report</b></p> <p>I. Finance</p> <p>A. Volumes</p> <ol style="list-style-type: none"> <li>1. Med Surg       <ol style="list-style-type: none"> <li>a. Inpatient Census – 3.6 patients/day</li> <li>b. Total Census – 7.16 patients/day</li> </ol> </li> <li>2. ED Visits – 24.5 patients/day</li> <li>3. Surgery Procedures – 134 procedures</li> <li>4. Out-Patient Registrations – 115.9 patients/day</li> <li>5. Home Health Admissions – 53 patients</li> <li>6. Clinic Visits – 4,396 patients</li> <li>7. Specialty Clinic Visits (Office Sharing Providers) – 747 patients</li> </ol>	

B. Grant Funding

1. USAC Funding – \$51,246 for FY2019

- a. This government funding will be used for IT connectivity and phone expenses, which should cover a large portion of the future phone system expense.

C. Expenses for Approval

1. None this month

D. Future Expenses

1. OR Laparoscopic Tower Upgrade

- a. Budget – \$175,000.00  
b. Currently seeking bids

2. Facility Humidity Solution

3. Hematology Analyzer

- a. Budget – \$90,000

4. MRI AC Unit Replacement

- a. Budget – \$68,000

5. 3D Mammo

- a. Foundation to start a campaign.

6. Phone System

- a. Currently seeking bids

7. Telemetry System for Med Surg and Emergency Department

- a. Budget – \$70,000  
b. Will be suggested as a Tree of Hope Auxiliary project

8. Computer Replacement

- a. Budget – \$20,000

II. Quality Measures:

A. Organizational Goals are reviewed every month.

B. Public Reported Measures are compared to the Organizational Goals.

C. ACO Measures are monitored for cost and quality of care.

1. SCHD ranks very well for these measures as plans are put into place and followed to reach these goals.

D. Credentialing – Red Flag Indications are focus points when reviewing provider applications.

E. 2018 Plan Revisions

1. Previously approved plans:

- a. Performance Improvement Plan  
b. Utilization Review Plan  
c. Patient Safety Evaluation System

2. Plans with no changes:

- a. Risk Management Plan  
b. Nursing Care Plan  
c. Infection Control Plan

3. Addition to plans:

- a. Patient Safety Plan: 4.0.16 – Description of Medical Studies Review Process

<p>b. Patient Care Plan: 19.0 – IT – 4 Full Time Employees  c. Patient Care Plan: 20.0 – Respiratory Care – 1.0 FTE  – Rehabilitation – 2 F.T. Occupational Therapists</p> <p>III. Service</p> <p>A. Dr. Moore – Podiatry – October 4, 2018</p> <p>B. Cardiology</p> <ol style="list-style-type: none"> <li>1. Dr. Thomas Cahill – October 3, 2018</li> <li>2. Dr. Hushion – October 9, 2018 <ol style="list-style-type: none"> <li>a. Focus is arrhythmias and pacemaker checks.</li> <li>b. Work at SCHD one day per month.</li> </ol> </li> </ol> <p>C. Transportation Collaboration</p> <ol style="list-style-type: none"> <li>1. SCHD is working with Monroe Randolph County Transit and the Human Service Center to create more efficiency and better service to more patients. Transit can bill Medicaid, where SCHD cannot for use of Transmed Van.</li> </ol> <p>D. Behavioral Health Team</p> <ol style="list-style-type: none"> <li>1. SCHD continues to work with community resources to provide psychiatry services.</li> </ol> <p>IV. People</p> <p>A. Studer Coach – Shona Salzman – On Site September 25-26, 2018</p> <ol style="list-style-type: none"> <li>1. Focus will be on management team development, individual manager development and staff observation.</li> </ol> <p>B. Patient Satisfaction Webinar Series</p> <ol style="list-style-type: none"> <li>1. Total of 13 webinars with one each month</li> </ol> <p>C. ICAHN – Annual Conference – October 29-30, 2018</p> <p>D. ICAHN Regional Board Retreat – October 23, 2018</p> <ol style="list-style-type: none"> <li>1. Held at SCH Auxiliary Building and will include surrounding hospitals</li> </ol> <p>E. Employee of the Quarter</p> <ol style="list-style-type: none"> <li>1. Two candidates presented this quarter</li> </ol>	
<p><b>Executive Session</b>  Dr. Beckemeyer left the meeting at 7:05pm.</p>	<p>Ms. Kerens motioned to go into Executive Session at 7:25pm for the purpose of discussing employee matters and real estate. Ms. Jalivay seconded. Motion carried.</p>
<p><b>Regular Session</b></p>	<p>Mr. Clendenin motioned to return to Regular Session at 7:40pm. Ms. Hapke seconded. Motion carried.</p>
<p><b>Committee Reports</b></p> <p><u>Finance Committee</u></p> <ul style="list-style-type: none"> <li>• Mr. Stephens shared the highlights from the Finance Committee Meeting.</li> </ul> <p><u>Quality Council</u></p> <ul style="list-style-type: none"> <li>• Ms. Holloway shared the highlights from the August 2018 Quality Council Meeting.</li> </ul>	

<p><u>Credentialing Committee</u></p> <ul style="list-style-type: none"> <li>• Ms. Hapke shared appointments, reappointments, and requests for additional privileges for approval: <ul style="list-style-type: none"> <li>○ Appointments: <ul style="list-style-type: none"> <li>▪ Timothy Mikesell, MD – Radiology</li> <li>▪ Jeffry Peterson, CRNA</li> <li>▪ Bilal Butt, MD – Neurology</li> </ul> </li> <li>○ Re-appointments: <ul style="list-style-type: none"> <li>▪ Frederick Pfalzgraf, MD – Rheumatology</li> <li>▪ Venkatech Anjan, MD – Cardiology</li> </ul> </li> <li>○ Requests for Additional Privileges: <ul style="list-style-type: none"> <li>▪ Dana Lakatos, PA – Wound Care Privileges on Medical Surgical Floor</li> </ul> </li> </ul> </li> </ul>	
<p><b>Old Business – None</b></p>	
<p><b>New Business</b></p> <p><u>Approval of Credentialing</u></p> <ul style="list-style-type: none"> <li>• Appointments: <ul style="list-style-type: none"> <li>○ Timothy Mikesell, MD – Radiology</li> <li>○ Jeffry Peterson, CRNA</li> <li>○ Bilal Butt, MD – Neurology</li> </ul> </li> <li>• Re-appointments: <ul style="list-style-type: none"> <li>○ Frederick Pfalzgraf, MD – Rheumatology</li> <li>○ Venkatech Anjan, MD – Cardiology</li> </ul> </li> <li>• Requests for Additional Privileges: <ul style="list-style-type: none"> <li>○ Dana Lakatos, PA – Wound Care Privileges on Medical Surgical Floor</li> </ul> </li> </ul> <p><u>Approval of Plans</u></p> <p><u>Approval of Executive Session Minutes</u></p> <ol style="list-style-type: none"> <li>1. March 17, 2015</li> <li>2. March 21, 2017</li> <li>3. September 19, 2017</li> <li>4. March 20, 2018</li> <li>5. August 28, 2018</li> </ol> <p>Joann shared that the Audit Presentation will be next month.</p>	<p>Ms. Hapke motioned to approve the appointment and re-appointment applications. Mr. Stephens seconded. Motion carried.</p> <p>Ms. Hapke motioned to approve the request for additional privileges. Mr. Stephens seconded. Motion carried.</p> <p>Ms. Kerens motioned to approve the plans. Ms. Holloway seconded. Motion carried.</p> <p>Ms. Kerens motioned to approve the August 28, 2018 Executive Session minutes. Mr. Clendenin seconded. Motion carried.</p> <p>Ms. Kerens motioned to release the March 21, 2017 and March 20, 2018 Executive Session minutes. Ms. Hapke seconded. Motion carried.</p> <p>Ms. Kerens motioned to defer the March 17, 2015 and September 19, 2017 Executive Session minutes. Ms. Jalivay seconded. Motion carried.</p>
<p><b>Adjournment</b></p>	<p>Mr. Stephens motioned to adjourn at 7:55pm. Mr. Ernsting seconded. Motion carried.</p>

Kevin Wilson, Chairman of the Board

Dennis Ernsting, Secretary