

**Mountainview Medical Center
Board of Directors Meeting
November 24, 2010**

Present: Bill Galt – Chair, Bill Schendel, Woodie Jarvis, Shane Sere day, Lisa Gilbertson, Chris Schlepp, Chad Evans, Aaron Rogers – CEO, Tony Pfaff – Cypress Healthcare.

Absent: Otto Ohlson, Rick Seidlitz

1. Call to Order

Bill called the meeting to order at 12:01 p.m.

2. Minutes

Review last months minutes. Hearing no corrections the minutes stand as presented.

3. CEO report

Aaron stated that there is still a question of Finance Committee meetings and their legality. This has been mentioned numerous times. Attorney's thoughts and the law have been reviewed; anything less than a quorum doesn't have to be open to the public. Law states if there is a quorum, it is an open meeting. If anyone hears questions about this please let them know. The law doesn't see four any different than one, no action can be taken. The printed comments are not factual. It was also noted that the Quality committee meetings cannot be open because patient issues are discussed. Aaron apologized for having to explain this again.

A few people donated money, who do not want to be named, for the haunted house. 267 people went through. Unfortunately, this good news didn't make the paper. Brett Williams did a fabulous job. Lisa commented that she heard good things through out the community and to consider doing it again next year. Some pictures were taken, but waivers are needed before they can be posted on the web site. Many of the costs this year were for items that can be used next year. Aaron thanked everyone who donated-time or money.

4. Financials

Christina gave the overview of the financials for October.

- Checking balance as of 10/31/10 was \$85,729
- Net patient revenue was \$266,706
- Net loss was \$47,429
- Cash collected in October was \$307,060
- Days in AR were 57.6
- Net patient revenue increased over last month
- Expenses were lower than previous 3 months
- Current cash in checking account is \$514, 733, largely due to cost report money received on November 18th of \$515,280.

Aaron added that skilled beds are making a turn; we are seeing more utilization which is expected going into winter. Last year skilled numbers were down, but they are ramping back up and looking positive.

Fiscal Year 2010 Audit: there was one correction on page 10 for net patient service revenue to change the word decreased to increased. The audit has been changed to reflect this. Mr. Dracon also brought to Aaron's attention the number of mills were inaccurate on page 11. The total dollar amount is accurate but the number of mills is not. Aaron has called and this is being changed from 8 to 28. The audit can still be approved with changes. Motion to approve the audit with the mentioned changes made by Woodie; seconded by Chris. **Motion Passed**

The audit may be released now. It has already been released to the commissioners and the district board.

Long-Term Care Rates: since LTC rates were brought up previously, some research was done. Current Medicaid reimbursement rate is \$160.34 per day. MMC's daily rate is \$162.00, \$1.66 above Medicaid. Facilities near and similar to MMC were contacted. The next closest rate is \$171.58; almost \$10 more per day than MMC. Others range from \$175.58 to \$185 per day. One facility is expected to raise their rate to \$225 per day. Aaron brought this information to the finance committee, as they may want to look into being more competitive. At this point there are no recommendations from the committee, just a heads up to where we stand. Bill noted that we need to keep looking into what we are charging and other ways to save money. He would like to see the hospital stand on its own with out tax increases; to get to where we don't need the levy. We need to look hard at how to tighten our belt within the facility and save money with out raising our rates and keep an eye on expenses. Aaron noted to be below Medicaid reimbursement rate is terrible business. No one is lower. Lisa also pointed out that our patient to nurse ratio is a lot better than the higher cost places. They have one aide for 12-15 residents. This is good, as long as we can afford it. Staffing should be looked at if we are overstaffed.

5. DON Report

November:

51 ER visits

32 Acute days

0 Skilled days

471 Intermediate days

1 RN and 2 NA's hired

CNA classes are complete and tests were taken

Lisa questioned if we had the NA's make any commitment to the facility before taking the classes, as has been done previously. Yes, Pearl and Aaron discussed this. Aaron then explained that MMC is not required to have certified NA's because we are not a nursing home, we are a CAH. But we want them more qualified, that is why we held the class; to make us better.

As for the census average, it is 15.9. We have been getting our patients back and this month is better. All the numbers are looking better including clinic revenue being

up. Comment was made they have heard rave reviews on the nursing staff. Ron and Brett are also doing a great job. All clinic surveys returned have met or exceeded expectations. One written comment requested we fix scale so they weigh less!

Chad commented that he attended training and one of the things discussed was calling the patients the next day to check on them; that a voice went a long way. Aaron stated it was a great idea; he would check with Sherry as he believes she already does something similar. It is something that isn't expected and patients like it. It goes along way from the customer service stand point.

Information Items

Employee representative update: Doug is on vacation and asked Aaron to let the board know that he held two all staff meetings. He will give a full report next month. Aaron heard that staff was very upbeat and positive. One good suggestion from the meeting, to save money, was to pick up checks instead of mailing them. Scott from PT stated the reason he is here is because of the care that the residents get and the way they are treated-like family.

Question was asked if anything is planned for the staff for the holidays. Discussion was held. Aaron will speak with Doug. Along the same lines; Aaron went and ate with a member of the community at the Senior Center. It was a great thing. He encouraged everyone if they are in town around lunch time, to go and eat. The Senior Center does a great job and were very welcoming.

Public Comment

John Dracon read a letter that he wrote to the board. He felt there was some confusion and concern about the role of new reformed district. He stated he didn't see their role as a tool of the Commissioners. They may choose to look at issues raised by public, or not. They are not trying to destroy the current boards' credibility. Lisa interjected that the board has established a committee to work with them. They need to be contacting the committee, not requesting private meetings with Aaron when they have put together a committee to help them.

Bill stated that he appreciates John's statement of them not taking apart the board. John sees himself in a role to help with a lot of misinformation; not a political tool of the commissioners and the committee is like minded. John also stated there will be minutes of the meetings.

Bill clarified that the hospital has nothing to hide. It seems the only thing hidden is the good news; none of that gets out to the public. John stated he has nothing to do with the publishing of the paper. John stated the community needs to be involved, including finding a doctor. Comment made that the negative is not helping. It is not what the community is showing through the public writings. Finding a doctor for a small rural hospital is difficult. Bill interrupted, stating that the way the topic is being discussed it will be reported we don't have a doctor; when in fact Dr. Kidder pulls some shifts and supervises the mid-levels. He does a great job and everyone is satisfied.

Tony then clarified with the board, in the newspaper there was a report on a law suit on the hospital in Florida. The newspaper didn't bother to call him. He informed the board if anyone wants to read the claim they can. His name was mentioned as an officer

of the corporation. He is confused as to why “MMC is facing a challenge”. MMC is not involved. It also infers that employees are doing something wrong. That is not the case; nothing is going on in this facility that is inferred in this article. This suit is based on what a CEO at the hospital said. Tony stated he was one of the owners but was not there or managing it. This was from 3 years ago. He will defend it although he doesn't have to. Cypress Health Systems doesn't exist. Jason spent good time trying to destroy his name. There is no validity to this; it is not a big deal. Maybe he will have the decency to report that this time. Tony does request that they have a quick session as to how to proceed with this.

Aaron added that the coders at MMC are certified. Between them and the providers they determine what gets billed out. There is no way he would ever ask them to change a code. You can change a bill, not a code. Linda Bears runs the department and she will explain this to anyone interested. Everything is the same now as it was before Cypress. Tony stated this is why they hired John Beyn to come in and make sure they are doing everything right. He didn't find anything; except some prices being too low.

Tony again stated there is no validity to this claim. The last one the newspaper wrote about was dismissed, and he is suing for attorneys fees. He will do the same with this.

Marcy (public) inquired if the board would take Tony up on his offer to read the suit. Bill responded they have already looked into it. Anyone can file a law suit; it doesn't mean it's valid. Tony stated another inaccuracy from the report was he was served on the 21st; it was actually on November 15th.

Bill stated that the board would be going into a brief executive session to discuss litigation.

The next scheduled meeting is the Wednesday (22nd) before Christmas which is on Friday at 7 p.m.

The meeting will be reopened after the executive session to close the meeting.

The meeting reconvened at 1:06 p.m. Lisa made the motion to adjourn, Chris seconded. Meeting adjourned.