

**Mountainview Medical Center
Board of Directors Meeting
February 23, 2011**

Present: Bill Galt – Chair, Bill Schendel, Woodie Jarvis, Lisa Gilbertson, Chris Schlepp, Rick Seidleitz, Otto Ohlson, Shane Sereday, Chad Evans, Aaron Rogers – CEO, Tony Pfaff – Cypress Healthcare.

1. Call to Order

Bill called the meeting to order at 7 p.m.

2. Minutes

Bill asked if there were any correction or additions to last month's minutes. Hearing none he asked for a motion; Rick moved and Lisa seconded. **Motion Passed.**

3. CEO report

CT room construction: Aaron reported they have begun looking into what it would cost to get the CT room up and going. There is money that is earmarked from the Bair Family Trust in the bank for this purpose. They will be entertaining bids and see what can be done from there. He will report back when he has more information for a decision.

4. Financials

Christina gave the overview of the financials for January:

- Checking balance as of 1/31/2011: \$498,345
- Net patient revenue was \$344,228
- Net profit for January was \$1,262
- Cash collected was \$308,451
- Days in AR were 57
- Current cash today is \$599,924

Aaron added that utilization has improved; it is that time of the year when we see numbers go up. It is as good as it has been in two years. It is very encouraging and positive.

Marcy (public) interjected a question of how many clinic patients we have now compared to last year. Aaron responded that he doesn't have that number in front of him.

U.S. Bank: Aaron reported that the finance committee met with representatives from US Bank: Rob Thornburg and Penny Doak. Otto stated that Rob is new to US Bank. They brought reports and reviewed MMC's investments. They are going to make recommendations for more aggressive investments, more in tune to when we were making money. The finance committee will review the

recommendations and then bring it to the full board. Long term most of the investments have paid off. Aaron also wanted to mention that Penny informed the committee that when the option to refinance came up there would also have been a 1-2% letter of credit fee from US Bank on top of the MFFA loan percentage. Therefore, the 5.75% would have been at least 6.75- 7.75%.

Dutton State Bank CD: A question was raised regarding the CD at Dutton State Bank. This CD was opened with funds from Ranchers to Rescue and Meagher County Community Foundation. The money hasn't been used. It is building at the current percentage rate of around 2-3%. The current amount of the CD is \$69,399.19

Long-term care room rates: Aaron reported that we have received our letter from Medicaid increasing reimbursement rates above our current rate. The ramifications if we don't increase our rates above this is that Medicaid will pay us the lesser of the two. This was discussed at the finance committee meeting. Recommendation is that the rates be increased to \$175 per day. Otto stated that the committee looked at comparable rates at other facilities. They are all in the ball park or higher. Otto made the motion to raise the long-term care rates to \$175, seconded by Woodie. Question was asked if the comparable rates were before or after they made their raises; it was before. \$220 was the highest rate in the comparisons. **Motion Passed.**

Marcy (public) interjected with comments again during the discussion. Bill instructed her that she could speak in public comment.

Aaron added that MMC has not received the mill levy funds. The funds are typically received in December and June. Aaron wanted to make sure that the board was aware that the balance in bank doesn't include those funds. Taxes have been collected but have not been distributed.

5. DON Report

January:

38 ER visits

14 Acute days

72 Skilled days

466 Intermediate days

15 Census

Pearl stated that she has hired one new RN and a CNA. There were no shifts covered by travelers. She distributed a survey and letter. A quality meeting was held today. They are continuing with existing projects and have a couple of new ER projects starting. She held a nursing in-service today on patient satisfaction.

Chad asked about the difference in skilled swing days this January compared to last January. It depends on patients and surgeries. Comments were then made

that patients have to fight to come back to WSS. Lisa had had recent dealings with this. Aaron then stated that he has proposed to the North Central Montana Healthcare Alliance - 15 hospitals - to try and get something together and have a case manager located at Benefis. Each facility would pay a little to have them there and their sole job is to see that transfers in get back to the facilities they came from. Billings has a similar model.

Information Items - none

Public Comment

Marcy asked what date finance meeting was and how much money was in the Bair Trust. Aaron responded that John has that information/report – it is approximately \$600,000 and the meeting was last Tuesday.

She then requested the report from the other hospitals on long-term care rates. Aaron will not release that she can feel free to call around.

Marcy then asked how many nurses we had on staff. Pearl responded we are fully staffed; she didn't have exact numbers off the top of her head. Aaron stated Marcy could request that in writing. Pearl added she has 2 on each shift – which is consistent with other facilities. Marcy commented that wasn't her question.

Marcy then addressed Lisa asking what her relationship was with the patient she referred to earlier. Lisa responded that it was personal.

Ron Burns then requested to speak to the board and public. He relayed a recent phone call from Mr. Dracon that was followed up with a letter of apology. Ron stated it was degrading to him, his friends and Board. The purpose of the call was to see what dirt he could provide about the board. He then told John that the loan payoff and percentage was discussed twice prior to the vote – 2 years ago. He then relayed his dealings with Aaron - very caring, the hospital is his life, striving very hard to make it work – compared to Johns – had an interview for a school shop teaching position and he never showed up for the interview even when it was rescheduled. Various comments were then exchanged between the two.

John Dracon then stated he would be happy to convey to the Commissioners that we are requesting our money. It was clarified that is not was Aaron was saying. They will give it when they are good and ready. The money has already been collected.

John then recounted events in January having to do with a letter written from Otto. He insisted on not receiving it. Otto stated that John's job was with the County, he (Otto) is a County employee and has to get his mail from the County at the Court House. It is not our fault, as it was delivered to the court house where all employees get their mail. John

requested the board remove the letter from the website; claiming it has defamatory and false statements.

He then gave Bill the minutes from the Commissioner meeting on January 4 encouraging them to read them. John stated he never made any statement saying the board was trying to hide something. This was simply editorializing by the editor (of the paper).

John then moved on to the board meeting on the 19th of January, stating he assumed it was at the regular time – as the district board was on the agenda. He questioned how the date and time was changed. His understanding of the bylaws was there are only regular and special meetings. Response was made that the meeting was changed, bylaws were followed. It was posted and placed on the website.

Bill then moved the meeting forward, requesting final comments.

Marcy stated she was curious what meeting was held by the board that they decided to publish the letter in the paper. Bill responded there was not board action.

Marcy asked if she understood correctly that there is an appointed liaison committee to work with the district board and why they were not present at meetings. Response made they were not invited. No one has let them know when and where. Chad asked how many times they have been invited - one time – they were present at that meeting. They haven't asked any more than that – No.

John Potter then commented he had information regarding financing and a complaint against Cypress. He wanted the Directors to be fully informed. He commented that from an attorney's stand point the complaint was interesting.

Marcy then asked when the next finance meeting is. Aaron stated it was on a Tuesday, usually the third, but it is not an open meeting.

John Dracon stated the District Board did receive answers to their questions. He was confused on the 990 and the years it covered. He clarified that Aarons compensation of \$90,000 does not include the 28% included in the Cypress contract to cover payroll taxes. Aaron stated again that the lump sum amount is in the audit. Various comments ensued.

Request was made for a motion to adjourn. Woodie moved, seconded by Lisa. Meeting adjourned at 7:40 p.m.