

**MORROW COUNTY HOSPITAL  
BOARD OF TRUSTEES  
REGULAR MEETING  
January 27, 2015**

<b>Members Present:</b> Patrick Drouhard, Chair Joyce Ray, Vice Chair Dennis Leader, Secretary Carolyn Beal Paul Hinkle Brent Winand Brad Wood	<b>Absent:</b> Patricia Anthony	<b>Others Present:</b> Christopher Truax, President & CEO Jonathan Kelly, VP Finance CJ Miller, VP Operations Lorelei Heineman, VP Patient Care Services D. Vincent Trago, Medical Staff President Cheryl Herbert, Senior Vice President, Regional Operations Mark Brazitis, System VP Northern Region Sandie Fisher, Executive Secretary Barry Myers, Director Physician Practices
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AGENDA ITEM	DISCUSSION / CONCLUSION	RECOMMENDATION / ACTION	OUTCOME	RESPONSIBLE PARTY
<b>Call to Order:</b>	Mr. Drouhard called the meeting to order at 6:00 p.m. in Assembly Room C in the lower level of the hospital.			
<b>Approval of Minutes:</b>	The minutes of the regular December 9 meeting were reviewed.	A motion was made by Mr. Hinkle and seconded by Ms. Beal to approve the minutes as written.	The motion was approved unanimously.	
<b>Hospital Reports:</b>	<b>Medical Staff Report</b> As there was no meeting in January, Dr. Trago did not have a report.  <b>Administrative Report</b> Mr. Truax reviewed the Administrative Council Report and highlighted several things: <ul style="list-style-type: none"> <li>• With the addition of Sandy Kovacs, CNP, we</li> </ul>			

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	<p>now have three (3) providers for Urgent Care. Plans are being made to extend that department's service to one (1) weekend day.</p> <ul style="list-style-type: none"> <li>• Dr. Vasantha Kumar, a pain management physician from MedCentral in the Medical Specialty Center twice monthly. He is expected to start seeing patients in March.</li> <li>• MCH is working with Dr. Ken Lee and the Marion Heart program to begin a device clinic in the MCH Heart and Vascular Services area.</li> <li>• MCH Rehabilitation Departments, Lisa Fuller recently attended OhioHealth's Delay the Disease exercise program in December. This new program is to address the local neurology needs for potential Parkinson's patients.</li> </ul> <p><b>December Financial Performance Report</b>  Mr. Kelly reported for the months of November, December and 2014 year-end:</p> <ul style="list-style-type: none"> <li>• The month ended with a gain of \$1,398,254 and an operating margin of 34.9% due to the reimbursement of \$1,029,492 for the 2013 reimbursement of Medicare meaningful use and the recognition of the 2014 Medicare meaningful use of \$402,948.</li> <li>• The year-end loss stands at (\$317,098) and the operating margin is (-1.1%) year-end.</li> <li>• Gross patient revenue was \$148,000 over budget with inpatient days 31% under budget and swing bed days 74% over budget.</li> <li>• Outpatient revenue was over budget by</li> </ul>	<p>A motion was made by Ms. Ray and seconded by Mr. Wood to approve the Financial Report as presented.</p>	<p>The motion was approved unanimously.</p>	

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	<p>\$299,000 or 6% and ED visits were 2% over budget.</p> <ul style="list-style-type: none"> <li>• Strong volumes were seen by Physician Practice visits which were \$672,373 for the month and \$673,066 for the year-end.</li> <li>• Hospital accounts receivable collections were \$2,541,763 for the month and net days in A/R decreased from 60.5 to 48.1.</li> <li>• Days in accounts payable increased from 62 to 60.</li> <li>• Days cash on hand increased from 39.4 to 47.4.</li> <li>• No funds were transferred to funded depreciation.</li> </ul> <p>Mr. Kelly also included two net operating income waterfall graphs to thee financials. One reflects December and the other 2014 totals.</p> <p><b>Finance Committee – January 21, 2015</b>  Kelly reviewed the Finance Committee minutes of January 21, 2015</p> <p><b>2014 Balanced Scorecard</b>  Mr. Miller presented the final 2014 Balanced Scorecard and the proposed 2015 Scorecard.</p> <p>Based on a four (4) point system, the quadrants scores for the year are:</p> <ul style="list-style-type: none"> <li>• Financial Performance – 2.5</li> <li>• Service Excellence – 2.6</li> </ul>	<p>A motion was made by Mr. Winand and seconded by Mr. Leader to approve the Finance Committee minutes as presented.</p>	<p>The motion was approved unanimously.</p>	

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	<ul style="list-style-type: none"> <li>• Quality of Care – 4</li> <li>• Culture - 3</li> </ul> <p>The year-end scoring for each quadrant is as follows:</p> <p>Financial Performance: 2.5  Service Excellence – 2.6  Quality of Care: 4.0  Quality of Worklife 3.0</p> <p>The total score for 2014 is 3.0.</p> <p>The proposed 2015 Scorecard reflects some changes in criteria in the Financial and Quality of Care quadrants</p> <p><b>Key Projects for 2014/ 2015</b>  Ms. Heineman noted there were 30 targets on the 2014 Key Projects list and 22 were accomplished.</p> <p>The 2015 Projects List has 31 projects which link to the Strategic Plan. Each project includes the accountable executive, key management personnel and the lead physician (if needed) for each project.</p> <p>Mr. Truax indicated the progress is monitored quarterly and discussed with the key management personal at their quarterly meetings with Admin Council.</p>			

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	The Board will be updated on the projects as the year goes on.			
<b>Other Business:</b>	<p><b>RHC Accreditation Update</b>  Mr. Myers reported the Primary Care offices are very strong and growing. He also indicated the application has been submitted to CMS to obtain RHC status for the MCH Primary Care – Baker Street. In the second quarter it is expected AAAASF will survey the premises and give their report to CMS.</p> <p>He noted RHC status is awarded by location.</p> <p><b>MCH Primary Care Consolidation</b>  Mr. Myers reviewed a presentation on the MCH Primary Care Consolidation Project. This was presented to the Finance Committee on January 21.</p> <p>The project will consolidate the Baker Street and Neal Avenue offices into one location in Dr. Sweeney’s Meadow Drive Medical Building. This consolidated will be more cost effective and will have a better marketing presence at that location.</p> <p>Maryhaven will lease the current Primary Care space in the Neal Avenue building producing revenue from that facility once the Meadow Drive building is ready.</p> <p>The Sweeney family will redevelop the Meadow Drive building in design partnership with MCH at</p>	A motion was made by Ms. Ray and seconded by Mr. Leader to approve the consolidation of the Baker Street and Neal Avenue Primary Care office into 900 Meadow Drive.	The motion was approved unanimously.	

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	<p>their expense.</p> <p>Once the Meadow Drive facility is completed the current Primary Care – Baker Street offices will move to the renovated building. Heartbeat will then assume the lease on Dr. Hintz’s building.</p> <p>So that Heartbeat could vacate Meadow Drive, MCH is leasing the north end of the Neal Avenue building to them until the Baker Street building is vacated.</p> <p>Once the Meadow Drive building is opened (third quarter 2015) a new application will be made to obtain RHC status for that address.</p> <p><b>Generator Project Update</b>  Mr. Miller indicated the USDA Loan that was approved and guaranteed by the Consolidated Board has been withdrawn.</p> <p>The Joint Commission will survey MCH this fall/winter. There are two issues that need to be corrected before they come. The transfer switch that was installed several months ago is backed up to two (2) more transfer switches and some panels need moved to the Life Safety Critical Care panel.</p> <p>The cost is \$95,000 and will come off the \$1.2 million for the entire project. Mr. Miller indicated this will come to the Board in February for approval.</p>			

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	<p><b>Preparing for the Levy</b>  Mr. Truax reminded everyone the Levy will be on the ballot in November. This agenda item will be a standing agenda item until then. May 1 will be the deadline to form the committee that Ms. Beal will chair. Please be thinking about community members to recruit to sit on this committee. Please give the names to either Chris or Carolyn.</p> <p>Foundation Philanthropy Brochure  Mr. Truax distributed a draft Philanthropy brochure for the Morrow County Hospital Foundation. Once the details are finalized, the brochure will go public.</p> <p><b>2014 ED Transfer Summary Report</b>  Ms. Heineman presented the summary of all transfers from the MCH Emergency Department for 2014.</p> <p>Contract renegotiations have begun with the Premier hospitalist group. A concentrated effort must be made to keep all appropriate patients local.</p> <p>Certain pieces of equipment need replaced and Ms. Herbert indicated MCH should decide what the top two (2) or three (3) items are then she can see if OhioHealth might have replacements for us.</p> <p><b>OhioHealth</b>  Ms. Herbert, Senior VP, Regional Operations gave her background which included being President &amp;</p>			

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	<p>CEO at Morrow County Hospital for three (3) years. She left MCH to become the President of Dublin Methodist Hospital where she led the planning and construction the facility.</p> <p>Ms. Herbert also indicated:</p> <ul style="list-style-type: none"> <li>• Riverside's Neuro Tower is on track for a July opening.</li> <li>• Riverside's lobby just completed a renovation.</li> <li>• Grant Medical Center is the first system hospital to switch to Epic, an electronic medical record system. In the next 10 months, the other hospitals in central Ohio will go live with Epic as well.</li> <li>• Grady Memorial will be leasing space in the new Childerns facility that is being built.</li> <li>• Bruce Hagen was named President of Marion General Hospital.</li> <li>• OhioHealth responded to Samaritan Regional RFP as did other systems and the decision has not yet been made. This affiliation would be very different from all other OhioHealth affiliations in that there would be no management provided only clinical assistance.</li> </ul> <p><b>Leadership Changes</b>  Ms. Herbert reported the following:</p> <ul style="list-style-type: none"> <li>• Mr. Truax has been appointed as the Chief Operating Officer for Marion General</li> </ul>			



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	<p>Hospital.</p> <ul style="list-style-type: none"> <li>• Mr. Miller has been appointed the president &amp; CEO of Morrow County Hospital.</li> <li>• Mr. Mark Brazitis will be retiring April 17.</li> <li>• In her new position, Ms. Herbert will be responsible for the oversight of MCH by OhioHealth.</li> </ul> <p>A brief discussion ensued and Mr. Truax and Mr. Miller were congratulated on their new positions.</p>			
Adjournment:		Being no further business, the meeting was adjourned at 7:31 p.m.		
Minutes submitted by:		Minutes approved by:		
Dennis Leader <del>Acting</del> Secretary		Patrick Drouhard Chair		

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