

MEETING: **Board of Trustees**

DATE: **March 28, 2017**

TIME: **6:00 pm**

LOCATION: **Room # A**

Board Members:

- Patrick Drouhard, Chair
- Brent Winand, V. Chair
- Carolyn Beal, Secretary
- Brenda Harden
- Paul Hinkle
- Olen Jackson
- D. Vincent Trago, MD
- Brad Wood

Other Attendees

- CJ Miller, President & CEO
- Jonathan Kelly, VP Finance
- Lorelei Heineman, VP Patient Care Services
- Thomas Freundlich, MD, Medical Staff President
- Cheryl Herbert, Sr. VP Regional Operations, OhioHealth
- Sandie Fisher, Executive Secretary

TIME	TOPIC	LEADER	DISCUSSION / RECOMMENDATIONS	FOLLOW-UP
6:00	<i>Call to Order</i>	Mr. Drouhard	Mr. Drouhard called the meeting to order at 6:00 p.m. New Trustee, Mr. Olen Jackson, former teacher, coach, EMS and county commissioner, was welcomed to the meeting.	
	<i>Approval of Minutes</i>	Mr. Winand	A motion was made by Mr. Hinkle and seconded by Ms. Beal to approve the minutes of the previous meeting as written. The motion was approved unanimously.	
	<i>Consent Agenda</i>	Mr. Winand	A motion was made by Mr. Wood and seconded by Dr. Trago to approve the Consent Agenda as presented. The motion was approved unanimously.	

TIME	TOPIC	LEADER	DISCUSSION / RECOMMENDATIONS	FOLLOW-UP
		Ms. McChesney	<p><u>Financial Reports</u> Mr. Kelly presented the combined financial results for February.</p> <p>Net operating income of (\$175,000) was unfavorable to the budget of (\$59,000) for the month. Gross patient revenue was unfavorable to budget by \$86,000. Expenses were unfavorable to budget by \$4,000. Inpatient volumes were favorable to budget by 36.5%. Acute Care days were favorable to budget by 50%. Emergency Department visits were favorable to budget by 4%. Emergency Department transfer ratio was favorable at 0.68:1.0. Outpatient observation OBS discharge percentage was favorable to budget by 60%.</p> <p>Hospital days in A/R decreased from 51.8 to 50.6. Days cash on hand increased from 39.8 to 55.4 days without the recent donation to the Morrow County Hospital Foundation by OhioHealth and 70.8 days with the Foundation cash.</p> <p>Overall, total income improved over prior year by \$198,000.</p> <p><u>Finance Committee</u> The minutes of the March 22 meeting were reviewed.</p>	
		Dr. Freundlich	As there was no Medical Staff meeting in March, Dr. Freundlich did not have a report.	
	Administrative Council Report	Ms. Heineman	The Administrative Council Report was reviewed. Dr. Mark Seher is returning to Morrow County Hospital and is the full-time replacement for Dr. Nduaguba.	
	Other Business Nutrition Services Discussion	Mr. Miller / Mr. Kelly	As discussed in previous meetings, providing outside catered meals is non-reportable on our CMS cost report and is costing the hospital \$330,000 of income per year on our settlement. There are three main contracts; Area Agency on Aging for Senior on Center Meals, Galion YMCA daycare at Whetstone and the Head Start Program. This only affects approximately 130 people that receive	

TIME	TOPIC	LEADER	DISCUSSION / RECOMMENDATIONS	FOLLOW-UP
			<p>these meals.</p> <p>Mr. Miller asked the Board for a decision on the matter. This issue has been discussed with the three entities involved. The Area Agency contract ends December 31, 2017, Head Start and the Day Care end September 30, 2017.</p> <p>Nutrition Services Manager has reached out to other sources that may be able to provide meals - The Tomorrow Center School Nutrition Services for two schools as they follow all the guidelines for school meals. Marion General Hospital will submit a bid to the Area Agency to supply the meals to Seniors on Center. Note - Marion General is not a Critical Access Hospital, therefore, does have the cost report impact.</p> <p>Administration's recommendation is to not renew the contracts. In addition, prices will be raised in the cafeteria for the general public. Employee prices will not change.</p> <p>After discussion, Mr. Winand made a motion, seconded by Dr. Trago to accept the recommendation of Administration.</p> <p>The motion was approved unanimously.</p>	
	<p><i>Nominating Committee Report / Elections of Officers</i></p>	<p>Mr. Drouhard</p>	<p>In February, Mr. Winand appointed a nomination committee for a slate of officers to be presented at this meeting. The committee consisted of: Mr. Drouhard, Mr. Hinkle and Ms. Harden.</p> <p>Mr. Drouhard presented the report of the committee: Mr. Drouhard - Chair Mr. Winand - Vice Chair Ms. Harden - Secretary All three accepted the nomination.</p> <p>Mr. Drouhard asked for additional nominations from the floor and none were made.</p> <p>Mr. Winand made a motion seconded by Mr. Wood to elect Ms. Harden for</p>	

TIME	TOPIC	LEADER	DISCUSSION / RECOMMENDATIONS	FOLLOW-UP
			<p>secretary. The motion was approved unanimously.</p> <p>Mr. Wood made a motion seconded by Dr. Trago to elect Mr. Winand for Vice Chair. The motion was approved unanimously.</p> <p>Ms. Harden made a motion seconded by Mr. Hinkle to elect Mr. Drouhard for Chair. The motion was approved unanimously.</p>	
	<i>OhioHealth Report</i>	Ms. Herbert	OhioHealth is busy developing a three year financial plan and budget that must be completed June 30. The projections are lower than the previous year due to the uncertain nature of healthcare at this time.	
	<i>Amendment to the OhioHealth Management Contract</i>	Ms. Herbert	<p>In doing another review of the management contract signed in January, Ms. Herbert discovered some language that was not intended to be in the contract.</p> <p>Therefore a resolution was submitted for approval, that the parties of the Agreement have agreed to modify certain payment terms contained in sections 5(d) and 5(e) of the Agreement;</p> <p>Resolved, that the attached Amendment to the Hospital Management Agreement be and is hereby approved, and that the Chair of the Board be authorized and directed to execute such document on behalf of the Board. The resolution was approved unanimously.</p>	
	<i>County Commissioners</i>	Mr. Drouhard	<p>Mr. Drouhard in an effort to keep all the Trustees of the Board aware of some activities of the County Commissioners and the Board. He reported on a meeting held on March 15. The three county commissioners were present along with Mr. Drouhard, Mr. Wood, Dr. Trago, Mr. Miller and Ms. Herbert.</p> <p>The Commissioners have requested financial information on the Nutrition Services and Rehab Departments and the employed physician salaries. The department's financial information was supplied along with the Board approved physician compensation structure policy. Actual salaries were not supplied.</p> <p>The Commissioners also made statements they are \$500,000 short on their</p>	

TIME	TOPIC	LEADER	DISCUSSION / RECOMMENDATIONS	FOLLOW-UP
			<p>budget already this year and have several priorities such as \$800,000 for the Sheriff's department infrastructure that need addressed and they feel the hospital levy funds could be better used in those areas.</p> <p>Since that meeting, the County Prosecutor, on behalf of the Commissioners, has made a formal open records request for very detailed operating information, personal salaries of Mr. Miller, Mr. Kelly, and all of the physicians employed by Morrow County Hospital Health Services. As the Commissioners have involved legal representation with the Prosecutor, OhioHealth's legal representatives and the Board's attorney, Jon Christensen will review the request and advise on our response.</p> <p>It was noted the requests for information were made directly to Mr. Miller and Mr. Kelly, not to the Board of Trustees or OhioHealth. Mr. Miller and Mr. Kelly are employed by OhioHealth but serve at the pleasure of the Board of Trustees.</p>	
7:31 p.m.			Being no further business, the meeting was adjourned.	

Minutes submitted by:



Carolyn Beal, Secretary

Approved by:

Patrick Drouhard, Chair



