

MEETING: **Board of Trustees**

DATE: **May 22, 2018**

TIME: **6:00pm**

LOCATION: **Room # A**

Board Members:

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

Other Attendees

- CJ Miller, President & CEO
- Jessica Boston, VP Finance
- Le-Ann Harris, VP Patient Care Services
- Thomas Freundlich, MD, Medical Staff President
- Cheryl Herbert, Sr. VP Regional Operations, OhioHealth
- Angela Keenan, Executive Assistant
- Dr. Grant Galbraith, Guest
- Jon Christensen- Attorney, Guest
- Scott Mason – ECG Consulting, Guest
- Aaron Newman – ECG Consulting, Guest
- Hector Torres – ECG Consulting, Via Teleconference
- Greg Gibbs – Arnette Carbis Toothman – Guest
- Andy Ware – Community Member - Guest

TIME	TOPIC	LEADER	DISCUSSION / RECOMMENDATIONS	FOLLOW-UP
6:00pm	Call to Order	Mr. Drouhard	Mr. Drouhard called the meeting to order at 6:00 p.m.	

TIME	TOPIC	LEADER	DISCUSSION / RECOMMENDATIONS	FOLLOW-UP
	<i>Approval of Minutes</i>	Mr. Drouhard	<p>A motion was made by Mr. Jackson and seconded by Mr. Winand to approve the minutes of the previous meeting on April 24.</p> <p>The motion was approved unanimously.</p>	
	<i>2017 Audit Report</i>	Greg Gibbs	<p>Greg Gibbs of Arnette Carbis Toothman, reported an audit overview to the Board of Trustees including the following:</p> <ul style="list-style-type: none"> • Required Communication – Arnette Carbis Toothman follow all auditing standards imposed by the Federal Government. • Items that impacted financial statements: Pension liability (GASB 68) and 2nd HCAP payment from the state and donation to the foundation. • No significant or unusual transactions identified. • In conclusion, no Reportable Conditions in Internal Control and no Compliance Findings. • Arnett Carbis and Toothman issued a clean audit opinion. 	
	<i>Consent Agenda</i>	Mr. Drouhard	<p>A motion was made by Mr. Wood and seconded by Ms. Beal to approve the Consent Agenda as presented.</p> <p>The motion was approved unanimously.</p>	
		Mr. Miller	<p>Financial Reports Mr. Miller reviewed Finance results for April 2018.</p> <ul style="list-style-type: none"> • Net Operating Loss was \$309k on a budgeted loss of \$241k. • Driving factors for this month's results are as follows: <ul style="list-style-type: none"> ○ Recorded a Medicare cost Report gain of \$147k; offset by 2018 Cost Report settlement model adjustment loss of \$172k. ○ Accrued a consulting expense of \$30k: YTD \$125k. ○ Bad debt expense was 5.1% of gross patient revenue on a budget of 3.3%. ○ GASB 68 OPERS pension expense adjustment was recorded in the amount of \$180k: YTD - \$689k. • Gross Patient Revenue was \$141k favorable to budget. 	

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			<ul style="list-style-type: none"> Expenses were favorable \$45k. Salaries and benefits expense was favorable \$47k due to overtime/ schedule adjustments. Hospital Net Days in A/R decreased from 47.2 to 46.06. Days Cash on Hand decreased from 71.4 to 66.4 without MCH Foundation and decreased to 82.9 from 88.0 with Foundation cash. 	
	Administrative Council	Ms. Harris	Ms. Harris reviewed the Administrative Report.	
	OhioHealth Report	Ms. Herbert	Ms. Herbert announced that due diligence with Berger Health System is going well. OhioHealth is scheduled to open a 26 bed facility in Grove City, Ohio this fall. OhioHealth Capital Management has approved the investment of 46M into the Marion location. OhioHealth will be reaching the end of their fiscal year in June. An intense focus on cost control will be for the 2019 budget.	
		Mr. Andy Ware	Mr. Ware presented and read a letter addressed to CJ Miller and the Board of Trustees of Morrow County Hospital. The letter was recognized and accepted by the Chair.	
			<p>Mr. Jackson made a motion and Mr. Wood seconded to adopt the following Resolution:</p> <p>RESOLVED, that a patient matter brought to the Board of Trustees attention is hereby directed to be submitted to the standard review channels.</p> <p>The resolution was approved unanimously.</p>	
6:57 p.m.	Executive Session – Trade Secrets As defined by Ohio Revised Code Section 121.22(G)(7)	Mr. Drouhard	<p>A motion was made by Mr. Jackson and seconded by Mr. Wood to recess for the stated reason and go into Executive Session.</p> <p>The motion was unanimously approved by roll call vote. Ms. Beal was not present.</p>	

TIME	TOPIC	LEADER	DISCUSSION / RECOMMENDATIONS	FOLLOW-UP
8:34 p.m.	<i>Returned to Regular Session</i>	Mr. Drouhard	A motion was made by Mr. Wood and seconded by Ms. Beal to return to Regular Session.	
	<i>Discussion of Executive Session</i>	Mr. Drouhard	No discussion was held	
8:34 p.m.		Mr. Drouhard	Being no further business, the meeting was adjourned.	

Minutes submitted by:

Approved by:

Brenda Harden, Secretary



Patrick Drouhard, Chair