

MINUTES

Meeting	Board of Trustees
Date	October 24, 2023
Time	6:30 pm
Location	Conference Room A

Board Members:

- ☒ Richard Benson
- ☒ Ron Ragor, Vice Chair
- ☒ Brenda Harden, Secretary
- ☒ Joe Dreyer, Chair
- ☒ Earl Desmond
- ☒ Carolyn Beal
- ☒ Jennifer Williams (teams)
- ☒ Lois Stauffer

Other Attendees:

- ☒ Jon Christensen, Attorney
- ☒ Jason Gates, Controller
- ☒ Eddie Lou Meimer, Parliamentarian
- ☒ Jessica Schwartz, Director & CNO
- ☒ Kirsten Osborn, Executive Assistant
- ☒ Vincent Trago, Physician Healthcare Advisor
- ☒ Mike Hyek, President & CEO
- ☒ Matthew Hintz, Medical Staff
- ☒ Joseph Lyren, VP Finance, OhioHealth
- ☒ Kelly Grube, Finance Manager

	TOPIC	LEADER	DISCUSSION / RECOMMENDATIONS	FOLLOW-UP
6:30 p.m.	Call to Order	Mr. Dreyer	Mr. Dreyer called the meeting to order at 6:35 p.m.	
	Roll Call	Ms. Osborn	Ms. Beal- Present Mr. Benson- Present Mr. Desmond- Present Mr. Dreyer- Present Ms. Harden- Present Mr. Ragor- Present Ms. Stauffer- Present Ms. Williams- Present (teams)	
	Approval of Board of Trustees Minutes, August 29, 2023	Mr. Dreyer	Members of the Board of Trustees approved the minutes of the regular Board of Trustees meeting August 29, 2023 as presented. Ms. Harden made a motion to approve the minutes of the August 29, 2023 Board of Trustees meeting which was seconded by Ms. Ragor. The motion passed by a unanimous vote.	
	August & September 2023 Financial Results September 20, 2023 & October 17, 2023 Finance & Audit Committee Minutes	Mr. Dreyer	Mr. Gates presented the August 2023 financial report. He highlighted the following: <ul style="list-style-type: none"> • Net Operating income of \$297k on a budgeted Net Operating Income of \$110k • Net Income with levy was \$487k on a budget Net Income of \$231k Driving Factors <ul style="list-style-type: none"> • Strong volume month when compared to budget. • Favorable to Budgeted Gross & Net Patient Revenue. • Favorable to Budgeted Total Operating Expenses. • Commercial continues to be unfavorable to budget, with a majority of the shift going to Governmental Payors. Volumes <ul style="list-style-type: none"> • Admissions had a positive variance of 5, or 23.4% • Patient days had a positive variance of 19, or 27.2% • Urgent Care had a negative variance of -30, or -11.5% • Surgeries had a negative variance of -5, or -16.7% • Rehab had a negative variance of -15, or -0.5% • Radiology had a positive variance of 215, or 16.4% • Laboratory had a positive variance of 405, or 4.8% Revenue <ul style="list-style-type: none"> • Gross Patient Revenue was \$539k favorable to budget • Radiology was \$253k or 22% favorable to budget • Surgery was \$80k or 13% unfavorable to budget 	

			<ul style="list-style-type: none"> • Lab was \$47k or 6% favorable to budget <p><u>Payor Mix</u></p> <ul style="list-style-type: none"> • Medicare was 20.42% on a budget of 21.93% • Medicaid was 0.99% on a budget of 1.72% • Commercial was 30.27% on a budget 31.66% • Self-Pay was 2.43% on a budget of 3.12% <p><u>Expenses</u></p> <ul style="list-style-type: none"> • Expenses were \$49k or 2% favorable to budget • Purchased services were \$17k or 4% unfavorable to budget. <p><u>Key Performance Indicators</u></p> <ul style="list-style-type: none"> • Hospital Net Days in A/R increased from 38.84 to 49.96 • Days Cash on Hand increased from 287 to 301 without MCH Foundation.(12-month average is 289) • ED transfers were 6% on a budget of 8%. <p>Mr. Gates presented the September 2023 financial report. He highlighted the following:</p> <ul style="list-style-type: none"> • Net Operating income of (\$124k) on a budgeted Net Operating Income of \$53k • Net Income with levy was \$79k on a budget Net Income of \$170k <p><u>Driving Factors</u></p> <ul style="list-style-type: none"> • Favorable to Budgeted Gross Revenue • Unfavorable Net Patient Revenue • Unfavorable to Budgeted Total Operating Expenses • Commercial continues to be unfavorable to budget, with a majority of the shift going to Governmental Payors. <p><u>Volumes</u></p> <ul style="list-style-type: none"> • Admissions had a negative variance of -5, or -25.6% • Patient days had a positive variance of 1, or 1.3% • Urgent Care had a positive variance of 19, or 7.5% • Surgeries had a negative variance of -13, or -52.4% • Rehab had a positive variance of 60, or 2.3% • Radiology had a positive variance of 232, or 18.4% • Laboratory had a positive variance of 216, or 2.7% <p><u>Revenue</u></p> <ul style="list-style-type: none"> • Gross Patient Revenue was \$408k favorable to budget • Radiology was \$203k or 18% favorable to budget • Pharmacy was \$159k or 21% favorable to budget • Surgery was \$65k or 12% unfavorable to budget • Lab was \$37k or 5% favorable to budget <p><u>Payor Mix</u></p> <ul style="list-style-type: none"> • Medicare was 22.43% on a budget of 21.93% 	
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	FY24 Budget Discussion and Approval	Mr. Gates	<p>Mr. Gates presented the FY24 Budget. He highlighted the following:</p> <p><i>*Annualized Run Rate= January-June 30, 2023 results extrapolated over 12 months</i></p> <p><u>Volumes</u></p> <ul style="list-style-type: none"> • Surgeries- Increased 2024 budget by 3% of 2023 Annualized Run Rate • ED Visits- The budget is consistent with 2023 Annualized Run Rate • Urgent Care Visits- The budget is consistent with 2023 Annualized Run Rate • Radiology- Increased 2024 budget by 1% of 2023 Annualized Run Rate • Lab- The budget is consistent with 2023 Annualized Run Rate • PT- Increased 2024 budget by 2% of 2023 Annualized Run Rate <p><u>Gross and Net Revenue</u></p> <ul style="list-style-type: none"> • <u>Price increase</u>-A 3% price increase will include all charge codes with the exception of Lab and Pharmacy. • <u>Swing bed price increase</u>- Additional update to 2024 Budget due to mid-year price increase not in the Annualized Run Rate. • <u>Payor mix</u>-The 2024 Budget is consistent with 2023 Annualized Run Rate • <u>Reimbursement Rate</u>- A 3% rate increase for Commercial and Medicare, 0% rate increase for all other Payors. 	

			<p><u>Expense Inflation</u></p> <ul style="list-style-type: none"> • <u>Salaries & Wages</u>- 3.0% Merit increase, discretionary market increases and annual bonus • <u>Employee Benefits</u>- Medical insurance premiums increased by 9.5%; 0% passed on to Associates • <u>Utilities</u>- Increased expense by 3% • <u>Purchased Services/ Prof Fees</u>- Increased expense by 2% • <u>Supplies</u>- Increased expense by 4.5% • <u>Other Expense</u>- Increased expense by 2% <p><u>Other Expense Growth</u></p> <ul style="list-style-type: none"> • <u>Emergency Department</u>- \$302,000 increase over Annualized Run Rate for TeamHealth contract • <u>Athletic Training</u>- \$168,000 increased over Annualized Run Rate <p><u>Other</u></p> <ul style="list-style-type: none"> • <u>Levy Income</u>- \$1,500,000 consistent actual received • <u>Capital Budget</u>- \$750,000 capital budget to be funded by cash generated by operation • <u>Investment Income</u>- \$500,000 consistent actual received • <u>Operating Income Reductions (normalizations)</u>- \$951,000 for Insurance Settlement, Cost Report Gain, and COVID Relief <p>Ms. Harden made a motion to approve the FY24 Budget Presentation, which was seconded by Mr. Benson. The motion was passed by a unanimous vote.</p> <p>Ms. Beal- Yes Mr. Benson- Yes Mr. Desmond- Yes Mr. Dreyer- Yes Ms. Harden- Yes Mr. Ragor- Yes Ms. Stauffer- Yes Ms. Williams- Yes</p>	
	<i>Approval of Medical Executive Committee October 3, 2023</i>	Dr. Hintz	<p>The following items were reviewed by the committee. Members were given an opportunity to remove items from the consent agenda for further discussion. The consent agenda included the following:</p> <p><u>Minutes:</u></p> <ul style="list-style-type: none"> • Medical Executive Committee – August 1, 2023 • Credentials Committee – October 3, 2023 • Pharmacy & Therapeutics Committee – September 29th, 2023 • Pain Medication Stewardship September 20th, 2023 <p><u>Mortality Reports</u></p> <ul style="list-style-type: none"> • August 2023 • September 2023 	

			<p><u>NON-STAFF APPOINTMENTS</u></p> <ol style="list-style-type: none"> 1. Jason Burns, DO- Telemedicine-Radiology 2. Bryan Henriques, MD – Telemedicine – Radiology 3. Nathan Jordan, MD – Telemedicine – Radiology 4. David Weglicki – Telemedicine – Radiology <p><u>STAFF REAPPOINTMENTS</u></p> <ol style="list-style-type: none"> 1. Imtiaz, Ahmed, MD – Active-Cardiology 2. Zafar Awan, MD – Emergency Medical – Emergency Medicine 3. Megan Battin, DO- Courtesy-Gynecology <p>Ms. Harden made a motion to approve the minutes from the October 3, 2023 Medical Executive Committee meeting which was seconded by Mr. Benson. The motion was passed by a unanimous vote.</p>	
	Administrative Report	Ms. Schwartz	<p>Ms. Schwartz presented the administrative report highlighting:</p> <p><u>Operational Updates:</u></p> <ul style="list-style-type: none"> • Old cabinets were removed from Acute Care and consolidated. Areas were constructed to allow for additional workstations for students and staff, an area for vitals carts and computers on wheels to be stored out of the hallway and for supplies and linens to be stored. Matt and his team constructed and installed the new cabinets. • The lab draw room in the lab was pulled out and moved into another room to improve the patient experience. This allows for additional space in the lab for the new analyzers that we received. • Old vertical blinds were removed in the South Wing and replaced. <p><u>Patient Safety & Clinical Quality:</u></p> <ul style="list-style-type: none"> • Cardiopulmonary partnered with the Morrow County Health Department to spread the word to patients who smoke about Ohio Quit Line. The quit line offers counseling and FREE nicotine replacement such as gum and patches. • Mammography successfully received American College of Radiology accreditation through October 13, 2026. Accreditation is based on the quality of the images from our database. • MRI will be adding an additional ½ day of onsite MRI coverage. This allows us to do an additional 7 MRI's per week. <p><u>Service Excellence:</u></p>	

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			<ul style="list-style-type: none"> Physical Therapy is celebrating PT month. The team raised \$342.65 to support Arya's Archers for the Columbus Buddy Walk for Down's Syndrome with a bake sale. 	
	OhioHealth Updates	Mr. Hyek	Mr. Hyek shared OhioHealth Pickerington Methodist Opens in December this year. Dr. Curt Gingrich whom was the past MGH President is now the President at Mansfield and Shelby Hospital. MGH President role is currently vacant and interviewing candidates.	
	Patient Satisfaction	Mr. Hyek	<p>Mike presented photos of the updated Acute Care areas as well as a before and after photo of the new lab draw room.</p> <p>Mike also presented updated Press Ganey results from the Third Quarter.</p>	
	Negotiations Committee Updates	Ms. Williams	Jennifer shared with the group via teams- The latest update from Yes the OhioHealth negotiations, OhioHealth is still working on their offer. OhioHealth let the Negotiations committee know they will have a "Terms Sheet" to them within the next 3 weeks. The negotiating group will review and bring it to the board in November.	
	Public Comments		N/A.	
	Adjournment	Mr. Dreyer	Being no further business, a motion was made by Mr. Desmond and seconded by Ms. Beal to adjourn the meeting at 8:05 p.m. The motion passed by unanimous vote.	

Minutes submitted by:

Approved by:

Brenda Harden, Secretary

Elwain Dreyer, Chair