

Minutes

BOARD MEMBERS PRESENT

Lori Penner
Jeff Yarrow
Richard Cott
Sandy Fox
Terri Parry

OTHER PERSONS PRESENT

Austin Gillard, CEO
Erin Kurtz, CFO
Dr. John Kelley, CMO
Chris Wolf, IT Director
Justin Begnoche, Radiology Director

CALL TO ORDER

Lori Penner called the meeting to order at 8:00 p.m.

BOARD MEETING MINUTES

Lori Penner asked if there were any corrections to the board minutes from August 1, 2022. Motion made by Richard Cott, seconded by Jeff Yarrow, to approve the board minutes from the August 1, 2022. Motion carried 4-0.

AGENDA REVIEW

Nothing to add

OLD BUSINESS

Nothing to add

ERIN KURTZ, CFO

- a. Cash Receipts & Disbursements for July 2022
Erin Kurtz presented the Cash Receipts & Disbursements for July 2022.
- b. Financial Review for July 2022
Erin Kurtz presented the Financials for July 2022. After discussion, motion made by Jeff Yarrow, seconded by Richard Cott, to approve the Cash Receipts & Disbursements and Financials for July 2022 as presented. Motion carried 4-0.

NEW BUSINESS

- a. Endpoint Security Renewal - Chris Wolf
Chris Wolf presented a quote to renew our endpoint security software, Sophos, for another 5 years, along with adding in Managed Threat Response (MTR) for a total cost of \$79,383.78, paid out over five years. Our current subscription ends October 2022 with Sophos. For the security of workstations at CCMC, we use endpoint security software, to protect and monitor devices. Many endpoint security vendors are moving toward MTR because the internet runs 24/7, many smaller organizations, like CCMC, do not have the time or staffing to monitor the internet traffic 24/7. With this renewal, we are also renewing the spam filter with Sophos, which is now approaching end of life. After discussion, motion made by Terri Parry, seconded by Sandy Fox, to approve the renewal of our Endpoint Security software, Sophos, for another 5 years, along with adding in Managed Threat Response (MTR) for a total cost of \$79,383.78, paid out over five years, as presented. Motion carried 4-0.
- b. MRI Installation & Room Remodel - Justin Begnoche
Justin Begnoche presented a quote from Lytle Construction to retrofit of the existing MRI Suite. Lytle Construction completed the current MRI room for CCMC over 12 years ago. The proposal amount is \$330,613 for the MRI Suite retrofit. After examining the MRI Suite, we would also like to add the following: a new heating/cooling unit to the MRI Suite for patient comfort for \$25,500;

a sky factory 48" x 48" LED Luminous Sky Ceiling in the MRI Suite patient waiting room for \$3,500; a sky factory 96" x 48" LED Luminous Sky Ceiling in the MRI Scan room for \$6,500; and install a set of oxygen and vacuum wall outlets in the MRI Scan room, including a new zone valve box and new area alarm for \$27,411. The total cost would be \$393,524. After discussion, motion made by Sandy Fox, seconded by Terri Parry, to approve the Lytle Construction to retrofit of the existing MRI Suite with all added options for a cost of \$393,524. Motion carried 4-0.

c. Revenue Neutral Rate (RNR) – Date

In 2021, the Kansas Legislature passed Senate Bill 13 to establish limitations on ad valorem property tax levies by taxing subdivisions without an additional notice and hearing prior to budget adoption. Taxing subdivisions cannot levy above the revenue neutral rate (RNR) without holding a Revenue Neutral Rate Hearing for tax payers to attend and provide feedback. The RNR hearing will be on September 12, 2022 at 8:00 p.m. in the Education Center. CCMC will not be raising our mill levy on county tax payers.

d. Medicare Advantage

CCMC continues to receive Medicare Advantage denials for inpatient stays. Austin and our financial teams will be working with a consultant on the next steps. As of last week, there were only 156 total residents of Clay County with a Medicare Advantage plan.

e. Credentialing

The board discussed the credentialing files recommended by Medical Staff for the following:

Active

Cary Murphy, MD - Family Medicine, Reappointment

Allied

Andrea Rinaldo, APRN - Emergency Medicine, Initial Appointment

Austin Gydesen, APRN - Family Medicine, Initial Appointment

Tricia Cunningham, APRN - Emergency Medicine, Initial Appointment

Courtesy

Kevin Ruggle, AUD - Audiology

Joseph Charges Vaglio, MD - Cardiology, Reappointment

Hisham Hakeem, MD - Cardiology, Initial Appointment

After discussion, motion made by Terri Parry, seconded by Jeff Yarrow, to approve the credentialing files recommended by Medical Staff as presented. Motion carried 4-0.

AUSTIN GILLARD, CEO

a. CMS - Notice of Review

CCMC received a notice from CMS that they will be reviewing 20 to 40 claims with the CPT code 62323 - injections of diagnostic or therapeutic substance(s) of the lumbar or sacral area with imaging guidance. This is not an unusual request. Scott Husted has been notified.

b. KHA - Efficient Revenue Cycle Processes

CCMC has signed up for an Efficient Revenue Cycle Processes workshop through the Kansas Hospital Association. This will supply CCMC with a one day virtual working session at the onset of the project to provide a foundation and assist us with establishing internal goals, provide us with a basic Lean and quality improvement training for revenue cycle management, and allow more facilitation with peer networks.

c. KHA - Creating a Culture of Engagement Project

CCMC has signed up for a Creating a Culture of Engagement Project through the Kansas Hospital Association. This will tie into our strategic plan once developed.

d. Dialysis

Austin met with two construction firms, and has two other construction firms to meet with. Once we have final drawings, Austin will forward to these drawings to the construction firms for estimated costs.

e. Strategic Planning

The new strategic planning report is over 90 pages, and is loaded with market share data. Austin will be working with a consultant for guidance on the next steps to develop a formal and actionable plan. We will also be focusing on succession planning of CCMC leadership positions.

f. Hospital Foundation

Our law firm took a call from an attorney in Kansas City regarding a settlement and large check purportedly written by the Hospital Foundation. A Dr. Tomoyuki Fujii said he worked for CCMC and was fired. The Kansas City attorney became suspicious, but a check arrived at her office payable

to Dr. Fujii in the amount of \$480,000, and payable from a Canadian bank account. It was purportedly issued by the Clay County Hospital Foundation. In short, the fraud was realized and no money ever switched hands, nor was a check cut from the Hospital Foundation account. The check was fake, the routing number was fake, and the account number was fake.

g. Method II Billing

CCMC is looking to move the general surgeons to a Method II billing model. This will allow CCMC to receive cost-based payment for facility services, plus 115% of Medicare fee schedule payments for professional services. Professional services are billed to and reimbursed by Medicare Part A. To be reimbursed under Method II for the first time, CCMC must file a written election at least 30 days before the start of the cost reporting period to which the election applies.

h. General Update

- Dr. Worthen will start seeing patients at Linn Family Physicians on Monday, October 3. His clinic schedule will be from 8:30am – 12:00 pm, each Monday.
- Our HCAHPS scores are looking very good. The entire team needs to be recognized for their focused effort on improving these scores. Eight out of the nine pillars, CCMC is performing better than the 2,384 other hospitals in the US.

The meeting adjourned at 9:58 p.m.

Upcoming board meeting: September 12, 2022 at 7:00 p.m.

Minutes recorded by Austin M. Gillard