

**Campbell County Health
Finance Committee
February 20, 2017**

Dr. Swift called the monthly Finance Committee meeting to order at 12:00 p.m. on Monday, February 20, 2017. The meeting was held in the Campbell County Health Board Room.

Present:

Dr. Ian Swift, Chairman
Mr. Mike Dugan, Trustee
Dr. Sara Hartsaw, Trustee
Mr. Andy Fitzgerald, Chief Executive Officer
Mr. Dalton Huber, Chief Financial Officer
Ms. Deb Tonn, Vice President of Patient Services
Mr. Bill Stangl, Vice President of Physician Services
Mr. Steve Crichton, Vice President of Plant Operations
Ms. Jonni Belden, Vice President of Long Term Care
Ms. Noamie Niemitalo, Interim Vice President of Human Resources
Ms. Kim Johnson, Director of Health Information Management and Compliance
Ms. Heather Stucker, Controller
Ms. Dane Joslyn, Community Relations
Ms. Kathy Brown, News Record
Ms. Ellen Rehard, Recorder

Absent:

Dr. Jennifer Thomas, Chief of Staff

Approval of Agenda:

Dr. Swift requested GI Endoscope be added to Old Business on the agenda.

ACTION: Dr. Hartsaw moved, seconded by Dr. Swift, to approve the agenda as revised. Motion carried.

Approval of Minutes:

ACTION: Dr. Swift moved, seconded by Dr. Hartsaw, to approve the minutes of the January 23, 2017 Finance Committee meeting. Motion carried.

OLD BUSINESS

Refinancing Bonds

Mr. Huber reported that the bank does not want to go forward with refinancing the Series 2009 Bonds stating Campbell County has too much exposure to the energy industry.

GI Endoscope

Dr. Hartsaw stated a surgeons meeting has been scheduled on February 28 to discuss which company to purchase the GI endoscopes from. She has not seen anything concrete from either company. The Board of Trustees has approved the purchase of GI Endoscopes in an amount not to exceed \$475,426.00. The action will not go back to the Board unless the bids come back higher than the approved amount.

NEW BUSINESS

- **ADMINISTRATIVE POLICY FOR REVIEW**

Budget Process Governing Board Policy: The Finance Committee sees no changes needed.

The Finance Committee recommends full Board approval for the Budget Process Governing Board Policy.

- **HIPAA AND COMPLIANCE REPORT**

Ms. Kim Johnson reported 240 new hires and 1134 existing staff have received HIPAA and Compliance education this year. Dr. Swift inquired if CCH carries a HIPAA insurance plan in the event a significant HIPAA claim is filed. Ms. Johnson will research that information with Sue Ullrich and report back to the committee next month.

CAPITAL REQUESTS

SURGERY

- **Modular Hand Set.** This request will purchase instruments, implants and training for a hand and wrist procedure set in Surgery. The hand set we use at this time is more than 10 years old and is difficult to use compared to more recent technologies. The depreciable life for this asset is 7 years. The case volume for open reduction and internal fixation of the hand and wrist, which were shipped out historically, has increased with the addition of more orthopedic surgeons. Purchasing this suite of instruments and implants will keep more patients in Gillette and sustain the services we now provide.

Budget: \$99,000

Actual: \$98,972

PHARMACY

- **Pharmacy Workflow Management Software.** This request will purchase and implement a software suite designed to enhance and optimize Pharmacy workflow. The software has many safety features that calculate admixtures and oral liquid doses and then verifies the preparations with barcodes. This will put CCH in compliance with Wyoming State Board of Pharmacy recommendations for dosing verification. Using the program tools preparations will become uniform among pharmacists and technicians using a standard format. After implementation, dosing errors will be identified before admixture, reducing waste and lost time. The software allows remote dose inspection and approval which will allow our pharmacy staff to concentrate on other clinical matters. This request is over budget due to 2 annual price increases over 14 months since budgetary quotes were obtained in December of 2015.

Budget: \$53,560

Actual: \$58,298

POWDER RIVER SURGEY CENTER

- **Arthroscopic Instrumentation Set.** This request will replace the primary arthroscopic instrumentation set at PRSC. Surgery volumes at PRSC are up 14% in the last year at the center. Increased utilization of the existing equipment has resulted in video equipment failures which impede our ability to keep up with the surgery schedule. The original request was denied in committee to be considered in the next FY. The increase in volumes and failure rate induce a request for replacement

video towers in this fiscal year. The equipment has a depreciable life of 6 years and it is 8 years old. In the last year we averaged 58 procedures per month for this equipment. Funding for the unbudgeted expense will be derived from unused monies from the capital calendar and facilities budget such as property acquisition.

Budget: not budgeted

Actual: \$199,000

ACTION: Dr. Hartsaw moved, seconded by Mr. Dugan, to approve the capital requests. Motion carried.

JANUARY 2017 FINANCIAL PRESENTATION

Ms. Stucker presented the January 2017 financial data:

- Inpatient admits were 15 under budget and increased 4 compared to last year.
- Legacy admits were 1 under budget and increased 1 compared to last year.
- Total average daily census was 28 versus a budget of 26.
- Legacy average daily census was 135 versus a budget of 127.
- Outpatient visits were 1,297 below budget and 166 below last year.
- Clinic visits were 181 over budget and 684 below last year.
- Emergency room visits were 26 over budget and 250 over last year.
- Walk-In Clinic visits were 366 over budget and 161 over the level of a year ago.
- Total surgeries were under budget by 6 and increased 20 compared to last year.
- Net patient revenues were \$1,399,000 over budget.
- Bad debt and charity care were \$159,000 over budget.
- Operating expenses were over budget \$415,000.
- EBIDA was \$1,209,000 over budget, which increased \$1,622,000 compared to a year ago.
- Operating tail of \$9,000 versus a budgeted loss of \$979,000.
- Net gain was \$1,183 versus budgeted gain of \$217,000.
- Current assets increased by \$4,236,000 in January due to an increase in cash. Current liabilities increased by \$2,544,000 as a result of increase accounts payable and accrued expenses.
- Accounts receivable days decrease by 2 to 71.
- Days cash on hand increased by 8 to 179.
- Cash balances in millions increased by \$3,954,000.

DISCHARGE OF UNCOLLECTIBLE DEBT

The uncollectible debt for the month of January 2017 by category is as follows:

INPATIENT UNCOLLECTIBLE	\$303,147.69
ER UNCOLLECTIBLE	\$366,177.57
OUTPATIENT UNCOLLECTIBLE	<u>\$170,885.21</u>
COMBINED TOTAL FOR JANUARY 2017	\$837,210.47

ACTION: Dr. Hartsaw moved, seconded by Mr. Dugan, to discharge the January, 2017 uncollectible debt in the amount of \$837,210.47. Motion carried.

INVESTMENTS

There were no changes to investments in the month of January, 2017.

PUBLIC COMMENT

There were no public comments.

ADJOURNMENT

The meeting adjourned at 12:29 p.m.

The next regularly scheduled Finance Committee meeting will be held on March 20, 2017 at 12:00 p.m. in the Board Room.

Ellen Rehard, Recorder