

**EASTERN PLUMAS HEALTH CARE DISTRICT
REGULAR MEETING OF THE BOARD OF DIRECTORS
Thursday, May 28, 2015
10:00 A.M.
EPHC Education Center, Portola, CA**

Agenda

REASONABLE ACCOMMODATIONS: In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting please contact the Clerk of the Board at (530) 832-6564. Notification 72 hours prior to the meeting will enable the Eastern Plumas Health Care to make reasonable arrangements to ensure accessibility.

	<u>Presenter(s)</u>	<u>I/D/A</u>	<u>Page(s)</u>
1. Call to Order	Gail McGrath	A	
2. Roll Call	Gail McGrath	I	
3. Consent Calendar	Gail McGrath	A	
(A) Agenda			1-2
(B) Meeting Minutes of 4.23.15 Regular Board Meeting			3-5
(C) Meeting Minutes of 4.23.15 Standing Finance Committee			6
4. Board Chair Comments	Gail McGrath	I/D	
5. Board Comments	Board Members	I	
6. Public Comment	Members of the Public	I	
7. Auxiliary Report	Katie Tanner	I/D	
8. Chief of Staff Report	Eric Bugna, MD	I/D	
9. Committee Reports	Board Members	I/D	
• Finance Committee			
10. IT Report	Rick Boyd	I/D	
11. Chief Nursing Officer Report	Kathy Cocking	I/D	
12. Director of Clinics Report	Bryan Gregory	I/D	

13. Recommendation for Approval of Policies		I/D/A	
<ul style="list-style-type: none"> • Safe Patient Handling & Movement • Radiology • MRI • CT Scan • Laboratory • Admitting • BioMed • Environmental Services • Dietary 			
14. Chief Financial Officer Report	Jeri Nelson	I/D	
<ul style="list-style-type: none"> • April Financials 			7-17
15. Chief Executive Officer Report	Tom Hayes	I/D	
<ul style="list-style-type: none"> • Discussion of Possible Reorganization of the Sierra Valley Health Care District • Other 			
16. Closed Session	Gail McGrath	I/D/A	
I. Closed Session, pursuant to Health and Safety Code 32155, to review reports on Quality Assurance.			
II. Closed Session, pursuant to Government Code Section 54957 to consider the following privileges and appointments to the medical staff:			
a. Recommendation for One Year Provisional Privileges <ul style="list-style-type: none"> • Henry Turkel, M.D. ER • Leora Sapir, FNP Allied Health 			
b. Recommendation for Two Year Courtesy Privileges <ul style="list-style-type: none"> • Roger Gallant, M.D. ER 			
17. Open Session Report of Actions Taken in Closed Session	Gail McGrath	I	
18. Adjournment	Gail McGrath	A	

**EASTERN PLUMAS HEALTH CARE DISTRICT
SPECIAL MEETING OF THE BOARD OF DIRECTORS**

Thursday, April 23, 2015

9:00 A.M.

EPHC Education Center, Portola, CA

Minutes

1. Call to Order.

The meeting was called to order at 9:00 am by Gail McGrath.

2. Roll Call.

Present: Dr. Paul Swanson, Janie McBride, Jay Skutt and Gail McGrath.

Absent: Lucie Kreth and Eric Bugna MD

Staff: Tom Hayes, CEO, Jeri Nelson, CFO, and Alanna Wilson, Administrative Assistant.

Visitors: Approximately 3 visitors were present at the start of the meeting.

3. Consent Calendar.

Dr. Swanson motioned to approve the consent calendar. A second was made by Mr. Skutt. None opposed, the motion was approved.

4. Board Chair Comments.

Ms. McGrath provided a brief report on the CEO evaluation.

The report is as follows:

“On May 18, 2015 the Board of Directors of Eastern Plumas Health Care held a CEO Performance Review under Government Code 54957.

Mr. Tom Hayes, CEO, received an excellent rating unanimously from the Board. The Board finds Mr. Hayes a willing and dedicated partner in tending to the business of the District. He works well with all providers, department heads, staff, the Board, other institutions as well as the public.

Mr. Hayes began his leadership of the District nearly five years ago. In that time frame health care has had enormous changes and challenges that needed to be addressed. He slowly and systematically began that process and the results are better health care for the community. Our District is fiscally sound and in good position to continue with the myriad challenges of upholding our mission with the community.

It is an honor and a pleasure to work with Mr. Hayes.”

5. Board Comments.

• **Estes Park Institute Conference Report**

Mr. Skutt reported that it was a great conference. There were 260 registrants representing 59 hospitals. Mr. Skutt noted some important items and handed out information from the conference to the Board Members.

6. Public Comment.

None

7. Auxiliary Report

Katie Tanner reported that the Nifty Thrifty grossed \$12,612.00 for the month of March. They had 910.5 volunteer hours and 17.5 hours in the lobby. Ms. Tanner thanked the staff for installing the new counter at the Nifty Thrifty.

8. Chief of Staff Report

Dr. Bugna was not present at this meeting. Mr. Hayes reported in his place stating that the Med Staff is working on their bylaws and they will present them to the board in the future. Also, the MEC and Q/A committee met earlier this week.

9. Committee Reports

• Finance Committee

Dr. Swanson reported that the month of March went well with gross revenue up \$300,000.00. Expenses are under control however, contractals remain up due to managed MediCal. Dr. Swanson reported that the Centriq build is going well. Dr. Swanson also reported that the organization is looking at purchasing five new GI scopes and additional equipment that would allow for two new GI procedures.

10. Director Of Nursing Report:

Ms. Cocking reported that Tomala King has been hired for the Director of Nursing position in the Loyalton SNF, taking over for Sue Whitfield who will be leaving May 1st. Ms. Cocking stated that the Centriq build is going well and the clinics are starting next. Ms. Cocking also reported that the inpatient census was down and she is flexing staff to accommodate.

11. Clinic Report:

Mr. Gregory reported that Chris Spencer, FNP has joined the Portola Clinic. Ms. Spencer will be in the clinic four days a week.

12. Recommendation for Approval of Policies:

Policies were removed from Agenda. To be approved next month.

13. CFO Report:

- Ms Nelson reported that the month of March went well. The biggest concern right now is Managed MediCal. The state has not supplied information on a supplemental fee schedule.
- Ms. Nelson reported that the organization is \$1 million over budget in contractals due to Managed MediCal. The clinics do satisfactorily with Managed MediCal however; Outpatient and Ancillary services have been hardest hit.
- Ms. Nelson briefly discussed the IGT programs and the money we receive back from these programs.
- Ms. Nelson discussed the upcoming budget that will be presented to the Board in the future.

14. CEO Report: Mr. Hayes reported the following:

- Mr. Hayes reported that the state will give us a 60 day notice once a decision is made regarding the clawback. At this time we have not received a letter.

- The Boiler project is going through the design and development process. Hot water boilers have been recommended as they are energy efficient and easier to maintain.
- Mr. Hayes reported on an upcoming meeting with Renown and PDH to discuss Patient Care Coordination.
- The Policy Committee will be meeting next week to discuss the Conflict of Interest Policy.

15. Closed Session.

Ms. McGrath announced the Board would move into closed session at 9:47 a.m.; pursuant to Health and Safety Code 32155 and Government Code Section 54957.

16. Open Session Report of Actions Taken in Closed Session.

The Board returned at approximately 10:30 am and announced

I. With respect to Health and Safety Code 32155, to review reports on Quality Assurance
No reportable action.

II. With respect to Government Code Section 54957 to consider the following privileges and appointments to the medical staff.

a. Approval of One Year Provisional Privileges

- **Quang Dinh Vo, MD** **Telemedicine/Rheumatology**
- **Dr. Philip G. Vitelli, MD** **Telemedicine/Psychiatry**

b. Approval of Two Year Courtesy Privileges

- **Mark Walter, MD** **ER/Hospitalist**

III. Adjournment. Ms. McGrath subsequently adjourned the meeting at 10:32 a.m.

Approval

Date

**EASTERN PLUMAS HEALTH CARE DISTRICT
SPECIAL MEETING OF THE STANDING FINANCE COMMITTEE
OF THE BOARD OF DIRECTORS
Thursday April 23, 2015
8:00 A.M.
EPHC's Administrative Conference Room**

Minutes

1. **Call to Order:** The meeting was called to order at 8:05 am by Dr. Paul Swanson
2. **Roll Call:**
Present: Paul Swanson, M.D., Janie McBride
Staff: Tom Hayes, CEO, Jeri Nelson, CFO, Kathy Cocking DON, Alanna Wilson,
Administrative Assistant
Guest: Nic Bedoe
3. **Approval of Agenda:** The agenda was approved as submitted.
4. **Board Comments:** None
5. **Public Comments:** None
6. **CFO Report**
Ms. Nelson reported she is pleased with last month's financial and statistical results. The clinics and outpatient services did well in March. The net revenue was under budget due to lower payments as a result of managed MediCal. A/R days are down and we are maintaining accounts payable. Ms. Nelson reported that we will be partially reimbursed by the state and feds for costs relating to the Centriq conversion once it is complete. Ms. Nelson stated that we received \$160,000.00 from the IGT program for 2013/14.

All present discussed the replacement of five scopes; the cost and financing. There was also a brief discussion of purchasing additional equipment along with the scopes to provide new GI services.
7. **Adjournment:** The meeting was adjourned at 8:56 a.m.

Approval

Date

EASTERN PLUMAS HEALTH CARE DISTRICT

MEMORANDUM

Date: May 15, 2015
To: Board of Directors
From: Jeri Nelson, Chief Financial Officer
Subject: Summary of Financial Results – April 2015

Table 1. Consolidated Financial Results – April 2015

	Actual	Budget	Variance
Total Revenue	\$2,999,170	\$3,120,134	\$(120,964)
Contractual Adjustments	\$1,147,113	\$1,172,752	\$(25,639)
Bad Debt/Admin Adjustments	\$111,446	\$152,658	\$(41,212)
Net Revenue	\$1,740,611	\$1,794,724	\$(54,113)
Total Expenses	\$1,801,508	\$1,829,536	\$(28,028)
Operating Income (Loss)	\$(60,897)	\$(34,812)	\$(26,085)
Non-Operating Income(Expense)	\$56,025	\$47,654	\$8,371
Net Income (Loss)	\$(4,872)	\$12,842	\$(17,714)

Table 2. Consolidated Financial Results – Ten Months Ended April 2015

	Actual	Budget	Variance
Total Revenue	\$31,687,352	\$31,468,694	\$218,658
Contractual Adjustments	\$12,869,349	\$11,796,345	\$1,073,004
Bad Debt/Admin Adjustments	\$1,117,596	\$1,539,121	\$(421,525)
Net Revenue	\$17,700,407	\$18,133,228	\$(432,821)
Total Expenses	\$18,099,958	\$18,357,719	\$(257,761)
Operating Income (Loss)	\$(399,551)	\$(224,491)	\$(175,060)
Non-Operating Income (Expense)	\$558,612	\$626,538	\$(67,926)
Net Income (Loss)	\$159,061	\$402,046	\$(242,985)

Hospital inpatient revenue was 44% under budget and we had no Swing admissions for the month. Loyaltan SNF averaged 23 residents for the month and budget is 26. Hospital outpatient, ancillary and clinic patient care exceeded budget by 7% in April. For the 10 months, we are \$65,939 over budgeted patient revenue and \$152,719 over budgeted "Other Operating Revenue" due to the first of two Inter Governmental Transfers received. Overtime hours remain high and benefits are down due to positive adjustments to unemployment insurance. It was another stellar month for cash collections and our A/R days are down to 55. Given our continued challenges with the insurance companies, I did not think it possible!

**EASTERN PLUMAS HEALTH CARE
STATEMENT OF REVENUE & EXPENSE
FOR THE MONTH ENDED
APRIL 30, 2015**

DESCRIPTION	CURRENT PERIOD			YEAR TO DATE			ANNUAL BUDGET
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	
OPERATING REVENUE							
INPATIENT ROUTINE	63844	166790	-102946	1297368	1703265	-405897	2044000
INPATIENT ANCILLARY	78593	154187	-75594	1186038	1574563	-388525	1889551
TOTAL INPATIENT	142437	320978	-178541	2483406	3277828	-794422	3933551
SWING ROUTINE	0	13956	-13956	365748	137006	228742	164000
SWING ANCILLARY	0	14245	-14245	271545	139838	131707	167390
TOTAL SWING BED	0	28201	-28201	637293	276843	360450	331390
SKILLED NURSING ROUTINE	517650	546055	-28405	5197500	5531626	-334126	6643000
SKILLED NURSING ANCILLARY	61290	84646	-23356	747620	859074	-111454	1031720
TOTAL SKILLED NURSING	578940	630701	-51761	5945120	6390700	-445580	7674720
OUTPATIENT SERVICES	2275325	2134093	141232	22407198	21461705	945493	25683225
TOTAL PATIENT REVENUES	2996702	3113973	-117271	31473016	31407077	65939	37622886
OTHER OPERATING REVENUE	2468	6162	-3694	214336	61617	152719	73940
TOTAL REVENUE	2999170	3120134	-120964	31687352	31468694	218658	37696826
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DEDUCTIONS FROM REVENUE							
BAD DEBT/ADMINISTRATIVE ADJ'S	111446	152658	-41212	1117596	1539121	-421525	1843700
CONTRACTUAL ADJUSTMENTS	1147113	1172752	-25639	12869349	11796345	1073004	14125128
TOTAL DEDUCTIONS	1258559	1325410	-66851	13986945	13335465	651480	15968828
NET REVENUE	1740611	1794724	-54113	17700407	18133228	-432821	21727998
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OPERATING EXPENSES							
SALARIES	849671	808608	41063	8222361	8207076	15285	9837081
BENEFITS	221206	244272	-23066	2281750	2457390	-175640	2947482
SUPPLIES	121935	164558	-42623	1364882	1648411	-283529	1971908
PROFESSIONAL FEES	255593	259837	-4244	2617153	2487679	129474	2983407
REPAIRS & MAINTENANCE	50304	44006	6298	447905	440062	7843	528074
PURCHASED SERVICES	87056	95444	-8388	1096292	949945	146347	1139334
UTILITIES/TELEPHONE	54966	58984	-4018	597920	587133	10787	704146
INSURANCE	33763	34975	-1212	277938	349748	-71810	419698
RENT/LEASE EXPENSE	9923	15109	-5186	149916	151093	-1177	181312
DEPRECIATION/AMORTIZATION	67445	76943	-9498	677138	769429	-92291	923314
INTEREST EXPENSE	21658	18115	3543	212195	181149	31046	217379
OTHER EXPENSES	27987	8684	19303	154506	128605	25901	150673
TOTAL EXPENSES	1801508	1829536	-28028	18099958	18357719	-257761	22003808
OPERATING INCOME (LOSS)	-60897	-34812	-26085	-399551	-224491	-175060	-275810
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MISCELLANEOUS	3358	3083	275	60802	30833	29969	37000
CONTRIBUTIONS	9000	0	9000	48168	150000	-101832	200000
PROPERTY TAX REVENUE	43667	44570	-903	449642	445704	3938	534845

NON-OPERATING INCOME (EXPENSE)	56025	47654	8371	558612	626538	-67926	771845
NET INCOME (LOSS)	-4872	12842	-17714	159061	402046	-242985	496035
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	CURRENT PERIOD			YEAR TO DATE			ANNUAL
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	BUDGET
STATISTICAL DATA							
ACUTE INPATIENT ADMISSIONS	8	21	-13	156	208	-52	250
ACUTE PATIENT DAYS	22	60	-38	447	608	-161	730
SKILLED NURSING PATIENT DAYS	1479	1560	-81	14822	15808	-986	18980
SWING BED DAYS	0	7	-7	179	68	111	82
E.R. VISITS	285	293	-8	3125	2863	262	3530
CLINIC VISITS	2570	2472	98	23174	22173	1001	26617

**EASTERN PLUMAS HEALTH CARE
COMPARATIVE BALANCE SHEET
FOR THE MONTHS ENDED**

	MARCH 2015	APRIL 2015	CHANGE
ASSETS			
CURRENT ASSETS			
CASH	\$ 819,307	\$ 726,786	\$ (92,521)
LAIF SAVINGS	\$ 1,113,544	\$ 1,114,259	\$ 715
ACCOUNTS RECEIVABLE NET	\$ 3,690,616	\$ 3,552,853	\$ (137,763)
ACCOUNTS RECEIVABLE OTHER	\$ 861,918	\$ 906,283	\$ 44,365
INVENTORY	\$ 237,249	\$ 237,249	\$ -
PREPAID EXPENSES	\$ 76,668	\$ 74,885	\$ (1,783)
TOTAL CURRENT ASSETS	<u>\$ 6,799,302</u>	<u>\$ 6,612,315</u>	<u>\$ (186,987)</u>
PROPERTY AND EQUIPMENT			
LAND AND IMPROVEMENTS	\$ 934,164	\$ 934,164	\$ -
BUILDINGS AND IMPROVEMENTS	\$ 10,147,957	\$ 10,147,957	\$ -
EQUIPMENT	\$ 10,298,113	\$ 10,298,113	\$ -
IN PROGRESS	<u>\$ 387,318</u>	<u>\$ 432,469</u>	<u>\$ 45,151</u>
	\$ 21,767,552	\$ 21,812,703	\$ 45,151
ACCUMULATED DEPRECIATION	<u>\$ 14,512,408</u>	<u>\$ 14,579,764</u>	<u>\$ 67,356</u>
TOTAL PROPERTY AND EQUIPMENT	<u>\$ 7,255,144</u>	<u>\$ 7,232,939</u>	<u>\$ (22,205)</u>
COSTS OF ISSUANCE NET	\$ 10,724	\$ 10,634	\$ (90)
TOTAL	<u>\$ 14,065,170</u>	<u>\$ 13,855,888</u>	<u>\$ (209,282)</u>
LIABILITIES AND FUND BALANCE			
CURRENT LIABILITIES			
LEASES PAYABLE	\$ 39,865	\$ 16,682	\$ (23,183)
ACCOUNTS PAYABLE	\$ 1,240,657	\$ 1,082,279	\$ (158,378)
ACCRUED PAYROLL/RELATED TAXES	\$ 1,154,708	\$ 1,220,024	\$ 65,316
OTHER CURRENT LIABILITIES	<u>\$ 242,221</u>	<u>\$ 249,357</u>	<u>\$ 7,136</u>
TOTAL CURRENT LIABILITIES	<u>\$ 2,677,451</u>	<u>\$ 2,568,342</u>	<u>\$ (109,109)</u>
LEASES PAYABLE	\$ 314,736	\$ 314,738	\$ 2
CITY OF PORTOLA	\$ 311,984	\$ 309,893	\$ (2,091)
USDA LOANS	\$ 3,756,764	\$ 3,744,337	\$ (12,427)
DEFERRED REVENUE	\$ 167,670	\$ 167,670	\$ -
MEDI-CAL LTC	<u>\$ 2,140,845</u>	<u>\$ 2,140,845</u>	<u>\$ -</u>
TOTAL LIABILITIES	<u>\$ 9,369,450</u>	<u>\$ 9,245,825</u>	<u>\$ (123,625)</u>
FUND BALANCE	\$ 4,531,787	\$ 4,451,002	\$ (80,785)
NET INCOME (LOSS)	\$ 163,933	\$ 159,061	\$ (4,872)
TOTAL	<u>\$ 14,065,170</u>	<u>\$ 13,855,888</u>	<u>\$ (209,282)</u>

**EASTERN PLUMAS HEALTH CARE
BALANCE SHEET
FOR THE MONTH ENDED
APRIL 30, 2015**

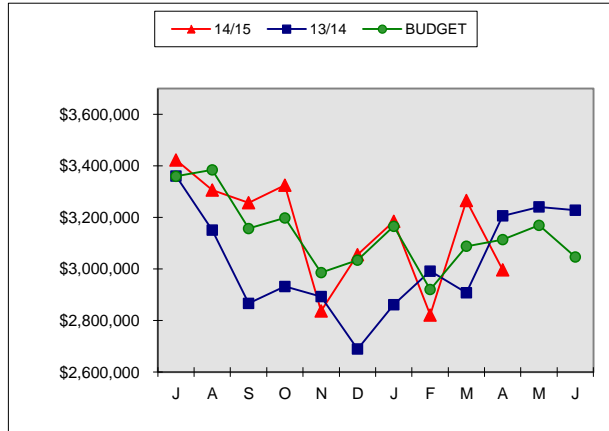
ASSETS

CURRENT ASSETS	
CASH	726,786
INVESTMENTS	1,114,259
ACCOUNTS RECEIVABLE NET	3,552,853
ACCOUNTS RECEIVABLE OTHER	906,283
INVENTORY	237,249
PREPAID EXPENSES	<u>74,885</u>
TOTAL CURRENT ASSETS	6,612,315
PROPERTY AND EQUIPMENT	
LAND AND IMPROVEMENTS	934,164
BUILDINGS AND IMPROVEMENTS	10,147,957
EQUIPMENT	10,298,113
IN PROGRESS	<u>432,468</u>
TOTAL PROPERTY AND EQUIPMENT	21,812,703
ACCUMULATED DEPRECIATION	<u>14,579,764</u>
NET PROPERTY AND EQUIPMENT	7,232,939
COSTS OF ISSUANCE NET	10,634
TOTAL	13,855,888
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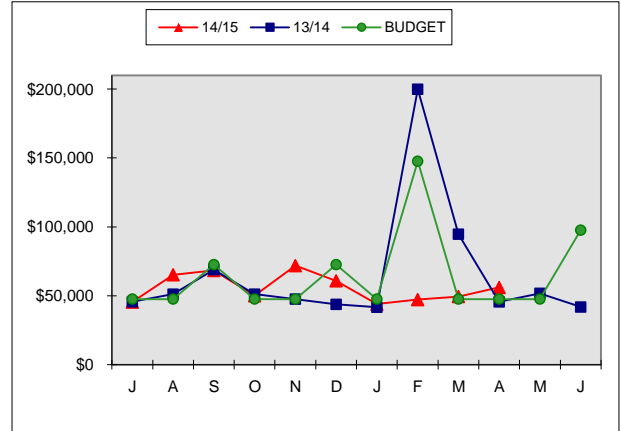
LIABILITIES AND FUND BALANCE

CURRENT LIABILITIES	
LEASES PAYABLE	16,682
ACCOUNTS PAYABLE	1,082,279
ACCRUED PAYROLL/RELATED TAXES	1,220,024
OTHER CURRENT LIABILITIES	<u>249,357</u>
TOTAL CURRENT LIABILITIES	2,568,342
LEASES PAYABLE	314,738
USDA REPAIRS & DEFEASANCE	0
CITY OF PORTOLA- PROPERTY LOAN	309,893
USDA LOANS SNF	3,272,468
PLUMAS BANK LOAN LOYALTON	471,869
USDA LOAN LOYALTON & PORTOLA	0
DEFERRED REVENUE	167,670
LTC MEDI-CAL NET	<u>2,140,845</u>
TOTAL LIABILITIES	9,245,825
FUND BALANCE	4,451,002
NET INCOME (LOSS)	159,061
TOTAL	13,855,888
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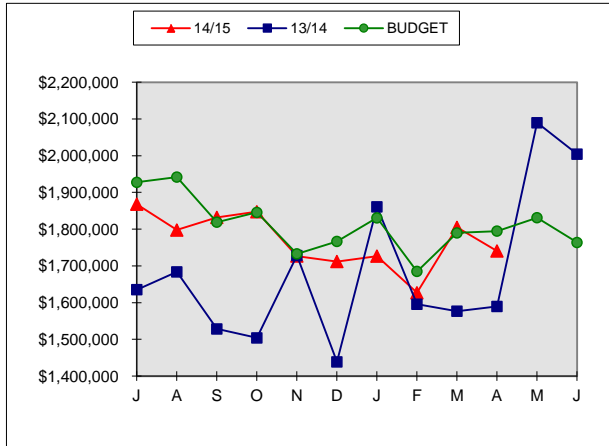
1 GROSS PATIENT REVENUE



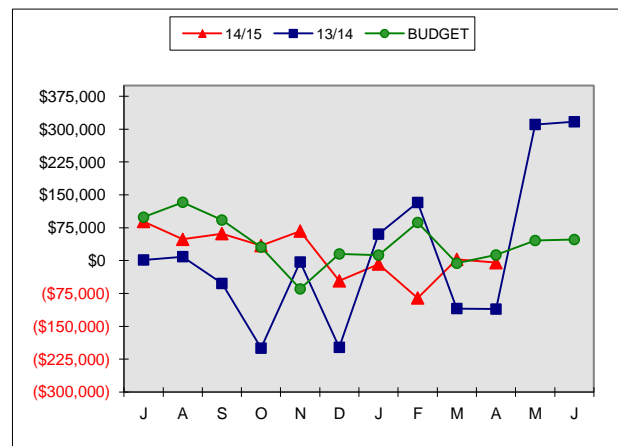
NON OPERATING INCOME



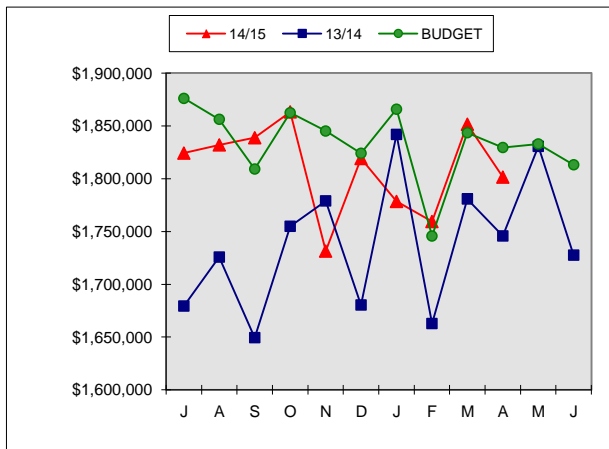
2 ESTIMATED NET REVENUE



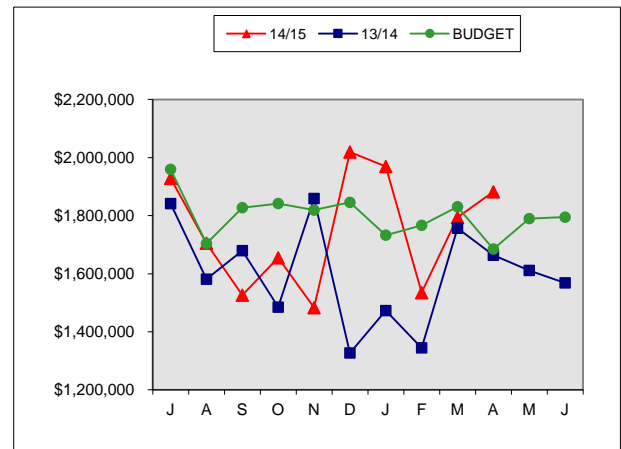
5 NET INCOME LOSS



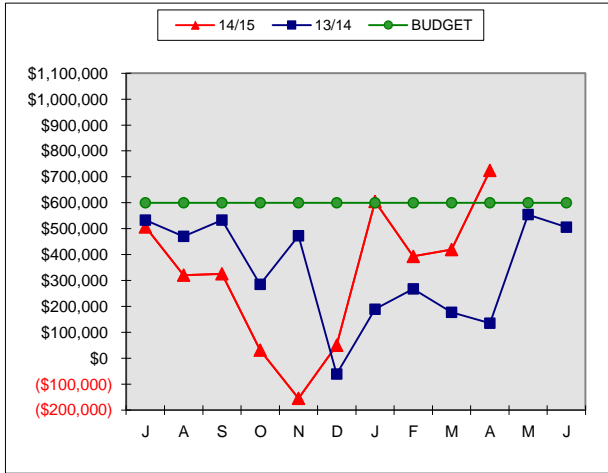
OPERATING EXPENSES



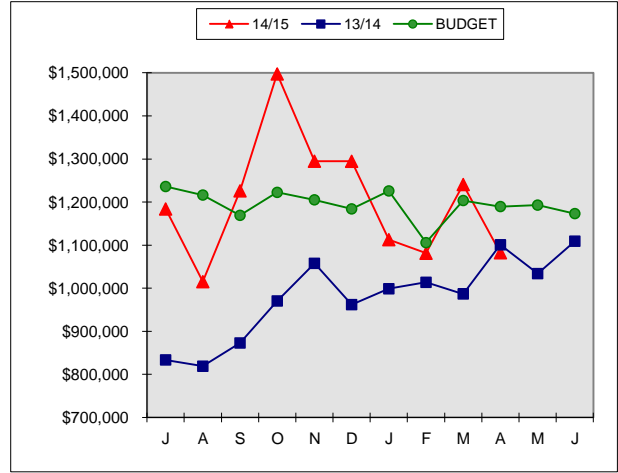
CASH RECEIPTS



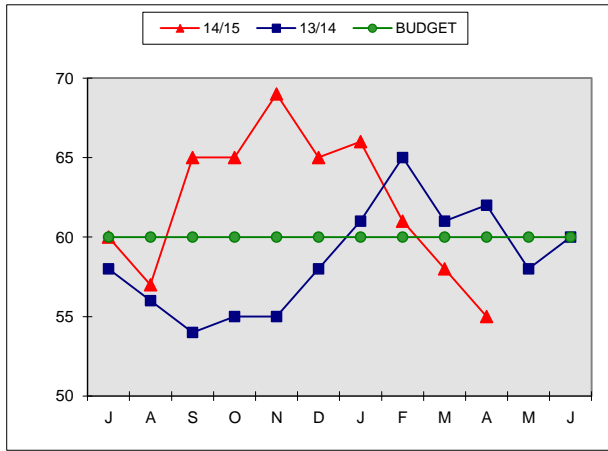
OPERATING CASH



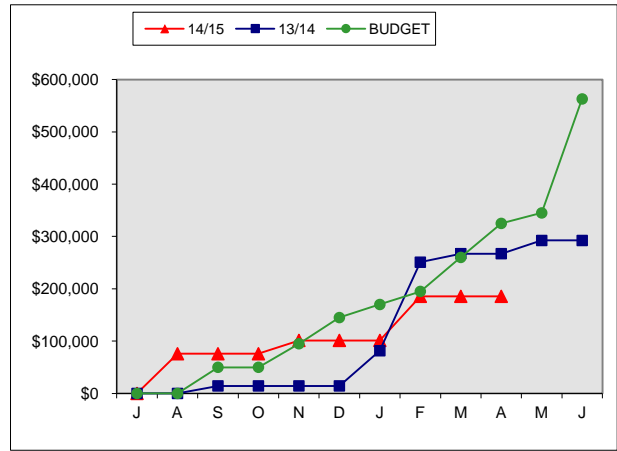
10 ACCOUNTS PA ABLE



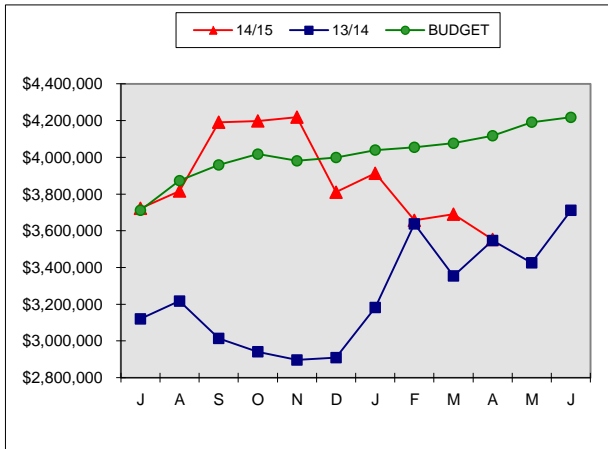
ACCOUNTS RECEIVABLE DA S



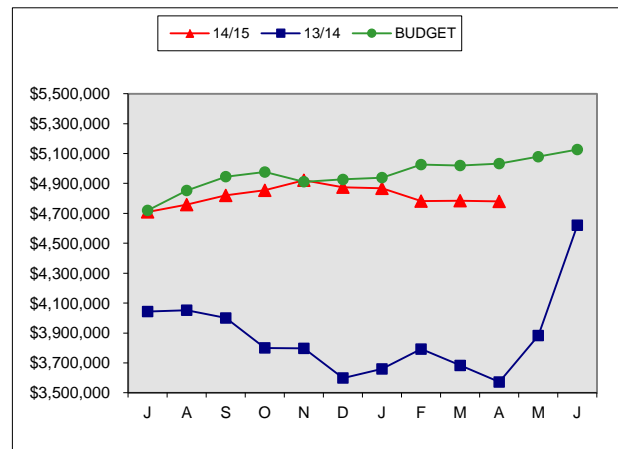
11 CAPITAL E PENDITURES TD



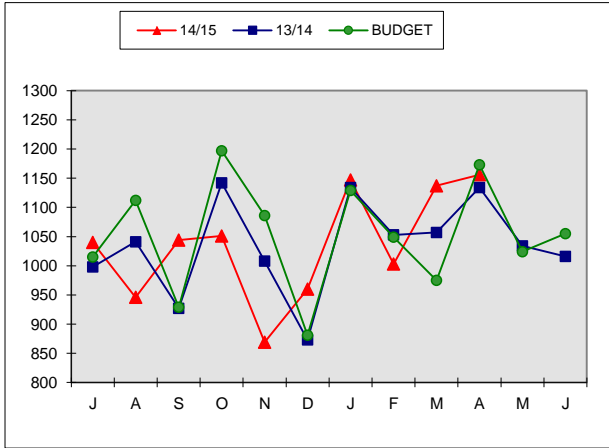
ACCOUNTS RECEIVABLE NET



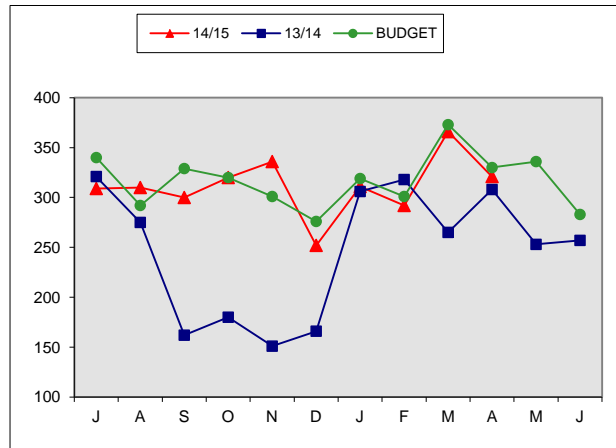
12 FUND BALANCE NET INCOME LOSS



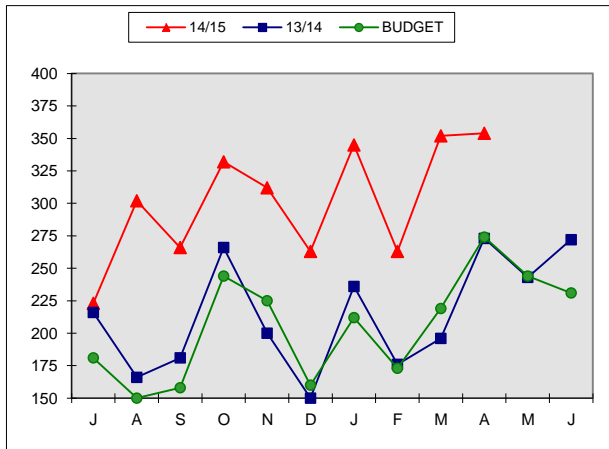
1 PORTOLA MEDICAL CLINIC VISITS



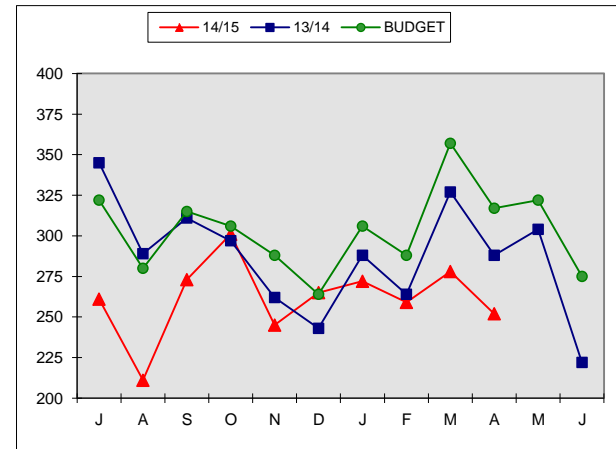
1 LO ALTON MEDICAL CLINIC VISITS



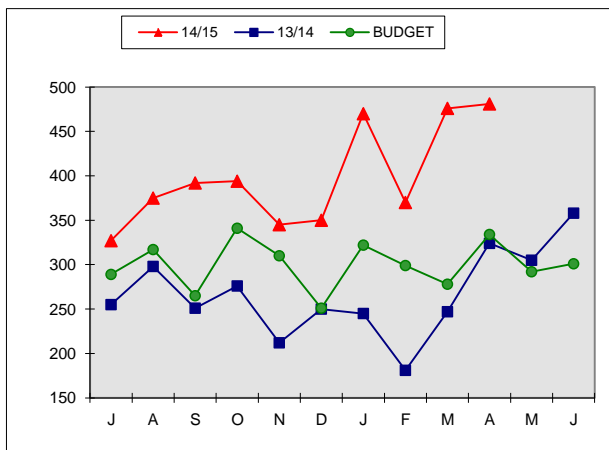
1 PORTOLA DENTAL CLINIC VISITS



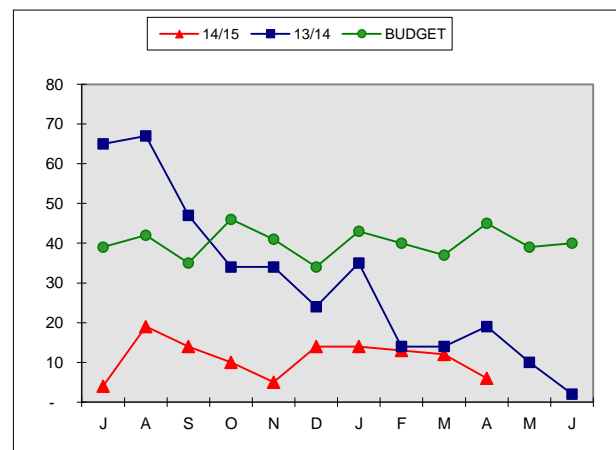
1 INDIAN VALLE MEDICAL CLINIC VISITS



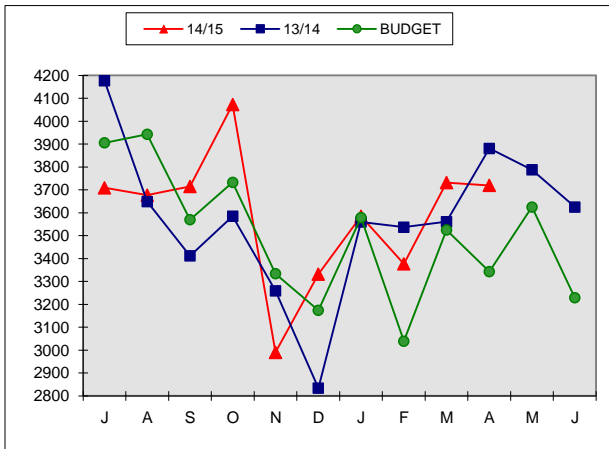
15 GRAEAGLE MEDICAL CLINIC VISITS



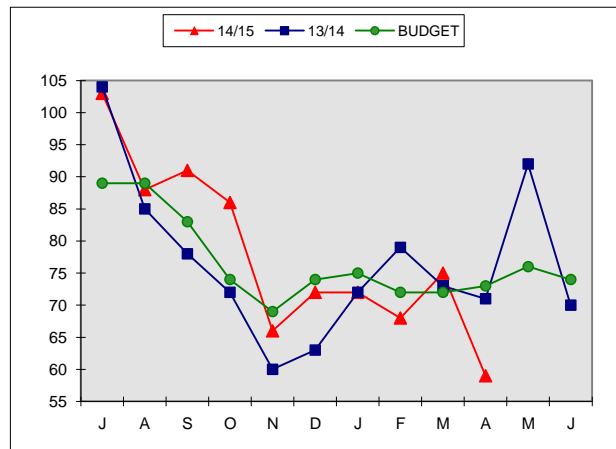
1 PORTOLA ANNE VISITS



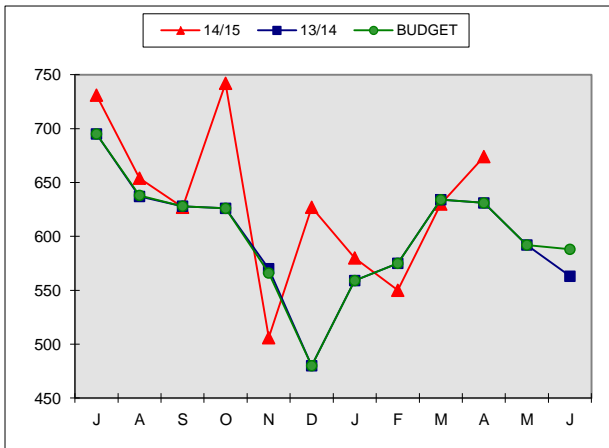
1 LABORATOR PROCEDURES



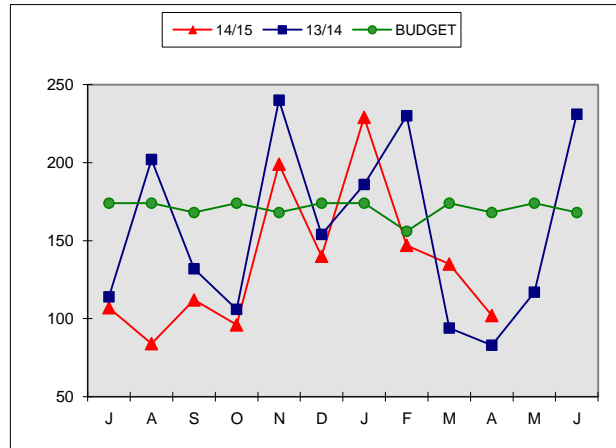
22 AMBULANCE RUNS



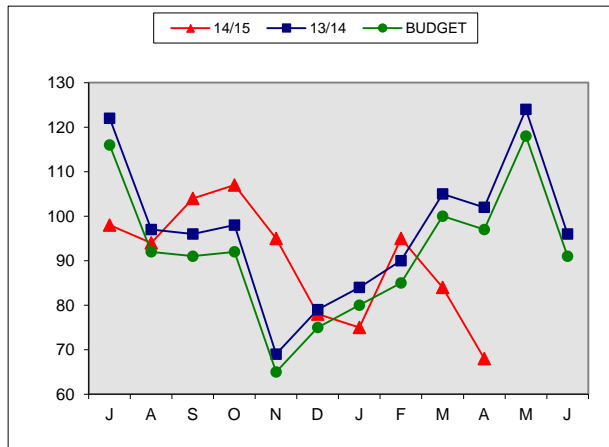
20 RADIOLOG PROCEDURES



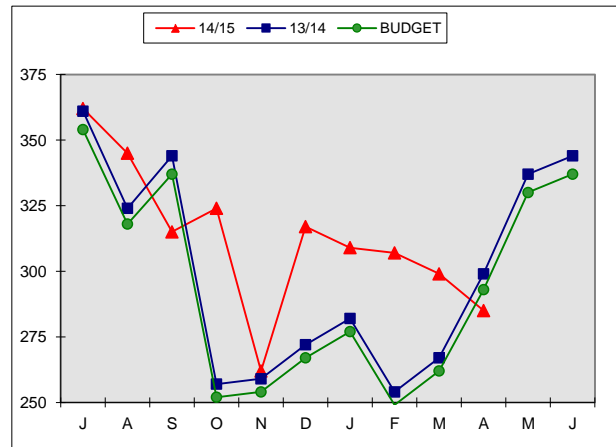
2 RESPIRATOR PROCEDURES



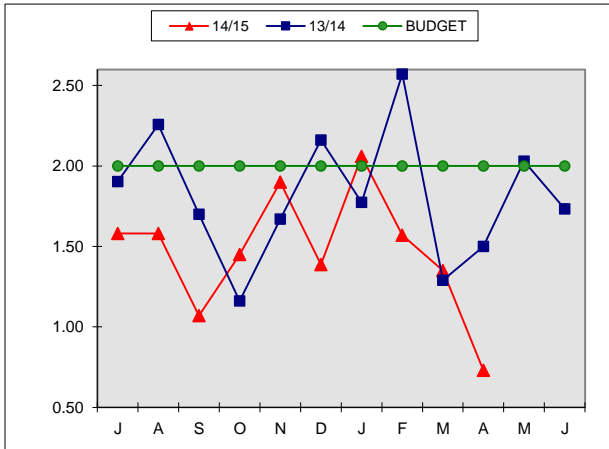
21 ECGS



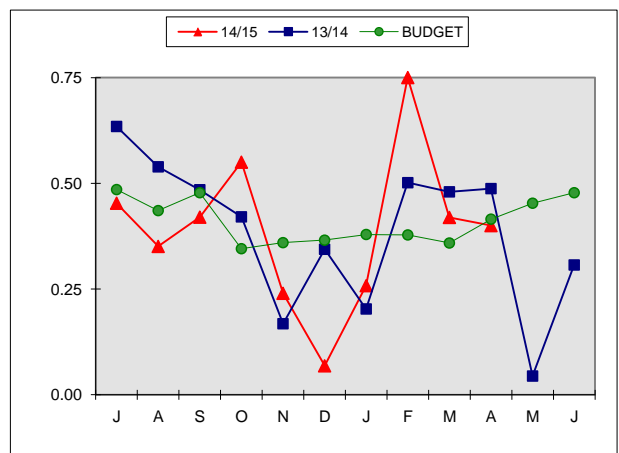
2 EMERGENC ROOM VISITS



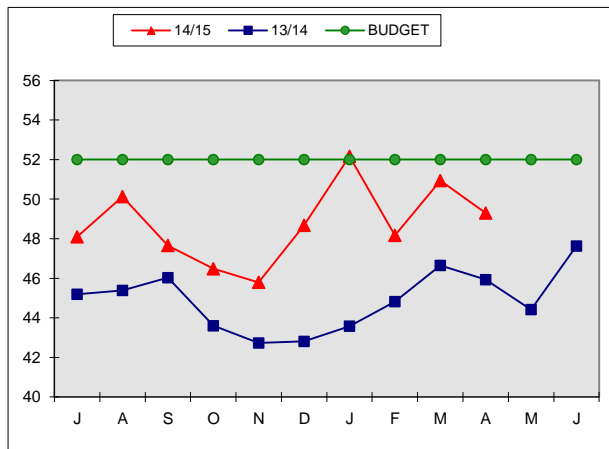
25 AVERAGE DAIL CENSUS ACUTE



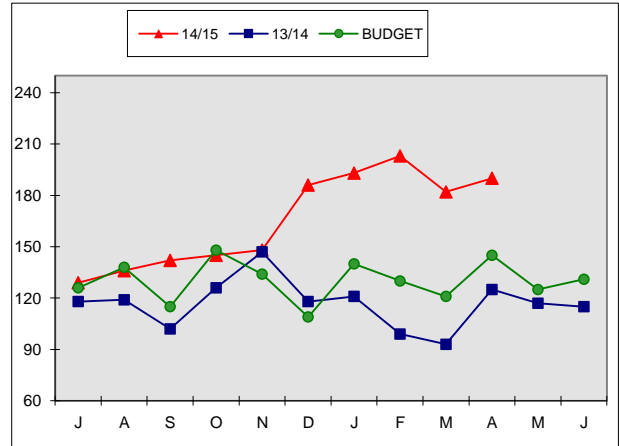
2 AVERAGE DAIL CENSUS OBSERVATION



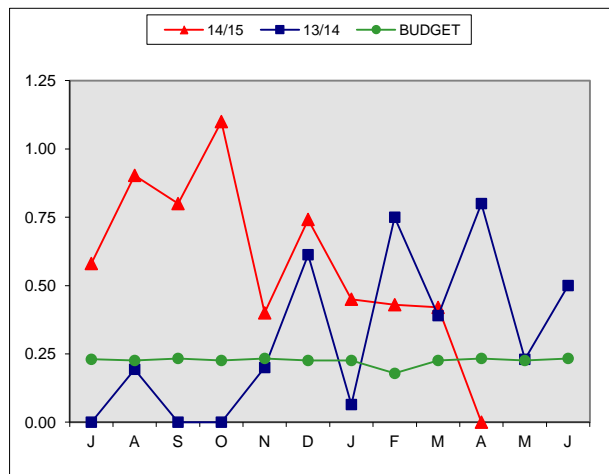
2 AVERAGE DAIL CENSUS SNF



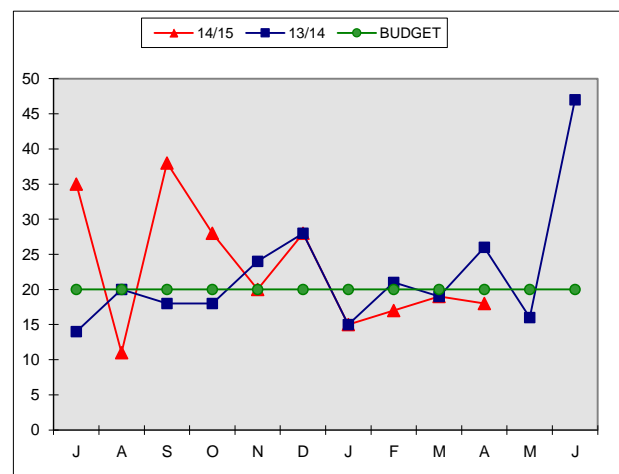
2 TELEMEDICINE VISITS



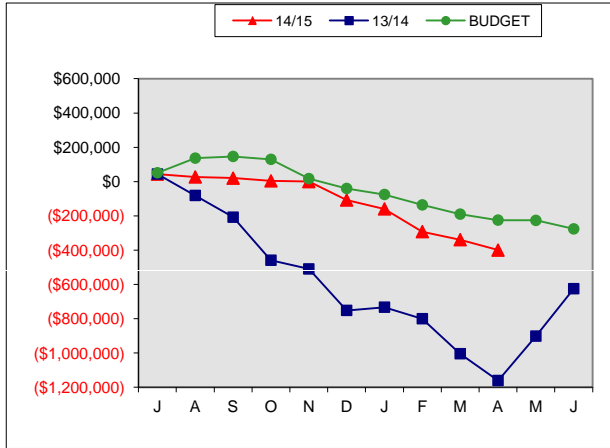
2 AVERAGE DAIL CENSUS S ING



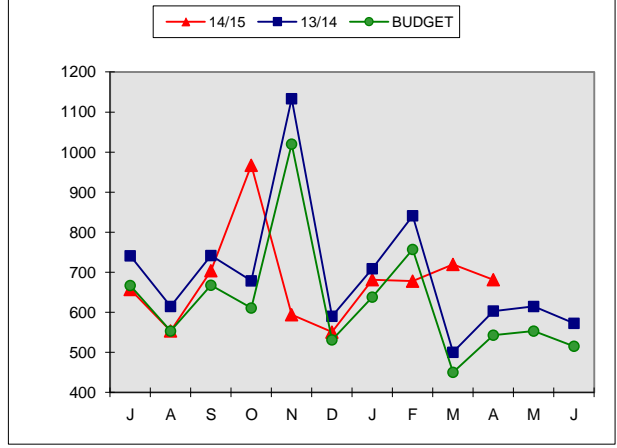
0 ENDOSCOPI PROCEDURES



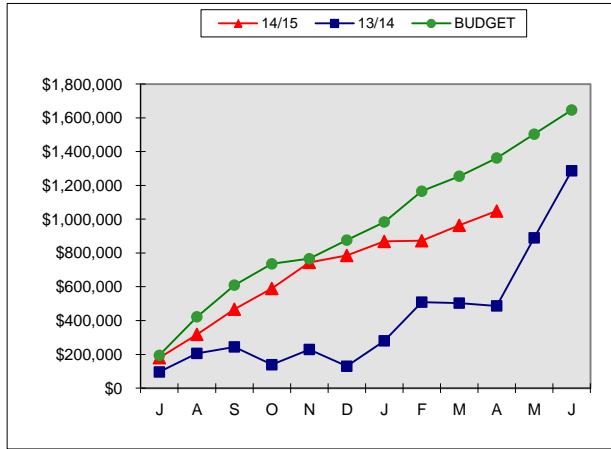
1 EAR TO DATE OPERATING INCOME LOSS



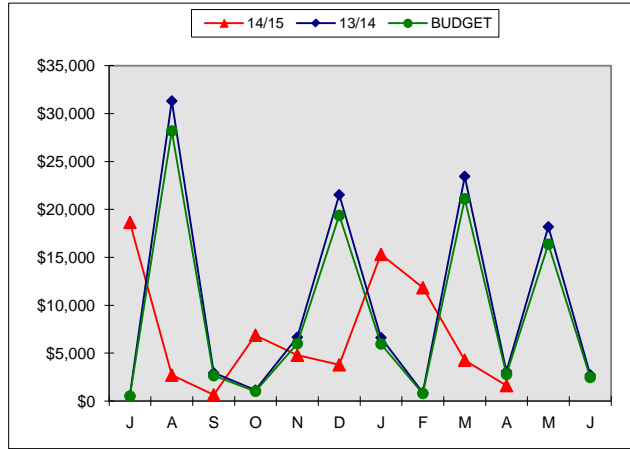
OVERTIME HOURS



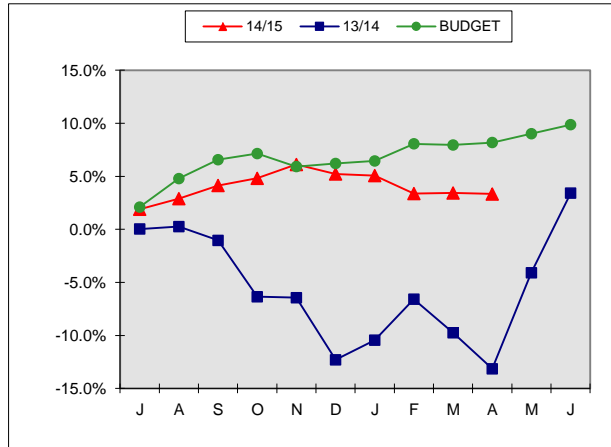
2 EARNINGS BEFORE INTEREST DEPRECIATION AMORTI ATION



5 DENIALS



RETURN ON E UIT



EMERGENC DEPARTMENT TRANSFERS

