

AGENDA
COMMUNITY HEALTH SERVICES BOARD MEETING
Cordova Library Conference Room
July 13, 2011 – 7:00 PM

CCMC'S core purpose is to deliver quality health care locally.
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President
David Allison
term expires 03/12

Vice-President
Kristin Carpenter
term expires 08/12

Secretary
Sandra Cleveland Aspen, PhD, RN
term expires 08/12

Board Members
Elmer (E.J.) Cheshier
term expires 08/13
Tim Joyce
term expires 08/11
Kerin Kramer
term expires 08/12
Vacant
NVE Tribal Council Rep
term expires 08/13

Acting CEO
Stephen Sundby, PhD

- I. OPENING**
 - A. Call to Order
 - B. Roll Call – David Allison, Sandra Aspen, Kristin Carpenter, EJ Cheshier, Timothy Joyce, Kerin Kramer
 - C. Establishment of a Quorum
- II. COMMUNICATIONS BY AND PETITIONS FROM VISITORS**
 - A. Guest Speaker
 - B. Audience Comments (limited to 3 minutes per speaker). Speaker must give name and item on the agenda which they are addressing.
- III. CONFLICT OF INTEREST**
- IV. APPROVAL OF AGENDA**
- V. APPROVAL OF CONSENT CALENDAR**
 - A. Approval of Minutes
 - 1. HSB Meeting Minutes – 6/8/2011.....Page 1
 - 2. HSB Worksession Minutes – 6/14/2011.....Page 9
 - 3. HSB Special Meeting Minutes – 6/22/2011..Page 16

- VI. REPORTS AND CORRESPONDENCE**
 - A. Administrator's Report.....Page 20
 - B. President's Report
 - C. Finance Report.....Page 22
 - D. City Council
 - E. Native Village of Eyak
- VII. ACTION ITEMS –**
 - A. On-call Pay for Sound Alternatives
 - B. Hospital Management RFP and Recommendation to City Council
 - C. 2012FY Budget
- VIII. DISCUSSION ITEMS**
- IX. AUDIENCE PARTICIPATION –**

- A. The board shall give members of the public the opportunity to comment on matters which are within the subject matter jurisdiction of the Board and are appropriate for discussion in an open session. Public comment limited to 3 minutes per speaker.

X. BOARD MEMBERS COMMENTS

XI. EXECUTIVE SESSION

XII. ADJOURNMENT

*Executive Session: Subjects that may be considered in executive session are: 1) Matters, immediate knowledge of which would clearly have an adverse effect upon the finances of the public entity; 2) Subjects that tend to prejudice the reputation and character of any person, provided that person may require a public discussion; 3) Matters which by law, city charter, or ordinance are required to be confidential; 4) Matters involving consideration of government records that by law are not subject to public disclosure; 5) Direction to an attorney or labor negotiator regarding the handling of specific legal matters or labor negotiations.

Minutes
Community Health Services Board
Cordova Library Conference Room
June 8, 2011 – 7:00 PM

I. CALL TO ORDER AND ROLL CALL –

David Allison called the HSB meeting to order at 7:00pm. **Board members present: David Allison, Sandra Aspen, Kristin Carpenter, Tim Joyce, and Kerin Kramer. Absent: EJ Cheshier.** A quorum was established.

CCMC staff present: Stephen Sundby, PhD (Acting CEO), Zhiyong Li (CFO), Kari Collins (DON).

Others present: Mark Lynch, (Cordova City Manager).

II. COMMUNICATIONS BY AND PETITIONS FROM VISITORS - None

III. CONFLICT OF INTEREST

Kramer declared a conflict of interest with Discussion Item A, Management RFP, due to her employer having submitted a proposal. **Allison** concurred but clarified that as this meeting served as an introduction, she could remain. **Allison** clarified that **Kramer's** conflict was only related to any subsequent meetings during which the Board was likely to vote on a recommendation to City Council.

IV. APPROVAL OF AGENDA

M/Joyce, S/Carpenter: Move to approve the agenda.

Joyce recommended item VIII. A, Discussion Items, Management RFP be moved to the first report heard under section VI, Reports and Correspondence.

A vote was made on the motion: 5 yeas. - 0 nays. Motion passed.

V. APPROVAL OF CONSENT CALENDAR

A. Approval of Minutes

M/Joyce, S/Aspen: Move to approve the Health Services Board minutes for 5/11/2011.

A vote was made on the motion: 5 yeas – 0 nays. Motion passed.

VI. REPORTS AND CORRESPONDENCE

A. Management RFP

Lynch recapped the history of the strategic process begun one and one-half years ago. The process resulted in no official consensus but an agreement that Cordova needed something different. **Lynch** reported that the Native Village of Eyak was instructed to submit a proposal by their Council and the City submitted a Request for Information to 18 other entities, seeking interested parties. Quorum Health and Wrangell were not part of the original 18 but contacted the City regarding their interest. Subsequently, the City sent Requests for Proposal to the remaining interested entities. Four entities responded to the RFP within the May 31st deadline.

Lynch presented the Board with a memo that detailed the review process as approved by the Cordova City Council. According to the approved schedule, the Board will review the proposals and provide a recommendation to City Council for the July 6, 2011 meeting. **Lynch** further stated that City Council has the final decision and that the Mayor requested that several CCMC staff members and Nichole Hunt, with Coding Concepts also provide input.

Joyce commented that if members of City Council have not yet received the proposals that they should receive the info soon. **Lynch** responded that he will be distributing the proposals at the upcoming Special Meeting.

Allison asked for Board members' dates of availability for the Board's next meeting and encouraged anyone in the community who wants to be involved to be so. **Allison** scheduled the work session for June 14th at 7:00 pm, and excused **Kramer** due to a conflict of interest.

B. Administrator's Report

Sundby reported that Wrangell Medical Center's Director of Nursing, Sue Nelson, RN and Director of Information Technology, Bob Shymanski, visited CCMC on May 9 and 10.

Staff are requesting information regarding the strategic process and being contacted by the media regarding the RFP. In response, **Sundby** explained the RFP process to staff and directed that all media inquiries be directed to the City.

Sundby reported that the FY2012 is in development and noted a first draft included in the Financial Report. **Sundby** requested the Board consider a HSB Finance Committee to work with the executive staff on budget revisions and during audits.

CCMC continues to advertise nationally and through the State for a clinical social worker. Mavon Lee, LCSW, is contracted to provide quarterly consultations to keep CCMC's Long Term Care in compliance. Sound Alternatives is also advertising for a full-time clinical. **Sundby** introduced Dr. Ann Nora Ehret, and also announced that two new Physician Assistant graduates have shown interest in CCMC.

Sundby reported that the CEO and CFO continue to meet with Angela Arnold and Penney Benson of NVE to coordinate and collaborate. He further reported that the lease with Ilanka Community Health Center is due for renewal. **Li** added that he and Ken Lobe (CCMC Maintenance) are researching all of the variables associated with the cost of the lease.

Carpenter noted that CCMC had a Finance Committee once, but it disbanded, as it was the Board's belief that all board members needed to be involved in the financial details. **Sundby** responded that administration may need the Board to meet more than once a month for budget issues.

Kramer asked if CCMC had tried "3R net" for recruitment. **Collins** responded in the affirmative. **Carpenter** requested clarification on the privileging action items on the agenda to which **Sundby** responded that it is for locums. **Carpenter** questioned whether the Physician Assistants interested in CCMC would be hired for full time. **Sundby** responded that the prospects are wanting partial time. **Sundby** commented on the loan repayment opportunities CCMC is pursuing and reported that will assist the organization in recruiting providers. **Carpenter** asked if the two are contributing to more stable coverage, to which **Sundby** replied that CCMC has lowered the rates. **Carpenter** commented that it would likely help with patient satisfaction. **Joyce** noted that it would be good to staff to the levels CCMC needs to ensure consistent clinic operating hours.

Allison confirmed that CCMC staff should refer calls from the media regarding the RFP process to the City. **Allison** further stated that the City Council will be responsible for the decision unless a vote of the people is required. **Allison** asked that the memo provided by **Lynch** be distributed to CCMC staff to help answer questions.

B. President's Report

No report.

C. Finance Report

Li reported that in the May report, the AR balances will be substantially lower and closer to the real financial picture. CCMC is using an outside agency to manage the self-pay accounts. Cindy has been working on the outstanding ones. The result is not that CCMC has additional cash, but it results in a better (more accurate) financial picture. **Carpenter** noted that it is closer to 1.1, which is the best its been in over a year. **Li** responded that CCMC used to use Cornerstone, which had a 12% recovery rate; the new agency claims a higher recovery rate.

Li noted that for CCMC's past payroll, cash was tight, but the City quickly cut a check to CCMC to assist. **Carpenter** reiterated that May's financials will look different.

Li advised the Board that the financial report will follow the same format every month, providing the Board with enough information but not too much.

Li reviewed the April Balance Sheet, highlighting cash balance, total assets, and the total current liabilities. Referencing the Income Statement, **Li** noted that Gross Patient Services Revenue increased in April, over March, and explained the increase was primarily due to the Health Fair. **Li** also noted the Net Income/(Loss) line as the bottom line and qualifies that the YTD totals reflected 10 months of the annual cycle.

Li noted that Gross Patient Services Revenue was slightly higher than last year and explained the Contractual Adjustment discrepancies as related to the \$500K bad debt that was adjusted and noted in prior meetings. **Li** highlighted that Professional Services is the third highest Expense Category for CCMC, behind wages and associated taxes and fees. **Carpenter** requested clarification on the different between the Net Patient Service

Revenue Vs. Expenses graph and the Total Revenue Vs. Expenses graph. **Li** responded that the latter included the City's contribution and grants received by CCMC.

Li presented a proposed FY12 Operating Budget and explained his assumptions for three different scenarios. The first reflects an increase in revenue of 10% based on expectations for the Charge Master update. The scenario assumes that patient volume remains the same at the City continues to contribute \$400K to operations. **Li** further stated that if CCMC is able to stabilize providers, it will help the budget numbers and may increase patient volume as well. **Li** highlighted the 5% increase in Other Expenses and noted that switching to Blue Cross means an increase in insurance costs of \$80K. **Sundby** qualified that the increase was not due solely to the switch, and that the cost would have risen with Aetna, as well. **Li** cautioned that the actual FY09 Net Gain/Loss was so high because the City waived a \$500K loan to CCMC. Without the waiver, FY09 through FY11 reflect comparable net losses. **Li** noted that there was no increase to wages. **Carpenter** requested that before the budget goes to Council, **Li** add a statement that raises will be awarded retroactively as the budget allows.

Li presented the second scenario, noting that this case assumes a 5% increase in volume due to stable providers replacing two FTE locums. **Li** also spoke to the difference between FTE employees and locums, noting that the former cost CCMC \$70-76K less. **Li** further noted that in contrast, regarding nurses, agency hires and independents both cost less than those employed by CCMC due to PERS. CCMC's goal should be to focus on the independent travelling nurses for the greatest cost savings.

Li presented scenario three, which was based on two additional Long Term Care residents. Each LTC resident brings in roughly \$300K and two additional will not require any changes in staffing, only an increase in supplies and pharmacy expenses. **Sundby** further commented that CCMC's goal should be to fill as many beds as we can.

Li concluded by noting that the next steps for the budget are the Department-level breakdowns and holding each cost center responsible for the associated budget piece.

Carpenter confirmed that all three scenarios reflect the anticipated revenue increase related to Charge Master. **Carpenter** asked the Board when the budget would be going to City Council. **Allison** responded that the Board is not going to approve a budget recommendation tonight. **Li** offered that that scenario three, increase LTC residence is the simpler option, and noted that the clinic could be open more with a stable provider. **Li** also noted grants as potential funding. **Li** further commented that Ilanka's rent is

currently \$6,600 per month and the total utility expense alone for one-eighth of the facility totaled \$4-5K per month. **Carpenter** asked how realistic it was for CCMC to fill two additional Long Term beds. **Sundby** responded that CCMC needs to develop relationships with referring entities so CCMC has a “source”. **Carpenter** stated that if it is a realistic expectation with marketing, that CCMC should pursue that direction. **Li** stated that administration will also be looking at management and other efficiencies.

Joyce commented that the Income Statement reflects a jump for general malpractice insurance. **Li** responded that it is likely a quarterly payment and he will follow up.

Carpenter asked if depreciation is funded. **Li** responded that it is not funded; it is an accounting rule that it must be counted as an expense. **Allison** added that in the early 90’s, the Board used the depreciation as capital budget.

Carpenter asked if the budget could be added to the next Board meeting agenda. **Allison** countered that the Board give **Li** more time. **Li** responded that he will factor in a projected increase of 13.7%, as presented by Blue Cross as the expected increase in revenue following the Charge Master update. **Li** also mentioned the loan payment of \$40K due to the City. **Allison** responded that the City considers the loan part of a \$500K line of credit. **Allison** directed that CCMC make the \$40K payment, and if more funds are needed in the future, the Board can request funds from the line of credit. **Li** noted that the 2009 and 2010 budgets included \$150K pledged from the City to match CCMC’s contribution and asked if the commitment from the City still stands. **Joyce** asked if the funds were attributed for the purchase of a particular piece of equipment. **Li** responded no, it was designated for capital, large-scale project. **Li** further qualified that new equipment would increase depreciation and increase reimbursement rate.

D. City Council

Allison reported that there was nothing new but that the City should be receiving a couple million for a new roof for CCMC based on the State budget awaiting approval.

E. Native Village of Eyak

No report.

VII. ACTION ITEMS

A. Privileging of Karen Morrissette, MD

M/Carpenter, S/Joyce: Move to grant practicing privileges at CCMC to **Dr. Karen Morrissette**.

Joyce noted that the privileging paperwork indicates that Dr. Morrissette does not want to cover the emergency room and requested clarification. **Sundby** responded that Morrissette is an Ilanka provider and Ilanka receives the professional fee revenue and CCMC receives the facility-related revenue. **Carpenter** clarified that the purpose of privileging is to allow Morrissette to admit patients to CCMC. **Allison** affirmed that **Kramer** can vote on the privileging.

A vote was made on the motion: 5 yeas – 0 nays. Motion passed.

B. Privileging of Lorren Weaver, MD

M/Carpenter, S/Joyce: Move to grant practicing privileges at CCMC to Dr. Lorren Weaver.

Sundby noted that Weaver has been granted privileges for two weeks and needs full privileges. **Carpenter** asked if Weaver was a locum and **Sundby** responded that Weaver is a locum that CCMC uses consistently.

A vote was made on the motion: 5 yeas – 0 nays. Motion passed.

VIII. DISCUSSION ITEMS

A. Quality Improvement Plan

Sundby commented that the Plan was for the Board's information and discussion. The Plan forms the baseline for Policy & Procedure development and outcome measures. **Allison** requested that Board members read it prior to the next meeting and provide any comments at that time.

B. Election of Officers

Allison asked Board members if they wanted to elect Board officers now. **Joyce** recommended that the Board maintain the current slate of officers until the City makes

a decision regarding the RFP. **Carpenter** suggested that the item be postponed to a date-certain time and suggested the September regular Board meeting. **Allison** directed staff to reschedule the election of officers for the September regular meeting.

IX. AUDIENCE PARTICIPATION

None.

X. BOARD MEMBER COMMENTS

Kramer commented that everyone was going a good job. **Aspen** thanked Laura for providing consistent Minutes. **Joyce** commented that he liked the QI program and requested that staff report back in a month or two with some related outcomes and accomplishments. **Joyce** further commented that while Outside he had numerous conversations with staff at other hospitals and believes CCMC to be in good shape. **Carpenter** noted her new appreciation for nurses following a medical situation in her family. **Carpenter** thanked **Li**, commenting that the financials are being presented really well.

Allison relayed his experiences in the Swedish system, where he was seen by numerous providers and the discrepancies between the charges amount and the settled amount. **Allison** further stated that regarding the RFP, not accepting one of the four options is still a possible option.

XI. EXECUTIVE SESSION

None.

XIII. ADJOURNMENT

M/Joyce, S/Carpenter: Move to adjourn. Unanimously approved. Meeting adjourned at 8:27 pm.

Transcribed by: Laura Cloward

Reviewed by: Sandra Aspen, HSB Secretary

Minutes
Community Health Services Board
Worksession
Cordova Library Conference Room
June 14, 2011 – 7:00 PM

I. CALL TO ORDER AND ROLL CALL –

David Allison called the HSB meeting to order at 7:05pm. **Board members present: David Allison, Sandra Aspen, Kristin Carpenter, EJ Cheshier, and Tim Joyce. Absent: Kerin Kramer** (excused for Conflict of Interest). A quorum was established.

CCMC staff present: Stephen Sundby, PhD (Acting CEO), Zhiyong Li (CFO), Kari Collins (DON), Vivian Knop.

Others present: Mark Lynch (City Manager)

II. COMMUNICATIONS BY AND PETITIONS FROM VISITORS - None

III. CONFLICT OF INTEREST - No additional.

IV. APPROVAL OF AGENDA

M/Cheshier, S/Joyce: Move to approve the agenda.

A vote was made on the motion: 5 yeas. - 0 nays. Motion passed.

V. APPROVAL OF CONSENT CALENDAR - No items.

VI. REPORTS AND CORRESPONDENCE - No reports.

VII. ACTION ITEMS - No items.

VIII. DISCUSSION ITEMS

A. Management RFP Responses

Allison queried **Carpenter** on how to best start, as she had worked most closely with the City Manager on the process. **Carpenter** suggested that the Board decide which areas the Board wants included in the list of questions for the City Council to ask the proposers and decide whether the Board would need to meet again before the meeting with City Council. **Allison** stated that the proposals left many questions, and that he did not feel prepared to make a decision without some questions being answered. **Sundby** requested that the Board assure invited staff members that nothing said would be held against them should a proposal be selected despite their expressed concerns. **Allison** assured invited staff that sensitive concerns could be brought directly to a Board member in private, and the Board member would express the concern in open forum. He further affirmed that any concern staff has should be a concern of the Board. **Allison** further stated that he would like as much of this process as possibly to be done publicly. **Aspen** added that the minutes do not need to refer to staff members by name; only Board member comments are directly attributable.

Allison stated that he looked at each proposal to see if first, would a charter change be required, particularly with respect to all health services being under the separate administrative control appointed by Council and second, the financial concerns regarding each proposal.

Carpenter and **Joyce** discussed (City) subsidies and which entity (City or contracted manager) would make up any deficit related to each proposal. **Allison** provided his perspective on how the City would address any operational budget request for CCMC. **Allison** further clarified that City Council definitely needs to cover budget issues with the proposers, particularly with respect to how any deficit would be handled. Those present discussed profit-sharing models in general with no resultant questions.

Carpenter pointed out that neither Wrangell nor NVE responded to question number 18 with budget figures, which is non-responsive to the RFP. The Board discussed in general operational and administrative costs beyond the base management fee, to include administrative salaries, add-on services, and the cost to contract needed services. **Allison** asked if the lack of budget figures were to be follow-up issues for the proposers. Discussion of NVE's proposal included the operational nature of the response, rather than a management framework, as well as the fact that NVE's proposal would result in a dual management system. The Board further agreed that the lack of budget figures in the NVE proposal was tied to the fact that NVE would not charge the City a management fee. The Board noted all of the add-on fees related to the Providence submission. Following discussion, **Allison** queried the Board as to their intent and whether to

consider the Wrangell proposal as non-responsive. The Board members concurred that the lack of specific costs to Cordova in the Wrangell proposal should be more an indicator of a proposal's non-responsiveness.

The Board discussed the complexities of sharing a CEO between two similar facilities. **Allison** provided some related concerns held by Wrangell's Board as reported in open sources. **Li** requested clarification from **Collins** regarding the relationship between CCMC and Wrangell competing for Long Term Care beds. **Joyce** commented that all of the proposers were in fact competitors, to which **Li** clarified that the concern is related to a single CEO shared between competing facilities.

Carpenter commented that Cordova needs a management team that can deliver a successful structure and that the Wrangell proposal lacked certainty in many areas. **Aspen** concurred, stating that Wrangell's proposal included many nebulous statements, for example, that "were open to several management models", but did not specify which they felt would work. She stated that Providence set the bar high with specifics and that Wrangell's proposal did not offer the same detail. **Aspen** further questioned what Wrangell would bring that we don't already have access to.

Carpenter stated the Wrangell's reliance on grants is an issue and that the Board needs to focus on a more sustainable funding model and improved financials. Staff asked rhetorically which facility (Wrangell or Cordova) would be the recipient of grant funding first with a shared CEO.

Joyce summarized that regarding Wrangell, there was insufficient information provided for the Board to give the proposal due consideration. He highlighted the lack of a response to question #18, concerns regarding the shared CEO's priorities and the sustainability of a grant model. The Board concurred that these were comments to City Council and justification for not considering Wrangell.

Regarding NVE, **Joyce** addressed his concerns about how the Board would make Long Term Care and the cafeteria would function without any additional support services. He noted in particular LTC licensure and utility management. Staff endorsed the idea of structurally separating the functions so that LTC residents are not living in a hospital, but noted that NVE's proposal doesn't change the physical structure. Staff and **Joyce** further highlighted the need for contracts to share nurses and providers between the resultant separate operations. In addition, staff also commented on the fact that Long Term Care (LTC) currently shares equipment and supplies with the hospital and hospital clinic;

should NVE take on the hospital, LTC would have the additional costs of replacing access to equipment and supplies. **Joyce** concurred, stating that as a result, the costs and complications associated with NVE's proposed model are higher than CCMC has now. **Allison** added that it would also likely cause LTC revenues to decline; the revenue side requires significant financial analysis to determine the potential impact.

Sundby asked if NVE's proposal accomplish what the community wanted, (as determined through the Strategic Process,) which is unity and clarity in Cordova's medical care. **Aspen** noted that the proposal allows NVE to hire, fire, and discipline employees, and wondered given the protracted and divisive nature of the Strategic Process, would current employees be fearful of their jobs and would this increase divisiveness in the community. **Aspen** noted that clarity is missing from the NVE proposal and the Board will have to answer to the community if it does not meet what they wanted. The Board concurred that the NVE proposal did not accomplish the community's desires.

Carpenter further noted that the purpose of the strategic process was to find a qualified manager for our facility and pointed out that NVE stated within their proposal that they have no experience with a Critical Access Hospital. Since the experience is exactly what we need, she did not believe that NVE can do what CCMC needs them to. **Carpenter** offered that the NVE proposal was non-responsive or would score very low as a result. The Board concurred.

Carpenter opened the discussion on Providence and Quorum with consideration of their fee structure, noting that Quorum's was more comprehensive. Attendees discussed costs associated with Electronic Medical Records and CCMC's options. **Joyce** stated that Providence did address IT equipment in their proposal and the need for compatible systems. **Cheshier** clarified that Providence's proposal states that CCMC's has to purchase everything so "it can stay here".

Carpenter noted that Providence's proposal doesn't mention outpatient surgeries and questioned whether Providence has an incentive to grow CCMC's capacity in Cordova. **Joyce** offered that Cordova could ask the question of other small Providence facilities such as Seward or Valdez. **Sundby** offered that Providence would increase our services by feeding patients to their services as well as using technology to keep people here, such as Electronic ICU, which would allow Anchorage-based providers to monitor and follow-up with their patients in Cordova. In those instances, CCMC would derive the facility-based patient revenue, while Providence would obtain the provider-based

patient revenue. **Carpenter** suggested that City Council query both Providence and Quorum regarding their strategy for increasing local capacity.

Staff noted that Quorum's proposal seems to allow CCMC to retain its identity while ensuring our success. **Cheshier** added that Quorum is not competition, and that he fears other proposers may want to take too much out of Cordova. He added that CCMC is seeking good management, and a team with resources, not a new identity. The Board discussed speaking with references, both at the staff level and at the Board level to determine the reality of working with either entity. Sitka was brought up as a similar example that recently converted to Quorum's management. **Lynch** clarified discussions with Providence's clients as part of the strategic process and that he followed up with Quorum's clients as part of the RFP process. **Sundby** provided information on Bartlett regional and affirmed that the relationship between Quorum and the local Board was seamless. Staff offered that Quorum appeared to be an entity that is would be a pleasure to work with and that they have resources on every area that CCMC would need to improve our processes and capabilities. **Sundby** relayed that at Bartlett, they were not "nickel-and-dimed" for this expertise. **Joyce** noted that Quorum's fee structure was clear, but that City Council would need to obtain information regarding salary ranges associated with the proposers' Administrators.

Carpenter reiterated the need to speak with references. **Lynch** asked if the Board wanted him to set up a teleconference for them to talk to other individuals. **Joyce** responded that his intention was not that the Board do so, but that either the City or CCMC staff do so. **Lynch** offered that the CEO would be a more appropriate person to contact Sitka.

The Board discussed the Administrator position and which entity has control over choosing the CEO, the process, as well as inconsistencies between the Board charter and city code. **Allison** confirmed the role of the Board with separate administrative control of all the health services in Cordova and that the Code is in violation of the people's vote. **Lynch** clarified that HSB currently has the authority to hire/fire the CEO. **Sundby** relayed his experience with Bartlett.

Cheshier highlighted that a big difference between the Quorum and Providence responses is the Board: both structure and responsibilities. He offered that the Board needs to consider what kind of Board CCMC/the community wants and what kind of responsibility the Board wants. He added that for Quorum, CCMC needs a good, strong, Board and that Cordova would have to decide if it wanted an elected or appointed Board.

The Board confirmed that **Allison** will bring to Council the question of administrator salary ranges for both Providence and Quorum. The Board relayed that City Council should also obtain information from Providence regarding their intended length of contract in order to assess both proposals equitably. **Joyce** questioned whether Quorum's fee of \$373K per year was over five years or whether the rate would change over the term.

Allison opened a discussion on Providence's numerous add-ons. Following discussion, **Carpenter** suggested that City Council request from Providence an average ratio of add-on features compared to the base management fee for each of the smaller Alaska facilities. The Board discussed PERS with respect to CCMC employees and the proposals. **Lynch** confirmed that CCMC employees will remain in PERS because the City cannot afford a transition.

Relative to the add-on fees, **Carpenter** requested that staff develop representative scenarios related to comprehensive and add-on services that City Council could present to Providence and Quorum's management for a general response. **Lynch** offered that the City should consider obtaining a detailed fee schedule for the add-on fees.

The Board affirmed a general consensus that they found Quorum most favorable. **Aspen** and **Cheshier** both stated a desire to maintain a facility that reflects the Cordova community and is inclusive with respect to the population's diversity. **Allison** requested the questions from staff and the minutes from this worksession be provided prior to June 24. **Lynch** reported that he hoped to provide the proposals to City Council this week. **Carpenter** stated that the Board would follow up following the July 6 joint meeting with City Council. **Allison** stated that the subsequent HSB regular meeting, on July 13, would be a good time to do that.

IX. AUDIENCE PARTICIPATION - None

X. BOARD MEMBER COMMENTS

Carpenter thanked the City Manager for organizing the process and thanked staff for their participation. Thanks were echoed by **Cheshier**, **Joyce**, and **Aspen**.

Allison invited comments from CCMC staff, who relayed their appreciation for the opportunity to give their opinion and perspective. They further relayed that it was nice

to be involved at a planning level. **Allison** thanked staff for the extra work they've put in. He further affirmed that the Board takes staff's input seriously.

Joyce commented that he believed the Board narrowed the options to two. He further stated that either would work, but it was a matter of how we go about it.

XI. EXECUTIVE SESSION

None.

XIII. ADJOURNMENT

M/Joyce, S/Aspen: Move to adjourn. Unanimously approved. Meeting adjourned at 8:47 pm.

Transcribed by: Laura Cloward

Reviewed by: Sandra Aspen, HSB Secretary

Minutes
Community Health Services Board
SPECIAL MEETING
Cordova Library Conference Room
June 22, 2011 – 12:00 PM

I. CALL TO ORDER AND ROLL CALL –

David Allison called the HSB meeting to order at 12:00pm. **Board members present: David Allison, Sandra Aspen, Kristin Carpenter, EJ Cheshier, and Tim Joyce. Absent: Kerin Kramer.** A quorum was established.

CCMC staff present: Stephen Sundby, PhD (Acting CEO).

II. COMMUNICATIONS BY AND PETITIONS FROM VISITORS - None

III. CONFLICT OF INTEREST - None

IV. APPROVAL OF AGENDA

M/Joyce, S/Aspen: Move to approve the agenda.

M/Carpenter: Add item B to Action Items to make a recommendation to City Council of choice of proposal.

No second. **Carpenter** withdrew Motion.

A vote was made on the motion: 5 yeas. - 0 nays. Motion passed.

V. APPROVAL OF CONSENT CALENDAR - No items.

VI. REPORTS AND CORRESPONDENCE - No reports.

VII. ACTION ITEMS

A. Role of the Cordova Community In Local Health Services

M/Carpenter, S/Joyce: Move that the Health Services Board recommend the City of Cordova consider negotiating a contract with Quorum Health for hospital management.

Carpenter noted that Quorum and Providence differ in how they interact with the Board; under Quorum, the Board maintains the current form, under Providence, the Board exists in a difference form. **Carpenter** further stated that she would like to see Cordova continue with a governing board mode. She wants to increase local capacity and believes that Quorum best allows for that. **Carpenter** additionally stated that if the City chooses the other option, it is her impression that the emphasis will be on Cordova feeding Anchorage and there will be little interest in helping CCMC grow locally.

Cheshier stated that there will be little interest from the community in serving on a Board that doesn't do anything.

Carpenter acknowledged that the Board will have to work on recruitment and development to ensure a good governing Board. **Joyce** agreed and noted that from a strategic perspective, it will take changes in Cordova's ordinances to ensure the Board can exercise the control it needs to. **Joyce** offered the School Board as an example of a separate board that functions in Cordova. He further suggested that if Quorum were chosen, he believes the resulting HSB should be an elected 7-person board with full power; if Providence is selected, the HSB should be reduced to 5 people.

Allison reference the City Charter and explained that the provision for the Health Services Board would not apply with Providence, as CCMC would not be City-operated under that proposal. As is, the Charter would impact Quorum and would require a code change by the City. **Allison** continued by noting that there are both good and bad points to having a governing Board and specifically referenced an elected Board with separate powers and the ability to have CCMC run independent of the City. **Allison** noted that it is difficult for non-industry professionals to weight in appropriately and the question of how much involvement City Council wants in CCMC's operation remains. Ultimately, it should be up to what the voters want.

Joyce commented the Board is seeking additional information from the proposing entities and that it is appropriate for the Board to get those answers for Council; the process can't move forward without the answers. **Joyce** also noted that he is leaning towards the Quorum model and stated his concern that there might be conflicts with Providence.

Aspen agreed that she wants the answers to the Board's questions and staff's questions before moving forward. **Aspen** noted that if the new model doesn't work, with Quorum the Board still has its hands in it. **Aspen** also stated her idea that losing control will result in a loss of interest in the community for CCMC. **Carpenter** responded that CCMC is a critical resource for the community and noted that the Coast Guard, school Superintendent, and retirees look for the availability of health services when evaluating communities. To the extent Cordova has it as a resource, local control is critical.

Aspen highlighted that Quorum is only interested in managing CCMC, an important distinction.

Cheshier voiced his concerns about an elected board, including the potential for an election to turn into a popularity contest. He further noted that oversight of CCMC is too much to ask of City Council and that it is critical that the Board include the right people to be effective. **Cheshier** stated that the Board will need to establish a nominating committee, educate the voters, and ensure a solid Board. **Carpenter** responded that traditionally, that is part of a Board's job. **Joyce** added that he believes there are people in the community that would really want to make CCMC work, particularly under good management. **Carpenter** noted that we are getting on the right track and success breeds success. **Cheshier** added that there are Council members that want to "give it to someone to run" and remove CCMC from the local politics. **Joyce** concurred with the need to remove CCMC from the local politics.

Cheshier noted that by choosing Quorum, Cordova would be implementing stability with a 5-year contract and a set price.

M/**Joyce**, S/**Cheshier**: Move to postpone making a recommendation to City Council until answers to the questions are in and after the joint worksession with City Council.

VIII. DISCUSSION ITEMS – No items.

IX. AUDIENCE PARTICIPATION - None

X. BOARD MEMBER COMMENTS

Allison requested that staff pass on the Board's questions to the City Manager to be answered by the July 6, 2011 joint worksession. **Allison** further directed **Sundby** to coordinate with the City Manager to determine who would conduct the follow-up.

Cheshier noted his investment in the process and voiced his concern for making the wrong decision. **Carpenter** thanked everyone and stated that she thinks that the process causes individuals to consider the ramifications of their decisions and notes that is a good thing.

Aspen commented that both option reflect the task force's recommendation and that she sees only positive steps forward.

Allison make note of Nichole Hunt's analysis, distributed via email and commented that her conclusions reflected the Board's conclusions. He further noted that change is good, especially when an entity is struggling.

XI. EXECUTIVE SESSION

None.

XIII. ADJOURNMENT

M/Cheshier, S/Joyce: Move to adjourn. Unanimously approved. Meeting adjourned at 12:45 pm.

Transcribed by: Laura Cloward

Reviewed by: Sandra Aspen, HSB Secretary

CORDOVA COMMUNITY MEDICAL CENTER



P.O. Box 160 • 602 Chase Ave. • Cordova, Alaska 99574-0160
Phone: (907) 424-8000 • Fax: (907) 424-8116

To: Health Services Board
From: Stephen Sundby, CCMC Acting Administrator
RE: Administrator Report
Date: July 13, 2011

1. State of Alaska, Life Safety Survey was conducted on June 13, 2011 in conjunction with the State of Alaska Long Term Care Survey.
2. State of Alaska Long Term Care (LTC) Survey, which included a State of Alaska Survey to determine compliance with Federal, Medicare/Medicaid: On June 13-16, 2011 an unannounced standard survey was conducted to determine compliance with Medicare/Medicaid and State Licensure participation requirements for skilled nursing facilities. The survey found that CCMC LTC was “not in substantial compliance.” It was determined that “deficiencies constituted actual harm that is not immediate jeopardy.” The Plan of Correction has been submitted.
3. Federal Center for Medicare/Medicaid Services (CMS) LTC Survey: On June 29-July 1, 2011 an unannounced survey by the Federal Center for Medicare/Medicaid Services (CMS) was conducted. CMS placed CCMC on “Immediate Jeopardy” on July 1, 2011 due to deficiencies that placed residents at risk of harm. A Plan of Corrections was immediately put in place and the Immediate Jeopardy was abated on July 6, 2011 by Kathy Murtiashaw, RN, BSN, M.Ed. with an effective date of July 1, 2011. The final report had not been received when this report was generated. A comprehensive Plan of Correction will be submitted when the report is received.
4. CCMC will have a State of Alaska, Critical Access Hospital (CAH) Survey sometime this summer.
5. Staffing:
 - a. Licensed Clinical Social Worker: We are continuing to advertise nationally; through the State of Alaska ALEXsys Job Bank; Craig’s List; and placement agencies for a full-time licensed clinical social worker (LCSW) to fill the vacancy for Long Term Care (LTC). A licensed master’s level social worker is a requirement for LTC social services. We have received no applications for the position since the last HSB Meeting.

- i. Mavon Lee, LCSW is contracted to provide social service consultations in an attempt to keep Long Term Care in compliance with the regulations. She provided an on-site visit in June. Ms. Lee has limited availability. This was not enough to keep CCMC in compliance with the LTC regulations.
 - ii. We are pursuing another contract LCSW that is available on an as-needed basis until a full-time LCSW is hired. We are currently in contact with an LCSW in Anchorage that is starting private practice.
 - b. BH Clinician: Sound Alternatives is advertising for a full-time BH Clinician with any Alaska mental health licensure due to a lack of LCSW applicants. An LCSW will continue to be the preferred candidate. There is a current applicant being considered.
 - c. Physician Assistant: A recent Physician Assistant graduate was interviewed by telephone. She was unable to come for an on-site interview when CCMC medical staff were available to interview. She needed an immediate offer that we were unable to make, so she accepted a previous offer from another facility in the State.
 - d. Quality Improvement Coordinator: We are advertising for a Quality Improvement Coordinator. The position is included in the FY2012 Budget and was previously approved.
 - e. Licensed Occupational Therapist: I propose CCMC hire a Licensed Occupational Therapist. The position would be able to provide activity services to LTC and swing bed residents. Our current activity services contract is not meeting the needs of the LTC residents and has placed CCMC out of compliance with the regulations. In addition, Occupational Therapy would assist in filling swing beds and would be provided on an out-patient basis to provide the services for the community and generate revenue.
6. Grants:
- a. CCMC is applying for a "Flex Grant Financial Improvement Funding" grant through the Alaska State Hospital and Nursing Home Association (ASHNHA) for \$10,000. The grant would provide a consultant and software to assist with cost reporting and financial planning.
7. Stephen Sundby and Zhiyong Li are meeting on Fridays at 9:00 AM with Angela Arnold and Penney Benson (NVE) to coordinate and collaborate where opportunities arise.
- a. The lease with Ilanka Community Health Center is due for renewal. I have contacted Mark Lynch (City Manager) regarding the lease. I was informed that the City of Cordova is responsible for the lease.

Reports from Finance Dept:

1. Balance Sheet as of 05/31/2011
2. YTD Income Statement as of 5/31/2011
3. Three Year Comparative Income Statements (YTD data)
4. Three Year Comparison in Patient Revenues (YTD)
5. Three Year Comparison in Expense Categories (YTD)
6. Two Year Net-Patient-Revenues vs. Total Expenses (YTD)
7. Two Year Total-Revenues vs. Total Expenses (YTD)
8. Cash Position and bank reconciliations

Cordova Community Medical Center
Balance Sheet
May 31, 2011

	Current Year	Last Year	
	5/31/2011	5/31/2010	Increase (Decrease)
Assets			
Cash	163,728	356,463	(192,735)
Receivables			
Accounts Receivable	1,079,642	1,817,812	(738,170)
Allowance for Uncollectible	(233,521)	(857,159)	
Net Accounts Receivable	846,121	960,653	(114,532)
Other			
Other	149,911	(109,377)	259,288
Grant Programs & City Transfers	61,193	(31,310)	92,503
Supplies Inventory	127,652	136,968	(9,316)
Prepaid Expenses	33,180	13,310	19,870
Other Assets			
Major Moveable	10,684,096	10,525,271	58,825
Accum Depreciation	(8,341,230)	(8,077,679)	(263,551)
Total Assets	3,724,652	3,874,299	(149,648)
Liabilities and Net Assets			
Accounts Payable			
Accounts Payable	415,190	486,422	(71,232)
Accrued Payroll & Related Liab			
Accrued Payroll & Related Liab	539,278	430,209	109,068
Other Liabilities			
Other Liabilities	61,024	74,732	(13,708)
Total Current Liabilities	1,015,492	991,364	24,128
Net Pension Obligation			
Net Pension Obligation	0	0	0
Obligations under Capital Lease			
Obligations under Capital Lease	0	0	0
Total Liabilities	1,015,492	991,364	24,128
Prior/Current Income/(Loss)	2,709,160	2,882,935	(173,776)
Total Liabilities & Net Assets	3,724,652	3,874,299	(149,648)

Cordova Community Medical Center
Income Statement (Fiscal Year 2011 - 7/1/10 through 6/30/11)

	Actual 2010 July	Actual 2010 August	Actual 2010 September	Actual 2010 October	Actual 2010 November	Actual 2010 December	Actual 2011 January	Actual 2011 February
Revenue								
Acute	12,500	8,750	7,500	6,425	2,500	3,750	6,250	6,250
Long Term Care	258,111	248,325	238,713	248,325	240,315	248,326	248,326	209,074
Swing Bed	14,705	13,505	24,091	39,600	96,000	45,707	35,746	48,618
Lab/Blood	50,379	70,494	57,831	60,582	67,309	43,438	36,650	49,587
EKG	2,952	3,280	2,788	4,100	2,460	2,132	2,132	3,772
Medical Supplies/RT (Oxygen)	35,946	22,317	21,848	22,236	20,869	23,617	23,299	27,506
Radiology/Ultrasound	16,740	17,235	15,442	16,215	16,382	10,489	11,647	16,717
Pharmacy	60,260	21,314	52,406	32,326	51,662	26,691	50,103	76,053
PT	8,773	21,989	22,194	23,478	20,094	18,136	21,685	24,065
Outpatient	8,316	12,662	15,415	7,839	5,743	4,936	3,567	9,732
Emergency Room	14,812	20,444	12,117	9,925	11,537	13,908	9,957	18,716
Short Stay-Obsv	4,264	728	5,371	9,619	2,340	4,004	7,129	8,008
Pro Fee	17,794	18,307	13,172	13,854	9,641	12,763	14,736	23,775
Clinic	17,326	18,052	17,590	13,818	15,634	11,007	12,743	17,657
BH (MH, AL, Outreach)	5,163	5,060	1,960	22,407	21,995	12,350	10,891	10,325
Other - Mortuary, Respite, L&D			190		420	192	0	0
Gross Patient Services Revenue	528,040	502,462	508,628	530,749	584,901	481,446	494,862	549,855
Contractual Adj, Charity, Bad Debt	(81,384)	(28,738)	(83,103)	(39,433)	(42,317)	(29,196)	(35,529)	(24,656)
Net Patient Services Revenue	446,656	473,724	425,525	491,316	542,584	452,250	459,333	525,199
Interest Income	0	34	0	37	32	7	0	0
City Contributions								
City Funding	34,353	34,353	34,353	34,353	34,353	34,353	27,218	33,333
City In-Kind Contributions Utilities	1,019	1,019	1,019	1,019	1,019	1,019	1,018	1,019
In Kind Revenue - Non City	31,000	31,000	31,000	31,000	31,000	30,788	29,728	30,788
Grant and Walver Funding	84,222	42,947	42,839	123,363	43,905	42,977	43,200	63,567
Non-Operating Revenue	10,170	13,715	2,078	3,762	20,323	3,620	13,453	10,232
Total Non-Operating Revenue	160,764	123,068	111,289	193,534	130,631	112,764	114,618	138,940
Total Revenue	607,420	596,791	536,814	684,850	673,216	565,014	573,951	664,139
Expenses								
Wages	246,117	258,110	219,388	252,488	242,028	250,814	246,190	235,204
Taxes and Benefits	115,450	109,948	100,832	90,124	104,555	106,608	120,653	114,462
Recruitment & Relocation	1,048	3,195	1,890	1,634	3,014	5,194	696	397
Professional Services	55,486	111,713	106,940	116,652	123,330	116,005	158,028	134,236
Minor Equipment		1,491	2,437	986	2,384	4,319	4,368	5,187
Supplies	42,865	26,435	38,662	33,516	40,721	35,424	38,009	39,731
Repair & Maintenance	6,018	7,935	3,191	6,012	5,128	463	3,656	1,151
Rent / Lease Equipment	275	275	5,017	4,114	3,025	3,507	756	2,247
Utilities and Fuel	16,475	19,600	27,316	22,706	26,572	27,889	44,105	19,048
USF In Kind Utilities Expense	32,019	32,019	32,019	32,019	32,019	32,019	30,746	31,807
Travel & Training	365	0	5,265	1,049	2,342	2,965	4,403	5,895
General & Malpractice Insurance	11,350	6,141	6,463	17,403	6,463	6,463	24,053	10,936
Other Expenses	2,859	2,809	8,468	3,694	94	2,608	29,356	2,234
	0							
Total Expenses	530,327	579,672	557,889	582,397	591,676	594,278	705,019	602,535
Income(Loss) before depreciation	77,094	17,120	(21,074)	102,453	81,540	(29,264)	(131,068)	61,604
Depreciation Expense	21,105	21,105	21,105	21,105	21,105	21,105	21,212	21,295
Net Income(Loss)	55,989	(3,985)	(42,179)	81,348	60,435	(50,370)	(152,280)	40,309

Cordova Community Medical Center
Income Statement (Fiscal Year 2011 -

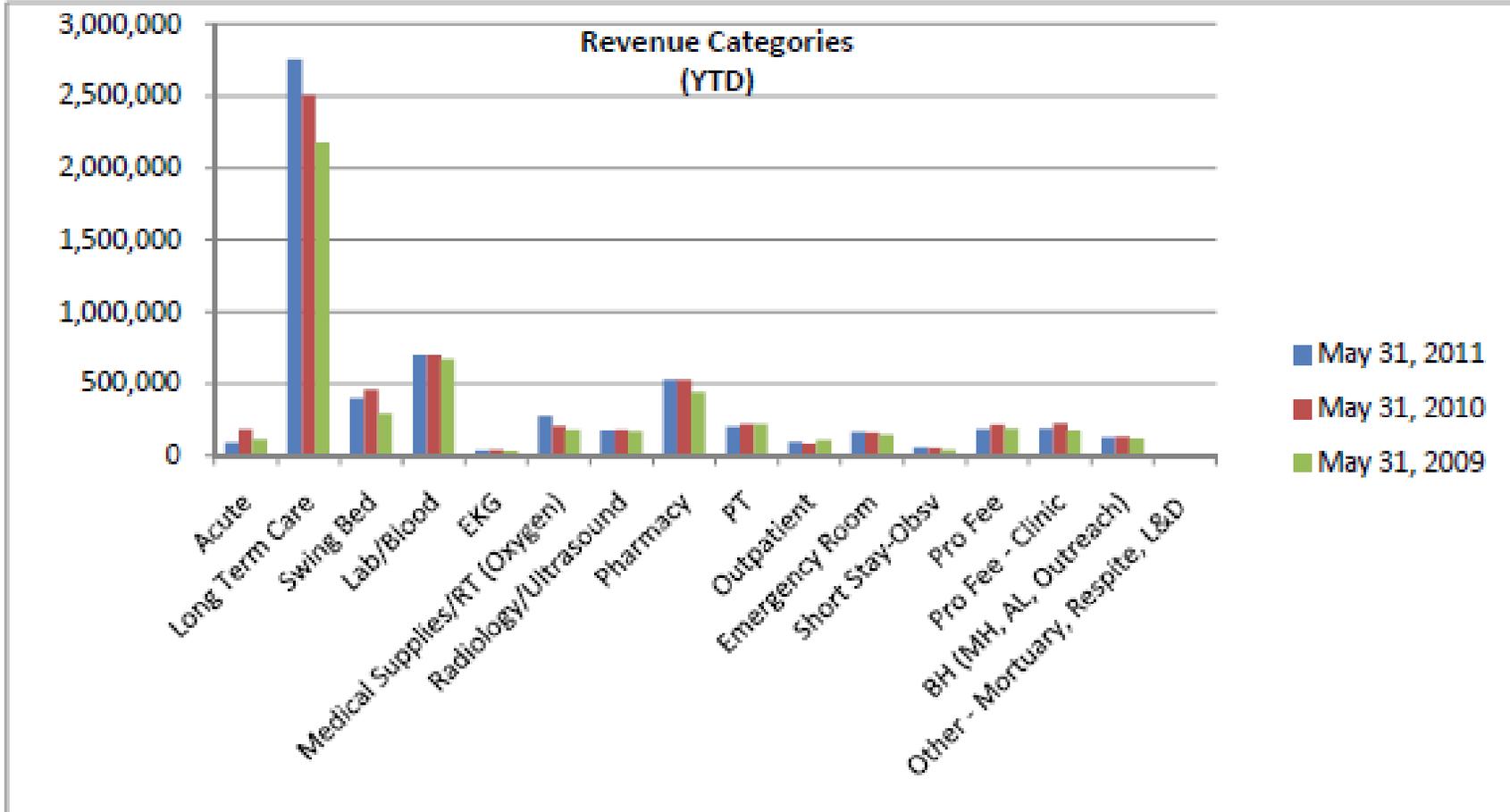
					Period	Ending	
	Actual	Actual	Actual	Actual	Actual	Budget	Variances
	2011	2011	2011	2011	YTD	YTD	Favorable
	March	April	May	June	Total	Total	(Unfavorable)
Revenue							
Acute	7,500	17,500	12,500		91,425	180,000	(88,575)
Long Term Care	284,123	257,328	270,923		2,751,888	2,583,498	168,391
Swing Bed	436	24,000	56,400		398,807	456,456	(57,649)
Lab/Blood	65,225	101,216	94,971		697,682	698,142	(460)
EKG	2,788	2,624	2,460		31,488	36,080	(4,592)
Medical Supplies/RT (Oxygen)	26,970	26,135	26,534		277,278	203,679	73,599
Radiology/Ultrasound	20,161	15,539	16,190		172,757	175,077	(2,320)
Pharmacy	49,116	47,915	57,896		525,742	528,643	(2,901)
PT	10,298	14,240	16,239		201,191	215,527	(14,336)
Outpatient	9,797	7,017	9,134		94,158	81,810	12,348
Emergency Room	14,874	13,583	25,071		164,944	156,373	8,571
Short Stay-Obsv	5,200	1,352	8,944		56,959	48,672	8,287
Pro Fee	17,345	17,240	25,069		183,696	213,936	(30,240)
Clinic	15,967	22,351	22,836		184,981	220,519	(35,538)
BH (MH, AL, Outreach)	10,151	9,616	14,875		124,793	128,640	(3,847)
Other - Mortuary, Respite, L&D	150	360	0		1,312	10,365	(9,053)
Gross Patient Services Revenue	540,101	578,016	660,042	0	5,959,102	5,937,416	21,686
Contractual Adj. Charity, Bad Debt	(69,242)	(88,434)	(198,952)		(720,986)	(1,009,361)	288,375
Net Patient Services Revenue	470,858	489,582	461,090	0	5,238,117	4,928,055	310,061
Interest Income	0	0	2		113		113
City Contributions					0		0
City Funding	33,333	33,333	33,333		366,667	504,167	(137,500)
City In-Kind Contributions Utilities	1,019	1,019	1,019		11,210	11,211	(1)
In Kind Revenue - Non City	30,788	30,788	30,788		338,668	767,895	(429,227)
Grant and Waiver Funding	44,193	46,251	44,154		621,618	841,958	(220,340)
Non-Operating Revenue	7,989	13,659	17,076		116,077	87,087	28,990
Total Non-Operating Revenue	117,322	125,051	126,372	0	1,454,354	2,212,318	(757,964)
Total Revenue	588,180	614,633	587,461	0	6,692,470	7,140,373	(447,903)
Expenses							
Wages	250,427	296,479	266,786		2,764,032	3,174,143	410,111
Taxes and Benefits	122,387	103,997	122,571		1,211,587	1,766,026	554,439
Recruitment & Relocation	314	4,111	802		22,294	0	(22,294)
Professional Services	179,542	54,787	71,891		1,228,611	799,060	(429,550)
Minor Equipment	2,747	6,225	464		30,607	24,407	(6,200)
Supplies	44,509	36,178	59,641		435,692	346,482	(89,210)
Repair & Maintenance	5,676	1,378	4,880		45,488	36,588	(8,900)
Rent / Lease Equipment	3,290	1,029	2,300		25,834	13,274	(12,560)
Utilities and Fuel	25,885	41,913	19,346		290,853	220,873	(69,980)
USF In Kind Utilities Expense	31,807	31,807	31,807		350,091	341,000	(9,091)
Travel & Training	3,843	1,504	870		28,502	22,917	(5,585)
General & Malpractice Insurance	10,936	25,911	11,536		137,655	96,532	(41,124)
Other Expenses	1,411	2,767	2,490		58,789	58,914	126
Total Expenses	682,775	608,085	595,383	0	6,630,034	6,300,217	270,183
Income(Loss) before depreciation	(94,594)	6,547	(7,922)	0	62,436	240,157	(177,720)
Depreciation Expense	21,295	20,874	21,893		233,201	252,949	(19,748)
Net Income(Loss)	(115,890)	(14,327)	(29,815)	0	(170,765)	(12,792)	(157,973)

Cordova Community Medical Center Three Year Comparative Profit & Loss Statements

	Current to Last Year Comparison	FY 2011 YTD May 31, 2011	FY 2010 YTD May 31, 2010	FY 2009 YTD May 31, 2009
Revenue				
Acute	-49.21%	91,425	180,000	114,450
Long Term Care	9.71%	2,751,888	2,508,249	2,173,665
Swing Bed	-12.63%	398,807	456,456	293,548
Lab/Blood	-0.07%	697,682	698,141	668,975
EKG	-12.73%	31,488	36,080	28,242
Medical Supplies/RT (Oxygen)	36.14%	277,278	203,677	178,352
Radiology/Ultrasound	-1.33%	172,757	175,077	168,050
Pharmacy	-0.65%	525,742	528,642	440,414
PT	-6.65%	201,191	215,527	218,399
Outpatient	15.09%	94,158	81,810	111,229
Emergency Room	5.48%	164,944	156,373	145,385
Short Stay-Obst	17.03%	56,959	48,672	37,120
Pro Fee	-14.14%	183,696	213,939	187,638
Pro Fee - Clinic	-16.12%	184,981	220,519	172,093
BH (MH, AL, Outreach)	-5.95%	124,793	132,692	119,875
Other - Mortuary, Respite, L&D	-79.22%	1,312	6,315	4,960
Gross Patient Services Revenue	1.65%	<u>5,868,102</u>	<u>5,882,188</u>	<u>5,082,394</u>
Contractual Adj, Charity, Bad Debt	-39.68%	(720,986)	(1,195,320)	(1,044,523)
Net Patient Services Revenue	12.24%	<u>5,238,117</u>	<u>4,688,848</u>	<u>4,017,871</u>
Interest Income		113	0	259
City Contributions		0		
City Funding	0.00%	366,667	366,667	902,031
City In-Kind Contributions Utilities	0.00%	11,210	11,210	11,213
In Kind Revenue - Non City	-20.54%	338,668	426,237	442,644
Grant and Waiver Funding	-16.71%	621,618	746,307	785,968
Non-Operating Revenue	12.70%	116,077	103,000	189,127
Total Non-Operating Revenue	-12.04%	<u>1,464,364</u>	<u>1,863,421</u>	<u>2,381,241</u>
Total Revenue	5.89%	<u>8,882,470</u>	<u>8,320,270</u>	<u>8,349,112</u>
Expenses				
Wages	-8.18%	2,764,032	3,010,237	2,703,287
Taxes and Benefits	-12.30%	1,211,587	1,381,484	1,476,454
Recruitment & Relocation	7.49%	22,294	20,741	21,571
Professional Services	59.93%	1,228,611	768,202	560,986
Minor Equipment	14.96%	30,607	26,625	21,528
Supplies	15.92%	435,692	375,854	393,945
Repair & Maintenance	24.32%	45,488	36,589	70,112
Rent / Lease Equipment	119.01%	25,834	11,796	11,574
Utilities and Fuel	2.88%	290,853	282,702	92,038
UDF In Kind Utilities Expense	15.88%	350,091	302,108	442,644
Travel & Training	-27.94%	28,502	39,554	31,804
General & Malpractice Insurance	18.13%	137,655	116,531	100,778
Other Expenses	-0.22%	58,789	58,917	30,825
Total Expenses	3.09%	<u>8,830,004</u>	<u>8,431,340</u>	<u>8,967,648</u>
Income/(Loss) before depreciation	-156.21%	<u>82,438</u>	<u>(111,070)</u>	<u>381,688</u>
Depreciation Expense	0.21%	233,201	232,712	241,476
Net Income/(Loss)	-50.3%	<u>(170,785)</u>	<u>(343,782)</u>	<u>160,080</u>

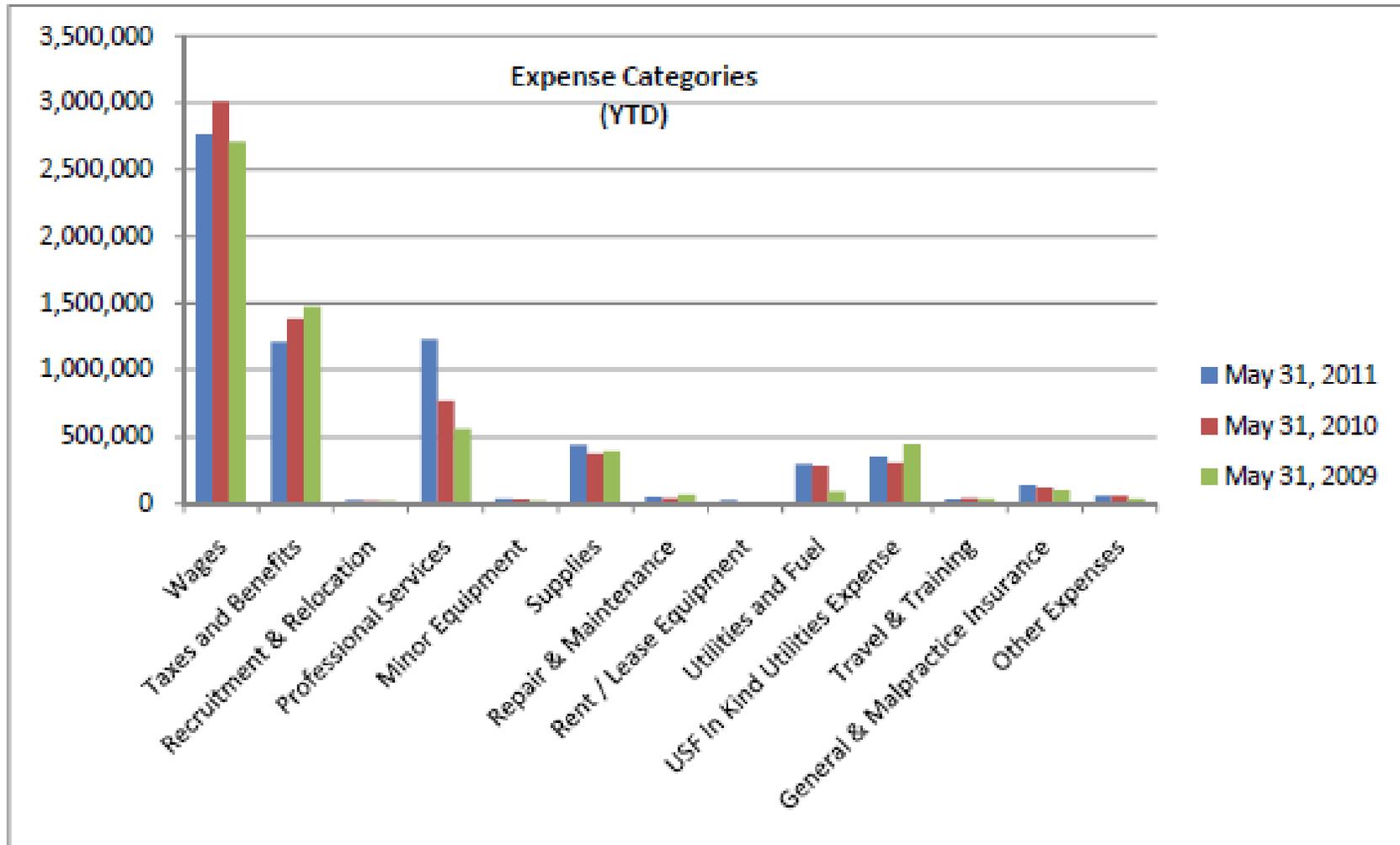
Cordova Community Medical Center

Three Year Comparative Profit & Loss Statements

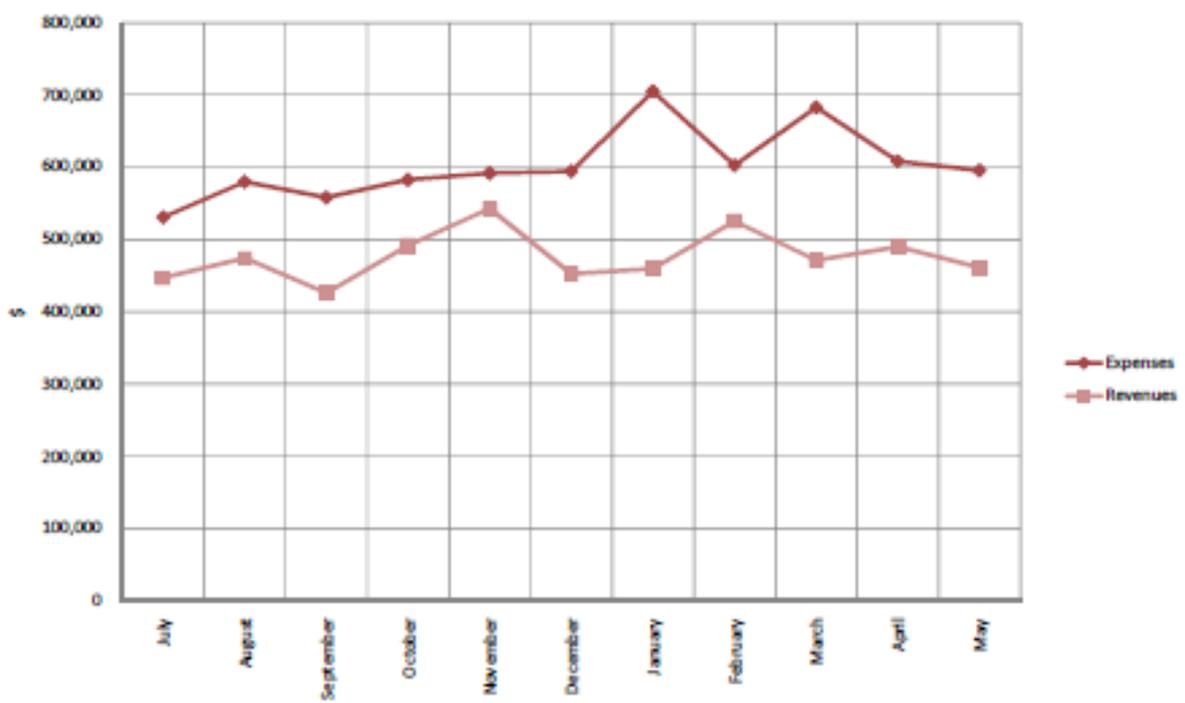


Cordova Community Medical Center

Three Year Comparative Profit & Loss Statements



Net Patient Service Revenues Vs. Expenses, FY2011



Net Patient Service Revenues Vs. Expenses, FY 2010

