

AGENDA
COMMUNITY HEALTH SERVICES BOARD MEETING
Cordova Library Conference Room
June 5, 2012 – 6:30 PM

CCMC'S core purpose is to deliver quality health care locally.

President

David Allison
term expires 03/12

Vice-President

EJ Cheshier
term expires 08/13

Secretary

David Reggiani
term expires 08/12

Board Members

Bret Bradford
term expires 08/13

Jim Kasch
term expires 08/12

Keith van den Broek
term expires 08/12

NVE Tribal Council - Vacant

Administrator

Theresa Carté

I. OPENING

- A. Call to Order
- B. Roll Call – David Allison, Bret Bradford, EJ Cheshier, Jim Kasch, David Reggiani, Keith van den Broek
- 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 agenda item to which they are addressing.

III. CONFLICT OF INTEREST

IV. APPROVAL OF AGENDA

V. APPROVAL OF CONSENT CALENDAR

- A. HSB Meeting Minutes – 5/2/2012.....Page 1

VI. REPORTS AND CORRESPONDENCE

- A. Administrator's Report
- B. President's Report
- C. City Council Report

D. Finance Report

- i. Balance Sheet as of 04/30/12.....Page 4
- ii. Income Statement as of 04/30/12.....Page 5
- iii. Three Year Comparative Income Statements (YTD as of 4/30/12).....Page 6

VII. ACTION ITEMS

- A. Approve Pursuing Fiscal Year Change.....Page 8

VIII. DISCUSSION ITEMS

- A. Sound Alternatives Accreditation
- B. Meeting Frequency (Kasch)

IX. AUDIENCE PARTICIPATION (limited to 3 minutes per speaker)

Members of the public are given 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.

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
May 2, 2012 – 7:00 PM

I. CALL TO ORDER AND ROLL CALL –

David Allison called the HSB meeting to order at 7:00 pm. Board members present: **David Allison, Bret Bradford, David Reggiani, and Keith van den Broek.** Absent: **EJ Cheshier, Jim Kasch.** A quorum was established.

CCMC staff present: **Theresa Carté, PhD (CEO), Stephen Sundby, (Director, Sound Alternatives), Randall Nichols, (Financial Analyst - Providence)**

II. COMMUNICATIONS BY AND PETITIONS FROM VISITORS – None

III. CONFLICT OF INTEREST – None

IV. APPROVAL OF AGENDA

M/Reggiani, S/Bradford: Move to approve the agenda.

Allison added the privileging of Dr. Michael Phillips as Action item B.

A vote was made on the motion: 4 yeas. - 0 nays. Motion passed.

V. APPROVAL OF CONSENT CALENDAR

M/Reggiani, S/Bradford: Move to approve the consent calendar.

- a. Health Services Board meeting minutes from March 14, 2012.
- b. Health Services Board meeting minutes from April 4, 2012.

A vote was made on the motion: 4 yeas. - 0 nays. Motion passed.

VI. REPORTS AND CORRESPONDENCE

A. Administrator's Report

Carté reported that CCMC recently underwent a state Long Term Care survey. The surveyors identified several opportunities to improve our practices related to Policies

and Procedures, quality management, HR, and medical documentation. Staff expects their formal letter and findings on May 10, 2012.

Carté also reported CCMC's building improvement prioritization, which was completed at the request of the City. Staff assessed the facility needs based on four criteria: 1. impact to patient and family member safety, health, comfort, and cost; 2. safety; 3. impact on employees; and 4. financial impact. Using this criteria, the top priorities were identified as the HVAC system and flooring. Lesser expensive priorities included a laundry booster and floor scrubber. **Carté** additionally noted that the City also requested that staff consider the building's windows and exterior walls, however those two items were not considered a priority based on the four criteria.

Allison asked when the Board can expect CCMC's budget, as the fiscal year ends in June. **Nichols** responded that the budget would be available for the June meeting. **Allison** also asked if CCMC had considered changing the fiscal year, and **Carté** responded that yes, the organization would like to.

B. President's Report

Allison welcomed Providence staff and noted that most of the members were new to the hospital board, so any information that staff provides is beneficial.

C. City Council Report

Mayor Kallander reported from the floor that he has received the preliminary numbers on the roof; they are lower than the projections. He further noted that City staff is lining up someone from Anchorage to provide an estimate on the HVAC system. **Allison** added that the HVAC system as it currently runs is costing extra fuel.

D. Finance Report

Nichols reported that he is currently serving CCMC 1 ½ to 2 days every other week. The balance sheet ending March 31st reflects a reduced AR balance thanks to the efforts of the billing specialists. **Nichols** further noted that March's Income Statement reflected the first good month since the summer of 2011, but cautioned that it was due to keeping expenses low, not an increase in patients or patient services. **Nichols** expects April's numbers be good and is targeting cash projection discussions in the next month.

VII. ACTION ITEMS

A. Appoint a Representative to the Sound Alternatives Advisory Board

Allison explained the relationship between the Health Services and Sound Alternatives Advisory boards. Both **Kasch** and **Allison** volunteered to attend.

B. Privileging of Dr. Michael Phillips

Carté explained the privileging process and noted that Human Resources, the Medical Director, and the CEO all review a provider's records prior to recommending privileging. The purpose is to determine if the Board wants the individual to provide care to Cordova community members. **Allison** explained how he reviews the paperwork and added that he trusts the CCMC professionals to correctly assess candidates.

M/Van Den Broek, S/Regianni: Move to approve the privileging of Dr. Michael Phillips as presented.

In response to a question from **Bradford, Sundby** responded that we find our locum providers through various agencies with whom CCMC contracts.

A vote was made on the motion: 4 yeas. - 0 nays. Motion passed.

VIII. DISCUSSION ITEMS – None

IX. AUDIENCE PARTICIPATION – None

X. BOARD MEMBER COMMENTS – None

XI. EXECUTIVE SESSION – None

XIII. ADJOURNMENT

M/Reggiani, S/Van Den Broek: Move to adjourn the meeting. **Allison** declared the meeting adjourned at 7:25 pm.

Transcribed by: Laura Cloward

**Cordova Community Medical
Center
Balance Sheet
April 30, 2012**

	Current Year 4/30/2012	Last Year 4/30/2011	Increase (Decrease)
Assets			
Cash	159,517	221,145	(61,628)
Receivables			
Accounts Receivable	1,157,618	1,611,058	(453,440)
Allowance for Uncollectible	(254,602)	(796,359)	541,757
Net Accounts Receivable	903,016	814,699	88,317
Other	(62,174)	116,577	(178,751)
Grant Programs & City Transfers	(34,414)	19,970	(54,384)
Supplies Inventory	133,160	143,479	(10,319)
Prepaid Expenses	37,044	52,365	(15,321)
Other Assets			
Major Moveable	10,758,944	10,684,096	74,848
Accum Depreciation	(8,604,809)	(8,319,336)	(285,473)
Total Assets	3,290,284	3,732,995	(442,711)
Liabilities and Net Assets			
Accounts Payable	617,812	479,507	138,305
Accrued Payroll & Related Liab	340,591	452,759	(112,168)
Other Liabilities	35,940	61,828	(25,888)
Total Current Liabilities	994,343	994,094	249
Net Pension Obligation	0	0	0
Obligations under Capital Lease	0	0	0
Total Liabilities	994,343	994,094	249
Net Assets	2,295,941	2,738,901	(442,960)
Total Liabilities & Net Assets	3,290,284	3,732,995	(442,711)

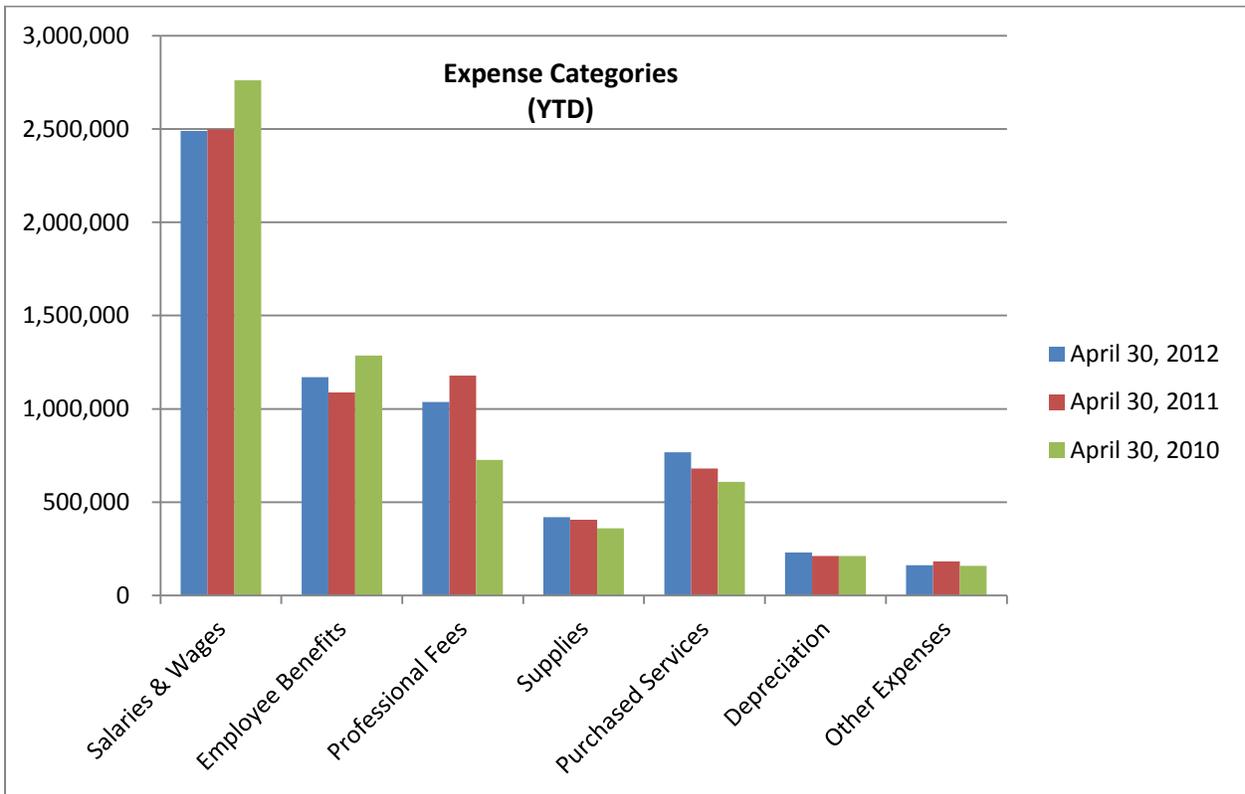
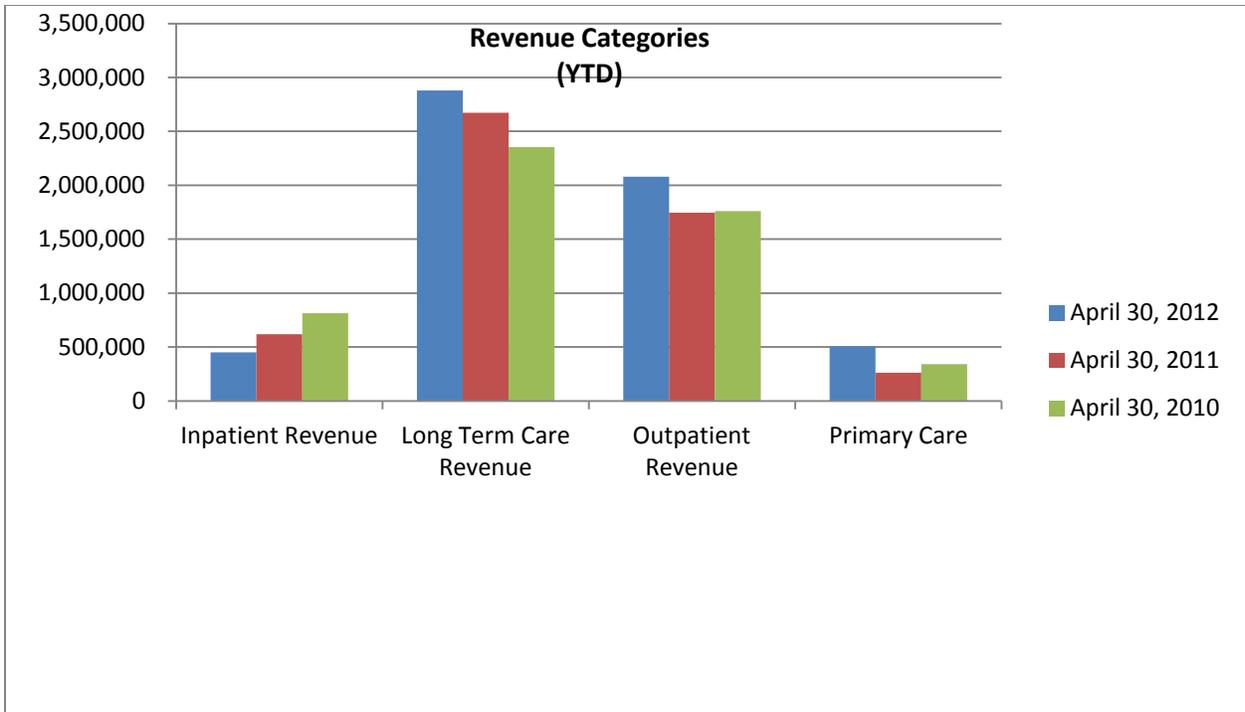
Cordova Community Medical Center
Income Statement (Fiscal Year 2012 - 7/1/11 through 6/30/12)

	<i>Actual 2012 April</i>	<i>Budget 2012 April</i>	<i>Budget Variance April</i>	<i>Actual YTD Total</i>	<i>Budget YTD Total</i>	<i>Budget YTD Variance</i>	<i>2012 Budget</i>
Revenue							
Inpatient Revenue	8,975	57,463	(48,488)	451,225	584,206	(132,981)	701,047
Long Term Care Revenue	280,397	278,085	2,312	2,878,706	2,827,200	51,506	3,392,640
Outpatient Revenue	267,572	213,293	54,279	2,080,455	2,168,479	(88,025)	2,602,175
Primary Care	54,656	52,579	2,077	507,608	534,551	(26,944)	641,462
Gross Patient Revenue	611,600	601,420	10,180	5,917,994	6,114,437	(196,443)	7,337,324
Total Deductions	105,051	102,241	2,810	1,378,977	1,039,454	339,522	1,247,345
Net Service Revenue	506,549	499,179	7,370	4,539,017	5,074,983	(535,965)	6,089,979
Other Operating Revenue	138,133	152,499	(14,366)	1,416,916	1,550,409	(133,493)	1,860,491
Total Net Operating Revenue	644,682	651,678	(6,996)	5,955,933	6,625,392	(669,458)	7,950,470
Expenses from Operations							
Salaries & Wages	254,050	261,140	(7,090)	2,489,665	2,654,925	(165,260)	3,185,910
Employee Benefits	118,739	144,700	(25,961)	1,169,218	1,471,112	(301,894)	1,765,334
Professional Fees	97,132	84,904	12,228	1,037,581	863,194	174,387	1,035,833
Supplies	35,030	44,747	(9,717)	419,489	454,932	(35,443)	545,918
Purchased Services	90,186	73,489	16,697	767,187	747,135	20,052	896,562
Depreciation	23,365	21,893	1,472	230,704	222,578	8,125	267,094
Interest and Amortization	-	-	-	-	-	-	0
Taxes and Licenses	-	-	-	-	-	-	0
Other Expenses	13,162	20,679	(7,517)	163,098	210,233	(47,135)	252,280
Total Expenses from Operations	631,664	651,552	(19,888)	6,276,941	6,624,109	(347,168)	7,948,931
Excess of Rev over Exp from Ops	13,018	126	12,892	(321,008)	1,283	(322,290)	1,539
Non-Operating Gain (Losses)	-	-	-	-	-	-	-
Excess of Rev over Exp	13,018	126	12,892	(321,008)	1,283	(322,290)	1,539

Cordova Community Medical Center

Three Year Comparative Profit & Loss Statements

	<i>Current to Last Year Comparison</i>	<i>FY 2012 YTD April 30, 2012</i>	<i>FY 2011 YTD April 30, 2011</i>	<i>FY 2010 YTD April 30, 2010</i>
<u>Revenue</u>				
Inpatient Revenue	-27.1%	451,225	618,625	813,206
Long Term Care Revenue	7.7%	2,878,706	2,672,547	2,353,914
Outpatient Revenue	19.2%	2,080,455	1,745,506	1,761,469
Primary Care	93.5%	507,608	262,382	341,275
Gross Patient Services Revenue	11.7%	<u>5,917,994</u>	<u>5,299,060</u>	<u>5,269,864</u>
Total Deductions	164.2%	(1,378,977)	(522,033)	(1,067,095)
Net Patient Services Revenue	-5.0%	<u>4,539,017</u>	<u>4,777,027</u>	<u>4,202,769</u>
Other Operating Revenue	6.7%	<u>1,416,916</u>	<u>1,327,982</u>	<u>1,543,276</u>
Total Revenue	-2.4%	<u>5,955,933</u>	<u>6,105,009</u>	<u>5,746,045</u>
<u>Expenses</u>				
Salaries & Wages	-0.3%	2,489,665	2,497,245	2,761,062
Employee Benefits	7.4%	1,169,218	1,089,017	1,285,444
Professional Fees	-11.9%	1,037,581	1,178,212	726,181
Supplies	3.3%	419,489	406,194	360,885
Purchased Services	12.6%	767,187	681,565	608,347
Depreciation	9.2%	230,704	211,308	211,607
Other Expenses	-10.6%	163,098	182,418	158,781
Total Expenses	0.5%	<u>6,276,941</u>	<u>6,245,959</u>	<u>6,112,307</u>
Income/(Loss)	127.7%	<u>(321,008)</u>	<u>(140,950)</u>	<u>(366,263)</u>



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: Theresa Carté, Administrator
RE: CCMC Fiscal Year
Date: June 1, 2012

Request: Cordova Community Medical Center would like to change the organization's fiscal year end from June 30th to December 31st, following the calendar year and similar to the City's fiscal year.

Reasoning: Administration would prefer to be on the same schedule as the city and the calendar year is a preferable way to manage the budget.

Processes considered in this request:

- 1) Administration will need to send a request into CMS requesting the change with a reason for the change. The request must be received by the intermediary 120 days or more before the close of the reporting period (deadline for letter is 8/31/12). CCMC would then be required to do a FYE 6/30/12 cost report with 12 months of data, and then a 12/31/12 filing would occur with 6 months of data.
- 2) Staff will need to complete a regular annual inventory in June for the current FYE. Staff would then need to perform a second annual inventory to cover the remaining 6 months of the year for the 12/31/12 year-end.
- 3) The Health Services Board would need to approve a budget for the current FYE (6/30/12) and then approve another one that covers the new FYE (12/31/13), which would be created at the end of 2012.