AGENDA
CCMC AUTHORITY BOARD OF DIRECTORS
CCMC CONFERENCE ROOM
July 27, 2017 at 6:00PM
REGULAR MEETING

AT CCMC, WE BELIEVE THAT HEALTHY PEOPLE CREATE A HEALTHY COMMUNITY.

Board of Directors
Kristin Carpenter exp. 3/20
April Horton exp. 3/19
Sally Bennett exp. 3/19
John Harvill exp. 3/18
Dorne Hawxhurst exp. 3/18

CCMC CEO
Scot Mitchell

OPENING:

A. Call to Order
Roll Call – April Horton, Dorne Hawxhurst, John Harvill, Kristin Carpenter, Sally Bennett
Establishment of a Quorum

B. APPROVAL OF AGENDA

C. CONFLICT OF INTEREST

D. COMMUNICATIONS BY AND PETITIONS FROM VISITORS (Speaker must give name and agenda item to which they are addressing.)
1. Audience Comments (limited to 3 minutes per speaker).
2. Guest Speaker

E. BOARD DEVELOPMENT
1. Balance Sheet
2. Hospital Scorecard

F. APPROVAL OF CONSENT CALENDAR

G. APPROVAL OF MINUTES
1. 6-22-2017 Regular Meeting Minutes Pages 1-3

H. REPORTS OF OFFICER and ADVISORS
1. CEO Report – Scot Mitchell, CEO Pages 4-6
2. Finance Report – Lee Holter, CFO Pages 6-16
3. Nursing Report - Helen McGaw, Interim CNO Pages 17-21

I. CORRESPONDENCE
1. Follow up to David O'Brien's letter

J. ACTION ITEMS
1. Employee Compensation Philosophy Pages 22-24

K. DISCUSSION ITEMS
1. Board Vacancy Process

L. 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.

M. BOARD MEMBERS COMMENTS

N. EXECUTIVE SESSION

O. 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 the person may request a public discussion; 3) Matters which by law, municipal charter, or ordinance are required to be confidential; 4) Matters involving consideration of governmental 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
CCMC Authority – Board of Directors
CCMC Admin Conference Room
May 25, 2017 at 6:00pm
Regular Meeting

CALL TO ORDER AND ROLL CALL –

April Horton called the Board Meeting to order at 6:00pm.
Board members present: **Dorne Hawxhurst, Kristin Carpenter** (arrived at 6:02pm)**, Sally Bennett and April Horton.**
A quorum was established. 3 members present; 2 member absent.
CCMC staff present: Scot Mitchell, CEO; Lee Holter, CFO; Helen McGaw, LTC DON, and Faith Wheeler-Jeppson, Executive Admin Assistant.

A. APPROVAL OF AGENDA
M/Bennett S/Hawxhurst "move to approve the agenda."
4 yeas, 0 nays, 1 absent
Motion passed.

B. CONFLICT OF INTEREST ~ None

C. COMMUNICATIONS BY AND PETITIONS FROM VISITORS
1. **Audience Participation** ~ None
2. **Guest Speaker** ~ None

D. BOARD DEVELOPMENT
1. How to read Financial Statements
Lee Holter provided a brief a breakdown and definitions on the elements of a financial income statement. Revenue, Deductions and Cost Recoveries were defined and examples provided. Also defined were Wages, Taxes and Benefits, Professional Services, Rents and Leases, Depreciation and Other Expenses.

Next Meeting for Board Development the topic will be Balance Sheet and Scorecard.

E. APPROVAL OF CONSENT CALENDAR ~ None

F. APPROVAL OF MINUTES
M/Bennett S/Hawxhurst "move to approve the April 25, 2017 Regular Meeting Minutes, and the May 25, 2017 Regular Meeting Minutes".
4 yeas, 0 nay, 1 absent
Motion passed.

G. REPORT OF OFFICERS AND ADVISORS
1. CEO's Report ~ Scot Mitchell, CEO stated that his written report was in the packet. A few additional items that were brought to the board's attention were the Better Care Reconciliation Act, and more information will be provided on that as it becomes

available. The Chargemaster review happened this past week, the State at this point still does not have a budget, and we have been working with the City on a contingency plan in the event of a State shut down. The Bylaws need to be updated, Scot will draft something and bring that to the board for review.

2. Finance Report ~ Lee Holter, CFO reported out that a few items from the Chargemaster review that were an issue, compliance, the cost to charge ratio, capturing revenue and how we charge, and pricing. Additionally, Lee reviewed the May income statement with the board.

   M/Horton S/Bennett "I make a motion to move the approval of the Financial Statements under Action items."

3. Nursing Report ~ Helen McGaw, Interim CNO provided a written report in the packet on Long Term Care and the Nursing Department. Helen also reviewed the abaqis report that was provided in the packet with the board.

H. CORRESPONDENCE

1. David O'Brien submitted a letter expressing his concerns regarding the hospital having a 340B pharmacy program. After a general discussion, the board asked Scot Mitchell, CEO to obtain some additional information and report back to the Board.

I. ACTION ITEMS

1. Quality Improvement _ 1st Quarter 2017 Patient Safety

M/Bennett S/Horton "I move that the CCMC Authority Board of Directors approves the Quality Improvement – 1st Quarter 2017 Patient Safety Report."

4 yeas, 0 nays, 1 absent

Motion passed.

2. vRad Radiology Contract

M/Bennett S/Horton "I move that the CCMC Authority Board of Directors authorize Scot Mitchell, CEO to sign a contract for $3000 per month for professional radiology services with vRad."

3 yeas, 1 nays, 1 absent

Motion passed.

3. April and May 2017 Financial Statements

M/Hawxhurst S/Bennett "I move to approve the April 2017 and May 2017 Financial Statements with the qualification as noted regarding them being pre-audited and possibly modified at a later date".

4 yeas, 0 nays, 1 absent

Motion passed.

J. DISCUSSION ITEMS ~ Update on the Community Health Need Assessment

Scot provided a copy of the Community Health Needs Assessment report in the packet. CCMC is required to put together a plan to address the needs of the community. There were six main areas that the community felt that we needed to address; to collaborate with other providers, to enhance education and communication with the community,

increase our marketing efforts, develop the workforce, to improve community "buy-in" to the facility and to explore business development. Scot gave an update on the status of these six areas.

K. AUDIENCE PARTICIPATION ~ None

L. BOARD MEMBERS COMMENTS

Carpenter ~ My only comment is that we should get the board packets on time, on the Friday beforehand is when we need them.
Hawxhurst ~ Echo the comments about the packet.
Bennett ~ None
Horton ~ None

M. EXECUTIVE SESSION

1. Discuss the CEO Evaluation
M/Bennett S/Hawxhurst "I move to go into Executive Session for matters, immediate knowledge of which would clearly have an adverse effect upon the finances of CCMC."

Went into Executive Session at 8:45pm

Came out of Executive Session at 9:10pm

N. ADJOURNMENT –

Chairperson Carpenter reminded the Board that the next meeting is scheduled for Thursday, July 27, 2017.

M/Bennett S/Horton "I move to adjourn the meeting."
Carpenter declared the meeting adjourned at 9:14pm.

Prepared by: Faith Wheeler-Jeppson

Cordova Community
MEDICAL CENTER
P: (907) 424-8000 | F: (907) 424-8116
P.O. Box 160 | 602 Chase Ave., Cordova, AK 99574-0160

CEO Report to the CCMC Authority Board of Directors
July 27, 2017 Meeting
Scot Mitchell, CEO

The Big Picture

The Better Care Reconciliation Act (BCRA), which was the Senate's approach to repeal and replace the Affordable Care Act (ACA) has been removed from consideration. At least four Republican Senators said they would vote against the bill, which when combined with all 48 Democratic Senators opposing it, meant sure defeat. The latest news is that the Senate will now try to vote on a repeal of the ACA and attempt to replace it with new healthcare legislation over the next couple years. There are few details at this point, and this is obviously a moving target, so information will change many times before any resolution is actually achieved.

The State of Alaska Legislature reached a compromise and passed the budget for 2018 just before the deadline to avert a shutdown of most of the State agencies. The budget funds K-12 education at the same level as last year and pays PFD dividends of $1,100. Some proposed Department of Health and Social Services (DHSS) cuts were restored. The biggest impact on the DHSS budget is a $15 million cut to Medicaid as part of the anticipated savings under the Medicaid reform bill, Senate Bill 74 from the previous year. This budget makes significant cuts, but did not offer a real revenue solution, which protracts the uncertainty on how the State will fix the long term financial issues facing Alaska.

Status Updates

- As you are well aware, staffing has been a major focus area for me over the past year. Many of the issues that CCMC has been encumbered with for a long time now can be traced to a lack of continuity in staffing. I have made recruiting full time permanent staff one of my top priorities. We have recently hired a Physical Therapist who will start on July 31st, a Chief Nursing Officer who will start on August 7th and a Pharmacist who will start on September 11th. We are still recruiting a few other positions, and will continue our efforts until we have all of our staff living here in Cordova.
- Recruiting staff to Cordova is very difficult, for many reasons. One of the biggest one is our current compensation practices. Over the years, CCMC has drifted away from previous compensation policies for various reasons. As I have mentioned to the Board before, this is an area that we can fix fairly quickly. I will be presenting a Compensation Philosophy to the Board at the July meeting that I will be asking for approval. This will codify a process that will help us recruit and retain highly qualified employees.

- We have recently completed our CAH Periodic Evaluation for 2016, as required by the Conditions of Participation for Critical Access Hospitals. The Leadership Team has finished reviewing the report, which will next be presented to the Medical Staff and Quality Management Committee for review. The final step will be that it will be presented to the Board for approval, most likely at the August 24, 2017 Board meeting. Despite this being a long time requirement for Critical Access Hospitals, this is the first time that CCMC has actually completed the evaluation in the manner expected by CMS.
- As I have mentioned previously, we will be having a mock CAH survey July 25th through July 27th. Each department will spend time with the nurse from HealthTechS3 who will be conducting the mock survey to go over the Conditions of Participation and help us evaluate our performance.
- A couple of recent events that pertain to our Universal Services funding have come up. We have been randomly selected for an audit of our 2015 application process. The auditors have already reviewed documents that we have submitted to them. The auditors will be in Cordova on August 1st for the onsite portion of the audit. Separately, the Federal Communications Commission recently waived a requirement from 2016 that reduced the amount of funding we received by 7.5%. The waiver is for remote Alaska healthcare providers, and is not an automatic increase for us, we must request that our internet and telephone provider, Alaska Communications, help us with this issue. We have been in communication with ACS, and are following through with their process to request they reduce our monthly bill by the 7.5% that the waiver allows. ACS is not required to do this, but the FCC will not penalize them if they do. At this time, we do not know how much, if any, of an impact it will have on us.
- The 340B retail pharmacy implementation process is moving forward nicely. The staff that was in the location for the pharmacy have now moved to their new office space. This has allowed the renovation process to move at a quicker pace. We have started the procedure for applying for our Alaska pharmacy license, and will continue to plan for a late October opening. Nationally, CMS has just proposed some changes to the payment for drugs under the 340B program, which would reduce the payments should it be implemented. The 340B program enjoys broad, bipartisan support in Congress, so we do not yet know if these CMS proposals will actually take effect. We are continuing to monitor this situation to see what, if any, impact it might have on CCMC's pharmacy project.
- We were recently notified by the Alaska Psychiatric Institute that the physician we just credentialed for telemedicine privileges will be leaving at the end of July, thus leaving us without a psychiatrist. We have started researching options for telepsychiatry services, and will update the board once we have a plan in place for coverage.
- We have been participating in a final audit of our 2015 Medicare cost report for the hospital. As a result of this audit, CCMC will soon be receiving a payment from Medicare in the amount of $160,317.
- The State of Alaska has entered into an agreement with CMS to be able to receive 100% reimbursement for American Indians and Alaska Natives that are being treated in non-native/tribal facilities if the agency has an MOU with a tribal organization. We are researching how this might impact CCMC.
- Last year, CMS implemented overarching changes in the long term care regulations that are being phased in over several years. The first part started last November and the second phase will take effect this November. These changes pertain to a lot of what we do in the nursing home setting, and we are working on becoming compliant in all the new regulations. The national association for LTC facilities is working diligently with CMS to try to lessen the severity of the impact on nursing homes, as these changes are significant.

Monthly Financial Statements

June 2017

To the CCMC Health Services Board

June 2017 Financial Executive Summary

Pre-Audit

The audit is expected to be completed in the next couple weeks. Due to the settlement of the 2015 Cost report on July 18th there were some subsequent event entries that needed to be included.

Statistics

Acute Care patient days were 2 days for June a decrease of 26 from the prior month with 28 in May. Swingbed days dropped to 90 for June compared to 111 for May. Average Daily Census (ADC) decreased .4 days to 4.1 in June.
June had two more ER visits than May's 53. PT procedures decreased by 30 modules in June which was 296 versus May which had 327. Lab tests dropped by 35 from 318 in May to 283 in June. X-ray tests went up by 21 tests for June to 63 from May, while CT tests increased by 2 in June compared to 12 in May. June clinic visits decreased by 9 for the month of June from 248 in May. Behavioral Health had 12 more visits in June reaching an even 100.

Balance sheet

Please note that the financials presented are pre-audit and may be modified in the audit.
Cash was up by $267K in June versus May's cash balance of $258,051at the end of May. Day's cash on hand at the end of June was 19.2 days compared to May which had 9.4 and increase of 9.8 days.
Net AR fell by $158,500 in June compared to May which had net AR of $1,591K. Days in AR decreased to 74.1 a drop of 4.4 days from 78.5 days in May.
Construction in Progress increased $13,106 in June.
Accounts payable increased by $139K from May to June at a total of $916,015. Payroll liabilities had a $5K increase over May's amount of $312,435.
There was no increase in debt to the city in June. Only minor changes in the over amount of debt for June.

Income Statement

Gross revenue fell in June to our lowest amount in for the year at $900,707 a decrease of $159K from May. The only month close to this month was February at $912K a month that only had 28 days. Decreases occurred across the spectrum of revenue except the Clinic and Mental Health which had increases of $2.4K and $12K respectively.

Contractual adjustments fell in June due to reconciliation with reserves on the books and the makeup of the AR for June. Bad debt increased by $24.5K in June due to the work occurring in AR by AVEC

staff clearing AR accounts from insurance to self-pay. I have included a slide showing their progress on AR by week.

Payroll in June decreased by $12K from May which had $330,715 compare to June at $308,176 one day less pay accounts for the variance from the months. Payroll taxes and Benefits decreased by $6K from May to June. Professional services saw a drop of $46K as one time billings for the Cost report and Audit were accounted for in prior months. Supplies fell by $11K during June compared to $64,539 in May, as supplies include pharmacy supplies sometimes it is one drug that can cause a fluctuation. Rents and Leases decreased as one more lease ended. Administration continues to work on reducing fixed housing costs for travelers. Utilities were down in June but only by $4K from the prior year. Minor equipment was up as two pieces of equipment were installed, a blood bank refrigerator in Lab and an Ice machine in Dietary. Both of these items were under the threshold of $5,000 for Capitalization.
Maintenance and repair expenses were up in June as summer maintenance projects were in progress.

Overall expenses were lower in June by $135,761 from May.

Year to Date

Please note that the financials presented are pre-audit and may be modified in the audit.
June's YTD net income was $69,580 a reduction of ($76,853) from May. It is encouraging though, that YTD expenses remain below budget and lower than last year's YTD expenses. This of course will reduce our reimbursement from Medicare, due to increased Medicaid swingbed and lower expenses.

Activity and Projects

EHR
Work on E H R improvement continues, but is frustrating slow with setbacks. We are back on track with the internal system steering meeting and biweekly calls with Healthland technical support. There continue to be system problems, system work a rounds, and staff education issues to resolve. System problems are occurring with revenue being generated in a departments and the billing system trying to transfer the revenue to another department. I was able to celebrate some success with Healthland, in that they acknowledged that I was correct—that combining bills should not shift revenue between departments. They will fixit the problem, however not any time soon, it will be next year, (I am not holding my breath)--if then.

The New EHR replacement process is moving forward and an RFP's were sent out. However, reversing a previous goal, management now feels it would be a scramble to get a new EHR system up and running this year so we could test 365 days in 2018 to meet the meaningful use requirements next year. So we would use the current system to meet the Meaningful Use requirements of stage 3. It would be better to keep the Healthland system so we could test on one system for the year. We have

had three system demos from Athenahealth, CPSI and Meditech. The staff will be putting together a comparison to evaluate these three systems.

Budget
Business Line Statements/Departmental Statements

I am working on financial statements for our business lines, I.E., Sound Alternatives, Clinic, LTC in addition to the consolidated Hospital Financials. These individual financial statements would roll into the total CCMC financial statement you get each month. Also working to set up Departmental statements so managers can see their monthly departmental operation against budget.

Other items
The Audit report for 2016 is expected in the next couple of weeks.

A charge master review has been completed during June, great education was done for department managers and for revenue cycle staff. The completed report is promised for next week. Various prices were increased based on the pricing recommendations in the report.

The CFO is very encouraged by the detailed work of AVEC staff in working on claims that were over 120 days old. As they have rebilled a lot claims and are waiting for payers to process them they have started to work on claims that are 90 days old. So they continue to work to meet their goal of collecting 80% AR in 90 days. I would imagine by the end of the year we might be talking about how close they are to that goal.
AVEC assumed the coding duties July 1st and we get a daily report of claims coded and processed to be dropped for billing. Sometimes there needs to be internal staff attention to claims but that seems to be decreasing. September 1st, AVEC will assume the billing process from our current billing company, at that point it will be more of a seamless process.
When there are issues in the process that need to be addressed by CCMC staff, Staff have gotten right on those issues and kept the claims moving toward collection.
It has been very encouraging, but with some puzzlement as to why the process was so flawed in the first place. Of course there will be some claims that will have to be written off as they have exceeded the timely filing deadline, payers have paid all they are going to pay and claims will have to be turned to self-pay.

Respectfully submitted

Lee Holter
CFO

Cordova Community Medical Center Statistics

Change each month

	31	28	31	30	31	30	31	31	30	31	30	31		
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Cumulative Total	Monthly Average
Hosp Acute+SWB Avg. Census		29												
FY 2017 ADC	3.1	3.8	4.5	4.5	4.5	3.1								3.9
FY 2016	0.8	1.9	1.6	2.0	1.6	2.2	1.2	0.3	0.7	1.1	0.5	1.1		1.3
FY 2015	1.1	0.2	2.0	2.3	2.5	2.2	0.9	1.5	0.8	0.5	0.9	0.1		1.2
Acute Admits														
FY 2017	9	7	7	5	4	1							33	5.5
FY 2016	6	8	3	8	9	5	7	5	6	10	6	8	81	6.8
FY 2015	1	1	4	6	5	2	5	1	5	5	3	1	39	3.3
Acute Patient Days														
FY 2017	32	22	29	23	28	2							136	22.7
FY 2016	16	15	18	22	26	20	11	10	18	22	15	17	210	17.5
FY 2015	2	3	7	8	16	3	10	2	11	6	7	2	77	6.4
SWB Admits														
FY 2017	5	3	2	1	2	0							13	2.2
FY 2016	2	2	0	2	1	3	1	0	1	2	1	2	17	1.4
FY 2015	1	1	3	3	2	0	0	3	1	1	0	0	15	1.3
SWB Patient Days														
FY 2017	64	84	109	111	111	90							569	94.8
FY 2016	10	40	32	37	24	46	25	0	3	11	1	17	246	20.5
FY 2015	31	3	55	60	60	62	18	45	12	10	19	0	375	31.3
CCMC LTC Admits														
FY 2017	0	0	0	0	0	0							0	0
FY 2016	1	0	0	0	0	0	2	0	0	0	0	0	3	0.3
FY 2015	0	0	0	1	1	2	1	2	2	1	0	0	10	0.8
CCMC LTD Resident Days														
FY 2017	310	280	310	300	310	300							1,810	302
FY 2016	310	290	310	297	310	298	292	310	300	310	300	310	3,637	303.1
FY 2015	310	280	308	287	307	300	274	273	388	309	300	310	3,646	304
CCMC LTC Avg. Census														
FY 2017	10.0	10.0	10.0	10.0	10.0	10.0	0.0	0.0	0.0	0.0	0.0	0.0		10.0
FY 2016	10.0	10.0	10.0	9.9	10.0	9.9	9.4	10.0	10.0	10.0	10.0	10.0		9.9
FY 2015	10.0	10.0	9.9	9.6	9.9	10.0	8.8	8.8	12.9	10.0	10.0	10.0		10.0
ER Visits														
FY 2017	49	35	47	49	53	55							288	48.0
FY 2016	52	45	52	52	59	79	85	74	51	55	37	53	694	57.8
FY 2015	23	46	49	40	104	73	104	97	47	56	37	39	715	59.6

Cordova Community Medical Center Statistics

Change each month 6

	31	28	31	30	31	30	31	31	30	31	30	31		
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Cumulative	Monthly
Outpatient Registrations w/ER														
FY 2017	120	111	138	293	136	146							944	157
FY 2016									165	146	126	137	574	144
FY 2015													0	0
PT Procedures														
FY 2017	416	322	497	399	327	296							2,257	376
FY 2016	319	344	349	401	326	396	291	324	489	346	407	415	4,407	367
FY 2015	224	197	280	347	321	224	319	345	216	170	296	269	3,208	267
OT Procedures														
FY 2017	94	38	0	0	0	0							132	22
FY 2016	105	107	51	139	124	53	31	26	36	62	66	111	911	76
FY 2015	24	55	95	67	108	65	35	107	90	99	115	128	988	82
Lab Tests														
FY 2017	298	322	284	304	318	283							1,809	302
FY 2016	304	363	324	350	374	399	318	314	319	340	272	219	3,896	325
FY 2015	440	350	533	266	486	311	411	328	359	363	291	367	4,505	375
X-Ray Procedures														
FY 2017	47	43	37	29	42	63							261	44
FY 2016	60	52	64	56	76	71	63	74	52	44	42	37	691	58
FY 2015	27	27	66	68	59	56	99	84	47	34	37	44	648	54
CT Procedures														
FY 2017	7	7	13	14	12	14							67	11
FY 2016		7	16	14	15	24	20	14	15	25	17	13	180	
FY 2015													0	0
CCMC Clinic Visits														
FY 2017	212	175	197	188	248	239							1,259	209.8
FY 2016	178	197	170	203	222	191	205	231	343	227	203	223	2,593	216
FY 2015	141	151	157	196	204	190	224	270	164	194	131	160	2,182	182
Behavioral Hlth Visits														
FY 2017	70	98	71	90	88	100							517	86.2
FY 2016	94	100	103	104	89	75	58	39	56	47	80	122	967	81
FY 2015	94	90	73	97	37	68	112	49	106	70	71	76	943	79

Cordova Community Medical Center
Balance Sheet

ASSETS	6/30/2017	5/31/2017	6/30/2016
Current Assets			
Cash	525,509	258,051	213,865
Net Account Receivable	1,433,362	1,591,863	1,331,820
Third Party Receivable	-	-	0
Other Receivables	6,398	6,399	100,481
Prepaid Expenses	24,672	22,335	27,226
Inventory	122,221	135,538	155,854
Total Current Assets	**2,112,162**	**2,014,185**	**1,829,247**
Property, Plant & Equipment			
Land	122,010	122,010	122,010
Buildings	7,006,763	7,006,763	7,006,763
Equipment	6,763,922	6,763,922	6,536,226
Construction in Progress	1,180,088	1,166,982	1,060,094
Subtotal PP&E	15,072,783	15,059,676	14,725,093
Less Accumulated Depreciation	(10,422,921)	(10,377,845)	(9,856,207)
Total Property & Equipment	**4,649,861**	**4,681,832**	**4,868,886**
Other Assets			
PERS Deferred Outflow	929,979	929,979	929,979
Total Other Assets	**929,979**	**929,979**	**929,979**
Total Assets	**7,692,003**	**7,625,996**	**7,628,112**
LIABILITIES AND FUND BALANCE			
Current Liabilities			
Accounts Payable	916,015	777,218	1,441,874
Payroll & Related Liabilities	317,376	312,435	404,069
Third Party Settlement Payment	0	0	0
Interest & Other Payables	11,808	10,017	337
Long Term Debt-- City	3,477,563	3,477,563	2,182,460
Other Current Long Term Debt	102,507	105,176	224,596
Total Current Liabilities	**4,825,270**	**4,682,410**	**4,253,336**
Long Term Liabilities			
2015 Net Pension Liability	5,015,100	5,015,100	5,015,100
Total Long Term Liabilities	**5,015,100**	**5,015,100**	**5,015,100**
Deferred Inflows of Resources			
Pension Deferred Inflow	88,788	88,788	88,788
Total Deferred Inflows	**88,788**	**88,788**	**88,788**
Total Liabilities	**9,929,158**	**9,786,298**	**9,357,224**
Net Position			
Unrestricted Fund Balance	2,769,541	2,769,541	2,769,539
Temporary Restricted Fund Balance	13,035	13,035	13,035
Prior Year Retained Earnings	(5,089,310)	(5,089,310)	(4,086,354)
Current Year Net Income	69,579	146,432	(425,333)
Total Net Position	**(2,237,155)**	**(2,160,302)**	**(1,729,112)**
Total Liabilities & Net Position	**7,692,003**	**7,625,996**	**7,628,112**

Cordova Community Medical Center
Gross AR Aging and Days in AR
June 2017

TOTAL

Gross A/R	0 - 30	31 - 60	61 - 90	91 - 120	121+	Totals		Jun Days In AR
Commercial	98,173	49,159	29,619	41,216	202,788	420,954	17.0%	
Medicare	157,386	16,861	7,697	9,848	120,730	312,521	12.6%	
Medicaid	217,284	7,997	138,373	21,017	111,710	496,381	20.0%	
Long Term Care	270,412	4,035	4,035	(3,321)	61,143	336,304	13.5%	
Other Govt payers	24,163	5,629	8,123	30,279	20,940	89,134	3.6%	
Extended Pymt Terms	910	-	65,134	70,422	257,268	393,734	15.9%	
Private Pay	164,686	37,495	45,193	8,509	61,556	317,439	12.8%	
Work Comp	20,596	2,549	9,618	10,222	72,889	115,874	4.7%	
Totals	953,610	123,725	307,790	188,192	909,024	2,482,340	100.0%	74.1
	38.4%	5.0%	12.4%	7.6%	36.6%	100.0%		
						88,568	Credit Balances	

Cordova Community Medical Center
Income Statement

June 2017						Year To Date				
Actual	Budget	Variance	Prior Yr	Variance	**REVENUE**	Actual	Budget	Variance	Prior Yr	Variance
9,768	122,495	(112,727)	87,400	(77,632)	**Acute**	506,862	859,341	(352,479)	400,348	106,514
191,734	27,987	163,747	120,756	70,978	**Swing Bed**	1,302,889	165,999	1,136,890	493,083	809,806
363,234	357,221	6,013	351,644	11,589	**Long Term Care**	2,173,375	2,175,525	(2,150)	2,121,226	52,150
103,187	74,470	28,717	66,494	36,693	**Clinic**	511,506	462,769	48,737	423,856	87,650
196,248	243,775	(47,527)	251,318	(55,071)	**Outpatients**	1,258,697	1,459,213	(200,516)	1,234,377	24,320
36,536	107,958	(71,422)	25,525	11,011	**Behavioral Health**	204,665	353,887	(149,222)	296,950	(92,285)
900,707	933,906	(33,199)	903,138	(2,431)	**Patient Services Total**	5,957,995	5,476,734	481,261	4,969,840	988,155
					DEDUCTIONS					
-	14,529	(14,529)	6,855	(6,855)	**Charity**	155	84,563	(84,408)	143,060	(142,905)
138,795	135,736	3,059	171,403	(32,608)	**Contractual Adjustments**	1,339,463	790,011	549,452	1,037,130	302,333
59,142	26,634	32,508	22,154	36,988	**Bad Debt**	361,196	155,014	206,182	170,874	190,322
197,938	176,899	21,039	200,413	(2,475)	**Deductions Total**	1,700,814	1,029,588	671,226	1,351,064	349,750
					COST RECOVERIES				-	
3,266	86,519	(83,253)	-	3,266	**Grants**	122,478	265,171	(142,693)	86,965	35,513
87,767	205,294	(117,527)	82,475	5,292	**In-Kind Contributions**	550,551	629,197	(78,646)	543,262	7,289
(4,725)	32,672	(37,397)	75,054	(79,779)	**Other Revenue**	370,587	100,134	270,453	633,456	(262,869)
86,307	324,485	(238,178)	157,528	(71,221)	**Cost Recoveries Total**	1,043,617	994,502	49,115	1,263,684	(220,067)
789,076	**1,081,492**	**(292,416)**	**860,253**	**(71,177)**	**TOTAL REVENUES**	**5,300,798**	**5,441,648**	**(140,850)**	**4,882,460**	**418,338**
					EXPENSES					
308,176	321,772	(13,596)	292,652	15,524	**Wages**	1,954,245	2,091,518	(137,273)	1,697,366	256,879
149,693	163,873	(14,180)	79,687	70,006	**Taxes & Benefits**	905,096	1,065,175	(160,079)	898,889	6,207
146,596	170,350	(23,754)	236,883	(90,287)	**Professional Services**	843,939	897,818	(53,879)	1,250,554	(406,615)
10,504	2,307	8,197	638	9,866	**Minor Equipment**	24,580	13,842	10,738	25,366	(786)
53,036	34,438	18,598	59,112	(6,076)	**Supplies**	284,324	207,435	76,889	216,810	67,514
6,687	2,204	4,483	5,661	1,026	**Repairs & Maintenance**	36,181	13,224	22,957	18,487	17,694
6,440	9,142	(2,702)	25,881	(19,441)	**Rents & Leases**	67,418	54,852	12,566	86,478	(19,061)
96,406	100,754	(4,348)	98,039	(1,634)	**Utilities**	633,381	615,257	18,124	594,627	38,754
9,503	3,742	5,761	16,195	(6,691)	**Travel & Training**	30,830	22,458	8,372	28,505	2,325
19,721	17,959	1,762	32,256	(12,535)	**Insurances**	100,304	108,908	(8,604)	97,483	2,820
3,140	4,167	(1,027)	(16,207)	19,347	**Recruit & Relocate**	23,282	25,002	(1,720)	46,658	(23,376)
45,077	43,750	1,327	42,941	2,135	**Depreciation**	271,501	262,500	9,001	255,308	16,193
11,427	12,224	(797)	14,989	(3,562)	**Other Expenses**	56,631	73,344	(16,713)	91,260	(34,629)
866,405	**886,682**	**(20,278)**	**888,727**	**(22,322)**	**TOTAL EXPENSES**	**5,231,712**	**5,451,333**	**(219,621)**	**5,307,792**	**(76,080)**
(77,328)	194,810	(272,138)	(28,473)	(48,855)	**OPERATING INCOME**	69,085	(9,685)	78,770	(425,332)	494,418
475			-		Restricted Contributions	495			-	
(76,853)	**194,810**	**(271,663)**	**(28,473)**	**(48,380)**	**NET INCOME**	**69,580**	**(9,685)**	**79,265**	**(425,332)**	**494,913**

CORDOVA - ATB Weekly Comparison

AGING ANALYSIS FOR AVEC RESPONSIBLE PAYER - 07172017							
Age	0-30	31-60	61-90	91-120	121-180	181-365	365+
Count	321	246	158	123	204	272	179
Balance	$233,047.46	$136,041.18	$111,685.67	$52,043.30	$143,808.28	$171,921.47	$89,879.21
AR %	25%	14%	12%	6%	15%	18%	10%
	0 to 90 days AR % - 51%			90 + days AR % - 49%			

NOTE: There is a reduction of 5% in the 90+ AR.

AGING ANALYSIS FOR AVEC RESPONSIBLE PAYER - 07102017							
Age	0-30	31-60	61-90	91-120	121-180	181-365	365+
Count	261	253	157	119	194	290	163
Balance	$161,435.68	$119,009.72	$111,588.67	$67,289.17	$123,063.88	$179,174.75	$81,966.90
AR %	19%	14%	13%	8%	15%	21%	10%
	0 to 90 days AR % - 46%			90 + days AR % - 54%			

AGING ANALYSIS FOR AVEC RESPONSIBLE PAYER - 07032017							
Age	0-30	31-60	61-90	91-120	121-180	181-365	365+
Count	287	241	171	126	174	308	152
Balance	$158,402.75	$171,984.46	$119,115.33	$82,499.78	$124,412.41	$169,894.68	$77,005.96
AR %	18%	19%	13%	9%	14%	19%	9%
	0 to 90 days AR % - 50%			90 + days AR % - 50%			

AGING ANALYSIS FOR AVEC RESPONSIBLE PAYER - 06262017							
Age	0-30	31-60	61-90	91-120	121-180	181-365	365+
Count	284	236	177	146	166	341	181
Balance	$194,397.30	$140,058.70	$125,250.26	$88,857.41	$131,910.05	$182,499.31	$79,870.87
AR %	21%	15%	13%	9%	14%	19%	8%
	0 to 90 days AR % - 49%			90 + days AR % - 51%			

AGING ANALYSIS FOR AVEC RESPONSIBLE PAYER - 06192017							
Age	0-30	31-60	61-90	91-120	121-180	181-365	365+
Count	267	236	175	156	153	351	179
Balance	$165,205.39	$171,098.47	$205,909.53	$101,031.72	$123,858.03	$187,394.41	$71,235.45
AR %	16%	17%	20%	10%	12%	18%	7%
	0 to 90 days AR % - 53%			90 + days AR % - 47%			

AGING ANALYSIS FOR AVEC RESPONSIBLE PAYER - 06092017							
Age	0-30	31-60	61-90	91-120	121-180	181-365	365+
Count	250	259	189	163	154	361	193
Balance	$153,011.67	$192,763.53	$222,889.32	$105,800.41	$123,286.52	$193,886.77	$74,063.02
AR %	14%	18%	21%	10%	12%	18%	7%
	0 to 90 days AR % - 53%			90 + days AR % - 47%			

Board Report from Nursing Services

June was a good month for our 10 residents. The good weather brought numerous opportunities for outings and participation in community events. Staffing remains stable with 1:1 replacement of nurses. Our staff mix is evolving as we now have 9.5 FTE RN's and 4 FTE LPN's. As our census grows we need to look at restoring several rooms to double occupancy and re-evaluating our staffing patterns. All of our clinical indicators are exceptional. For April - June we had:

One fall, no injury sustained
No facility acquired infections
Three medication errors – all clerical in nature, no resident harm

CMS has made dramatic changes to the standards they use for surveys and the method of conducting their surveys. Training for the surveyors will be completed by the end of October and the new process and standards go into effect November 29th. Our visit can be at any time between now and the middle of February, but most likely before the end of 2017. Prudence leads us to be ready based on the new standards and to be ready for either format. The Abaqis system which we brought online in June will steer us in preparing to meet the new requirements.

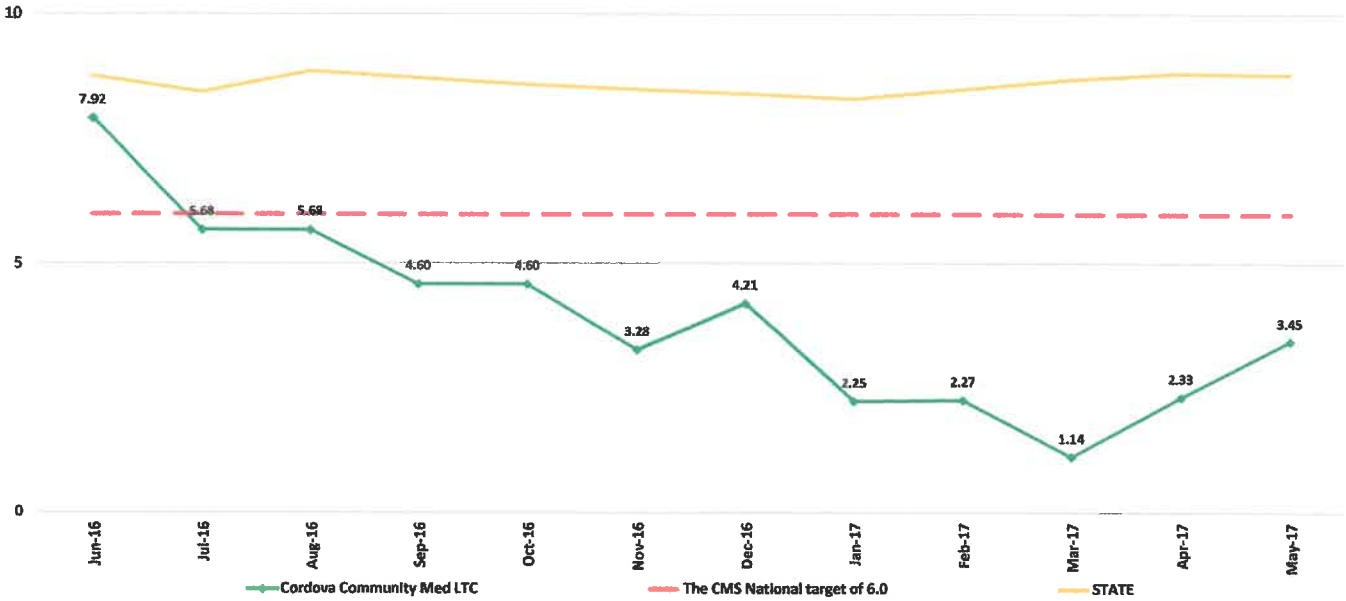
Reducing Healthcare-Acquired Conditions in Nursing Homes

Proxy Composite Score Report, Data through May 2017

Cordova Community Med LTC

Your Facility's Current Score 3.45
Your State's Current Score 8.79

Proxy-Composite Score for your nursing center over time

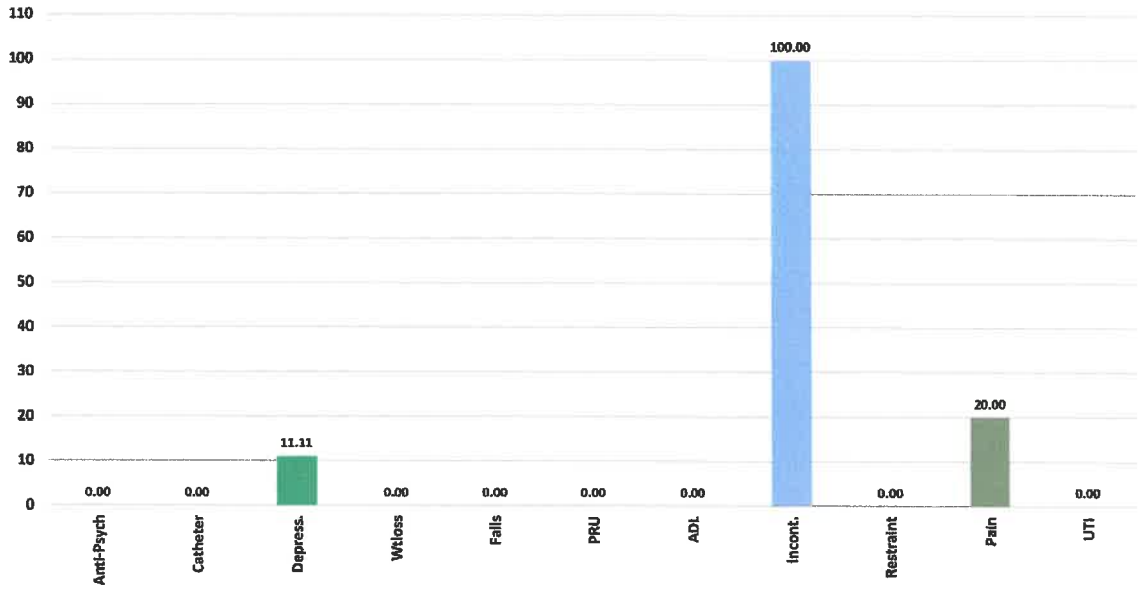


Month	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	AVG
Numerator	8	5	5	4	4	2	4	2	2	1	2	3	3.5
Denominator	101	88	88	87	87	61	95	89	88	88	86	87	87.1
Composite Rate	7.92	5.68	5.68	4.60	4.60	3.28	4.21	2.25	2.27	1.14	2.33	3.45	3.95

Proportion of the proxy-composite score from each measure for the most current time frame.

Proportion of the *Proxy-Composite score* from each measure: The *Proxy-composite Score* is comprised of 11 National Quality Forum-Endorsed long-stay quality measures. Which one(s) are driving your score? Look for the measure(s) with the highest percentages. Lower is better.

Data is from the MDS 3.0 and is presented over time in rolling 6 month time spans with the 'month' reflecting the end of the time period. For example, the data for the month of July is reflective of the time period of February 1 through July 31. The data for the proportions graph shown to the right and for your facility's current *Proxy-Composite score*, is the mnt 6 month time frame available at the time of the report.

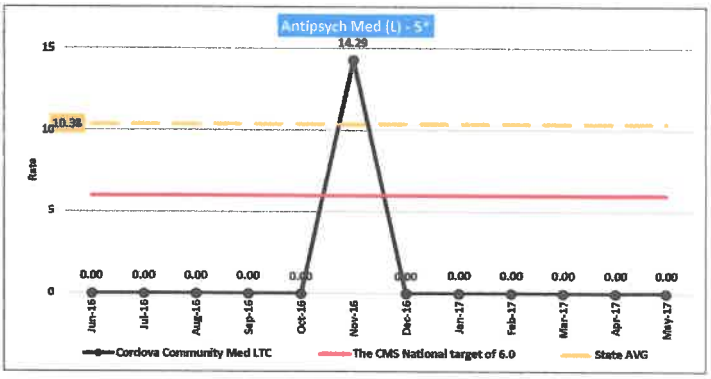


Anti-Psych	Catheter	Depress.	Wtloss	Falls	PRU	ADL	Incont.	Restraint	Pain	UTI
0	0	1	0	0	0	0	1	0	1	0
9	8	9	10	10	9	6	1	10	5	10
0.00	0.00	11.11	0.00	0.00	0.00	0.00	100.00	0.00	20.00	0.00

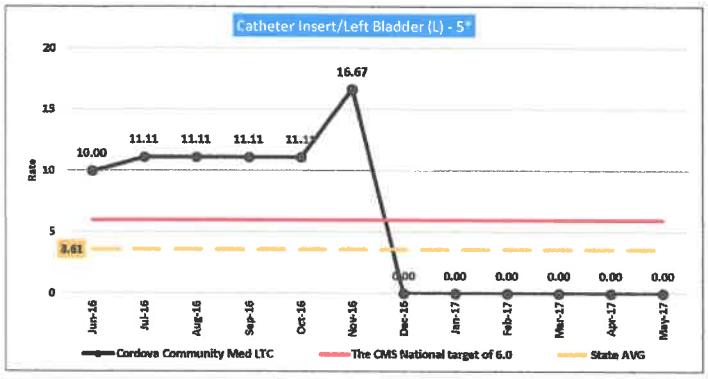
Reducing Healthcare-Acquired Conditions in Nursing Homes

Cordova Community Med LTC

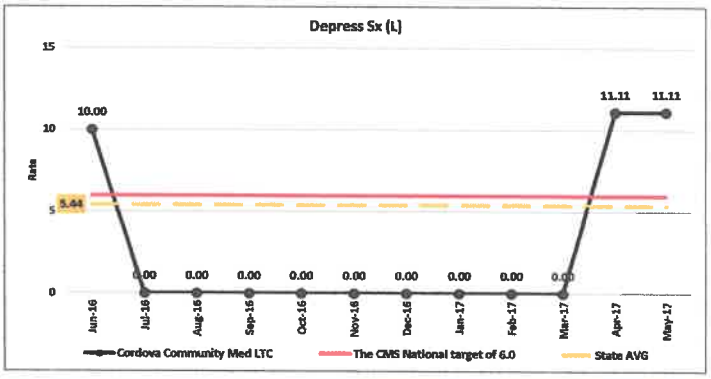
These graphs represent your facility's rates over time for each of the 11 long-stay quality measures that make up the *Proxy-Composite score*. Look for those measures with the higher scores to know where to focus your efforts - remember lower is better. Contact Mountain-Pacific Quality Health for any resources or assistance you might need to lower your scores.



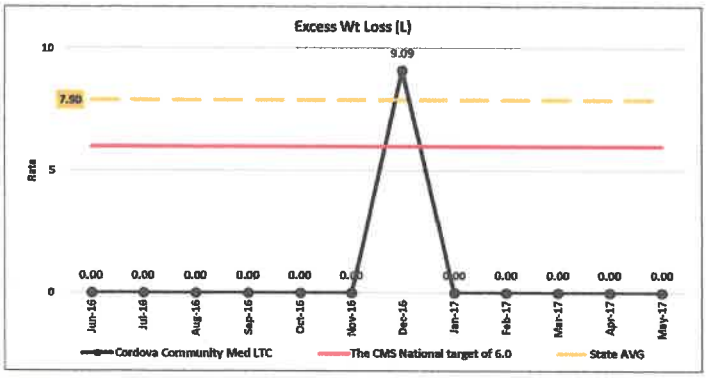
Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17
0	0	0	0	0	1	0	0	0	0	0	0
10	9	9	9	9	7	10	9	9	9	9	9
0.00	0.00	0.00	0.00	0.00	14.29	0.00	0.00	0.00	0.00	0.00	0.00



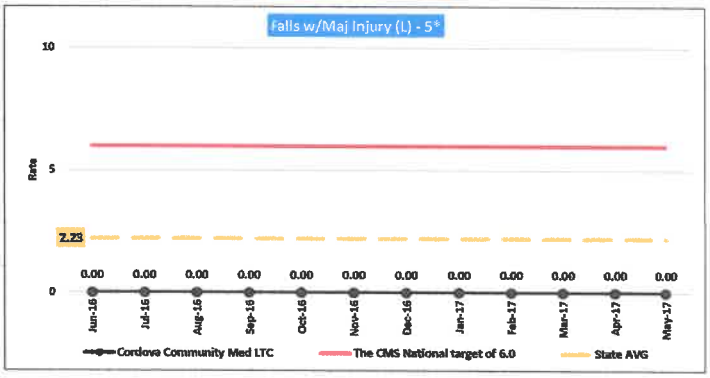
Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17
1	1	1	1	1	1	0	0	0	0	0	0
10	9	9	9	9	6	9	8	8	8	8	8
10.00	11.11	11.11	11.11	11.11	16.67	0.00	0.00	0.00	0.00	0.00	0.00



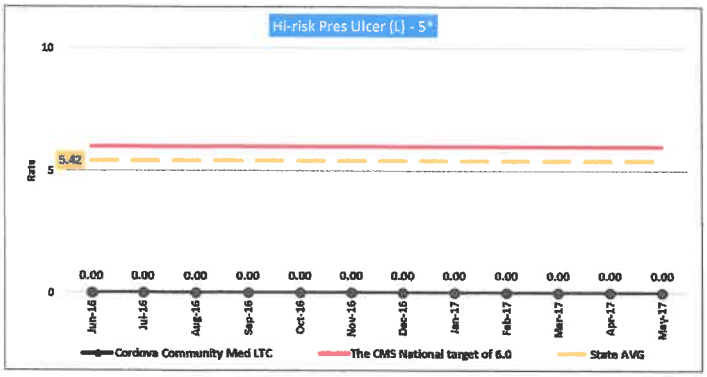
Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17
1	0	0	0	0	0	0	0	0	0	1	1
10	8	8	8	8	6	9	9	9	9	9	9
10.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11.11	11.11



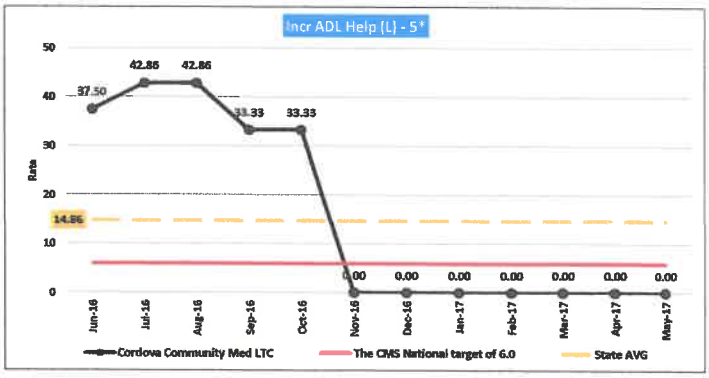
Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17
0	0	0	0	0	0	1	0	0	0	0	0
11	10	10	10	10	7	11	10	10	10	10	10
0.00	0.00	0.00	0.00	0.00	0.00	9.09	0.00	0.00	0.00	0.00	0.00



Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17
0	0	0	0	0	0	0	0	0	0	0	0
11	10	10	10	10	8	11	10	10	10	10	10
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

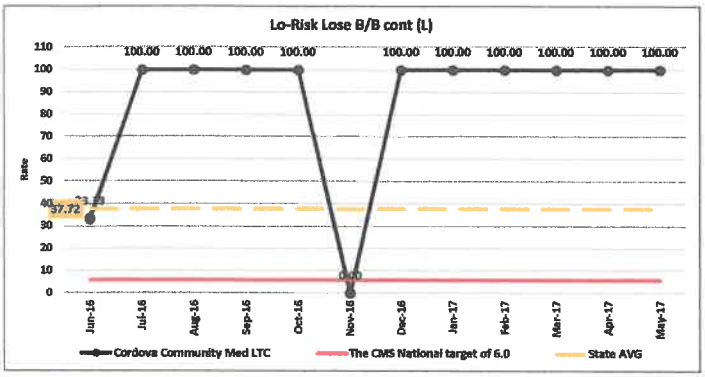


Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17
0	0	0	0	0	0	0	0	0	0	0	0
9	9	9	9	9	7	10	9	9	9	9	9
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

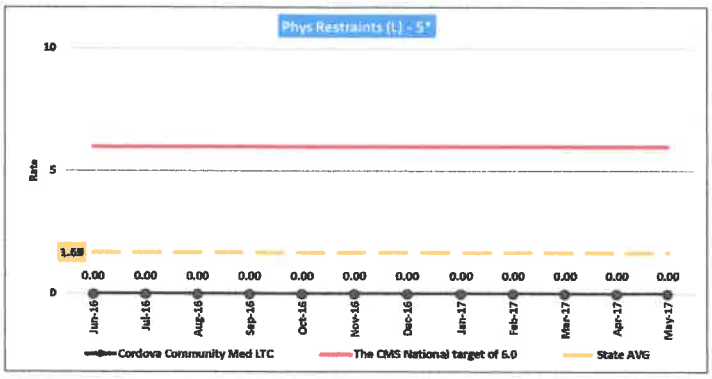


Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17
3	3	3	2	2	0	0	0	0	0	0	0
8	7	7	6	6	3	6	6	6	6	6	6
37.50	42.86	42.86	33.33	33.33	0.00	0.00	0.00	0.00	0.00	0.00	0.00

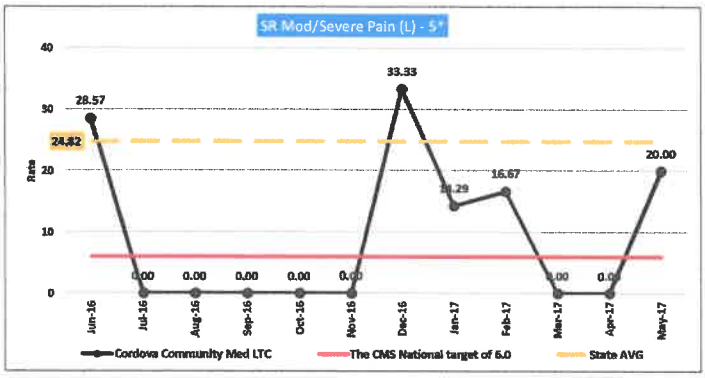
Reducing Healthcare-Acquired Conditions in Nursing Homes



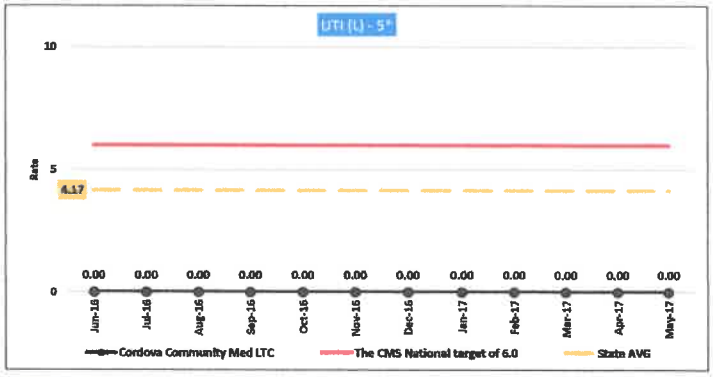
Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17
1	1	1	1	1	0	1	1	1	1	1	1
3	1	1	1	1	0	1	1	1	1	1	1
33.33	100.00	100.00	100.00	100.00	#DIV/0!	100.00	100.00	100.00	100.00	100.00	100.00



Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17
0	0	0	0	0	0	0	0	0	0	0	0
11	10	10	10	10	8	11	10	10	10	10	10
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00



Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17
2	0	0	0	0	0	2	1	1	0	0	1
7	5	5	5	5	2	6	7	6	6	4	5
28.57	0.00	0.00	0.00	0.00	0.00	33.33	14.29	16.67	0.00	0.00	20.00

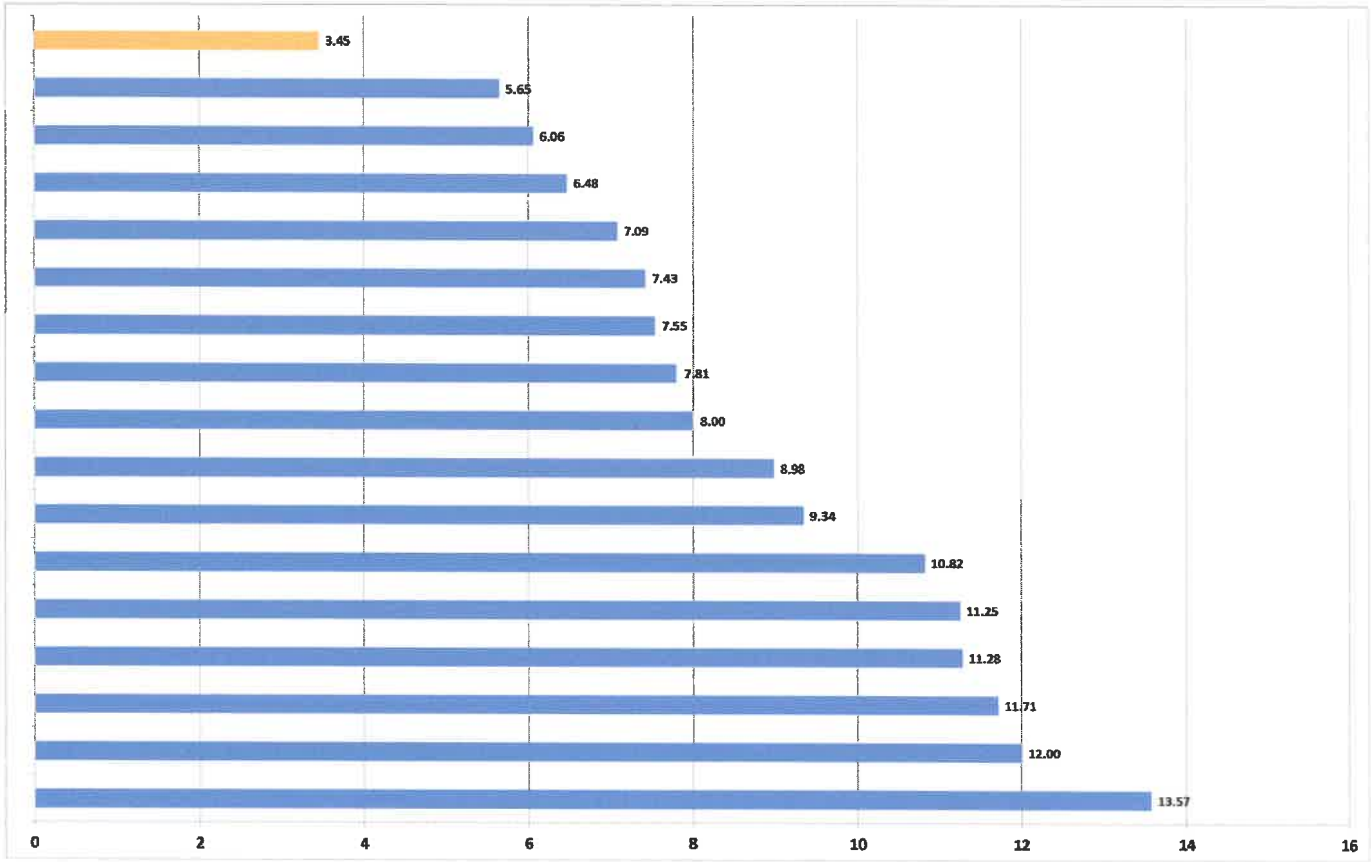


Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17
0	0	0	0	0	0	0	0	0	0	0	0
11	10	10	10	10	7	11	10	10	10	10	10
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

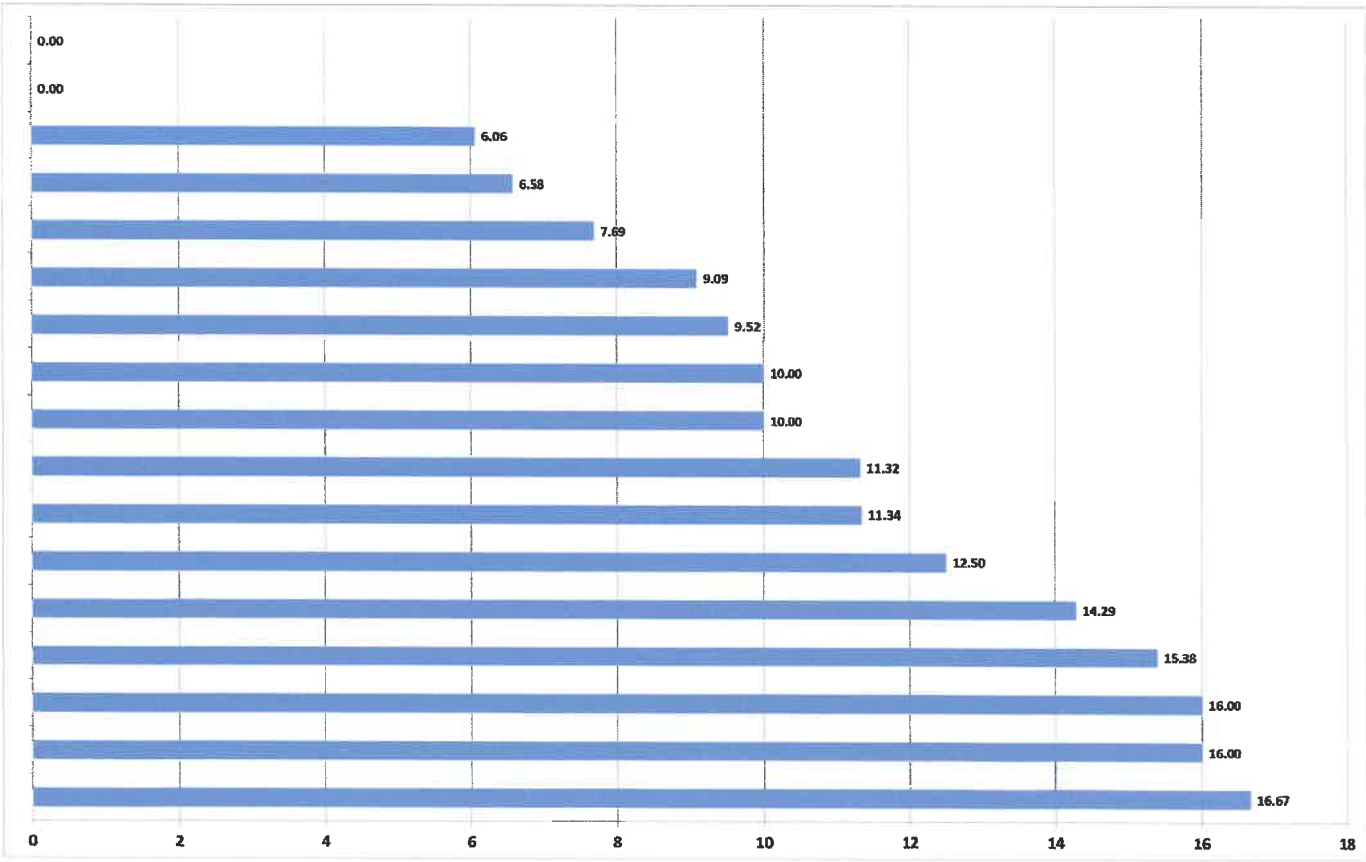
Reducing Healthcare-Acquired Conditions in Nursing Homes

Cordova Community Med LTC

This ranking shows your facility's current *proxy-composite score* in relation to all of the nursing facilities in your state:



This ranking shows your facility's current *Anti-Psychotic Medication* score in relation to all of the nursing facilities in your state:



Memorandum

To: CCMC Authority Board of Directors
From: Scot Mitchell, FACHE, CCMC CEO
Subject: CCMC Compensation Philosophy
Date: July 20, 2017

Suggested Motion: "I move that the CCMC Authority Board of Directors approves the Cordova Community Medical Center Compensation Philosophy."

CORDOVA COMMUNITY MEDICAL CENTER
STATEMENT OF COMPENSATION PHILOSOPHY

Cordova Community Medical Center (CCMC) maintains an aggressively competitive position in the wages which it provides to its employees. CCMC will establish and maintain a pay program which assures employees that pay for their jobs will be market competitive, internally equitable and fairly administered. Therefore, we will target pay ranges for all jobs at least at the 50th percentile, or the average salary, whichever is higher, of the market from which we compete and recruit. We pursue this strategy because we want to attract and retain highly qualified personnel who will help us succeed in the increasingly contentious healthcare industry.

While continuing to be aggressively competitive in the wages it provides, CCMC must also carefully position itself for labor costs generally in line with its competitors. A compensation philosophy that is too high compared to the labor needs of CCMC, considering such factors as the Consumer Price Index, relevant market surveys and difficulty in recruiting, would adversely affect CCMC's ability to remain financially viable in a time increasingly sensitive to the cost of healthcare.

Helping to ensure a balance between aggressive competitive wages and maintaining a reasonable cost structure is the responsibility of the CCMC Chief Executive Officer and Human Resources Department. The Human Resources Department relies on annual published salary surveys from the Alaska State Hospital and Nursing Home Association (ASHNHA) to ensure:

- CCMC salary range midpoints are aggressively competitive with range midpoints of labor market competition; and
- CCMC has a salary range spread of at least 40% from the minimum to the maximum of the range.

CCMC salary ranges will allow increases in individual base salaries through a range only to the maximum of the range considering the market value of the position. Payment of the salary increase shall be a percentage of base salary up to the maximum of the pay range. Any amount of an increase that would place an employee's base salary above the maximum of the assigned pay range shall be paid in the form of a lump sum cash payment. Individuals who have reached the maximum of the range in their classification will not receive base salary increases until range expansion occurs as the market moves.

Absent turnover, eventually an employee will reach the top of their range. In these cases, the expression of dissatisfaction of limited earning potential may occur. CCMC will responsibly and prudently manage its financial obligations in salary administration and not create or allow unlimited potential in salary. (Compliant with the Taxpayers Bill of Rights II)

Should the turnover rate due to salary limitations increase causing threat or loss of key positions, Cordova Community Medical Center will respond to the issue of supply and demand still maintaining prudent stewardship of fiscal resources.

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CCMC annually will analyze labor market conditions and study ASHNHA salary survey recommendations to structure competitive salary ranges. In the event the ASHNHA salary survey is not available, the Chief Executive Officer shall select another market relevant salary survey to use. CCMC will respond quickly to labor market condition changes and respond accordingly.

As a result of this Compensation Philosophy Statement, Cordova Community Medical Center expects to:

- Pay employees extremely well in wages;
- Pay long tenured employees higher than they would likely receive at competitive employers;
- Through periodic range adjustments, long tenured employees wages rise as labor rates rise;
- Maintain salary ranges designed to ensure rates of pay that are internally fair and externally competitive; and
- Consider extra work on temporary assignments, temporary high census or internal operational conditions and financially reward employees on a case by case basis, subject to the approval of the Chief Executive Officer.

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