



AGENDA
CCMC AUTHORITY BOARD OF DIRECTORS
CCMC CONFERENCE ROOM
April 26, 2018 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
Linnea Ronnegard exp. 3/21
VACANT exp. 3/21

CCMC CEO

Scot Mitchell

OPENING: Call to Order

Roll Call – April Horton, Kristin Carpenter, Sally Bennett and Linnea Ronnegard.
Establishment of a Quorum

- A. APPROVAL OF AGENDA**
- B. CONFLICT OF INTEREST**

C. 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

D. BOARD DEVELOPMENT

- 1. Hospital Strength Index

E. APPROVAL OF MINUTES

- 1. March 22, 2018 Regular Meeting Minutes Pages 1-3

F. REPORTS OF OFFICER and ADVISORS

- 1. Board Chair Report – Kristin Carpenter
- 2. CEO Report – Scot Mitchell, CEO Pages 4-6
- 3. Medical Director Report – Dr. Blackadar Page 7
- 4. Finance Report – Lee Holter, CFO Pages 8-14
- 5. Nursing Report – Tammy Pokorney, CNO Pages 15-16
- 6. Quality Improvement Report – Kelly Kedzierski, RN Page 17
- 7. Infection Control Report – Kelly Kedzierski, RN Page 18

G. CORRESPONDENCE

H. ACTION ITEMS

- 1. CCMC Corporate Compliance Plan Pages 19-34
- 2. Behavioral Health Grant Audit Page 35
- 3. Upgrade to Digital Radiology Pages 36-38

I. DISCUSSION ITEMS

- 1. Board of Directors Vacancy
- 2. Sound Alternatives Update

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

For a full packet, go to www.cityofcordova.net/government/boards-commissions/health-services-board

*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
March 22, 2018 at 6:00pm
Regular Meeting

CALL TO ORDER AND ROLL CALL –

Kristin Carpenter called the Board Meeting to order at 6:03pm.

Board members present: **Kristin Carpenter, Sally Bennett, April Horton, and Linnea Ronnegard.**

A quorum was established. 4 members present.

CCMC staff present: Scot Mitchell, CEO; Lee Holter, CFO; Tammy Pokorney, CNO; Faith Wheeler-Jeppson, Executive Admin Assistant; Rona Haberman, LCSW; Alvin Calad, Administrative Assistant; and Barb Jewell, Case Manager.

A. APPROVAL OF AGENDA

M/Bennett S/Horton “move to approve the Agenda as amended.”

4 yeas, 0 nay

Motion passed.

B. CONFLICT OF INTEREST ~ None

C. COMMUNICATIONS BY AND PETITIONS FROM VISITORS

1. Audience Participation

- a. Mary Anne Bishop spoke in support of Sound Alternatives and the continuation of their services to the Cordova community.

2. Guest Speaker ~ None

D. BOARD DEVELOPMENT

1. Sound Alternatives Grants

Scot Mitchell provided the board with more information on the grant funds that Sound Alternatives receives, and the funds that CCMC matches in order for Sound Alternatives to provide current services to the community. We will be talking more about the current service line and any potential for expanding or decreasing the services.

E. APPROVAL OF MINUTES

M/Bennett S/Horton “move to approve the February 22, 2018 Regular Meeting Minutes.”

4 yeas, 0 nay

Motion passed.

F. REPORT OF OFFICERS AND ADVISORS

- 1. Board Chair Report ~ Kristin Carpenter** reported that she had met with Scot on the Agenda, and went to the City Council meeting and provided a short report.

- 2. CEO’s Report ~ Scot Mitchell, CEO** reported that his written report was in the packet, and he had a few additional to discuss. First, welcome Linnea to the Board. We do have a vacant seat on the Board, and we need to discuss electing officers for the year. The LTC Surveyors came to do their follow up, they concluded we are in compliance **1**

with our approved Plans of Correction. Evident was here this week, we have an August 1 go-live date.

The CT scanner repair tech is here this week, there was an issue with the Scanner. And lastly, Scot will be taking Thursday and Friday of next week off.

3. **Finance Report** ~ Lee Holter, CFO reviewed the January and February Financials with the Board, a few highlights from that report were that Construction in Progress went up, days cash on hand increased from January to February, revenue is above budget, and supplies are above budget due to the acquisition of Cordova Drug inventory.
4. **Nursing Report** ~ Tammy Pokorney, CNO summarized the Nursing report that was in the packet. A few highlights from the Nursing Department Report were that we have hired three more permanent Nurses. The LTC Census is 10, four Swing beds are occupied. Point Click Care went live for nursing, activity and dietary documentation. Relias will go live on March 31st for all staff education.
5. **Quality Improvement Report** ~ Tammy Pokorney, CNO reported to the board that the Quality Report is in the packet.
6. **Infection Control Report** ~ Tammy Pokorney, CNO reported to the board that the Infection Control Report is in the packet.

G. **CORRESPONDENCE** ~ None

H. **ACTION ITEMS**

1. Approve Privileges for Dr. Bradford Fenton, MD

M/Bennett S/Horton “move that the CCMC Authority Board of Directors approve the Medical Staff privileges for Dr. Bradford Fenton, MD as requested.”

4 yeas, 0 nay

Motion passed.

2. Approve Privileges for Dr. Mia Galiato, MD

M/Bennett S/Ronnegard “move that the CCMC Authority Board of Directors approve the Medical Staff privileges for Dr. Mia Galiato, MD as requested.”

4 yeas, 0 nay

Motion passed.

3. Approve Bank of America Resolution

M/Bennett S/Ronnegard “I move to adopt the Resolution of the Cordova Community Medical Center Authority Board of Directors designating the representatives authorized to add or remove a current account holder or authorized contact from Bank of America accounts for Cordova Community Medical Center.”

4 yeas, 0 nay

Motion passed.

I. **DISCUSSION ITEMS**

1. **Sound Alternatives Update**

Scot Mitchell spoke to the board regarding the current status of Sound Alternatives, potential changes to the services provided to the community, and the possibility of

integrating Sound Alternatives into the Clinic area. There was further conversation regarding billing for Sound Alternatives services, and staffing.

2. Alaska Medicaid Supplemental Appropriation

Scot Mitchell relayed to the board that the House and Senate has approved a One Hundred Million dollar supplemental, forty five million of that is for Medicaid. The forty five million should get us through the first or second week of May.

3. CCMC Authority Bylaws

Scot Mitchell reported that the board will need to go through and update the Bylaws. A Worksession meeting will be scheduled for the purpose of reviewing and updating the Board Bylaws.

J. AUDIENCE PARTICIPATION

1. Barb Jewell spoke in regards to Sound Alternatives and her appreciation to staff and the board for taking this matter up and her hope is that everyone will gather as much information as possible before making a decision.

K. BOARD MEMBERS COMMENTS

Kristin ~ None

Sally ~ None

Horton ~ None

Linnea ~ None

L. EXECUTIVE SESSION

1. Pursuant to AS 44.62.310 Executive Sessions; please see reason #3.

M/Bennett S/Horton "I move to go into Executive Session for matters which by law, municipal charter, or ordinance are required to be confidential and matters involving consideration of governmental records that by law are not subject to public disclosure."

The Board entered into the Executive Session at 8:14pm to discuss a potential legal issue.

The Board came out of Executive Session at 8:33pm.

M. ADJOURNMENT

M/Bennett S/Horton "I move to adjourn the meeting."

Carpenter declared the meeting adjourned at 8:37pm.

Prepared by: Faith Wheeler-Jeppson



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CEO Report to the CCMC Authority Board of Directors
April 26, 2018
Scot Mitchell, CEO

The Big Picture

The Alaska House and Senate have passed their versions of the 2019 budget, which now moves to a conference committee to come up with a budget for next year. The Senate budget has some significant cuts in the Medicaid funding. The large amount of these cuts would most likely result in fairly drastic cuts in reimbursement to all Medicaid providers. We are closely watching this process, and will reach out to you if there is a need to contact our legislators. The Governor signed a supplemental appropriations bill a few weeks ago that provided about half the funding needed to get Medicaid through the end of the State fiscal year. The current funding amount is expected to continue payments through mid-May. We're keeping tabs on this issue, as it could potentially have a very negative impact on CCMC.

Status Updates

Service:

- We continue our efforts at moving the behavioral health services provided by Sound Alternatives into a model that is integrated into the family medicine clinic. As part of this process, we have eliminated two half-time positions and are currently holding off filling another half-time position until we determine if that position will be needed in the new model. I have been having discussions with the Division of Behavioral Health and the Alaska Mental Health Trust Authority for assistance and guidance on the improvement plans for addressing the operational issues within Sound Alternatives. We are also researching consultants to potentially help us with the transition into the new service model. I know this has been a stressful time for everyone involved, but the Sound Alternatives staff have been doing a great job of stepping up and helping us work through the various activities needed to make this conversion successful.
- The implementation process for the Thrive EHR system from Evident has started. The initial onsite visit from the Evident team was the week of March 19th. The next onsite visit will be the week of April 23rd. Education workshops will be held during this visit on the inpatient physician, provider administrator, financial and pharmacy modules. Most of the training will be performed remotely via webinars, but there will be several onsite sessions throughout the spring and summer. A project work plan has been approved that will allow us to have the system built, staff trained and the system tested for a targeted go live of August 1, 2018.
- We are very close to ending the implementation phase of the PointClickCare (PCC) EHR system for the nursing home. This program is in use and is allowing our nurses to improve their documentation of the excellent care they are providing to our LTC residents. It will also help address the documentation-related deficiencies that were found during our most recent LTC surveys. Again, my thanks go out to Tammy Pokorney and all of the other staff involved in making this project go smoothly.

- The project to add an uninterruptable power supply (UPS) for the CT scanner is underway. The actual UPS has been ordered and should arrive soon. The preliminary electrical and site work has begun. This has been a long and drawn out project, but we are finally seeing it come to fruition.
- We have contracted with our new IT service company, Arctic IT, to perform an assessment of our facility-wide Wi-Fi system. As a result of this assessment, they will also develop a plan that will allow us to upgrade our Wi-Fi to cover the facility with a more robust and secure wireless system. This new system will allow us to use the features of the Thrive and PCC EHR systems in a more efficient way.

Quality:

- We have received a final report from the Alaska Department of Health and Social Services that we are in full compliance with the plans of corrections from the regular LTC survey last year, along with the federal comparative survey that followed that one. Our staff deserve a big “Thank You” for everything they have done to address the issues despite the stress with the federal survey. Everyone stepped up and did a great job!
- We are close to wrapping up the research into a renewal contract with Healthcare Quality Service, associated with Washington Hospital Services. This is the company that we’ve been contracted with to perform external peer review of patient charts. We are going to be changing the way we use this service, and will be sending randomly selected charts for review on a routine basis. This will be in addition to any peer review cases requested for other reasons.

Finance:

- Accountants from Dingus, Zarecor and Associates were onsite the week of April 9th to work on the audit of our 2017 financial statements. This year’s audit should go smoother since they worked through most of the issues with previous year’s audits during last year’s process. They should have a preliminary report completed in time for our cost report preparer to submit our 2017 Medicare Cost Report by the end of May. They have to wait until after the State addresses the PERS obligations before they can finalize the audit report.
- Not much has changed in regards to PERS since last month. We are still working to raise awareness to the negative impacts that the previous problems with PERS has on our hospital. Our hope is to eventually see a lasting solution that reduces the unfunded burden placed on our organization by the PERS system.
- The pharmaceutical industry continues its push to reduce the effectiveness of the 340B drug program. They are making a big push with the federal government to try to take the savings from this program away from safety net providers, like CCMC, and add those funds to their own bottom-line. They seem to have a sympathetic ear in the government, but everything I’ve seen so far points to CAH hospitals being exempted from the changes being discussed. We continue to monitor this program as it would have a very negative impact on CCMC should it reduce our ability to use the program.

People:

- As part of the Small Rural Hospital Improvement Program (SHIP) grant that we received from the State, we have engaged HealthTechS3 to provide a training program on Lean during the week of April 16th. Lean is a collection of operating philosophies and methods that help create maximum value for patients by reducing waste and wait times. Lean principals were originally derived from Toyota as they tried to survive after World War II. Over the years, it has expanded from a production line focus to fit the more complex healthcare system. Lean is comprised of a continuous learning cycle that is driven by the people who are actually at the bedside and closest to the processes a hospital uses. This system aims to essentially change the hospitals thinking and value, which, over time, will lead to the transformation of our behavior and culture. It will ingrain a culture of focusing on how efficiently resources are being used and push us to determine what value is being added for every patient we see. Our goal is to fundamentally transform CCMC to become more efficient and effectively provide the best quality of care. All CCMC employees will participate in this program going forward.
- I have recently signed an agreement with the City of Cordova to share an IT person with them. This will allow the City to reduce their staff expenses and allow us to have access to an IT professional to help us with our

many technology solutions. We will start this employee sharing very soon, and will make the second position that we are sharing with the City, the first being facilities management.

Growth:

- At the March Board meeting, the Board approved privileges for Dr. Bradford Fenton, OB/GYN and Dr. Mia Galioto. We have recently started the credentials verification process for an additional Pediatrician who would be available this fall to start seeing children at CCMC's clinic. We continue to search for additional Family Medicine physicians who can cover for Drs. Blackadar and Sanders when they take time off.
- Dr. Fenton will have his first visit at CCMC to see patients on May 4, 2018. In addition to clinic visits, Dr. Fenton can also perform ultrasound studies using the equipment that we already have in the radiology department. We will evaluate the demand for Dr. Fenton's services and determine a schedule for future visits.
- We are working on resolving some technology issues to allow Dr. Galioto to start seeing patients for Tele-Psychiatry visits in Sound Alternatives. We hope to have this addressed soon. Dr. Galioto will be available up to four hours per week for these telemedicine visits.
- We have recently entered into an agreement with Cheri Horkman, a Speech Language Pathologist, to provide speech therapy services to our nursing home residents and other patients at CCMC. Cheri brings a vast wealth of knowledge and experience to CCMC and we are looking forward to her joining our team on a consulting basis. The logistics of Cheri's first visit are still being arranged, but we hope to have her initial visit in early May.
- We are in the early stages of talking with an Occupational Therapist to provide consulting OT services at CCMC. We will continue this process until we are able to provide these services to meet the needs of our LTC residents, and potentially others in the community.
- In the month of March, we filled 969 prescriptions in the retail pharmacy. This was a very busy month! The pharmacy continues to be successful, so this program has helped to meet one of the items the community identified as a need during the Community Health Needs Assessment (CHNA) in 2016.

Community:

- I held a "Lunch with the CEO" on April 17th. Several community members attended and we had a great discussion on what is going on in the healthcare industry and how that impacts Cordova. We had some serious conversations about the healthcare services here in Cordova and I was impressed with the questions and comments from the participants. I want to thank Board Member, Linnea Ronnegard for attending and participating in the discussion. I will work on scheduling another one of these in June.
- We continue to explore various cost-effective methods to let the community know more about our services. Social media like Facebook and LinkedIn, radio, newspaper, and other media are ways we are experimenting to find what works best for us. You will soon start seeing different types of marketing material from several of our departments. This will allow us to get the message out to the community on the various services we offer.



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April 18, 2018

From: Medical Director CCMC

To: Health Service Board Members,

Via: CEO

Subj: Medical Directors report

1. This past quarter marks the completion of Dr Sanders' second year (March) and my third year (February). We feel the stability of providers has contributed to improved care across the spectrum of CCMC. (ER/Inpatient/Outpatient) We strive to take care of people here in Cordova and minimize transfers and referrals to anchorage. We have recently made several diagnosis that had been missed by other providers including lymphoma, brain tumors, guillain barre disease and an adrenal adenoma causing malignant hypertension. This is not to boast but rather inform as to an advantage of having full time board certified physicians on staff.
2. Numbers. March was an extremely busy month for us with a record number of ER visits and high number of patients requiring transfer. April seems to be back to normal.
3. Clinic. After 29 years of excellent service Gladah Hicks is retiring and new RN Olivia Kelly is taking over. She is transitioning very well and has a wealth of Cordova knowledge as she was raised here. This coming quarter we will have the first of our visits from an Alaska Regional specialist. Dr Fenton, OB/GYN will see clinic on May 4th. We hope to grow this program with pediatrics and orthopedics as well. We are working to get the word out on our ability to do cardiac stress testing here in Cordova as well.
4. Peer review and process improvement. Each transfer and admission is reviewed for diagnosis and appropriateness of treatment. We take advantage of visiting physicians to review random charts of mine and Dr Sanders. Additionally charts which have problems or unexpected outcomes are sent out for further external review. So far there have been no discrepancies found. In the first quarter there were no unexpected deaths, hospital acquired inpatient infections and only 1 readmission within 30 days of discharge. We are currently working on projects to improve communication with ER nurses on patient arrival as well as with EMS staff. We are working with nursing to improve the antibiotic stewardship program as well.

Respectfully,

C.S. Blackadar, MD
Medical Director CCMC



Monthly Financial Statements

MARCH 2018

April 26, 2018

To the Board
March Financial Statements

Balance Sheet is PreAudit

Balance Sheet Assets

Days cash on for March was 20.1 days compared to February with 28.3
AR increased \$102K in March, as there were processing issues with our MAC
Inventory increased \$70K, I believe there is a process issue I have to audit

Balance Sheet Liabilities

AP and Payroll liabilities decreased by \$114K and \$10K respectively
Third party (Medicare) increased due continued shift in payer mix
due to Medicaid Swing bed
City loan increased by \$325K

Income Statement

There were changes in the mix of revenue for the service line
Contractual adjustments show increased Medicare and Medicaid allowances
Miscellaneous revenue decreased by the \$325K transferred to the city loan

Year to Date numbers

Revenue above budget by \$103K
Contractual above budget due to change in payer mix
Professional services is \$30K above budget
Supplies is above budget due to a budget issue for Retail Pharmacy
was forecast to be slower growth
Days in AR were 74.8 in February vs 77.1 in March

Sincerely,
Lee Holter
CFO
Cordova Community Medical Center

Cordova Community Medical Center
Balance Sheet

| ASSETS | UNAUDITED | | |
|---|---------------------------|---------------------------|---------------------------|
| | <u>3/31/2018</u> | <u>2/28/2018</u> | <u>3/31/2017</u> |
| Current Assets | | | |
| Cash | 653,412 | 947,434 | 370,329 |
| Net Account Receivable | 1,225,836 | 1,123,115 | 1,079,912 |
| Third Party Receivable | - | - | 0 |
| Other Receivables | - | - | 83,394 |
| Prepaid Expenses | 77,093 | 76,806 | 31,558 |
| Inventory | 411,605 | 342,106 | 133,542 |
| Total Current Assets | <u>2,367,948</u> | <u>2,489,461</u> | <u>1,698,735</u> |
| Property, Plant & Equipment | | | |
| Land | 122,010 | 122,010 | 122,010 |
| Buildings | 7,006,762 | 7,006,762 | 7,006,762 |
| Equipment | 6,830,229 | 6,830,229 | 6,759,816 |
| Construction in Progress | 346,190 | 346,190 | 17,228 |
| Subtotal PP&E | 14,305,190 | 14,305,190 | 13,905,815 |
| Less Accumulated Depreciation | (10,836,157) | (10,803,182) | (10,287,274) |
| Total Property & Equipment | <u>3,469,033</u> | <u>3,502,008</u> | <u>3,618,541</u> |
| Other Assets | | | |
| PERS Deferred Outflow | 1,218,788 | 1,218,788 | 1,218,788 |
| Total Other Assets | <u>1,218,788</u> | <u>1,218,788</u> | <u>1,218,788</u> |
| Total Assets | <u>7,055,769</u> | <u>7,210,257</u> | <u>6,536,064</u> |
| LIABILITIES AND FUND BALANCE | | | |
| Current Liabilities | | | |
| Accounts Payable | 897,532 | 1,011,632 | 814,743 |
| Payroll & Related Liabilities | 778,864 | 789,183 | 336,310 |
| Third Party Settlement Payment | 731,544 | 698,579 | 0 |
| Interest & Other Payables | 12,780 | 14,277 | 8,232 |
| Long Term Debt-- City | 4,349,627 | 4,024,627 | 3,093,127 |
| Other Current Long Term Debt | 38,605 | 41,490 | 59,274 |
| Total Current Liabilities | <u>6,808,953</u> | <u>6,579,788</u> | <u>4,311,687</u> |
| Long Term Liabilities | | | |
| 2015 Net Pension Liability | 6,907,864 | 6,907,864 | 6,907,864 |
| Total Long Term Liabilities | <u>6,907,864</u> | <u>6,907,864</u> | <u>6,907,864</u> |
| Deferred Inflows of Resources | | | |
| Pension Deferred Inflow | 77,000 | 77,000 | 77,000 |
| Total Deferred Inflows | <u>77,000</u> | <u>77,000</u> | <u>77,000</u> |
| Total Liabilities | <u>13,793,817</u> | <u>13,564,652</u> | <u>11,296,551</u> |
| Net Position | | | |
| Unrestricted Fund Balance | 2,460,523 | 2,460,523 | 2,460,523 |
| Temporary Restricted Fund Balance | 13,035 | 13,035 | 13,035 |
| Prior Year Retained Earnings | (8,672,494) | (8,672,494) | (7,488,816) |
| Current Year Net Income | (539,112) | (155,459) | 254,771 |
| Total Net Position | <u>(6,738,048)</u> | <u>(6,354,395)</u> | <u>(4,760,487)</u> |
| Total Liabilities & Net Position | <u>7,055,769</u> | <u>7,210,257</u> | <u>6,536,064</u> |

Cordova Community Medical Center
 Gross AR Aging and Days in AR
 March 2018

| TOTAL | 0 - 30 | 31 - 60 | 61 - 90 | 91 - 120 | 121+ | Totals | Mar Days In AR |
|---------------------|----------------|----------------|----------------|---------------|------------------|------------------|-----------------|
| Gross A/R | | | | | | | |
| Commercial | 105,601 | 91,355 | 103,606 | 25,678 | 141,422 | 467,663 | 15.6% |
| Medicare | 141,729 | 257,486 | 114,677 | 10,987 | 190,461 | 715,340 | 23.8% |
| Medicaid | 212,170 | 53,052 | 88,404 | (27,983) | 238,445 | 564,088 | 18.8% |
| Long Term Care | 261,666 | 49,099 | 53,943 | 53,571 | 93,931 | 512,210 | 17.1% |
| Other Govt payers | 62,365 | 8,492 | 6,857 | 2,820 | 13,802 | 94,336 | 3.1% |
| Extended Pymt Terms | - | - | 1,665 | 1,079 | 116,748 | 119,493 | 4.0% |
| Private Pay | 87,250 | 26,263 | 31,159 | 22,463 | 313,900 | 481,035 | 16.0% |
| Work Comp | 8,779 | 4,288 | 3,483 | - | 32,451 | 49,001 | 1.6% |
| Totals | 879,559 | 490,035 | 403,796 | 88,616 | 1,141,160 | 3,003,166 | 100.0% |
| | 29.3% | 16.3% | 13.4% | 3.0% | 38.0% | 108,121 | Credit Balances |
| | | | | | | <u>3,111,288</u> | Total AR |
| | | | | | | | 79.8 |

| 2018 | AR % | AR % | AR % |
|-----------|-------|-------|-------|
| January | 31.3% | 18.8% | 10.3% |
| February | 30.5% | 15.8% | 10.5% |
| March | 29.3% | 16.3% | 3.0% |
| April | | | |
| May | | | |
| June | | | |
| July | | | |
| August | | | |
| September | | | |
| October | | | |
| November | | | |
| December | | | |

Cordova Community Medical Center
Income Statement

| | | March 2018 | | | UNAUDITED/PRELIMINARY | | | YEAR - TO - DATE | | |
|-----------|-----------|------------|-----------|-----------|--------------------------|-----------|-----------|------------------|-----------|-----------|
| Actual | Budget | Variance | Prior Yr | Variance | REVENUE | Actual | Budget | Variance | Prior Yr | Variance |
| 83,191 | 114,754 | (31,564) | 110,662 | (27,471) | Acute | 272,699 | 357,295 | (84,596) | 343,910 | (71,210) |
| 270,477 | 288,068 | (17,591) | 233,477 | 36,999 | Swing Bed | 889,976 | 837,641 | 52,335 | 632,832 | 257,144 |
| 404,392 | 403,255 | 1,138 | 374,282 | 30,111 | Long Term Care | 1,174,598 | 1,170,739 | 3,858 | 1,070,485 | 104,112 |
| 88,371 | 88,753 | (382) | 81,708 | 6,663 | Clinic | 297,206 | 272,601 | 24,605 | 220,765 | 76,441 |
| 251,969 | 236,304 | 16,665 | 220,463 | 31,506 | Outpatients | 554,206 | 651,872 | (97,666) | 576,970 | (22,764) |
| 24,020 | 25,380 | (1,360) | 18,851 | 5,169 | Behavioral Health | 103,916 | 83,603 | 20,313 | 63,194 | 40,721 |
| 75,701 | 12,936 | 62,764 | - | 75,701 | Retail Pharmacy | 214,378 | 29,753 | 184,625 | - | 214,378 |
| 1,198,120 | 1,168,449 | 29,671 | 1,039,442 | 158,678 | Patient Services Total | 3,506,977 | 3,403,504 | 103,474 | 2,908,156 | 598,822 |
| - | 2,548 | (2,548) | - | - | DEDUCTIONS | 39 | 7,397 | (7,358) | - | 39 |
| 387,588 | 362,293 | 25,294 | 209,438 | 178,150 | Charity | 1,275,602 | 1,050,862 | 224,740 | 728,402 | 547,200 |
| 51,525 | 31,191 | 20,335 | 46,369 | 5,156 | Contractual Adjustments | 219,638 | 90,828 | 128,809 | 143,042 | 76,596 |
| 439,113 | 396,032 | 43,081 | 255,807 | 183,306 | Bad Debt | 1,495,279 | 1,149,088 | 346,191 | 871,444 | 623,835 |
| 404 | 25,479 | (25,075) | 779 | (374) | Deductions Total | 130,250 | 73,973 | 56,277 | 102,648 | 27,602 |
| 93,754 | 85,881 | 7,873 | 93,754 | - | COST RECOVERIES | 256,359 | 257,397 | (1,038) | 281,263 | (24,904) |
| (318,471) | 65,397 | (383,869) | 9,947 | (328,419) | Grants | 10,532 | 189,863 | (179,331) | 336,384 | (325,852) |
| (224,313) | 176,758 | (401,071) | 104,480 | (328,793) | In-Kind Contributions | 397,141 | 521,233 | (124,092) | 720,294 | (323,154) |
| 534,694 | 949,175 | (414,481) | 888,115 | (353,421) | Other Revenue | 2,408,839 | 2,775,649 | (366,809) | 2,757,006 | (348,167) |
| 347,226 | 360,289 | (13,063) | 353,380 | (6,154) | Cost Recoveries Total | 1,054,264 | 1,047,806 | 6,458 | 991,435 | 62,829 |
| 157,672 | 224,759 | (67,087) | 128,429 | 29,243 | TOTAL REVENUES | 603,802 | 660,630 | (56,829) | 452,033 | 151,769 |
| 146,509 | 131,970 | 14,539 | 117,493 | 29,017 | EXPENSES | 412,948 | 382,721 | 30,227 | 343,247 | 69,701 |
| 722 | 4,247 | (3,525) | 894 | (172) | Wages | 4,575 | 12,329 | (7,753) | 4,281 | 294 |
| 62,063 | 50,165 | 11,898 | 35,308 | 26,755 | Taxes & Benefits | 242,886 | 145,282 | 97,604 | 126,699 | 116,188 |
| 4,518 | 8,493 | (3,975) | 1,188 | 3,330 | Professional Services | 26,478 | 24,658 | 1,820 | 21,465 | 5,012 |
| 8,512 | 11,041 | (2,529) | 20,775 | (12,263) | Minor Equipment | 22,940 | 32,055 | (9,115) | 32,919 | (9,978) |
| 108,898 | 110,411 | (1,513) | 107,966 | 932 | Repairs & Maintenance | 338,498 | 320,548 | 17,950 | 315,265 | 23,233 |
| 4,095 | 5,521 | (1,426) | 4,783 | (688) | Rents & Leases | 9,590 | 16,027 | (6,438) | 10,370 | (780) |
| 16,296 | 16,667 | (371) | 14,595 | 1,701 | Utilities | 50,326 | 50,000 | 326 | 46,267 | 4,059 |
| 555 | 4,247 | (3,692) | 1,529 | (974) | Travel & Training | 1,205 | 12,328 | (11,123) | 1,793 | (588) |
| 46,783 | 49,584 | (2,801) | 45,285 | 1,498 | Insurances | 140,902 | 148,752 | (7,850) | 135,855 | 5,047 |
| 14,497 | 12,500 | 1,997 | 6,012 | 8,485 | Recruit & Relocate | 39,558 | 37,500 | 2,058 | 20,607 | 18,952 |
| 918,347 | 989,893 | (71,546) | 837,637 | 80,710 | Depreciation | 2,947,971 | 2,890,636 | 57,335 | 2,502,234 | 445,737 |
| (383,653) | (40,718) | (342,935) | 50,479 | (434,131) | Other Expenses | (539,132) | (114,987) | (424,145) | 254,772 | (793,904) |
| (383,653) | (40,718) | (342,935) | 50,479 | (434,131) | TOTAL EXPENSES | 2,947,971 | 2,890,636 | 57,335 | 2,502,234 | 445,737 |
| - | - | - | - | - | OPERATING INCOME | 20 | - | - | - | - |
| - | - | - | - | - | Restricted Contributions | (539,132) | (114,987) | (424,145) | 254,772 | (793,904) |
| (383,653) | (40,718) | (342,935) | 50,479 | (434,131) | NET INCOME | (539,112) | (114,987) | (424,125) | 254,772 | (793,884) |

Cordova Community Medical Center Statistics

3

| March 2018 | Change each month | | | | | | | | | | | | Monthly | | | |
|--------------------------------------|-------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|---------|-------|--|-------|
| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | | | | |
| Outpatient Registrations w/ER | | | | | | | | | | | | | | | | |
| FY 2018 | 127 | 116 | 167 | | | | | | | | | | | 410 | | 136.7 |
| FY 2017 | 120 | 111 | 138 | 293 | 136 | 146 | 177 | 168 | 145 | 106 | 110 | 94 | 1744 | | | 145 |
| FY 2016 | 120 | 117 | 131 | 342 | 159 | 164 | 160 | 172 | 165 | 146 | 126 | 137 | 1,939 | | | 162 |
| PT Procedures | | | | | | | | | | | | | | | | |
| FY 2018 | 370 | 221 | 184 | | | | | | | | | | | 775 | | 258 |
| FY 2017 | 416 | 322 | 497 | 399 | 327 | 296 | 343 | 136 | 206 | 373 | 270 | 178 | 3,763 | | | 314 |
| FY 2016 | 319 | 344 | 349 | 401 | 326 | 396 | 291 | 324 | 489 | 346 | 407 | 415 | 4,407 | | | 367 |
| Lab Tests | | | | | | | | | | | | | | | | |
| FY 2018 | 295 | 301 | 347 | | | | | | | | | | | 943 | | 314 |
| FY 2017 | 298 | 322 | 284 | 304 | 318 | 283 | 435 | 410 | 337 | 280 | 278 | 305 | 3,854 | | | 321 |
| FY 2016 | 304 | 363 | 324 | 350 | 374 | 399 | 318 | 314 | 319 | 340 | 272 | 219 | 3,896 | | | 325 |
| X-Ray Procedures | | | | | | | | | | | | | | | | |
| FY 2018 | 67 | 36 | 58 | | | | | | | | | | | 161 | | 54 |
| FY 2017 | 47 | 43 | 37 | 29 | 42 | 63 | 72 | 57 | 43 | 34 | 41 | 33 | 541 | | | 45 |
| FY 2016 | 60 | 52 | 64 | 56 | 76 | 71 | 63 | 74 | 52 | 44 | 42 | 37 | 691 | | | 58 |
| CT Procedures | | | | | | | | | | | | | | | | |
| FY 2018 | 14 | 7 | 16 | | | | | | | | | | | 37 | | 12 |
| FY 2017 | 7 | 7 | 13 | 14 | 12 | 14 | 22 | 15 | 12 | 9 | 8 | 5 | 138 | | | 12 |
| FY 2016 | 0 | 7 | 16 | 14 | 15 | 24 | 20 | 14 | 15 | 25 | 17 | 13 | 180 | | | 15 |
| CCMC Clinic Visits | | | | | | | | | | | | | | | | |
| FY 2018 | 206 | 183 | 203 | | | | | | | | | | | 592 | | 197 |
| FY 2017 | 212 | 175 | 197 | 188 | 248 | 239 | 217 | 284 | 356 | 283 | 199 | 177 | 2,775 | | | 231 |
| FY 2016 | 178 | 197 | 170 | 203 | 222 | 191 | 205 | 231 | 343 | 227 | 203 | 223 | 2,593 | | | 216 |
| Behavioral Hlth Visits | | | | | | | | | | | | | | | | |
| FY 2018 | 111 | 98 | 127 | | | | | | | | | | | 336 | | 112 |
| FY 2017 | 70 | 98 | 71 | 90 | 88 | 100 | 85 | 109 | 72 | 85 | 84 | 97 | 1,049 | | | 87 |
| FY 2016 | 94 | 100 | 103 | 104 | 89 | 75 | 58 | 39 | 56 | 47 | 80 | 122 | 967 | | | 81 |
| Retail Pharmacy Scripts | | | | | | | | | | | | | | | | |
| FY 2018 | 864 | 752 | 969 | | | | | | | | | | | 2,585 | | 862 |



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

Date: April 18, 2018
To: CCMC Authority Board of Directors
From: Chief Nursing Officer, Tammy Pokorney, RN
RE: Nursing Report

April 2018 Nursing Activity Update:

1. Staffing:
 - a. Two of three new hospital nurse hires have arrived; the clinic nurse replacing Gladah Hicks has been in place for 3 weeks.
 - b. The LTC DON resigned and we have an interim until July or less if the position is filled.
 - c. All CNA positions remain filled and recertification.
 - d. The Dietary/Activities staffing is adequate, although volunteers are always welcome.
2. Census:
 - a. LTC census is 10 residents. Currently, we have 2 Swing beds occupied. We have had 5 cases of ingestion of adult medications for children under 5; an article has been drafted for the paper as an outreach and awareness campaign.
3. The ongoing challenges:
 - a. Technology innovations-See #4. (UNCHANGED)
 - b. Training-requirements for compliance and innovations require additional time.(UNCHANGED)
 - c. Surveys-Completed a follow-up from the State/Fed with acceptance of our corrections. Continue with the current plans and prepare for the CAH survey in the coming months.
 - d. Lack of a “life cycle” for equipment has posed issues for things like a medication refrigerator, beds, vital signs machines, etc...this is under development as to improve the budget process rather than be reactionary when something fails.
 - e. Wifi-when the facility has the capability for secure wifi, the documentation and medication administration processes will become smoother and promote patient safety as it will be taken to the patient rather than being disjointed between a medication room and nurses station.
4. Systems being implemented at this time:
 - a. Point Click Care-is fully operational for our current patient population. Modules in skin/wound documentation are being trained and quality reporting is still being assessed as we have only just submitted our first MDSs this week to the CMS system.
 - b. Relias Learning Management System-go live 3/31 for all education services of staff. Currently building training plans to support the compliance as a facility but also to educate staff on changing healthcare trends. (UNCHANGED)
 - c. EVIDENT-inputs to the company for conversion continue to be submitted to customize the care modules needed to meet all quality and care requirements. Manager/initial training is 23-25 Apr; subsequent superuser training is being developed as well as a systematic training plan to ensure adequate patient care coverage while optimal training to all staff. Remains to be seen if the customization will be to our initial agreement, but anticipate an adequate product.

5. LEAN training occurred/occurs 16-20 April. It will be a culture change for performance improvement with 5 instructors doing an online course as well to continue the development in the facility.
6. Attended the AHSNHA sponsored CNO conference in Anchorage last week (13 Apr). Great collaboration on legislative issues, workplace violence and education opportunities and outreach. The UAA staff will be visiting Cordova for continued consideration of a ADN/RN program with clinical support/training completed here at CCMC beginning in 2019. More to follow.
7. Please review the quality reports from Kelly.

Please let me know if there are any questions.

Tammy Pokorney
CNO

To: CCMC Authority Board of Directors
From: Kelly Kedzierski, RN
RE: April 2018 Quality Improvement Report

Quality Improvement

CCMC is dedicated to the highest level of professional and ethical standards in our service to the community. Improving the quality and safety of health care services remains a key concern to CCMC. CCMC continues to work hard toward developing appropriate organizational strategies, incentives and cultures to support delivery of quality and safety within our organization. The improvements attained by CCMC thus far are the results of clearly and consistently focusing on the principles outlined in the 2018 Quality Improvement Plan. The CCMC team is continuously and consistently working hard to build a healthcare system that focuses on keeping our community healthy, provides appropriate and timely access to excellent healthcare, and provides the right care, at the right time, in the right place, all the while promoting focused improvement.

CCMC continues to use national benchmarks provided by national associations, clinical organizations, and federal and state provided databases such as WSHA Partnership for Patients.

The organization will continue to monitor progress toward goals by comparing its results to these benchmarks and its historical performance.

- Currently we are meeting on a monthly basis.
- The last Quality meeting was held on March 14, 2018 where we discussed -
 - PIP updates and reports
 - Utilizing PCC for PIP's going forward.
 - Ongoing Improvement Activities
- To ensure that we are in compliance with all of the Plans of Corrections from our recent Surveys. Each department manager brings their documentation for all of the committee members to view. This gives the committee the data we need so we are able to evaluate our progress toward each quality goal. Each department has been diligent in bringing their documentation or giving the committee report of their ongoing progress.

To: CCMC Authority Board of Directors
From: Kelly Kedzierski, RN
RE: April 2018 Infection Control

Infection Control

CCMC puts infection control and basic hygiene at the heart of good management and clinical practice, and is committed to ensuring that appropriate resources are allocated for effective protection of patients, their relatives, staff and visiting members of our community. In this regard, emphasis is given to the prevention of healthcare associated infections, the reduction of antibiotic resistance and the sustained improvement of cleanliness in the hospital. Infection control is a team effort and we are very pleased with all of the hard work and dedication of each and every one of our team members.

- The infection control committee has been having monthly meetings to ensure that we are keeping track of the infection control needs throughout the hospital as well as addressing concerns that could potentially affect the community. The last meeting was held on March 6, 2018.
- Environmental Services manager Kim Wilson has been working diligently to facilitate and support optimal cleaning of the environment and equipment with ongoing Environmental Services team meetings; Which improve education and understanding of cleaning needs and responsibilities. We are extremely pleased with the hard work and dedication of our Environmental Services staff.



Memorandum

To: CCMC Authority Board of Directors
From: Scot Mitchell, FACHE, CCMC CEO
Subject: CCMC Corporate Compliance Plan
Date: 04/26/2018

Suggested Motion: “I move that the CCMC Authority Board of Directors approve the CCMC Corporate Compliance Plan as presented.”

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| CORDOVA COMMUNITY MEDICAL CENTER | REFERENCE CC 001 |
| SUBJECT/TITLE: Corporate Compliance Plan | PAGE: 1 |
| | OF: 15 |
| DEPARTMENT/SCOPE: Corporate Compliance | EFFECTIVE: 2/26/2002 |
| | REVISED: 2/21/2018 |

Purpose and/or Policy Statement:

This program focuses on business and professional standards of conduct, compliance with federal, state and local laws and regulations, compliance with standards of accrediting organizations, promotion of good corporate citizenship, prevention and early detection of misconduct and identification and education relating to areas of particular concern.

Policy:

- Cordova Community Medical Center has a policy of maintaining a high level of professional and ethical standards in the conduct of its business. CCMC places a high importance upon its reputation for honesty, integrity and high ethical standards. This policy statement is a reaffirmation of our commitment to a high level of ethical conduct and standards of business practice.
- These standards can only be achieved through the actions and conduct of all personnel at Cordova Community Medical Center. Each and every employee, including management employees, are obligated to conduct himself/herself in a manner to ensure the maintenance of these standards. Such actions and conduct will be important factors in evaluating an employee's judgment and competence and an important element in the annual performance evaluation. Employees who ignore or disregard the principles of the CCMC Corporate Compliance Program will be subject to appropriate disciplinary action, up to, and including, termination.
- Employees must be educated of all applicable federal and state laws and regulations that apply to and impact upon Cordova Community Medical Center's documentation, coding, billing and competitive practices, and the day-to-day activities of the organization and its employees and agents. Each employee who is directly involved in any of the CCMC documentation, coding, billing or competitive practices has an obligation to familiarize himself or herself with all such applicable laws and regulations and to adhere at all times to the requirements thereof.
- These employees are also required to participate in the ongoing educational programs provided by this organization. Where questions regarding these requirements exist, each employee shall seek guidance from knowledgeable Department Managers, Senior Management, or the Compliance Officer for the hospital.

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| CORDOVA COMMUNITY MEDICAL CENTER | REFERENCE CC 001 |
| SUBJECT/TITLE: Corporate Compliance Plan | PAGE: 2 OF: 15 |
| DEPARTMENT/SCOPE: Corporate Compliance | EFFECTIVE: 2/26/2002 REVISED: 2/21/2018 |

- In particular, but not limited to, this policy prohibits Cordova Community Medical Center and each of its employees from directly or indirectly engaging or participating in any of the following:
 - Improper Claims:
 - Presenting or causing to be presented to the United States government or any other healthcare payer a claim:
 - ◆ Item or Service Not Provided as Claimed.
 - For a medical or other item or service that such person knows or should know was not provided as claimed, including a pattern or practice of presenting or causing to be presented a claim for an item or service that is based on a code that such person knows or should know will result in a greater payment to the claimant than the code such person knows or should know is applicable to the item or service actually provided.
 - ◆ False Claim.
 - For a medical or other item or service and such person knows or should know the claim is false or fraudulent.
 - ◆ Service by Unlicensed Physician.
 - For a physician's service (or an item or service incident to a physician's service) when such person knows or should know the individual who furnished (or supervised the furnishing of) the service:
 - ◇ Was not a licensed physician;
 - ◇ Licensed as a physician, but such license had been obtained through a misrepresentation of material fact (including cheating on an examination required for licensing); or
 - ◇ Represented to the patient at the time the service was furnished that the physician was certified in a medical specialty by a medical specialty board when the individual was not so certified.
 - ◆ Excluded Provider.

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| CORDOVA COMMUNITY MEDICAL CENTER | REFERENCE CC 001 |
| SUBJECT/TITLE: Corporate Compliance Plan | PAGE: 3 OF: 15 |
| DEPARTMENT/SCOPE: Corporate Compliance | EFFECTIVE: 2/26/2002 REVISED: 2/21/2018 |

- For a medical or other item or service furnished during a period in which such person knows or should know the claimant was excluded from the program under which the claim was made.
 - ◆ Not Medically Necessary.
 - For a pattern of medical or other items or services that such person knows or should know are not medically necessary.
- False Statements in Determining Rights to Benefits:
 - Making, using or causing to be made or used any false record, statement, misrepresentation of a material fact for use in determining rights to any benefit or payment under any healthcare program.
- Conspiracy to Defraud:
 - Conspiring to defraud the United States government or any other healthcare payer by the submission and payment of a false claim.
- Healthcare Fraud/False Statements Relating to Healthcare Matters:
 - Executing or attempting to execute a scheme or artifice to defraud any healthcare benefit program or to obtain, by means of false, fictitious or fraudulent pretenses, representations or promises, any of the money or property owned by, or under the custody of, any healthcare benefit program.
- Provision of Care to Contract HMO Patients:
 - Failing to provide covered services or necessary care to members of contracted health maintenance organizations.
- Adverse Events:
 - Failing to properly report an adverse health event.

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| CORDOVA COMMUNITY MEDICAL CENTER | REFERENCE CC 001 |
| SUBJECT/TITLE: Corporate Compliance Plan | PAGE: 4 OF: 15 |
| DEPARTMENT/SCOPE: Corporate Compliance | EFFECTIVE: 2/26/2002 REVISED: 2/21/2018 |

- Self-Referral:
 - Referring patients for certain items, services and tests provided by businesses in which physicians or their immediate family members have a financial interest, as set forth in section 1877 of the Social Security Act.

- Anti-Referral:
 - Presenting or causing to be presented a claim for reimbursement to any individual, third party payer or other entity for designated health services which were furnished pursuant to a referral by a physician who has a financial relationship with the hospital, as such is defined in 42 U.S.C. § 1395nn.

- Anti-Kickback:
 - Except as otherwise provided in 42 U.S.C. § 1320a-7b(b), knowingly and willfully:
 - ◆ Soliciting or receiving any remuneration (including any kickback, bribe or rebate) directly or indirectly, overtly or covertly, in cash or in kind, either:
 - In turn for referring an individual to a person for the furnishing or arranging for the furnishing of any item or service for which payment may be made in whole or in part under a federal healthcare program;
 - In return for purchasing, leasing, ordering or arranging for or recommending purchasing, leasing or ordering any good, facility, service or item for which payment may be made in whole or in part under a federal healthcare program; or

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| CORDOVA COMMUNITY MEDICAL CENTER | REFERENCE CC 001 |
| SUBJECT/TITLE: Corporate Compliance Plan | PAGE: 5 OF: 15 |
| | EFFECTIVE: 2/26/2002 |
| DEPARTMENT/SCOPE: Corporate Compliance | REVISED: 2/21/2018 |

- ◆ Offering or paying any remuneration (including any kickback, bribe or rebate) directly or indirectly, overtly or covertly, in cash or in kind to any person to induce such person either:
 - To refer an individual to a person for the furnishing or arranging for the furnishing of any item or service for which payment may be made in whole or in part under a federal healthcare program; or
 - To purchase, lease, order or arrange for or recommend purchasing, leasing or ordering any good, facility, service or item for which payment may be made in whole or in part under a federal healthcare program.
- Antitrust:
 - Engaging in any activity, including, without limitation, being a member of a multi-provider network or other joint venture or affiliation, which is in restraint of trade or which monopolizes, or attempts to monopolize, any part of interstate trade or commerce.
- Failure to Report Violations to the Compliance Officer:
 - Failing to promptly report to the Compliance Officer (as defined below) any instance described above with respect to the hospital or any of its employees which is known to such person.
- Patient Dumping:
 - Refusing to treat, transferring or discharging any individual who comes to the emergency department and on whose behalf a request is made for treatment or examination without first providing for an appropriate medical screening examination to determine whether or not such individual has an emergency medical condition, and, if such individual has such a condition, stabilizing that condition or appropriately transferring such individual to another hospital in compliance with the requirements of 42 U.S.C. § 1395dd.

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| CORDOVA COMMUNITY MEDICAL CENTER | REFERENCE CC 001 |
| SUBJECT/TITLE: Corporate Compliance Plan | PAGE: 6 OF: 15 |
| DEPARTMENT/SCOPE: Corporate Compliance | EFFECTIVE: 2/26/2002 REVISED: 2/21/2018 |

APPOINTMENT OF COMPLIANCE OFFICER:

- The Compliance Officer:
 - In an effort to ensure compliance with this policy, the Governing Body of Cordova Community Medical Center is adopting a formal compliance program. To oversee and implement this program, Cordova Community Medical Center has appointed Faith Wheeler-Jeppson as its Compliance Officer. CCMC has chosen its Compliance Officer based on his/her record of commitment to honesty, integrity and high ethical standards and on his/her knowledge and understanding of the applicable laws and regulations. The Compliance Officer will provide educational and training programs for employees, respond to inquiries from any employee regarding appropriate billing, documentation, coding and business practices and investigate any allegations of possible misconduct or violation of law.

- Duties and Responsibilities of the Compliance Officer:
 - The duties and responsibilities of the Compliance Officer shall include, but not be limited to, the following:
 - The development and implementation of guidelines on specific federal and state legal and regulatory issues and matters involving ethical and legal business practices, including, but not limited to, documentation, coding and billing practices with respect to requests for payments and/or reimbursements from Medicare or any other federally-funded healthcare program, the giving and receiving of remuneration to induce referrals and engagement in certain business affiliations or pricing arrangements that may affect competition.
 - Developing and implementing an educational training program for hospital personnel to ensure understanding of federal and state laws and regulations involving ethical and legal business practices, including, without limitation, documentation, coding and billing practices with respect to requests for payments and/or reimbursements from Medicare or any other federally-funded healthcare program, the giving and receiving of remuneration to induce referrals and engagement in certain business affiliations or pricing arrangements that may affect competition.

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| CORDOVA COMMUNITY MEDICAL CENTER | REFERENCE CC 001 |
| SUBJECT/TITLE: Corporate Compliance Plan | PAGE: 7 OF: 15 |
| DEPARTMENT/SCOPE: Corporate Compliance | EFFECTIVE: 2/26/2002 REVISED: 2/21/2018 |

- Developing and implementing a “never-events” program to ensure The Centers for Medicare & Medicaid Services, as well as the patient, are not billed for hospital-acquired conditions included on CMS’s never event list.
 - Handling inquiries by employees regarding any aspect of compliance.
 - Investigating any information or allegation concerning possible unethical or improper business practices.
 - Providing guidance and interpretation to hospital personnel on matters related to the compliance program.
 - Planning and overseeing regular, periodic audits of CCMC’s operations in order to identify and correct any possible barriers to the efficacy of the compliance program.
 - Preparing annually a report to the Governing Body concerning the compliance activities and actions undertaken during the year, the proposed compliance program for the next year and any recommendations for changes in the compliance program.
 - Performing such other duties and responsibilities as the hospital Chief Executive Officer may request.
- Reporting by Compliance Officer:
 - In general, recommendations from the Compliance Officer regarding compliance matters will be directed to the Chief Executive Officer of Cordova Community Medical Center. If the Compliance Officer is not satisfied with the action taken in response to his/her recommendations, he/she will report such concern to the Governing Body. In no case will Cordova Community Medical Center endeavor to conceal organizational or individual wrongdoing.

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| CORDOVA COMMUNITY MEDICAL CENTER | REFERENCE CC 001 |
| SUBJECT/TITLE: Corporate Compliance Plan | PAGE: 8 OF: 15 |
| DEPARTMENT/SCOPE: Corporate Compliance | EFFECTIVE: 2/26/2002 REVISED: 2/21/2018 |

- Establishment of a Hotline:
 - The Compliance Officer shall have an “open door” policy with respect to receiving reports of violations, or suspected violations, of the law or of the policy and with respect to answering employee questions concerning adherence to the law and to the policy. In addition, the hospital shall establish a Hotline and mail-drop for such reporting or questions. The telephone number for the Hotline is (907) 424-7434. Telephone calls to the Hotline may come from CCMC employees, patients of the hospital or others, whether or not affiliated with Cordova Community Medical Center. All information reported to the hotline by any employee in accordance with the compliance policy shall be kept confidential, to the extent that confidentiality is possible throughout a resulting investigation. Under no circumstances shall the reporting of any such information or possible impropriety serve as a basis for any retaliatory actions to be taken against any employee.
 - The telephone number for the hotline, along with a copy of the compliance policy, shall be posted in conspicuous locations throughout the hospital.

EDUCATIONAL PROGRAM:

- Purpose of Educational Program:
 - The compliance program promotes Cordova Community Medical Center’s policy of adherence to the highest level of professional and ethical standards, as well as all applicable laws and regulations. CCMC will make available appropriate educational and training programs and resources to ensure that all employees are thoroughly familiar with those areas of law that apply to and impact upon the conduct of the documentation, coding, billing and competitive practices.
- Responsibility for Educational Program:
 - The Compliance Officer, with advice of legal counsel, is responsible for implementation of the educational program. The program is intended to provide each employee of CCMC with the appropriate level of education and instruction regarding ethical and legal documentation, coding, billing and competitive practices, and with the appropriate practices to carry out the policy. Education and training of all employees shall be conducted as required by industry changes and at least annually. The level of education needed by particular employees or classes of employees will be determined by the Compliance Officer.
- Content of Educational Program:

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| CORDOVA COMMUNITY MEDICAL CENTER | REFERENCE CC 001 |
| SUBJECT/TITLE: Corporate Compliance Plan | PAGE: 9 OF: 15 |
| | EFFECTIVE: 2/26/2002 |
| DEPARTMENT/SCOPE: Corporate Compliance | REVISED: 2/21/2018 |

- The educational program shall explain the applicability of pertinent laws, including, without limitation, applicable provisions of the False Claims Act (31 U.S.C. § 3729), the civil and criminal provisions of the Social Security Act (42 U.S.C. § 1320a-7a and § 1320a-7b, respectively), criminal offenses concerning false statements relating to healthcare matters (18 U.S.C. § 1035), the criminal offense of healthcare fraud (18 U.S.C. § 1347), the Federal Anti-Referral Laws (42 U.S.C. § 1395nn), the Anti-Kickback Laws (42 U.S.C. § 1320a-7b(b)) and the Sherman Antitrust Act (15 U.S.C. § 1, 2 and 18). As additional legal issues and matters are identified by the Compliance Officer or others within the company, those areas will be included in the educational program. Each education and/or training program conducted hereunder shall reinforce that strict adherence to compliance with the law and with Cordova Community Medical Center’s policy is a condition of employment with the hospital.
- Training Methods:

 - Different methods may be utilized to communicate information about applicable laws and regulations to hospital employees as determined by the Compliance Officer. CCMC may conduct training sessions regarding compliance which may be mandatory for selected employees. The educational programs and re-training programs will be conducted by the Compliance Officer and may require that certain employees or representatives of the hospital attend, at CCMC’s expense, publicly available seminars covering particular areas of law. The hospital’s orientation for new employees will include discussions of the compliance program and an employee’s obligation to maintain a high level of ethical and legal conduct and straightforward, honest business standards.
 - While Cordova Community Medical Center will make every effort to provide appropriate compliance information to all employees and to respond to all inquiries, no educational and training program, however comprehensive, can anticipate every situation that may present itself. Responsibility for compliance with this compliance program, including the duty to seek guidance when in doubt, rests with each employee.

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| CORDOVA COMMUNITY MEDICAL CENTER | REFERENCE CC 001 |
| SUBJECT/TITLE: Corporate Compliance Plan | PAGE: 10 OF: 15 |
| DEPARTMENT/SCOPE: Corporate Compliance | EFFECTIVE: 2/26/2002 REVISED: 2/21/2018 |

EMPLOYEE OBLIGATIONS:

- The compliance program imposes many obligations on Cordova Community Medical Center employees, all of which will be enforced by the standard disciplinary measures available to CCMC as an employer. Adherence to the compliance program will be considered in annual performance evaluations.
 - Employee Obligations:
 - Reporting Obligation:
 - ◆ Employees must immediately report to the Compliance Officer any suspected or actual violations of applicable law or regulations by Cordova Community Medical Center or any of its employees. Any employee making a report may do so anonymously if he/she so chooses. Once an employee has made a report, the employee has a continuing obligation to update the report with any new information. All information reported to the Compliance Officer by any employee, in accordance with the compliance policy, shall be kept confidential by the hospital to the extent that confidentiality is possible throughout a resulting investigation. Under no circumstances shall the reporting of any such information or possible impropriety serve as a basis for any retaliatory actions.
 - Acknowledgment Statement:
 - ◆ Each employee must complete and sign from time to time an Acknowledgment Statement that states the employee fully understands the compliance program and acknowledges his/her commitment to compliance with the program as an employee of Cordova Community Medical Center. Each acknowledgment statement shall form a part of the personnel file of each employee. It shall be the responsibility of supervisory personnel to ensure that all employees under his/her supervision who are directly involved in any of the hospital's documentation, coding, billing and competitive practices has executed such an acknowledgment.

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| CORDOVA COMMUNITY MEDICAL CENTER | REFERENCE CC 001 |
| SUBJECT/TITLE: Corporate Compliance Plan | PAGE: 11 OF: 15 |
| DEPARTMENT/SCOPE: Corporate Compliance | EFFECTIVE: 2/26/2002 REVISED: 2/21/2018 |

- Hospital Assessment of Employee Performance Under Compliance Program:
 - Violation of Applicable Law or Regulation:
 - ◆ If an employee willfully violates any law or regulation in the course of his/her employment, the employee will be subject to disciplinary action by Cordova Community Medical Center. Disciplinary actions include, but are not limited to, demotion, reduction of pay, reprimand, re-training, suspension or termination.
 - Other Violation of the Compliance Program:
 - ◆ In addition to direct participation in an illegal act, employees will be subject to disciplinary actions by Cordova Community Medical Center for failure to adhere to the principles and policies set forth in this compliance program. Examples of actions or omissions that will subject an employee to discipline on this basis include, but are not limited to, the following:
 - A breach of Cordova Community Medical Center policy;
 - Failure to report a suspected misconduct or actual violation of law or a breach of the policy;
 - Failure to make, or falsification of, any certification required under the compliance program;
 - Lack of due diligence on the part of supervisory personnel that directly or indirectly leads to a violation of law; and/or
 - Direct or indirect retaliatory actions against an employee who reports a violation or breach of the policy.
- Employee Evaluation:
 - Employee participation in, and adherence to, the compliance program and related activities are an element of each employee's annual performance evaluation including, without limitation, annual personnel evaluation of hospital supervisors and managers. As such, it will heavily affect decisions concerning compensation, promotion and retention.

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| CORDOVA COMMUNITY MEDICAL CENTER | REFERENCE CC 001 |
| SUBJECT/TITLE: Corporate Compliance Plan | PAGE: 12 OF: 15 |
| DEPARTMENT/SCOPE: Corporate Compliance | EFFECTIVE: 2/26/2002 REVISED: 2/21/2018 |

- Non-Employment or Retention of Sanctioned Individuals:
 - The hospital shall not knowingly employ any individual who has been convicted of a criminal offense related to healthcare or who is listed by a Federal agency as excluded, sanctioned or otherwise ineligible for participation in federally-funded healthcare programs. In addition, until resolution of such criminal charges or proposed sanction or exclusion, any individual who is charged with criminal offenses related to healthcare or proposed for exclusion shall be removed from direct responsibility for, or involvement in, documentation, coding, billing or competitive practices. If resolution results in conviction, sanction or exclusion of the individual, Cordova Community Medical Center shall terminate its employment of such individual.

RESPONSE TO REPORTS OF VIOLATIONS:

- Cordova Community Medical Center, with advice of legal counsel, shall promptly respond to and investigate all allegations of misconduct or violation of law by CCMC employees, however such allegations are received.
- Investigation:
 - Upon the discovery that a material violation of the law or of the policy has occurred, Cordova Community Medical Center shall initiate a corrective action plan to report the violation to the appropriate regulatory body, if necessary, and to discipline the responsible employee(s) of Cordova Community Medical Center appropriately. Promptly after any discovered violation is addressed, CCMC shall, with the assistance of the Compliance Officer, revise this policy as needed to prevent any recurrence.
 - If an investigation of an alleged violation is undertaken and the Compliance Officer believes the integrity of the investigation may be compromised because of the presence of employees under investigation, the employee(s) allegedly involved in the misconduct shall be removed from his/her/their current work activity until the investigation is completed. Additionally, Cordova Community Medical Center and the Compliance Officer shall take any steps necessary to prevent the destruction of documents or other evidence relevant to the investigation. Once an investigation is completed, if disciplinary action is warranted, it shall be immediate and imposed in accordance with Cordova Community Medical Center written standards of disciplinary action and due process.

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| CORDOVA COMMUNITY MEDICAL CENTER | REFERENCE CC 001 |
| SUBJECT/TITLE: Corporate Compliance Plan | PAGE: 13 OF: 15 |
| DEPARTMENT/SCOPE: Corporate Compliance | EFFECTIVE: 2/26/2002 REVISED: 2/21/2018 |

AUDITING AND MONITORING:

- Importance of Auditing and Monitoring:
 - It is critical to Cordova Community Medical Center’s compliance with the policy for the hospital to conduct regular auditing and monitoring of the activities of CCMC and its employees in order to identify and to promptly correct any potential barriers to compliance.

- Regular Audits:
 - Regular, periodic audits shall be conducted with advice of the legal counsel at the Compliance Officer’s direction. Such audits shall evaluate CCMC’s compliance with its compliance policy and determine if any compliance problems exist. Such audits shall be designed and implemented to ensure compliance with Cordova Community Medical Center compliance policy and all applicable federal and state laws.
 - Compliance audits shall be conducted in accordance with the comprehensive audit procedures established by the Compliance Officer and shall include, at a minimum:
 - Interviews conducted by the hospital’s legal counsel with personnel involved in management, operations and other related activities;
 - Random reviews of hospital records, with special attention given to procedures relating to documentation, coding, billing, the giving and receiving of remuneration to induce referrals and engagement in certain business affiliations or pricing arrangements that may affect competition; and
 - Reviews of written materials and documentation used by the hospital.
 - All compliance audit procedures and investigations shall be conducted with the assistance of the hospital’s legal counsel, and as such will be protected by the attorney-client privilege.

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| CORDOVA COMMUNITY MEDICAL CENTER | REFERENCE CC 001 |
| SUBJECT/TITLE: Corporate Compliance Plan | PAGE: 14 OF: 15 |
| DEPARTMENT/SCOPE: Corporate Compliance | EFFECTIVE: 2/26/2002 REVISED: 2/21/2018 |

- Formal Audit Reports:
 - Formal audit and operational reports shall be prepared with the assistance of the hospital's legal counsel and submitted to the Compliance Officer and the Governing Body to ensure that management is aware of results and take whatever corrective action necessary to prevent recurrence. The audit or other operational reports shall specifically identify areas where corrective actions are needed and identify areas of risk to ensure that the recommended corrective actions have been implemented.

- Compliance with Applicable Fraud Alerts:
 - The Compliance Officer shall regularly and periodically monitor the issuance of fraud alerts by the Office of the Inspector General of the Department of Health and Human Services. Any and all fraud alerts so issued shall be carefully considered by the Compliance Officer. The hospital shall revise and amend this compliance policy as necessary, in accordance with such fraud alerts. In addition, the hospital shall immediately stop and correct any conduct applicable to the hospital and criticized in any such fraud alert.

- Retention of Records and Reports:
 - All records and reports created in conjunction with the Cordova Community Medical Center's adherence to the compliance policy are confidential and shall be retained by the hospital, through the Compliance Officer, in a secure location until such time as the Compliance Officer determines that the destruction of such documentation is appropriate.
 - This compliance program has been adopted by the Governing Body of the Cordova Community Medical Center as of the ____ day of _____, 20__.

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| CORDOVA COMMUNITY MEDICAL CENTER | REFERENCE CC 001 |
| SUBJECT/TITLE: Corporate Compliance Plan | PAGE: 15 OF: 15 |
| | EFFECTIVE: 2/26/2002 |
| DEPARTMENT/SCOPE: Corporate Compliance | REVISED: 2/21/2018 |

DEFINITIONS:

- For purposes of this policy, the term “should know” means that a person, with respect to information (i) acts in willful disregard of the truth or falsity of the information, or (ii) acts in reckless disregard of the truth or falsity of the information.
- The term “designated health services” means any of the following items or services: clinical laboratory services; physical therapy services; occupational therapy services; radiology services, including magnetic resonance imaging, computerized axial tomography scans and ultrasound services; radiation therapy services and supplies; durable medical equipment and supplies; parenteral and enteral nutrients, equipment and supplies; prosthetics, orthotics and prosthetic devices and supplies; home health services; outpatient prescription drugs; or inpatient and outpatient hospital services.

REFERENCES:

False Claims Act 31 U.S.C. § 3729
 Civil and Criminal Provisions of the Social Security Act 42 U.S.C. § 1320a-7a and § 1320a-7b, respectively
 Criminal Offenses Concerning False Statements Relating to Healthcare Matters 18 U.S.C. § 1035
 Criminal Offense of Healthcare Fraud 18 U.S.C. § 1347
 Self-Referral § 1877 of the Social Security Act
 Federal Anti-Referral Laws 42 U.S.C. § 1395nn
 Anti-Kickback Laws 42 U.S.C. § 1320a-7b(b)
 Sherman Antitrust Act 15 U.S.C. § 1, 2 and 18
 Emergency Medical and Labor Treatment Act (EMTALA) 42 U.S.C. § 1395dd

OIG, DHHS, Practical Guidance for Health Care Governing Boards on Compliance Oversight, 2015, <https://oig.hhs.gov/compliance/compliance-guidance/docs/Practical-Guidance-for-Health-Care-Boards-on-Compliance-Oversight.pdf>



Memorandum

To: CCMC Authority Board of Directors
From: Scot Mitchell, FACHE, CCMC CEO
Subject: Behavioral Health Audit
Date: 04/26/2018

Suggested Motion: “I move that the CCMC Authority Board of Directors approve the State required Behavioral Health Audit to be performed by Dingus, Zarecor & Associates PLLC at a cost not to exceed \$2500.”



Memorandum

To: CCMC Authority Board of Directors
From: Scot Mitchell, FACHE, CCMC CEO
Subject: Upgrade to Digital Radiology
Date: 04/26/2018

Suggested Motion: “I move that the CCMC Authority Board of Directors approve the upgrade to Digital Radiology for \$56,509.00 as requested.”

Cordova Community Medical Center
Contract Review and Approval Form

Description of contract:

Vendor Name: _____
Vendor Contact person: _____
Vendor Address: _____
Vendor Phone: _____
Vendor Email: _____
Vendor Website: _____

Effective Dates: Start: _____ End: _____
Fee Based: Volume/Contingency based:
Annual Cost to CCMC: _____ Cumulative Cost to CCMC: _____
Was this contract included in approved budget? Yes No
Termination options: _____
Evergreen Clause: Yes No
CCMC Authority Board approval needed? No Yes, approval date: _____
Review by Legal Counsel: Yes No
Date of OIG LEIE verification: _____
Date of Completion of ADM 301a Form: _____

Options to this contract:

Form completed by: _____ Date: _____

Certifications

| Topic | Certification | Initials or N/A |
|---|--|--------------------|
| Understanding of Parties | <ul style="list-style-type: none"> • I have read the contract and all attachments. • All documents incorporated by reference are attached. • All terms and conditions agreed to by CCMC are included, and no unacceptable term or condition is included. | |
| Performance | <ul style="list-style-type: none"> • CCMC can perform all of its duties under the contract. • No conflict exists between this contract and other known CCMC obligations. | |
| Completeness | <ul style="list-style-type: none"> • CCMC is the contracting party. • Beginning and end dates are included. • Payments and payment schedule are specific. | |
| Conflicts of Interest | <ul style="list-style-type: none"> • Other party is not, and for the previous twelve months has not been, an employee of CCMC. • Other party is not, and for the previous twelve months has not been, a Board member of CCMC. • Other party is not, and for the previous twelve months has not been, an immediate family member (as defined in 42 CFR 1001.1001(a)(2)) of a CCMC employee or Board member. • Other party is not, and for the previous twelve months has not been, a member of the household of a CCMC employee or Board member. | |
| Office of Inspector General's List of Excluded Individuals/Entities | <ul style="list-style-type: none"> • Other party is not an individual, or a managing employee of an entity that has been excluded from participation in Medicare, Medicaid or any Federal health care programs as listed on the United States Department of Health and Human Services, Office of Inspector General's List of Excluded Individuals/Entities. | |
| Independent Contractor | <ul style="list-style-type: none"> • If CCMC is procuring personal services, the contractor is an independent contract, not an employee. | |
| Limitation of Liability | <ul style="list-style-type: none"> • If the contract includes a limitation of the other party's liability (other party will not be responsible for indirect, consequential, or punitive damages; limitations of warranties; or limitation of liability to a set amount or repair or replacement); risk of liability and loss to CCMC have been considered and found acceptable. | |
| Access to books and records | <ul style="list-style-type: none"> • Contract contains language pursuant to Section 952 of the Omnibus Reconciliation Act of 1980, Public Law 96-499, as contained in Section 1861(v)(1) of the Social Security Act, and implementing regulations at 42 C.F.R. Part 420, upon written request any time within four (4) years after the rendering of services under this Agreement, the other party agrees to make available to the Secretary of Health and Human Services or to the Comptroller General, or to any of their duly authorized representatives, access to the Contract and to the books and records (including all writings, transcripts and tapes in any form) of the other party as may be necessary to verify the nature and extent of the services furnished pursuant to this Agreement and the costs of such services, in the event it carries out any of its duties under the contract, or through a subcontractor, with a value or cost of \$10,000 or more over a twelve month period. | |