



**AGENDA**  
**CCMC AUTHORITY BOARD OF DIRECTORS**  
**CCMC CONFERENCE ROOM ALSO VIA TELECONFERENCE**  
**JUNE 25th 2020 at 6:00PM**  
**REGULAR MEETING**

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

**Board of Directors**

Greg Meyer exp. 3/22  
Kelsey Hayden exp. 3/23  
Linnea Ronnegard exp. 3/21  
Gary Graham exp. 3/21  
Craig Kuntz exp. 3/21

**CEO**

Hannah Sanders, M.D.

**OPENING:** Call to Order

Roll Call – Greg Meyer, Linnea Ronnegard, Gary Graham, Kelsey Hayden and Craig Kuntz.

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. APPROVAL OF MINUTES**

1. May 28, 2020 Regular Meeting Minutes Pg 1-3

**E. BOARD DEVELOPMENT**

**F. REPORTS OF OFFICERS OR ADVISORS**

1. Board Chair Report
2. CEO Report Pg 4-5
3. CFO Report Pg 6-11
4. CNO Report Pg 12-14

**G. DISCUSSION ITEMS**

1. Board Communications Policy Pg 15-17
2. COVID Response

**H. ACTION ITEMS**

1. COVID Preparation Capital Projects Section 1 Pg 17-19
2. COVID Preparation Capital Projects Section 2 Pg 20-23
3. Non-COVID Related Capital Projects Section 3 Pg 24-26

**I. 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.

**J. BOARD MEMBERS COMMENTS**

**K. EXECUTIVE SESSION**

1. Randall Draney Incentive Compensation

**L. ADJOURNMENT**

**Due to COVID-19, we ask that you not come to CCMC to attend Board meetings in person. If you are interested in calling in to the meeting, please call 424-2400 and the participant ID is 840432.**

**For a full packet, go to [www.cityofcordova.net/government/boards-commissions/health-services-board](http://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**  
**May 28, 2020 at 6:00pm**  
**Regular Meeting**

**CALL TO ORDER AND ROLL CALL –**

**Greg Meyer** called the Board Meeting to order at 6:00pm.

Board members present: **Greg Meyer, Linnea Ronnegard, Craig Kuntz, and Kelsey Hayden (arrived at 6:05pm).**

**A quorum was established. 3 members present.**

CCMC staff present: Dr. Hannah Sanders, CEO; Kelly Kedzierski, CNO; Eric Price, CFO; Tamara Russin, Director of Ancillary Services; Mariosa Woods, Business Office Manager; Barb Jewell, Behavioral Health Program Manager, Vivian Knop, Materials Management, Kim Wilson, Human Resources Manager and Faith Wheeler-Jeppson, Executive Assistant to the CEO.

**A. APPROVAL OF AGENDA**

**M/Kuntz S/Ronnegard** "I move to approve the Agenda as amended."

**Meyer - yea, Kuntz - yea, Ronnegard - yea, Hayden - absent, Graham - absent**  
**3 yeas, 0 nay, 2 absent; Motion passed.**

**B. CONFLICT OF INTEREST ~ None**

**C. COMMUNICATIONS BY AND PETITIONS FROM VISITORS**

1. Audience Comments ~ None
2. Guest Speaker ~ None

**D. APPROVAL OF MINUTES**

**1. March 26, 2020 Regular Meeting Minutes**

**M/Kuntz S/Ronnegard** "I move to approve the March 26, 2020 Regular Meeting Minutes."

**Meyer - yea, Kuntz - yea, Ronnegard - yea, Hayden - yea, Graham – absent**

**2. April 9, 2020 Work Session Minutes**

**M/Kuntz S/Ronnegard** "I move to approve the April 9, 2020 Work Session Minutes as amended."

**Meyer - yea, Kuntz - yea, Ronnegard - yea, Hayden - yea, Graham - absent**  
**4 yeas, 0 nay, 1 absent; Motion passed.**

**3. April 30, 2020 Regular Meeting Minutes**

**M/Kuntz S/Ronnegard** "I move to approve the April 30, 2020 Regular Meeting Minutes."

**Meyer - yea, Kuntz - yea, Ronnegard - yea, Hayden - yea, Graham - absent**  
**4 yeas, 0 nay, 1 absent; Motion passed.**

**E. BOARD DEVELOPMENT ~ None**

**F. REPORTS OF OFFICERS and ADVISORS**

1. Board Chair report – Not much to report on, what a month! We have a new CEO, a new CFO, money in the bank, and a global pandemic. Welcome Dr. Sanders and Eric Price.
2. CEO Report – It's been interesting seeing things from the perspective of a CEO rather than the Medical Director. We've recognized that there are some areas where we can improve processes, but doing all of this in the midst of COVID-19 we are doing an awesome job. I'd like to develop a call-in number for the public to be able to call in a bit easier, similar to how City Council does.
3. CFO Report – Eric reported that the April Financials went out earlier today, and he let the board know that the financials would be available earlier going forward. Eric reviewed the Financials with the board. A hard copy of his report was put into the permanent file.
4. Chief Nursing Officer Report – We've moved the Long Term Care to a divided area in the hospital to ensure the safety of our residents. We are anticipating a COVID related Infection Control Survey at any time, this is a great opportunity to make improvements. On the ED side of things, we're making sure that we are following social distancing, we are all pitching in and helping to disinfect our areas. We're providing masks if someone tries to come in the building without one. We will keep working towards keeping everyone safe.
5. Ancillary Services Report – We're still doing testing between Ilanka and CCMC, and that has been taking up much of my time lately. Also, the Clinic traffic has been picking up.

**G. CORRESPONDENCE ~ None**

**H. DISCUSSION ITEMS**

1. Billing and Collections.

Eric Price reported that one of the things that we've been working on is reevaluating the Revenue Cycle process. Secondly, we have funding coming from the Federal Government. Internally, we will not be going after claims that are over 180 days. The economic value of collecting \$200, right now during an economic down turn is not an effective approach. CCMC's Bad Debt policy will be reviewed and updated as necessary to ensure that we're following guidelines as well as capturing what we can on the Cost Report.

Staff and the Board continued with an open conversation regarding bad debt and the collections process.

2. COVID-19 – Antibody Testing, Testing Capacity, and COVID related Q & A.

Dr. Sanders reported that a question that keeps coming up in the community, "what kind of testing do we have?" Antibody testing is available for us through Quest, we will have more false positives. Vivian reported that we are currently receiving supplies from the State, the Billing tends to follow that, and we'll need to check that we receive

what we've been billed for. We continue testing Tuesday, Thursday and Friday. We will be changing the time after tomorrow to 9-10am rather than 2-4pm.

The Board and Staff continued to have an open dialogue around COVID and testing.

**I. ACTION ITEMS**

**1. ADM 802 – Board Interaction with Hospital Staff policy**

**M/Hayden S/Ronnegard** "I move that the CCMC Authority Board of Directors archive ADM 802 Board Interaction with Hospital Staff policy and ask that the CEO direct staff to remove this policy from the MCN policy manager site effective immediately."

**Meyer - yea, Kuntz - yea, Ronnegard - yea, Hayden - yea, Graham - absent  
4 yeas, 0 nay, 1 absent; Motion passed.**

**2. Delineation of Privileges of Alaska Regional Radiology**

**M/Kuntz S/Hayden** "I move that the CCMC Authority Board of Directors approve the Delineation of Privileges for Jason Savikko, D.O. and David Davenport, M.D. with Alaska Regional Radiology as presented."

**Meyer - yea, Kuntz - yea, Ronnegard - yea, Hayden - yea, Graham - absent  
4 yeas, 0 nay, 1 absent; Motion passed.**

**J. AUDIENCE PARTICIPATION**

**K. BOARD MEMBERS COMMENTS**

**Meyer** – Welcome Dr. Sanders and Eric, I look forward to some good things happening. I appreciate everyone time and hard work

**Ronnegard** – Thank you very much to everyone, and Dr. Sanders we're glad that you're back and Eric welcome to our community.

**Kuntz** – Thank you everyone for your hard work and welcome Eric and thank you Dr. Sanders for coming back. It seems that there are good things in the air.

**Hayden** – I feel that we're heading in a good direction, I'm glad to be seeing it go in that direction.

**Graham** – Absent

**L. EXECUTIVE SESSION - None**

**M. ADJOURNMENT**

**M/Hayden S/Ronnegard** "I move to adjourn"

**Greg Meyer** declared the meeting adjourned at 7:30pm.

**Prepared by: Faith Wheeler-Jeppson**

## **CEO Report Board Meeting June 2020**

I have completed my first month in the position of CEO for CCMC. This month has given me insight and understanding of the long term institutional problems that afflict CCMC. We are a small hospital and as such we have a very lean staff. In 2016 an average critical access hospital employed 127 primary employees and 43 secondary (contractors etc). CCMC currently has 57 employees and 12 contractors. This means that in order to meet regulatory requirements, many of our employees and all of our leadership team, will have duties and job titles that at another facility would each be equivalent to 1 FTE. While we all wear many hats, the most important pivot we make in our daily jobs is to focus on patient care and safety. CCMC staff do a fantastic job of making this a number one priority.

CCMC is still operational because of the hard working staff holding up the base of our hospital. These employees have found a way to continue operations despite a revolving door of administration, aging equipment that is beyond serviceable life but no funding to replace, an ever changing regulatory environment and now emergency pandemic.

### **Services:**

Radiology: Switch to Alaska Imaging Associates has been made. Xray room retrofit and upgrade to digital images is in process. We are working to iron out the kinks of the new processes, but all happy with the new service.

Clinic: We are getting messaging out to patients to encourage preventative healthcare and not delay appointments due to the pandemic. We will continue both in person and remote tele services.

Sound Alternatives: We are continuing to see patients via tele service. Starting to plan for continued operations in the future to offer both in-person and remote tele services.

### **Quality:**

The Quality program has continued through the emergency response preparation thanks to efforts of Kelly and all of the CCMC staff. We are working to ensure each department is conducting a process improvement project in a measurable and reportable way, using the plan do study act (PDSA) model.

CCMC has periodic policy review and management built into our quality program. Our policy management system, MCN, it is a cloud based database of hospital policy that allow quick and easy access to policies for all employees. We are doing department training on this software to ensure we are fully utilizing that capability of this program.

**Finance:** CCMC is still working diligently to ensure Covid funds are appropriately utilized. Our team worked hard to successfully obtain this funding. The timing of receiving Covid funds and having a dedicated onsite CFO has already benefited our hospital.

Decades of frequent change in administrative leadership have had impacts throughout the facility. Historical issues have been perpetuated over years. One example is the hospital name change. In 1995 (this was identified thanks to our quick researching city clerk) the city council voted to change the name

of the hospital from Cordova Community Hospital to Cordova Community Medical Center. After this vote, the hospital name was changed with the state but not changed with the IRS. The downstream effect of this name discrepancy has resulted in challenges and claim denials for patients that have multiple insurance providers. We have submitted the request for name change to the IRS and hope to have the downstream effects from this issue correct by the end of the year.

**Community and Covid Response:**

CCMC has partnered with Ilanka and the city to offer free walk through testing 5 days a week and airport testing 5 days a week. We have testing available in Cordova 7 days a week with some overlap in availability. Our results are available rapidly, most often within 24 hours. Achieving this relatively seamless, patient friendly testing requires an extremely large amount of work by our staff. I am proud and grateful for this commitment CCMC employees have made to ensure Cordova's safety.

## CFO EXECUTIVE SUMMARY

### Financial Statements

May 2020

#### 1. Income Statement

- a. New “format” separating Service Revenues from Other Revenues.
  - i. Intent to provide more clarity for revenue changes due to operational changes.
  - ii. Long-term intent to separate “Outpatients” line item into separated “Ancillary” departments, i.e. Physical Therapy, Labs, Radiology.
- b. Bad debt (\$109,523).
  - i. This is related to the “allowance for doubtful accounts”
  - ii. A “true up” of FY2018 past due accounts is under way, and will be booked in June 2020.
    - 1. These amounts are being written off to an “administrative write-off” code, and the debt will not be pursued in collection efforts.
    - 2. Primarily related to old-accounts, posting errors by prior vendor, and old, uncollectible accounts past timely filing.
    - 3. Estimated impact of this write-off is \$20,800.
- c. Collections
  - i. New code created in Evident to capture administrative write-offs which will not be pursued at the individual patient level.
    - 1. Charge Code - 99020
    - 2. G/L Account - 51039000 – (Administrative Write-Off)
  - ii. Collections continue to be suspended until September 1<sup>st</sup>, 2020.
  - iii. Hospital is evaluating all old patient statements to verify accuracy and to rebill insurance or write-off old accounts before August 31<sup>st</sup>, 2020.

#### 2. Balance Sheet

- a. Cash increase is primarily due to receiving the majority of the COVID-19 funds in May.
- b. Two new G/L codes created to capture the “Unearned Revenues” related to the CARES funding and the RURAL funding sources.
  - i. G/L 21028000 (Liability Cr) – HHS RURAL UNEARNED REVENUE
  - ii. G/L 21029000 (Liability Cr) – HHS CARES UNEARNED REVENUE
  - iii. These codes will be used to capture costs related to each funding source, which have different requirements for reporting and what is considered an “allowable” expenditure.

- c. These are captured as a liability, and the liability will be reduced as the hospital reconciles and books costs which are allowable for each grant.
  - i. Information related to this has not been promulgated by HHS yet. The accounts are being structured according to GAAP, and the hospital will begin to reconcile and post expenses against the funds once clearer guidance has been issued.
  - ii. A tracking spreadsheet has been created to estimate where the funds will be allocated. Please see the graphic below:

| TYPE                          | G/L ACCOUNT | NAME                              | TOTAL           | COMMITTED         | EXPENDED          | REMAINING       | DATE RECEIVED |
|-------------------------------|-------------|-----------------------------------|-----------------|-------------------|-------------------|-----------------|---------------|
| Federal                       | 21028000    | HHS Rural (Provider Relief Fund)  | \$ 3,347,941.07 | \$ (384,000.00)   | \$ (51,121.77)    | \$ 2,912,819.30 | 5/6/2020      |
| Federal                       | 21027000    | Paycheck Protection Program (PPP) | \$ 1,154,520.20 |                   | \$ (1,154,520.20) | \$ -            | 4/22/2020     |
| Federal                       | 21029000    | HHS Stimulus (CARES) Funding      | \$ 122,153.12   | \$ (619,300.00)   | \$ -              | \$ (497,146.88) | 4/28/2020     |
| Tribal/Local                  | 51075000    | EYAK Corporation Donation         | \$ 116,552.00   |                   | \$ (28,653.38)    | \$ 87,898.62    | 5/25/2020     |
| Federal                       | 21029000    | HHS Stimulus (CARES) Funding      | \$ 76,691.05    |                   | \$ -              | \$ 76,691.05    | 4/15/2020     |
| Federal                       | 21028000    | HHS Rural (Provider Relief Fund)  | \$ 75,000.00    |                   | \$ -              | \$ 75,000.00    | 5/22/2020     |
| Private                       | 51075000    | MURDOCK TRUST                     | \$ 50,000.00    |                   | \$ -              | \$ 50,000.00    | 4/16/5020     |
| Private/Local                 | 51075000    | Copper River Seafoods             | \$ 20,000.00    |                   | \$ -              | \$ 20,000.00    | 5/21/2020     |
| Private/Local                 | 51075000    | Rodolf Worl                       | \$ 10,000.00    |                   | \$ -              | \$ 10,000.00    | 5/12/2020     |
| Hospital Association          | 51075000    | ASHNA Grant                       | \$ 3,217.00     |                   | \$ (3,217.00)     | \$ -            | 4/29/2020     |
| Hospital Association          | 51075000    | ASHNA Grant                       | \$ 625.00       |                   | \$ (625.00)       | \$ -            | 5/12/2020     |
| <b>TOTAL COVID-19 FUNDING</b> |             |                                   | \$ 4,976,699.44 | \$ (1,003,300.00) | \$ (1,238,137.35) | \$ 2,735,262.09 |               |

**3. Strategic Plan (90 Days) Target timeline to fully implement changes - August 31, 2020:**

a. Patient Billing

1. Goal is to have all initial claims submitted for payment within 10 days of date of service, date of completion of service, or date of discharge.
  2. Goal is to have claims fully adjudicated within 60 days, unless there are secondary payers, which will extend that time period due to processing time.
  3. Goal to have First Pass Resolution Rate (Clean Claims Rate) of 90% or higher.
- ii. Improved reporting capabilities to be added.
    1. Claim edit/error rates.
    2. Denial reasons and corrective action plans.
  - iii. Improving the provider agreements and contracted rates with commercial payers.
    1. Become “In-Network” where possible.
    2. Plan for regular charge rate adjustments.

b. Accounts Payable

- i. Payments to be made by the 15<sup>th</sup> of each month for most accounts payable invoices.
  1. This will assist with reconciling the bank accounts at the end of the month, which is a current financial weakness of the hospital.

2. An accrual will be booked for any payments made after the 25<sup>th</sup> of the month, to more accurately capture the costs into the correct accounting period.
  - ii. Payments made within “net 30” terms.
  - iii. Reduce costs of late fees and penalties.

## **QUESTIONS?**

**CORDOVA COMMUNITY MEDICAL CENTER  
INCOME STATEMENT - PRELIMINARY  
COMPARISON TO BUDGET  
FOR THE MONTH OF MAY AND YTD, 2020**

| CURRENT MONTH       |                     |                               | YTD                             |                     |                     |                               |
|---------------------|---------------------|-------------------------------|---------------------------------|---------------------|---------------------|-------------------------------|
| ACTUAL              | BUDGET              | VARIANCE<br>Over /<br>(Under) |                                 | ACTUAL              | BUDGET              | VARIANCE<br>Over /<br>(Under) |
|                     |                     |                               | <b>SERVICE REVENUE</b>          |                     |                     |                               |
| \$ 51,911           | \$ 50,410           | \$ 1,501                      | Inpatients                      | \$ 135,491          | \$ 247,172          | \$ (111,681)                  |
| 164,138             | 134,783             | 29,355                        | Swing Bed                       | 860,330             | 660,873             | \$ 199,457                    |
| 390,423             | 392,814             | (2,391)                       | Long Term Care                  | 1,958,779           | 1,926,056           | \$ 32,722                     |
| 46,171              | 60,070              | (13,899)                      | Clinic                          | 238,533             | 294,538             | \$ (56,006)                   |
| 299,095             | 429,054             | (129,959)                     | Outpatients                     | 1,253,329           | 1,644,631           | \$ (391,302)                  |
| 27,678              | 22,468              | 5,210                         | Behavioral Health               | 169,119             | 110,164             | \$ 58,955                     |
| 82,024              | 111,424             | (29,400)                      | Retail Pharmacy                 | 481,460             | 536,902             | \$ (55,442)                   |
| <u>\$ 1,061,439</u> | <u>\$ 1,201,023</u> | <u>\$ (139,584)</u>           | <b>Total Service Revenue</b>    | <u>\$ 5,097,040</u> | <u>\$ 5,420,335</u> | <u>\$ (323,296)</u>           |
|                     |                     |                               | <b>OTHER REVENUE</b>            |                     |                     |                               |
| 42,653              | 114,828             | (72,175)                      | Grants                          | 556,954             | 235,923             | 321,031                       |
| 3,224               | 17,183              | (13,959)                      | In-kind Contributions - City/T1 | 49,927              | 85,666              | (35,739)                      |
| 53,544              | 7,373               | 46,171                        | Other Revenue                   | 72,386              | 36,152              | 36,234                        |
| <u>99,421</u>       | <u>139,383</u>      | <u>(39,963)</u>               | <b>Total Other Revenue</b>      | <u>679,267</u>      | <u>357,741</u>      | <u>321,526</u>                |
|                     |                     |                               | <b>DEDUCTIONS FROM REVENUE</b>  |                     |                     |                               |
| 53,637              | 223,734             | (170,096)                     | Contractual Adjustments         | 863,589             | 1,032,551           | (168,961)                     |
| 1,619               | 11,762              | (10,143)                      | Charity                         | 17,564              | 48,879              | (31,315)                      |
| 109,523             | 77,763              | 31,760                        | Bad Debt                        | 462,453             | 323,166             | 139,287                       |
| <u>164,779</u>      | <u>313,258</u>      | <u>(148,479)</u>              | <b>Total Deductions</b>         | <u>1,343,607</u>    | <u>1,404,596</u>    | <u>(60,989)</u>               |
| <u>\$ 996,081</u>   | <u>\$ 1,027,148</u> | <u>\$ (31,067)</u>            | <b>Total Net Revenue</b>        | <u>\$ 4,432,700</u> | <u>\$ 4,373,480</u> | <u>\$ 59,220</u>              |
|                     |                     |                               | <b>EXPENSES</b>                 |                     |                     |                               |
| 398,341             | 334,420             | 63,921                        | Wages                           | 1,811,802           | 1,629,160           | 182,642                       |
| 275,101             | 199,667             | 75,434                        | Employee benefits               | 993,332             | 978,267             | 15,065                        |
| 216,898             | 211,214             | 5,684                         | Professional Fees               | 1,045,037           | 1,035,710           | 9,327                         |
| 113,029             | 123,949             | (10,921)                      | Supplies                        | 520,669             | 599,947             | (79,277)                      |
| 5,118               | 2,468               | 2,650                         | Minor Equipment                 | 9,313               | 12,102              | (2,789)                       |
| 9,071               | 10,839              | (1,768)                       | Repairs and Maintenance         | 107,687             | 53,147              | 54,540                        |
| 9,305               | 8,239               | 1,067                         | Rents and Leases                | 37,350              | 41,194              | (3,844)                       |
| 45,972              | 54,682              | (8,710)                       | Utilities                       | 204,168             | 263,641             | (59,473)                      |
| 2,105               | 9,116               | (7,011)                       | Travel and Training             | 23,674              | 44,698              | (21,024)                      |
| 15,748              | 13,511              | 2,237                         | Insurance                       | 63,650              | 67,544              | (3,893)                       |
| 1,367               | 1,504               | (138)                         | Recruiting and Relocation       | 4,606               | 7,376               | (2,770)                       |
| 64,562              | 54,364              | 10,198                        | Depreciation and Amortization   | 322,224             | 271,820             | 50,403                        |
| 8,156               | 19,216              | (11,059)                      | Other Expenses                  | 45,104              | 96,742              | (51,638)                      |
| <u>\$ 1,164,773</u> | <u>\$ 1,043,189</u> | <u>\$ 121,584</u>             | <b>Total Expenses</b>           | <u>\$ 5,188,617</u> | <u>\$ 5,101,349</u> | <u>\$ 87,268</u>              |
| <u>\$ (168,692)</u> | <u>\$ (16,041)</u>  | <u>\$ (152,651)</u>           | <b>Net Income</b>               | <u>\$ (755,917)</u> | <u>\$ (727,869)</u> | <u>\$ (28,048)</u>            |

**CORDOVA COMMUNITY MEDICAL CENTER  
BALANCE SHEET - PRELIMINARY  
AS OF MAY 31, 2020**

|   | <u>CURRENT MONTH</u> | <u>APR 30,2020</u>  | <u>DEC 31, 2019</u> |
|---|----------------------|---------------------|---------------------|
| <b>ASSETS</b>                             |                      |                     |                     |
| <b>CURRENT ASSETS</b>                     |                      |                     |                     |
| Cash                                      | \$ 5,162,395         | \$ 1,809,876        | \$ 161,684          |
| Net Patient Receivables                   | 807,091              | 641,945             | 1,890,942           |
| Grant Receivable                          | 21,527               | 21,527              | 21,527              |
| Clearing accounts                         | (4,485)              | (83,251)            | (100,604)           |
| Prepaid Expenses                          | (1,636)              | 3,910               | 48,262              |
| Inventory                                 | 417,519              | 416,471             | 340,183             |
| <b>Total Current Assets</b>               | <u>6,402,410</u>     | <u>2,810,479</u>    | <u>2,361,994</u>    |
| <b>PROPERTY PLANT &amp; EQUIPMENT</b>     |                      |                     |                     |
| Land                                      | 122,010              | 122,010             | 122,009             |
| Buildings                                 | 7,664,341            | 7,664,341           | 7,664,341           |
| Equipment                                 | 8,053,776            | 8,053,776           | 8,033,683           |
| Construction in Progress                  | -                    | -                   | -                   |
| <b>Total PP&amp;E</b>                     | <u>15,840,127</u>    | <u>15,840,127</u>   | <u>15,820,033</u>   |
| Less Accumulated Depreciation             | (12,501,468)         | (12,438,156)        | (12,185,495)        |
| <b>Net Property Plant &amp; Equipment</b> | <u>3,338,659</u>     | <u>3,401,971</u>    | <u>3,634,538</u>    |
| <b>OTHER ASSETS</b>                       |                      |                     |                     |
| Goodwill - Pharmacy                       | 150,000              | 150,000             | 150,000             |
| Goodwill - Amortization                   | (36,250)             | (35,000)            | (30,000)            |
| PERS Deferred Outflow                     | 1,233,359            | 1,233,359           | 1,233,359           |
| <b>Total Other Assets</b>                 | <u>1,347,109</u>     | <u>1,348,359</u>    | <u>1,353,359</u>    |
|   | -                    | -                   | -                   |
| <b>Total Assets</b>                       | <u>11,088,177.41</u> | <u>\$ 7,560,809</u> | <u>\$ 7,349,891</u> |
| <b>LIABILITIES AND FUND BALANCE</b>       |                      |                     |                     |
| <b>CURRENT LIABILITIES</b>                |                      |                     |                     |
| Accounts Payable                          | 735,482              | 739,981             | 1,253,053           |
| Payroll & Related Liabilities             | 755,755              | 716,979             | 696,387             |
| PPP Loan                                  | 1,113,148            | 1,113,148           | -                   |
| Unearned Revenue                          | 3,621,785            | -                   | -                   |
| Interest and Other Payables               | (13,037)             | (13,217)            | (9,598)             |
| City Short Term Debt                      | 5,466,459            | 5,416,459           | 5,216,459           |
| Other Current Liabilities                 | 396,450              | 406,339             | 425,245             |
| <b>Total Current Assets</b>               | <u>12,076,042</u>    | <u>8,379,689</u>    | <u>7,581,546</u>    |
| <b>LONG TERM LIABILITIES</b>              |                      |                     |                     |
| Net PERS Liability                        | 5,175,441            | 5,175,441           | 5,175,441           |
| PERS Deferred Inflow                      | 1,696,443            | 1,696,443           | 1,696,443           |
| <b>Total LTD</b>                          | <u>6,871,884</u>     | <u>6,871,884</u>    | <u>6,871,884</u>    |
| <b>FUND BALANCE</b>                       |                      |                     |                     |
| Unrestricted Fund Balance                 | (7,122,346)          | (7,122,053)         | (5,038,241)         |
| Tempory Restricted Fund Balance           | 18,514               | 18,513              | 18,514              |
| Net Income - Current Year                 | (755,917)            | (587,225)           | (2,083,812)         |
| <b>Total Fund Balance</b>                 | <u>(7,859,749)</u>   | <u>(7,690,765)</u>  | <u>(7,103,539)</u>  |
|   | -                    | -                   | -                   |
| <b>Total Liabilities and Fund Balance</b> | <u>11,088,177</u>    | <u>7,560,809</u>    | <u>7,349,891</u>    |

CORDOVA COMMUNITY MEDICAL CENTER  
STATEMENT OF CASH FLOWS  
FOR THE MONTH OF MAY, 2020 AND YTD

|   | Current Mo.  | YTD          |
|---|--------------|--------------|
| <b><i>Cash Flows From Operating Activities:</i></b> |              |              |
| Net Income (Loss)                                   | \$ (168,692) | \$ (755,917) |
| Adjustments to Reconcile Net Income to Net Cash:    |              |              |
| Depreciation and Amortization                       | 64,562       | 322,224      |
| Changes In:   |              |              |
| Net Patient Receivables                             | (165,145)    | 1,083,851    |
| Grant Receivables                                   | -            | -            |
| Clearing Accounts                                   | (78,765)     | (96,119)     |
| Inventories   | (1,048)      | (77,336)     |
| Prepaid Expenses                                    | 5,547        | 49,898       |
| Accounts Payable                                    | (4,499)      | (517,571)    |
| Payroll & Related Liabilities                       | 38,776       | 59,368       |
| PERS Payable  | -            | -            |
| Cost Report Payable                                 | -            | -            |
| Interest and Other Payables                         | 180          | (3,439)      |
| Other Current Liabilities                           | (10,181)     | (29,088)     |
| Net Cash Provided (Used) By Operating Activities    | (319,267)    | 35,872       |
| <b><i>Cash Flows From Financing Activities:</i></b> |              |              |
| New PPP loan  | -            | 1,154,520    |
| Unearned Revenue                                    | 3,621,785    | 3,621,785    |
| Payments (convert to revenue) on PPP loan           |              | (41,372)     |
| City Short-Term Debt                                | 50,000       | 250,000      |
| Net Cash Provided (Used) By Financing Activities    | 3,671,785    | 4,984,933    |
| <b><i>Cash Flows From Investing Activities:</i></b> |              |              |
| Purchases of Property, Plant & Equipment            | -            | (20,094)     |
| Net Cash Provided (Used) By Investing Activities    | -            | (20,094)     |
| <b>Net Increase (Decrease) in Cash</b>              | 3,352,519    | 5,000,711    |
| <b>Cash at Beginning of Period</b>                  | 1,809,876    | 161,684      |
| <b>Cash at End of Period</b>                        | \$ 5,162,395 | \$ 5,162,395 |

To: CCMC Authority Board of Directors  
From: Kelly Kedzierski, RN  
RE: June 2020 Nursing Update

- Staffing:
  - We have 4 permanent nursing staff and 6 traveler nurses.
  - We recently hired a new graduate nurse from the community who is on orientation.
  - We are hoping to be able to get the C.N.A. class participants some clinical hours so they are ready to take their board exam.
  
- Census:
  - LTC census is 10. Currently, we have 1 swing bed occupied.
  
- The ongoing challenges:
  - For the safety of our long-term care residents, the LTC unit has been separated from the main part of the hospital with walls dividing the two areas.
  - One of the biggest challenges as of now is visitation for the LTC residents and their families. Unfortunately in person visits has not been authorized yet here at CCMC because of COVID-19, and we will continue to follow the CMS guidelines on this. We are balancing safety with connection a making every effort to keep families connected. We are taking the residents out for rides for visits with loved ones. The residents enjoy seeing their loved ones through the window of the van, as well as through Zoom meetings, Face time calls, and hearing their loved ones voices through regular phone calls as well.
  - We hold many nursing staff meetings. We address many different topics in these meetings with patient safety being the key focus. With COVID19 there are many new protocols going into place on what seems to be a daily basis. As things change protocols will also continue to change.
  - On June 11<sup>th</sup> we held a collaborative training with CCMC, Ilanka and local EMS staff on Trauma Training/Equipment in-service/Respiratory Management with COVID-19, and Donning and Doffing PPE & PAPR,

Kelly Kedzierski, RN

CNO

To: CCMC Authority Board of Directors  
From: Kelly Kedzierski, RN  
RE: June 2020 Quality Improvement Report

### **Quality Improvement**

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.

The last Quality meeting was held on June 15<sup>th</sup>, 2020 where we discussed:

- Working on Process Improvement Projects in each department
- Being Survey Ready
- Environmental Care rounds ongoing

Our next Quality meeting will be held on July 16, 2020.

To: CCMC Authority Board of Directors  
From: Kelly Kedzierski, RN  
RE: June 2020 Infection Prevention

## **Infection Control**

CCMC participates in a state wide “Situational Awareness” calls regularly to keep current and up to date on COVID-19 in State of Alaska.

The last meeting was held on April 8th, 2020.

In the last meeting we discussed:

Preventative measures to keep resident, patients, staff and community safe and prevent spread of infections:

- Working as a team to help Housekeeping keep CCMC clean:
  - Cleaning work areas
  - Cleaning high touch surface area’s
  - Cleaning patient equipment after every use
  - Cleaning phones and personal cell phones regularly
- Donning proper PPE
- Wearing mask while in building
- Hand Hygiene
- Respiratory etiquette
- Social Distancing
- Employee Reportable illness Surveillance

Our next meeting will be on July 15<sup>th</sup>, 2020.

**BOARD PROCEDURE/POLICY ON  
COMMUNICATIONS  
Original 10/95 Minor updates 5/06**

Citizens, patients and clients of CCMC, as well as CCMC employees, frequently contact members of the Community Health Services Board in order to discuss the management of CCMC as well as more general health-related matters. The public is aware of the Board's responsibility for oversight of CCMC, and may seek to inform or influence the Board through contacting individual members outside of regular meetings.

The Board adopts this Policy/Procedure to ensure consistent, organized and relevant responses to communications about CCMC management, in consideration of the best interests of the public and CCMC. This Procedure/Policy is intended as a general guideline, only, since special circumstances often call for tailored treatment.

**I. General.**

The Board's policy is to balance an openness and willingness to listen to legitimate public concerns, while respecting the importance of the Board's decision-making process. In talking with the public, Board members should be alert to the following issues:

- The Board can act only as a body, and individual members generally lack any authority to act on behalf of CCMC or its Board absent a clear delegation by the body. Also, the Open Meetings Act applies to the Board and to its members. Thus, the Board member should consider whether the speaker should be addressing the full Board, during the public comment phase of a regular Board meeting.
- Following the "chain of command" is important to ensure that Board and staff processes are fully effective.
- Is there a more appropriate person for the individual to speak to? For example, the Board Chair possesses the administrative power to set the agenda for Board meetings, and the Administrator of CCMC assists in this process.
- Is it possible that the Board member will later have to decide impartially on the issue or a related one, and will the conversation affect impartiality?
- If the speaker is circumventing a step in the normal process, do they have a legitimate reason for doing so, such as legitimate desire for privacy, or fear of reprisal?
- Is the person seeking confidential CCMC information or testing the Board member about their knowledge or willingness to talk about hospital, medical, or patient affairs? The pointed interest people have in medical affairs may call for an exceptional level of diplomacy and discretion.

## **II. Medical/Patient Care Complaints.**

CCMC's goal is to address all concerns promptly and effectively. To do so, CCMC has appointed the Administrator as responsible for addressing patient complaints or concerns. If the speaker wishes to lodge a material complaint or concern about CCMC services or quality of care, the Board member generally should advise them to speak to the Administrator, either before or after hearing them out.

If the person is unwilling to talk to the Administrator, and the complaint appears to be potentially serious, the Board member should:

- (1) Listen carefully, and
- (2) Advise the Administrator of the information; or
- (3) Advise the Board Chair, who in turn decides whether the issue should be addressed by the Administrator, persons or entities responsible for risk management, counsel for CCMC, and/or the Board.

Generally, the Board member should make no promises to the speaker. This means no promise to shield their identity, keep a communication "anonymous," or keep information secret. If the information is *very* sensitive, the Board member can advise that they will do the best they can to disclose the information only on a "need to know" basis, but that their duties as a Board member and legal principles may conflict with keeping information secret.

## **III. Employee communications.**

Generally, the Board member should try to determine whether the employee is speaking as a member of the public or as an employee. Employees do not lose their speech rights just because they are employees; they may, however, need help in clarifying their separate roles. If the employee is speaking to the Board member as an employee, the Board member should determine:

- (1) Is the communication a complaint which is part of an ongoing grievance? If so, the Board member should immediately tell the employee that it cannot get involved in a grievance except through the formal procedures adopted by CCMC.
- (2) A less obvious question is whether the communication might be part of a *potential* grievance. If the Board member senses that there is potential for a grievance, the Board member should advise that the Board avoids involvement in individual personnel matters. The Board member can suggest that the employee review the Employee Handbook, talk with their supervisor or the Administrator.
- (3) If the Board member believes that the communication raises questions of CCMC liability; illegal, unethical, or criminal conduct; or similar serious matters, the Board member should advise the Administrator of the communication, and if not satisfied by the Administrator's response, bring the matter to the Board Chair. If the matter involves illegal conduct of the Administrator, the Board member should promptly advise the Board Chair.
- (4) Generally, the Board member should make no commitments to the employee. As noted above, this means avoiding assurances of secrecy or anonymity.
- (5) Assurances, conclusions, comments, or opinions should be avoided, to avoid encouraging the

employee to approach other Board members or to engage in conduct disruptive to CCMC. If the employee presses for an opinion from the Board member, the Board member can state that the issue can't be judged before listening to both sides. The employee should not be advised to request a Board appearance or to file a personnel grievance unless the Board Chair's review and concurrence has been obtained.

(6) The Board member may:

- (a) listen to the comments (provided they do not relate to a pending grievance);
- (b) urge the employee to talk with supervisors or the Administrator about their personnel matter; and/or remind the employee that Board member's involvement can have the negative effect of reducing the responsibility of the employee and supervisor to resolve issues in compliance with CCMC's Personnel Policy and chain of command;
- (c) if the matter is one of general interest or significance, rather than a purely personal issue, suggest that the employee prepare a written memo for the Administrator's or the Board Chair's review, and/or that the employee talk to the Administrator or the Board Chair about placing the matter on the Board agenda. The Board clearly has responsibility for adopting and updating general Employee Handbook.



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

COVID Preparation – Capital Projects Section 1  
June 15, 2020  
Hannah Sanders, MD, CEO

Dear Mr. Meyer and members of the CCMC Authority Board of Directors:

Pursuant with CCMC policy requiring board approval for all purchases greater than \$25,000, I am writing to request approval. The first section of this request has items that have been already ordered in response to the COVID-19 emergency pandemic. The decision to purchase this equipment was based on the need to provide emergency pandemic response to protect the community. The second section has items that are not yet ordered, but need to be purchased to improve our COVID response. The third section is non-COVID related capital projects that are in urgent need of completion. In this document estimated useful life is based on AHA 2018 estimated useful lives of depreciable hospital assets.

### **COVID Preparation Capital Projects Section 1**

The equipment requested below was already ordered in response to Covid preparation.

Item Name: **Digital Xray and room upgrade**

Actual Cost: \$ 183,871.31

Estimates Useful life (in years): 5 years for digital xray machine, 10 years for room

Description/Purpose: The current xray system plates no longer serviceable, and required replacing. Our system does not meet the current standard of care and images are unable to be shared with other hospitals in Alaska. The new system will allow digital images, which will allow for a significant improvement and will meet the standard of care including sharing between healthcare entities. This upgrade will meet the standards allowing us to maximize our reimbursement for imaging.

Comments: Equipment has been received and retrofit is being completed.

Item Name: **Zoll E-ventilators - 2**

Actual Cost: \$88,415 (this cost includes 3 Defibrillators below)

Estimated Useful life (in years): 10 years

Description/Purpose: Hospital staff have skill and expertise to use ventilators for critical life support functions. The hospital does not own any of these devices.

Comments: bulk purchase with Zoll Defibrillators (AED) for price discount. These items were covered by the Eyak Corporation grant

Item Name: **Zoll Defibrillators – 3**

Estimated useful Life: 5 years

Description/Purpose: The defibrillator devices at CCMC are old and outdated and do not meet the current quality or standards of care. It is essential that these devices be replaced to provide necessary cardiac care to patients, additionally, Covid-19 patients are at high risk for cardiac arrhythmias. We also require a dedicated LTC AED to be available and have the appropriate equipment for a code in the event we move the LTC to an alternate care site.

Item Name: **IV Infusion Pumps 8**

Actual Cost: \$35,875

Estimates Useful life (in years): 10 years

Description/Purpose: CCMC has infusion pumps that are over 20 years old, and does not have sufficient number of pumps to provide infusion for the number of licensed beds. To be able to manage patients with Covid-19 we will need adequate infusion supplies. Antiquated infusion pumps are known to cause a significant number of adverse events in hospitals. Pump failures can have significant implications for patient safety. Modern pumps have increased safety features to prevent pump failures. These “smart pumps” includes a drug library which enhances the safety of medication delivery. IV pump technology has come a long way over the years and CCMC has not managed to maintain the updated standard of care.

Comments: Uses the same tubing as our current pumps so the current stock is not obsolete.

Total Cost of Section 1: \$308,161.31

If you have any questions, please don't hesitate to contact Eric Price, or myself.

Sincerely,

Hannah Sanders, MD  
Chief Executive Officer



# Memorandum

To: CCMC Authority Board of Directors

From: Dr. Hannah Sanders, Chief Executive Officer

Subject: Approval COVID Preparation Capital Projects Section 1

Date: 6/17/2020

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**Suggested Motion:** “I move that the CCMC Authority Board of Directors approve the COVID Preparation Capital Projects Section 1 for a total of \$308,161.31.”



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COVID Preparation – Capital Projects Section 2  
June 15, 2020  
Hannah Sanders, MD, CEO

### **COVID Preparation Capital Projects Section 2**

The following items need to be ordered to improve pandemic response:

Item Name: **Central Monitoring System**

Quoted Estimate: \$136,000

Estimated Useful life (in years):10 years

Description/Purpose: The current system is old, does not functional well and is not serviceable. COVID 19 patients are very high risk for cardiac arrhythmias and decrease oxygen saturation, these patients require close monitoring. In addition, patients with cardiac issues, chest pain, heart failure, pneumonia, COPD, drug and alcohol withdrawal and numerous other diagnosis require central monitoring in order to treat their condition and mitigate risk of complications.

Comments: Grant pending, if we do not get the grant, will still need to purchase this equipment.

Item Name: **Nurse Call System**

Estimate: Board approval not to exceed \$130,000.00

Estimated Useful life (in years): 10 years

Description/Purpose: Current call system does not work. System is beyond serviceable life and cannot be repaired. Current separation of LTC staff and patients requires additional call receiver station.

**Item Name: 12 Hospital Beds**

Estimate Cost: request for approval not to exceed \$70,000.00

Estimates Useful life (in years): 10 years

Description/Purpose: CCMC does not currently own enough beds to fill licensed rooms.

Comments: 6 Acute hospital beds, 6 standard hospital beds

**Item Name: Telephone System Upgrade**

Estimated Cost: \$64,000 up front and \$610 revolving monthly cost, Requested approval for cost not to exceed \$70,000

Estimates Useful life (in years): 10 years

Description/Purpose: CCMC telephone system does not function properly and is very old. The phone system is far behind in current communication technology. Evening and weekend calls do not always transfer to the nurse's station. Phones cannot be forwarded outside of the hospital, to enable business office employees to work from home during high infectious risk times.

Comments: We have a grant pending for this, however it is not felt likely to be approved

**Item Name: HVAC survey, repair and upgrade to improve hospital infection prevention**

Estimate: Initial survey ~\$25,000, request approval for upgrade cost not to exceed \$150,000 total

Estimated Useful life (in years):20 years

Description/Purpose: CCMC has 2 rooms that have the same physical layout of negative pressure, infection isolation rooms. These rooms do not have the HVAC filter or air handling to manage infections. With LTC separated as it is, the air handling system is not functioning properly to maintain appropriate temperature for the LTC residents and staff. A temporary fix is portable air conditioners which have been purchased, however a long term solution is needed. In addition, 70% of the hospital air is recirculated throughout the facility. New viral rated filters were purchased and the old ones replaced to temporize this risk, however, separation of ventilation systems needs to be completed.

Comments: At this point we need approval to pay for an HVAC survey to evaluate and create a recommended plan. This will also need a later approval once we are further on the RFP and grant process. This project will likely be in collaboration with CEC and energy improvement grant to reduce hospital energy use.

Item Name: **Build physical walls and put up fire doors, update, expand new entrance for LTC**

Estimate: \$100,000

Estimated Useful life (in years): 10 years

Description/Purpose: Currently the LTC is sectioned off from the rest of the facility with Tyvek walls, which does not present a great living environment. This is not conducive to the wellbeing of our residents and staff that work with them. Doors allow for easy access should the need arise and diminishes the claustrophobic feel of the space, as well as provide additional exit options.

Access through the Sound Alternatives area is not optimal as they begin seeing patients again and HIPAA requirements would be compromised. An appropriate direct exit for the LTC area is essential.

Comments: Contractors would need to be consulted as well as the company providing the HVAC update and adjustments would need to be made to maintain fire codes when altering the current interior. Repair to a leak in the wall will be considered when planning for the entrance expansion.

**Total Cost for section 2: \$650,000**

If you have any questions, please don't hesitate to contact Eric Price, or myself.

Sincerely,

Hannah Sanders, MD  
Chief Executive Officer



# Memorandum

To: CCMC Authority Board of Directors  
From: Dr. Hannah Sanders, Chief Executive Officer  
Subject: Approval COVID Preparation Capital Projects  
Date: 6/17/2020

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**Suggested Motion:** “I move that the CCMC Authority Board of Directors approve the COVID Preparation Capital Projects Section 2 for a total of \$650,000.”



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Non-COVID – Capital Projects Section 3  
June 15, 2020  
Hannah Sanders, MD, CEO

### **Non-COVID Related Capital Projects Section 3**

The next items are capital improvement projects that are considered critical needs, these are not COVID related expenditures however repair delay cannot continue for hospital safety and regulatory requirements.

Item Name: **Underground Fuel Storage Tank**

Estimated Cost: \$150,000 approval not to exceed \$200,000k

Estimated Useful life (in years): 10 years

Description/Purpose: Updated regulations require the fuel tank to be above ground, the current tank is below and is ineligible for further insurance coverage.

Comments: The estimate includes contractor cost, old tank remediation and the cost of a new tank

Item Name: **Exterior wall has 3 distinct and separate leaks that all result in water damage (at times large streams of water) into hospital supply storage areas**

Estimated Cost: \$47,000

Estimated Useful life (in years): 10 years

Description/Purpose: need to repair soon to prevent further damage and mold, it also renders sections of the hospital unusable. This issue has far reaching life safety implications and needs to be addressed.

Comments: Will most likely require digging areas of the landscape. One of the leaks is near the proposed entrance expansion for the LTC area so both projects will need to be considered.

**Total Cost for Section 3: \$247,000**

If you have any questions, please don't hesitate to contact Eric Price, or myself.

Sincerely,

Hannah Sanders, MD  
Chief Executive Officer



# Memorandum

To: CCMC Authority Board of Directors  
From: Dr. Hannah Sanders, Chief Executive Officer  
Subject: Approval of Non-COVID Capital Projects  
Date: 6/17/2020

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**Suggested Motion:** “I move that the CCMC Authority Board of Directors approve the Non-COVID Capital Projects in Section 3 for a total of \$247,000.”