

BOARD OF TRUSTEES MEETING MINUTES RECORD

DATE:	LOCATION:	START	ADJOURN
October 3, 2016	Hood Building Southport, NC	3:00 pm	6:30 pm
MEMBERS PRESENT: Sherri Marshall, Chair Karen Taylor, Vice Chair - Excused Joe Agovino, Secretary Jim White Dr. Robert Zukoski Melissa Hinnant - Excused Dr. Scott Starks		NON MEMBERS PRESENT: Tom Siemers, CEO Dan Porter, CFO Carol Northup, RN, CNO, COO – Excused Dr. Karen Wood, Chair, MEC Lynda Stanley, President, Foundation James Goss, Director Marketing and Community Relations Lori Smith, Clerk of the Board Terry Pope, State Port Pilot	
Special Guests: Ashlie Heald, Athena Compliance Partners			

	AGENDA ITEM	DISCUSSION/CONCLUSIONS	ACTION
1.	Call To Order	Sherri Marshall called the meeting to order at 5:05 pm.	
2.	Roll Call	Joe Agovino Called Roll Roll Reflected Above A quorum was present.	
3.	Approval of Minutes	Minutes to be Approved: August 29, 2016	MOTION: To accept the minutes of August 29, 2016 Motions By: Jim White Seconded: Scot Starks All Present in Favor The Motion Carried
4	Special Presentation	<u>Athena Compliance Partners Annual Review – Ashlie Heald</u> Materials were provided in the meeting packet. The Annual Review of Board duties and informational issues were presented. Highlights of Review: <ul style="list-style-type: none"> • Updated Compliance work plan was submitted. • Board has the Duty of Care • Medicare fraud reached \$900M nationally by June of 2016 • Increased action in ransomware. Actions by Doshier are to protect the patient. Most ransom seekers may hold hospitals hostage for payment or they are after the PHI for 	

		<p>alternate reasons. Fines will depend on the circumstances, backup systems and security should be in place.</p> <ul style="list-style-type: none"> • Annual employee screening(OIG) has been completed. They suggested screening every 2 months. Vendors should be screened annually. This is done by Athena Compliance. • November 6-12 is Compliance week with activates planned. 	
5.	Management Reports	<p><u>Foundation Report –Lynda Stanley</u></p> <ul style="list-style-type: none"> • Golf tournament for October 14th is full. There are many valuable prizes . • The Pretty in Pink Foundation offered to partner with workshops on breast self-examination. Attendance will serve 25 at a time. Communication is through community members and church group. • The Wine and Cheese events have been extremely successful in communicating Doshier services and issues. Several are scheduled to the end of the year and more to come in 2017. 	
		<p><u>CEO Report - Tom Siemers</u></p> <ul style="list-style-type: none"> • The Leadership report was included in the meeting packet. • The CEO attended an ACHE meeting which highlighted issues in transition from IP to OP care and pandemic prevention. • Other discussion centered around IT systems noting coordination of information exchange as a challenge with varied systems in place. 	
		<p><u>CFO Report – Dan Porter</u></p> <p><u>Financial Report</u> The financial reports were included in the meeting packet.</p> <p>Days Cash on Hand: 74.9 Days Revenue in A/R: 95.2</p> <ul style="list-style-type: none"> ➤ The payor mix in August was unfavorable. ➤ Volume indicators were favorable except for medical admissions. ➤ Expenses were favorable. <p>Operations YTD <\$877k> Total YTD \$2.0M.</p> <p>Month Reported Operations Gain or Loss: \$94K</p> <p>September is trending at \$10.1M gross revenue.</p> <p><u>Property Sale</u></p> <ul style="list-style-type: none"> • 719 N. Howe St. (Next to NAPA) sold for \$225K. • P&L impact (non-operating) at \$171K net. 	

		<p><u>Rural Status</u></p> <ul style="list-style-type: none"> The hospital was notified on August 9 that a resubmission of old paperwork was necessary in order to maintain rural status. Deadline October 1. Only 4 hospitals were asked to resubmit with no reason on why only 4 were required. Notification was received on September 1 indicating a continuation of rural status. <p><u>Board Bylaws</u></p> <ul style="list-style-type: none"> A change adding Section XII was presented. This was to comply with USDA requirements that has specific wording in stating the institution is an equal opportunity provider and employer. Following review, the Board voted in favor. <p><u>501(r) Revisions</u></p> <ul style="list-style-type: none"> A project was initiated to update and review all financial, collection policies identifying financial assistance and collection practices. Although these documents were in place, it required some expansion and enhancement. The Financial Assistance/Charity Care/Ability to Pay policy was presented in the packet. The Billing and Collection Policy was also included in the packet. It was noted that the hospital elected to use the "Lookback Method" to determine the AGB (Amount Generally Billed) within this policy. All policies and information will be duly posted. 	<p>MOTION: To accept the Bylaws change adding Article XII as presented. Moted by: Jim White Seconded: Scott Starks, MD All In Favor The Motion Carried</p> <p>MOTION: To accept the Financial Assistance and the Billing and Collection Policy as presented. Moted by: Jim White Seconded by: Scott Starks, MD All In Favor The Motion Carried</p>
		<p><u>IOP and Nursing Report</u></p> <ul style="list-style-type: none"> The IOP information was presented in the meeting packet. 	
6.	CLOSED SESSION	<p>MOTION: In accordance with N.C. General Statute 143-318.11(a) (1) to discuss (a) confidential credentialing and peer review information protected under N.C. General Statute 131 E-97.2 (b) confidential healthcare contracts protected under N.C. General Statute 131 E-99 and (c) confidential competitive healthcare information protected under N.C. General Statute 131 E-97.3.</p>	<p>MOTION: To move to closed session in accordance with the indicated statutes. Moted By: Jim White Seconded: Joe Agovino All in Favor The Motion Carried</p>

7.	OPEN SESSION ADDITIONAL BUSINESS	<p>The Trustees returned to Open Session</p> <p><u>Credentialing Addendum</u></p> <p>The Credentialing Addendum was approved as presented.</p>	<p>MOTION:</p> <p>To accept the Credentialing presented as indicated on the Credentialing Addendum.</p> <p>Motioned by: Jim White</p> <p>Seconded by : Scott Starks, M.D.</p> <p>All In Favor</p> <p>The Motion Carried</p>
8.	ADJOURN	<p>The meeting was adjourned at 6:30 pm</p>	<p>MOTION:</p> <p>To Adjourn the Board of Trustees</p> <p>Motioned By: Jim White</p> <p>Seconded By: Joe Agovino</p> <p>All In Favor.</p> <p>The Motion Carried</p>
	Board Minutes Accepted	<p><u><i>Sherri Marshall, as Chair</i></u></p> <p>Sherri Marshall, Chair</p>	

J. ARTHUR DOSHER MEMORIAL HOSPITAL
STATISTICS
August-16

		(A) Month Actual	(B) Month Budget	(C) Prior Month Actual	(D) FYTD Actual	(E) FYTD Budget	(F) Prior FYTD Actual	
1	Medical Admissions	43	40	36	476	567	540	1
2	Swing Bed Admissions	3	-	5	37	-	-	2
3	Surgical Admissions	32	20	22	296	280	248	3
4	Total Admissions	78	60	63	809	847	788	4
5								5
6	Census Days	234	184	182	2,181	2,633	2,337	6
7	Swing Bed Census Days	28	-	27	308	-	-	7
8	Total Census Days (Includes Swing Bed)	262	184	209	2,489	2,633	2,337	8
9	Average Daily Census (Includes Swing Bed)	8.5	5.9	6.7	7.4	7.8	7.0	9
10	Average Daily Census (Excludes Swing Bed)	7.5	5.9	5.9	6.5	7.8	7.0	10
11	Average Length of Stay (Excludes Swing Bed)	2.8	3.1	3.1	2.8	3.1	3.0	11
12	Observation Patients	56	46	67	629	501	534	12
13	Discharges	1,595	1,108	2,186	18,612	12,120	14,541	13
14	Hours							14
15	Operating Room Procedures:							15
16	Inpatient	35	32	29	377	316	312	16
17	Outpatient	162	114	140	1,455	1,124	1,035	17
18	Endoscopy Procedures:							18
19	Inpatient	4	9	5	57	96	57	19
20	Outpatient	56	75	62	636	803	570	20
21	Laboratory:							21
22	Inpatient	862	1,438	843	10,210	15,517	11,752	22
23	Outpatient	11,449	9,673	11,920	115,300	104,358	97,124	23
24	Diagnostic Imaging:							24
25	Inpatient	80	120	85	1,025	1,296	1,096	25
26	Outpatient	2,488	2,333	2,406	26,039	25,177	25,397	26
27	Cardiopulmonary:							27
28	Inpatient	120	275	112	2,008	2,971	2,779	28
29	Outpatient	186	234	217	2,359	2,535	2,285	29
30	Sleep Studies	26	-	23	264	-	282	30
31	EKG, Stress Test, & Holter Monitor							31
32	Procedures:							32
33	Inpatient	13	24	21	221	256	265	33
34	Outpatient	275	326	272	3,200	3,535	3,348	34
35	Physical Therapy:							35
36	Visits	721	702	623	7,329	7,567	7,427	36
37	Treatments	1,846	1,796	1,521	17,172	19,389	18,866	37
38	Cardiac Rehab:							38
39	Diabetic Program:							39
40	Visits	385	425	395	4,293	4,609	4,370	40
41	Visits	7	12	12	174	128	129	41
42	Wound Care Program:							42
43	New Patient Registrations	29	14	29	228	153	149	43
44	Visits	265	136	220	1,918	1,476	1,295	44
45	Meals Served:							45
46	Patients	4,602	4,719	4,183	50,100	51,496	48,374	46
47	Others	2,712	2,502	2,390	30,398	32,518	32,518	47
48	Emergency Room:							48
49	Visits	1,108	1,123	1,261	11,885	12,115	12,159	49
50	Admitted	47	57	45	517	612	574	50
51	Transfers	37	28	36	354	307	300	51
52	Total Outpatient Visits (EXCL ER)	4,842	4,112	4,492	48,886	44,240	43,029	52
53	Nursing Center:							53
54	Admissions							54
55	Census Days	-	8	-	67	81	73	55
56	Average Daily Census	-	1,343	-	9,140	14,030	12,822	56
57		-	42.1	-	37.5	41.8	38.3	57
58	Clinic Visits:							58
59	Dosher Medical 9th Street	285	278	229	2,808	2,890	2,764	59
60	Dosher Medical Howe Street	412	342	327	3,777	3,543	3,434	60
61	Dosher Medical Smithville Crossing	291	300	279	3,312	3,113	3,103	61
62	Dosher Medical Long Beach Rd	528	393	675	4,197	2,337	2,851	62
63	Dosher Medical Oak Island	346	396	422	4,013	4,100	3,889	63
64	Dosher Medical Bolivia	229	198	172	2,167	2,057	2,070	64
65	Dosher Medical Holden Beach	211	178	202	2,028	1,864	1,860	65
66	Dosher Medical Middleton Rd	-	248	-	-	944	-	66
67	Dosher Medical Calabash	-	-	-	-	-	-	67
68	Dosher Medical Women's Health	246	164	178	2,154	1,706	1,660	68
69	Dosher Medical Vaughan's Clinic	320	340	291	2,536	3,530	941	69
70	Dosher Medical Surgical Clinic	97	80	81	1,035	823	459	70
71	Dosher Medical Baldhead	116	61	134	351	432	352	71
72	Total Clinic Visits	3,081	2,978	2,990	28,378	27,339	25,949	72
73	New Patient Clinic Visits:							73
74	Dosher Medical 9th Street	43		25	313			74
75	Dosher Medical Howe Street	47		28	384			75
76	Dosher Medical Smithville Crossing	10		3	118			76
77	Dosher Medical Long Beach Rd	323		469	2,498			77
78	Dosher Medical Oak Island	24		30	327			78
79	Dosher Medical Bolivia	13		4	98			79
80	Dosher Medical Holden Beach	38		45	187			80
81	Dosher Medical Middleton Rd	0		0	0			81
82	Dosher Medical Calabash	0		0	0			82
83	Dosher Medical Women's Health	16		19	126			83
84	Dosher Medical Vaughan's Clinic	71		89	496			84
85	Dosher Medical Surgical Clinic	17		11	237			85
86	Dosher Medical Baldhead	106		128	321			86
87	Total Clinic Visits	708		831	5105			87
88								88

J. ARTHUR DOSHER MEMORIAL HOSPITAL
OPERATING STATEMENT
Eleven Months Ending August 31, 2016

	(A)	(B)	(C)	(D)	(E)	(F)	
	Current Month			Year-to-Date			
	Actual	Budget	Prior Year	Actual	Budget	Prior Year	
REVENUE:							
1 Inpatient Revenue	\$ 1,603,611	\$ 1,377,645	\$ 1,316,674	\$ 16,288,145	\$ 15,196,567	\$ 14,320,551	1
2 Outpatient Revenue	8,791,084	7,176,326	7,531,612	86,980,737	77,782,119	74,563,313	2
3 Nursing Center Revenue	-	328,718	311,792	2,507,993	3,454,267	3,167,092	3
4 Clinics Revenue	607,970	569,229	461,501	5,465,638	5,284,551	4,978,230	4
5							5
6 Total Patient Service Revenue	11,002,665	9,451,919	9,621,578	111,242,513	101,717,504	97,029,187	6
7 Deductions From Revenue	(7,496,771)	(5,939,269)	(6,551,893)	(73,742,948)	(63,919,362)	(62,699,021)	7
8							8
9 Net Patient Service Revenue	3,505,894	3,512,650	3,069,685	37,499,564	37,798,142	34,330,166	9
10 Other Operating Revenue	173,072	82,363	67,639	925,249	810,640	1,489,326	10
11							11
12 Total Operating Revenue	3,678,965	3,595,013	3,137,324	38,424,813	38,608,782	35,819,492	12
13							13
OPERATING EXPENSES:							
15 Salaries	1,437,594	1,494,530	1,454,891	15,673,243	15,646,022	15,055,376	15
16 Employee Benefits	283,940	336,133	169,362	3,576,335	3,624,242	3,106,233	16
17 Professional & Purchased Services	578,825	631,761	732,783	6,996,473	6,803,511	7,129,654	17
18 Medical Supplies & Materials	705,005	527,866	575,416	6,692,017	5,668,685	5,605,742	18
19 Other General Expenses	339,583	387,551	324,598	3,798,814	4,004,390	3,585,140	19
20 Interest	25,482	27,939	67	171,756	307,330	790	20
21 Depreciation	214,373	216,872	242,067	2,393,353	2,453,627	2,450,546	21
22							22
23 Total Operating Expenses	3,584,802	3,622,653	3,499,184	39,301,990	38,507,807	36,933,480	23
24							24
25 Earnings Before Interest, Depreciation & Amortization (EBIDA)	334,018	217,170	(119,726)	1,687,932	2,861,932	1,337,348	25
26							26
27 Excess From Operations	94,163	(27,640)	(361,860)	(877,177)	100,975	(1,113,988)	27
28							28
29 Non-Operating Revenue	136,580	154,030	350,594	2,902,620	1,694,330	1,919,137	29
30							30
31 Excess Over Expenses (After Extraordinary Items)	\$ 230,743	\$ 126,390	\$ (11,266)	\$ 2,025,442	\$ 1,795,305	\$ 805,149	31

**J. ARTHUR DOSHER MEMORIAL HOSPITAL
BALANCE SHEET
AS OF AUGUST 31, 2016**

	(A) Current Month	(B) Last Month	(C) Prior Year
ASSETS			
Current Assets			
Cash	\$ 7,843,669	\$ 7,902,313	\$ 7,411,351
Board Designated Funds	-	-	1,256,603
Cash - Foundation	406,543	332,441	279,985
Total Cash and Investments	8,250,212	8,234,754	8,947,939
Accounts Receivable-Patients	32,062,954	30,732,096	24,833,111
Less Allowance	(17,493,335)	(17,248,982)	(14,633,105)
Net Patient Receivables	14,569,619	13,483,113	10,200,006
Other Accounts Receivable	935,570	1,596,821	659,628
Inventories	938,032	968,702	969,798
Prepaid Expenses	424,469	478,844	247,010
Total Current Assets	25,117,902	24,762,234	21,024,382
Net Property, Plant and Equipment	39,137,970	38,661,363	38,966,298
Other Assets	90,873	90,072	288,931
Total Assets	\$ 64,346,745	\$ 63,513,669	\$ 60,279,611
LIABILITIES & FUND BALANCE			
Current Liabilities			
Accounts Payable	\$ 2,198,476	\$ 1,624,569	\$ 1,897,585
Notes Payable Current - BEMC	10,416	20,833	-
Notes Payable Current - USDA	247,031	224,779	-
Notes Payable Current - BB&T	240,746	230,956	-
Medicare/Medicaid Settlement	-	-	-
Accrued Payroll and Taxes	520,420	448,819	664,429
Accrued Employees' Paid Days Off	1,120,982	1,114,513	1,075,832
Current Portion of Bonds Payable	-	-	390,000
Deferred Revenue - Taxes	134,201	268,402	154,031
Other Current Liabilities	17,436	17,436	11,497
Total Current Liabilities	4,489,710	3,950,307	4,193,374
Non-Current Liabilities			
BB&T Loan	1,259,254	1,268,985	-
Lease Obligations	-	-	845,000
Bonds Payable	-	-	7,592,062
USDA Loans	9,152,295	9,152,295	1,000,000
BEMC Loan	916,667	916,667	-
Total Non-Current Liabilities	11,328,215	11,337,947	9,437,062
Total Liabilities	15,817,925	15,288,254	13,630,436
Net Assets	46,096,835	46,098,275	45,567,036
Excess Revenue over Expenses	2,025,442	1,794,699	805,149
Restricted Assets	406,543	332,441	276,990
Total Net Assets	48,528,820	48,225,415	46,649,175
Total Liabilities & Fund Balance	\$ 64,346,745	\$ 63,513,669	\$ 60,279,611