

BOARD OF TRUSTEES MEETING MINUTES RECORD

DATE:	LOCATION:	START	ADJOURN
August 28, 2017	Doshier Hood Building	5:00 pm	6:15 pm
MEMBERS PRESENT: Sherri Marshall, Chair Karen Taylor, Vice Chair Dr. Scott Starks, Secretary Dr. Terry Pieper Jim White Robert Howard		NON MEMBERS PRESENT: Tom Siemers, CEO Dan Porter, CFO Carol Northup, RN, CNO, COO Dr. Domenic Palagruto, Chief of Staff Lynda Stanley, President, Doshier Foundation Dr. Robert Zukoski, Emeritus Lori Smith, Clerk of the Board Terry Pope, State Port Pilot	

	AGENDA ITEM	DISCUSSION/CONCLUSIONS	ACTION
1.	Call To Order	Sherri Marshall, Chair called the meeting to order at 5:00pm.	
2.	Roll Call	Scott Starks Called Roll Roll Reflected Above. A quorum was present.	
3.	Approval of Minutes	Minutes to be approved: August 7, 2017	MOTION: To accept minutes of August 7, 2017 Motioned By: Jim White Seconded: Terry Pieper, MD All Present in Favor The Motion Carried
	TRUSTEE OATH OF OFFICE	<ul style="list-style-type: none"> Mayor of Oak Island, Cin Brochure, administered the Oath of Office to Mr. Robert Howard as a new Doshier Trustee. Mrs. Howard was present to assist. Mr. Howard completed his orientation process the week prior. Robert Howard succeeds Dr. Robert Zukoski who resigned from the Board and is made Emeritus at this meeting. Mr. Howard's term ends in November of 2019. 	The Oath of Office was read and sworn. Copy to the Brunswick County Board Commissioners.
4	Special Presentation	<ul style="list-style-type: none"> None 	
5.	Management Reports	Foundation Report - Lynda Stanley <ul style="list-style-type: none"> The Oct 13th Golf Fundraiser is open for registration and raffle tickets were being sold. Lynda urged the Board to 	

		<ul style="list-style-type: none"> • The Doshier Foundation Golf Classic will be held on October 13th. Shotgun at 9 am. Raffle tickets were distributed for sale. • The Cannon Foundation Grant is still in process. They hope to hear a positive decision in September. 	
		<p><u>Healthy People, Healthy Carolinas Report – Dr. Scott Starks</u></p> <ul style="list-style-type: none"> • The Core Group is moving along and will have next steps for the August 28th Board Meeting. The Duke Endowment has encouraged small steps that are successful rather than many with a lower success rate. A more detailed report is forthcoming. 	
		<p><u>CEO Report – Tom Siemers, CEO</u></p> <ul style="list-style-type: none"> • Tom Siemers presented information on the state of the Critical Access Hospitals (CAH's) and the critical condition that hospitals are in in order to survive the financial stresses in a volatile healthcare environment. • He noted that 4 CAH facilities have closed in North Carolina and reimbursements including ACA issues are pressing on the ability for hospitals to remain open. • It will be necessary for the Board to address change in this moving environment and determine the best actions for the hospitals to provide service to our community. • Tom Siemers met with Terry Pope from the State Port Pilot to inform him of pressing issues facing the Board of Trustees. • Dr. Minor injected the issues surrounding recruitment of new and younger physicians who would want to remain in our community. He noted 50% residents graduating would most likely opt for employment as hospitalists, 25% would choose lucrative careers in sub specialties for greater income and the remaining 25% would investigate other options such as employed or open practices. He reiterated Tom Siemers comments about less physicians becoming available and that our market is not the primary location for new millennials. Nursing shortages due to retirements of the "boomer" nurses was also discussed. • The Board discussed greater healthcare demand in our community along with less supply of providers in the future. <p><u>Dr. Robert Zukoski</u></p> <ul style="list-style-type: none"> • Tom Siemers honored Dr. Robert Zukoski for his birthday as well as his moving into a different role in his career. Dr. Zukoski resigned from the Board of Trustees and will continue to serve the hospital with particular limited patient services in the near future. His office is closing this month • The Board reminisces about his history and service to the community and thanked him for all the years, loyalty and time he spent with Doshier. Dr. Zukoski shared do some of his thoughts on his career and the future. • Dr. Zukoski will remain on Medical Staff and assist with 	

		<p>Wound Care and Particular OR procedures. Dr. Zukoski was presented with a token of remembrance and best wishes from the Board.</p> <ul style="list-style-type: none"> In acceptance of Dr. Zukoski's resignation from the Board, the Board of Trustees nominated Robert Howard to take his seat until the term end in November 2019. (Reflected Under New Business) 	
		<p><u>CFO Report – Dan Porter, CFO</u></p> <p><u>Financial Report</u></p> <p>The financial reports were included in the meeting packet.</p> <p>Days Cash on Hand: 73.3 Days Revenue in A/R: 94.9</p> <ul style="list-style-type: none"> ➤ Volume indicators were favorable for June with a slight exception in the swing bed census. <ul style="list-style-type: none"> ○ Total revenue up 9 %. ○ IP was up 7% and OP figures were up 9%. ○ Clinic realized an increase of 16%. ➤ Payor mix trend was cautionary. <p>For the month, Excess from Operations <\$8k> Operations YTD <\$565k> Total Excess Over Expenses YTD \$975k.</p> <p>July trending at \$10.2M gross revenue.</p>	
		<p><u>IOP and Nursing Report – Carol Northup, RN, COO, CNO</u></p> <ul style="list-style-type: none"> The July IOP Report was included in the meeting packet. Dr. Starks completed the Board Tour for the month with Carol Northup. He indicated that it was extremely helpful. IT was noted that the Lymphedema clinic will be soon marketed and shown by the public. 	
	New Business	<p><u>Trustee Changes</u></p> <p>In acceptance of Dr. Zukoski's resignation from the Board, the Board of Trustees nominated Robert Howard to take his seat until the term end in November 2019.</p> <p>A letter for nomination will be forwarded to the County Commissioners and Michael Murchison, JD for a request to include the nomination in the August 21st Commissioners agenda.</p>	<p>MOTION: To accept he resignation of Dr. Robert Zukoski and to nominate Robert Howard as a Trustee for Doshier Memorial Hospital fulfilling Dr. Zukoski's term of office to November 2019. Motioned By: Jim White</p>

			Seconded: Karen Taylor All in Favor The Motion Carried
6.	CLOSED SESSION	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.	MOTION: To move to closed session in accordance with the indicated statutes. Motioned By: Jim White Seconded: Karen Taylor All in Favor The Motion Carried
7.	OPEN SESSION ADDITIONAL BUSINESS	<p>The Trustees returned to Open Session</p> <p><u>Credentialing Addendum</u> The Credentialing Addendum was approved as presented.</p> <p><u>Foundation Support for the Donation Wall in the Main Lobby.</u> The Trustees discussed agreement and monetary support of placing the Donor Wall in the Main lobby. The allocation would be for \$23,000 for the large wall and an additional \$15,000 for the Volunteer and Employee wall.</p>	<p>MOTION: To accept the Credentialing presented as indicated on the Credentialing Addendum. Motioned by: Scott Starks, M.D. Seconded by : Jim White All In Favor The Motion Carried</p> <p>MOTION: To support placement and monetary support as discussed at \$38,000 for the Foundation wall displays in the Main Lobby Motioned by: Jim White Seconded by : Terry Pieper, M.D All In Favor The Motion Carried</p>
8.	ADJOURN	The meeting was adjourned at 6:45 pm.	MOTION: To Adjourn the Board of Trustees Motioned By:

			Scott Starks, M.D. Seconded By: Karen Taylor All In Favor. The Motion Carried
	Board Minutes Accepted	<u>Sherri Marshall, as Chair</u> Sherri Marshall, Chair	

J. ARTHUR DOSHER MEMORIAL HOSPITAL
STATISTICS
July-17

		(A)	(B)	(C)	(D)	(E)	(F)	
		Month	Month	Prior Month	FYTD	FYTD	Prior FYTD	
		Actual	Budget	Actual	Actual	Budget	Actual	
1	Medical Admissions	40	39	45	501	454	433	1
2	Swing Bed Admissions	3	4	1	21	35	34	2
3	Surgical Admissions	28	29	32	303	267	264	3
4	Total Admissions	71	72	78	825	756	731	4
5								5
6	Census Days	181	203	208	2,254	2,139	1,947	6
7	Swing Bed Census Days	27	31	7	154	306	280	7
8	Total Census Days (Includes Swing Bed)	208	234	215	2,408	2,446	2,227	8
9	Average Daily Census (Includes Swing Bed)	6.7	7.6	7.2	7.9	8.0	7.3	9
10	Average Daily Census (Excludes Swing Bed)	5.8	6.6	6.9	7.4	7.0	6.4	10
11	Average Length of Stay (Excludes Swing Bed)	2.8	3.0	2.5	2.8	3.0	2.8	11
12	Observation Patients	65	72	57	548	545	573	12
13	Discharges	2,112	2,151	1,611	16,518	16,359	17,017	13
14	Hours							14
15	Operating Room Procedures: Inpatient	34	35	38	376	329	342	15
16	Outpatient	138	150	168	1,515	1,441	1,293	16
17								17
18	Endoscopy Procedures: Inpatient	3	7	4	30	55	53	18
19	Outpatient	41	58	48	480	565	580	19
20								20
21	Laboratory: Inpatient	955	853	876	10,666	9,456	9,348	21
22	Outpatient	11,211	12,480	11,331	111,413	112,243	103,851	22
23								23
24	Diagnostic Imaging: Inpatient	74	84	121	1,085	959	945	24
25	Outpatient	2,409	2,484	2,591	24,722	23,707	23,551	25
26								26
27	Cardiopulmonary: Inpatient	162	128	169	2,158	2,068	1,888	27
28	Outpatient	203	209	187	2,349	2,170	2,173	28
29	Sleep Studies	31	23	35	290	238	238	29
30								30
31	EKG, Stress Test, & Holter Monitor							31
32	Procedures: Inpatient	10	22	15	158	213	208	32
33	Outpatient	365	294	368	3,181	2,984	2,925	33
34								34
35	Physical Therapy: Visits	598	637	668	7,149	6,748	6,608	35
36	Treatments	1,556	1,785	1,796	17,951	18,895	15,326	36
37								37
38	Cardiac Rehab: Visits	484	452	399	5,007	4,267	3,908	38
39	Diabetic Program: Visits	20	16	12	115	155	167	39
40								40
41	Wound Care Program: New Patient Registrations	17	40	22	225	350	199	41
42	Visits	198	247	210	2,042	1,846	1,653	42
43								43
44	Meals Served: Patients	4,597	4,183	4,327	45,997	45,498	45,498	44
45	Others	1,968	2,390	1,987	23,464	27,686	27,686	45
46								46
47	Emergency Room: Visits	1,221	1,247	1,105	10,850	10,713	10,777	47
48	Admitted	46	47	50	533	480	470	48
49	Transfers	29	35	52	350	315	317	49
50								50
51	Total Outpatient Visits (EXCL ER)	4,316	4,768	4,389	46,737	46,508	44,044	51
52								52
53								53
54	Clinic Visits:							54
55	Dosher Medical 9th Street Start 07/01/11	243	264	249	2,598	2,712	2,523	55
56	Dosher Medical Howe Street Start 10/1/14	258	230	318	2,787	2,621	3,365	56
57	Dosher Medical Smithville Crossin Start 10/1/14	242	297	301	2,972	3,054	3,021	57
58	Dosher Medical Long Beach Rd Start 06/22/14	444	351	534	4,041	3,630	3,669	58
59	Dosher Medical Oak Island Start 06/12/12	471	448	430	4,794	4,604	3,667	59
60	Dosher Medical Bolivia Start 10/20/14 & Closed 01/20/17	-	-	-	651	-	1,938	60
61	Dosher Medical Holden Beach Start 10/20/14 & Closed 12/22/16	-	-	-	500	-	1,817	61
62	Dosher Medical Wellness Center Start 09/6/16	449	239	521	4,878	2,458	-	62
63	Dosher Medical Women's Health Start 11/1/14	166	186	189	1,984	1,914	1,908	63
64	Dosher Medical Vaughan's Relocated to Wellness Center	-	-	-	-	-	2,216	64
65	Dosher Medical Surgical Start 02/01/15	101	92	100	984	950	938	65
66	Dosher Medical Baldhead start 05/22/15	100	192	69	174	301	225	66
67	Total Clinic Visits	<u>2,474</u>	<u>2,299</u>	<u>2,711</u>	<u>26,363</u>	<u>22,244</u>	<u>25,287</u>	67
68								68
69	New Patient Clinic Visits:							69
70	Dosher Medical 9th Street	20		15	289		270	70
71	Dosher Medical Howe Street	12		17	98		337	71
72	Dosher Medical Smithville Crossing	6		5	139		108	72
73	Dosher Medical Long Beach Rd	261		283	1848		2175	73
74	Dosher Medical Oak Island	12		19	216		303	74
75	Dosher Medical Bolivia	0		0	26		85	75
76	Dosher Medical Holden Beach	0		0	41		149	76
77	Dosher Medical Wellness Center	47		64	875		425	77
78	Dosher Medical Women's Health	10		1	61		110	78
79	Dosher Medical Surgical	45		15	217		220	79
80	Dosher Medical Baldhead	79		55	139		211	80
81	Total Clinic Visits	<u>492</u>		<u>474</u>	<u>3949</u>		<u>4393</u>	81

**J. ARTHUR DOSHER MEMORIAL HOSPITAL
OPERATING STATEMENT
MONTH ENDING JULY 31, 2017**

	(A)	(B)	(C)	(D)	(E)	(F)	
	Current Month			Year-to-Date			
	Actual	Budget	Prior Year	Actual	Budget	Prior Year	
REVENUE:							
1 Inpatient Revenue	\$ 1,415,519	\$ 1,631,355	\$ 1,110,963	\$ 17,293,787	\$ 14,804,019	\$ 14,684,534	1
2 Outpatient Revenue	8,364,955	8,249,336	8,453,462	82,153,512	80,900,300	78,189,654	2
3 Nursing Center Revenue		14,728	-	(156)	126,521	2,507,993	3
4 Clinics Revenue	448,375	415,346	555,166	5,153,663	4,299,323	4,857,667	4
5							5
6 Total Patient Service Revenue	10,228,849	10,310,766	10,119,591	104,600,806	100,130,162	100,239,847	6
7 Deductions From Revenue	(7,061,635)	(6,903,924)	(6,890,416)	(71,103,712)	(67,013,910)	(66,246,177)	7
8							8
9 Net Patient Service Revenue	3,167,214	3,406,841	3,229,175	33,497,094	33,116,252	33,993,671	9
10 Other Operating Revenue	222,604	146,125	94,531	1,715,610	1,285,772	753,805	10
11							11
12 Total Revenue	3,389,818	3,552,967	3,323,706	35,212,704	34,402,024	34,747,476	12
13							13
OPERATING EXPENSES:							14
15 Salaries	1,385,421	1,367,342	1,410,382	13,438,828	12,956,652	14,235,649	15
16 Employee Benefits	304,807	327,987	306,899	3,199,950	3,130,025	3,292,395	16
17 Professional & Purchased Services	653,488	638,017	650,474	6,219,676	5,940,685	6,417,648	17
18 Medical Supplies & Materials	544,108	648,793	541,447	6,709,309	6,294,886	5,987,012	18
19 Other General Expenses	462,550	388,244	366,035	3,889,889	3,879,488	3,459,231	19
20 Interest	25,340	25,506	24,727	253,318	250,057	146,274	20
21 Depreciation	223,836	239,747	213,978	2,276,476	2,397,471	2,178,980	21
22							22
23 Total Operating Expenses	3,599,550	3,635,637	3,513,941	35,987,445	34,849,264	35,717,188	23
24							24
25 Earnings Before Interest, Depreciation & Amortization (EBIDA)	39,444	182,583	48,470	1,755,054	2,200,288	1,355,542	25
26							26
27 Excess From Operations	(209,732)	(82,670)	(190,235)	(774,741)	(447,240)	(969,712)	27
28							28
29 Non-Operating Revenue	173,843	142,406	134,231	1,713,527	1,424,065	2,764,411	29
30							30
31 Excess Over Expenses (After Extraordinary Items)	\$ (35,889)	\$ 59,736	\$ (56,004)	\$ 938,786	\$ 976,825	\$ 1,794,699	31

**J. ARTHUR DOSHER MEMORIAL HOSPITAL
BALANCE SHEET
AS OF JULY 31, 2017**

	(A) Current Month	(B) Last Month	(C) Prior Year
ASSETS			
Current Assets			
Cash	\$ 7,588,933	\$ 7,569,654	\$ 7,902,313
Board Designated Funds			-
Cash - Foundation	574,264	577,462	332,441
Total Cash and Investments	8,163,197	8,147,115	8,234,754
Accounts Receivable-Patients	34,515,413	33,710,245	30,732,096
Less Allowance	(16,843,508)	(16,996,190)	(17,248,982)
Net Patient Receivables	17,671,905	16,714,055	13,483,113
Other Accounts Receivable	(111,935)	694,290	1,596,821
Inventories	888,819	906,049	968,702
Prepaid Expenses	395,127	384,431	478,844
Total Current Assets	27,007,113	26,845,940	24,762,234
Net Property, Plant and Equipment	37,471,150	37,628,345	38,661,363
Other Assets	93,050	92,714	90,072
Total Assets	\$ 64,571,313	\$ 64,566,999	\$ 63,513,669
LIABILITIES & FUND BALANCE			
Current Liabilities			
Accounts Payable	\$ 1,721,983	\$ 1,643,419	\$ 1,624,569
Notes Payable Current - BEMC	125,000	125,000	20,833
Notes Payable Current - USDA	227,381	205,454	224,779
Notes Payable Current - BB&T	360,046	360,046	230,956
Medicare/Medicaid Settlement			
Accrued Payroll and Taxes	369,032	252,742	448,819
Accrued Employees' Paid Days Off	1,103,752	1,092,714	1,114,513
Current Portion of Bonds Payable			
Deferred Revenue - Taxes	290,522	435,784	268,402
Other Current Liabilities	25,132	23,992	17,436
Total Current Liabilities	4,222,847	4,139,151	3,950,307
Non-Current Liabilities			
BB&T Loan	931,508	961,089	1,268,985
Lease Obligations			
Bonds Payable			-
USDA Loans	9,012,623	9,012,623	9,152,295
BEMC Loan	687,500	697,917	916,667
Total Non-Current Liabilities	10,631,631	10,671,629	11,337,947
Total Liabilities	14,854,478	14,810,779	15,288,254
Net Assets	48,203,785	48,204,084	46,098,275
Excess Revenue over Expenses	938,786	974,675	1,794,699
Restricted Assets	574,264	577,462	332,441
Total Net Assets	49,716,835	49,756,220	48,225,415
Total Liabilities & Fund Balance	\$ 64,571,313	\$ 64,566,999	\$ 63,513,669