

**FINANCE COMMITTEE MEETING
OF THE
BOARD OF DIRECTORS
HOSPITAL REDWOODS ROOM**

**TUESDAY, AUGUST 27, 2019
MINUTES**

1. CALL TO ORDER:

Mr. John Redding called the Finance Committee meeting to order.

2. ROLL CALL:

COMMITTEE MEMBERS PRESENT: Mr. John Redding, Steve Lund, Ms. Rhonda Wilson, Ms. Sara Spring, Dr. Jason Kirkman

COMMITTEE MEMBERS ABSENT: Mr. Bill Knapp

STAFF PRESENT:

Mr. Wayne, Interim CEO

Mr. Doran Hammett, Interim CFO

3. COMMUNITY COMMENTS:

- Community members made comments on issues regarding MCDH.

4. ACTION: REVIEW AND APPROVAL OF JULY 25, 2019 FINANCE COMMITTEE MINUTES

MOTION: To approve the July 25, 2019 Finance Committee Minutes

- Lund moved
- Spring second
- Motion carried

5. ACTION: REVIEW AND APPROVAL OF JULY 2019 INTERIM FINANCIAL & STATISTICAL REPORT: MR. WAYNE ALLEN, INTERIM CEO

- Mr. Hammett presented the July 2019 Financial Statement.

MOTION: Recommend the Board approve the June 2019 Financial & Statistical Report

- Lund moved
- Spring second
- Motion carried

6. INFORMATION: SUMMARY OF PREVIOUSLY IDENTIFIED ACTION ITEMS: MR. JOHN REDDING

- a. Summary of previously identified action items.
 1. Housing on hospital property.

2. Build new office for clinic
 - Both of these items were tabled and will be carried forward in future meetings.
- b. Discuss and approve a Pro-Forma Checklist for evaluating any proposed expansion of services.
 - This will be discussed at a later meeting.

7. INFORMATION: NEW BUSINESS

- a. Establishing a Crisis Stabilization Unit (CSU) at the Hospital
 - A CSU is a stand-alone facility in which patients in the ER with 5051s or people with addiction are sent to in lieu of the Emergency Room. There will be doctors and nurses who are trained in this specialty who can stabilize the patient before deciding what to do next.
 - This is supported by Measure B Commission, and they are interested in having one at MCDH. This will be subsidized by the Measure B Commission.
- b. Status of Meditech EHR implementation: Michael Jobin & Wayne Allen
 - It has become apparent that Meditech is unable to get their system up and running for a hospital the size of MCDH in six months in order to give good patient care to the community. The July 1st implementation date was not doable. The new implementation date would probably be around February 1, 2020.
 - Attached is a Chronological Log of Meditech Expanse Project.
 - Meditech has offered to MCDH to put the project in suspension for up to 12 months. If the project is suspended for 12 months, then the monthly cost would be \$12,000 per month.
 - MCDH managers and the NCFHC physicians all voted to put Meditech in suspense. Mr. Allen recommended putting the Meditech project in suspense.

MOTION: The Finance Committee follows the recommendation and the analysis that has been done thus far regarding this difficult situation and put the project in suspense for 12 months and to forward this onto the Board

- Lund moved
- Wilson second
- Motion carried

8. INFORMATION: AFFILIATION UPDATE: MR. WAYNE ALLEN, INTERIM CEO

- Mr. Allen stated the affiliation is underway. It is a tight time table to get the ballot language to the county by November 26, 2019 for the March 2020 election. There is much to be done. Two people have been added to the Affiliation Ad Hoc Committee.

9. INFORMATION: REVIEW AND APPROVAL OF DEPARTMENT BUDGETS: MR. DORAN HAMMETT, INTERIM CFO

- Ms. Lynn Finley presented the budget for the Surgery Department.
- Ms. Kelly Hendricks presented the budget for the Acute Care Department.
- Ms. Clara Slaughter presented the budget for the NCFHC.
- Ms. Lynn Finley presented the budget for the OB Department.

- Will Lee stated that this week 3 orthopedic surgeons signed on and will do 24-7 call. MCDH has not had 24-7 orthopedic call in over five (5) years. This will greatly help to increase revenue at MCDH.
- Copies of the budgets are available in the Administration Office.

10. INFORMATION: ACTION ITEMS RESULTING FROM BUDGET DISCUSSION

- This item was not discussed.

11. FUTURE AGENDA ITEMS

- a. Timeline for completing a revised budget
 - There are two more departments to review prior to completing the revised budget.
- b. Developing a 5-year pro-forma (Strategic Financial Plan)
- c. Proposed joint meeting of finance and planning to discuss solutions for OB

12. COMMENTS FROM COMMUNITY MEMBERS

- Community members spoke regarding MCDH issues.

11. THE LAST WORD: MR. JOHN REDDING

- There was no last word.

12. ADJOURN:

- The meeting adjourned at 6:00

John Redding, Chair

Gayl Moon, Secretary