**North Sunflower Medical Center**

**Board of Trustees**

**Regular Meeting Minutes**

**24 May 2017**

 **BE IT REMEMBERED** that the Chairman and the Board of Trustees of North Sunflower Medical Center, Ruleville, Sunflower County, Mississippi, met in their Regular Meeting on Wednesday, 24 May, 2017 when and where the following were present:

 Billy Joe Waldrup, Chairman and Trustee; H. T. Miller, III, Vice Chairman and Trustee;

 Bobbie Bounds Allen, Secretary and Trustee; Willie M. Burton and Phil McNeer,

 Trustees; Billy Marlow, Executive Director; Sam Miller, CEO; Rodney Clark, COO;

Drew Weissinger, CFO; Arie Chandler, Administrative Assistant; Sandra Britt, Administrative Assistant; Lawson Holladay, Esquire

 Guest: Jerry Gammel, CPA

 Mr. Waldrup called the meeting of the Board of Trustees to order at Noon and asked Mrs. Allen to open the meeting with prayer.

 Mr. Waldrup asked Mr. Sam Miller to introduce the CPA from Watkins Ward & Stafford who will present the 2016 Drafted Audited Financials. Introductions were made and the meeting was turned over to Mr. Gammel.

* Mr. Gammel began by explaining the significant audit adjustments that the hospital incurred. GASB 68, which is an adjustment to pension expense, decreased net income by $7,046,156.00.
* Cost report settlement adjustment decreased net income by $1,887,875.00.
* Adjustment to DME supplies increased net income by $431,421.00.

NSMC’s Statements of Revenues, Expenses, and Changes in Net Position with GASB 68:

* Total Operating Revenue: $66,078,282.00
* Total Operating Expense: $73,768,394.00
* Operating Loss: ($7,690,112.00)
* Total Nonoperating Revenues: ($99,488.00)
* Excess of Revenues Under Expenses: ($7,789,600.00)
* Net Position (deficit) beginning of year: ($3,181,733.00)
* Net Position (deficit) end of year: ($10,971,333.00)

Mr. Gammel‘s presentation of the of the 2016 Drafted Audited Financials was in depth and detailed. The Board asked questions to clarify issues and concerns they had. The Board voiced concern that we had no option but to report the GASB 68 due to Governmental requirements, and agreed that a clause should be in the financials stating the facility has no obligation above or beyond the proper payment of these contributions. Mr. Waldrup thanked Mr. Gammel for his report to the Board and for the diligence with which Mr. Gammel worked on getting information regarding GASB 68. Mr. Gammel excused himself from the meeting.

 The minutes of the 26 April 2017 Regular Board Meeting were approved as distributed by motion offered by Bobbie Bounds Allen and seconded by H.T. Miller, III.

The first order of New Business was the approval of the initial appointment for Carol Suzanne McCrimmon, CFNP. Mrs. McCrimmon will start working towards getting her 720 residency hours as a new, board certified, Nurse Practitioner in the Sunflower Rural Health Clinic under direct supervision of her collaborating physician, Dr. Brent Roberts. The Board members reviewed the application, the Medical Executive Committee’s recommendations, and information received during the credentialing and privileging process. Based on this review, the following motion was made:

 **MOTION: I move to accept the recommendations of the Medical Staff for a one (1) year**

**Initial Appointment, with (3) month review intervals by her collaborating Physician to be reported to the Medical Staff Committee and Board of Trustees, for Carol Suzanne McCrimmon, CFNP, working towards completing her 720 residency hours in the Sunflower Rural Health Clinic with her initial term ending 31 May 2018. At the end of Mrs. McCrimmon’s (1) year initial term she may be re-considered for a full two-year term as outlined in the Medical Staff Bylaws.**

 **Maker: Phil McNeer Seconded By: H.T. Miller, III**

 **Motion Unanimously Adopted**

The next item for discussion was the Re-credentialing of seven (7) Physicians, (1) Pediatric Dentist and three (3) Nurse Practitioners. The Physicians included: Jason Morris, M.D. (Radiologist), Michael Montesi, M.D. (General Practice/NSMC Chief of Staff), Bennie Wright, M.D. (General Surgeon); Robert Harris, M.D. (Urogynecologist), Steven Speights, M.D. (Urogynecologist), Rodney Frothingham, M.D. (Neurosurgeon providing pain management services), Pearson Windham, M.D. (Ear, Nose, and Throat Specialist), Hugh Smith, D.D.S. (Pediatric Dentist) , Brooks Rizzo, NP (Screen Team Leader), Lisa Bradham, NP (Screen Team), and Dean Seeley, NP (Sunflower Rural Health Clinic.) The Board reviewed the recommendations of the Medical Staff and the applications of each Physician, Dentist, and NP. After careful review of each application the following motion was made:

**MOTION: I move that we grant two year privileges ending 31 May 2019, for the**

**following Providers: Dr. Jason Morris (Radiologist); Dr. Michael Montesi (General Practice/NSMC Chief of Staff); Dr. Bennie Wright (General Surgeon); Dr. Robert Harris (Urogynecologist); Dr. Steven Speights (Urogynecologist); Dr. Rodney Frothingham (Neurosurgeon providing Pain Management services); Dr. Pearson Windham (Ear, Nose, and Throat Specialist), Dr. Hugh Smith (Pediatric Dentist); Brooks Rizzo, NP; Lisa Bradham, NP; and Dean Seeley, NP.**

 **Maker: Phil McNeer Seconder: Willie Burton**

 **Motion Unanimously Adopted**

Drew Weissinger, CFO, presented the financials for 30 April 2017 as follows: The entire facility has a total of $17.7 Million in cash; $61 Million in Assets, and Fund Balance of $38 Million. The Net Loss for the entire facility was ($34,566) for the month of April. Net Income for the Hospital was $22,924 for April and $591,471 for Year to Date. Hospice had a Net Income of $25,582 for April and $194,265 for Year to Date. Diagnostic Center had a Net Loss of $21,476; The Eye Station had a Net Loss of $11,791 and the Dental Clinic had a Net Loss of $4,951 for the month of April. Simply Sunflower had a Net Loss of $45; the Durable Medical Equipment Unit had a Net Income of $3,998 for the month of April. The Pharmacy had a Net Loss of $52,908 for April and TRINA Health had a Net Income of $4,101. Mr. Weissinger informed the Board that these numbers are reported with GASB 68 (Pension Liability.) From this point forward he will report the financials without the GASB 68 numbers and insert a clause that states “the facility has no obligation above or beyond the proper payment of these contributions.”

Mr. Sam Miller gave the Administrator’s Report as follows:

Mr. Sam Miller, CEO, reported that MS Hospital Association has recommended that hospitals start thinking about putting together guidelines for Opioid Usage. Mr. Miller stated that he met with a group of providers 3 weeks ago to discuss the Opioid crisis and since that time has gathered pertinent information from CMS, the MS State Board of Medical Licensure, and the Presidential Executive order establishing the President’s commission on combating drug addiction and the Opioid crisis. Mr. Miller stated that he is working on putting together a set of guidelines for Opioid usage to present to the Medical Staff for their review.

Mr. Miller reported that MS Hospital Association has asked Providers and Health Care employees to put a list together regarding ways that Managed Care Groups are causing problems in the healthcare industry. Mr. Miller stated that the list he is sending to MHA states that Managed Care Groups are requiring a prior-authorization for all testing ordered, that they are denying claims due to Medical Necessity, and they are requiring unnecessary Physician reviews. These three things are causing claims not to be paid due to timeliness and are causing a huge problem in the healthcare industry.

 Mr. Miller reported that the Rheumatologist, Hematologist, and Endocrinologist have started holding clinic in Ruleville and that their schedules are full of very ill children. We didn’t realize the need for these specialists was as big as it is and we are thankful that they are seeing patients at NSMC.

Mr. H.T. Miller, III, asked for an update on the general and professional liability insurance quote from Zurich Insurance Company that was discussed in April’s Board meeting. Mr. Miller explained that Zurich was able to raise the uninsured motorist coverage to 1Million only increasing the premium $200 so the quote was accepted.

Mr. Burton reported that there was an excellent article in the Delta Business Journal on NSMC receiving the Nightingale Award.

Upon motion made by H.T. Miller, III and seconded by Bobbie Allen, the Board adjourned, subject to the call of the Chairman.

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Billy Joe Waldrup, Chairman Bobbie bounds Allen, Secretary