North Sunflower Medical Center

Board of Trustees

Regular Meeting Minutes

24 April 2019

 **BE IT REMEMBERED** the Chairman and the Board of Trustees of North Sunflower Medical Center, Ruleville, Sunflower County, Mississippi, met in their Regular Meeting on Wednesday, 24 April 2019, 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; Phil McNeer, Trustee; Willie Burton, Trustee; Billy Marlow, Executive Director and Administrator; Sam Miller, Executive Vice President; Rodney Clark, COO; Joanie Perkins, CCO; Leigh Ann Armstrong, Interim CFO; Arie Chandler, Administrative Assistant; Sandra Britt, Administrative Assistant

Absent: Lawson Holladay, Esquire

Guest: Johnny McWilliams, Esquire

The meeting of the Hospice of North Sunflower Medical Center was conducted prior to the calling to order of the meeting of the Board of Trustees.

Mr. Billy Joe Waldrup called the meeting to order at noon and asked Mr. Willie Burton to open the meeting with a word of prayer. The minutes of the 27 March 2019 Regular Board Meeting were approved as distributed by motion offered by Phil McNeer and seconded by Bobbie Allen and unanimously approved.

There was no unfinished business to bring before the Board for consideration.

The first order of New Business was to review the quote for property and auto insurance. Arie Chandler reported that she had received only one quote from Travelers Insurance Company presented by Hub International and Tollison Insurance Agency. Zurich would not renew coverage due to the hospital’s roof warranty expiring.

Travelers Quote includes Crime, Property and Auto coverage.

**Property Coverage Breakdown:**

* Valuation: Replacement Cost
* Flood coverage-liability limit range of $1,000,000-$5,000,000; deductible range of $50,000-$100,000 depending on the location
* Earth movement coverage- liability limit of $5,000,000; deductible of $50,000 or 2% of the building value-whichever is greater
* Wind and hail deductible of $25,000
* Business Income- $2Million limit; 40% Coinsurance penalty; 48 hour waiting period
* All other Perils deductible: $25,000

**Auto Coverage Breakdown:**

* Covered autos coverage-$1Million limit any one accident
* Medical payments-$2000 each insured
* Uninsured Motorist coverage-$1Million
* Comprehensive and Collision deductible-$1,000

**Crime Coverage Breakdown:**

* Per occurrence policy-computer fraud, employee theft, forgery and alteration, funds transfer fraud, money and securities inside and outside buildings-$250,000 liability limit; $2,500 deductible

**Premium Summary Breakdown:**

* Property: $59,523.00
* Business auto $58,426.00
* Crime coverage $ 1,388.00
* Total Premium: $119,337.00 to be paid in monthly installments

**MOTION: I move to accept the property and auto renewal quote from Travelers Insurance Company, presented by Hub International and Tollison Insurance Agency, with the total premium of $119,337.00 being paid in monthly installments.**

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

 **Motion Unanimously Adopted**

The second order of New Business was to review four software bids received by Roger Goss, CIO. The software is needed for updates in the Hospital and Rural Health Clinic. The clinic currently uses Practice Partner for clinical documentation and Paragon for billing, etc. The software updates will allow us to cancel Practice Partner and save a total of $781,250.00 over a seven year period. Bid summaries are as follows:

1. **Allscripts**
* Total Cost: $3,573,037.00; Year 1 cost-$441,577 ($36,798 per month); Years 2-7 cost: $521,910 ($43,492.50 per month); Yearly costs are locked in and cannot be increased.
1. **Meditech**
* Total Cost: $6,010,000; Year 1 cost-$1,330,000 ($110,833 per month); Years 2-7 cost: $780,000 ($65,000 per month)
1. **MedHost**
* Total Cost: $2,613,980; Year 1 cost-$863,411 ($71,950 per month); Year 2 cost: $610,569 ($50,880 per month); Years 3-7 cost-$228,000 ($19,000 per month); this software does not perform all the functions included in the Allscripts quote. To add the additional functions would cause an increase in the total cost and a lengthy software conversion would be required.
1. **CPSI**
* Total Cost: $2,574,298; Year 1 cost-$448,114 ($37,343 per month); Years 2-7 cost-$354,364 ($29,530 per month); this software does not perform all functions included in the Allscripts quote. To add the additional functions would cause an increase in the total cost and a lengthy software conversion would be required.

After discussion, the following motion was made:

**MOTION: I move to purchase the Allscripts software for the Hospital and Rural Health Clinic for a total cost of $3,573,037.00 to be paid over a seven year period.**

 **Maker: Bobbie Allen Seconder: Phil McNeer**

 **Motion Unanimously Adopted**

The next order of New Business was to review the Initial Credentialing application of Oleg Kalsow, DMD. The applicant’s education and training, professional references, and License were verified, and a query was done on the National Practitioner Data Bank and the OIG. The application was carefully reviewed and after discussion the following motion was made:

**MOTION: I move to approve the initial application of Oleg Kalsow, DMD (Oral and Maxillofacial Surgeon) and that he be given initial privileges for a period of one year ending 30 April 2020 and at that time be permitted to apply for a two-year term.**

 **Maker: Phil McNeer Seconder: Bobbie Allen Motion Unanimously Adopted**

Next up for New Business was to review the re-appointment applications and recommendations of the Medical Staff for the Providers applying for a two year credentialing term. After careful review, the following motion was made:

**MOTION: I move to accept the following Providers for a two year re-appointment as outlined in the Bylaws for a term ending 30 April 2021:**

**Jeffrey Andrews, DMD; Adelo Aquino, MD; Donald Blackwood, MD; Charles Brock, MD; Adam Brochert, MD; Margaret Cassada, MD; Wade Dowell, MD; Andrew Martin, MD; Derek Miles, MD; Michael Beckum, FNP; Cynthia Belenchia, FNP; Jenny Kurts, FNP; Elizabeth Goodman, CRNA; Stuart Britt, CRNA; William Renfrow, CRNA; Crawford Wallace, CRNA.**

**Maker: Phil McNeer Seconder: Willie Burton Motion Unanimously Adopted**

Joanie Perkins presented an Accountable Care Organization compliance training power point as the last order of New Business. The purpose of the compliance training was for the Board members and Executive staff to gain a better understanding of the regulatory requirements for ACO participation and how to report compliance concerns. Ms. Perkins explained to the group how a Medicare Shared Savings Program works and how it will help save money and increase the quality of care for our patients. Ms. Perkins reported that the Rural Health Clinic is shifting from problem focused visits to preventative care visits. To date, we have had 124 Annual Wellness Visits.

At this time, Mr. Phil McNeer exited the meeting.

Leigh Ann Armstrong presented the financials for the month of March as attached to the minutes. The entire facility has a cash balance of $11.1 Million, total assets of $44.7 Million, and a total liabilities and fund balance of $44.7 Million. The Hospital’s Gross Revenue was $8 Million for the month and $44.7 Million year to date. The Hospital had a Net Income of $24,827.00 for the month and a Year to Date Net Loss of $539,467.00. Hospice had a Net Income of $21,278; Sunflower Diagnostic Center had a Net loss of $15,428; Sunflower Eye Station had a Net loss of $7,994; Simply Sunflower had a Net income of $1,661; Sunflower DME had a Net Income of $60,822; NSMC Pharmacy had a Net Income of $42,869; TRINA Health had a Net Loss of $3,172; and the Rural Health Clinic had a Net Income of $109,721 for the month.

 At this time, the Board asked for an update on the plan for the Sunflower Eye Station. Mr. Miller reported that due to the Optometry Board’s rules and regulations we were unable to contract with the local Optometrist mentioned in the March meeting. We now feel that the best decision for NSMC is that the Foundation leases the Eye Station to Dr. Todd Hall of The Eye Station of Greenwood for $1,500 per month. Dr. Hall and his partner, Dr. Mary Kathryn Wilson, currently see patients in Greenwood, Sumner and Leland. They will see patients in Ruleville on Monday-Thursday from 1 P.M.-4 P.M. beginning in May. This allows for a great service to remain in Ruleville.

 Mrs. Sandra Britt reported to the Board that she received a call from Dr. Egger asking her to express his sincere gratitude for the years he was allowed to practice in Ruleville. Dr. Egger stated that his years of practice in Ruleville were the best years of his career and he will forever be grateful for that.

 Mr. Billy Marlow gave the Administrative report as follows:

* The Senior Care Unit continues to keep their census at ten and now has a waiting list.
* Liz Evans, NP, is back in the Swing Bed Unit and is helping to keep the hospital full. This should be a good month.
* Novitas sent notice stating that a review of the Fiscal Year 2018 Cost Report was complete and the results indicate a $3.1 Million settlement amount due the provider. We should receive the payment within ten days.
* NSMC will be receiving $1 Million from Novitas as a result of a lump sum adjustment due to the new Medicare rate not being established at the beginning of Fiscal Year 2019 causing a loss in revenue.
* At the time NSMC sold Sunflower Home Health an agreement was drawn up that required NSMC to pay any monetary dues that arose from audits or disputes during the time period that NSMC was the actual owner. Shortly after the sale, CMS performed an audit and NSMC was required to pay $1Million. This has gone to an Administrative hearing and it is our hope that we will soon be reimbursed the $1Million.

Upon Motion made by Bobbie Allen and seconded by H.T. Miller, III, the Board adjourned at 1:26 P.M., subject to the call of the Chairman.

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Billy Joe Waldrup, Chairman Bobbie Bounds Allen, Secretary