

MASON DISTRICT HOSPITAL

BOARD OF DIRECTORS

FEBRUARY 17, 2010

Present:	Richard Atwater, Chairman	Randy Fornoff
	Daniel Houghton, Vice Chairman	Ronald Hackman
	Terri Brownfield, Secretary	Frank Hofreiter
	William R. Blessman, Treasurer	Jerome J. Hurley
		Alan D. Tucker

Absent: Michael Markley, M.D., President of Executive Medical Staff

Others Present: Harry Wolin, Administrator, CEO
Robert Stolba, Chief Financial Officer
Douglas Kosier, Assistant Administrator, Safety Officer
Lori Canada, RN, Med-Surg Nurse Manager

I. CALL TO ORDER

Mr. Atwater, Chairman, called the meeting of the Board of Directors of Mason District Hospital to order at 7:00 a.m., Wednesday, February 17, 2010 in the Administrative Conference Room.

II. QUORUM

It was decided that a quorum was present.

III. APPROVAL OF MINUTES

Mr. Fornoff moved the approval of the Minutes of the Board meeting of January 21, 2010, as published. Seconded by Mr. Hofreiter. The Ayes carried the motion.

IV. AUXILIARY

In the absence of Brenda Stadsholt, President, Mr. Wolin presented the Auxiliary Report. He reported that the Auxiliary is preparing for their annual Dinner Theater which will be held March 19th and 20th. He noted that invitations have been mailed and indicated his hope that all of the Board members would be able to attend.

V. COMMITTEE REPORTS

A. Foundation

The Board reviewed the minutes of the Foundation Board meeting held January 27, 2010. It was reported that the Foundation is making final arrangements for the dedication of the Albert Krause Memorial Cardiac Rehabilitation Gym which is scheduled for February 21, 2010.

At their meeting, the Foundation Board reviewed the proposed design for the Golden Opportunity Campaign Donor Recognition and directed staff to proceed with its development. Mr. Wolin shared a artist's depiction of the proposed design with the Hospital Board.

B. Personnel / Finance Committee

1. FY09 Audit Report

Mr. Blessman reported that Jon Hillman and Tony Cawiezell, with McGladrey & Pullen, the Hospital's CPA consultants met with the Committee and reviewed the findings of the audit they conducted for the Fiscal Year ended September 30, 2009 (A copy of the Audit, Management Letter, and Mr. Hillman's presentation materials are attached to and made a part of these minutes on file in Administration). Mr. Blessman noted that the organization received an unqualified opinion, the highest permitted. It was noted that the financial statements reflect a stronger bottom line than was reflected in the financial reports. This is the result of a receivable that has been established from Medicare based upon our cost report which has been completed. Mr. Wolin noted that he and Mr. Stolba are working with McGladrey & Pullen to improve our monthly estimates. Following further discussion, **Mr. Blessman Moved to Approve the Audit Report as Presented by McGladrey & Pullen, Seconded by Mr. Houghton. The Ayes carried the motion.**

2. Employee Benefit Changes

Mr. Blessman reported that the Committee is recommending the adoption of three benefit changes that have been proposed by staff. 1) That the waiting period for eligibility for the employee health insurance program be reduced to the start of the month following the completion of a full two week pay-period after the employment start date, 2) that Licensed Clinical Social Workers (LCSW) be considered eligible providers under our Health Plan, and 3) that the ETO accrual rate be set at .06923 for each hour worked during the first year of employment.

Mr. Blessman Moved to Approve the Proposed Benefit Changes,, Seconded by Mr. Hofreiter. The Ayes carried the motion.

VI. **ADMINISTRATOR'S REPORT**

Mr. Wolin updated the Board on activities taking place at Mason District Hospital since the last Board meeting. (A copy of Administrator's Report attached to and considered a part of the permanent minutes on file in Administration).

He reported that the Cardiac Rehab / PT / OT open house is scheduled for February 21st with the dedication ceremony scheduled for 1:00 PM and the open house between 1:30 PM and 3:00 PM.

He reported that the hospital laboratory has been accredited by the College of American Pathologists as a result of their recent survey.

Mr. Wolin reported on a number of personnel changes that are taking place. He noted that two McFarland Nursing Scholarship recipients have completed their studies and have begun their employment at Mason District Hospital. In addition due to increases in activity, the Senior advantage Program has added an additional therapist and that the IT department has added staff as well. He also noted that Rita Potter will be retiring at the end of the month. Melissa Roat will be the interim manager of the Cardiac Rehab Program.

B. Health Reform Update

Mr. Wolin provided an update on current activities taking place in Washington, DC related to health reform legislation. He reported that there is growing speculation that the Congress will not be able to develop a compromise that will be able to garner sufficient votes to become law. He noted that despite this, numerous activities and changes are taking place that are changing the healthcare environment.

B. JANUARY FINANCIAL REPORT

Mr. Stolba, Chief Financial Officer, reviewed the financial report for January, 2010. He noted that total revenue for the month was under budget by \$147,000 with deductions from revenues under budget by \$116,000. Wage expense was over budget for the month with the majority being in HMA with the addition of a new physician and support staff. Employee benefits were under budget for the month with the start of a new health insurance benefit year. Supplies were under budget with majority of that decrease due to an adjustment to ER supplies for an inventory error last month. The hospital's bottom line for the month was \$120,517 which puts the hospital in a positive position year to date.

Mr. Stolba reported that on the Balance Sheet, that cash remains strong. Accounts receivable decreased over \$600,000 from the prior year at this time. Accounts payable

has had a modest increase from the prior year.

Mr. Stolba reported on the Treasurer's Report interest, donations, and transfers for the various accounts. It was noted that a \$30,000.00 transfer from the Foundation was made to the hospital's Board designated Building and Equipment account in January. Total Board Designated Cash and Investments are \$892,283.51 at the end of the month.

Mr. Stolba reported on the statistics for the month. He noted that total admissions and patient days were above the prior year's month. The inpatient Medicare percentage to total inpatients was down approximately 10% from the prior year. The Commercial inpatient percentage was approximately 15% higher from the prior year. Laboratory service is ahead of last year by 11%. Home health is ahead by 15% over the prior year. Total radiology procedures is showing a 7% growth over the prior year. Clinic encounter for Mason City are ahead by 22% compared to last year at this time.

VII. MEDICAL STAFF REPORT

In the absence of Dr. Markley, President of Executive Medical Staff, Mr. Wolin reported that the Medical Staff held their regular meeting on February 8, 2010. At that time they reviewed the applications for Medical Staff membership and requests for privileges from four physicians and have made a positive recommendations to the board on all four.

Mr. Blessman moved the approval of the applications for Medical Staff Membership and privileges in Emergency Medicine and IV Sedation for Jennifer Roberts, D.O., Suhail Khan, M.D., Jeremy Sturgell, M.D., and Elsburgh Clarke, M.D., Seconded by Mrs. Brownfield. The Ayes carried the motion.

VIII. OLD BUSINESS

There was no Old Business to conduct.

IX. NEW BUSINESS

1. Evaluation of the Environment of Care

Mr. Wolin presented the Annual Evaluation of the Environment of Care Programs being carried out across the organization (A copy of which is attached to and made a part of these minutes on file in Administration). The programs address the areas of Safety Management, Emergency Preparedness, Fire / Life Safety, Medical Equipment Management, Security, Utility Management, and Hazardous Materials and Waste Management.

X. EXECUTIVE SESSION

Mr. Atwater entertained a motion to enter Executive Session. **Mr. Fornoff moved to enter Executive Session. Seconded by Mr. Houghton. The Ayes carried the motion.** All present except Board members, Administrator, CEO and Chief Financial Officer were excused. Meeting adjourned to Executive Session at approximately 7:33 a.m.

RECONVENED

The regular Board meeting reconvened at approximately 7:36 a.m.

XI. ADJOURN

There being no further business to conduct, **Mr. Tucker made a motion to adjourn. Seconded by Mr. Fornoff.** The meeting adjourned at approximately 7:37 a.m.

The next regular monthly meeting of the Board of Directors of Mason District Hospital is scheduled for Wednesday, March 17, 2010 in the Administrative Conference Room.

Respectfully submitted,

Terri Brownfield, Secretary
for the Board of Directors