



Hospital District Meeting

Monday, December 21, 2009 • 5:30 p.m.

AGENDA

- I. CALL TO ORDER**
- II. INTRODUCTION OF GUESTS**
- III. APPROVAL OF MINUTES**
 1. Minutes for Meeting, Nov. 23, 2009
- IV. REPORTS**
 1. Medical Staff Report
 2. Finance Report
 - TMC Audit-Doug Wilson, CPA
 - TMC Finance Review
 3. DON Report-Cindy Forseth, RN, DON
 4. Provider Coverage Report-Susan Murphy, TMC CC Manager
 5. Administrator Report-Ray Gibbons, Administrator
- V. NEW BUSINESS**
 1. Resolution to Teton County Commissioners to hold trustee election in May, 2010.
- VI. PUBLIC INPUT**
- VII. ADJOURN**

Next Board meeting, January 25, 2010.

MISSION STATEMENT

Mission Statement: Teton Medical Center is an institution which provides a quality, stable, efficient, and caring healthcare environment to all those we serve.

VISION

We will be the finest rural health service provider in Montana.

VALUES

We value our employees and promote a positive working environment through respect and team work.
We value our patients and residents by providing compassionate high quality care, respecting their dignity and enhancing quality of life.



Hospital District Board Meeting
Monday, December 21, 2009 at 5:30 p.m.

Location: Teton Medical Center Board Room
Present: Board Members: Gretchen Fitzgerald; Loren Solberg; Dan Lindseth and Marsha Hinch. Justin Lee absent.

Also Present: TMC Staff: Shirley Johnson; Ray Gibbons; Cindy Forseth; Doug Casperson, PA-C; Danna McAllister; Kathy Duffner; Jenny Nightingale; and Joyce Lindgren.

Public present: Kayleen Larson; Jackie Weist; Caralynn Moore, FNP-C; Dick VanAuken; Nancy Thornton, Acantha; Doug Wilson, CPA.

I. CALL TO ORDER

President Gretchen Fitzgerald called the meeting to order at 5:30 p.m.

II. WELCOME/INTRODUCTIONS

President Gretchen Fitzgerald welcomed all staff and visitors to the meeting. Joyce requested a moment of the boards time to present a Thank You Christmas gift to Ray from all the department managers of TMC.

III. APPROVAL OF MINUTES

President Fitzgerald asked if the board had reviewed the November 23rd board minutes; there were no corrections or questions, so a motion was requested. *Loren made a motion to accept the minutes as presented. Marsha seconded the motion. All voted in favor and the motion passed.*

IV. REPORTS

MEDICAL STAFF REPORT

Doug Casperson, PA-C stated that they were happy with the increase in clinic visits to date.

FINANCE REPORT-Attachments #1 & 2

Loren Solberg reviewed the most recent financial report, stating that the revenues and expenses look good for the period. The increase in payroll was due to three payroll periods in the month of November which normally is two. Loren stated again that we are cautiously optimistic with the reports and with the coming of the New Year there could be changes in the near future.

Ray introduced Doug Wilson, CPA who performed our 2009 audit and will present the audit report. Doug Wilson distributed to the board a copy of the full report and a review letter which he included to summarize the audit. Doug started off pointing out on pages 3 and 4 of the actual audit report is the Independent Auditor's Report giving their findings and expressing their

financial opinion of the review of financial data. Also on pages 17 and 18 reporting their findings in regards to internal control over financial reporting and on compliance with the Government Auditing Standards issued by the Comptroller General of the United States. This was reviewed thoroughly due to the CFO leaving employment with TMC. The intent was to assure that the controls that were set up in the past were being followed. They found no weaknesses in the internal controls that would be significant to the operation of the facility.

Doug summarized with the letter to the board and reviewed the past 4 years financial comparisons stated. Primary observations are also outlined in the letter to the board. Doug highlighted:

1. Cash collections from patients increased and the net accounts receivable of 40.64 continues to be significantly better than most facilities.
2. The accounts receivable has shown a significant change away from third party payers to private payers. Down the road this will have an impact as TMC will have a more difficult time collecting from private payers.
3. Charity Care has increased dramatically from 2006. Due to the economy this may increase yet again.
4. Operating expenses increased by 15.7% compared with a 5.6% increase in 2008. Direct costs associated with the rural health clinic and emergency room costs increased are the two factors contributing to this increase in expenses.
5. Other than the ER and Clinic startup all other operating costs was limited to a 2 % increase, which is minimal considering normal double digit increases in healthcare costs.
6. Medicare cost reimbursement affects the operations of a health care facility. The changes affecting the Medicare settlements are the most difficult for facilities to adjust their costs to not incur a payback situation by the end of the period.
7. Non-operating revenue increased for 2009 and continues to be a significant need to ensure the financial stability of the facility.

Doug offered to answer questions regarding the audit. The board thanked Doug for his services in performing the audit.

DON REPORT

Cindy reported that currently TMC has 28 in the nursing home. With the holiday the hospital is down and staff is stable at this time.

ADMINISTRATOR REPORT-Attachment 3-Power Point Presentation

Ray reported on provider coverage. Presented statistics of the clinic to date.

Ray continues on from the audit report to December, 2009 on how TMC is doing. TMC is doing okay! We are paying our bills and managing on the cash flow of the operations. The people using our services are the reason we are doing okay. We need to have continued support from the community to sustain our current services.

The expense reductions to date have resulted in \$20,500 per month. There are risks to continue operating at this level. Ray outlined the risks of not doing repairs to the building, increasing inventories and freezing staff wages.

The outcome of the Benefis/Great Falls Clinic discussions, the outcome of the single hospital based Rural Health Clinic in Choteau between GFC and TMC, and the changes to Medicare per patient payments will all have impacts on the operations of TMC.

Ray reviewed the Health Information Technology Readiness Assessment & Roadmap completed by David A. Ginsberg Healthcare Consulting, Inc.

Ray also announced that the Foundation has agreed to fund a new equipment purchase for the lab of a BacTec 9050. This new machine will perform blood cultures faster and efficiently. Currently we have to send out this test which takes days to return results. The Foundation has generously donated \$12,500 to purchase the machine.

V. NEW BUSINESS

President Fitzgerald read a resolution to the Teton County Commissioners a resolution to hold a general trustee election on May 4, 2010. Loren made a motion to approve the resolution to the Teton County Commissioners. Dan seconded the motion and all voted in favor the motion passed.

VI. PUBLIC INPUT

President Fitzgerald asked if there were any questions or comment from the public in attendance. There was no response.

VI. ADJOURNMENT

Marsh made a motion to adjourn meeting. All favored and motion passed. The meeting adjourned at 6:25 p.m.

BOARD APPROVED JANUARY 25, 2010

President

Clerk