



**Mayers Memorial Hospital District**

**Chief Executive Officer**

Matthew Rees, MBA

**Board of Directors**

Allen Albaugh, President  
 Brenda Brubaker, Vice President  
 Abe Hathaway, Treasurer  
 Michael D. Kerns, Secretary  
 Art Whitney, Director

BOARD of DIRECTORS  
MEETING AGENDA  
 December 18, 2014, 2:00 PM  
 Board Room (Burney)

*Mission Statement*

*Mayers Memorial Hospital District serves the Intermountain area providing outstanding patient-centered healthcare to improve quality of life through dedicated, compassionate staff and innovative technology.*

1	<b>CALL MEETING TO ORDER – Allen Albaugh, President</b>	
2	<b>CALL FOR REQUEST FROM THE AUDIENCE: PUBLIC COMMENTS OR TO SPEAK TO AGENDA ITEMS:</b> Persons wishing to address the Board are requested to fill out a "Request Form" prior to the beginning of the meeting (forms are available from the Clerk of the Board (M-W), 43563 Highway 299 East, Fall River Mills, or in the Board Room). If you have documents to present for the members of the Board of Directors to review, please provide a minimum of nine copies. When the President announces the public comment period, requestors will be called upon one-at-a time, please stand and give your name and comments. Each speaker is allocated five minutes to speak. <b>Comments should be limited to matters within the jurisdiction of the Board.</b> Pursuant to the Brown Act (Govt. Code section 54950 et seq.) <b>action or Board discussion cannot be taken</b> on open time matters other than to receive the comments and, if deemed necessary, to refer the subject matter to the appropriate department for follow-up and/or to schedule the matter on a subsequent Board Agenda.	
3	<b>APPROVAL OF MINUTES:</b> 3.1 Special and Regular Meetings – November 14, 19, 2014 ( <b>ATTACHMENT A</b> ) .....	<b>ACTION ITEM</b>
4	<b>APPROVAL of Employee Training/Reimbursement Policy (<b>Attachment B</b>)</b> .....	<b>ACTION ITEM</b>
5	<b>SPECIAL PRESENTATION/REPORTS</b> 5.1 Recognition of outgoing Board Trustee Brenda Brubaker and swearing in of Beatriz Vasquez, PhD, Board Trustee 5.2 Mayers Intermountain Healthcare Foundation Report (Marlene McArthur, IHF CEO)	
6	<b>OPERATIONS</b> ► C3 Report (CEO, CNO, CCO) FACILITIES MANAGEMENT, SUPPORT SERVICES, COMPLIANCE( <b>ATTACHMENT C</b> ) <b>WRITTEN REPORT PROVIDED – ADDITIONAL COMMENTS AS NEED VERBALLY</b>	Information
7	<b>BOARD COMMITTEES:</b>  <b>7.1 Finance Committee – Chair Allen Albaugh</b> 7.1.1 Committee Meeting Report 7.1.2 November 2014 Financial review and acceptance of financials ( <i>dispersed separately</i> ) 7.1.3 USDA Loan Update.....  <b>7.2 Strategic Planning Committee – Chair Abe Hathaway</b> 7.2.1 Committee Meeting Report 7.2.2 Final Annual Approval of District Bylaws ( <b>PDF Attached</b> )..... 7.2.3 Retreat Planning – Potential Dates and objectives	Information <b>ACTION ITEM</b> Information  Information Information <b>ACTION ITEM</b> Discussion

	<b>7.3 Quality Committee – Chair Brenda Brubaker</b> 7.3.1 Committee Meeting Report..... 7.3.2 Approval of CAH Annual Evaluation & Org Analysis report (PDF attached)..... 7.3.3 Approval of Organizational Chart ( <b>Attachment D</b> ).....	ACTION ITEM ACTION ITEM
8	<b>ANNUAL ORGANIZATIONAL MEETING</b> 7.1 Election of Officers..... 7.2 Appointment of Committees, signature card, 401K trustee..... 7.3 Board Calendar – 2015 /Approval of 2015 Meeting Dates ( <b>Attachment E</b> ).....	ACTION ITEM Appointment ACTION ITEM
8	<b>NEW BUSINESS</b> 8.1 Board <b>Resolution # 2014-8</b> to consider adopting Section 125 Cafeteria Plan ( <b>Attachment F</b> ) 8.2 ACHD 2015 Leadership Academy travel approval..... 8.3 Charity Care and Discount Payment Policies ( <b>Attachment G</b> )..... 8.4 OB Department considerations, discussion, potential action.....	ACTION ITEM ACTION ITEM ACTION ITEM ACTION ITEM
9	<b>9.1 INFORMATION/REPORTS/BOARD EDUCATION/ANNOUNCEMENTS</b> ► Board Education – QHR Webinar 2 <sup>nd</sup> Tuesdays 2014, 10 a.m.	Information/discussion
10	<b>ANNOUNCEMENT OF CLOSED SESSION:</b>  10.1 <b>Approve minutes of the November 19, 2014</b> Closed Session minutes.....	ACTION ITEM
11	<b>RECONVENE OPEN SESSION: REPORT ACTIONS TAKEN DURING CLOSED SESSION</b>	
12	<b>ADJOURNMENT:</b> Next Regular Meeting January 28 – Fall River Mills	

Public records which relate to any of the matters on this agenda (except Closed Session items), and which have been distributed to the members of the Board, are available for public inspection at the office of the Clerk to the Board of Directors, 43563 Highway 299 East, Fall River Mills CA 96028.

This document and other Board of Directors documents are available online at [www.mayersmemorial.com](http://www.mayersmemorial.com).

Posted/Distributed: 12/11/14

Date: November 14, 2014

Time: 12:00 P.M.

Location: Mayers Memorial Hospital  
Fall River Mills, California

*(These minutes are not intended to be a verbatim transcription of the proceedings and discussions associated with the business of the board's agenda; rather, what follows is a summary of the order of business and general nature of testimony, deliberations and action taken.)*

**1. CALL MEETING TO ORDER:** Vice President Brenda Brubaker called the regular meeting to order at 1:04 p.m. on the above date with the following present:

Allen Albaugh, President  
Brenda Brubaker, Vice President  
Mike Kerns, Secretary

**Board Members Absent:** Abe Hathaway, Treasurer  
Art Whitney, Director

**Staff Present:** Matt Rees, CEO; Valerie Lakey, Board Clerk; Travis Lakey, CFO; Louis Ward, Director of Support Services; Sherry Wilson, CNO; Keith Earnest, CCO; Caleb Johnson, Chief Compliance Officer; Theresa Overton, Acute Care Manager; Lisa Akin, Director of Surgery;

**MVHC Staff and Board Present:** Bob Hensley, BOD; Dave Bradshaw, BOD; Kathy Lakey, BOD; Bill Estes, BOD; Richard Fuentes, BOD; Xavier Rodriguez, BOD; Dan Bouse, BOD; Dave Jones, CEO; Susan Knoch, Director of Nursing; Sheral Thorlaksson, COO; Shannon Gerig, Director of Quality; Carol Morris, Site Manager;

**2. CALL FOR REQUEST FROM AUDIENCE TO SPEAK TO ISSUES OR AGENDA ITEMS: None**

**3. BOARD STRATEGIC PLANNING SESSION:** Mountain Valleys Health Centers-Mayers Memorial Hospital District board members and executive staff will participate in a strategic planning session to grow revenues, improve services, improve efficiencies of operations and develop closer working relationship. The following topics were discussed:

- A. Welcome by Matt Rees, CEO, MMHD
- B. Introductions of Board Members and Staff Members
- C. OB Department – MMHD & MVHC
- D. Recruiting Physicians—MMHD & MVHC
- E. Presentation – Walter Copp, Clinical Integration for Rural Hospitals and Districts
- F. Health Clinic – Matt Rees, CEO, MMHD; Dave Jones, CEO, MVHC
- G. Closing Remarks

Notes and Comments of the Strategic Discussion are as follows:

- MMHD Board President Allen Albaugh said as a lifelong resident of this community, this is the first time he can remember that we have had no doctor living in this valley. It is affecting the community and viability of healthcare and the hospital. He noted that the two CEO's need to get to work and find a solution to the dilemma and provide healthcare to the community.
- Dave Jones, MVHC CEO agreed and said that is has been 4 months with no physicians in Fall River. When it comes to recruitment of primary care doctors – there is a shortage – physicians are getting "burned out" with extra work from ER, ACA, and accountability. It is estimated there will be a shortage of 125,000 physicians by 2025. Currently, MVHC is bringing in locums to cover the gap until they find permanent people. They have lost several physicians over the last few months for a variety of reasons. MVHC has 10 recruiters looking for potential physicians. They have interviewed an OB/GYN and internal medicine doctor. In the meantime they are using Locum physicians (temporary doctors); which about twice as much.
- **OB Department** – Matt Rees, MMHD CEO addressed the topic of Mayers' OB Department. There has been discussion about whether it is financially feasible to maintain the department. If MMHD doesn't do OB – one physician has already indicated she will leave. Numbers have

dropped dramatically this year. We have made improvements in rooms, etc. We are only keeping 50-60% of ultra sound patients. Rees said there is the potential for a doctor to see patients in Modoc and bring OB's here. Canby would also send some. Albaugh said OB would be the first thing to go; we need to look at underperforming services. It is a service to the community – need to work on the effort together. An OB/GYN would increase the numbers. MMHD is on pace for 40 OB's this year – The major cost in the department is the CRNA. 2008 started the downward trend. Not many family practice physicians do OB any more. Few residencies train family physicians for OB. Even if we have all of the OB's it may not make money anyway.

- **Recruiting Physicians**

Jones said it costs about \$40-50,000 to recruit a doctor. There was a lot of discussion about MMHD and MVHC working together on recruiting.

It was also noted to be sure to make the potential locum feel welcome, get her involved the community. Albaugh asked if Jones/Rees could put welcome committee/activities together. (Include spouses) Albaugh said we need to form a committee – not just talk about it. Dr. Allen will be starting on Monday. Tour on Monday at hospital.

- **Walter Copp – Consultant (see attached slides – Exhibit A)**

- **1206 B Clinic - Commercial patients versus Medi-cal**

A 1206 B Clinic would allow each facility to capture the patients that get the best reimbursement. MVHC – Medi-cal/Medi-care; MMHD – Commercial patients – bring commercial patients back into the hospital. MMHD only gets \$.12 on dollar for Medi-cal.

**Discussion revolving around above topics:**

- Walter Copp noted that it could be a case of each facility doing what they do best and forming a partnership.
- A lot of discussion about providers, referrals, etc.
- Bill Estes said the bottom line is we need to find the tools to work together for the good of the community. Make it happen – don't just talk about it.
- Dan Bouse – we all need to buy into it together (OB)
- Two groups come together around recruiting – need to do it together – Jones said that has never happened.
- Estes – we have to have providers.
- Locums can't order – because of credentialing – Rees said we can offer temporary privileges. If all of the paperwork is in – it can be taken care of. Rees will talk to Pam Sweet.
- Jones and Rees will meet next week to go over recruitment package
- Dr. Syverson was present and said more referrals would be great.
- Get mid-levels over to MMHD more often. It was suggested to do luncheons every so often.
- Central referral person at MVHC
- Community perception – is we are the same.
- Need to get together as boards more often.

DRAFT

Mayers Memorial Hospital District  
Board of Directors – Special Board Meeting

Date: November 19, 2014

Time: 9:15 A.M

Location: Mayers Memorial Hospital  
Fall River Mills, California

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**1. CALL MEETING TO ORDER:** President Allen Albaugh called the regular meeting to order at 3:53 p.m. on the above date with the following present:

Allen Albaugh, President  
Brenda Brubaker, Vice President  
Mike Kerns, Secretary  
Abe Hathaway, Treasurer

**Board Members Absent:** Art Whitney

**Staff Present:** Matt Rees, CEO; Valerie Lakey, Board Clerk

**2. CALL FOR REQUEST FROM AUDIENCE TO SPEAK TO ISSUES OR AGENDA ITEMS:**

No public comments.

**3. Interviews for trustee position which will be left vacant by Brenda Brubaker.**

Six Candidates were interviewed: Laura Dolman-Beyer, Beatriz Vasquez, Desiree McClain, Ruth Powers, Jim Billo and Linda Carpenter.

Ballots were issued and the majority vote was to appoint Beatriz Vasquez, it will be on the regular agenda for board approval.

It was suggested to look into having others serve on committees and revise policy to allow this. Suggestions as follows: Laura Beyer – Quality, Linda Carpenter – Finance, Jim Billo – Strategic Planning, Ruth Powers – Strategic Planning.

**4. ADJOURNMENT:** There being no further business, at the hour of 12:28 p.m., President Albaugh declared the meeting adjourned.



Date: November 19, 2014

Time: 1:00 P.M.

Location: Mayers Memorial Hospital  
Fall River Mills, California

*(These minutes are not intended to be a verbatim transcription of the proceedings and discussions associated with the business of the board's agenda; rather, what follows is a summary of the order of business and general nature of testimony, deliberations and action taken.)*

**1. CALL MEETING TO ORDER:** President Allen Albaugh called the regular meeting to order at 1:05 p.m. on the above date with the following present:

Allen Albaugh, President  
Brenda Brubaker, Vice President  
Mike Kerns, Secretary  
Abe Hathaway, Treasurer

**Board Members Absent:** Art Whitney, Director

**Staff Present:** Matt Rees, CEO; Valerie Lakey, Board Clerk; Travis Lakey, CFO; Louis Ward, Director of Support Services; Sherry Wilson, CNO; Caleb Johnson, Chief Compliance Officer; Theresa Overton, Kathy Broadway, Holly Green, Dr. Weinhold

**2. CALL FOR REQUEST FROM AUDIENCE TO SPEAK TO ISSUES OR AGENDA ITEMS: None**

**3. APPROVAL OF MINUTES – A motion/second (Kerns/Brubaker), and carried, the Board of Directors accepted the minutes for the regular meeting – October 29, 2014 - Approved All**

**4. OPERATIONS REPORT:**

***In addition to the written operations report included in the board packet, the following verbal reports and discussions are summarized below:***

▶ ***Matt Rees, CEO:***

Went to Sacramento on November 18 for a CCHAN about CCO project (Community Care Organization) This is the tool to help us become self-funded. We will be able to possibly help other community businesses with insurance in the future.

Rees handed out some information on the 1206B Clinics

▶ ***Keith Earnest, CCO:*** Absent - at the Hospice conference  
Still working on potential cuts in ancillary service areas.

▶ ***Sherry Wilson, CNO:***

Census at 75

Registry usage – have 6 CNA's going through orientation – should be ready in 3 weeks.

Two LVN's graduating in December – will work as CNA's until they get LVN license.

Things should be looking better by December. Brubaker asked about retention of CNA's and the possibility of a signing bonus after they complete 90 days for a 2 year commitment.

Wilson said she called the state regarding waiver for CNA classes; we won't be able to run our own CNA class until June 2015. If we send documentation they will allow us to be a clinical site for a school (hopefully Feather River) to provide the classes until then.

There has been a drug issue – we have been testing employees.

Turnover is a part of the CNA position

Bob May has been here for about a week as the manager of the Ambulance Department. Wilson said she thinks things are going well so far.

► **EMR – Louis Ward, Director of Support Services**

Ward expressed concerns with patient portal – he said they are trying to hear the concerns of the physicians. Information is sent to the portal 36 hours after discharge; concern is regarding abnormal results and patients finding out before physicians have a chance to talk to patient. We are currently working with MVHC to address the concerns, while trying to meet requirements of meaningful use. We are looking at a way to flag results. By doing this we are outside of the requirements of meaningful use. Ward noted that there are some reviews being done on some of the meaningful use requirements.

► **Caleb Johnson, Chief Compliance Officer**

Tracking Medi-cal Medicare on both sides (Acute/SNF) Albaugh asked for it to be separated. Johnson will look into it and try to format the report that way. There was discussion on charges, capturing costs and revenue cycle meetings. Talked about Outpatient Medical services. There have been a lot of process improvements.

Numbers are still not encouraging. Old accounts are the problem – traditional medi-cal and private pay and self pay after insurance.

Albaugh said the same thing has been going on for years.

Hathaway would like to see true revenue – what can actually be collected.

## 5. BOARD COMMITTEES:

### 5.1 Finance Committee

**5.1.1** No Committee Meeting

**5.1.2 October 2014 Financials – Approved All (Kerns/Hathaway)**

**5.1.3 USDA Loan Update** – We haven't heard anything – the federal office is being contacted weekly. We need a plan going forward – in case they don't accept our current plan. Albaugh would like to have this discussion at the next board meeting.

**5.1.4 Board Quarterly Finance Review** – We are currently behind 2 months on CalPers (\$320,000) T. Lakey is talking with them weekly. Quarterly Reviewed **Approved All (Kerns/Brubaker)**

- Rates have been increased from Partnership – Inpatient rate effective November 1<sup>st</sup>
- We will be able to do Medi-Cal Swing Beds
- Working on setting up a meeting with the department of insurance.
- Medicare rates will go up for swing and acute.

Albaugh asked where are we with companies we are behind on? CalPers, EmCare. T.Lakey said we are waiting on credit line. We are 3 months behind on EMR and on

support hold from McKesson

We have done furloughs and cuts – things are tight. Good chance there will be more cuts.

## **5.2 Strategic Planning Committee – Chair Abe Hathaway**

### **5.1.1 No committee meeting**

## **5.3 Quality Committee – Chair Brenda Brubaker**

### **5.3.1 Committee Meeting Report (minutes as distributed)**

Brubaker said the highlight was the Outpatient Department report and that there were no reportable Workers Comp incidents since May

### **5.3.2 CAH Annual Evaluation – Will approve at December meeting**

## **6. NEW BUSINESS**

**6.1 Trustee Appointment** – Met and interviewed 6 people. By a motion from Trustee Kerns, it was recommended to appoint *Beatriz Vasquez* to the Board of Trustees. **(Kerns/Brubaker)** – **Approved All**. Board Clerk will forward information to Shasta County Board of Supervisors.

**6.2 December Meeting Date – Change to December 18<sup>th</sup> – 2:00 pm (Brubaker/Kerns)**  
– **Approved All**

**6.3 Ad Hoc Committee - Nomination of Officers and Committees**– Mike Kerns and Abe Hathaway were appointed by chairman Albaugh

**6.4 1206 B Clinic Resolution 2014-7– (Exhibit A)** Rees had sample legal documents that were used for Bishop. Rees reviewed the 1206B and logic behind opening this type of clinic. A Rural Health clinic would be in direct competition with MVHC and more costly. A 1206B Clinic would be the least cost and the easiest to get started. It would work well with MVHC in the way clinics are reimbursed. (MMHD – commercial; MVHC – medi-cal/medi-care). We lose 48 cents on the dollar for what we bill for medi-cal. We are 1 of 2 of the 34 CAH's that don't have a clinic.

Resolution 2014-7 to approve the creation of a Budget to encompass the FY 15 and FY 16 1206(b) program.

**(Albaugh/Brubaker) Approved All**

### **6.5 OB**

Dr. Weinhold spoke regarding the issue of potentially closing the OB Department. She noted that she just had a delivery with a patient from Weaverville. As far as the numbers presented. She said, "One year is not a trend."

Holly Green, OB Manager also spoke about the department.

There was a lot of discussion regarding the cost effectiveness of the department. There are many factors.

- CRNA costs need to go down
- Hopefully there are some other solutions we can explore
- Rees – breakeven point would be the low 100's. He spoke with Kevin Kramer at Modoc and he wants someone (Physician to see OB patients) to come up and operate out of his clinic.



- Rees will talk to Dave Jones about the possibility of physicians going to Modoc.
- Canby has 20 patients they would send at 36 weeks.
- Dr. Weinhold brings in significant revenue and we would lose that if she leaves.
- Albaugh said he doesn't want to see department close, but we have to look at the data.
- Rees said we need to research more on anesthesia – that would get rid of a large portion of the cost. Also, a priority to get Canby here and someone at the Modoc clinic.
- Holly will check into what happened at Colusa (2009) with CRNA costs

Table until December – hopefully will have some good numbers then. Brubaker asked about Midwives. Green recently did a presentation at Strategic Planning. V. Lakey will send the slide presentation

#### **6.6 Ambulance**

Louis Ward met with Bob May. We are looking at purchasing a demo ambulance – same as a new vehicle. We could have by January as opposed to June. May wants to go look at ambulance to make sure it is what is being represented. It is located in Denver.

We have over \$100,000 – plus another donation coming.

It was moved to approve up to \$140,000 for the purchase of an ambulance with the use of no operating funds. ***(Albaugh/Brubaker) Approved All***

#### **7. INFORMATION/BOARD EDUCATION/ANNOUNCEMENTS**

- ▶ Board Education – QHR Webinar 2<sup>nd</sup> Tuesday each month, 10 a.m. PST
- ▶ Board Assessments –report will be available in December

#### **8. ANNOUNCEMENT OF CLOSED SESSION: 3:10 pm**

##### **8.1 OCTOBER 29, 2014 CLOSED SESSION MINUTES**

#### **9. RECONVENE OPEN SESSION: 3:29 PM - REPORT ACTIONS TAKEN DURING CLOSED SESSION**

**10. ADJOURNMENT:** There being no further business, at the hour of 3:29 p.m., President Albaugh declared the meeting adjourned.

## Education/Training Reimbursement Policy Outline

Due to such a wide variety of education/training options and costs it is hard to establish a reimbursement rate that would be beneficial and affordable to both MMH and the staff. Therefore we feel it would be best to establish a policy that would allow HR, the Department Manager, and the Employee to work together and handle each situation individually. This policy would assure that MMH could financially support the reimbursement and would also hold the employee responsible to meet certain expectations. An outline of the policy can be seen below.

- Pre-Evaluation
  - An employee that plans to participate in training or continue their education must complete an evaluation form with their department manager. This form will be created as part of the policy and will be the same for everyone.
  - After the evaluation the manager must submit the form to HR for approval. If any changes are made all parties must be informed.
- Completion-Evaluation
  - The employee will be re-evaluated after completing their education/training course(s) to complete the remainder of their pre-evaluation form.
  - After the evaluation the manager must submit the form back to HR for approval. If any changes are made all parties must be informed.
- Probation Period
  - The employee will have a probation period to demonstrate to their manager that they are able to perform the additional duties and demonstrate their newly acquired knowledge.
- Reimbursement
  - After the employee has completed their probation period they will then receive the raise/bonus that was agreed upon during the evaluation.

All Education/Training Contracts must have the final approval of the "C" Team along with the CEO's signature prior to participating in any Education Assistance Program.

## ***Sample Evaluation Form***

### ***Pre-Evaluation***

Name: Current Position: Date:  
Current Wages: Current Duties/Skills:  
Schooling/Training Attending: Estimated Completion Date:  
Goals: What degree/certification you hope to obtain, how this will benefit you and your position, and what compensation you hope to receive.

Notes:

Employee Sig/Date: Manager Sig/Date: HR Sig/Date:

### ***Completion-Evaluation***

Name: Current Position: Date:  
Current Wages: Current Duties/Skills:  
Schooling/Training Attended: Completion Date: Degree/Certification:  
Plan: New duties/position you will now perform, compensation, and the length of the probation period.

Notes:

Employee Sig/Date: Manager Sig/Date: HR Sig/Date:

### ***Completion of Probation Period***

Name: Position: Date:  
Notes: Employee has completed probation period and will/will not receive the agreed upon compensation.

Employee Sig/Date: Manager Sig/Date: HR Sig/Date:



Mayers Memorial Hospital

## Operations Report November 2014

Statistics	November YTD FY15 (current)	November YTD FY14 (prior)	November Budget YTD FY15
Surgeries (including C-sections)	37	28	28
> Inpatient	14	11	8
> Outpatient	23	17	20
Procedures (surgery suite)	77	20	30
Inpatient (Acute/OB/Swing) Days	714	761	814
Emergency Room	1670	1573	1580
Skilled Nursing Days	12097	11053	10910
OP Visits (OP/Lab/X-ray)	6876	6987	6962
Hospice Patient Days	452	1276	470
PT	4919	4157	4230
Ambulance Runs	158	172	170

### **Operations District-Wide**

Prepared by: **Matthew Rees, Chief Executive Officer**

#### ***Administration/CEO activities during the past month:***

- On Thursday the 20<sup>th</sup> after our board meeting I met with Dave Jones and discussed physician recruitment. He gave me the contracts he is currently offering to physicians and told me a little about 2 docs he has lined up interviews with on the 19<sup>th</sup> and 22<sup>nd</sup>; an internal medicine and OB.
- We also talked about MMHD opening up a clinic and the board's resolution. As we talked he said that he, and most likely his board, would not have any objections with us opening up a specialist clinic. Travis, Caleb and I are working on the budget for the board.
- I chaired the CCAHN web meeting. We discussed the Community Care Organization and strategic plan moving into 2015.
- I attended SHARC meeting. We talked about local issue HIE etc. Partnership talked about a grant opportunity they were going to put out in December with a December deadline for returning. The Grant is for expansion of services, so we are working on putting in for the grant and asking for the money to start the specialty clinic.
- I spent time catching up and also met with Brian Dahle again to discuss ways he can help us out; Dr. Dahle, Travis, Caleb and Louis were also present.
- I have been working with CHA to work out a meeting with us and the DMHC (Department of Managed Healthcare). This meeting is for the purpose of getting their support as we go to renegotiate the rates we get for professional fees. This would be for ER and Surgery mainly and a clinic when we open.

- We were approved by Partnership for Medi-cal Swing beds and have a rate a couple of hundred dollars above the Medicare Swing bed rate. We have been working out the details of how this will work, as far as prior authorization and billing.
- I attended the CHA Hospital Council Board Meeting in Sacramento. We approved the strategic plan for the Central and Northern Council of CHA and discussed changing the meetings to allow for Web and teleconference options for these meetings in the future, less in-person. Another topic of discussion was the part that the hospitals wanted the council to play in private insurance payment reform.
- I attended the Image meeting in Burney and discussed with them some of the cost savings we had done and discussed OB services with them.
- We are working on plans for better bed and room usage. Our census on acute has been high as well as LTC is up to about 80 patients, so we are developing plans so that we can possibly have more beds. We worked out a restorative LTC rate with Partnership for \$500 per day in LTC currently we get \$259, this will only affect a handful of new patients.
- I am meeting on Friday, December 12 with Modoc Medical Center, Surprise Valley and Lakeview about Joint Powers Agreement.

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***Chief Clinical Officer Report***  
**Prepared by Keith Earnest, Pharm.D.--Chief Clinical Officer**

*Physical Therapy*

- The week of December 1<sup>st</sup>, 26 patients were waiting to be evaluated in physical therapy. Eleven more referrals were received the week of December 8<sup>th</sup>. The staff is working very hard to perform as many evaluations as possible. Jolene Platko, PT Manager, is looking at solutions to solve the staffing crush. We continue to try to recruit a physical therapist to be on staff but are also working on sharing registry personnel with Modoc Medical Center.
- Employees whom at their annual employee physical are determined that physical therapy would benefit, can now be referred at that time to Mayers PT department. Preemptive and timely referral should decrease our workers' compensation expenses.

*Cardiac Rehab*

- Dr Coronado is changing his practice and will stop performing Holter monitoring and event recording. Trudi Burns, RN, manager is working with Dr Khan to take over this function.
- Trudi is continuing to pursue a physician to perform cardiac stress treadmills and with the help of the ER medical director has started a conversation.
- Trudi is working on getting patients with CHF referred to Cardiac Rehab.

*Laboratory*

- Chris Hall, CLS, lab manager, is interviewing a CLS candidate the week of December 8<sup>th</sup>. Our goal is to no longer be using registry staff.
- A review and revision of Mayers antibiogram that will also include pricing of antibiotics has started and should be helpful to guide physicians in prescribing.

### *Respiratory*

- Dr Panossian in Klamath Falls is now performing diagnostic interpretations of pulmonary function tests. We are pleased with the turnaround time and happy to perform further testing that he recommends.
- The contracts are complete to receive a ventilator from the state through emergency preparedness monies.

### *Imaging*

- The PACS install continues. The PACS to Paragon® interface is fully integrated and working smoothly. The process of integrating with Mountain Valleys' system will be much more complicated. The process kick-off is scheduled for the first week in January.

### *Hospice*

- Hospice plan of corrections was submitted December 4<sup>th</sup>.
- The Candlelight Remembrance Ceremonies were held in Burney and Fall River Mills and were well attended.
- Five members of the hospice team (4 employees and 1 volunteer) received extensive training at the California Hospice and Palliative Care Conference in Las Vegas.
- Mary Ranquist, RN, Hospice manager, is attending the Hospice Regulatory Boot Camp December 8-10<sup>th</sup>.

## **Critical Access Hospital** **Prepared by: Sherry Wilson CNO/Acute**

### *Acute:*

Nursing-Just hired two RNs, and have three LTC LVN who have agreed to pick up time shifts once they complete their IV therapy class in January  
CNA- staffing some travelers for an employee that is out on medical leave until the 1<sup>st</sup> of January

### *LTC:*

Nursing-All charge nurses are currently picking up floor shifts to help decrease travelers , We have three LVN students who will be graduating on December the 20<sup>th</sup> and are planning on coming on as full time nurses with us. While they are waiting for their testing dates, they have agreed to work as CNAs full time.

CNA-We have two girls returning this month from maternity leave, just hired four who are just starting floor orientation. Libby has two interviews this week and one returning employee who have submitted an application. Our activities staff and one Lab tech are filling open shifts as well in an effort to reduce travelers. We received notification from Feather River College that they will assist us to obtain a waiver from the state so that they may begin to use us as a clinical site. There is a list of around 20 students who are ready and willing to begin this class when it becomes available.

With these changes I anticipate a large reduction in registry usage in the months to follow.

Department of Health Services visited last week clearing all self reports involving resident to resident abuse.

Both facilities will be having their Christmas parties this week all family members are welcome to attend.

### *Outpatient Medical*

- Census numbers were down for November lowest in recent history. We averaged 104 visits per month over the last year, and we recorded 39 visits in November 2014. December has shown an improved census already.



- Quality issues have been directed towards monitoring department finances and several processes have been set in motion to create a check and double check system in 5 different areas.
  1. Admissions; Scheduler obtains insurance authorization prior to services rendered
  2. Nursing documents Pharmacy charges in EMR but is then double checked Via the paper trail sent thru the Coding Specialist in HIM
  3. The Outpatient Department Manager and the Revenue Data Specialist review weekly, the patient charges of all Outpatients seen and populated in the Statistical Report Analysis. Corrections are made prior to bills being sent
  4. Communication loop has been established between the Billing Office and the Outpatient Manager to aid in correction of the clinical/coding data when claims are repeatedly denied.
  5. We have developed an improved EMR documentation that correctly captures charges. Nursing staff in ED and Acute Units have been trained in Outpatient EMR documentation to better capture the lost revenue that was occurring in the off hours Outpatient services hand written documentation.
- Outpatient Staff are being cross trained to share the staffing requirement load with the Outpatient Surgery Dept.

#### *Infection Control*

- Infection Control (IC) along with the Emergency Department(ED) and Administration, continue to work together on MMHD's Emergency and Disaster Plan.
- IC and ED have recently conducted staff training on the appropriate technique of safe donning and doffing of personal protective equipment. Together with the ED more staff training will be offered and practiced.
- Personal protective equipment has been compiled and is stored, ready for use, on station 3.
- Ebola preparedness continues with frequent updates and changes.
- IC has compiled all necessary information for the event of a patient presenting with possible Ebola here at MMHD. This information is kept in the ED as well as IC, and with the help of Marketing will soon be available for staff to review through MCN.

#### **Ebola Preparedness Includes:**

1. Steps for safely donning and doffing
  2. Patient and symptom identification
  3. Reporting and notification to appropriate agencies
  4. Identifying appropriate patient space
  5. Staff training
  6. Waste management
  7. Transportation of infected patients
  8. Isolation of the infected patient
  9. Hospital security
- The National Health Safety Network (NHSN) has notified participating hospitals to be prepared for new and updated reporting requirements for healthcare surveillance of hospital and community acquired infections. IC will be looking for these changes and guidelines and implementing these new changes in January of 2015.

## **Operations Report**

**Prepared by: Louis Ward, Director of Support Services**

### *Facilities:*

- Ambulance Garage – New Locks placed on the doors.
  - A safety concern was shared with the Safety Committee of the old locks and the missing keys for the locks. There are sensitive materials within the garage so it was of utmost concern to ensure the building was secure.
- Outpatient Surgery – Refreshing the rooms
  - Maintenance is re-painting & texturing all of the OP rooms as the patient schedule allows.
  - Currently 2 rooms have been fully completed: new paint, new chair rails, RFP on the lower 36" of the walls to prevent wall damage due to equipment movement, blinds, and re-hanging televisions.
- Emergency Room
  - Removed old X-ray viewing box, textured and painted wall for a more modern look.
  - Plans to hang a monitor to track ED patients on the wall.
  - Provided the ED staff with viewing capabilities for cameras as well as moved the communication box outside ED door for better line of sight.
    - This comes as a direct result to concerns made in Safety Committee meeting.

### *Information Technology:*

- EMR Stage 2 attestation began Oct 1, 2014
  - 1 year reporting period
- On Sept. 16, 2014 Reps. Renee Ellmers (R-NC) and Jim Matheson (D-UT) introduced the Flexibility in Health IT Reporting (Flex-IT) Act (H.R. 5481). This legislation would give hospitals and eligible professionals more flexibility in meeting meaningful use (MU) requirements for electronic health records in fiscal year 2015.
  - This Act would reduce the Attestation reporting period for Stage 2 to 90 days.
  - **Referred to House Subcommittee on Health 09/19/2014**
- Plan to strengthen our backup solutions in times of information disasters.
  - Developed an internal schedule to backup and remove tape drives with patient information from server room at regular intervals.
  - We will store copies of the drives in the IT office, a separated building from main hospital.
  - We are doing a daily, weekly, monthly, and annual backup.
  - This will give us 3 backups for our most critical information.
  - We are still working on a more permanent plan which would incorporate an automated process.

### *Dietary:*

- With the introduction of electronic charting it is now necessary to provide Dietary access to electronic notes pertaining to diet plans and diet orders.
  - Continued to build assessments to meet the requirements of a nutritional risk assessment and likes/dislikes needed on all acute patients within a 48 hour window per policy. With the new plan we will be able to get vital diet information within the first 8 hours.
  - A Registered Nurse R.N, is now performing the Admission Assessment collecting necessary information such as: This brings us into compliance with new ADA standards.
    - Priority Level
    - Food allergies
    - Past medical history

This brings us into compliance with new ADA standards.

- Continuing to work with Lani Martin, RD to determine the best approach of which patients she will see, and which will be seen by Dietary Staff.

*Purchasing:*

- Re-configured the purchasing storeroom to allow for additional space. With this additional space we decided to move in all bulk routine supplies from the outdoor shed.
  - This was in an effort to provide convenience to staff as well as a safety concern I have had every winter.
- I met with the new Ambulance Manager Bob May; I look forward to working with him to reduce inventory levels in the ER and the Ambulance. He is very interested in working with Kathy and I to ensure we have the appropriate quantity of supplies and assist in reducing costs related to outdated supplies.
- We are falling behind in AP with our vendors, I am calling many of them, and most are continuing to work with us. We have however, been placed on credit hold with a few at this point.

*Environmental Services:*

- Continued to monitor the linen inventory levels and pricing to ensure it aligns with expected expenses.
- Moving EVS office space to BJ Macey's office to allow for BJ to move to where EVS was located. This will allow for a more professional environment for the Discharge Planner. We also setup an EVS office in Burney to allow for more space in both facilities.
- After the development of a suitable schedule for the out-buildings (Finance, River View, Long Street) Many seem pleased with the frequency of EVS visits to those locations.

***Compliance Report***

**Prepared By: Caleb Johnson, Chief Compliance Officer**

*Revenue Cycle*

- Revenue Cycle Health Report. Attached. Noteworthy:
  1. Total Charges remained strong in November compared to past years' Novembers though it fell 1.4% short of the benchmark \$2,700,000; Compared to prior months in this fiscal year, November's Total Payments is slightly above average at \$1,383,980.
  2. Despite a dip in Total Charges for November compared to October, Percent Over 120 Days stopped its 3-month upward climb and was reduced slightly to 29.9%. This remains a high-priority item as we clean up old accounts and move towards a meaningful AR; and
  3. Clean Claim Rate continued steady improvement to 41%, but remains below target of 60%. As the low hanging fruit is picked, the rate of improvement may slow.
- Charity Care and Discount Payment Policies Update. As a result of the enactment of CA SB 1276 (Chapter 758, Statutes of 2014) on September 28, 2014, effective January 1, 2015, we have updated our Charity Care Policy and Discount Payment Policy to remain in compliance with the law. Following is a summary of the changes:
  1. Defined a "Reasonable Payment Plan," as described in subdivision (i) of CA Health & Safety Code Section 127400, to mean monthly payments shall not exceed 10 percent of the patient's family income for a month, excluding deductions for essential living expenses. "Essential living expenses" means, for purposes of the law, expenses for any of the following: rent or house payment and maintenance, food and household supplies, utilities and telephone, clothing, medical and dental payments, insurance, school or child care, child or spousal support, transportation and auto expenses, including insurance, gas, and repairs, installment payments, laundry and cleaning, and other extraordinary expenses.

2. Included a process in the Discount Payment Policy whereby the Financial Counselor shall make all reasonable efforts to obtain from the patient information about whether private or public health insurance or sponsorship may fully or partially cover the charges for care rendered at Mayers.
3. Expanded Charity Care Eligibility Criteria to include screening for private health insurance coverage, including coverage offered through the California Health Benefit Exchange.
4. Minor tweaks to Discount Payment Account Billing Process to reflect method of sending statements through Paragon. Where before it stated statements would be sent out on the 15<sup>th</sup> of each month, now it states statements will be sent upon discharge or upon satisfaction of all third party payers.

	Current	Prior	Benchmark
Total Charges	2,663,281.90	2,784,497.16	2,700,000.00
Total Payments	1,383,979.94	1,335,977.83	1,500,000.00
Total Adjustments	1,387,057.33	1,106,947.06	1,200,000.00
Average Daily Revenue	88,776.06	89,822.49	90,000.00
Average Daily Payments	46,132.66	43,096.06	50,000.00
Average Daily Adjustments	46,235.24	35,707.97	40,000.00

Total AR	6,444,435.32	6,548,429.84	5,787,096.77
Total Credit Balance	(401,432.44)	(457,228.14)	(173,612.90)
Total Bad Debt	1,095,299.01	1,103,623.51	1,157,419.35

Adjustment Analysis

Contractual	1,036,112.96	899,066.44	960,000.00
Non-Covered	19,653.44	15,621.80	60,000.00
Untimely	290,185.55	104,479.19	60,000.00
Special Programs	43,435.08	29,260.70	60,000.00
To Bad Debt	(2,329.70)	58,518.93	60,000.00

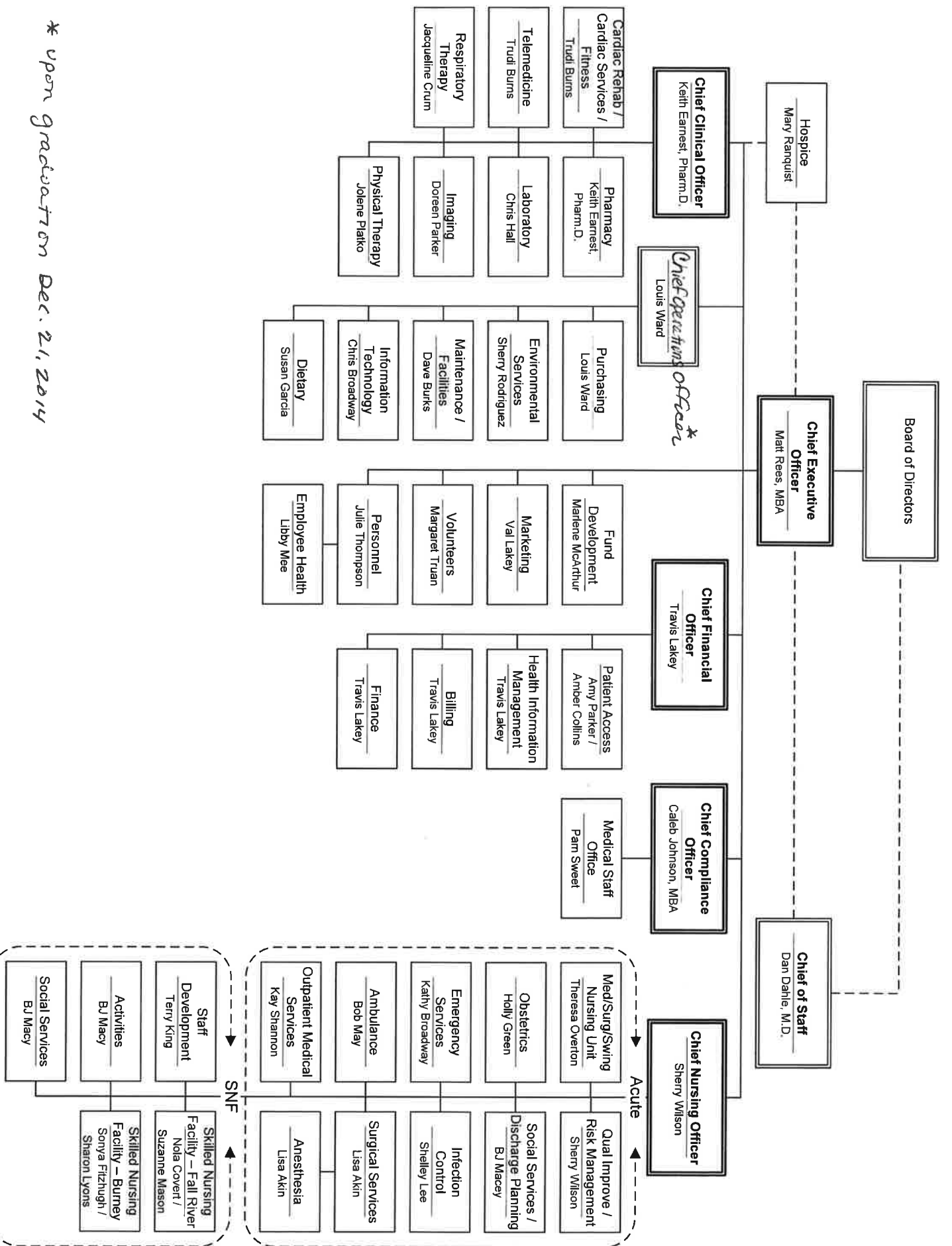
Key Indicators	Current	Prior	Benchmark
Gross AR Days	71.54	73.54	65.00
Percent Over 120 Days	29.9%	33.9%	12.0%
DNFB	10.69	11.64	7.00
Number of Denied Claims	182	175	130
Clean Claim Rate	41%	33%	60%
Adjusted Collection Rate	87.4%	72.0%	97.0%

ATB Payor Mix

BLUE CROSS	7.9%	7.4%
COMMERCIAL	10.7%	9.3%
MEDICAID	34.8%	40.1%
MEDICARE	23.4%	21.3%
MEDICARE ADVANTAGE	4.1%	3.9%
PRIVATE PAY	11.4%	11.0%
SELF PAY AFTER INSURANCE	5.4%	4.6%
UNKNOWN	0.0%	0.0%
WORKMANS COMP	2.3%	2.4%

Payor Class	Unbilled	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 180 Days	181 - 365 Days	366 + Days	Total Amount
BLUE CROSS	54,340.32	126,840.02	81,203.72	109,586.52	16,745.74	21,557.87	76,100.56	23,169.94	509,544.69
COMMERCIAL	119,410.57	85,318.55	86,553.65	61,988.45	53,916.34	93,893.62	114,959.47	71,063.83	687,104.48
MEDICAID	146,674.95	1,012,573.94	298,623.05	148,781.84	60,919.99	118,628.58	246,170.52	212,089.85	2,244,462.72
MEDICARE	494,228.38	516,983.57	232,053.06	54,929.77	18,342.09	77,543.46	49,823.30	63,575.55	1,507,479.18
MEDICARE ADVANTAGE	5,495.60	17,571.04	26,267.30	3,399.80	15,897.76	2,273.02	153,220.13	39,283.25	263,407.90
PRIVATE PAY	133,689.54	165,112.47	35,487.16	82,723.66	40,786.15	77,211.42	169,741.99	28,361.83	733,114.22
SELF PAY AFTER INSURANCE	516.00	25,444.31	43,296.08	40,155.17	35,565.99	50,259.79	96,118.03	59,668.52	351,023.89
UNKNOWN	-	-	-	-	-	-	-	-	-
WORKMANS COMP	8,679.70	29,846.44	9,471.10	2,115.28	17,281.67	33,192.30	35,219.41	12,492.34	148,298.24
Totals	963,035.06	1,979,690.34	812,955.12	503,680.49	259,455.73	474,560.06	941,353.41	509,705.11	6,444,435.32





\* upon graduation Dec. 21, 2014

\*Bolted double-lined boxes indicate rotating Administrator On Call (AOC)

Approved by the Board of Directors: Month XX, 20XX



# Mayers Memorial Hospital District 2015 Board Calendar

<u>January</u>	<u>February</u>	<u>March</u>
<p>14 Wed, 12N: Quality Board 12 Mon, 12N: Strategic Planning 13 Tues, 6pm: <b>Medical Staff Meeting (Albaugh)</b></p> <p>19 Mon, 4pm: IHF Board Meeting 25 Sun, 4pm: Chocolate Festival 27 Tues, 3:00 pm: Board Finance <b>28Wed, 1pm: BOARD MEETING</b></p> <p><b>Education/Conferences:</b> 22-23 ACHD Academy 13 Trustee Webinar, 10 am</p>	<p><b>P &amp; P Annual Reviews</b> 9 Mon, 12pm: Strategic Planning 11 Wed, 12N: Quality Committee</p> <p>24Tues, 3:00pm: Finance Committee <b>25 Wed, 1pm: BOARD MEETING*</b></p> <ul style="list-style-type: none"> <li>• BOD Q Finance Review</li> <li>• Workers Comp/Safety 6-mo</li> </ul> <p><b>Education/Conferences:</b> 10 Trustee Webinar, 10 am <b>TBA</b> , Rural Health Care Symposium</p>	<p>9 Mon, 12pm: Strategic Planning 11 Wed, 12N: Quality Committee 10 Tues, 6pm: <b>Medical Staff Meeting (Vasquez)</b></p> <p>16 Mon, 4pm: IHF Board Mtg. <b>TBA BOARD RETREAT</b> 24Tues, 3:00pm: Finance Committee <b>25 Wed, 1pm: BOARD MEETING</b> <b>28 Hospice Dinner/Dance</b></p> <p><b>Education/Conferences:</b> Trustee Webinar, 10 am <b>TBA</b> CHA Health Policy Leg Day</p>
<u>April</u>	<u>May</u>	<u>June</u>
<p>08 Wed, 12pm: Quality Committee 13 Mon, 12pm: Strategic Planning <b>22Wed, 1 pm: BOARD MEETING*</b></p> <ul style="list-style-type: none"> <li>• Hospice Q Report</li> </ul> <p>28Tues, 3:00pm: Finance Committee <b>TBA Board Retreat</b></p> <p><b>Education/Conferences:</b> 14 Trustee Webinar, 10 am 13-14 ACHD Leg Day 18 Health Fair</p>	<p>11 Mon, 12pm: Strategic Planning 12 Tues, 6pm: <b>Medical Staff Meeting (Whitney)</b></p> <p>13 Wed, 12pm: Quality Committee 18 Mon, 4pm: IHF Board Meeting 26 Tues, 3:00pm: Finance Committee <b>27 Wed, 1pm: BOARD MEETING</b></p> <ul style="list-style-type: none"> <li>• Adoption Budget</li> <li>• BOD Q Finance Review</li> </ul> <p><b>Education/Conferences:</b> 12 Trustee Webinar, 10 am 6-8 ACHD Annual Meeting TBA AHA Annual Membership/ California Congressional Action Program</p>	<p>08 Mon, 12pm: Strategic Planning 10 Wed, 12pm: Quality Committee</p> <p>23 Tues, 3:00pm: Finance Committee <b>24 Wed, 1pm: BOARD MEETING*</b></p> <ul style="list-style-type: none"> <li>• Appt. Ad Hoc Committee - CEO evaluation</li> </ul> <p><b>Education/Conferences:</b> 9 Trustee Webinar, 10 am</p>
<u>July</u>	<u>August</u>	<u>September</u>
<p>08 Wed, 12pm: Quality Committee 13 Mon, 12pm: Strategic Planning 14 Tues, 6pm: <b>Medical Staff Meeting (Kerns)</b></p> <p>20 Mon, 4pm: IHF Board Meeting <b>22 Wed 1pm: BOARD MEETING</b></p> <ul style="list-style-type: none"> <li>• 401K Annual Report</li> <li>• Hospice Annual YE Report</li> </ul> <p>28 Tues, 3:00pm: Finance Committee</p> <p><b>Education/Conferences:</b> 14 Trustee Webinar, 10 am</p>	<p>10 Mon, 12pm: Strategic Planning 12 Wed, 12pm: Quality Committee <b>15 IHF Golf Tournament</b></p> <p>25 Tues, 3:00pm: Finance Committee <b>26 Wed, 1pm: BOARD MEETING*</b></p> <ul style="list-style-type: none"> <li>• BOD Q Finance Review</li> <li>• CEO FYE Evaluation</li> <li>• Workers Comp/Safety Committee FYE Report</li> </ul> <p><b>Education/Conferences:</b> 11 Trustee Webinar, 10 am</p>	<p>08 Tues, 6pm: <b>Medical Staff Meeting (Hathaway)</b> Planning</p> <p>09 Wed, 12pm: Quality Committee 14 Mon, 12pm: Strategic 21 Mon, 4pm: IHF Board Meeting 22 Tues, 3:00Pm: Finance Committee <b>23 Wed, 1pm: BOARD MEETING</b></p> <ul style="list-style-type: none"> <li>• Annual Board Bylaws Review</li> <li>• Board Assessment Process</li> </ul> <p><b>Education/Conferences:</b> 8 Trustee Webinar, 10 am</p>
<u>October</u>	<u>November</u>	<u>December</u>
<p><b>03, Sat, Hospice Chair-ity</b> 12 Mon, 12pm: Strategic Planning 14 Wed, 12pm: Quality Committee 27 Tues, 3:00 pm: Finance Committee <b>28 Wed, 1pm: BOARD MEETING*</b></p> <ul style="list-style-type: none"> <li>• Annual Program Evaluation</li> <li>• Hospice Q Report</li> </ul> <p><b>Education/Conferences:</b> 13 Trustee Webinar, 10 am</p>	<p>09 Mon, 12pm: Strategic Planning 10 Tues, 6pm: <b>Medical Staff Meeting (Albaugh)</b></p> <p>11 Wed, 12pm: Quality Committee 16 Mon, 4pm: IHF Board Meeting 24 Tues, 3:30 pm: Finance Committee <b>26 Wed, 1pm: BOARD MEETING</b></p> <ul style="list-style-type: none"> <li>• Nominating Committee for Board Officers</li> <li>• BOD Q Finance Review</li> <li>• Cost Report to BOD</li> </ul> <p><b>Education/Conferences:</b> 10 Trustee Webinar, 10 am</p>	<p>09 Wed, 12pm: Quality Committee 14 Mon, 12pm: Strategic Planning 22 Finance Committee <b>23 Wed, 1pm: BOARD MEETING*</b></p> <ul style="list-style-type: none"> <li>• Annual Organizational Mtg</li> <li>• Election of Officers</li> <li>• Independent Audit</li> </ul> <p><b>Education/Conferences:</b> 8 Trustee Webinar, 10 am</p>

Please contact Valerie Lakey, at her direct line 336-7504 if you have board calendar updates or changes.

Revised: 12/02/14

# MAYERS MEMORIAL HOSPITAL DISTRICT

## Regular Meetings 2015 – Board of Directors

January 28	Fall River Mills
February 25	Burney
March 25	Fall River Mills
April 22	Burney
May 27	Fall River Mills
June 24	Burney
July 22	Fall River Mills
August 26	Burney
September 23	Fall River Mills
October 28	Burney
November 25 (date change pending)	Fall River Mills
December 23 (date change pending)	Burney

\*All regular meetings start at 1 p.m.

Note: These dates are the *regular meeting* dates per District Bylaws. Dates are subject to change specified in a resolution by the Board.

2015 Officers:

**Mayers Memorial Hospital District  
Board Resolution Adopting  
Section 125 Cafeteria Plan  
RESOLUTION 2014-8**

By action of the board of directors of **Mayers Memorial Hospital District.**, taken as of Date of Board Resolution, the following resolutions were duly adopted:

NOW, THEREFORE, BE IT RESOLVED, that the **Mayers Memorial Hospital District** does hereby adopt a plan to be known as the **Mayers Memorial Hospital District Flex Choice 125 Cafeteria Plan Number 521** substantially in the form presented to this Board and is effective as of **January 1, 2015**; and

RESOLVED, that **Pacific Benefit Consultants, Inc.** is hereby appointed as Contract Administrator of the Plan to serve for such term(s) and to have such power and duties as are set forth in the Plan; and

RESOLVED, that full power and authority are hereby conferred upon the members of the board of directors of this district to execute amendments to such Plan within the general intent and purpose thereof in order that the Plan shall qualify under the provisions of Section 125 of the Internal Revenue Code of 1986, as amended.

I HEREBY certify that the foregoing is a true and exact copy of resolutions adopted by the board of directors of this district and that such resolutions have not been amended, modified, or revoked and are still in full force and effect.

IN WITNESS WHEREOF, I have signed this Certificate this \_\_\_\_\_ day of \_\_\_\_\_,

\_\_\_\_\_  
By: Board Secretary

**MAYERS MEMORIAL HOSPITAL DISTRICT****POLICY AND PROCEDURE****CHARITY CARE POLICY**

ORIGINATING DATE: Unknown  
REVISION DATE: 12/10/2014  
MANUAL(S): Business Office, Admitting

Page 1 of 6, plus the following attachments  
*HHS Poverty Guidelines – 75% MMH388*  
*HHS Poverty Guidelines – 350% MMH390*

**DEFINITION:**

For all intents and purposes, the word “patient(s)” refers to all customers receiving health care services in our facilities, including inpatients, outpatients, residents and clients.

**POLICY:**

Mayers Memorial Hospital District realizes the need to provide service to patients who cannot otherwise afford health care. This policy is to provide financial assistance to patients who have health care needs and are uninsured, under-insured, ineligible for a government program, and are otherwise unable to pay for medically necessary care based on their individual needs. A graduated schedule based on the annual HHS Poverty Guidelines, as well as assessment of the patient’s monetary assets will be used to determine the qualifying income and asset levels of applicants. Guidelines are subject to change yearly based on the HHS Poverty Guidelines. Understanding this need, the hospital has chosen to fulfill their responsibility to the community by adopting the following Charity Care Policy.

**PROCEDURE:****1. Standard Eligibility Criteria for Participation in the Charity Care Program:**

- a. A patient qualifies for Charity Care if all of the following conditions are met:
  - i. The patient does not have private health insurance (including coverage offered through the California Health Benefit Exchange), Medicare, or Medi-Cal as determined and documented by the hospital;
  - ii. The patient’s injury is not a compensable injury for purposes of workers’ compensation, automobile insurance, or other insurance as determined and documented by the hospital;
  - iii. The patient’s household income does not exceed 75% of the Federal Poverty Level; **and**
  - iv. The patient’s allowable monetary assets do not exceed \$5,000;
    1. In determining a patient’s monetary assets, the hospital **shall not** consider: retirement or deferred compensation plans qualified under the

Internal Revenue Code; non-qualified deferred compensation plans; the first ten thousand dollars (\$10,000) of monetary assets, and fifty percent (50%) of the patient's monetary assets over the first ten thousand dollars (\$10,000).

**2. Special Eligibility and Enrollment Exceptions:**

**a. High Medical Costs/Medically Indigent**

- i. A patient whose family income does not exceed 350% of the federal poverty and their annual out-of-pocket medical expenses for non-elective/medically necessary services with Mayers Memorial Hospital District and other health care providers exceed 10% of the patient's family gross income in the prior 12 months, would then be considered as "Medically Indigent" as defined by AB774.
  1. For those who have been informally determined to be Medically Indigent, or have incurred high medical costs will be offered to complete a Charity Care application by the Financial Counselor.
  2. Supporting documentation to show what medical expenses have been paid in the prior 12 months are required to determine eligibility.

**b. Homeless/Indigent Patients**

- i. Patients who are determined to be indigent/homeless by either clinical documentation or are unable to provide sufficient demographic information such as a mailing address, phone number, or residential address will/can be considered for Charity Care.
  1. No application will be required by a patient who has been determined to be indigent/homeless.
  2. Only emergent/medically necessary services will be considered. Should a patient who presents for outpatient services, financial counseling will be done at the time of service.

**c. Deceased No Estate**

- i. Upon receipt of confirmation that a patient is deceased and who has no estate, third party coverage, or spouse, will be automatically eligible for Charity Care upon receipt of the following items.
  1. Notification from county in which patient expired in.
  2. Received copy of death certificate from patient family notifying MMHD of death and no estate exists.
  3. Confirmation that patient does not have a living spouse who would be liable for outstanding/unpaid debt.
  4. Confirmation from another facility of patients' expiration and that no estate or pending probate exist.

5. Upon notification from collections agency that collections accounts are being cancelled back due to deceased/no estate.
6. Knowledge that patient has expired based on clinical documentation for services provided by MMHD.

d. Administrative Charity Care

- i. In cases where medically necessary services are provided to a patient who has been screened by the financial counselor, and it has been determined that the patient is unable to complete the standard application process due to medical, social, or other documented circumstances, charges may be considered for Charity Care on a case by case basis.
  1. Account(s) should be written up for Charity Care adjustment with all supporting documentation attached and be presented to the Financial Director and Chief Executive Office for approval.

**3. Standard Enrollment Process:**

- a. An informal determination of Charity Care eligibility will be determined by the Patient Financial Counselor, and the applicant may choose to fill out an application based on the recommendation of the Patient Financial Counselor; however, the recommendation of the Patient Financial Counselor is not required in choosing to fill out the Charity Care Application.
- b. Upon being submitted for consideration by the Patient Financial Counselor, all properly submitted applications will be reviewed and considered for implementation within 10 business days.
- c. All application packets must be filled out completely and accurately with each of the following required documentation attached, to be considered:
  - i. Documentation of non-coverage from Medi-Cal for the service on the date performed;
  - ii. Documentation of household income, as provided by:
    1. Current W-2 withholding form or Income Tax statement form from the previous year, **or**
    2. Pay stubs from the previous three months
  - iii. Documentation of monetary assets, to include:
    1. Most current bank statement, and any additional information or statements on all monetary assets



- a. Statements on retirement or deferred-compensation plans qualified under the Internal Revenue Code, or nonqualified deferred-compensation plans **shall not** be included
2. Signed waiver or release from the patient or the patient's family, authorizing the hospital to obtain account information from financial and/or commercial institutions, or other entities that hold or maintain monetary assets, to verify their value.
  - iv. Completed Medicare Secondary Payer (MSP) Questionnaire indicating the patient's injury is not a compensable injury for purposes of workers' compensation, automobile insurance, or other insurance
- d. Any additional accounts with outstanding balances at time of application will be screened for Charity Care eligibility using the same information collected above.
- e. Verification of accuracy of application information, including contacting employers for verification of employment, will be made.
- f. A letter of either approval or denial will be submitted to each applicant.
  - i. The approval letter will include a demand statement for the service in question with adjustments and a balance of zero dollars (\$0), and contact information for any questions that may arise;
  - ii. The denial letter will include: reason for denial; indication of potential eligibility under the Discount Payment Program, Payment Plan Program, or other self-pay policy; and information and request to contact the Patient Financial Counselor as soon as possible.
- g. Any additional services rendered up to a year after the submission date of an approved Charity Care Application will additionally require: updated documentation of non-coverage for the service on the date performed; and a completed MSP Questionnaire indicating the patient's injury is not a compensable injury.
- h. Any disputes regarding a patient's eligibility to participate in the Charity Care Program shall be directed to the Business Office Manager and will be resolved within 10 business days.
  - i. If it is determined that the patient is ineligible to participate, the number of days spent on dispute resolution shall not be counted toward the minimum 150 days prior to reporting any amount to a credit reporting bureau.

**4. Participant Accounts Maintenance:**

A folder for each Charity Care applicant will be created, and will include the following items:

- a. Patient information and application
- b. A copy of every correspondence between Mayers Memorial Hospital and the participant
- c. Detailed bills on all accounts to be included in the application
- d. Adjustment form with adjustments taken on accounts

- e. Any additional notations and pertinent information

**5. Availability of the Charity Care Policy:**

- a. Notice of the Charity Care Policy shall be posted in the following locations:
  - i. Emergency department
  - ii. Billing office
  - iii. Admissions office
  - iv. Laboratory
  - v. Imaging
  - vi. Station III
- b. In the event of the hospital providing service to a patient who has not provided proof of coverage by a third party at the time the care is provided or upon discharge, the hospital shall provide a notice to the patient that includes, but is not limited to:
  - i. A statement of charges for services rendered by Mayers Memorial Hospital District; and
  - ii. A request that the patient inform Mayers Memorial Hospital District if the patient has health insurance coverage, Medicare, Medi-Cal or other coverage, and if the patient does not, that the patient may be eligible for such coverage, and can obtain an application for such coverage from Mayers Memorial Hospital District; and
  - iii. A statement that indicates the patient may qualify for Charity Care if they meet the eligibility criteria set forth in this policy; and
  - iv. The name and telephone number of the Patient Financial Counselor from whom the patient may obtain information about the Charity Care policy and other assistance policies, and about how to apply for that assistance.

**REFERENCES:**

The processes and procedures described above are designed to comply with CA SB 1276 (Chapter 758, Statutes of 2014), CA AB 774 (Statutes of 2006) and SB 350 (Chapter 347, Statutes of 2007). Questions regarding SB 1276, AB 774 and SB 350 can be addressed by the Patient Financial Counselor or by California's Office of Statewide Health Planning and Development's website, at <http://www.oshpd.ca.gov/hid/products/hospitals/fairpricing/index.html>.

<http://aspe.hhs.gov/poverty/14poverty.shtml>

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Author: CJ/CW

Charity Care  
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MAYERS MEMORIAL HOSPITAL DISTRICT

2014 HHS POVERTY GUIDELINES

Persons in Family or Household	75% US Poverty Level
1	\$ 8,753
2	\$ 11,798
3	\$ 14,843
4	\$ 17,888
5	\$ 20,933
6	\$ 23,978
7	\$ 27,023
8	\$ 30,068
For each add'l person, add	\$ 3,045

To determine charity eligibility according to income level:

1. Count the number of persons in your family/household
  - a. For persons 18 years of age and older, include spouse, domestic partner and dependent children under 21 years of age, whether living at home or not
  - b. For persons under 18 years of age, include parent, caretaker relatives and other children under 21 years of age of the parent or caretaker relative
2. Calculate the household income
3. On the row corresponding to the number of persons in your family/household above, compare your household income to the amount in the column labeled “75% US Poverty Level”
4. If your household income is less than 75% US Poverty Level amount, your income supports your eligibility for Charity Care.

Note: Pursuant to AB 774 Sect. 127405(2), Mayers Memorial Hospital has established eligibility levels for financial assistance and charity care at less than 350 percent of the federal poverty level as appropriate to maintain its financial and operational integrity. Mayers Memorial Hospital is a rural hospital as defined in Section 124840.

To determine charity eligibility according to total monetary assets:

1. Calculate your total monetary assets (referred to as “ASSETS” in the equation below)
  - a. Assets included in retirement or deferred-compensation plans qualified under the Internal Revenue Code, or nonqualified deferred-compensation plans **shall not** be included
2. Insert total assets into the following equation:
  - a.  $(ASSETS - 10,000)/2$
3. If the remaining amount is less than \$5,000, your total asset level supports your eligibility for Charity Care.

**MAYERS MEMORIAL HOSPITAL DISTRICT**

**2014 HHS POVERTY GUIDELINES**

<b>Persons in Family or Household</b>	<b>350% US Poverty Level</b>
1	\$ 40,845
2	\$ 55,055
3	\$ 69,265
4	\$ 83,475
5	\$ 97,685
6	\$ 111,895
7	\$ 126,105
8	\$ 140,315
For each add'l person, add	\$ 14,210

**To determine Medically Indigent eligibility according to income level:**

1. Count the number of persons in your family/household
  - a. For persons 18 years of age and older, include spouse, domestic partner and dependent children under 21 years of age, whether living at home or not
  - b. For persons under 18 years of age, include parent, caretaker relatives and other children under 21 years of age of the parent or caretaker relative
2. Calculate the household income.
3. On the row corresponding to the number of persons in your family/household above, compare your household income to the amount in the column labeled “350% US Poverty Level.”
4. If your household income is less than the corresponding amount in the column labeled “350% US Poverty Level,” and paid medical expenses for medically necessary services exceed 10% of household income in the prior 12 months, then additional expenses beyond that 10% incurred would then be considered eligible for Medically Indigent charity care.

Note: Pursuant to AB 774 Sect. 127405(2), Mayers Memorial Hospital has established eligibility levels for financial assistance and charity care at less than 350 percent of the federal poverty level as appropriate to maintain its financial and operational integrity. Mayers Memorial Hospital is a rural hospital as defined in Section 124840.

**MAYERS MEMORIAL HOSPITAL DISTRICT**

**POLICY AND PROCEDURE**

**DISCOUNT PAYMENT POLICY**

ORIGINATING DATE: Unknown  
REVISION DATE: 12/10/2014  
MANUAL(S): Business Office, Admitting

Page 1 of 4, plus attachment  
*HHS Poverty Guidelines MMH389*  
*HHS Poverty Guidelines to post MMH389A*

**DEFINITION:**

For all intents and purposes, the word “patient(s)” refers to all customers receiving health care services in our facilities, including inpatients, outpatients, residents and clients.

**POLICY:**

Mayers Memorial Hospital District realizes the need to provide service to patients who cannot otherwise afford health care. This policy applies to all uninsured or underinsured patients who meet the guidelines of this policy and who agree to its terms. A sliding fee schedule based on the annual HHS Poverty Guidelines will be used to determine the qualifying income levels of applicants. Guidelines are subject to change yearly based on the HHS Poverty Guidelines. Understanding this need, the hospital has chosen to fulfill their responsibility to the community by adopting the following Discount Payment Policy.

**PROCEDURE:**

**1. Enrollment Process**

- a. In determining the extent of the Discount Payment Policy discount, the Patient Financial Counselor shall make all reasonable efforts to obtain from the patient or his or her representative information about whether private or public health insurance or sponsorship may fully or partially cover the charges for care rendered by Mayers Memorial Hospital District.
- b. An informal determination of Discount Payment eligibility will be determined by the Patient Financial Counselor, and the applicant may choose to fill out an application based on the recommendation of the Patient Financial Counselor; however, the recommendation of the Patient Financial Counselor is not required in choosing to fill out the Discount Payment Application.
- c. Upon being submitted for consideration by the Patient Financial Counselor, all properly submitted applications will be reviewed and considered for implementation within 30 business days.

- d. All applications must be filled out completely and accurately with one of the following required documentation attached, to be considered:
  - i. Current W-2 withholding form or Income Tax statement form from the previous year, **or**
  - ii. Pay stubs from the previous three months
- e. Verification of accuracy of application information, including contacting employers for verification of employment, will be made.
- f. A letter of either approval or denial will be submitted to each applicant. The letter will contain: the percent discount; adjusted balance (if more than one account, each will be combined into one account for accounting and billing/statement purposes); and the required monthly payment due each month. Also included in the envelope will be a payment schedule and a discount card.
- g. Updates will be conducted at the end of each calendar year for continued eligibility, or as needed with updated information/changes to guarantor accounts.

## **2. Discount Payment Account Billing Process, Terms and Settlement**

- a. All accounts will be billed upon discharge or upon satisfaction of all third party payers.
- b. Participants are requested to remain current on their outstanding balances. In order to remain current, participants must pay the balance due by 30 days of statement date. If unable to meet these requirements, prior arrangements must be made with the Business Office/Patient Financial Counselor.
- c. If participant information changes, the participant shall submit changes to the Business Office/Patient Financial Counselor to update their applications or to complete/submit a new application.
- d. If participant does not pay within 15 days past due, without prior arrangements with the Business Office/Patient Financial Counselor, he/she will be removed from the program.
- e. Upon removal from the program, a 6-month grace period will be enforced where all amounts will be due and the patient will not be eligible for the program. Accounts on the program will have the discounted amount removed, original balance reinstated minus any payments, and prepared for collections. These accounts will not be considered a part of the new application once the participant is eligible for the program again.
- f. A new application on new accounts may be submitted after the grace period for consideration.
- g. Accounts that are removed from the program and that still contain a positive balance after the 6-month grace period will be forwarded to an outside collection agency who

will, at their discretion and in accordance with rules and regulations put forth by California Assembly Bill 774, notify credit reporting bureaus. Under no circumstances will an account be reported to a credit reporting bureau under 150 days from the first bill date.

### **3. Participant Accounts Maintenance**

- a. All accounts will be reviewed monthly for fee adjustments, monthly payments and co-payments.
- b. Notices will be sent for all accounts which are non-compliant.
- c. Collections efforts may be pursued for accounts that violate the terms set herein.
- d. In the folder for each application the following items are required:
  - i. Patient information and application
  - ii. A copy of every correspondence between Mayers Memorial Hospital and the participant
  - iii. Detailed bills on all accounts to be included in the application
  - iv. Adjustment form with adjustments taken on accounts
  - v. Any additional notations and pertinent information

### **REFERENCES:**

Pursuant to AB 774 Sect. 127405(2), Mayers Memorial Hospital has established eligibility levels for financial assistance and charity care at less than 350 percent of the federal poverty level as appropriate to maintain its financial and operational integrity. Mayers Memorial Hospital is a rural hospital as defined in Section 124840.

<http://aspe.hhs.gov/poverty/14poverty.cfm>

The processes and procedures described above are designed to comply with CA SB 1276 (Chapter 758, Statutes of 2014), CA AB 774 (Statutes of 2006) and SB 350 (Chapter 347, Statutes of 2007). Questions regarding SB 1276, AB 774 and SB 350 can be addressed by the Patient Financial Counselor or by California's Office of Statewide Health Planning and Development's website, at <http://www.oshpd.ca.gov/hid/products/hospitals/fairpricing/index.html>.

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**Discount Payment Policy**

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**MAYERS MEMORIAL HOSPITAL DISTRICT**

**2014 HHS POVERTY GUIDELINES**

Persons in Family or Household	100% US Poverty Level	150% of US Poverty Level	200% of US Poverty Level
	80% Discount	60% Discount	40% Discount
1	\$11,670	\$17,505	\$23,340
2	\$15,730	\$23,595	\$31,460
3	\$19,790	\$29,685	\$39,580
4	\$23,850	\$35,775	\$47,700
5	\$27,910	\$41,865	\$55,820
6	\$31,970	\$47,955	\$63,940
7	\$36,030	\$54,045	\$72,060
8	\$40,090	\$60,135	\$80,180
For each additional person, add	\$4,060	\$6,090	\$8,120

**To determine discount eligibility:**

1. Count the number of persons in your family/household
  - a. For persons 18 years of age and older, spouse, domestic partner and dependent children under 21 years of age, whether living at home or not
  - b. For persons under 18 years of age, parent, caretaker relatives and other children under 21 years of age of the parent or caretaker relative
2. Calculate the household income
3. Sliding across the row corresponding to the number of persons in your family/household above, stop in the first bucket that has an amount greater than the household income
4. At the top of that column, the % discount is displayed

# MAYERS MEMORIAL HOSPITAL DISTRICT

## REPAYMENT SCHEDULE

TOTAL PT LIABILITIES	MAX REPAYMENT TERM	MIN MONTHLY PAYMENT
\$50.00 OR LESS	IN FULL	IN FULL
\$ 51 - 100	2 months	\$40
\$ 101 - 300	3	\$55
\$ 301 - 600	6	\$75
\$ 601 - 1,000	9	\$100
\$ 1,001 - 3,000	12	\$150
\$ 3,001 - 6,000	15	\$250
\$ 6,000 AND OVER	18	\$350

### To determine repayment schedule parameters:

1. Establish estimated or calculated total patient charges prior to discount.
  - a. The Patient Financial Counselor and/or Department Personnel can provide a list of anticipated charged services and supplies, summed to Total Charges
  - b. Per AB 774 Sect 127405(d), the Total Charges amount will be adjusted to mirror the amount of payment the hospital would receive as if it were providing the same services and supplies to Medicare
2. Once the total liabilities reflect the amount payable by Medicare, the discount percentage established above will be applied. The resulting amount is "TOTAL PT LIABILITIES" that can be inserted into the table above
3. Determine which row applies to your "TOTAL PT LIABILITIES" amount by putting the amount in the appropriate range above.
4. Sliding to the right, the repayment of the discounted Total Patient Liabilities must be performed within the corresponding parameters.
5. In the event the patient does not agree with the parameters set forth above, the Patient Financial Counselor shall use the formula for a "Reasonable Payment Plan" described in subdivision (i) of Section 127400 of the California Health and Safety Code, and iterated below:
  - a. "Reasonable Payment Plan" means monthly payments shall not exceed 10 percent of the patient's family income for a month, excluding deductions for essential living expenses. "Essential living expenses" means, for purposes of this formula, expenses for any of the following: rent or house payment and maintenance, food and household supplies, utilities and telephone, clothing, medical and dental payments, insurance, school or child care, child or spousal support, transportation and auto expenses,

Approvals: BOD: 2/23/11; P&P: 6/1/11  
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### HHS POVERTY GUIDELINES

Attached to policy Discount Payment Policy

## **MAYERS MEMORIAL HOSPITAL DISTRICT**

including insurance, gas, and repairs, installment payments, laundry and cleaning, and other extraordinary expenses.

- b. In order to establish the monthly payment based on the “Reasonable Payment Plan,” the patient shall provide an itemization and proof of essential living expenses and attach them to the Discount Payment/Charity Application.