



**PERSHING GENERAL HOSPITAL AND NURSING HOME BOARD OF TRUSTEES**  
**REGULAR BOARD MEETING MINUTES**  
**Thursday, April 25, 2019**

**ENTITY:** Pershing General Hospital  
**DATE:** April 25, 2019  
**TIME:** 5:30 P.M.  
**PLACE:** Pershing General Hospital  
Conference Room – 850 6<sup>th</sup> Street, Suite 103

**ATTENDING:** **Board:** Joe Pierce, Carolyn Hultgren, Charlie Safford, Ted Bendure, Dana Tueller, Carol Shank  
**Staff:** Patricia Bianchi, Cindy Hixenbaugh, Bryce Shields, Rebecca Yancy, Pam Weeldreyer, Helen Joubert, Jon Smith

- 1) **CALL TO ORDER -** By Chairman Joe Pierce at 5:37 P.M.
- 2) **PUBLIC COMMENT -** No Public Comment
- 3) **CONSENT AGENDA**
  - a. Meeting minutes for Regular Board Meeting March 28, 2019
  - b. Warrants (Check Register)
  - c. Patient Account Write-Offs for March 2019 – no write-offs for March
  - d. Recredentialing for
    - i. Dr. Sean Devlin
    - ii. Dr. Robert Miller - vRad
    - iii. Dr. Viken Manjikian - vRad

**BOARD TOOK THE FOLLOWING ACTION:**

Motion to approve the Consent Agenda made by Carolyn Hultgren and second by Charlie Safford. Motion carried unanimously.

4) **REPORTS**

**a. Administrator/CEO:**

Given by: Patricia Bianchi  
Due to the two weeks of illness Patty experienced, she has a minimal amount of information to report.  
Patty has been getting ready for the switch of Cynthia to CEO.  
Charlie Safford inquired as to when Patty's last day will be. Patty replied May 31<sup>st</sup>.  
Patty removed the agenda item regarding the possible government shut down.

**b. Chief Financial Officer:**

Given By: Jon Smith

**i. Financial Statements for the period ended January 24, 2019**

Jon is joining the meeting via phone.

Jon read the PowerPoint presentation as presented in the board packet.

When we look at the income statement for the month of March 2019, we actually had a total loss of \$88,156.00 versus a budgeted loss of \$14,158.00. YTD -\$73,616.00 versus a budgeted loss of \$235,115.00.

Operating Expenses were almost 10% below budget for the month of March and almost 4.5% below budget on a YTD basis.

The challenge areas from a volume perspective that led to the shortfall revenue-wise are the clinic volumes and inpatient and swing bed revenues. Clinic volume was down. Inpatient and swing bed started out strong at the beginning of the year, but the last few months have been significantly less. Quite a bit of this was perhaps due to the construction and the overall outpatient service, although we did have a rebound in radiology and we are hoping that continues.

Overall, Year-to-date (YTD) swing bed as well as the nursing home are operating well above budget. We are hoping for a rebound on the inpatient and swing bed.

Overall adjustments to revenue are overbudget by \$56,000 for the month but are underbudget by \$508,866.00 YTD. The overall adjustments for the month are 36.4%. And 25% YTD versus a budgeted 28.5%. We are trending fairly close to where we were last year at this time. If we can see revenue go up that will help immensely.

Bad debt charity care (\$20,498.00) was up for the month due to positive collections. We are under budget YTD (\$133,000.00). Bad debt expense for the month was fairly low; under two percent. Any time we can be in the fours is a positive from a bad dept perspective.

Total operating expenses (net of bad debt) - \$852,316; YTD 7.9 million. Cash flow stays strong. We budget \$900,000 per month so we are significantly under budget for the month and almost \$8.2 million YTD. We are \$240,000 below our expense budget for the YTD.

Salaries and Benefits - \$540,000.00 for the month; 4.9 million for the year (through 9 months). We budget \$584,000 so, we are significantly under YTD. The gap this month is due to the two months where we have a third payroll in it and we have three PERS payments. In the budget this year, we actually put that in for September and March but the actual months that it happens in are October and April. We will see this up closer to the budget for next month. Our physician fees were below budget as well as purchased services so, our total operating expenses as a percentage of our gross revenue is running at about 80% for the month and at about 82% for the year. Verses a budget of 76%. Jon feels good about where we are expense-wise. So many of our expenses are fixed and we are really operating on as much of a shoe string as we can operate. Average daily census for the month was .26 (only ¼ of a patient per day). It is .36 YTD. Swing bed was .19, the lowest it has been all year. Outpatient encounters were a real positive and were up in radiology, but also up significantly in the lab, so that helped us out with our outpatient revenue. We would like to see them grow.

Cash and cash equivalents increased by \$6,700.00 to \$2.3 million. Our gross patient accounts receivable actually decreased by \$2,000.00 to \$1.7 million. Net Accounts receivable is actually running about 58% of gross accounts receivable which means that is how much we are anticipating we will collect out of the \$1.7 million.

Statistics – We had eight inpatient days. \$8,400.00 in-patient census is down. For swing bed we had 6 days, \$6,632.00 in revenue and \$1,904.00 per day in gross revenue which is up significantly. We are providing a lot of services per patient, we just need to get the volume of patients up. Nursing home was 716 days and \$275.00 per day charge and our overall revenue is just shy of \$280.00. Our total outpatient gross revenue per visit has dropped a little to \$495.00 per visit from a budgeted amount in the mid \$500.00. Total ER visits went up to 4.8 patients per day which is a great trend for PGH. Total Clinic visits as well as the procedures themselves were actually at 609, which is down, so our average has dropped from the low 30s down to 28 per day. We are still averaging \$167.00 per encounter. Overall, March was challenging volume-wise and Jon thinks that the construction does play a role and he is eager to see what our March numbers look like. Expense-wise, Jon thinks we are where we need to be; and that it really just comes down to whatever volume we can get now and build up. This will help us achieve our goals as a facility has been very strong.

Currently, nursing home cost is \$275 per day. Nursing home rates in Nevada have not been re-based since 2003. The state has been in violation of their own state plan. The state is going to begin re-basing again. It could mean upwards of \$400-500,000 per year for us.

#### **BOARD TOOK THE FOLLOWING ACTION:**

Motion to approve the financials ended March 31, 2019 as presented made by Ted Bendure. Seconded by Charlie Safford. Motion carried unanimously.

#### **ii. Revenue Cycle Dashboard February 2019**

By looking at the dashboard, we can see how the things that we talked about in the Financial presentation trend. Overall upfront cash collections were strong. Fifteen to sixteen is what we historically have averaged. The numbers show great progress and consistency. Over all accuracy of our registrations has been 99%. The denials and write-offs is the highest that we have had but looks to be one large claim. Our net revenue per patient encounter is a percentage of the gross both are down a little bit and we'd like to see those go up. We are collecting our AR and we are generating positive charges on positive volumes. Cash collections are still very strong (107%). Bad debt expenses are low for the month and our days in ER went down slightly. Our percentage of our overall AR is hovering around 24-25% over 90 days. Chairman Pierce thanked Jon for his report. Jon expressed his appreciation for the board.

#### **c. Chief Nursing Officer:**

Given by: Patricia Bianchi  
Christina is on vacation.

Currently, we have 24 residents in the nursing home. No acute patients and we have a referral for a swing patient.

#### **d. Chief Operating Officer:**

Given by: Cynthia Hixenbaugh

We have a Physician Assistant interview next week – Joshua Smith. We may also have another interviewee coming the following day – Jacob Lewis.

We are working with the adjuster from McClarens regarding the water damage from the project and he will present a claim worksheet. The adjuster came out today and did a walkaround with Loren Bianchi and Q&D representatives Tom Stoddard and Dan Kinzler, We are looking at between six and eight occurrences of damage; there will be a \$25,000 per occurrence deductible. Q & D had originally said that they would pay our deductible, but we all also thought there would only be one deductible.

Ted Bendure questioned as to why our insurance eats the cost. Cindy explained that the roofing company was notified that they would have to pay for all of the damages and the lawyers discovered that we have a construction caveat in our certificate of coverage for the course of construction that says our insurance will be used in case of damage. We actually had 15 days of rain contributing to the damage and the insurance company is regarding each occurrence as a separate incident.

Linda Lilleboe from Carson Valley Medical Center visited to complete a risk and quality assessment for our facility. She gave KayDawn Hughes and Cindy forms, policies, and advice on how to work with our quality program, peer review, and risk assessment in the facility. We are thankful and excited for the opportunity to receive their forms.

This past month, Cindy attended the annual Pool/Pact Board meeting and the Fraud Prevention and Reporting for Local Government Finance training.

Regarding the clinic: we will be scheduling time off for doctors to attend required conferences, so it might be a little difficult for patients to get in for appointments.

We are working on contracting with Dr. William Everts for E.R. coverage and waiting for his signature.

**e. USDA PROJECT UPDATE:**

Given By: Cynthia Hixenbaugh for Loren Bianchi

Roofing: The next phase of tear off and repair is complete. Roofing work on the cap sheet. Some of the gutters have been installed. Only one more tear off to go that is over the long-term care unit.

Flooring: the ER hallway is done and long-term care is the next phase.

Mechanical: Piping in the crawlspace continues.

Fire sprinklers: There will be a main line flush and air test today. There are still 11 heads to be changed out and we are awaiting a few more specialty sprinkler heads to be delivered. When that is complete the alarm company can return and finish the wiring and programming of the new system.

Schedule: The projected completion schedule is set for the first week in July and that does not include any insurance work. Ted asked how long it would take to get the insurance work done. Cindy is waiting for the adjuster to complete his 18-page worksheet and then may have a better idea.

Charlie Safford asked for clarification on the Insurance coverage regarding the damage to the roof. Cindy kindly re-explained the information contained in her COO report regarding procedures regarding insurance coverage.

Charlie also wondered if Cindy thought the same as Jon Smith did regarding the reason for low financial numbers; that numbers were down due to the construction. Cindy thought that closing down hallways due to the flooring construction affected our ability to take inpatients. We have had losses of up to \$237,000.00 just based on those patients that we have had to turn away. Ted also expressed concern regarding the time the hospital finances would be affected during the damage mitigation.

Cindy responded that the adjuster has only been here the one time and we are waiting for the results before we can determine how much longer the project will continue beyond the current timeline.

Charlie asked Bryce for input regarding the possibility of this damage claim increasing in size and volatility. Cindy explained that the hospital has an attorney through LiCON that we work with. Bryce qualified Cindy's explanation with the statement that his volunteer time is as the board's attorney and other counsel would be brought in for hospital issues. Dana Tueller inquired if the claim would affect future premiums. Cindy explained how the hospital is part of a group through LiCON and is unsure if premiums would increase for the following application period.

**f. Chief Procurement Officer:**

Given by: Helen Joubert

No new information to report.

**5) CRITICAL ACCESS HOSPITAL (CAH) ITEMS**

a. **UNFINISHED BUSINESS:** No unfinished business

b. **NEW BUSINESS:** No new business.

**6) PERSHING HEALTHCARE FOUNDATION**

Given By: Carolyn Hultgren

No new information to report. Charlie commented that he completed a form for Wells Fargo regarding the foundation.

**7) OTHER ITEMS**

- a. **CORRESPONDENCE - none**
- b. **LEGAL - none**
- c. **OPEN SESSION**
  - i. Action regarding litigation or potential litigation
- d. **OTHER - none**
- e. The Pershing General Hospital and Nursing Home Board of Trustees may meet in a closed labor session pursuant to 288.220 to discuss contract labor negotiations concerning the position of Chief Executive Officer
  - i. Closed Session - Adjourned for closed session by Chairperson Joe Pierce at 6:22 P.M.
  - ii. Call to Order by Chairperson Joe Pierce at 6:40 P.M.  
The board will not act on the closed labor session because the Agenda did not reflect approving a contract. It has been proposed to have a special meeting on Monday, May 6<sup>th</sup> at 5:00 P.M.
  - iii. Contract labor negotiations concerning the position of Chief Executive Officer
- f. Approval for Pershing General Hospital & Nursing Home credit card in Cynthia Hixenbaugh's name – no action taken.

**BOARD TOOK THE FOLLOWING ACTION:**

Motion to approve Monday, May 6<sup>th</sup> at 5:00 P.M. for a special meeting by Ted Bendure. Seconded by Charlie Safford. Motion carried unanimously.

- 8) **PUBLIC COMMENT:** No public comment.
- 9) **ADJOURN:** By Chairperson Joe Pierce at 6:42 P.M.