

# Wrangell Medical Center Wrangell, Alaska



**Our Mission: To Enhance The Quality Of Life For All We Serve!**



## Board of Trustees



**WRANGELL MEDICAL CENTER**  
**BOARD OF DIRECTORS MEETING AGENDA**  
**April 17, 2013 -- 5:30 p.m.**  
**Location: Nolan Center**

MEMBERS: Woody Wilson, President; Bernie Massin, Vice-President; Terri Henson, Secretary; Cori Robinson, Treasurer; Members Dorothy Sweat, Judy Allen, Barbara Conine, Marleen Messmer, Megan Clark, Ex-Officio member Marla Sanger, RN, Interim CEO

1. CALL TO ORDER
2. ROLL CALL
3. AMENDMENTS TO THE AGENDA
4. CONFLICT OF INTEREST
5. CONSENT ITEMS
  - a. Minutes of the meeting held 3/20/2013
  - b. Financial statements: February 2013
6. PERSONS TO BE HEARD

During this section of the agenda, the WMC Board will invite and listen to topics not on the agenda. The Board will note the topics, and will not take any official action on any of the topics presented but will refer items to the administration to be researched. A sign up sheet is available before the meeting to allow community members to sign up for an opportunity to speak before the board.
7. CORRESPONDENCE
  - a. None
8. CEO'S REPORT
  - a. Attached
9. MEDICAL STAFF REPORT
  - a. Verbal
10. ACTION ITEMS
11. DISCUSSION ITEMS
12. INFORMATION ITEMS
  - a. New Hospital Roof
    - i. Mr. Rooney is forwarding an electronic presentation to President Wilson; it will be disseminated and discussed at the meeting.
  - b. Scheduled meeting with the building team to discuss future planning.

WRANGELL MEDICAL CENTER  
BOARD OF DIRECTORS MEETING AGENDA  
April 17, 2013 -- 5:30 p.m.

13. BOARD COMMENTS

14. ADJOURN

## CONSENT AGENDA

- a. 3/20/13 Meeting Minutes
- b. Financials: February 2013



**WRANGELL MEDICAL CENTER  
BOARD OF DIRECTORS MEETING MINUTES  
March 20, 2013 -- 5:30 p.m.  
Location: Nolan Center**

**CALL TO ORDER:**

Meeting was called to order by President Wilson at 5:37 p.m.

**ROLL CALL:**

Present: President Woody Wilson, Vice-President Bernie Massin, Secretary Terri Henson, Members Barb Conine, Marlene Messmer, and Dorothy Sweat.

Member Judy Allen arrived late

Absent: Treasurer Cori Robinson, Member Megan Clark

Quorum established

**AMENDMENTS TO THE AGENDA:** None

**CONFLICT OF INTEREST:** None

**CONSENT ITEMS**

Motion made by Barb Conine to approve consent agenda item 5.a, minutes of the regular meeting held February 20, 2013, item 5.b., financial statement for January 2013, and item 5.c., statistics for January & February 2013. Seconded by: Terri Henson

Motion passed unanimously.

**PERSONS TO BE HEARD**

Dr. Greg Salard: Reported that things are going very fine since his return to the hospital and gave special credit to Marla for the positive actions & feedback from the hospital. Dr. Salard noted the new sense of cooperation between WMC and AICS and credits leadership for setting the example, he also mentioned the poster contest and that Dr. Prysunka has donated the funds for the prizes.

**CORRESPONDENCE:** None

**CEO'S REPORT:**

Attached. Marla Sanger, Interim CEO, also added a thank you to WMC Staff for their part in the renewed dialogue between WMC and AICS. She noted that there is tremendous potential for the future and is excited to see what that brings.

**MEDICAL STAFF REPORT:** None

WRANGELL MEDICAL CENTER  
BOARD OF DIRECTORS MEETING AGENDA  
March 20, 2013 -- 5:30 p.m.

ACTION ITEMS:

10.a: Electronic attendance at executive or other sessions closed to the public:  
Discussion among the board and with Attorney Bob Blasco clarified the desire of the board to continue to allow attendance at closed sessions via electronic means but with safeguards which may include:

- Use an affidavit which will be read and possibly signed by member attending electronically,
- Set a limit on number of persons attending electronically per session and/or the number of times one member can attend electronically,
- The process for voting (or not) by members attending electronically should be specified in the bylaws,
- The process for sharing handouts or other visual information presented at the meetings should also be determined in the bylaws,
- Mr. Blasco noted that the two main issues are integrity of the process and concern for absenteeism and that the above measures go a long way to address the issues.

Decision was to let the current policy stand, but make changes to the bylaws to address the above concerns.

10.b. Location of Wrangell Medical Center Board meetings:  
Discussion among the board determined that many of the pros and cons of meeting at either the Nolan Center or City Hall were similar and the deciding factor became ease of ensuring confidentiality during an executive session. The Nolan Center was determined to be a more secure location in terms of confidentiality; the meeting place will remain at the Nolan Center.

DISCUSSION ITEMS: Wrangell Medical Center's relationship with PeaceHealth as relates to CEO  
Question: do we wish to continue with the PeaceHealth contract, or begin the search for a CEO to be hired by WMC?

Considerations:

- People are pleased with current leadership,
- Very real need to show consistency and stability (esp. to possible funders of a new medical center),
- Current arrangement gives additional access to resources that may not come with a CEO that doesn't have connections with a larger organization,
- Cost of hiring a CEO with similar experience is likely to at least equal cost of PeaceHealth contracted CEO,
- If PeaceHealth contract is extended Marla Sanger would like to stay in Wrangell (would not be a change in personnel).

Board is comfortable continuing the contract rather than starting a search for an independently contracted CEO.

WRANGELL MEDICAL CENTER  
BOARD OF DIRECTORS MEETING AGENDA  
March 20, 2013 -- 5:30 p.m.

INFORMATION ITEMS: None

BYLAWS, POLICY AND ORDINANCE COMMITTEE:

Judy Allen will join the committee of Megan Clark and Marlene Messmer; James Stough, as the Borough Assembly Liaison, will be available to sit in on meetings. With three members of the board on the committee, meetings of the committee must be noticed.

BOARD COMMENTS:

Bernie Massin: Expressed the desire to get back to looking at the new hospital project, which opened a discussion on the project.

It was clear that there is a real need for information about the project – particularly what changes, if any, can still be enacted, the criteria/reasons for certain design decisions, and what the funding partners are going to require for the project to move forward.

Woody Wilson: Relayed that Garth Hamblin’s contract as CFO is currently an ‘incidental employee’ contract and it may be time to review it with the goal of either hiring him directly or adding him to the PeaceHealth management contract.

Bernie Massin: asked Diana Nore for the status of nursing staff. There are two new nurses in the hiring process at this time.

ADJOURN

With no further business, the regular meeting adjourned at 7:57 p.m.

Terri Henson

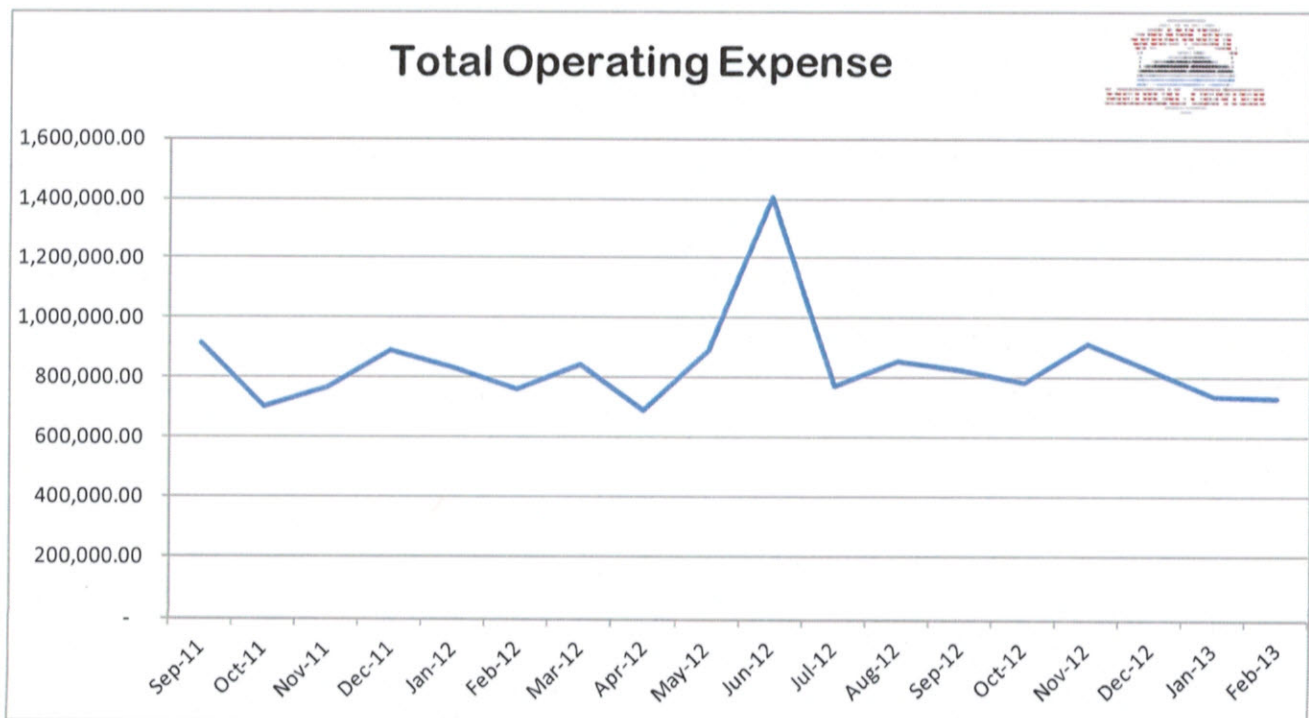
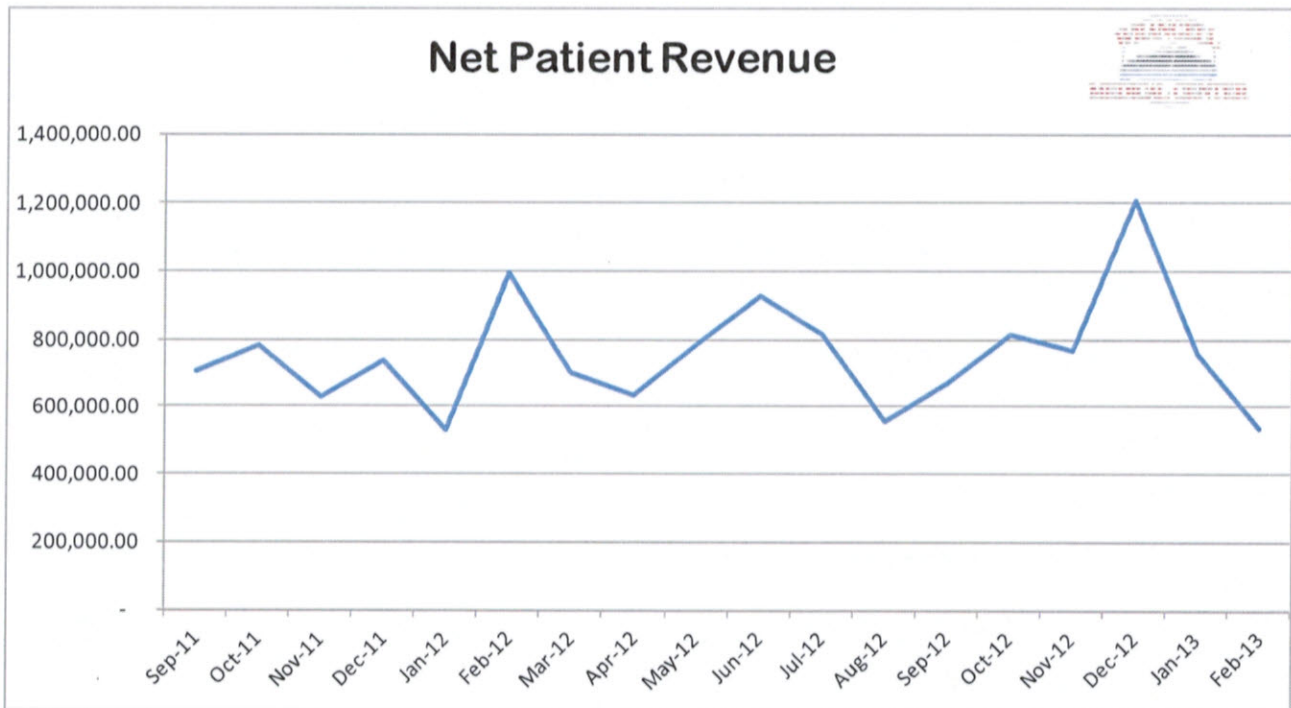
Kris Reed,  
Certified:

## February 2013

For the month of February, total revenue (charges) was significantly under budget. Net Revenue was nearly \$270,000 below budget.

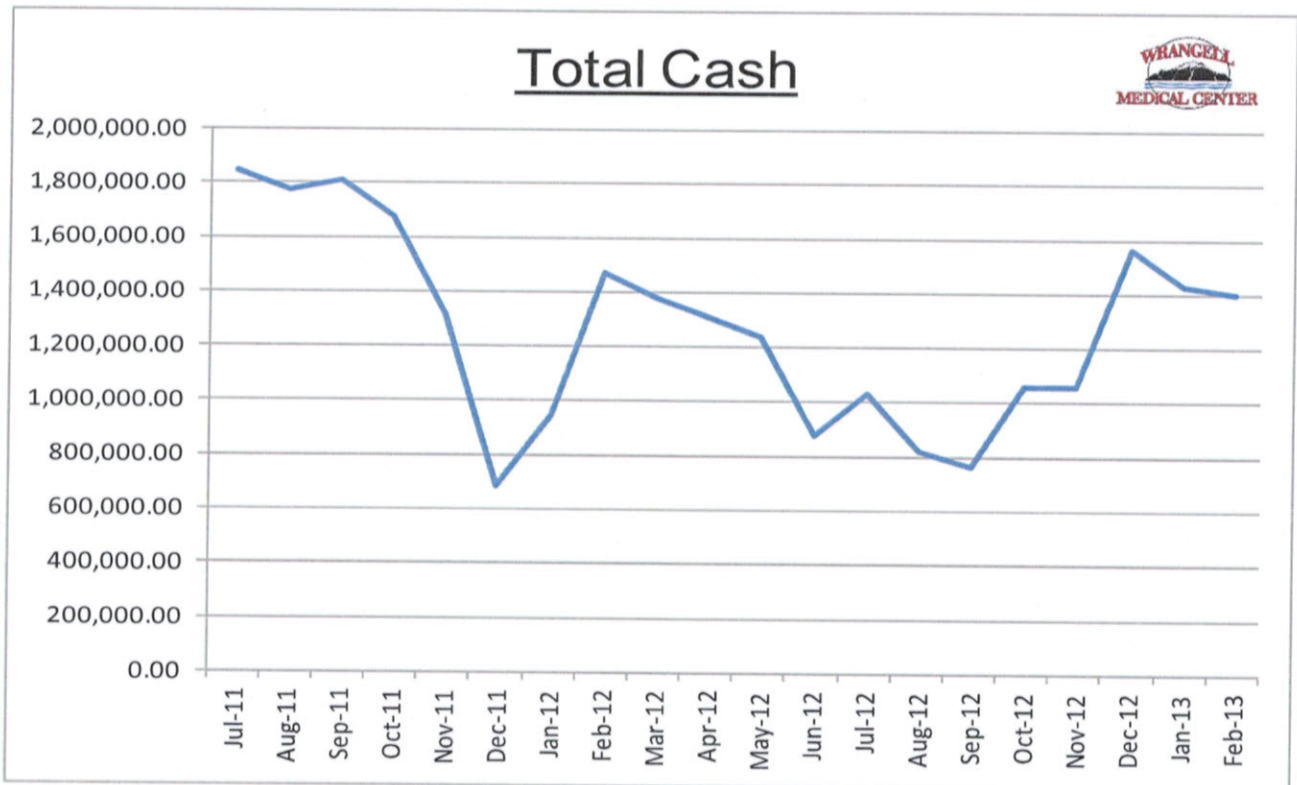
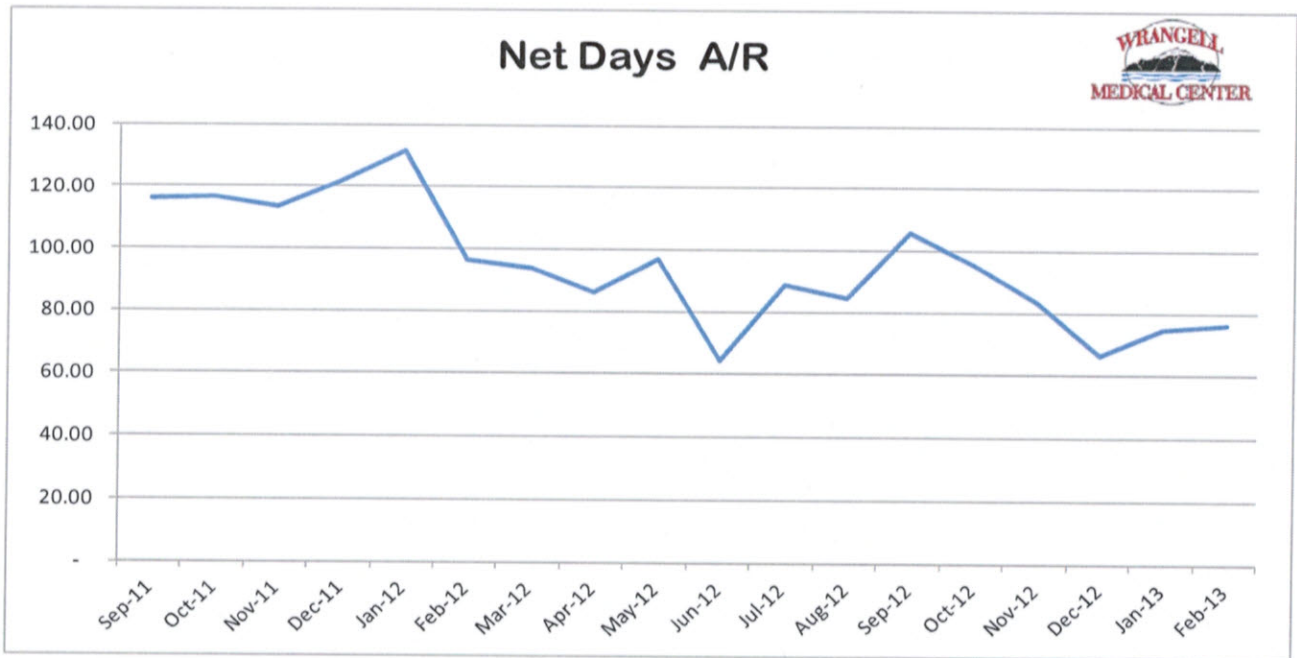
Total Expenses were 10% under budget, but not enough to cover the significant shortfall in Net Revenue.

Our Net Loss for the month was \$184,124.





Net Days in Account Receivable held steady for February, even with significantly lower revenue.



WRANGELL MEDICAL CENTER  
OPERATING/INCOME STATEMENT  
FOR THE 8 MONTHS ENDING 02/28/13

	S I N G L E M O N T H				Y E A R T O D A T E			
	ACTUAL	BUDGET	\$ VARIANCE	% VAR	ACTUAL	BUDGET	\$ VARIANCE	% VAR
<b>ROUTINE ROOM AND BOARD</b>								
INPATIENT REVENU	64,732.65	105,342.28	(40,609.63)	(38.55)	552,631.15	842,738.24	(290,107.09)	(34.42)
OUTPATIENT	3,382.49	7,739.61	(4,357.12)	(56.29)	58,969.37	61,916.88	(2,947.51)	(4.76)
EMERGENCY ROOM	87,239.80	104,195.73	(16,955.93)	(16.27)	878,878.09	833,565.84	45,312.25	5.43
LONG TERM CARE	198,402.81	289,154.28	(90,751.47)	(31.38)	1,915,323.24	2,313,234.24	(397,911.00)	(17.20)
<b>TOTAL ROUTINE</b>	<b>353,757.75</b>	<b>506,431.90</b>	<b>(152,674.15)</b>	<b>(30.14)</b>	<b>3,405,801.85</b>	<b>4,051,455.20</b>	<b>(645,653.35)</b>	<b>(15.93)</b>
<b>ANCILLARY CHARGES</b>								
INPATIENT	29,524.21	58,516.21	(28,992.00)	(49.54)	347,978.01	468,129.68	(120,151.67)	(25.66)
OUTPATIENT	344,676.26	361,569.56	(16,893.30)	(4.67)	2,914,536.77	2,892,556.48	21,980.29	.75
LONG TERM CARE	(14,706.05)	15,459.90	(30,165.95)	(195.12)	118,500.34	123,679.20	(5,178.86)	(4.18)
HOME HEALTH	.00	.00	.00	.00	.00	.00	.00	.00
<b>TOTAL ANCILLAR</b>	<b>359,494.42</b>	<b>435,545.67</b>	<b>(76,051.25)</b>	<b>(17.46)</b>	<b>3,381,015.12</b>	<b>3,484,365.36</b>	<b>(103,350.24)</b>	<b>(2.96)</b>
<b>TOTAL CHARGES</b>	<b>713,252.17</b>	<b>941,977.57</b>	<b>(228,725.40)</b>	<b>(24.28)</b>	<b>6,786,816.97</b>	<b>7,535,820.56</b>	<b>(749,003.59)</b>	<b>(9.93)</b>
FED MAN DISC IP	(29,548.64)	(7,891.48)	(21,657.16)	(274.43)	361,113.63	(63,131.84)	424,245.47	671.99
FED MAN DISC CLI	.00	.00	.00	.00	.00	.00	.00	.00
FED MAN DISC LTC	.00	.00	.00	.00	.00	.00	.00	.00
STATE MAN DISC I	(6,711.05)	(8,856.47)	2,145.42	24.22	(67,106.73)	(70,851.76)	3,745.03	5.28
STATE MAN DISC C	.00	.00	.00	.00	.00	.00	.00	.00
STATE MAN DISC L	(34,849.51)	(73,296.38)	38,446.87	52.45	(337,566.10)	(586,371.04)	248,804.94	42.43
BAD DEBTS	(30,784.94)	(27,495.90)	(3,289.04)	(11.96)	(201,187.47)	(219,967.20)	18,779.73	8.53
CHARITY	(32,588.44)	.00	(32,588.44)	.00	(190,197.05)	.00	(190,197.05)	.00
OTHER DISCOUNTS	(41,869.07)	(17,805.38)	(24,063.69)	(135.14)	(222,086.29)	(142,443.04)	(79,643.25)	(55.91)
<b>NET PATIENT RE</b>	<b>536,900.52</b>	<b>806,631.96</b>	<b>(269,731.44)</b>	<b>(33.43)</b>	<b>6,129,786.96</b>	<b>6,453,055.68</b>	<b>(323,268.72)</b>	<b>(5.00)</b>
<b>OPERATIONAL EXPENSES</b>								
SALARIES	267,773.18	327,478.48	59,705.30	18.23	2,412,288.91	2,619,827.84	207,538.93	7.92
BENEFITS	127,012.31	138,546.32	11,534.01	8.32	1,047,949.26	1,108,370.56	60,421.30	5.45
SUPPLIES	58,408.30	81,370.32	22,962.02	28.21	601,498.04	650,962.56	49,464.52	7.59
DEPRECIATION	38,334.69	32,651.22	(5,683.47)	(17.40)	302,451.55	261,209.76	(41,241.79)	(15.78)
LOCUMS & STUDIES	.00	.00	.00	.00	.00	.00	.00	.00
OTHER EXPENSES	236,419.13	229,769.39	(6,649.74)	(2.89)	2,068,556.69	1,838,155.12	(230,401.57)	(12.53)
<b>TOTAL EXPENSES</b>	<b>727,947.61</b>	<b>809,815.73</b>	<b>81,868.12</b>	<b>10.10</b>	<b>6,432,744.45</b>	<b>6,478,525.84</b>	<b>45,781.39</b>	<b>.70</b>
<b>GAIN (LOSS) FR</b>	<b>(191,047.09)</b>	<b>(3,183.77)</b>	<b>(187,863.32)</b>	<b>(5900.65)</b>	<b>(302,957.49)</b>	<b>(25,470.16)</b>	<b>(277,487.33)</b>	<b>(1089.46)</b>
MISCELLANEOUS RE	739.56	3,258.20	(2,518.64)	(77.30)	13,167.85	26,065.60	(12,897.75)	(49.48)
INTEREST EARNED	44.19	9.86	34.33	348.17	231.16	78.88	152.28	193.05
SHARED REVENUE	.00	.00	.00	.00	.00	.00	.00	.00
GRANT REVENUE	.00	4,308.33	(4,308.33)	(100.00)	106,270.54	34,466.64	71,803.90	208.32
EXCEPTIONAL RELI	.00	.00	.00	.00	.00	.00	.00	.00
NON OPERATING RE	6,139.16	3,542.11	2,597.05	73.31	43,258.28	28,336.88	14,921.40	52.65
<b>NEW GAIN (LOSS)</b>	<b>(184,124.18)</b>	<b>7,934.73</b>	<b>(192,058.91)</b>	<b>(2420.48)</b>	<b>(140,029.66)</b>	<b>63,477.84</b>	<b>(203,507.50)</b>	<b>(320.59)</b>

WRANGELL MEDICAL CENTER  
BALANCE SHEET  
FOR THE MONTH ENDING: 02/28/13

	Current Year	Prior Year	Net Change
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
CASH IN THE BANK	1,337,542.45	431,410.50	906,131.95
PATIENTS A/R	2,420,202.40	3,007,937.57	(587,735.17)
NET ALLOWANCE OF A/R	(301,685.00)	(301,685.00)	.00
GRANT RECEIVABLE	95,948.26	96,841.29	(893.03)
OTHER A/R	.00	.00	.00
INVENTORY	190,859.80	162,764.55	28,095.25
PREPAID EXPENSE	49,374.52	43,981.96	5,392.56
TOTAL CURRENT ASSETS	3,792,242.43	3,441,250.87	350,991.56
PROPERTY PLANT & EQUIPMENT	12,176,366.30	11,435,429.67	740,936.63
ACCUMULATED DEPRECIATION	(7,232,352.31)	(6,823,351.06)	(409,001.25)
NET PROPERTY PLANT & EQUIPMENT	4,944,013.99	4,612,078.61	331,935.38
TOTAL ASSETS	8,736,256.42	8,053,329.48	682,926.94
<b>LIABILITIES/FUND EQUITY</b>			
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
A/P AND ACCRUED EXPENSES	266,657.01	330,420.00	(63,762.99)
EMPLOYEE COMPENSATION	422,231.40	432,037.43	(9,806.03)
CURRENT BONDS PAYABLE	.00	.00	.00
CURRENT SETTLEMENT PAYABLE	.00	.00	.00
TOTAL CURRENT LIABILITIES	(688,888.41)	(762,457.43)	73,569.02
<b>FUND EQUITY</b>			
CONTRIBUTED CAPITAL	.00	.00	.00
ACCUMULATED AMORTIZATIONS	.00	.00	.00
NET CONTRIBUTED CAPITAL	.00	.00	.00
RETAINED EARNINGS	.00	.00	.00
RESERVED	.00	.00	.00
UNRESERVED	8,187,397.67	7,675,961.83	511,435.84
NET INCOME (LOSS)	(140,029.66)	(385,089.78)	245,060.12
TOTAL RETAINED EARNINGS	(8,047,368.01)	(7,290,872.05)	(756,495.96)
PRIOR YEAR ADJUSTMENTS	.00	.00	.00
TOTAL EQUITY	(8,047,368.01)	(7,290,872.05)	(756,495.96)
TOTAL LIABILITIES/EQUITY	8,736,256.42	8,053,329.48	682,926.94

## CORRESPONDENCE

- a. None

CEO'S REPORT

Attached



## *Interim CEO Report to the Board of Directors, Wrangell Medical Center ~ April 17<sup>th</sup>, 2013*

### **Organizational Profile**

As spring unfolds we see an increase in Wrangell Medical Center's presence in various community-wide activities with the most notable being the WMC Health Fair held Saturday, April 6<sup>th</sup>. This long-standing and extremely popular annual event drew more exhibitors than the maximum expected with displays coming from across the community, region and state. A spirit of collaboration for the community we serve was evident from day one of planning until long after the Health Fair ended. The event was led by Cathy Gross, Director of Health Information Management. Cathy, along with many other WMC staff contributed time, talent and energy to create an educational and enjoyable experience for all.

Our lab professionals and front desk staff gladly accepted a significant increase in activity before and after the Health Fair because, as in the past, selected lab tests were offered to the community at a fraction of the usual cost. Some of these tests help assess an individual's general health and risk for complications of diabetes while others screen for specific disorders. For the first time this year WMC offered a test for Vitamin D, important for overall health. Adequate levels of Vitamin D are difficult to maintain through dietary means or from sunshine in our northern locale. Our lab team and many other employees volunteered many hours of personal time because, as one lab professional stated, "it's a way we can give back to the community". The Health Fair is WMC's purpose in action, a tangible expression of our medical center's mission: To Enhance the Quality of Life For All We Serve!

### **Core Competencies**

Our primary service of patient care delivery will be further strengthened by the addition of Sandi Calvert, our new Quality Improvement Coordinator. Sandi is a long-time Wrangell resident who holds a degree in Nursing, a registered nurse license and a bachelor degree in business. She has been on staff at WMC in the past and most recently worked part-time for AICS providing nursing care to residents in their homes. Sandi also serves as Vice President of Hospice of Wrangell. Before moving to Wrangell Sandi worked in a hospital as a Director of Nursing and as a Nursing Home Administrator. Sandi will start by becoming familiarized with the critical access hospital regulatory environment, along with current principles of quality assurance and quality improvement. She will help us improve our survey readiness and advance our ability to provide evidence-based care for our patients and residents. Please join me in welcoming Sandi Calvert to our Wrangell Medical Center Team!

The WMC core competency related to frequently changing technologies and the learning required to incorporate new practices continues to be tested. On April 29 we will begin to use Critical Access

Hospital features of our computer system CPSI. This will assist in getting the right documentation onto the right accounts for patients who move from one status to another within WMC. Nursing staff will receive training the week of April 22 on this and on the emergency department system.

ICD-10 training – 8 WMC staff members are enrolled and have begun on-line training related to ICD-10. This training is available to us by a grant through ASHNHA (the Alaska State Hospital and Nursing Home Association). The International Classification of Diseases, Tenth Revision, Clinical Modification (ICD-10-CM) is a revision to the ICD-9-CM system used by physicians and other health care providers to classify and code all diagnoses, symptoms and procedures recorded in conjunction with care. On October 1, 2014, the ICD-9 code sets used to report medical diagnoses and inpatient procedures will be replaced by ICD-10 code sets. All hospitals and medical centers are preparing appropriate staff for this change.

Chargemaster Review – as part of efforts to focus on and make improvements in Revenue Cycle, a grant through the State of Alaska Flex will allow us to undertake a chargemaster review over the next several months. The chargemaster, also known as charge description master (CDM), is a comprehensive listing of items billable for services. It consists of thousands of hospital services, medical procedures, equipment fees, drugs, supplies, and diagnostic evaluations such as imaging and blood tests. Each item in the chargemaster is assigned a unique identifier code and a set price that are used in patient billing

### **Governance**

At the March board meeting each director was provided with a small book titled *Navigating the Boardroom, 40 Maxims . . . Things You Must Know and Do to Be a Great Director* by Dennis D. Pointer, PH.D., Virginia Mason Professor, Department of Health Administration, School of Public Health and Community Medicine, University of Washington (Seattle). This book will be used as one tool to advance professional development of our governing board.

It was agreed that each month all board members would read 4 of the Maxims (maxim; succinct formulation of a fundamental principle, a guideline for thinking, deciding and acting), and then at the next board meeting there would be a brief discussion led by one of the board members. Marla agreed to take the lead first at the April 17<sup>th</sup> board meeting.

### **Senior Leadership & Workforce Focus**

Marv Erisman, Ph.D. visited WMC on March 27<sup>th</sup> and 28<sup>th</sup> to continue work with board members that he had not met before, with our physician leaders Drs. Prysunka and Salard and with various teams including staff and managers. This continues our work to improve our culture of teamwork and effective communications. The WMC board and senior leaders invited leaders of Alaska Island Community Services to join us for dinner the evening of March 27<sup>th</sup> as an opportunity to get better acquainted with Marv and each other. We are enjoying a new level of collaboration with AICS.

### **Operations Focus**

On Wednesday April 4<sup>rd</sup> WMC had a visit from Shellie Smith, Rural Flex Program Director, from Anchorage, AK. The mission of the Rural Hospital Flexibility Program is to work closely with rural hospitals to strengthen rural health infrastructure. A major goal is to increase effectiveness and efficiency of local and rural health programs. The Rural Hospital Flexibility program allows small hospitals the flexibility to reconfigure operations and be licensed as Critical Access Hospitals (CAHs). The program supports cost-based reimbursement for Medicare acute inpatient and outpatient services. The program also encourages the development of rural health networks and implements broader initiatives to strengthen the rural health care infrastructure. The Flex program focuses on four core areas:

1. Support for Quality Improvement in CAHs
2. Support for Operational and Financial Improvement in CAHs
3. Support for Health System Development and Community Engagement, including integrating EMS in regional and local systems of care
4. Designation of CAHs in the State

Shellie met several members of the WMC team and based on our conversations she will continue to provide support and technical assistance in various areas, particularly in the area of operational improvements such as the chargemaster project mentioned earlier.

### **Coming Soon . . .**

On March 29<sup>th</sup> Kris Reed and I had a conference call with Mr. Thomas Duffy, MPH, Program Manager, Health Research & Educational Trust (HRET, which is a partner of the American Hospital Association). We discussed a former WMC application for the Foster G. McGaw Prize, created to recognize hospitals that have distinguished themselves through efforts to improve the health and well-being of everyone in their communities. WMC was a finalist for that prize. From information in that application, Mr. Duffy is interested in creating a case study that highlights our experience with community efforts, the Health Fair in particular, and shares what we have learned in an effort to sustain such efforts. We should learn soon what the Case Study will look like and when it will be published.

### **In closing,**

I continue to find great meaning and enjoyment in my work with the wonderful team at WMC. Wrangell is a terrific place to call home especially in the spring. My first six months as your Interim CEO is nearly past, so fast! I continue to be grateful for this opportunity. Many thanks!



# MEDICAL STAFF REPORT

Verbal

## ACTION ITEMS

- a. None

## DISCUSSION ITEMS

- a. None

## INFORMATION ITEMS

- a. New Hospital Roof
- b. Scheduled meeting with Building Team