

Campbell County Health Board of Trustees
Regular Board Meeting – CCH 5th Floor Classroom
July 11, 2024
3:00 PM

Members present:

Alan Stuber, Chair	Randy Hite, Trustee	
Tom Murphy, Vice Chair (Virtual)	Mark Hoskinson, Trustee	
	Sara Hartsaw, Trustee	John Mansell, Trustee

Also present:

Matt Shahan, CEO	Dawn Hodges, CHFRO	Norberto Orellana, Marketing
Natalie Tucker, CNO	Tanya Allee, Patient Experience	Dr. Kyle Sabey, CCMG
Tom Lubnau, CCH Attorney	Diane Jackson, UCHHealth	Dr. William Hoskinson, Hoskinson Health and Wellness
Adam Popp, CFO	Bree Richardson, Marketing Director	
Dr. Robert Neuwirth, COS		

Pledge of Allegiance

Call to Order – Chairperson Stuber, called the meeting to order at 5:00 p.m.

Mission Statement – Trustee Stuber read Campbell County Health's Mission Statement.

Vision Statement – Trustee Stuber read Campbell County Health's Vision Statement.

Roll Call – Jamie Kay called the roll.

Approval of Agenda

TRUSTEE MURPHY MOVED TO APPROVE THE AGENDA AS PRESENTED. TRUSTEE RICE SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY.

Manager and Supervisor Meeting Presentation: CFO Popp reviewed the PowerPoint presented at the Manager & Supervisor meeting held on 7-10-24. Net Patient Service Revenue is lower than other hospitals in the area. The operating expenses are higher than comparable hospitals.

Payments Post Go Live to Epic. The graph outlines when payments will return to normal.

AR Days Post Go Live to Epic. The graph outlines when total ARs will return to normal.

Bond Covenants Calcs.: Dropped off 2021 and Month of May compared to same information presented Monday at Finance. The Bond holders may be willing to disregard the one-time expenses incurred this year. Which will effectively reduce the Bond calculations to 1.19, missing calculation by \$330k. Received Medicare funds in May, \$9m. The process the cash-posters were using is not to industry standard; this has been corrected; however, additional allowances will not be released due to the practice of posting funds to remit. The AR will not come down

by the end of the year as anticipated. This issue has been addressed. Auditors have been sent the Preliminary Reports for May to review where we will be.

Cash/Expenses Per Day: CCH is running at a \$30k deficit daily.

Just One More Per Day: What if we had just one more level of service per day? By adding one more procedure per day brings in \$8.7M annually. \$1.00 of expense savings is a true dollar off bottom line. Revenue requires \$2.00 to affect bottom line. *** No ancillary services were figured.

\$8 Million: Do not cut the budget this year. Beat the Budget.

Hand Outs: FY25 GNR Publication, May Statement of Revenues & Expenses, and Campbell County Health Summary Lookback.

Trustee Rice complimented CFO Popp on the Managers/Supervisor Presentation.

CFO Popp discussed the monthly department responsibility reports. CFO Popp intends to provide a document to a share drive for weekly input from Managers to address highs and lows.

CEO Shahan discussed discovery of expenses that Axiom has allowed, such as number of cell phones is around 115. The annual bill is \$55k. A piece of surgical equipment in a closet that CCH was paying rent on but not being used. Those examples were very receptive by Supervisors and Managers. And in the last 24 hours several more cases like this have been brought to light.

FY25 Budget:

CFO Popp discussed the guidelines applied to determine Capital Budget and potential payback. There are 2 items that are taking up a lot of capital therefore the contingency is being figured higher than normal due to the two large ticket items.

The requested Capital Budget is \$9.9M.

CFO Popp discussed Capital Requests that were approved and unapproved. \$14m was submitted. Just under \$5m was not approved. The capital items listed were recommended by the Capital Committee.

Statement of Revenues May 2023--Column May 2024 YTD amounts are actual numbers.

Revenue short of expenses of (\$16.1M) that is rolled forward. Awaiting the allowance calculation for May. Projected Loss is (\$18M).

Budget Income Summary: This report is generated by Axiom. Proposed Budget is what is in Axiom currently. The yellow areas are not final and will be expected to be adjusted.

Drug and Pharmaceutical line are higher than expected due to the loss of 340B Waiver.

Purchase Services: expected to be down as venter switches have taken place and ceasing duplications.

Other Expenses: includes cost to tear down the building and an additional cost on depreciation to demolish the Pioneer Building.

Non-Operating Budget: Initial information from the County—Relayed the Mill Levy was lower than anticipated. We are working to secure that number. CCH must get to the point where the Levy is not an operating source of income.

Trustee Hoskinson: Discussion regarding Levy. '23--\$17M; why is ours so much lower than anticipated. Executives agree with the discrepancy; CFO Popp is working to get clarification and more information. Who makes the decision to distribute Mill Levy? Why would they take 2/3 of what we have previously been given. CFO Popp is unable to elaborate on that. We are waiting to get a concrete answer from the Assessor.

Chairman Stuber: discussed the Mill Levy distribution will change compared to what we were initially advised; there are a lot of people for that decision to go through and two of them are out of town.

CFO Popp advised that as soon as we receive a concrete answer the Executives will immediately advise. Even if the Mill Levy is increased that does not change our message to Managers and Supervisors.

Loss of 340B Waiver: About halfway through the year, CCH lost the 340B waiver. We were able to prolong 340b due to a Waiver being granted to CCH, however the waiver was not extended again.

Chairperson Stuber: Regarding the Mill issue. CCH does have the ability to get one more mill.

Yes, however, we are unable to request more money per mill. At this point, the mill amount is much lower than expected but that is expected to change once we receive a concrete figure from the County.

Proposed Operating Budget FY25: Actual vs. Projected. Middle column. Adam's calculations, third column Axiom 4th column blended Model of the Budget. \$17.3 Loss is what is published. Out of the 17million loss 340 B number and the reduced mill levy is reflected. \$13.5M is an unexpected expense.

Operating Income: Gross Revenue *minus* Deductions *minus* Expenses *equals* operating income. Posted Loss \$28m minus depreciation is \$9m loss. If the team can come through with beating the budget by \$8m we are on an incredibly good path.

Reiterated to Managers of Supervisors: not looking for temporary fixes. We are looking for the new norm.

Trustee Hoskinson: How receptive do you think bond holders are? CFO Popp: meeting with them every other month, Representative came out late Feb/March to meet with Executives. He likes the storyline, but they want to see it reflected in the Budget for '25. CCH will continue sending Bond Holders information and continuing discussions.

CEO Shahan: Trustee Mansell has drafted a letter to our State Legislatures regarding the 340B Waiver. It is unlikely that will impact this fiscal year. If adjustments were made to the 340B Waiver, most Wyoming hospitals could be impacted.

Trustee Murphy: In the next coming meetings, it would be beneficial to discuss the cost benefit of EPIC.

CEO Shahan: At this point delaying EPIC will cost more money. We will need to do mandatory updates that will cost literal millions. We will save money from a sheer expense standpoint. There are some aspects on UHealth's side too. A year ago, UHealth did not offer services to CCH that they are now able to assist us with.

Million Dollar Collections Days: February had 1; June had 8.

Discussion regarding daily loss: Managers and Supervisors were optimistic about reducing the daily loss. That is \$500-\$1000 a day per department. It is very doable. The Manager/Supervisor meeting was beneficial.

Trustee Hoskinson agreed \$29K not a lot of money, yes, but it is \$29k a day more than our revenue. About 6 months ago, hospitals in WY had a 20% more cost basis. We must make some changes.

A large point in yesterday's meeting was one more per day—not more expenses. Additional revenue without additional expenses. Proper scheduling cuts down on expenses.

Trustee Hartsaw commented on coding issues can equal one additional procedure, and/or 3 more accurately coded bills can result in the same increase in revenue as one additional procedure.

Dr. Houk will be starting the same discussions with providers.

Discussion regarding Campbell County being a critical access hospital and the pros and cons of the same. Buffalo, Sundance, Newcastle, Cody, and Powell maintain Critical Access.

The Board of Trustees expressed kudos to putting this in our capable employees' hands. Let us increase the quality of business. That was a brilliant idea.

Chairperson Stuber: Requested if any Board Members would like to see different or any additional information, please get that ask out as soon as possible.

If any board member wants to visit 1:1 CEO Shahan, he will clear his calendar and bring CFO Popp in if necessary.

Trustee Hartsaw requested that get information loaded Board Vantage by Wednesday.

The meeting adjourned at 4:28PM. The next meeting is scheduled for July 18, 2024.



Bill Rice, Secretary



Jamie Kay, Recorder