



Mayers Memorial Hospital

## Operations Report August 2013

Statistics	July YTD FY14 (current)	July YTD FY13 (prior)	July Budget YTD FY14
Surgeries (including C-sections)	9	13	8
→ Inpatient	3	--	2
→ Outpatient	6	--	6
Procedures (surgery suite)	19	15	16
Inpatient Days (Acute/OB/Swing)	184	183	154
Emergency Room	413	369	379
Skilled Nursing Days	2303	2281	2233
OP Visits (OP/Lab/X-ray)	1548	1272	1341
Hospice Patient Days	200	110	112
Physical Therapy	819	403	407
Ambulance Runs	29	25	30

### Operations District-Wide

*Matthew Rees, Chief Executive Officer*

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

- State Exemption from LTC cuts by the Department of Healthcare Services for “distinct-part nursing facilities”, Level B, classified as rural or frontier, based upon the California Medical Service Study Area’s definitions, and will not be subject to the rate freeze at the 2008-09 levels on a prospective basis. After required public notice, the effective date of this prospective exemption will also be in the near future.
- Met with USDA Alturas Office staff about the financing for the new building – very positive meeting. State is asking for some more documents so that we can get federal approval – hoping to get approval in September.
- Met with Art Whitney and Jack Horn of Partnership Health who is taking over Medi-Cal for the northeastern part of the state. Productive meeting and are willing to work with us in the future. Already negotiated reimbursement above what Medi-Cal currently pays.
- Continue to work on Capital Campaign.
- Golf Tournament was a success.
- IMAGE meeting (8/8/13) discussions re: local patient transportation service
- Reinstated the revenue cycle (RC) meetings that include a new component—the charge audit team that has separate functions but meets collaboratively with RC team. We have 2 separate training tools set up to help the audit team. We have a Business Office Manager training set up for September to go along with the audit training.
- August 1 we brought the LTC billing in-house and have already received reimbursement from sending out our own bills.

- Joined Mountain Valley at their Health Fair in Burney, Fall River and Bieber. All went well and advertised for Physical Therapy and answered many financial questions.
- Working with Dr. Scharpf to cover some during the absence of Dr. Stone.



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

*Laboratory*

- Computer hardware and networking is being installed in MVHC Burney Clinic. A phlebotomist will be staffed there once complete.
- Plans to staff a phlebotomist at MVHC Big Valley office are in the works. Hardware has been ordered and initial steps to install the network lines are underway.
- The OSHPD required hazardous materials review for the laboratory in the new building is almost complete.

*Respiratory Therapy*

- Jackie Harris has been hired as the new Respiratory Therapy manager. She will be certified this September. She will be working three days a week while she completes her clinical experience. Jackie is from our community and has worked in our facility in patient access and dietary. We are excited to have her return in a clinical role.
- We will be interviewing for a part time/casual RT to fill gaps in the schedule.

*Physical Therapy*

- PT has moved to the remodeled space in the medical office building. Maintenance did a great job updating the MOB to accommodate PT. Patients are responding well to the new space.

*Imaging*

- The imaging department is processing authorizations for outpatient procedures. A denial review process will be implemented in the next month.

*Pharmacy*

- The pharmacy is prepared for the billing changes associated with Partnership Health (the Medical HMO) for skilled residents on the program. The changes take place September 1<sup>st</sup>.
- Staff met with agents from our GPO, Premier®, and identified some opportunities for cost savings in the area of inhalational anesthetics.
- The cost of our afterhours' pharmacy company has been reduced due to the increased use of computerized physician order entry (CPOE) in the Paragon® system. We are still reviewing options for further cost savings and are comparing the service and cost of four companies that provide after hour pharmacist review of new orders.
- The Medication Error Reduction Plan (MERP) has been updated and received its annual review.

*Cardiac Services*

- The Cardiac Services/Cardiac Rehab space is rearranged. Fitness equipment is now in the space made available by moving physical therapy. Some physical therapy equipment does remain so skilled nursing patients who receive PT services don't have to leave the building.
- The cardiac stress treadmill has moved to the old PT waiting room.



*Critical Access Hospital*  
*Submitted by: Sherry Wilson CNO/Acute*

*Acute/Swing Nursing Unit*

- Training nursing staff for changes with the upgrade to Paragon 12.0, Clinical Enhancements.
- Staffing: orientation started for 2 new RN's and the position of Ward Clerk is being reinstated with 2 new FTEs starting. Orientation to begin on 3 more RN FTE's in September.

Submitted by Theresa Overton, RN, Acute Care Manager.

*Performance Improvement*

- Orienting new nurses to the night shift, working with grant writer for funding to implement HCHAPS and InterQual programs.

*Surgery*

- Dr. Stone announced that he will be out until early November, so stats will be very low in the next couple of months.
- Surgery staff will be busy catching up on updating policies and competencies during this down time.
- Two surgery staff members will visit Mount Shasta Mercy to get some training on orthopedic cases for Dr. Guthrie during this down time.

*Infection Control*

- The policy and procedure for our mandatory influenza vaccination is finished and is now going through committees. Flu vaccination will start the end of September and must be completed by mid-October.
- Education has been given on the prevention of sharp injuries.
- Policy and procedure on the processing and storage of laryngoscopes has been completed.
- CNA Education has been coordinated with Employee Health to minimize the number of UTIs in LTC by improving peri-care after toileting.

*Skilled Nursing Facility – Burney & FRM*  
*Submitted By: Sherry Wilson, RN, CNO*

- Census is at 73 (as of 8/20/13)
- The Feather River Certified Nursing class has finished and tested on August 19, 2013. We expect to hire at least three full time CNA's from this class.
- We are still anticipating a second visit from the Dept of Health Services to clear our Plan of Correction so that we may again begin taking admits to both facilities.
- Morale is up at both facilities following the news of the Medi-cal cut exemptions both Long Term Care units received.
- We are looking for donations of furniture and a table tennis game for our residents.

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MAYERS MEMORIAL HOSPITAL DISTRICT  
BOARD OF DIRECTORS

**RESOLUTION 2013-2**

WHEREAS, the Governing Board of Directors is responsible for the preparation and adoption of a final budget, which provides a financial plan, including estimated revenues, expenditures and reserves, for operation during the fiscal year July 1 through June 30.

WHEREAS, the budget submitted is required by law to be a balanced operating budget for year July 1, 2013 through June 30, 2014; Total Patient Revenue \$33,948,400 with a bottom line of \$476,968.

NOW, THEREFORE, the undersigned certifies and attests that the above resolution was approved at a regular meeting of the Board of Directors, Burney, California, the 28th day of August, 2013.

PASSED AND ADOPTED on August 28, 2013, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Allen Albaugh, President  
Board of Directors  
Mayers Memorial Hospital District

\_\_\_\_\_  
Date

\_\_\_\_\_  
Michael D. Kerns, Secretary  
Board of Directors  
Mayers Memorial Hospital District

**MAYERS MEMORIAL HOSPITAL  
OPERATING BUDGET**

|                                           | <u>ACTUAL<br/>FYE 2012</u> | <u>PROJECTED<br/>FYE 2013</u> | <u>BUDGET<br/>FYE 2014</u> | <u>INCREASE</u>  | <u>INCREASE<br/>%</u> |
|-------------------------------------------|----------------------------|-------------------------------|----------------------------|------------------|-----------------------|
| <b>REVENUE:</b>                           |                            |                               |                            |                  |                       |
| Nursing Service                           |                            |                               |                            |                  |                       |
| Medical/Surgical                          | \$ 2,314,963               | 4,084,588                     | 4,245,665                  | 161,077          | 3.94%                 |
| Skilled Nursing                           | 7,463,160                  | 7,206,789                     | 7,623,364                  | 416,575          | 5.78%                 |
| Ancillary Services                        |                            |                               |                            |                  |                       |
| Inpatient                                 | 2,812,947                  | 3,657,649                     | 3,969,691                  | 312,042          | 8.53%                 |
| Outpatient                                | 16,125,906                 | 16,395,762                    | 18,109,681                 | 1,713,919        | 10.45%                |
| Total Patient Revenue                     | 28,716,975                 | 31,344,789                    | 33,948,400                 | 2,603,612        | 8.31%                 |
| <b>DEDUCTIONS FROM REVENUE:</b>           |                            |                               |                            |                  |                       |
| Contractual - Medicare/Medi-Cal           | 7,297,509                  | 10,124,632                    | 11,137,472                 | 1,012,840        | 10.00%                |
| Contractual - PPO                         | 1,055,075                  | 906,800                       | 992,946                    | 86,146           | 9.50%                 |
| Charity and Other Allowances              | 483,879                    | 374,970                       | 410,592                    | 35,622           | 9.50%                 |
| Total Deductions                          | 8,836,462                  | 11,406,402                    | 12,541,010                 | 1,134,608        | 9.95%                 |
| Net Patient Revenues                      | 19,880,512                 | 19,938,387                    | 21,407,390                 | 1,469,003        | 7.37%                 |
| <b>OTHER OPERATING REVENUE:</b>           | 306,086                    | 563,155                       | 593,069                    | 29,914           | 5.31%                 |
| Net Revenue                               | 20,186,599                 | 20,501,542                    | 22,000,459                 | 1,498,917        | 7.31%                 |
| <b>OPERATING EXPENSES:</b>                |                            |                               |                            |                  |                       |
| Productive Salaries                       | 7,276,615                  | 7,753,482                     | 8,130,678                  | 377,196          | 4.86%                 |
| Non-Productive Salaries                   | 748,390                    | 908,393                       | 933,205                    | 24,812           | 2.73%                 |
| Employee Benefits                         | 2,337,867                  | 2,511,976                     | 2,396,116                  | (115,860)        | -4.61%                |
| Supplies                                  | 2,191,179                  | 2,000,781                     | 2,179,514                  | 178,733          | 8.93%                 |
| Professional Fees                         | 1,988,242                  | 2,433,243                     | 2,676,936                  | 243,693          | 10.02%                |
| Acute/Swing/OB Purch Serv                 | 58,053                     | 277,944                       | 150,000                    | (127,944)        | -46.03%               |
| SNF Purch Serv                            | 407,425                    | 511,255                       | 410,000                    | (101,255)        | -19.81%               |
| Other Purch Serv                          | 1,473,699                  | 1,687,792                     | 1,411,414                  | (276,378)        | -16.38%               |
| Repairs                                   | 243,513                    | 175,771                       | 178,877                    | 3,106            | 1.77%                 |
| Utilities                                 | 464,608                    | 472,339                       | 476,903                    | 4,564            | 0.97%                 |
| Insurance                                 | 167,808                    | 164,277                       | 164,519                    | 242              | 0.15%                 |
| Other                                     | 829,821                    | 375,943                       | 384,778                    | 8,835            | 2.35%                 |
| Provision For Bad Debts                   | 1,059,616                  | 1,309,193                     | 1,190,143                  | (119,050)        | -9.09%                |
| Depreciation                              | 588,880                    | 755,837                       | 1,253,400                  | 497,563          | 65.83%                |
| Bond Repayment Insurance                  | 0                          | 0                             | 0                          | 0                |                       |
| Bond Repayment Interest                   | 717,070                    | 668,012                       | 738,166                    | 70,154           | 10.50%                |
| Interest                                  | 83,119                     | 121,330                       | 45,537                     | (75,793)         | -62.47%               |
| Rental & Leases                           | 269,844                    | 142,071                       | 141,015                    | (1,056)          | -0.74%                |
| Total Operating Expenses                  | 20,905,747                 | 22,269,639                    | 22,861,201                 | 591,562          | 2.66%                 |
| Net Operating Revenue (Loss)              | (719,148)                  | (1,768,097)                   | (860,742)                  | 907,355          | -51.32%               |
| <b>NONOPERATING REVENUES AND EXPENSE:</b> |                            |                               |                            |                  |                       |
| District and County taxes                 | 1,114,891                  | 628,620                       | 628,620                    | 0                | 0.00%                 |
| Interest and donations                    | 109,585                    | 45,844                        | 45,624                     | (220)            | -0.48%                |
| Net grant activity                        | 4,261                      | 130,167                       | 0                          | (130,167)        | -100.00%              |
| Rental Income, net of expense             | 77,714                     | 53,307                        | 53,307                     | 0                | 0.00%                 |
| Other Non-operating expense/rev           | 478,862                    | 1,902,793                     | 610,159                    | (1,292,634)      | -67.93%               |
| Total Nonoperating Revenue                | 1,785,313                  | 2,760,731                     | 1,337,710                  | (1,423,021)      | -51.55%               |
| <b>NET EXCESS OF REVENUE</b>              | <b>1,066,165</b>           | <b>992,634</b>                | <b>476,968</b> **          | <b>(515,666)</b> | <b>-51.95%</b>        |