



**Missouri River Medical Center**  
**Board of Trustees**  
**July 25, 2017**

A regular meeting of the Board of Trustees of the Missouri River Medical Center was held on July 25, 2017 in the Reach Education Room of MRMC. The meeting was called to order by Chairman, Mike O'Hara at 3:05 PM.

**Members:** Members present were Mike O'Hara, Nikki Stovall, and Larry Bauer. Also present were Louie King, CEO; Janice Woodhouse, COO-DON; Shari Dolan, CFO; and Star Taylor, Recorder.

**Guests:** Connlee Gray reporter with the River Press.

**Minutes:** Minutes of the June 20<sup>th</sup> meeting were reviewed.

**MOTION:** The MRMC Board of Trustees approve the minutes of the June 20, 2017 meeting with the next meeting date correction. Motion was made by Nikki Stovall, second by Larry Bauer. Motion passed unanimously.

**Board Action Items:**

- **Projects:** There will be a meeting tomorrow July 26<sup>th</sup> at 10:00am with Bear Paw Development and Steve L'Heureux to review the next steps in the CBDG grant process. A representative of the Murdock Foundation has contacted us about coming to do a walk through. She will be here September 12, 2017 at 3:30pm. Work on the loan from Triangle Communications is proceeding and Ann Boothe seems to be very positive about it.
- **Improvements/equipment:** Janice reported that the O2 project is now complete. The shower has also been completed.
- **Medical Staff Credentialing:** The Medical Staff has approved the Benefis Radiology Group along with Caren Pfeiffer, FNP. The board reviewed the credentials.

**MOTION:** The MRMC Board of Trustees approve the Benefis Radiology Group; James Harris, MD; Jeffrey Kessler, MD; Leslie Russell, MD; Matthew Wetzel, MD; Tyler Will, MD; George Ro, MD; James Daniel, MD; Andrew Baugh, MD; Anastasia Balius, MD; Michael Walters, MD; and Mark VanTassell, MD along with Caren Pfeiffer, FNP. Motion made by Larry Bauer, second by Nikki Stovall. Motion passed unanimously.

### COO-Nursing Service Report:

- Janice handed out a packet that will be used by Benton Medical Center for pain management patients. The clinic has adopted the CDC guidelines for prescribing opioids for chronic pain.
- Janice has received some complaints about the hospital signage not being visible at the entrances into Fort Benton. Janice checked and part of the signage has been removed. She has left a message with the State Highway Supervisor for this area to see if we can't get this addressed.
- CPR classes will be starting and there is a lot of staff that need to renew.
- Caren Pfeiffer is working out very well in the clinic and ER.

### Financial Services Report:

- **Financial Statement** – Operating Revenue for June was \$359,901 and Operating Expenses of \$360,564 which resulted in a net operating loss of \$663. With the Non-Operating Revenue of \$6,375, Non-Operating Expenses of \$13,158, and Tax Subsidy Revenue of \$108,044 our Net Income was \$101,044.
- **Outpatient & Inpatient Services:** Emergency Department visits were 50 for June. Physical Therapy visits were 199. Inpatient days were 15; Swing bed days were 12, Long-term Skilled Nursing days 540 for a total of 5674 Patient days.
- **Clinic Services:** Benton Medical Center had 382 provider visits in June.
- **Lab & Radiology Services:** The lab conducted 2,744 tests and Rad conducted 39 tests. There were 21 CTs done.

### CEO Report:


- Louie shared with the Board that recent salary adjustments were made and we are in-line with regional wages.

**MOTION: The MRMC Board of Trustees approves adjourning this meeting. Motion made by Nikki Stovall, second by Larry Bauer. Motion passed unanimously.**

**The next meeting is scheduled for Tuesday, August 22, 2017; at 3:00pm.**

Respectfully Submitted,

  
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Mike O'Hara, Chairman

  
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Star Taylor, Recorder

**Missouri River Medical Center  
Finance Report  
June 2017 Financial Statements**

**Statement of Operations**

**Revenue:**

InPatient:

In Patients – 6	Total In Patient Days – 15
Skilled Swing Bed Patients - 3	Total SSB Days – 12
CAH LTC Patients – 18	Total SNF Days – 540

OutPatient:

PT – 199 visits  
Lab – 197 patients – 2,744 tests - 2<sup>nd</sup> highest this year  
ER's – 50 visits  
Clinic Visits – 382  
Rad – 39 tests  
CTs – 21 tests - Highest this year

Contractual Allowances – \$58,100

Medicare – \$10,042  
Medicare Swing Bed – \$0  
Medicaid – \$26,527  
Clinic - \$15,747  
Other Insurance – \$11,547  
Charity - \$6,958  
Employee Discount - \$1,321  
AR Allowance – (\$14,041)

Provision for Bad Debt – \$32,089

Bad Debt Write-Off - \$17,631  
Bad Debt Allowance - \$16,691  
Bad Debt Recovered – (\$2,232)

Other Operating Revenue

Cafeteria - \$1,164  
School PT Services - \$691  
Medical Records Fees - \$58

**Expenses:**

**Will report anything that seems unreasonable.**

Salaries:

Benefits: Correlation to salaries paid and received refund from Work Comp, based on claims paid

Professional Fees: Budget included the “catch up” of the Management fees owed to Benefis.

This is now paid in full and MRMC is paying the standard monthly fee only.

Supplies: Correlation to lower volumes

Repair and Maintenance:

Purchased Services (Utilities):

Clinic Expense: Two bills paid for MD services, based on receipt of billing statements

Depreciation: Monthly entry change, based on FY16 audit and new Dep Schedule

Interest & Amortization: Interest accrual for InterCap Loans that are due in August, for portion that would be expensed in current fiscal year

Other Expenses (Insurance, Leases & Rentals, Travel, Educ, Postage, Dues):

**Non-Operating Gain/Loss:**

Non-Operating Revenue - \$6,375

Rent - \$1,080

Interest - \$454

RH Navigator Grant - \$85

Rural Care UCC Grant (For TeleHealth ER Connectivity) - \$3,806

Contribution - \$30

Discounts - \$161

Other - \$759

Non-Operating Expense

Tele ER - \$13,158

**Balance Sheet**

**Assets:**

Cash & Cash Equivalent – \$1,033,761

General Checking – \$1,018,599 (\$440K is Strand donations)

Petty Cash - \$400

Credit Card – \$9,055

Data Bank Account - \$139

Patient Account - \$5,568

Net Patient Accounts Receivable – **Change in account charges, payments and contractual adjustments for the month.**

Other Receivables – \$37,888

Taxes Receivable - \$7,074

Other (UMIA/MMIC Merger) - \$30,813

Supply Inventory – **Change in supplies purchased for the month and supplies disbursed to departments for the month.**

Other Current Assets - \$53,497

Prepaid Expenses – Insurance - \$27,109    Service Agreements - \$26,388

Board Designated Cash and Investments - \$136,510

Investments at County - \$86,510    MHN (WorkComp) Equity - \$50,000

Property, Plant and Equipment - \$1,501,061

Land - \$101,434 – Added \$7,530 for O2 Tank Area flatwork/fencing

Buildings - \$2,737,205 – Added \$5,400 for Patient Shower Remodel

Fixed Equipment - \$67,734 – Added \$40,864 for Boiler #2

Moveable Equipment - \$2,273,624

EHR Software - \$287,542

Construction in Progress - \$277,145 – Building of new rectory and architectural drawings

Accumulated Depreciation – (\$4,243,621)

**Liabilities:**

Accrued Compensation – **This consists of Accrued Payroll, which is wages and benefits earned, but not paid, and accrued vacation and sick leave.**

Accounts Payable – **This is the amount paid for the current month’s liabilities, but the checks were written in the next month. Also, contains AP which has been entered into the system, but the checks have not been written.**

Payable to Contractual Agencies – **This consists of In Patient Bed Tax Payable, which has accrued, but has not been paid yet. These payments are made annually to the State of MT for the IP Bed Tax in December**

In Patient - \$2,450

Other Current Liabilities – \$10,666

Security Deposit Rental - \$500

Resident Cash Payable - \$5,568

Accrued Interest - \$4,680

Employee Account – (\$83)

Long Term Debt – Intercap Loans - \$499,242, Medicare Payable (Interim Pmt) – (\$138,896)

Fund Balances – **This is only adjusted at the time of the audit, as it takes into account the revenue on hand at the beginning of the fiscal year, plus revenues received during the year, less expenses equal ending fund balance. The Ending Fund Balance becomes the Beginning Fund balance in the next fiscal year.**

**Missouri River Medical Center  
Consolidated Balance Sheet  
For month Ended Jun 30, 2017**

	<u>Jun 17 Act</u>	<u>Dec 16 Act</u>	<u>Change</u>
<b><u>CURRENT ASSETS</u></b>			
Cash and Cash Equivalents	\$1,033,761	\$447,948	\$585,813
Net Patient Accounts Receivable	1,319,539	1,806,209	(486,670)
Less: Allowance For Bad Debts	(604,467)	(643,478)	39,010
Other Receivables	37,888	52,639	(14,751)
Supplies Inventory	104,284	147,082	(42,798)
Other Current Assets	53,497	21,249	32,248
<b>CURRENT ASSETS</b>	<b>1,944,502</b>	<b>1,831,649</b>	<b>112,853</b>
<b><u>ASSETS WHICH USE IS LIMITED</u></b>			
Board Designated Cash and Investments	136,510	136,350	160
<b>ASSETS WHICH USE IS LIMITED</b>	<b>136,510</b>	<b>136,350</b>	<b>160</b>
<b><u>PROPERTY, PLANT, AND EQUIPMENT</u></b>			
Gross Property, Plant and Equipment	5,744,682	5,562,950	181,732
Less: Accumulated Depreciation	(4,243,621)	(4,228,048)	(15,573)
<b>PROPERTY, PLANT, AND EQUIPMENT</b>	<b>1,501,061</b>	<b>1,334,902</b>	<b>166,159</b>
<b><u>OTHER ASSETS</u></b>			
Other Assets	-	(121)	121
<b>OTHER ASSETS</b>	<b>-</b>	<b>(121)</b>	<b>121</b>
<b>TOTAL ASSETS</b>	<b>3,582,073</b>	<b>3,302,780</b>	<b>279,293</b>
<b><u>CURRENT LIABILITES:</u></b>			
Accrued Compensation	331,831	335,028	(3,198)
Accounts Payable	222,879	394,146	(171,268)
Payable to Contractual Agencies	2,450	-	2,450
Other Current Liabilities	10,666	5,975	4,691
<b>CURRENT LIABILITES:</b>	<b>567,825</b>	<b>735,149</b>	<b>(167,324)</b>
<b><u>LONG TERM DEBT</u></b>			
Long Term Debt	360,346	(159,764)	520,110
<b>LONG TERM DEBT</b>	<b>360,346</b>	<b>(159,764)</b>	<b>520,110</b>
<b>Total Liabilities</b>	<b>928,170</b>	<b>575,385</b>	<b>352,785</b>
<b><u>FUND BALANCES</u></b>			
UNRESTRICTED	2,653,902	2,727,395	(73,492)
<b>FUND BALANCES</b>	<b>2,653,902</b>	<b>2,727,395</b>	<b>(73,492)</b>
<b>TOTAL LIABILITIES and FUND BALANCE</b>	<b>\$3,582,073</b>	<b>\$3,302,780</b>	<b>\$279,293</b>

**Missouri River Medical Center**  
**Statement of Operations**  
**For month Ended Jun 30, 2017**

	Current Month				Year-to-Date				Prior Yr
	Act 17	Bud 17	Var	% Var	Act 17	Bud 17	Var	% Var	YTD Actual
<b>Operating Revenues:</b>									
In-Patient Revenue									
Acute	\$41,568	\$29,106	\$12,462	42.8%	\$393,720	\$349,272	\$44,448	12.7%	\$354,504
Skilled Swing Bed	\$11,616	\$13,983	(\$2,367)	-16.9%	\$493,932	\$167,796	\$326,136	194.4%	\$209,686
Long Term Care	\$123,980	\$171,421	(\$47,441)	-27.7%	\$1,804,572	\$2,057,052	(\$252,480)	-12.3%	\$1,994,370
Out Patient Revenue	200,546	142,163	58,383	41.1%	1,919,376	1,705,956	213,420	12.5%	1,883,136
Clinic Revenue	\$70,467	\$68,345	\$2,122	3.1%	\$752,137	\$820,140	(\$68,003)	-8.3%	836,051
Total Gross Service Revenues	448,177	425,018	23,159	5.4%	5,363,737	5,100,216	263,521	5.2%	5,277,747
<b>Deductions from Revenue</b>									
Contractual Allowances	58,100	2,964	(55,136)	-1860.2%	778,352	35,568	(742,784)	-2088.3%	700,737
Net Patient Revenue	390,077	422,054	(31,977)	-7.6%	4,585,385	5,064,648	(479,263)	-9.5%	4,577,010
Provisions for Bad Debt	32,089	13,059	(19,030)	-145.7%	(136,463)	156,708	293,171	187.1%	398,618
Net Patient Revenue									
Less provisions for bad debt	357,988	408,995	(51,007)	-12.5%	4,721,848	4,907,940	(186,092)	-3.8%	4,178,392
Other Operating Revenue	1,913	1,001	912	91.1%	20,504	12,012	8,492	70.7%	11,937
Total Operating Revenue	359,901	409,996	(50,095)	-12.2%	4,742,352	4,919,952	(177,600)	-3.6%	4,190,329
<b>Operating Expenses:</b>									
Salaries & Wages	222,436	237,643	15,207	6.4%	2,701,821	2,851,716	149,895	5.3%	2,732,326
Employee Benefits	21,927	54,554	32,627	59.8%	554,332	654,648	100,316	15.3%	613,283
Professional Fees	19,888	68,686	48,798	71.0%	366,711	824,232	457,521	55.5%	452,913
Supplies	26,965	38,041	11,076	29.1%	458,921	456,492	(2,429)	-0.5%	538,208
Repair & Maintenance	7,244	10,856	3,612	33.3%	140,113	130,272	(9,841)	-7.6%	127,807
Purchased Services	10,254	12,273	2,019	16.5%	137,529	147,276	9,747	6.6%	137,810
Clinic Expense	23,172	11,633	(11,539)	-99.2%	265,628	139,596	(126,032)	-90.3%	241,632
Depreciation	8,408	16,681	8,273	49.6%	100,899	200,172	99,273	49.6%	201,716
Interest & Amortization	4,683	389	(4,294)	-1103.9%	12,829	4,668	(8,161)	-174.8%	3,059
Other Expenses	15,587	18,733	3,146	16.8%	235,181	224,796	(10,385)	-4.6%	199,348
Total Operating Expenses	360,564	469,489	108,925	23.2%	4,973,964	5,633,868	659,904	11.7%	5,248,102
Total Operating Revenue over Expenses	(663)	(59,493)	58,830	-98.9%	(231,612)	(713,916)	482,304	-67.6%	(1,057,773)
Non-Operating Revenue	6,375	22,759	16,384	72.0%	635,047	273,108	(361,939)	-132.5%	407,070
Non-Operating Expenses	13,158	9,139	(4,019)	-44.0%	114,794	109,668	(5,126)	-4.7%	123,469
Tax Subsidy Revenue	108,490	53,065	(55,425)	-104.4%	568,094	636,780	68,686	10.8%	617,161
Net Income (Loss)	101,044	7,192	93,852	1304.9%	856,735	86,304	770,431	892.7%	(157,011)
Increase (Decrease) in UR Net Assets	\$101,044	\$7,192	\$93,852	1304.9%	\$856,735	\$86,304	\$770,431	892.7%	(\$157,011)
<b>Contractual allowances and charity as a percent of gross patient service revenue</b>									
	13.0%	0.7%	-12.3%	-1757.1%	14.5%	0.7%	-13.8%	-1971.4%	13.3%
<b>Provisions for bad debt as a percent of gross patient service revenue</b>									
	7.2%	3.1%	-4.1%	-132.3%	-2.5%	3.1%	5.6%	180.6%	7.6%
<b>Contractual allowances, charity and bad debt percent of gross patient service revenue</b>									
	20.1%	3.8%	-16.3%	-428.9%	12.0%	3.8%	-8.2%	-215.8%	20.8%
<b>Salaries and wages as a percent of total expenses</b>									
	61.7%	50.6%	-11.1%	-21.9%	54.3%	50.6%	-3.7%	-7.3%	52.1%
<b>Salaries, wages and benefits as a percent of total expenses</b>									
	67.8%	62.2%	-5.6%	-9.0%	65.5%	62.2%	-3.3%	-5.3%	63.7%
<b>Benefits as a percent of salaries</b>									
	9.9%	23.0%	0.131	57.0%	20.5%	23.0%	2.5%	10.9%	22.4%
Operating Margin	-0.2%	-14.5%	14.3%	-98.6%	-4.9%	-14.5%	9.6%	-66.2%	-25.2%
Gross Profit	28.1%	1.8%	26.3%	1461.1%	18.1%	1.8%	16.3%	905.6%	-3.7%
Operating EBIDA %	3.5%	-10.3%	13.8%	-134.0%	-2.5%	-10.3%	7.8%	-75.7%	-20.4%