



TETON VALLEY HOSPITAL FINANCE COMMITTEE MEETING
Wednesday February 3, 3:30 P.M.
Teton Valley Hospital Board Meeting Room

Committee Members Present: Steve Dietrich, Aaron Hansen, Blaine Ripplinger
Attendees: Mitch Felchle, Virgil Boss, Joel Whitlock, Pat Butts

Call to Order by Chairman Steve Dietrich at 3:30

Welcome attendees and members.

No amendments or changes to the Agenda

Aaron Hansen was designated as Secretary of finance committee. Aaron Hansen accepted.

AUDIT REPORT

S. Dietrich stated the Audit draft report was on schedule to be completed prior to the last week of February for review by the finance committee.

Blaine Ripplinger was in contact with Luke and Abby. Luke was to review the cost report and Abby was to follow-up with Blaine for additional input. S. Dietrich asked Blaine to follow-up with the presentation for February 18 committee meeting.

Monthly Financial Reporting

The Monthly Financial Reporting is completed the week prior to the monthly Board meeting for the previous month. Monthly Board reporting was discussed with the format of Board Reports. Draft Version #2 was handed out to outline a Memo format to present to financial report to the Board of Trustees.

Discussion of revising the format of graphs used within the monthly board packet.

- Operating Profit and Loss
- Days Cash on hand
- Net Days in Accounts Receivable
- Operating Margin

Use Graphs and do not include the financial points table to the side. The specific data would be included within the financial packet.

Adjust Income statements to reflect actual year over year numbers and compare actual revenue compared to budget. Stating what is causing the variance. V. Boss gave an example of Surgery revenues, which are down, reflecting less days of surgery operation year over year.

Policy on Capital Purchase Approval

Handout Version #1 was distributed to committee members. Discussed additions suggested by Jeff Daniels of Bingham Memorial Hospital.

V. Boss discussed Bid process. Boss said we need to be cautious of writing a policy that would require three bids when potentially there is only 1 bidder that would be qualified to provide a specific piece of equipment or service. Boss gave an example of using a technician that is qualified for a specific system then not being able to use equipment from another system because the two may not work together.

Purchase and capital expenditures should be looked at on a Net operation income basis. Policy could be written to evaluate utilization of equipment and NOI.

V. Boss CEO to add bid item language to the Draft Policy on Capital Expenditures for review at the next FC meeting.

Bank Relations and Treasury Management

Review of Treasury Management needs the hospital has and if there are local Banks that have services that would be beneficial to the Hospital. Discussion of conflict of interest exists for Trustee A. Hansen as he is employed by a financial institution which could provide services to the Hospital and Clinics. Trustee A. Hansen stated that he has disclosed that he works for a Bank and there is a potential conflict of interest for services provided by the Bank to the Hospital. Chairman asked that Trustee pursue banks to find out what Treasury Management products are available from Banks within the community.

Finance & Accounting Org Chart

Currently there is no organizational chart for the finance and accounting offices. Glen Giles is responsible for Accounts Receivable. Hilary is responsible for Accounts Payable.

There was discussion on procedures for purchasing new equipment. There has not been a procedure for new equipment purchases which has resulted in software systems not being able to properly communicate information between them.

Joel Whitlock asked about what software systems are currently being used by the Hospital and Clinic's. Health Land is used in the Hospital and Centricity is used by the Clinic but has no Hospital system. The current Health Care overhaul presented by the government has made Hospital cautious of choosing software systems to use. V. Boss said 30% of startup software companies fail.

Enhancements and additions need to be approved by IT.

Different Departments have purchased various software products which have not been able to integrate into the system. Further discussion regarding the organization chart and staffing was tabled until work commences on the A/R & Billing Improvement Project.

Other Items

Meetings of the FC were scheduled for the Thursday prior to Wednesday BOT meeting with management to meet the prior Wednesday to the BOT meeting to compile a summary report and financials for FC the following day.

Jeff Daniels will be at the February 18, 2010 Finance committee meeting.

B. Ripplinger asked if either Steve or Aaron could present his reports at the March BOT meeting due to his planned absence for Spring Break vacation.

MOTION: A. Hansen moved to adjourn. Motion seconded by B. Ripplinger and passes unanimously.

Meeting adjourned at 4:35.

Note: An Executive Session may be held for portions of the above agenda by a majority vote of the Teton Valley Health Care Finance Committee in accordance with Idaho Code 67-2345.