



Daniels Memorial Healthcare Center

"Committed to providing excellence in rural community healthcare"

**Daniels Memorial Hospital Association
Annual Meeting
Nemont Friendship Room
November 20, 2014**

Members Present: Perry Wolfe, Tom Hagan, Ana Brenden, Kathy Wilcoxon, Karen Tande, Scott Susag, Nancy Lund

Members Absent: Mike Bjarko, Carter Jensen

Others present: CEO Dave Hubbard, Scott Duke, Billings Clinic; Dr. Sawdey; Angel DeVeris, CPA Galusha, Higgins & Galusha; see sign in sheet attached to these minutes for listing of all present.

Meeting was called to order at 6:03PM at the Nemont Friendship Room by Chairman Hagan, he welcomed all those in attendance and declared a quorum was present and commenced the meeting.

Scott Susag moved to adopt the agenda seconded by Karen Tande, motion carried unanimously.

Secretary Perry Wolfe read the minutes of the last annual meeting held November 21, 2013, Darrell Tade moved they be approved after correcting the spelling of Barryhill to Berryhill, Seconded by Ana Brenden, motion carried unanimously.

Daniels County Public Hospital District report was given by Chairman Perry Wolfe who thanked the taxpayers of Daniels County for their continued support of health care through the County mill levy. The voted levy was passed in 2012 and runs until 2016. In 2014 the District funds were used for the following:

The Inter-Governmental Transfer (IGT) is a program administered by the State of Montana, Department of Health and Human Services(DHHS). The District sent DHHS \$284,730.62 and in return DHHS direct deposited into Daniels Memorial Hospital's account \$382,741.92. This netted the residents of Daniels County \$98,011.30. The District also gave Daniels Memorial Hospital \$50,000 to be used for operating expenses at the facility.

David Hubbard gave his administrators report thanking the dedicated employees, managers, medical staff and Board for the hard work and volunteerism and the Daniels Memorial Hospital Foundation Board and manager for their efforts making DMHC a better place. He stated 2013-2014 had been a difficult year financially with a loss of

Administrators report continued:

about \$700,000 and that we had used savings to cover our shortfall. He commented that wages had been frozen to control expenses and that in October the Board had implemented a 1% wage increase. We received a Helmsley Grant for eEmergency and ePharmacy for about \$613,000. To date we have received about \$400,000 and the eEmergency is now operational. The ePharmacy which will dispense the prescription drugs is expected to be operational in January 2015. We received a \$15,000 hospital preparedness grant and \$8,000 grant to upgrade computer hardware and software. Electronic medical records finished stage I and have started stage II which includes a patient portal which allows individual patients access to their medical records from their home computers. Out telemetry for cardiac patients has been upgraded so information will go direct to the medical record eliminating errors. Lean Six Sigma is a program we are working on with Billings Clinic to improve processes and help staff better utilize their time. We have applied for a M.J. Murdoch grant. Nurse practitioner Zoe' McCarty Anderson was recruited during this past year. Employee Ann Roberts was nominated and subsequently was awarded the Commitment for Caring Award for the State of Montana, congratulations Ann. There is a SmartBoard installed in the conference room and there are also two portable ones that can be used throughout the facility for education purposes. Daniels Memorial has been working with the County Health Department on our Ebola plan which is to contain and transfer.

Scott Duke V.P. regional operations, Billings Clinic stated Daniels Memorial has a 14 year relationship with their facility. There are now 14 sites (10 hospitals and 4 clinics) associated with their facility. He commented on strategic planning that was done this past year that they had assisted with and the lean six sigma program to eliminate waste. We also benefit from group purchasing, and financial statement and budgeting through their services. Our electronic medical records (EMR) through Cerner is coordinated through B.C. and he stated we achieved "meaningful use" on Stage I. The telemedicine communication system was used for 40 clinical visits and 150 times for education or meetings. Daniels Memorial with receive \$23,000 of the \$317,000 Murdoch grant that B.C. received. He thanked our facility and stated that they honor and value our relationship with them.

Angel DeVeris, CPA, Galusha, Higgins, and Galusha presented the financial information and audit report for the years ending 2014 and 2013. In 2014 Total revenues were \$6,368,690 and total expenses \$7,164,759 leaving an operating loss of \$(796,069) and after other non-operating income of \$85,632, excess expenses over revenues were \$(710,437). In 2013 total revenues were \$6,903,676 and total expenses \$6,680,100 leaving an operating profit of \$223,576 and after other non-operating income of \$395,217 there was a profit of \$618,793. She stated that the facility had a clean audit opinion. She also confirmed that all of the smaller health care facilities that they audit have shown similar losses this year.

Current Board members whose terms are expiring are Tom Hagan and Carter Jensen, having served three consecutive 3 year terms they are ineligible to be nominated. Also Derrick Mottern has moved from the community and needs to be replaced. The nominating committee consisting of Mayra Tade, Ken Lee, and Carl Susag gave their report nominating Paul Kanning, Susan Ferestad, and Larry Henderson. Chairman Hagan called three and several times for further

nominations, there being none, Naomi Reed moved nominations cease and a unanimous ballot be cast for those individuals. Scott Susag seconded the motion, motion carried.

Jim Buer gave the Foundation report presenting a slide presentation of the Foundation's history and its current operations. In 28 years there have been contributions of \$3,960,296, oil leases of \$484,060, and investment returns of \$3,648,523 for a total income of \$8,087,879. During the same time contributions to DMHC have been \$4,633,030, operating costs \$1,148,038 leaving a total investment portfolio at this time of \$2,308,811. The Foundation goal is to have a \$15,000,000 endowment to come from planned giving and charitable estate planning.

Chairman Hagan has completed his third three year term and thanked the community for the privilege of serving as this is his last meeting. CEO Hubbard and those in attendance thanked Tom for his years of service both for the past nine years and those terms prior to this when he has served.

Chairman Hagan thanked all for attending.

Scott Susag moved the Annual meeting be adjourned at 7:08PM.

Respectfully submitted

Chairman

Secretary