

**BOARD OF COMMISSIONERS  
MEETING MINUTES  
OCTOBER 25, 2018**

The Board of Commissioners of Franklin Foundation Hospital, Hospital Service District No. 1, St. Mary Parish, met in regular session at 6:00 p.m., October 25, 2018.

MEMBERS PRESENT

Eugene Foulcard, Chairman  
Didi Battle  
Robert Allain, II  
Dr. Roland Degeyter  
Robert Judice, Jr  
Clegg Caffery, Jr.

ALSO PRESENT

Stephanie Guidry, CEO  
Lanzi Meyers, Legal Counsel  
Russell Cremaldi, Legal Counsel  
Don Smithburg, QHR VP  
Ron Bailey, CFO  
Lori Leonard, Director of Quality  
Collette Vaccarella, Director of Financial  
Services  
Tina Petry, Compliance Officer  
Sharon Procell, Exec. Admin.

ABSENT

**I. CALL TO ORDER**

With a quorum present, the meeting was called to order by the Chairman, Mr. Eugene Foulcard at 6:05 p.m.

**II. PUBLIC COMMENT**

Mr. Eugene Foulcard welcomed Mr. Robert Allain, II to the Board of Commissioners. Mr. Eugene Foulcard stated he feels Mr. Allain will be a great asset to the Board and to the community.

Mr. Allain, II stated he's excited to be here and helping with the Hospital. He mentioned it's not only important to him but to his family and the entire district that he serves, West St. Mary parish.

Mr. Robert Allain, II made a motion to expand the agenda to add Action Taken as Roman numeral X (ten) after Executive Session and move item B in Executive Session to Action Taken.

**Mr. Robert Allain, II moved to approve to expand the agenda to add Action Taken and move item B in Executive Session to Action Taken with Mr. Clegg Caffery seconding the motion. The motion carried unanimously.**

Mr. Robert Allain, II made a motion to amend the agenda to add a line item under Action Taken to read "to discuss and action on land acquisition".

**Mr. Robert Allain, II moved to approve to amend the agenda to add a line item under Action Taken to read "to discuss and action on land acquisition", with Dr. Roland Degeyter seconding the motion. The motion carried unanimously.**

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**III. OLD BUSINESS**

A. Approval of Minutes – September 27, 2018

**Mr. Clegg Caffery moved to approve the minutes of the Board of Commissioners meeting held September 27, 2018 with Mr. Robert Judice, Jr. seconding the motion. The motion carried unanimously.**

B. Approval of Minutes – Special Meeting – October 3, 2018

**Ms. Didi Battle moved to approve the minutes of the Board of Commissioners special meeting held October 3, 2018 with Mr. Clegg Caffery seconding the motion. The motion carried unanimously.**

Mr. Eugene Foulcard stated he would like to move the Medical Staff Report up before the New Business.

**IV. MEDICAL STAFF REPORT**

**A. Credentials & Medical Executive Reports – October 2018**

Dr. Sharad Gunda reported the October Credentials and Medical Executive Committee Reports. He stated the Credentials Committee and the MEC reviewed the presented files and found to have current evidence of adequate professional liability insurance with no malpractice issues. Also obtained were primary source verifications of current LA medical licensure noted without restrictions and there was no evidence of any sanctions or exclusions by Medicaid, Medicare, or other federal programs. Based upon review of the qualifications, clinical competences, skills, experience, quality data, requested privileges, peer references, ability, and ongoing professional practice evaluations the following applicants have been unanimously recommended for appointments of:

Re-appointments:

- Nicholas Blainey, MD – Consulting – Emergency Medicine
- Michael Lacombe, CRNA – Advanced Practice Professional
- Guillermo Delgado, MD – Courtesy – OB/GYN

He reported Virtual Radiology had a reappointment of Dr. Steven Davis – Consulting – vRad. Also noted that MEC accept the resignation of Dr. Rebecca Accardo and Dr. Stephanie Hanson. Dr. Gunda reported after review of the Ongoing Performance Evaluations the MEC is recommending Dr. Tomas Golan be moved to the Courtesy Category verses the Active.

Dr. Gunda requested for the Board to give final approval of the re-appointments and the acceptance of the credentialing from the Telemedicine due to a business associate agreement.

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**Ms. Didi Battle made the motion to approve the reappointment of Dr. Nicholas Blainey – Consulting – Emergency Medicine, Michael Lacombe, CRNA – Advanced Practice Professional, and Dr. Guillermo Delgado – Courtesy – OB/GYN and accept the resignation of Dr. Rebecca Accardo and Dr. Stephanie Hanson and accept the reappointment of Dr. Steven Davis – Consulting – VRad with Mr. Clegg Caffery seconding the motion. The motion carried unanimously.**

**V. NEW BUSINESS**

**A. Discuss and Approve**

**1. Millage Renewal Propositions**

Mr. Ron Bailey presented an actual Millage Renewal Proposition resolution ordering and calling a special election to authorize the renewal of a special tax. He stated this is the ten (10) mills tax on all property subject to taxation within said District, for a period of ten (10) years; an estimated \$1,777,000 reasonably expected at this time to be collected from the levy of the tax for an entire year. He stated the special election will be held on March 30, 2019; there will be no other races on the ballot. Mr. Bailey requested that the Committee approve the millage renewal proposition.

**Ms. Didi Battle made the motion to approve the Millage Renewal Propositions with Dr. Degeyter, Jr. seconding the motion. The motion carried unanimously with Mr. Robert Allain, II abstained from the vote.**

**2. Capital Spending Report at 9/30/2018**

Mr. Ron Bailey presented the Capital Spending Report at 9/30/2018 that was requested by Mr. Caffery at the last meeting. Mr. Bailey presented a summary of capital projects in progress that included FY 2017 amounts moved to FY 2018 and FY 2018 approved capital that needed to be carried over to FY 2019.

**3. FY2019 Operating Budget**

Mr. Bailey presented the Operating Budget for Fiscal Year 2019. Mr. Bailey reviewed the FY 2019 Budget Summary starting with the main assumptions that reflect tax revenue of \$2,232,000 and Rural UPL (formerly “DSH”) of \$2,542,000 (operating income). He noted that the Rural UPL amount was reduced compared to last year. He also noted the physician reimbursement Rate Enhancement (Physician UPL) of \$1,983,582 (which he explained is a reduction of Medicaid contractual adjustments). Mr. Bailey also noted that the assumptions were updated to include a proposed maximum 3% merit increase for FY 2019 which would be dependent on the Hospital attaining the budgeted operating results. He noted that included in the assumptions is another year of the Full Medicaid Capacity Funding of \$2,163,200 (non-operating revenue); he explained that this is the funding obtained by Senator Allain and Representative Jones. Mr. Bailey noted that the FY 2019 budget is the same amount that the Hospital received in FY 2018. He further advised that the Louisiana Department of Health will be

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moving Medicaid reimbursement to a new method, the APR DRG Payment Model that would be effective 1/1/2019.

Continuing with the budget summary, Mr. Bailey discussed the FY 2019 budgeted volumes noting budget increases in surgeries and emergency visits. He then discussed the factors/ratios for FY 2019. He advised that the budgeted days cash on hand is little conservative as the Hospital has not yet received the millage report that estimates the 2018 millage. Mr. Bailey advised that the first check is usually received in December. He noted with all things being equal the days cash on hand will ramp up.

Mr. Bailey discussed in detail the statement of Revenue and Expenses for the FY 2019 Budget noting that the budgeted bottom line was \$1,489,766 revenue in excess of expenses.

Mr. Bailey requested that the Board approve the FY2019 Operating Budget.

4. FY2019 to FY2021 Capital Budget

Mr. Bailey discussed the summary capital expenditure budgets for FY 2019, FY 2020 and FY2021 noting that Joint Commission requires the Hospital to budget out for three (3) years. He addressed a number of big items in the Capital Budget as follow:

- a) \$68,000 – acquire Mr. Luke property at NW Boulevard frontage
- b) \$38,773 – replace six (6) Med/Surg beds (6 per yr. for the next 3 years)
- c) \$238,020 – Olympus Endoscopy Equipment with Scopes
- d) \$41,230 – Medivator DSD Edge Endo Scope
- e) \$26,753 – GE Fetal Monitor
- f) \$40,796 – CEPHEID GeneXpert II System
- g) \$77,700 – Secureview digital mammo reading station
- h) \$166,863 – Philips Cardiac Monitoring system upgrades
- i) \$404,000 – estimated buildout of MOB Suite C

Mr. Bailey stated the FY2019 total requested is \$1,420,347 with \$644,411 that would be requested from grant funds while \$775,936 would be from operations.

Mr. Bailey requested that the Board approve the FY2019 to FY2021 Capital Budget.

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**Ms. Didi Battle moved to approve the Capital Spending Report at 9/30/2018, FY2019 Operating Budget and FY2019 to FY2021 Capital Budget with Mr. Clegg Caffery seconding the motion. The motion carried unanimously.**

5. Discuss and Approve Louisiana Legislature Auditor Compliance Questionnaire  
Mr. Ron Bailey presented the Louisiana Compliance Questionnaire which he noted is required to be presented and approved by the Board for submission prior to the start of the annual audit. Mr. Bailey requested that the Board approve the questionnaire.

**Mr. Clegg Caffery moved to approve the Louisiana Auditor Compliance Questionnaire with Ms. Didi Battle seconding the motion. The motion carried unanimously.**

**B. Discuss and Approve Capital Requests**

1. Purchase of Property  
Ms. Stephanie Guidry reported back in August 2017, the Hospital presented to the Board two (2) options of purchasing land, 1098 Northwest Blvd. and 1059 Northwest Blvd. The Board motioned to purchase land in front of the Hospital but not on the property at 1059 Northwest Boulevard; property is located in front of the MOB. She stated the appraised price is \$61,000, the Hospital budgeted \$68,000. She requested that the Board approve the purchase at 1059 Northwest Boulevard. But, also noted this is part of the strategic planning.
2. Total Lift II Transfer Chair/Stretcher  
Mr. Ron Bailey explained this request is to purchase a Total Lift II transfer chair/stretcher that will help safely transfer patients laterally from bed to a stretcher. He stated the lift converts to as chair for movement through departments. He reported the purchase price is \$10,937. He reported the purchase to be paid using secured grant funds of \$5,548 with remaining of \$5,389 from operating funds. Mr. Bailey requested that the Board approve the Total Lift II Transfer Chair/Stretcher.
3. Hill Rom Beds  
Mr. Ron Bailey explained this request is the second set of six (6) Hill-Rom Advanta 2 bed system beds with AccuMax Quantum VCP surface (to help prevent pressure ulcers). This purchase is included in the FY2019 capital budget. He requested that the Board approve the second set of six (6) Hill Rom Beds.
4. Cooling Coil for Air Handler  
Mr. Ron Bailey explained this request is to replace cooling coil on air handler 7 that services Radiology. He stated the handler 7 cooling coil was cleaned last year and is clogged once again. He stated it needs to be replaced. He reported the purchase and installation price is \$23,000. He also reported this request is included in the FY2019 capital budget. He requested that the Board approve the Cooling Coil for Air Handler.

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**Ms. Didi Battle moved to approve the Total Lift II Transfer Chair/Stretcher, Hill Rom Beds, and the Cooling Coil for Air Handler with Dr. Roland Degeyter seconding the motion. The motion carried unanimously.**

**VI. FINANCE COMMITTEE REPORT**

**A. Finance – September 2018**

**B. Ratification of minutes and all actions taken at the Finance Committee Meeting – October 25, 2018**

**Ms. Didi Battle moved to approve the Finance report and ratifications of minutes and all actions taken at the Finance Meeting held on October 25, 2018 with Mr. Clegg Caffery seconding the motion. The motion carried unanimously.**

**VII. QUALITY COMMITTEE REPORT**

**A. Ratification of minutes and all actions taken at the Quality Committee Meeting – September 21, 2018.**

**Mr. Clegg Caffery made a motion to approve ratification of minutes and all actions taken at the Quality Committee meeting on September 21, 2018 with Mr. Robert Judice, Jr. seconding the motion. The motion carried unanimously.**

Ms. Lori Leonard presented a 2<sup>nd</sup> Quarter 2018 Medicare Beneficiary Quality Improvement Project (MBQIP) Dash Board; these are specific to critical care hospitals. She explained this is initiated by the Medicare Rural Hospital Flexibility (Flex) Grant Program. With this Program the Hospital is able to buy patient care items and equipment. She noted basically said with this Program, we've been giving the Hospital all this money now if the Hospital want to be eligible to receive the Hospital have to participate in Quality Improvement Initiatives and report the data. Ms. Lori explained the Hospital is in compliant with the requirements. She presented a snapshot of what the organization is looking at; where are the opportunities and where the Hospital is performing at. She gave an overview of monthly measures for Outpatient encounters for instance:

- median time to transfer to another facility for acute coronary intervention
- such at aspirin at arrival
- median time to ECG
- median time from ED arrival to ED departure for discharged ED patients
- door to diagnostic evaluation by a qualified medical professional
- emergency department transfer communication

Ms. Leonard stated the goal is to improve Quality in the care provided by critical care hospitals.

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Ms. Guidry stated Quality reporting will be brought to the Board each month, along with Dr Degeyter report. She reported the Hospital is doing this in an effort to keep the Board members informed on Quality initiatives.

**VIII. MANAGEMENT REPORT**

**A. Nursing Report – Ms. Michelle Skillings, CNO  
Deferred**

**B. Administrative Report – Ms. Stephanie Guidry, CEO**

Ms. Guidry reported on the following:

- She and Mr. Kevin Romero met with Iberia Rehab; they want to utilize the Hospital swingbeds and radiology services; working on a contract to provide those services
- We continue to search for a Nurse Practitioner for Women’s services
- Dr. Baesler, Dr. McPherson, and Dr. Degeyter met with Jackson Physician Search recruiter – the Hospital is searching of an Internal Medicine physician for MOB (recruiter took a tour around the community, MOB and the hospital)
- The tour for the Thibodaux Wellness Center is November 16<sup>th</sup> at 9:00am; those interested in attending, need to leave by 7:45am from the Hospital

Ms. Guidry presented a 2019 Year calendar for Board/Finance meetings. She noted in November that last Thursday, is the 28<sup>th</sup> which falls on Thanksgiving Day, so the meeting is moved to November 21, 2019. She requested that the Board approve the November 21, 2019 date for Board/Finance meeting.

**Ms. Didi Battle moved to approve the change the Board/Finance meeting to November 21, 2019 with Mr. Robert Judice, Jr. seconding. The motion carried unanimously.**

Ms. Guidry stated the Hospital cancelled this year’s Board/Finance meeting in December, she recommended that the Committee cancel the December 2019 meeting. She requested that the Board approve to cancel the December 2019 Board/Finance meeting.

**Ms. Didi Battle moved to approve cancelling the December 2019 Board/Finance meeting with Mr. Clegg Caffery seconding. The motion carried unanimously.**

**C. Clinic Report – Mr. Collette Vaccarella, Co-Director of Clinics**

Mr. Bailey began the presentation of the clinic report for the month beginning with clinic accounts receivable. Ms. Collette Vaccarella then discussed clinic visit activity for the month of September 2018 as compared to September 2017. She noted that September 2018 clinic visits were up over the prior month. Mr. Bailey presented the consolidated clinic cost center report noting that the clinics posted a consolidated loss for the month. Mr. Bailey also discussed the Hospital activity generated by the clinic physicians.

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**D. QHR Management Report – Mr. Don Smithburg, QHR VP (tele-conf.)**

Mr. Don Smithburg reported he wanted to reflect on the good news on the Hospital in FY2018 beat budget by \$600,000 dollars and having a nice EBITA of \$2 mil; really nice for this Hospital. He congratulated management and to the Board for this accomplishment. He stated he wanted to follow up about the Wellness Center in Thibodaux; they are affiliated with QHR. He stated he hopes everyone will enjoy the tour.

**IX. EXECUTIVE SESSION**

**Mr. Robert Allain, II made a motion to go into executive session at 7:05 pm with Ms. Didi Battle seconding. The motion carried unanimously.**

**A. Strategic Planning**

**With no further business to discuss in Executive Session, a motion was made by Mr. Robert Allain, II and seconded by Mr. Clegg Caffery to exit Executive Session at 7:24 p.m. The motion carried unanimously.**

**X. ACTION TAKEN**

**A. Resolution requesting funding from the State of Louisiana under the provisions of the 2019-2020 Capital Outlay Act**

**Mr. Robert Allain, II made a motion to approve the resolution requesting funding from the State of Louisiana under the provisions of the 2019-2020 Capital Outlay Act with Dr. Roland Degeyter seconding. The motion carried unanimously.**

**B. To discuss and action on land acquisition**

**Mr. Robert Allain, II made to motion for the Hospital to purchase the land at 1059 Northwest Boulevard (Lot 1E), Franklin, La. for appraised value \$61,000 plus expenses but not more than \$68,000 with Mr. Robert Judice, Jr. seconding. The motion carried unanimously.**

**XI. ADJOURN**

**With no further business to discuss, Ms. Didi Battle moved with Mr. Robert Judice, Jr. seconding the motion to adjourn at 7:28 p.m. The motion carried unanimously.**

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Eugene Foulcard - Chairman

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Stephanie A. Guidry, CEO