

**BOARD OF COMMISSIONERS  
MEETING MINUTES  
February 22, 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., February 22, 2018.

**MEMBERS PRESENT**

Dr. Nick Accardo, Vice Chairman  
Clegg Caffery, Jr.  
Dr. Roland Degeyter  
Robert Judice, Jr.  
Didi Battle

**ALSO PRESENT**

Stephanie Guidry, CEO  
Lanzi Meyers, Legal Counsel  
Russell Cremaldi, Legal Counsel  
JoEllen Curry, Interim CNO  
Lori Leonard, CQO  
Tina Petry, Director of HIM  
Collette Vaccarella, Director of PFS  
Sharon Procell, Exec. Admin. Asst.  
Kevin Romero, Director of Marketing/  
Business Development

**ABSENT**

Allan Von Werder  
Eugene Foulcard

**GUEST**

Gayla Falcon, CPA and partner, Langlinais,  
Broussard & Kohlenberg  
Lorna Bourque, Accountant

**I. CALL TO ORDER**

With a quorum present, the meeting was called to order by the Vice Chairman, Dr. Nick Accardo at 6:00 p.m.

**II. PUBLIC COMMENT**

NONE

**III. OLD BUSINESS**

A. Approval of Minutes – January 25, 2018

**Mr. Clegg Caffery moved to approve the minutes of the Board of Commissioners meetings held January 25, 2018 with Mr. Robert Judice, Jr. seconding the motion. The motion carried unanimously.**

**IV. NEW BUSINESS**

**A. Discuss and Approve**

**1. Fiscal Year 2017 Audited Financials**

Ms. Gayla Falcon, CPA and partner with Langlinais Broussard & Kohlenberg CPAs (“LBK”) presented the Fiscal Year 2017 Audit report. Ms. Falcon stated that her firm’s responsibility is to express an opinion on the financial statements based their audit, which is conducted in accordance with standards generally accepted in the United States and standards applicable to financial audits contained in Government Auditing Standards. Ms. Falcon reviewed the statement

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of net position, the statement of revenues, expenses, and changes in fund net position and statement of cash flows for fiscal year 2017. She discussed her firm's opinion on the Hospital's financial statements taken as a whole. She noted that her firm issued a clean opinion that indicates that the Hospital's financial statements do not contain any material mis-statements. She noted that a clean opinion is the best that could be expected from the audit.

Ms. Falcon discussed the main line items on the Statement of Position (the balance sheet) noting that cash and cash equivalents was up over the prior year as was accounts receivable. She also stated that other receivables had increased significantly from \$1.9 million in 2016 to \$2.8 million in 2017; she noted that this was due primarily from the Full Medicaid Payment Program (UPL program). Falcon reported that total of current assets had an increase of \$1.2 million.

Ms. Falcon reported that assets whose use is limited (restricted assets) was up to \$7.6 million in FY 2017 compared to \$5.9 million. The increase is due to receipts from the Full Medicaid Capacity grant.

Ms. Falcon discussed several items in the liabilities section of the statement, noting in particular that credit balances decreased significantly from the prior year. She also pointed out the balance in deferred inflows of resources, stating that this amount is deferred revenue as the Hospital received 13 months of payments on the FMP program and would only recognize 12 months.

She next discussed the components of net position and finished by noting a significant increase to \$24.381 million in FY 2017 compared to \$22.015 million in the prior year.

Ms. Falcon briefly discussed the Statement of Revenues, Expenses and Changes in Net Position (the income statement) noting that the Hospital's net position increased by \$2,365,987 compared to a \$1,451,630 increase in the prior year.

Ms. Falcon completed discussion of the audited financials and thanked the Hospital staff for working closely with the audit staff. She also stated that there were no disagreements with management on any of the audit entries or on any issues.

**2. Fiscal Year 2017 Cost**

Ms. Falcon reported a summary of the FY 2017 Medicare cost report. She stated there was a net \$54,000 payment due to Medicare and a \$300,000 receivable due from Medicaid all of which resulted in a net positive of \$249,000 due to the Hospital from all of the cost reports.

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**3. Fiscal Year 2017 La. Legislative Auditor Agreed-Upon Procedures**

Ms. Falcon presented the independent accountants report on applying agreed-upon procedures (“AUPs”) as prescribed for government entities by the Louisiana Legislative Auditor. She noted that this is the first year that the AUPs have been required. She discussed the areas of focus by the Legislative Auditor, particularly written policies and procedures. Ms. Falcon discussed the main areas of the report and noted that management had provided a response to each item that required a response.

**4. Discuss Calendar Year 2017 Retirement Plan Contribution**

Mr. Ron Bailey discussed the Calendar Year 2017 retirement plan contribution noting that the contribution total is \$189,337; the Hospital plans to make that deposit by the end of February 2018.

**5. McKesson Sysmex Lease**

Ms. Stephanie Guidry presented the contract summary on the proposed lease of the McKesson Sysmex XN-550 Hematology System. She stated that it is a 60 month operating lease. The lease payment will be \$1,022.00 per month with an additional \$562.60 per month for a service contract. She noted other provisions that included annual supply expense of \$6,424.49 and quality monitoring kits x 3 for \$15,000. Ms. Guidry stated the contract was reviewed and modified as needed by Ms. Lanzi Meyers of the Gachassin Law Firm. Ms. Guidry requested that the Committee approve the Lease.

**Mr. Clegg Caffery moved to approve the McKesson Sysmex Lease with Mr. Robert Judice, Jr., seconding the motion. The motion carried unanimously.**

**6. Discuss and Approve Increase in Stryker Laparoscopic Tower Purchase**

Mr. Ron Bailey advised that the Finance Committee and Board approved the purchase of the Stryker Laparoscopic Tower at the January 2018 meeting. The purchase price approved at that time was \$148,775 which was the amount included in the approved FY 2018 capital budget. Mr. Bailey noted that when the purchase order was being issued it was noted by the vendor and the Nurse Manager that two of the components would become obsolete in 2018. The order was amended to replace those two items with the new model. The approval was done prior to bringing the increase to the Finance Committee as the Hospital had to place the order before the vendor’s deadline; otherwise the Hospital would have lost the discount on the acquisition cost. That change resulted in an increase in the purchase price to \$175,000. Mr. Bailey noted that the asset cost will be funded from the Full Medicaid Capacity Grant funds. Mr. Bailey requested that the Committee approve the increase in cost.

**Ms. Didi Battle moved to approve the Increase in Stryker Laparoscopic Tower Purchase with Mr. Clegg Caffery, seconding the motion. The motion carried unanimously.**

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**V. MEDICAL STAFF REPORT**

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

Ms. Lori Leonard presented the monthly Credentials and Medical Executive Report on behalf of Dr. Donna Tesi. She stated the Credentials Committee and the MEC reviewed the 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 reappointments of:

- Dr. Quentin Falgoust – Courtesy – Ophthalmology
- Dr. Tomas Golan – Active – Pediatrics
- Dr. Sharad Gunda – Active – Pediatrics
- Dr. Laina Leboeuf – Advance Practice Professional – Nurse Practitioner
- Dr. John Lemieux – Consulting – Radiology
- Dr. Brent Rochon – Active – Cardiology
- Dr. Donna Tesi – Active – Internal Medicine.

She also included a resignation of Dr. William Bailey – Consulting – Cardiology. She noted Dr. Kennan Buechter – General Surgery requested category change from Courtesy status to Active Status. Ms. Leonard discussed looking into no and/or low volume practitioners; this is to see if physician(s) want to continue their relationship with Franklin Foundation Hospital. Ms. Lori Leonard requested the Committee for a final approval.

**Ms. Didi Battle made a motion to approve the Credentialing reappointments of Dr. Quentin Falgoust – Courtesy – Ophthalmology, Dr. Tomas Golan – Active – Pediatrics, Dr. Sharad Gunda – Active – Pediatrics, Dr. Laina Leboeuf – Advance Practice Professional – Family Nurse Practitioner, Dr. John Lemieux – Consulting – Radiology, Dr. Brent Rochon – Active – Cardiology, Dr. Donna Tesi – Active – Internal Medicine and Medical Executive Report with Mr. Robert Judice, Jr. seconding the motion. The motion carried unanimously.**

**VI. FINANCE REPORT**

**A. Finance – January 2018**

Mr. Ron Bailey presented the finance report for the month of January 2018.

**B. Ratification of minutes and all actions taken at the Finance Committee Meeting February 21, 2018.**

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**Ms. Didi Battle moved to approve the Finance report and ratifications of minutes and all actions taken at the Finance Meeting held on February 21, 2018 with Mr. Robert Judice, Jr. seconding the motion. The motion carried unanimously.**

**VII. QUALITY COMMITTEE REPORT**

- A. Ratification of minutes and all actions taken at the Quality Committee Meeting – February 16, 2018.

**Mr. Robert Judice, Jr. made a motion to approve ratification of minutes and all actions taken at the Quality Committee meeting on February 16, 2018 with Mr. Clegg Caffery seconding the motion. The motion carried unanimously.**

**VIII. MANAGEMENT REPORT**

**A. Nursing Report – Ms. JoEllen Curry, Interim CNO**

Ms. JoEllen Curry reported on ten (10) of the eleven (1) HCAHPS components are at or above the Hospital Compare National Top Box average for February 2018 back to January 2017. Opportunities for improvement include willingness to recommend. She reported the Diabetic Academy was held February 7<sup>th</sup>, successful with ten (10) attending despite the rainy weather that day. Registration has begun for the next Academy scheduled for April 4, 2018. She noted the new Laparoscopic towers have been installed and have received positive feedback from the physicians. Ms. Curry stated working diligently on staff shortage; especially registered nurses.

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

Ms. Stephanie Guidry reported we have an applicant for Chief Nursing Officer, she's coming from Houston and she has critical access hospital experience; we will be setting up an interview with her in two (2) weeks. She reported Brentwood Communications (PR Firm) has been here and interviewed a lot of hospital staff and couple of Board members; the interviews went well and they gained a lot of important information. The next step will be 3 marketing campaign options for our consideration. Ms. Guidry stated there will be a magazine "My Hometown Health" coming out with our name and brand on it and it will consist of several educational articles. Ms. Guidry gave an update on the three (3) Ortho doctors that wanted to do fifteen (15) days of on-call coverage; Hospital decline their proposal, overall, we don't think the Hospital would recoup the \$15,000 they were going to charge per month. Secondly, this was not budgeted for this budget period. Ms. Guidry reported she and Dr. Wiltz met with Dr. David Benson –Urologist, he is still considering his options to practice in Franklin; once we received additional information from Dr. Benson we will provide a pro forma for review. She also noted Dr. Kristi Prejeant has agreed to help us on Friday and some weekend on-call coverage; Dr. Prejeant is reviewing her contract.

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**C. Clinic Report – Ms. Collette Vaccarella, Director of Patient Financial**

Ms. Collette Vaccarella reported on Clinic activities for January 2018. She discussed the accounts receivable aging summary along with clinic appointment activities. She noted that five (5) out of the six (6) clinics had increased appointment activity compared to December. She stated that there is less of an impact on operations from the implementation for the new Thrive provider electronic health record in November.

Mr. Bailey presented the consolidated clinic cost center reports noting that the fiscal year-to-date consolidated clinic revenue ending January was up significantly over the prior year. He also noted that the consolidated loss was much less than last year.

**D. QHR Management Report – Mr. Don Smithburg**

**NO REPORT**

**IX. EXECUTIVE SESSION**

**A. Personnel Matter**

**Deferred until next meeting**

**X. ADJOURN**

**With no further business to discuss, Dr. Roland Degeyter moved with Ms. Didi Battle seconding the motion to adjourn at 7:02 p.m. The motion carried unanimously.**

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Eugene Foulcard - Chairman

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Stephanie A. Guidry, CEO