

**CGH BOARD OF DIRECTORS
EXECUTIVE COMMITTEE
August 31, 2017**

CALL TO ORDER & ATTENDEES – A meeting of the Board Executive Committee was called to order at 0731 on Thursday, August 31, 2017, in the 4th Floor Board Room. Members present were Mr. Moore, Dr. McGlone, Dr. Jones, and Mrs. Rasmussen. Mr. VanOsdol attended telephonically. Also present was Dr. Steinke.

CEO Goals Dashboard

The CEO Goals Dashboard was reviewed and discussed. Areas of meeting the goal included performance indicators with Early Elective Deliveries, Patient Safety Indicator Composite Score, and ED Arrival to Admit LOS. Fall outs included CMS Mortality rates for Pneumonia and Heart Failure. These will need further discussion at the upcoming CEC meeting. Other measures including HCAHPS, CMS Readmit rate, Total Margin, and updates on the Cerner Hospital Billing Project were also discussed. It was mentioned we need a better benchmark for median Total Margin for comparison.

Other projects off the dashboard included the community mental health strategy, productions formulas for CRNAs and Anesthesiologists (goal would be early in 2018), further information with developing a Fraternization Policy, timeline for Long Range Facilities Plan and the Employee Satisfaction Survey (planned in late Fall 2017).

Capital Requests

Requests for approval to purchase the following capital items were discussed and unanimously approved:

- Alaris PCA & EtCO2 Modules - \$125,320.00
- EBUS System - \$143,742.77
- Bronchoscopy System - \$113,478.69
- Pediatric Endoscopes (x2) - \$73,548.92 (total)

Discussion of Market Share Data

Market Share Analysis by service area was discussed. Primary Core was at 71% (vs. 66% previously), Primary (not core) was at 50% (vs. 43%), and Secondary was 36% (vs. 34% previously). There was a request to incorporate data from the Savannah zip code. Overall, Market Share data appears stable.

Discussion of CMS Data

Charge per Discharge and CMI/Wage Index and Average Hourly Wage data from CompData was reviewed and discussed. CGH remains generally in the middle of the pack.

CMS Re-Admission penalties for 2017 and 2018 were reviewed and compared to other Illinois Hospitals and those outside of Illinois but in our service area. There were 8 hospitals that had no readmission penalties in FY17 nor FY18 and CGH is one of them. The penalty is based on Net Medicare dollars for inpatients with penalties assessed as high as 3%. CGH received approximately \$36 million annually from inpatient Medicare services so our maximum dollars at risk is just over \$1 million.

Board By-Laws Review Update

Andy updated the group on the legal review sought on the CGH Board By-Laws. A "Red-Line" version was received yesterday and there appears to be more changes suggested than originally anticipated. Andy will distribute to the group for review along with the comments.

Discussion of CEO Contract

Paul's initial 5 year contract is up at the end of the calendar year. Andy mentioned at this point there are 4 options: 1. Do nothing and it automatically renews for 2 years; 2. Make amendments to the current agreement; 3. Replace the current agreement with a new one; 4. Choose to not continue employment (which Andy stated he didn't feel was anyone's desire). Paul expressed his appreciation for the opportunity and how quickly these initial 5 years have gone. Paul then left the meeting and the committee continued its discussion.

There being no further business, the meeting adjourned around 0900.

Respectfully,

Attest:

Paul G. Steinke, D.O.
President & CEO

Andy Moore
Board Chair