

<h1>Madison Valley Medical Center</h1>			
MINUTES	DATE: 03/24/2022	8:00 AM	MADISON VALLEY MEDICAL CENTER DOWNSTAIRS CONFERENCE ROOM
APPROVED _____			
MEETING CALLED BY	Dorothy Fossel, Chairman		
TYPE OF MEETING	Monthly Board Meeting		
FACILITATOR	Dorothy Fossel		
NOTE TAKER	Judi Stonebraker		
TRUSTEES PRESENT	Present: Mary Oliver, Jim Hageman, Bryant Harp Via Conference call: Jeff Montag, Dottie Fossel,		
STAFF PRESENT	Allen Rohrback CEO, Martin deGroot PA, Allison Treloar CNO, Madyson Speck Admin. Assistant, Bonnie O'Neill HR, Dawn Conklin Foundation ED, Charley Able COO Via conference call: Alicia Nicholson CFO,		
GUESTS PRESENT	Ann Alsted Foundation President		

MINUTES REVIEW	DOTTIE FOSSEL
MOTION	<i>Trustee Oliver moved to accept the February 24, 2022; minutes as presented. Trustee Hageman seconded. All voted aye. Motion passed.</i>

MEDICAL STAFF REPORT	ALLEN ROHRBACK AND MARTIN deGROOT
	<ul style="list-style-type: none"> • No positive COVID cases in the past two and a half weeks. • Busier in the clinic, hospital is slow. • Dr. Ham will be starting about mid-May. • FNP Kristin Mauerer and PA Sean Simmons still in ER training. They should be ready to start contributing to the call schedule in June. • Physician interviews coming up. • We have a chronic pain program starting which was spearheaded by Martin deGroot, which includes "pain contracts" and initial and random drug testing for compliance and referral to behavioral health, when appropriate. • Scheduling completed for the months of June, July, August. • Montana Prescription Drug Registry: Every controlled substance prescribed is traced throughout the State. There is also a double check by our pharmacists.

FINANCIALS	ALICIA NICHOLSON CFO
FEBRUARY	Alicia reviewed the power point slides with the key indicator report, graphs, balance sheet, profit and loss and trending graphs with questions from Trustees as the slides were being presented.

FINANCE COMMITTEE	<p style="text-align: center;">MVMC Agenda and Minutes of the Finance Committee March 16, 2022 9:00 AM</p> <p>Participating: For the Board, Jeff Montag and Jim Hageman. For MVMC, Allen Rohrback and Alicia Nicholson.</p> <p style="text-align: center;">Agenda and Minutes</p> <ol style="list-style-type: none"> 1. Reviewed February financial information. 2. Evaluated funds available for additional investment and discussed possible uses of funds with Brian Bentley. 3. Discussed 2021 audit status and cost report. 4. Discussed Federal hospital relief grant programs, including sources and uses of funds. 5. Discussed annexation process status. 6. Discussed ambulance operations and mill levy process. 7. Discussed pharmacy operations and Stockman loan. 8. Discussed proposed housing policy. 9. Discussed physician/nurse recruitment and budget. 10. Discussed progress on Cerner contract and alternatives.
MOTION	<p><i>Trustee Montag made a motion to approve the February Financial Review and the March 16, 2022, Financial Committee Meeting report as presented. Trustee Hageman seconded. All voted aye. Motion passed.</i></p>

QUALITY ALLISON TRELOAR CNO	
	<p>EMS: Allison reviewed hospital interfacility patient transfer data for January and February broken down by ground or air, BLS or ALS. She also presented the quality measures for the ambulance as explained at the February meeting. Quality Scorecard for the first two months of the quarter: Med Errors 3, Patient Falls 1, FROAI 0, Hospital Readmissions 0, ER Readmissions 8, Test Result Communication 93%, Never events 0.</p>
MOTION	<p><i>Trustee Harp made a motion to accept the quality report as presented. Trustee Oliver seconded. All voted aye. Motion passed.</i></p>

OPERATIONS CHARLEY ABLE COO	
	<ul style="list-style-type: none"> • Construction: is winding down. • IT: Pharmacy is set up and running. • Centric EMR System: Has been upgraded to the latest version. • Facilities: Have contracted to replace the nurses call system. A trash compactor is needed. Have been working on our regulatory compliance including migrating our policies to Policy Pro software. • Internal Tools: Shane (IT) is building a behavioral health data tracking system and also one for prescriptions for controlled substances and how we are handling patient "pain contracts".

At this point of the meeting Martin deGroot left.

BUSINESS OF THE BOARD

DOTTIE FOSSEL

MOTION	<ul style="list-style-type: none"> • Chairman Fossel highlighted the "Frequently Asked Questions" insert in the Madisonian regarding the upcoming Madison and Ruby Valley Rural Ambulance District. • <u>Employee Handbook</u>: The Employee Handbook has been updated and has been reviewed by the employment specialist at Garlington, Lohn and Robinson. The changes were sent to the Board for their review prior to this meeting. After further discussion by the Trustees: <i>Trustee Montag moved to approve the changes made to the Employee Handbook.</i> <i>Trustee Harp seconded. All voted aye. Motion passed.</i>
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FOUNDATION EXECUTIVE DIRECTOR REPORT

DAWN CONKLIN FOUNDATION ED

	<ul style="list-style-type: none"> • Stewardship report for February: \$27,175 received mostly unrestricted, some from annual appeals, numerous memorials and the Ennis Lions Club made a pledge for room furnishings upgrade. • Now into Phase II of the Legacy Giving program. • Met with several Board members and foundation staff to do demos for new customers relations management software. • Grant Application: To the Trease Foundation \$15,000 for an upgrade defibrillator for the ER. • Summer Events: Mid-Summer Dinners (3rd year) We have four scheduled. To sponsor Cory Hardy in the Yellowstone Adventure series with funds raised to replace the ambulance defibrillator. A Free BBQ for the community Saturday June 25. A campaign for a Lucas device for the ambulance.
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ADMINISTRATIVE REPORT

ALLEN ROHRBACK CEO

	<ul style="list-style-type: none"> • <u>COVID Update-</u> No positive test results in the past two and a half weeks. There are no changes at this time in mask mandates within the facility. • <u>Facilities Planning</u> Allen and Charley are reviewing a change to the exterior entrance to the pharmacy. • <u>Pharmacy Services Update</u> All payer contracts are in place. Our pharmacist in charge Pat Tolson will be working every other Saturday. • <u>Annexation Update</u> Allen recently met with new Mayor Nici Haas to review the processes already completed for the annexation process. No more submittals needed as of this date. • <u>Recruiting</u> We will be visiting with three physicians. All of them are interested in full spectrum medicine. By June we should have six providers to cover call. • <u>EMR Update:</u> The EMR contract has been signed with Cerner. Kick off in August with "go live" February 2023. The Finance Committee requested the minutes reflect that the Board authorized by email Allen to sign the contract.
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Cerner Business Agreement (Master Agreement)

General terms and provisions:

1. The Business Agreement is the Master Agreement that controls all Sales Order Agreements in the future.
2. Terminates when all services in the Sales Order expire.
3. Termination of the Agreement – Either party may terminate this agreement if the other party materially breaches the agreement.
 - a. Both parties have 30 days to cure breach before termination can occur
 - b. Transition and Termination – If the agreement expires or either party terminates, as permitted in the agreement, Cerner will assist MVMC with conversion to another vendor for up to 24 months
4. This agreement will be governed, interpreted, and enforced in accordance with the laws of Montana.
5. MVMC negotiated and added the following provisions:
 - a. Control of Staff
 - b. Acceptance Testing
 - c. Fee cap provision
 - d. Additional warranties
 - i. No virus
 - ii. Documentation
 - iii. Interfaces
 - iv. Pass-through
 - v. Security
 - e. Two-party indemnification
 - f. Limitation of liability
 - g. Sunset provision
 - h. Dispute resolution

See attorney's notes below:

1. Adding in a Control of Staff provision, which formalizes the process for the hospital to work with Cerner should there be any issues with the Cerner staff during the implementation process. We also included an experience requirement for the implementation team.
2. Adding in an Acceptance Testing provision (Section 3), which formalizes the process for the hospital to test the fully implemented system and requires Cerner to address and fix any non-conforming issues that arise during testing.
3. Adding in a fee cap provision (Section 5.4) that will control in the absence of a provision in a subsequent ordering document. This default provisions states that fees are capped for the first 24 months at the lesser of 4% or the change in CPI.
4. In Section 6, we added several new warranties that will better protect the hospital, including a stronger functionality warranty, a no viruses warranty, a documentation warranty, an interfaces warranty, a pass-through warranty, and a security warranty. We also added to the indemnification provisions found in this section (6.1 and 6.6)

5. The limitation of liability provision (Section 6.9) has been revised to carve out a breach of the Business Associate Agreement and Cerner's intellectual property indemnification obligations.
6. In Section 7.3, Cerner has agreed that if they sunset one of the applications, or the Community Works system as a whole, the hospital will not be charged additional license fees, if the sunset occurs within 5 years of the effective date of the agreement.
7. In Section 7.5, we added a dispute resolution provision, so that if there's an issue, the parties don't move immediately to filing suit, but rather there is an obligation to talk through the issue in an attempt to resolve it. We also changed the governing law to Montana and moved any actions to Montana (Section 7.16).

Cerner Sales Order (Cerner Community Works)

1. Monthly fee: \$32,615
2. Term: 10 years
 - a. Fee begins on the first productive use and continues for 110 months
 - b. Automatically renews for additional 12-month periods after initial term
 - c. 180-day notice of non-renewal required
3. Termination:
 - a. Termination for convenience at five and seven years:
 - i. Early termination fee will be calculated using the total of \$1,097,552 (implementation services, etc.) less \$9,977.75 times the number of payments made up through the early termination. (i.e., at seven years = $\$1,097,552 - (9,977.75 \times 78 \text{ months}) = \$778,264$) = **\$319,287**
 - b. If MVMC loses mill-levy funding, we may terminate agreement but must pay amount remaining in initial implementation fee
4. Fee increases:
 - a. Fee increases may occur anytime following the initial 48-month period
 - b. Not more frequently than once every 12-month period
 - c. Amount of increase may not exceed the greater of the Consumer Price Index or 4% annum (does not include the implementation fee paid over term of agreement)
5. Travel expenses: Cerner's travel expense budget is \$126,000. Any amount in addition to this total needs to be approved by MVMC.
6. Professional services rate protection for 48-months
7. MVMC received four (4) annual Cerner Conference passes
8. Professional Services Rate Protection: Cerner agrees to a four-year pre-negotiated rate for additional, contracted services, if elected.

See attorney's notes below:

	<ol style="list-style-type: none"> 1. We were able to add in several new provisions related to fees – both to ensure there are very few, if any, surprises to the hospital for fees not specifically accounted for in this document, including the inclusion of the Monthly Overage Fees provision on page 2, a revised Fee Increases provision on page 3, a Fiscal Function provision on page 19, and a cap on travel expenses (without the prior approval of the hospital) on page 20. 2. Cerner has agreed to perform an evaluation, 60 days post go-live, regarding the system and movement toward KPI goals (set out on page 21). 3. We were able to lock in rates for certain Cerner professional services personnel for a period of 48 months. 4. There is a termination for convenience provision set out on page 21, that gives the hospital the ability to terminate the Sales Order by the 60th month or the 84th month – with the understanding that the hospital would still be required to pay the remaining implementation fees built into the total cost of the system spread over the term. 5. We added in a Project Delay provision on page 33 to better formalize the process for going to Cerner should there be delays on their end / with their personnel.
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PUBLIC COMMENT /NON-AGENDA ITEMS

	None
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ADJOURN

MOTION	<i>Trustee Harp made a motion to adjourn to Executive Session at 10:26 am. Trustee Oliver seconded. All voted aye. Motion passed.</i>
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Minutes submitted by Judi Stonebraker.

Approved by:

Mary Oliver

Mary Oliver, Secretary

04/28/22

Date