MEMBERS
Ms. Barbara Young, Chair
Mr. William S. Farish, Jr.
Dr. Keith Gannon
Ms. Sandy Bugie Patterson

COMMUNITY ADVISORY MEMBERS
Ms. Pam Miller
Mr. Nick Nicholson
Ms. Myra Tobin
Ms. Mira Ball
Mr. Robert Clay

EX OFFICIO MEMBERS
Dr. Paul DePriest
Dr. Michael Karpf
Ms. Colleen Swartz

GUESTS
Mr. Mark D. Birdwhistell
Ms. Ruth Booher
Mr. William Britton
Dr. Britt Brockman
Dr. Bernard Boulanger
Ms. Denise Canales
Mr. Murray Clark
Mr. Joe Claypool
Mr. Jonathan Curtright
Mr. Harry Dadds
Ms. Leigh Donald
Mr. Cliff Iler
Ms. Barbara Jones
Ms. Kristi Lopez
Ms. Pamela May
Mr. Sergio Melgar
Dr. Kevin Nelson
Dr. Marc Randall
Mr. Brett Short
Ms. Ann Smith
Mr. James Stuckert
Mr. Tim Tarnowski
Ms. Irino Voro
Ms. Kim Wilson
I. CALL TO ORDER AND APPROVAL OF MINUTES

The meeting was called to order at 4:00pm by Ms. Barbara Young. Minutes of the previous meeting were approved unanimously.

II. FINANCIAL REPORT

Mr. Melgar presented the FYTD March 2012 Financials to the board members.

Discharges are 1,290 higher than last year and overall operation performance remains strong. Operating revenue continues its trend and YTD $56.1 million higher than last year. Variable expenses remain in line with higher surgical volumes and fixed expenses and depreciation are at similar levels to last year adjusting for Pavilion A. Personnel expenses are higher than last year by $35.5 million and reflect the growing pains related to the opening of Pavilion A and the growth in volume both in the impatient and outpatient setting. Orientation for new nurse is leveling and we are getting better at managing the clinical/nursing areas using HPPD as the basis. Bad debt has increased significantly over last year with increase in both rate and volume with higher CMI as compared to last year. The operating margin is $16.9 million below last year, but $7.2 million above budget.

Discharges for the month of March were 3,112 or 100.4 per day, which is 1.2 discharges per day greater than the budget of 99.2. YTD discharges were 772 greater than budget and 1,290 discharges greater than YTD March FY 11. The combined census YTD March was 563.7 which is 6.5% higher than the budget and 6.0% higher than YTD March FY 11 average daily census.

Operating revenue for the month totaled $80.8 million, which is $2.7 million greater than the budget for the month. Operating revenue YTD March is 662.6 million, which is $17.3 million above the budget. Compared to the prior year, operating revenue increased by $56.1 million or 9.3%

Provision for uncollectible accounts was above budget at $31.5 million YTD, and $39.7 million above last YTD.

III. QUALITY, SAFETY AND EFFICIENCY UPDATE

Dr. Paul DePriest explained the new risk model and discussed that the new model would show a slight increase. Both are currently shown on the graph but the old model will eventually be phased out to only represent the new one. Dr. DePriest reviewed slides on the UK HealthCare Core Measure Report, the trends as graded
by UHC, complications, hospital acquired conditions that show we are exceeding targets, and discussed an achievement award regarding central line infections. He closed by reading a grateful letter from a burn victims family that has gone on to live a productive and happy life after receiving care at UK HealthCare.

IV. SERVICE UPDATE

Dr. Colleen Swartz reviewed reports complied by Press Gainey regarding patient satisfaction. The reports break down the areas specifically and by hospital. Dr. Swartz explained that some of the problems at Good Samaritan stem from the implementation of EMR, the inpatient behavioral health unit, and a recent push in volume. A.B. Chandler received good scores and has made a lot of progress. She explained the process on obtaining the scores from the patients and the method of grading.

V. CORPORATE COMPLIANCE UPDATE

R. Brett Short presented a Corporate Compliance update for the committee. He reviewed the 2012 Work Plan to be forwarded to the Executive Compliance Committee and discussed the division of activity. The divisions included hospital, ambulatory, HIPAA/Privacy, clinical trials billing, College of Dentistry, KMSF/professional billing, and comply line. Mr. Short discussed areas of focus that include the hot topic of healthcare reform.

VI. PRIVILEGES AND CREDENTIALS

Dr. Michael Karpf introduced Dr. Steven Strup as the new President of the Medical Staff. Dr. Strup presented for approval the current list of privileges and credentials. The committee made a motion and all privileges and credentials were approved.

Ms. Young seeing no other business adjourned the meeting at 5:41pm.