

**MT. GRAHAM REGIONAL MEDICAL CENTER**  
**Safford, Arizona**

**Board of Directors ~ MINUTES**  
**Tuesday, January 14, 2020**  
**0700 Hours - Board Room**

Presiding: Caro Gaethje, Chair

Present: **Board Members**  
Debbie Watson, Vice Chair  
Bart J. Carter, M.D.  
Cecil L. Evans  
Steve Goodman  
John Martin  
Cindy Bryce, Secretary/Treasurer  
Jean Reynolds  
Kim Mack

**Administration Staff**  
Roland Knox, President & CEO  
Keith Bryce, VP & CFO  
Eric Neal, VP of HR

Excused: Carolyn McCormies  
Tom Johnson  
David Bryce, D.O.  
Eldon Woodall  
Bruce Stanfield

Lori Burress, VP & CNO

Guest: None

Public: None

Recording Secretary: Christi Allred, Administrative Assistant  
A quorum of the Governing Board Present; Notice sent 1/9/20

1. **Call to Order and Welcome** – The meeting was called to order at 7:01 a.m., by Caro Gaethje, Chair. Dr. Carter welcomed Kim Mack as the newest member of the MGRMC Board of Directors.
2. **Public Input**-None.
3. **Board Committee Report-**
  - a. **Board of Directors Minutes:** Board of Directors – December 10, 2019.

**ACTION:** It was moved by Cindy Bryce, and seconded by Steve Goodman, to approve the Board of Directors minutes as presented. Motion carried.
  - b. **Finance and Personnel Committee Minutes:**
    - Financial Report – Keith Bryce stated the November Finance Report would be reported in detail later in the meeting, but the November 2019 Executive summary was included in the packet to keep the continuity of the Committee Report format.
4. **Executive Session regarding personnel matters and pending or contemplated litigation-** None
5. **Review Financial Reports for November 2019**

Keith Bryce reported the Gross Revenue of November 2019 was \$10.9 Million a favorable variance of just over \$81 Thousand when compared to budget, but was almost \$726 Thousand less when

compared to this period last year. The decrease in gross revenue compared to last year was due in part to less Inpatient days and lower Outpatient visits. Operating Expenses were slightly over \$4.6 Million a favorable variance of just over \$24 thousand compared to budget. This is due in part to lower than budgeted supplies, food, utilities, and insurance. Lower Employee Benefits also contributed to the favorable variance. Total YTD surplus is just over \$4.6 Million a favorable variance of \$2.3 Million compared to Budget and just over \$3.5 Million compared to last year. Operating cash is 340 days. Average Length of Stay decreased in November. Net day in A/R was 41.17 days, a slight increase, but still lower than the goal of 42.00 days

6. **Medical Staff** - None

7. **Reports-**

- a. **District Report** – Dr. Carter again welcomed Kim Mack. A District Board meeting will be held in February and a Financial report would be given. He invited all members of the Board of Directors to attend.
- b. **Foundation Report** – None
- c. **Auxiliary Report** – Cindy Bryce reported MGRMC Auxiliary held their Annual Instillation Luncheon on Monday, January 13<sup>th</sup>. Sheri Jones is the outgoing President and Lori Monteith was sworn in as the new President. During the meeting it was reported, in 2019 MGRMC Auxiliary donated 13,728 ¼ hours to the hospital. They also donated over \$11,600.00 dollars in needed medical equipment. The Board of Directors requested a letter be sent to the Auxiliary thanking them for this much-needed service. Medical Staff also requested a letter be sent on their behalf. The Board was very appreciative of the dedication and service this organization provides.

8. **Education/Information**

Articles in packet. Roland Knox lead a discussion on Clinical-decision software software, Physician/Nurse burnout rates and Healthcare spending related to medical prices.

9. **CEO Report**

Roland Knox thanked the Board for the opportunity to serves as their new CEO. He again welcomed Kim Mack and stated he looked forward to working with her. He stated the goals for 2020 will be presented to the Board of Directors during February’s meeting.

Mr. Knox also updated the Board of the following items:

- **Arizona Hospital & Healthcare Association** - In December, Mr. Knox attended a meeting with the Governor and 12 other Hospital CEOs from across the state to discuss Healthcare needs. Some items discussed during that meeting were Assessment Matched funds to increase AHCCCS payments, Teenage Suicide and Behavioral Health needs. He also reported during the December AzHHA meeting items discussed were union activity, assessments matched funds and Medicaid fiscal accountability
- **Conversion to Critical Access Hospital (CAH)** - The application for the reduction in Inpatient Beds is still pending. A CAH Conversion Committee will be formed, with one area

of focus being development of educational communication for staff, Medical Staff and Board.

- **New Medical Office Building** - Mt. Graham Surgical Associates and Pain Institute of Southern Arizona have committed as tenants. Follow up meetings between tenants and the Architect, have been scheduled for this week. At this time Dr. Huish, Gila Valley Orthopedics, Roadrunner Rehab and Hamblin Dermatology have opted to stay in the present locations.
- **Recruitment of Physicians** - MGRMC is currently working with an Emergency Department Physician and a Surgeon. Gila Valley Clinic is speaking with two new Family Practice Physicians and Dr. Huish will have a new associate starting in July of this year.
- **Southern Arizona Hospital Alliance (SAHA)** - MGRMC will host quarterly meeting in January.

10. **Chairman's report**

Jean Reynolds reported the Cardiac Services Committee will meet January 28<sup>th</sup>, directly following the Finance Committee Meeting. Chris McBride a hospital services consultant with Sg2 will be presenting various cardiac service line options. All Board members are encouraged to attend. An email reminder will be sent.

Caro Gaethje reminded Board members to please review rooster information and return the form into Christi Allred.

Ms. Gaethje also reminded Board members of Educational Conferences are available. Contact Christi Allred if you are interested.

11. **Adjournment** – There being no further business, the meeting adjourned at 8:05a.m.

Respectfully submitted,

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Caro Gaethje, Chairman