



Board of Trustees

MINUTES

August 25, 2021

The monthly meeting of the Governing Board of Kearney County Health Services met in the Functional Health Room of Kearney County Health Services, 727 East First Street, Minden Nebraska, Wednesday, August 25, 2021. Notice of the meeting was posted at Kearney County Health Services, Hospital, Minden Medical Clinic, Minden Post Office, Minden Exchange Bank, and www.kchs.org under Board of Trustees. A Board Packet with an agenda of the meeting, minutes, and other pertinent information was e-mailed to each Board member prior to the meeting.

I. Call to Order and Roll Call

Chairman McBride called the meeting to order at 12:03 pm and called attention to the public meeting laws that are posted in the meeting room.

Present:

Board Members

Jeff Hanson
Stephen Olson
Sam Stadler
Dick McBride-Chairman
Clark Abrahamson

County Board of Supervisors

Brent Stewart

Others:

Robert Junk, RAD Architecture via Zoom
Joe Beckenhauer via Zoom
Randy Hoffmann, Seim Johnson Partner

KCHS Medical Staff

Shannon Kuehn, APRN

KCHS Staff

Luke Poore, CEO
Gavin Blum, CFO
Kendra Brown, CNO
Rebecca Cooke, COO
Janell Shelton, Director of Primary Care
Kathy Middleswart, Director of QA/IC
Mark Klabunde, Director of Pharmacy
Lenny Ginder, Director of Maintenance
Connie Jorgensen, Administrative Assistant

I. Public Comments/Communication- Thank you from the Glen Bertrand family for the Lift Up Thine Eyes book and the First Presbyterian Church in Axtell for the All-American Event.

II. Approval of Minutes

After a review of the July 28, 2021 meeting, Stephen Olson made a motion to approve the minutes. The motion was seconded. Voting aye: Olson, McBride, Stadler and Hanson. Motion carried.

III. Old Business

1. Clinic Entrance: Robert Junk, with RAD Architecture and Joe Beckenhauer joined the meeting via Zoom. Discussion ensued concerning the completion of the Punch List and final completion of the parking areas. Robert reported that the parking areas are compliant and everything on the punch has been completed. A final breakdown of who owes what was sent to Beckenhauer Construction. Once Beckenhauer Construction returns those documents, the OEM Manual and as-builts are given the Maintenance Department the project will be closed. Robert and Joe signed off the meeting at 12:12 pm. Luke added that at the last PFAC (Patient, Family, Advisory, and Committee) was very complimentary of the new entrance and patient flow design. Gavin added that KCHS will receive about \$6,000 back from Beckenhauer Construction.

IV. New Business: (New Agenda Item)

1. Annual Audit Report: Randy Hoffman, CPA, FHFMA, Partner gave the Annual Audit report for FY 2020. Before going over the highlights of the review Randy informed the group that there are changes concerning how Rural Health Clinics are being paid. In the past it was paid on our costs by Medicare and Rural Health Clinic. Now we are subject to a number payment limit based on our 2020 costs included.

- Days of Cash on hand-17% decrease to 352
- Refundable Advances of approximately \$1.3 M
 - Primarily related to provider relief stimulus
 - \$1.7 M in Medicare accelerate payments paid back during 2021
- Third Party settlement payable of \$1.0M
- Long-term debt of \$2.9M vs \$2.6M in 2020
- Increase in net patient revenue of \$2.2M (most in lab, radiology, RHC and Behavioral Health)
- Increase in operating expenses of \$1.4M
- Operating income of \$1.1M vs \$455K in 2020
- Increase in noncapital grants and contribution of \$1.8M
- Increase in net position of \$4.4 M vs \$2.0M in 2020
- Total margin +27.8% compared to +14.7% in 2020, putting KCHS in top 10% of Critical Access Hospitals in Nebraska.

After review of Cares Act Funding, Medicare Reimbursement, and Statements of Revenue, Expenses and Changes in Net Position Randy reviewed Comparative Ratios with other Nebraska CAH's with \$10M-20M in net revenue based on 2020 Medicare Cost Report Data. Looking back to 2018 where operating income revealed KCHS showed a loss, 2019 had a slight profit and 2020 increased profit again. Randy commented that the changes in the past proved to be the right ones getting out of Assisted Living and Nursing Home services. In closing Randy reminded Administration that the audit reports for Care Act Funds needed to be completed by September 30, 2021 and if the money was not spent on allowed purchases, the money needed to be paid back unless new Legislation comes out that we can use the funds. On a positive note HRSA has sent a directive to drug companies that they cannot deny payment with the 340B program so an increase should be seen there. Randy left at 12:55 pm.

2. Endoscopy Tower/Preprocessor/ Colonoscope/ Proposal: Luke introduced Kylee Eckhardt, Director of Surgery to explain the proposal. The current scope tower is unreliable as it sometime works and sometimes doesn't so the visual images is difficult for the provider to see. A new equipment will allow digital imagine and clearer picture for Dr. Cade Craig and Dr. Schroeder. A second scope is also needed. Olympus quoted a price of \$108,818 for a new Scope Tower, Scope Preprocessor, and a refurbished colonoscope. After discussion on ROI, a motion was made by Stephen Olson to approve the request. The motion was seconded. Voting aye: McBride, Olson, Hanson, Abrahamson, and Stadler. Motion carried.
3. Paylocity HR/Payroll Cerner Transition Proposal: Luke Poore, CEO and Rebecca Cooke, COO outlined the need for a new HR and Payroll Interface, Paylocity. Our current vendor is Kronos and will not be supported by our new EMR, Cerner. Other companies were considered but Paylocity fit our size of facilities better. Other benefits were: more automation, less pen and paper, and more opportunities for employees to be involved with HR benefits. Total cost of the proposal is \$31,000. A motion was made by Sam Stadler to approve the request. The motion was seconded. Voting aye: Olson, Hanson, Abrahamson, Stadler, and McBride. Motion carried.

V. Reports

1. Kearney County Medical Fund - Main focus for the Fund Committee will be the Day of Giving. At this time a date has not been set but it is expected to be sometime in November.

2. Financial / Statistical Report

Gavin Blum, CFO gave the following reports for June 2021:

Balance Sheet	Current Year	YTD	Comments
Cash and Cash equivalents	\$9,832,796	\$9,917,855	
Total Current Assets	\$14,001,548	\$14,027,190	
Net Capital Assets	\$12,606,991	\$12,617,857	
Total Assets	\$26,608,539	\$26,645,047	
Total Current Liabilities	\$3,142,174	\$3,359,477	
Total Net Assets & Liabilities	\$26,608,539	\$26,645,047	

Profit and Loss Statement	JULY	Budget Amt	YTD	
Clinic Revenue	199,796	183,841	199,796	
Gross Patient Service Revenue	1,536,507	1,489,661	1,536,507	
Net Patient Service Revenue	1,149,247	1,207,654	1,149,247	
Other Operating Revenue	132,538	112,500	132,538	
Total Operating Expenses	1,093,864	1,149,275	1,903,864	5% under budget
Income (loss) from Operations	187,920	170,878	187,920	
Net Earnings (Loss)	195,929	188,695	195,929	4% over budget

Financial Indicators	JULY	June			
Days of Cash on Hand	355	318			
Days in Patient Accounts Receivables	45	47			
Accounts Payable Register	1,302,386	1,794,751.26			

Statistics	JULY	JUNE	Comment
Acute+ Swing Bed + Medicare +Observation Days	63	89	
Lab Procedures	2603	2723	
Radiology +CT+MRI+Vascular+Nuc Med	333	330	
Physical Therapy	978	994	
Cardiac Rehab	56	83	
Out Patient Surgery	25	18	
Specialty Clinic Visits	129	127	
ER Visits	97	95	
Total Minden Clinic Visits+ Nurse Visits+ Telehealth visits	749	793	
Senior Life Solutions Units	167	244	

Bad Debt	JULY	FY Average 2020	FY Average 2019
	\$28,029	\$40,840	\$30,391

A motion was made by Clark Abrahamson to approve the Financial/Statistical/Warrant report. The motion was seconded. Voting aye: McBride, Hanson, Olson, Stadler and Abrahamson. Voting aye: Hanson, Abrahamson, Stadler, McBride, and Olson. Motion carried.

A motion was made by Clark Abrahamson to approve the bad debt report. The motion was seconded. Voting aye: Stadler, McBride, Olson, Hanson and Abrahamson. Motion carried.

3. Operations Report

- Highlights of the Ancillary Report by Rebecca Cooke, Chief Operating Officer were as follows:
 - New mammography equipment should be installed the first week of September. 75+ patients are waiting for appointments.
 - Senior Life Solutions: Current patient enrollment: 9
 - Recruitment: Environmental Services needs a housekeeper, Acute RN or LPN, Dietary Aide, PRN Rad Tech.
 - To date: Total employees 109 Full time 87 Part Time 22 Total 110

- Overall Score for Employee Engagement Survey: 3.58 out of 4.0

4. CEO Reports, Updates, and Policy Approvals

- Balance Score Card Update: Provider engagement survey: 4.20 1-5 score.
- Outpatient Services:
 - Urology Services review is ongoing.
 - New Cardiologist: Loui Rejal, MD from NHI in Kearney beginning Mid-September
- DHHS Survey for Hospital: One deficiency, involving medical equipment identification.
- Cerner "Community Works" Program. Cerner will be onsite August 31 to look at IT environment and support to determine adjustments needed.
- New Policies
 - Policies were listed in CEO Report for Board Approval. A motion was made by Clark Abrahamson to approve the policies listed. The motion was seconded. Voting: Abrahamson, Stadler, McBride, Olson and Hanson. Motion carried.

5. Medical Staff Report

- Shannon Kuehn, APRN representing the Medical Staff discussed the current increase in COVID cases and precautionary actions to serve the public. It has been difficult to transfer patients (not just COVID patients), as the entire country is experiencing high hospitalizations volumes, but a lack of staff for open beds. The Medical Staff has been supportive on assisting Minden Schools on COVID prevention and encouraging the public to talk to their providers in getting the COVID vaccine and booster when available. The staff is also working with the PT staff to be available at school sporting events in case of injuries.

VI. Executive Session

At 1:32 pm, a motion was made by Stephen Olson to go into executive session for Credentials and Bad Debt issues. The motion was seconded. Voting aye: Stadler, Olson, Abrahamson, McBride and Hanson. Motion carried. Other staff left the meeting except Janell Shelton, Luke Poore, and Gavin Blum. At 1:44 pm, a motion was made by Clark Abrahamson to come out of executive session. The motion was seconded. Voting aye: Stadler, Abrahamson, Olson, Hanson and McBride. Motion carried.

Out of Executive Session/Action Taken

Clark Abrahamson made a motion to approve the Credentials as presented by Janell Shelton, Clinic Director. The motion was seconded. Voting aye: McBride, Stadler, Abrahamson, and Hanson. Motion carried.

Name	Title	Scope of Practice	Appointment	Reappointment	Active Staff	Consulting Staff	Affiliate Staff	Locums	Affiliation
Todd Van Horn	CRNA	Anesthesia	1/28/2016	10/1/2021			X		Kearney Anesthesia Associates
Kristina Draper	CRNA	Anesthesia	2/24/2016	10/1/2021			X		Kearney Anesthesia Associates
Abby Gallagher	Dr.	Pulmonology	6/29/2016	10/1/2021		X			Hastings Pulmonary & Sleep Study
Emma Wilken		Audiology	8/25/2021				X		ENT Physicians of Kearney, PC
Gregory Peters	Dr	Radiology	6/30/2021	Privileges Termed		x			No longer with Plains Radiology
Ellen Shafer-Lind		Mental Health	8/6/2021	Privileges Termed			X		No longer providing services to KCHS
Thomas Pagona	Dr.	Cardiology	8/6/2021	Privileges Termed		X			Retired

A motion was made by Stephen Olson to approve the Charity Care as presented by Gavin Blum, CFO. The motion was seconded. Voting aye: Olson, Hanson, Abrahamson, McBride and Stadler. Motion carried.

With no further business the meeting was declared adjourned at 1:41 pm.

IX. Other Comments/Communications:

Date of the next monthly meeting is **September 29, 2021** in the functional health area at noon.

Chairman

Secretary

POLICIES-for approval August, 2021

Airborne precautions in the Operating Room-Surgery (New)
Patient Safety-Acute Care (Revised)
Contact Precautions in the Operating Room-Surgery (New)
Droplet Precautions in the Operating Room-Surgery (New)
Standard Precautions in the Operating Room-Surgery (New)
Surgical Instruments- Care and Cleaning of All Types- Surgery (New)
Perioperative Care of Patients with Do Not Resuscitate Orders – Surgery (New)
Resuscitation in the Operating Room-Surgery (New)
Surgical Specimen Management-Surgery (New)
Retained Surgical Items-Surgery (New)

