



**Board of Trustees  
Minutes  
May 29, 2024**

The May meeting of the Board of Trustees of Kearney County Health Services met in the Functional Health Room of Kearney County Health Services, 727 East First Street, Minden, Nebraska on Wednesday, May 29, 2024. 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](http://www.kchs.org) under Board of Trustees. A Board Packet with an agenda of the meeting, minutes, and other pertinent information was emailed to each board member prior to the meeting.

**I. Call to Order and Roll Call**

Chairman Dahlgren called the meeting to order at 12:02 PM and called attention to the Public Meeting Laws that are posted in the meeting room.

Present:

**Board Members**

AJ Dahlgren, Chairman  
Jeff Hanson  
Dick McBride  
Stephen Olson, Secretary  
Sam Stadler

**County Board of Commissioners**

Brent Stewart, County Liaison

**Others**

None

**KCHS Staff**

Luke Poore, CEO  
Gavin Blum, CFO  
Kendra Brown, CNO  
Danielle Morgan, Director of QA/IC  
Mark Klabunde, Director of Pharmacy Services  
Rebecca Cooke, COO  
Janell Shelton, Director of Primary Care  
Connie Jorgensen, Administrative Assistant  
Brielle Grams, Director of HR  
Anita Wragge, Marketing/Outreach Coordinator

**II. Public Comments/Communication**

Luke Poore, CEO, mentioned a thank you note from Wilcox-Hildreth High School Post Prom and a thank you from Nancy Keup and family.

**III. Approval of Minutes**

**Action Taken:** A motion was made by Dick McBride to approve the April 24, 2024 meeting minutes. The motion was seconded.

Voting Aye: Stadler, McBride, Olson, Hanson, Dahlgren  
Motion Carried.

**IV. Old Business**

**1. Chemistry Analyzer Interface**

Luke Poore gave an update—things are still moving along.

2. Stryker LifePak 15 Defibrillator  
Kendra has a purchase request in. It will be a standing item until it's put into service.

## V. New Business

1. Health Insurance Proposal FY 2024-2025

Gavin Blum presented several options for employee health insurance plans. Options included: Holmes Murphy Self-Funded, NACO Self-Funded, Jones Group Self-Funded and Olson Group BCBS Captive. The group was provided with an Estimated Plan Design compared to Previous Plan worksheet.

Our current plan is with United Health and expires on June 30, 2024.

**Action Taken:** After discussion, a motion was made by Stephen Olson to approve the Olson Group Blue Cross Blue Shield Captive Plan recommended by KCHS Administration. The plan will go into effect on July 1, 2024. Motion was seconded.

Voting Aye: Olson, Hanson, Dahlgren, Stadler, McBride  
Motion Carried

2. Budget Proposal FY 2024-2025

After several meeting with Department Supervisors, Gavin Blum submitted a proposed budget for FY 2024-2025. The 2024-2025 Budget assumptions, and a projected profit/loss statement were presented and discussed.

### Revenue Assumption Summary

- Assuming volumes similar to FY2024 plus expected growth in Clinic, Physical Therapy and Surgery
- MRI Revenue assumes minor downturn as they were abnormally high this year
- Clinic revenue calculation accounts for 1<sup>st</sup> full year of new physician and more clinic availability
- Overall revenue budget3ed for a 4.7% increase

### Expense Assumptions

- Salaries - 3% based on performance with detailed departmental adjustments, when necessary. First full year of new physician, new clinic provider and ER provider opening
- Retirement Plan-No change in matching percentage planned, have seen continued high utilization
- Purchased Services-Use of third-party group to help clean up recurring Cerner issues
- Health Insurance-Initial renewal 21%. Switching from UHC, budgeted basically flat for first year of new plan
- Other expenses-Reflection of new 340B contract, new legislation that reduces total script revenue
- Data Processing-No longer significant as accounting guidelines required capitalization & amortization of EMR
- Utilities-Continued elimination of analog phone lines with switch to VOIP phones
- Insurance-Increased property premiums of 25% even with increased deductible
- Dues & Subscriptions-IT Items-Exchange/Office licenses instead of perpetual. Phishing training.
- Advertising-Going to increase focus on marketing to keep momentum and reflect legitimacy of operation.

- Education-2024 Student Loan Forgiveness for providers participating in program through State of NE.

#### Cost-Based Reimbursement Assumptions

- The 2% Medicare Budget Sequestration continues to be in effect. No increases on the horizon, but they've been discussed. Medicare OP rate is currently 50% but will go to 51% on July 1, 2024.
- Continued struggles with Medicare Advantage plans. Requires more staffing/time to get approvals for care.
- Medicaid reimbursement looking to increase. Sate of NE took advantage of matching federal funds. Unknown timeline at this juncture.
- Expecting small receivable for 2024 Cost Report year.

**Action Taken:** After discussion a motion was made by Stephen Olson and seconded to approve the 2024-2025 operating Budget. The motion was seconded.

Voting Aye: Hanson, Dahlgren, Stadler, McBride, Olson  
Motion Carried

## VI. Reports

### 1. Kearney County Medical Fund

Luke Poore updated the group on the June 7<sup>th</sup> KCHS Annual Golf Tournament, reporting 27 teams and 36 sponsors. This year the tournament will be held at the Minden Country Club.

### 2. Financial/Statistical Reports and Update

Balance Sheet	April 2024	March 2024
Cash and Cash Equivalents	6,746,793	7,016,539
Total Current Assets	20,378,832	20,215,238
Net Capital Assets	13,364,685	13,463,757
Total Assets	33,743,517	33,678,996
Total Current Liabilities	1,432,459	1,402,988
Total Liabilities	4,617,342	4,664,537
Net Assets	27,693,716	27,611,471
Net Assets and Liabilities	33,743,517	33,678,996

Statement of Profit & Loss	April 2024	Budget	YTD
Net Operating Revenue	1,535,908	1,524,833	15,287,842
Total Operating Expenses	1,509,960	1,448,623	14,660,171
Income (Loss) from Operations	25,948	76,211	627,671
Non-Operating Revenue	56,297	42,875	584,545
Net Earnings (Loss)	82,246	119,086	1,215,165

Profitability Indicators	September 2023	October 2023	November 2023	December 2023	January 2024	February 2024	March 2024	April 2024
Days of Cash on Hand	380	353	379	352	402	356	405	363
Days in Patient AR (Gross)	53	49	47	49	49	51	54	62
Costs Per Day								
Clinic	6,685	6,820	6,949	9,547	7,128	6,956	6,850	9,854
Hospital	34,385	37,654	35,011	35,672	33,834	39,318	64,329	35,422

Statistical Summary		Statistic
SB Days	77	Most since December 2023
X-Rays	192	Most since December 2023
CT Scans	119	Most since January 2024
Cardiac Rehab	41	Most this fiscal year
Total PT Units	1,211	2 <sup>nd</sup> Most Ever
Specialty Clinic Visits	167	On track for 1,824 (1,781 in 2023)
Clinic Visits	709	On track for 8/789 (8,810 in 2023)
Providers		
Andy Craig, MD	154	2 <sup>nd</sup> most clinic visits since October 2023
Jordan Kohtz, APRN	24	Most ER Visits since December 2023
Shannon Kuehn, APRN	120	3 <sup>rd</sup> most clinic visits since October 2017

Accounts Payable Register (Gross)	April 2024
2 Payrolls & 2 Check-Runs	1,222,633.06

Bad Debt Analysis				
April 2024	March 2024	February 2024	Fiscal Year Average (Current)	Fiscal Year Average (2023 Fiscal Year)
39,518.99	69,694.31	46,460.81	43,000	48,000

**Action Taken:** A motion was made by Dick McBride to approve the Financial and Statistical Report including Bad Debt Report. The motion was seconded.

Voting Aye: Dahlgren, Stadler, McBride, Olson, Hanson  
Motion Carried

### 3. Red Flag Report

The KCHS Identity Theft Prevention Program Annual Report was presented and covered the following points:

- Effectiveness of Policies and Procedures in addressing the risk of identity theft.
- All current and proposed service agreements
- Significant incidents involving identity theft and Provider's Response
- Recommendations for material changes to the program

The recommendation was to continue to monitor photos are being taken, drivers licenses are being updated when expired and information is verified at admission

**Action Taken:** A motion was made by Sam Stadler to approve the Red Flag Report. The motion was seconded.

Voting Aye: Stadler, McBride, Olson, Hanson, Dahlgren  
Motion Carried

### 4. Quality Assurance Report

Danielle Morgan (Director of QA/IC) reported on the Quality Assurance meeting held on May 16, 2024. The following departments reported:

- Social Services  
Tracking the number of swing bed referral information including admissions, declines and decline reasons. The goal is to have a consistent number (1-5) swing bed patients in the hospital weekly over the next 12 months.

- **Dietary**  
New process change was implemented for when dietary supervisor is gone. Remote access to Cerner has been set up, so Dietitian is now available.
- **Outpatient Specialty Clinic**  
Over the next year, patient diagnoses will be added to their visit upon completion /receipt of the provider's dictation.
- **Treatment Room**  
Although medications have been double witnessed, it is best practice to scan medications with patient identification such as name band, current goal is to scan 90% of patient medications. Admissions will track that arm bands are being placed on outpatients checking in.
- **Human Resources**  
Goal is to achieve 100% compliance with our HIPPA Privacy Policy regarding ePHI. Employees are required to annually sign an attestation acknowledging the policies and procedures of utilizing ePHI on a mobile device and/or remote access. If this is not turned back in, VPN access will be turned off. Badge access monitoring and updating badges for people who are no longer employees.
- **HIM**  
With the conversion from Centriq to Cerner, HIM will be tracking how often charges are having to be modified. They will continue to audit charts
- **Nuclear Medicine**  
Tracking the amount of time it takes from when an order placed for a patient to when the stress test gets completed
- **Cardiac Rehab**  
Working on a goal of having 90% of all cardiac rehab patients who have been formally discharged to have optimal blood pressure.
- **ER**  
Currently all trauma charts will be audited monthly for compliance, staff will receive quarterly reminders on documentation standards, staff identified as routinely not documenting GCS will be monitored and have one and one education to help identify barriers to achieving documentation. Most staff have completed training on new mass communication system Konexus.
- **Senior Life Solutions**  
Tracking absences, there were no absences for March or April.

Danielle Morgan also reviewed the following documents following a brief discussion on departmental reports and discussed the following measures

- Hospital-Level Patient Experience Core Measures/HCAHPS Report
- PI Program Report of 2024 NHSN AUR Data
- LB1087-Hospital Quality Assurance and Access Assessment Act
- Core MBQUIP Measures Moving from 4 domains to 5 domains

**Action Taken:** A motion was made by Sam Stadler to approve the QA/IC Report  
The motion was seconded.

Voting Aye: Dahlgren, Stadler, McBride, Olson, Hanson  
 Motion Carried.

### 5. Ancillary Services Report

Rebecca Cooke (COO) reviewed the Operations Report for May 2024. Rebecca started with the Senior Life Solutions Department, touching on the current program enrollment which currently has six (6) patients.

Rebecca also reviewed some marketing data from her report as well as Human Resources as it relates to recruitment and termination.

Rebecca reported that our Rater8 overall response rate is 19.29% of patients responding. KCHS has earned an overall 4.8 stars out of 5, with 860 total ratings. She also reported that KCHS has a Google rating of 4.9 out of 5.

#### Hires

Position	Department	Status
Marketing/Outreach Coordinator	Admin	Full-Time
Physical Therapy Admissions	Physical Therapy	Full-Time
Clinic Nurse (LPN)	Clinic	Full-Time
Admissions Clerk	Clinic	Full-Time
Nursing internship	Acute	Temporary
Clinic Nurse (RN)	Clinic	Full-Time

#### Separations

Position	Department	Status
HR Intern	Admin	Temporary
Admissions Clerk	Clinic	Full-Time

#### Recruiting

Position	Department	Status
RN (Nights)	Acute	Full/Part-Time
APRN or PA	Emergency Room	Full-Time

#### Turnover Rates

April 2024	FYTD	Prior FYTD
1.5%	4.6%	3.2%

#### Employment Numbers

April 2024	Total	Full-Time	Part-Time/PRN	FTEs
	135	90	42	103.06

**\*\*Safety/Risk Incident reports were reported and shared with the Board of Trustees\*\***

### 6. CEO Reports

#### Outpatient Services

Urology - An onsite meeting with the Medical Staff was held on Monday, May 6<sup>th</sup>. Dr. Dagenais had an opportunity to answer questions from our team and see both outpatient specialty clinic and

surgical areas. Everything continues to progress. We are waiting to hear an anticipated start date in the next week or less.

Family Medicine - As we plan for some known needs in the future, a Full-Time Clinic APP position was opened on April 19<sup>th</sup>. Kaitlyn Carlson (APRN) accepted following her interview on May 8<sup>th</sup> to begin her practice at Kearney County Health Services in August 2024. Kaitlyn has been working for Acute Care as an RN for almost three years while going back to school to receive her degree as an APRN.

Orthopedics - Held conversation with administration at Phelps Memorial in Holdrege on starting a second orthopedist within KCHS, splitting time in Holdrege. All signs indicate this will continue to move forward to improve our coverage on Dr. Schopp's off weeks.

#### Cerner "Community Works" Program

The "Chargemaster Review11 Scope is now both signed, and scheduled to begin in July 2024. Introductions have been made, expectations for what we are looking to accomplish have been communicated. While assisting with some interim clinic billing in a current employee absence, we have also engaged with the Revenue Cycle Team from ruralMed that identified several build deficiencies, to work alongside and continue to optimize our revenue cycle.

7. Medical Staff Report  
No Report.

#### VII. Executive Session

**Action Taken:** A motion was made at 1:11 PM to enter into Executive Session for Charity Care and Personnel. The motion was seconded.

Voting Aye: Stadler, McBride, Olson, Hanson, Dahlgren  
Motion Carried.

Other staff left the meeting except Luke Poore, Gavin Blum, Janell Shelton and Rebecca Cooke.

**End of Executive Session:** At 1:34 PM, a motion was made by Sam Stadler to end Executive Session.  
Voting Aye: Hanson, Olson, McBride, Stadler, Dahlgren

#### VIII. Other Comments/Communications

Next meeting will be Wednesday, June 26, 2024 at Noon in the Functional Health Meeting Room.

#### IX. Adjournment

The meeting Adjourned at 1:35 PM.

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AJ Dahlgren, Chairman

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Stephen Olson, Secretary