



**Board of Trustees Minutes  
Wednesday, June 4, 2025**

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, June 4, 2025. Notice of the meeting was posted at Kearney County Health Services, Hospital, Minden Medical Clinic, Minden Post Office, Minden First 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 12:01 PM and called attention to the Public Meeting Laws that are posted in the meeting room.

Present:

**Board Members**

AJ Dahlgren, Chairman  
Jeff Hanson  
Stephen Olson, Secretary  
Andy Grollmes

**KCHS Staff**

Luke Poore, CEO  
Gavin Blum, CFO  
Rebecca Cooke, COO  
Kendra Brown, CNO  
Mark Klabunde, Director of Pharmacy Services  
Brielle Grams, Human Resources Manager  
Janell Shelton, Director of Primary Care  
Anita Wragge, Marketing/Outreach Coordinator  
Diane Jackson, APRN

**County Board of Commissioners**

Brent Stewart, County Liaison

Absent:

Sam Stadler

**II. Public Comments/Communication**

Luke Poore, CEO, mentioned a thank you note from scholarship recipient Noah Branstad, a thank you for memorial flower from the Warburton & Parr Families, a thank you to staff for care received and a thank you for the "Lift Up Thine Eyes" volume.

**III. Approval of Minutes**

**Action Taken:** A motion was made by Jeff Hanson to approve the March 26, 2025 meeting minutes. The motion was seconded.

Voting Aye: Grollmes, Olson, Dahlgren, Hanson

Absent and Not Voting: Stadler

Motion Carried.

**IV. Old Business**

1. Website Development

This project will remain ongoing for the next several months as the new website is developed.

2. Anthrex Surgical Equipment Proposal

Equipment has been fully delivered.

3. Rutt's Mechanical and Holmes Plumbing Proposal

This project has been completed

## **V. New Business**

1. Health/Dental Insurance Renewal (Proposal-Olson Group)

Gavin Blum, CFO, brought forward a proposal for employee benefits renewal from the Olson Group. He provided quotes and information for multiple options. Rebecca Cooke, COO, provided the results from an employee benefits survey that was conducted. Gavin Blum also provided a funding analysis which included current year information for amount funded, fixed costs, claims history and an estimation of this years claims and costs. He also provided the group with Captive vs. Fully Insured Comparison data. All of this information was used to make the recommendation to fund at 80% next year with a \$40,000 reinsurance premium.

**Action Taken:** After discussion and questions, Andy Grollmes made a motion to approve the request as proposed. The motion was seconded.

Voting Aye: Hanson, Grollmes, Olson, Dahlgren

Absent and Not Voting: Stadler

Motion Carried.

Gavin Blum also brought forward proposals for employee dental and vision plans. Due to an increase in current dental premiums, it was recommended to move to Ameritas Dental, resulting in some increased benefits and a reduction in premiums. Also, due to a change in the current vision plan, the recommendation was made to transition to EyeMed VSP. The coverage would be very similar with a reduction in premiums.

**Action Taken:** After discussion and questions, Stephen Olson made a motion to approve the request as proposed. The motion was seconded.

Voting Aye: Olson, Dahlgren, Hanson, Grollmes

Absent and Not Voting: Stadler

Motion Carried.

2. 2025-2026 Fiscal Year Budget Proposal

After meetings with Department Supervisors, Gavin Blum submitted a proposed budget for FY202-2026. Budget assumptions and a projected profit/loss statement were presented and discussed.

### Revenue Assumptions Summary

- OP revenue calculations assume volumes similar to what we have shown in FY2025 plus expected growth in ER, Clinic and Surgery areas as well as upticks in MRI and Nuclear Medicine
- IP Revenues assume continued growth with emphasis on Swing Bed Programs. ER calculation accounts for first full year of 4 dedicated ER providers as well as 4 back up physicians
- Overall gross revenue budgeted for a 6.1% increase, 7.8% in net patient service revenue.
- County asking up to \$500,000 instead of \$400,000. Haven't changed asking since 2017 jump of \$40,000 from \$360K to \$400K.

### Expense Assumptions

- Salaries – 3.0% based on performance with detailed departmental adjustments when necessary. Minimum wage up to \$15 effective January 2026, an 11% increase from 2025 and 43% increase since 2023 which has pushed up all wages as has a general low unemployment rate in Nebraska and labor shortage, especially nursing. 8.2% increase in wages projected due to targeted increase based on Nebraska Hospital Association Data.
- Retirement Plan – No change in matching percentage planned, have seen continued high utilization.
- Purchased Services – Use of third party to oversee and operate surgery program.
- Health Insurance – Maximum exposure for 2026 projected to be \$2.05M after \$1.36M in 2025. Terrible claims year in 1<sup>st</sup> year in captive leading to some minor tweaks in plan design. Very unlikely we hit maximum aggregate claims total with such a large jump, planning to fund at 80% which is \$1.74M expected costs.
- Other Expenses – Kept flat with hope that 340B endures. However new legislation puts entire program at risk.
- Repairs & Maintenance – Down with 2 large roofing projects completed in 2025.
- Data Processing – Only amounts are one-time fees/services from Cerner outside of our standard contract.
- Utilities – Continued elimination of analog phone lines with switch to VOIP phones.
- Insurance – Reflects increased premiums of 17.8% despite clean claims history due to industry state.
- Advertising – Continue to increase focus on marketing to keep momentum and reflect legitimacy of operation.

### Cost Based Reimbursement Assumptions

- 2% Medicare Budget Sequestration continues to be in effect. No increases on the horizon currently, however they've been discussed in the past. Medicare OP rate went to 55% effective 2/1/2025 and will stay there for new FY.
- Continued struggles with Medicare Advantage plans. Requires more staffing/time to get approvals for care.
- Medicaid reimbursement looking to increase maybe. Nebraska took advantage of some matching federal funds that will be distributed to Nebraska hospitals through a Medicaid Provider Assessment. Early projections have up to \$300,000 being added to our bottom line for reimbursement. Unknown timeline at this juncture, still hung up.
- Expecting small receivable for 2025 Cost Report year.

**Action Taken:** After discussion and questions, Jeff Hanson made a motion to approve the request as proposed. The motion was seconded.

Voting Aye: Olson, Dahlgren, Hanson, Grollmes

Absent and Not Voting: Stadler

Motion Carried.

### 3. EKG Purchase

Kendra Brown, COO, brought forward a proposal for two new EKG machines. Our current EKG machines aren't functioning well. The new proposed machines will be available for ER and

Outpatient usage. The proposed machines can transmit required data and can use wireless capabilities, sitting outside of rooms instead of inside. Kendra attending training and is impressed with the proposed machines. Other options were also looked into.

**Action Taken:** After questions, Stephen Olson made a motion to approve the request as proposed. The motion was seconded.

Voting Aye: Dahlgren, Hanson, Grollmes, Olson

Absent and Not Voting: Stadler

Motion Carried.

#### 4. Operating Room Table

Kendra Brown, COO, brought forward a proposal for an OR Table. Our current owned table is broken. The facility has been renting an OR table. The recommendation was made to purchase the table that we are currently renting and is in the building. Based on current and future needs, multiple options were looked into. The proposed table can also utilize the current attachments we already own.

**Action Taken:** After questions, Jeff Hanson made a motion to approve the request as proposed. The motion was seconded.

Voting Aye: Dahlgren, Hanson, Grollmes, Olson

Absent and Not Voting: Stadler

Motion Carried.

#### 5. Facility Strategic Plan

Luke Poore, CEO presented a proposed Strategic Plan for Kearney County Health Services. The proposed strategic plan focuses on KCHS Values, Commitment to Community Collaboration, Commitment to Employee Engagement & Retention and Commitment to Quality for All Patients. It lays out the following plans: Maintain Growth and Profitability Through Traditional Service Lines, Emergency Room Volume Growth, Inpatient Volume Growth, Swing Volume Growth, Behavioral Health Growth, Specialty Volume Growth and Facility Infrastructure.

Presented with the Plan was a note from Board Chairman AJ Dahlgren:

*Within this strategic plan I am proud to underscore our unwavering commitment to enhancing healthcare accessibility, maintaining high-quality care, and upgrading our facilities to better serve Kearney County and the surrounding area. We acknowledge the unique healthcare challenges faced by rural communities, and it is our mission to ensure everyone has access to the essential services they need.*

*We have outlined significant initiatives aimed at increasing accessibility for patients. By enhancing our emergency room capabilities and expanding our inpatient, swing and behavioral health services, we will provide comprehensive care that meets the varied needs of our community.*

*Quality remains at the heart of our operations. We are dedicated to continuing and expanding the high level of care being provided within our facility. Our commitment to high-quality care translates into continuous healthcare delivery improvements, ensuring that we maximize patient experiences at every touchpoint. Engaging our community through feedback and collaboration is essential to our success, as we strive to meet and exceed the expectations of those we serve.*

*Additionally, we are acutely aware of the importance of modernized facilities in providing effective healthcare. Our infrastructure faces considerable challenges, and we are committed to addressing these needs through strategic planning and investment. Improving our facilities will not only boost our capabilities but will help establish KCHS as a destination for quality health services.*

*As we move forward, we ask for your continued support and input. Together, we can build a healthcare system that truly reflects the values of our community, ensuring that Kearney County Health Services remains a trusted partner in health and wellness for generations to come.*

Also Presented with the Plan was a note from CEO Luke Poore:

*As Chief Executive Officer of Kearney County Health Services (KCHS), I am pleased to present our strategic plan for the future. This plan outlines our vision for enhancing healthcare access and quality within Kearney County. We recognize the unique challenges and opportunities facing rural healthcare, and this document details our proactive approach to address them. Our focus is on expanding services, improving efficiency, and enhancing the patient experience, all while ensuring the long-term financial health and sustainability of KCHS. This plan is a roadmap for growth and a commitment to the well-being of our community.*

*This strategic plan centers on several key initiatives designed to meet the evolving healthcare needs of our region. We will be focusing on increasing our emergency room volume by improving operational efficiency and leveraging our Critical Access Hospital (CAH) designation to offer more comprehensive care. Simultaneously, we will expand our inpatient services, attracting more complex cases and enhancing our financial stability. We will also be investing in the growth of our swing bed program and expanding our behavioral health services to address the growing mental health needs within our community. Ultimately, our goal is to provide the highest quality, most accessible healthcare possible right here in Kearney County.*

*This strategic plan represents a significant investment in our future, and we are confident that by working together, we can achieve our goals and build a stronger, healthier community for generations to come. We encourage you to review this plan and share your feedback as we embark on this exciting journey.*

**Action Taken:** Jeff Hanson made a motion to approve the request as proposed. The motion was seconded.

Voting Aye: Hanson, Grollmes, Olson, Dahlgren

Absent and Not Voting: Stadler

Motion Carried.

## **VI. Reports**

### **1. Kearney County Medical Fund**

The group continues to work on the Annual Golf Tournament. Materials to sponsors and teams have been sent out. The group is planning to have around 30 teams.

### **2. Financial/Statistical Reports and Update**

#### **a. Statistical/Financial Report/Bad Debt Analysis**

Balance Sheet	April 2025	March 2025
Cash and Cash Equivalents	6,091,825	6,444,392
Total Current Assets	22,485,204	22,005,362
Net Capital Assets	12,527,933	12,656,339
Total Assets	35,013,137	34,661,701
Total Current Liabilities	1,779,559	1,673,671
Total Liabilities	3,990,779	4,039,573
Net Assets	29,242,799	28,948,456
Net Assets and Liabilities	35,013,138	34,661,701

Statement of Profit & Loss	April 2025	Budget	YTD
Net Operating Revenue	1,937,573	1,572,992	16,344,128
Total Operating Expenses	1,721,059	1,526,405	15,580,742
Income (Loss) from Operations	216,515	46,587	763,386

Non-Operating Revenue	77,828	83,842	779,181
Net Earnings (Loss)	294,342	130,428	1,542,567

Profitability Indicators	September 2024	October 2024	November 2024	December 2024	January 2025	February 2025	March 2025	April 2025
Days of Cash on Hand	338	355	373	359	378	407	404	<b>348</b>
Days in Patient AR (Gross)	64	58	54	55	51	49	48	<b>55</b>
Costs Per Day								
Clinic	8,882	8,052	7,993	8,505	8,838	6,046	5,938	<b>6,883</b>
Hospital	40,046	39,141	36,578	38,289	37,295	38,555	39,841	<b>45,051</b>

Statistical Summary		Statistic
Swing Bed Days	121	2nd most since January 2021
X-Rays	200	2nd most this fiscal year
Ultrasounds	28	Most scans ever
MRIs	14	3rd most scans ever
Vascular	14	2nd most this fiscal year
Total Physical Therapy	1,219	2nd most units ever
Specialty Clinic Visits	167	On track for 1,898 (1,811 in 2024)
Clinic Visits	745	On track for 9,199 (8,644 in 2024)

Accounts Payable Register (Gross)	April 2025
2 Payrolls & 2 Check Runs	1,575,787.81

Bad Debt Analysis				
April 2025	March 2025	February 2025	Fiscal Year Average (Current)	Fiscal Year Average (Prior Fiscal Year)
64,002.96	38,910.58	24,059.93	49,000	43,000

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

Voting Aye: Hanson, Grollmes, Olson, Dahlgren

Absent and Not Voting: Stadler

Motion Carried

### 3. Quality Assurance Report

Danielle Morgan (RN) on the Quality Assurance May Meeting. The following departments reported:

- **Social Services**  
Current project is tracking number of swing bed referrals. Goals is to have a consistent number (1-5) swing bed patients in the hospital over the next 12 months weekly, tracking referral information: admissions, declines, and decline reasons.
- **Dietary**  
Project is to implement IDDS diets (International Dysphagia Diet Standardization Initiative) for Acute diet orders. Goal is to have 100% staff trained.
- **Outpatient Specialty Clinic**  
Project started (HIM is also collaborating with this) Over the next year, patient diagnoses will be added to their visit upon completion/receipt of the providers dictation
- **Treatment Room**  
Scanning on medications on treatment rooms patients has not always been done. Although medications have been double witnessed, it is best practice to scan medications with patient

identification such as a name band. Current goal is to scan 90% of patient medications. This project is being collaborated with admissions services

- **Human Resources**  
Yearly forms and background checks to get completed. Currently working on getting forms completed. No new changes at this time. Long term project. Based on KCHS policy all staff members should be signing the Confidentiality State, Corporate Compliance Policies, and Code of Attestation, and the Employee Certification of Compliance Concerns annually. Goal is to have 100% signatures completed. Department also working on a time punch study. A new project to have job descriptions listed for all employees in 6-12 months.
- **HIM**  
New project started. Currently looking into DNFB days are correct. Also currently looking into making sure diagnoses are being coded in the correct sequence.
- **Nuclear Medicine**  
Plan is to have printed EKG on chart for MD to compare to the resting EKG from the nuclear stress test; occasionally there is either one or not a current one. Goal is to have 100% done.
- **Cardiac Rehab**  
Over the calendar year, the goal for cardiac rehab is to having 90% of all cardiac rehab patients who have been formally discharged to have optimal blood pressure.
- **ER**  
Goal to have 90% or greater sustained over 6 months of trauma patients each month will have a GCS documented, goal to be measure monthly and reevaluated at 12 months. Another Long term Goal is to have 100%, short term goal of 80% for 3 consecutive months of ER patients will have provider notification and arrival times documented. Provider notification on Trauma patients (long term Goal 100% short term goal >80% for 3 consecutive months). Working on trauma activations and hard wiring documentation needed for trauma activations. Adding new roles into the process. Another Project is to track door to antibiotic times with patients who have been given the diagnosis of Sepsis. Project to monitor and track transfer methods out of ER, ie helicopter vs ambulance. Transport continues to be a contributing factor for increase in times of ED discharge and transferring patients. Also tracking time of acceptance to discharge times.
- **Emergency Preparedness**  
NIMS classes have been successfully implemented into CareLearning as well as in person ICS 100 classes twice a year. There are Nursing specific NIMS classes for managing incidents until Incident Command staff arrives.
- **Senior Life Solutions**  
New project—Making sure audits done what appropriate information, more information to come. Corporate audit completed in March. Scored 99% at that time. Plan is to continue to audit charts monthly

Danielle also presented the group with the MBQIP Measures Hospital Report. The results of the latest report were discussed in the Medical Staff Meeting. The facility has also responded to recent Measles outbreaks in Nebraska with a plan. A detailed plan and instructions have been shared with staff.

**Action Taken:** A motion was made by Jeff Hanson to approve the Quality Assurance Report  
The motion was seconded.

Voting Aye: Olson, Dahlgren, Hanson, Grollmes  
Absent and Not Voting: Stadler  
Motion Carried.

#### 4. Ancillary Services Report

Rebecca Cooke (COO) reported on the Operations Report for March 2025. The Senior Life Solutions Department currently has 10 patients enrolled.

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

Our Rater8 April response rate is 42.62% of patients responding. Overall, KCHS has earned an overall 4.9 stars out of 5, with 2,861 total ratings. KCHS has a Google rating of 4.8 out of 5 with 251 total reviews.

The top page views on our website were for Home, Outpatient Surgical Procedures, Primary Healthcare Providers, Minden Medical Clinic, Careers and Contact.

##### Hires

Position	Department	Status
Nursing Extern/Patient Care Tech	Acute	Temporary
Nursing Extern/Patient Care Tech	Acute	Temporary
LPN (Night)	Acute	Part Time

##### Separations

Position	Department	Status
None		

##### Recruiting

Position	Department	Status
Director of Surgical Services	Acute/Surgery	Full-Time
RN (Weekends Only)	Acute	Part-Time
RN (Night)	Acute	Full-Time
Utilization Review (Prior Authorization)	Business Office	Full-Time
EVS Tech	Environmental Services	Full-Time

##### Turnover Rates

April 2025	FYTD	Prior FYTD
0.7%	2.2%	4.6%

##### Employment Numbers

April 2025	Total	Full-Time	Part-Time/PRN	FTEs
	140	93	43	106.12



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

5. CEO Report

a. Outpatient Services

Orthopedics - Dr. Davis Hurley is planning to begin the 3<sup>rd</sup> week of July 2025. We are now working on clinic space setup and preparation, for south hallway of formerly Long-Term Care. We also have begun sourcing ideas for signage to mitigate the concern of patient confusion with moving both orthopedists in this area, more proximal to the rehabilitation department.

b. Medicare Accountable Care Organization (ACO)

We continue to see ACOs throughout all payers, of which we are now participating in both no-risk (Medicare & United Health Care), and risk-based (Blue Cross & Blue Shield) performance. We have been hesitant to pursue any risk for the obvious fact of not wanting to pay in, especially on the Medicare side with the way we are reimbursed as a Critical Access Hospital.

We have been in our no-risk Medicare ACO since 2017, and the biggest reason for joining was to learn the ACO model of care that was beginning to be pushed out by payers, in the event Medicare forced risk to all healthcare providers, but also satisfy the Medicare Access & CHIP Reauthorization Act (MACRA) Law as an Alternative Payment Model (APM) through our current non-risk ACO participation.

Fast-forward to now, we have known for the past 12-18 months, that 2025 would likely be our last year in our current ACO (Prairie Health Ventures - Nebraska Purchasing Group) where we could perform without risk. Originally, my thought was always to hold off on a risk model ACO through Medicare, and satisfy the MACRA requirements through quality reporting programs under the Merit-Based Incentive Payments System (MIPS) for eligible providers.

However, as with all things and some time, organized efforts by ACOs have learned how to match hospitals in certain ACO groupings, to level out their weaknesses in performance, and maximize profits in Medicare ACO groupings. So much so, that ACOs today are often assuming the downside risk on possible poor performance, and taking a percentage of profits of the group ACO before distributing the savings back to the hospitals.

6. Medical Staff Report

Diane Jackson, APRN provided the Medical Staff Report. She reported that the staff is enjoying Dr. Rutman; he takes calls and answers questions. They are excited about Dr. Hurley joining in July. She is looking forward to the new EKG machines and their capabilities. The whole group is enjoying working with Sam as an ER provider.

**VII. Executive Session**

**Action Taken:** At 2:03 PM, a motion was made by Stephen Olson to enter into executive session for Credentials, Charity Care, Personnel and Legal. The motion was seconded.

Voting Aye: Dahlgren, Hanson, Grollmes, Olson

Absent and Not Voting: Stadler

Motion Carried.

The below applications were submitted for appointment, reappointment or termination to the KCHS Medical Staff by Janell Shelton, Clinic Office Director.

APPLICANT	SPECIALITY	FACILITY	STAFF CATEGORY	FIRST APPOINTMENT	RE-APPOINTMENT
DENES KORPAS, MD	CARDIOLOGY	PIONEER HEART	CONSULTING	4/1/2017 TERMED 4-1-2019	6/4/2025
SHAWN STONE, MD	RADIOLOGY	GRAND ISLAND RADIOLOGY ASSOCIATES	CONSULTING	4/29/2020	6/4/2025
SAMANTHA ROGERS, APRN	FAMILY MEDICINE/ER	KEARNEY COUNTY HEALTH SERVICES	ACTIVE APP	1/29/2025	6/4/2025
DOUGLAS KOSMICKI, MD	CARDIOLOGY	NEBRASKA HEART INSTITUTE-GRAND ISLAND	CONSULTING	8/31/2022	7/1/2025

**Action Taken:** A motion was made by Stephen Olson to approve the credential report. The motion was seconded

Voting Aye: Dahlgren, Hanson, Grollmes, Olson

Absent and Not Voting: Stadler

Motion Carried.

**Action Taken:** A motion was made by Andy Grollmes to approve charity. The motion was seconded

Voting Aye: Olson, Dahlgren, Hanson, Grollmes

Absent and Not Voting: Stadler

Motion Carried.

**End of Executive Session:** at 2:17 PM, a motion was made by Stephen Olson to end Executive Session.

Voting Aye: Dahlgren, Hanson, Grollmes, Olson

Absent and Not Voting: Stadler

Motion Carried

**VIII. Other Comments/Communications**

Next meeting will be Wednesday, June 25<sup>th</sup>, 2025 at Noon in the Functional Health Meeting Room.

**IX. Adjournment**

The meeting Adjourned at 2:18 PM.

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AJ Dahlgren, Chairman

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Stephen Olson, Secretary