



**Board of Trustees Minutes
Wednesday, May 27, 2026**

The May 2026 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 27, 2026. 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 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 12:03 PM and called attention to the Public Meeting Laws that are posted in the meeting room. He made note of an agenda change in the packet to reflect the correct date of Wednesday, May 27th. All posted agendas for the meeting were correct, only board members had copies with the previous April Date included.

Present:

Board Members

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

County Board of Commissioners

Brent Stewart, County Liaison

Other

None

KCHS Staff

Luke Poore, CEO
Gavin Blum, CFO
Rebecca Cooke, COO
Kendra Brown, CNO
Mark Klabunde, Director of Pharmacy
Janell Shelton, Director of Primary Care
Delaney Pralle, Internship

HFG Architecture Staff

Rick Wilson, Matt Conard, Devon Brogan
(Onsite)
Jeanne Phillips, Donnie Gillespie, & Karis Buendia
(Virtual)

II. Public Comments/Communication

Luke Poore (CEO) mentioned thank you notes from the Wilcox-Hildreth Post Prom, CHI Health Good Samaritan Golf Tournament, Minden Trap Team, FBLA-Collegiate, MPS Post Prom Committee, Kids & Dreams, Hot Meals USA and Axtell Public Library for various donations and sponsorships. He also shared thank you notes from the Family of Donald J. Farlin for "Lift Up Thine Eyes", The Family of Erma Jean Scharff for care received at KCHS and a thank you from a patient for care received during a hospital stay.

III. Approval of Minutes

Action Taken: A motion was made by Stephen Olson to approve the April 29, 2026 Regular Meeting minutes. The motion was seconded.

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

Action Taken: A motion was made by Sam Stadler to approve the May 13, 2026 Special Meeting minutes. The motion was seconded.

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

IV. Old Business

1. Sleep System – Home Sleep Studies

All materials are in-house. Work continues on trying to build out charge codes.

2. HFG Architecture – Phase 1 Update

HFG Architecture is on site today with Matt Conard led a discussion with our team this morning. Board members were provided with notes from the last meeting that was held on May 13th. He presented the group with a proximity/adjacency plan. Discussions were held on department adjacencies, parking lot thoughts and helipad. At this point, the plans are extremely conceptual, just showing the relationship of the departments. The group also discussed next steps including construction management and the bid process, environmental study, energy considerations and potential credits, USDA and survey.

V. New Business

1. Sewer Line Replacement

Luke Poore provided the group with information on sewer line problems. The current sewer line is cast iron. The building has settled so much, especially where the sewer line exits the building that now there's a discrepancy in level. Between cast iron erosion of the four-inch pipe coming down to only a two-inch opening and the settling of the building, it now has to travel up to get out of the building. We're running into issues where we're having to snake this line almost daily or every other day. Luke Poore brought forward a proposal from Mission Plumbing for plumbing sewer replacement outside through laundry into the tunnel. We will need to pull 30 feet of floor out which will cause several disruptions to our organization. Several other attempts were made to obtain quotes and no other company would even entertain it. Mission Plumbing provided quote of no more than \$25,000 in total cost.

Action Taken: After in-depth discussion and questions, a motion was made by Andy Grollmes to approve proposal for up to the proposed amount from Mission Plumbing up to \$37,500 in total costs, leaving some room beyond initial quote if needed once started and closer review determines further fixing. The motion was seconded.

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

2. Laundry Makeup Air Unit – Engineered Controls Proposal

Luke Poore brought forward a proposal from Engineered Controls for temperature controls for laundry. Components of the rooftop units are not functioning correctly.

Action Taken: After questions, a motion was made by Jeff Hanson to approve proposal for up to the proposed amount from Mission Plumbing. The motion was seconded.

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

3. 2026-2027 Health Insurance Renewal – Proposal

Rebecca Cooke (COO) brought forward information proposed 2026-2027 employee health insurance renewals. She provided the group with Medical Coverage current vs. proposed comparisons, proposed deductibles, Medical Coverage Information, Medical Contributions, information on Best Care EAP, International Pharmacy Program, Manufacturer's Assistance Program and Medical & Pharmacy Claim Spend for Top 25 Covered Individuals.

Action Taken: After questions and discussion, a motion was made by Andy Grollmes to move forward as proposed. The motion was seconded.

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

4. 2026-2027 Fiscal Year Budget – Proposal

After meetings with Department Supervisors, Gavin Blum (CFO) submitted a proposed budget for FY2026-2027. 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 FY 2026 plus expected growth in Specialty Clinic and Surgery areas specifically as well as upticks in ER, CT and, Lab which saw lower volumes this year.
- IP revenues assume continued growth with emphasis on Swing Bed program and keeping acute patients from the ER.
- Overall gross revenue budgeted for a 6.6% increase, 3.9% in net patient service revenue. Contractuals higher with 6 quarters of SDP recorded in FY 2026 due to timing of program approval – only 4 quarters will be recorded in FY 2027.
- County remains at \$400,000, no increase about \$400K since 2017 jump of \$40,000 from \$360K.
- Other operating drop reflects cuts in 340B program. Gross revenue projected down 31% in next fiscal year.

Expense Assumptions

- Salaries – 3.0% based on performance with detailed departmental adjustments when necessary. Minimum wage up to \$15.26 effective January 2027, a 44% increase since 2023 which has pushed up all wages as has a general low unemployment rate in Nebraska and labor shortage, especially nursing. Bringing on additional business office staff too. 5.3% increase in wages projected due to targeted increases based on Nebraska Hospital Association Data.
- Benefits – increase due to health insurance renewal. Discussed during benefits conversation.
- Purchased Services – Reduction in collection fees with billing going in-house in late summer/fall. Decrease offset by building in project manager wage.
- Other Expenses – Down with 340B cuts, drop in admin/dispense fees. Also difference of 2 SDP quarters YOY.

- Repairs & Maintenance – Up with CT service contract going to kick in this year. Was free for 2 years. \$60K+.
- Data Processing – Only amounts are one-time fees/services from Cerner outside of our standard contract.
- Advertising – Continue to increase focus on marketing to keep momentum and capture more market share.
- Depreciation & Amort – Drops as facilities continue to depreciate. Less captured expense = less reimbursement.

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 43% 2/1 and will revert to 50% in new FY (down from 55% PY).
- Continued struggles with Medicare Advantage plans and insurance plans using AI to vet/deny claims. Requires more staffing/time to get approvals for care. Bringing more staff on and bringing billing in-house to bolster satisfaction.
- Assumption of SDP program continuation. 2026 calendar year was recently approved. Included 4 quarters of SDP in 2027 FY budget.
- Expecting small receivable for 2026 Cost Report year.

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

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

VI. Reports

1. Kearney County Medical Fund

The Medical Fund group is currently working on the annual golf tournament. Work continues on sponsorships and teams, which will be finalized very soon. The plan was to hold it at Minden Country Club this year, but due to a large number of teams signing up, the decision to move it to Nebraska Dunes was made. Sponsorships continue to do well and the number of teams is the most we've ever had. Luke Poore stated he would bring updated balances for the Kearney County Medical Fund to the next Board of Trustees Meeting.

2. Financial/Statistical Reports and Update

a. Statistical Report/Bad Debt Analysis

No financials available this month. There is an issue with the secure file transfer portals coming over from Cerner to our general ledger system. Gavin will provide financials to Board Members as soon as possible once the issue is rectified.

Statistical Summary		Statistic
Acute Admits	11	Most since March 2025
Acute Days	35	T-Most since March 2025
SB Days	64	2nd least in last 18 months
Vascular	19	Most since October 2021
Outpatient Procedures	50	3rd most ever
ER Visits	74	On track for 1,118 (1,227 in 2025)

Specialty Clinic Visits	285	Most ever - On track for 2,554 (1,944 in 2025)
Clinic Visits	740	On track for 8,888 (9,099 in 2025)

Accounts Payable Register (Gross)	April 2026
2 Payrolls & 3 Check Runs	1,812,228.71

b. Bad Debt Analysis

Bad Debt Analysis				
April 2026	March 2026	February 2026	Fiscal Year Average (Current)	Fiscal Year Average (Prior Fiscal Year)
35,358.34	44,013.90	28,173.58	54,000	47,000

Action Taken: A motion was made by Sam Stadler to approve the Statistical Report including the Bad Debt Report. The motion was seconded.

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

c. Health Insurance Update

Gavin Blum also provided the group with an update on the 2025/2026 Health Insurance Funding Analysis. It included Administration, Fees, Premiums, Medical Claims, RX Claims and Total Claims Paid through March 2026. It also included information on Total Funding, Funding Difference and the Aggregate Attachment Point through March of 2026.

3. Quality Assurance Report

Danielle Morgan, RN reported on the Quality Assurance report for May. The following departments reported:

- **Dietary**
Project #1 is to implement IDDS diets (International Dysphagia Diet Standardization Initiative) for Acute diet orders. Goal is to have 100% staff trained. Project #2 is to ensure that all Swing Bed patients receive a dietary assessment and consult when Dietary Supervisor is gone.
- **Outpatient Services**
Project #1 Working with HIM to make sure patient diagnoses are added to their visit upon completion/receipt of the providers dictation. Project #2 New project started to make sure that Pain Clinic patients have a documented (Part A) pain assessment using a standardized tool during every clinic encounter verified through monthly audits, goal is 95% of patients. (Part B) of this project is to ensure that 90% of high-risk pain patients will receive a naloxone co-prescription, verified through EMR reporting chart audits. Part C Working on measurement and tracking goals. Insurance prior auth and freq denials of pain procedures.
- **Treatment Room**
Project #1 No update, project on-going. 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. Project #2 No update, project **on-going**. Implementing a standardize scheduling

workflow, standardized authorizations forms, and pharmacy notification through monthly audits.

- Human Resources
Project #1 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. Project #2 Time punch study and monitoring overtime. This project is ongoing. Project #3 Goal is to have job descriptions listed for all employees in 6-12 months. Project #4 Patient Safety Survey to be completed through AHRQ for employees in June.
- HIM
Project is to look into DNFB (Discharged not final billed) days are correct. Goal is to have 7 or less.
- Nuclear Medicine
Project continues. 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 Rehabilitation
Goal: 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. Optimal blood pressure is defined as <130/80 based on AHA guidelines. A formally discharged patients is defined as having completed at least 12 CR sessions and he/she has undergone a formal discharge with updated individual treatment plan. Would like patients to completed all 36 sessions and have more patients enter into phase 3 of the program.
- Emergency Department
Project #1 Provider notification times. Long term Goal to have 100%, short term goal of 80% for 3 consecutive months of ER patients will have provider notification and arrival times documented. Project #2 Provider notification on Trauma patients (long term Goal 100% short term goal >80% for 3 consecutive months. Project #4 Working on trauma activations and hard wiring documentation needed for trauma activations. Project #5 Project to track door to antibiotic times with patients who have been given the diagnosis of Sepsis. Project #6 Started working on our Trauma Re-designation. Project #7 working on Peds documentation.
- Senior Life Solutions
Project completed. Making sure audits done what appropriate information, more information to come. Corporate audit completed. Scored 99.29% at that time. Survey completed. Plan is to continue to audit charts monthly. Looking for new project.

Danielle also provided the group with the Monthly Quality Dashboard which included emergency department transfer sources, MBQIP, Quality Assurance Reporting, Hospital Quality Improvements, Antibiotic Stewardship, Infection Surveillance and Hand Hygiene.

Action Taken: A motion was made by Sam Stadler to approve the Quality Assurance Report
The motion was seconded.

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

4. Ancillary Services Report

Rebecca Cooke reported on the Operations Report for April 2026. The Senior Life Solutions Department currently has 10 patients enrolled.

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

Our Rater 8 Response rate for April was 29.2% of patients responding. Overall, KCHS has earned a 4.9 out of 5 stars. KCHS has a 4.8 Google Rating with 399 total reviews.

Hires

Position	Department	Status
Cardiac Monitor Tech	Acute	Part Time
RN (Weekend)	Acute/ER	Full Time
Accounts Receivable Specialist	Business Office	Full Time
Nursing Student Externship	Acute/ER	Temporary
Nursing Student Externship	Acute/ER	Temporary
EVS Tech	Enviro Services	PRN

Separations

Position	Department	Status
None		

Recruiting

Position	Department	Status
RN (Day & Night Shift)	Acute/ER	Full Time or Part Time
Surgical Tech	Surgical Services	Part Time

Turnover Rates

April 2026	FYTD	Prior FYTD
0.0%	0%	2.2%

Employment Numbers

April 2026	Total	Full-Time	Part-Time/PRN	FTEs
	142	101	36	111.44

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

5. CEO Report

a. Outpatient Services

Orthopedics - Dr. Sean Griggs, MD will hold his first day of practice in Minden on June 2nd, 2026. Lunch is scheduled for with Medical Staff along with Surgery/Specialty Clinic to tie up loose ends, recap to make sure all starts on the right note with addition.

Neurosurgery- Planning continues to begin Dr. Sri Kanuri, MD, a board-certified Emergency Room physician, that completed an Interventional Pain Management Fellowship, on July 15th, 2026. It will be both he and Dr. Pravardhan Birthi, MD providing Pain Management services at KCHS. New agreement to be drafted in the next couple of weeks with conversations.

Behavioral Health - Suzie Gregg, APRN with Lanning Behavioral has outreach clinic in Minden 1 ½ days/month, and Lanning Behavioral would like to send a second provider Danielle Nordby, APRN for an additional half-day. We are evaluating whether to supplement Suzie Gregg with Danielle Nordby, or Emily Hensley, APRN out of Kearney. Emily Hensley is planning to meet with our team onsite Early-June, and we will make a decision following.

VII. Executive Session

Action Taken: At 1:56 PM, a motion was made by Stephen Olson to enter into executive session for Legal, Credentialing and Personnel. The motion was seconded.

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

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

Action Taken: At 2:30PM, a motion was made by Andy Grollmes to end Executive Session.

Voting Aye: Stadler, Dahlgren, Hanson, Olson, Grollmes
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
Jeffrey Schopp, MD	Orthopedic Surgery	Kearney Co Health Services	Consulting	9/27/2017	6/1/2026
Colin Thompson, MD	Radiology	Real Radiology	Consulting	1/31/2024	6/1/2026
John Creasy, MD	Radiology	Real Radiology	Consulting	5/27/2026	
Sean Griggs, MD	Orthopedic Surgery	Kearney Co Health Services	Consulting	5/27/2026	
David Bodne, MD	Radiology	Kearney Radiology	Consulting	5/27/2026	
Judith Wolfstein, MD	Radiology	Real Radiology	Consulting	5/27/2026	

APPLICANT	SPECIALITY	FACILITY			PRIVILEGES TERMED	REASON
Renee Grams, APRN	Family Medicine	Kearney Co Health Services	Active APP		5/1/2026	No longer with KCHS
Michelle Schiel, Aprn	Pain Management	Grand Island Pain Management Clinic	Affiliate		5/4/2026	No Longer with G.I Pain Management
Thomas Clinch, MD	Ophthalmology	Kearney Eye	Courtesy		12/31/2025	No Longer providing services for KCHS

Action Taken: A motion was made by Andy Grollmes to approve the credential report. The motion was seconded

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

VIII. Other Comments/Communications

The next regular meeting will be held Wednesday, June 24th, 2026 at Noon in the Functional Health Meeting Room.

IX. Adjournment

The meeting Adjourned at 1:57 PM.

AJ Dahlgren, Chairman

Stephen Olson, Secretary