

Kearney County Health Services  
Governing Board of Trustees  
January 30, 2019

**MINUTES**

The regular meeting of the Governing Board of Kearney County Health Services met in the Countryside Living Conference Room of Kearney County Hospital, 727 East First Street, Minden Nebraska, Wednesday, January 30, 2019. Notice of the meeting was posted at Kearney County Health Services, Hospital, Minden Medical Clinic, Minden Post Office and www.kchs.org under Board of Trustees prior to the meeting. A Board Packet with an agenda of the meeting and other pertinent information was e-mailed to each Board member prior to the meeting.

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

Chairman Dick McBride called the meeting to order at 12:00 pm and called attention to the public meeting laws which are posted in the meeting room. Chairman Dick McBride introduced Brent Stewart, County Board of Supervisors Liaison, to the group. The following people attended the meeting.

**Board Members**

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

**KCHS Staff**

Luke Poore, CEO  
Kayla Rhynalds, CFO  
Kendra Brown, RN, MSN, Acute Care DON  
Rebecca Cooke, Human Resources Director  
Connie Jorgensen, LPN, Adm. Assistant  
Janell Shelton, RHC Director  
Mary Bunger, RN, BSN  
KCHS Medical Staff  
Tiffany Weeder, APRN

**Others**

Cindy Ramsey-Editor, Minden Courier  
Rob Armstrong, Minden Exchange Bank  
Arlen Osterbuhr, Minden Exchange Bank  
Kelley Ayres, First Bank  
Randy Hoffman, CPA, Seim Johnson

**County Board of Supervisors**

Brent Stewart  
KCMF Committee  
Jim Edgecombe

**II. Public Comments/Communications**

There was no public comment or communication.

**III. Approval of Minutes**

A motion was made by Steven Olson to approve the minutes as presented in the Board Packet. The motion was seconded. Voting aye: Hanson, McBride, Olson, Stadler and Abrahamson. Motion carried.

**IV. Unfinished Business**

There was no unfinished business.

**V. New Business**

*a. Election of Officers-* A motion was made by Stephen Olson that the current officers remain the same. (Dick McBride – Chairman and Clark Abrahamson-Secretary/Treasurer). The motion was seconded. Voting aye: Hanson, Stadler, and Olson. Abstaining: McBride and Abrahamson. Motion carried.

*b. Cost-Debt Analysis Presentation-*Randy Hoffman, CPA, Partner Seim Johnson, presented the Cost-Debt Analysis concerning the financial projections of the clinic remodel. In his presentation Randy explained CAH Reimbursement, Medicare Cost Report and Debt Service Coverage. Challenges in CAH Reimbursement of the project included:

- Interim Financial Reporting, i.e. Monthly fluctuations in volumes, Interim payment rate changes
- Maintaining Cash Flow
- Charge Structure, i.e. Commercial payors generally reimburse the facility on a percentage of charges
- Cost Management / Employee Productivity-Very important for services to payors other than Medicare.

The loan amount for the remodel is estimated at \$1,750,000 at 3.75% interest rate over 15 years. Adjusted income available for debt services estimated in 2019 (Annualized) \$1,007,068 compared to 2018, \$216,333,2017, (\$104,609) and 2016, \$309, 034 with the main difference resulting in closing of the nursing home and assisted living in April of 2018.

Key assumptions:

- Borrowing assumes continued CAH reimbursement

- Assumes pay down of current debt to \$427,000
- Borrowing assumes a 15 year term at 3.75% interest
- Borrowing assumes cash flow from operations based on historical results
- Potential reimbursement impact estimated at interim Medicare CAH% of total reimbursements based on 2019
- Does not reflect impact of any capital campaign.

A brief pros and cons discussion with the bank representatives took place with concern of only a 6 month financial review to make the assumptions a true picture. Both representatives felt the clinic as an important asset to the community and commented on the outstanding medical Staff. At 12:45 pm Randy Hoffman, Arlen Osterbuhr, Rob Armstrong, and Kelley Ayres left the meeting. The meeting continued with the next agenda item.

**VI. Reports**

**a. Kearney County Medical Fund Committee**

Committee member Jim Edgecombe reported that February 10, 2019 the Committee members and Dena Beck with Nebraska Community Foundation will be holding a Strategic Planning session, the NCF Annual Report and the Kearney County Health Assessment review in February. The last quarter statements will be discussed at the March meeting. [Jim left the meeting at 12:47 pm].

**b. Financial /Statistical Report for Decembers 2018**

Kayla Rhynalds, CFO, gave the following financial / statistical report. Total Clinic visits were higher at 824 compared to 757 in November. Total patient days for December were comparable to November at 35.

Month	Cash, Cash Equivalent	Total Liabilities	Total Net Patient Service Revenue	Total Other Operating Revenue	Total Non-Operating Revenue	Total Operating Revenue	Total Operating Expenses	Change In Net Position	Days of Cash on Hand	Gross Accounts Receivable	Account Payable Register
Dec 2018	2,823,417	1,431,181	702,459	105,509	18,103	807,968	872,132	(40,286)	110	66	\$589,200
Nov 2018	2,896,944	1,463,278	668,384	86,604	12,405	754,988	847,336	(69,443)	113	60	\$607,825

A motion was made by Sam Stadler to approve the financial and statistical report as presented by the CFO. The motion was seconded. Voting aye: McBride, Olson, Hanson, Abrahamson, and Stadler. Motion carried.

**c. Human Resources Report and Updates**

**1. Hires/Terms-Employee Relations—**

12/26/2018-1/29/2019	Month Percentage	YTD	Prior YTD
Overall Turnover	1.1%	57.5%	19.7 %
Due to Involuntary Termination (Layoff)	0.0%	45.4%	
Due to Voluntary Termination	1.1%	12.1%	

The employee engagement survey report was included in the Board Packet for review. A brief discussion concerning the results ensued. Over 65 % of the surveys were received. Overall a favorable response was returned by the employees. Individual department directors will be reviewing the results with their staff.

**d. CEO Report**

1. Senior Life Solutions-Luke informed the group that Senior Life Solutions kick off meeting was held on January 17<sup>th</sup> with introductions to the department directors. The office and 4 rooms on the South end of the Assisted Living unit will be used for the program. The future plans are for the services to open May 2019.

2. Roger’s Foundation

The Roger’s Foundation funded the Echocardiography Probe for in-house echoes. The cost was ~\$13,000.

3. Volunteer Coordinator Position.

KCHS Administration has been conducting an internal review in conjunction with the KCHS Auxiliary to review potential concerns with the previous individual serving as coordinator. Going forward, Connie Jorgensen, Administrative Assistant will be picking up the duties in this role.

**4. Specialty Clinic**

Dr. Cynthia Lewis, Oncologist, will not be able to continue her monthly clinic at KCHS due to her partner Dr. Bascom retiring.

**5. Policies for Approval**

The following policies were forwarded to the Board members prior to the meeting for review. A motion was made by Clark Abrahamson to approve the policies as presented. The motion was seconded. Voting aye: McBride, Olson, Hanson, Abrahamson and Stadler. Motion carried.

<b>Materials Management:</b>	<b>Nursing:</b>
Chargeable Items	Patient Care Services
Ordering Emergency Supplies	Patient Safety
Purchase Orders	ICF (Private Pay) on Acute Care
Purchase Requests	Malignant Hyperthermia
Requesting Stocked Supplies	Ordering and Restocking Supplies
Receiving	Deaths in the ER
Distribution Schedule	KCHS Hospital Guidelines for Pas and APRNs
Admit Kits	Outpatient Services
Expired Items Process	Oxygen Therapy Policy
Invoice Approval	<b>Clinic</b>
Credit Card Purchases	Clinic Hours
Returns	Compliance with RHC Guidelines
<b>Dietary</b>	Confidentiality of Patient Information
Food Allergies and Intolerances	<b>HIPAA</b>
Department Hours of Service for Hospital	Password Management
Hand and Fingernail Care	<b>Radiology</b>
<b>Quality</b>	Discontinued Radiology Printer
Quality Improvement Plan	Disaster Policy

**e. Medical Staff Report/Concerns**

Representing the Medical Staff this month was Tiffany Weeder, APRN. Tiffany reported that the clinic had been busy and that at this time there were no medical staff concerns.

**VII. Executive Session**

At 1:20 pm a motion was made by Stephen Olson to go into executive session for Credentials, Charity Care, and Personnel . The motion was seconded. Voting aye: Olson, Hanson, McBride, Abrahamson and Stadler. Motion carried. Brent Stewart, Mary Bungler, Connie Jorgensen, Kendra Brown, Tiffany Weeder, and Cindy Ramsey left the meeting. At 1:30 pm Janell Shelton left the meeting. At 2:28 pm a motion was made by Clark Abrahamson to come out of executive session. The motion was seconded. Voting aye: Olson, Hanson, Abrahamson, Stadler and McBride. Motion carried.

**Return to Open Session**

The following credentials were presented for approval by Janell Shelton, Clinic Director, in Executive Session. (Approved by KCHS Medical Staff January meeting ).

Name	Title	Scope of Practice	Appointment	Reappointment	Active Staff	Consulting Staff	Affiliate Staff	Locums	Affiliation
Jon Becker	PA	Family Practice		X	X				KCHS
Thomas Lanspa	MD	Cardiology	X			X			KRMC
Lorraine Edwards	MD	Neurology		X		X			Mary Lanning
Jason Martinez	CRNA	Anesthesiology		X			X		Kearney Anesthesia Associates
Jodie Scheele	PA-C	Family Practice	X				X		Plains Radiology

A motion was made by Clark Abrahamson to approve the credentials as presented by Janell Shelton. The motion was seconded. Voting aye: Abrahamson, Stadler, McBride, Olson and Hanson. Motion carried.

A motion was made by Clark Abrahamson to adjourn the meeting at 2:30 pm. The motion was seconded. Voting aye: Abrahamson, Hanson, Olson, McBride and Stadler. Motion carried. The next meeting will be held on February 27, 2019.

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Chairman

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Secretary