

Kearney County Health Services
Governing Board of Trustees
August 28, 2019

MINUTES

The regular meeting of the Governing Board of Kearney County Health Services met in the South Conference Room of Kearney County Hospital, 727 East First Street, Minden Nebraska, Wednesday, August 28, 2019.

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 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

In the absence of Chairman McBride, Clark Abrahamson called the meeting to order at 11:58 am and called attention to the public meeting laws which are posted in the meeting room.

Board Members

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

KCHS Staff

Luke Poore, CEO
Kayla Rhynalds, CFO
Rebecca Cooke, Dir. of Professional Services
Connie Jorgensen, LPN, Administrative Assistant
Janell Shelton, RHC Director

Others

Cindy Ramsey-Editor, Minden Courier
Jim Edgcombe-KCHS-Fund Committee
Randy Hoffman-CPA,FHFMA, Partner
Seim Johnson

County Board of Supervisors

Brent Stewart

Kendra Brown, CNO, Acute Care (12:10 PM)

Mary Bunger, RN, Patient Care Coordinator

Medical Staff-Absent

II. Public Comments/Communications

III. Approval of Minutes

A motion was made by Sam Stadler to approve the minutes of the regular meeting of July 31, 2019 as presented. The motion was seconded. Voting aye: Hanson, Olson, and Abrahamson, absent and not voting, McBride. Motion carried.

IV. Unfinished Business-None

V. New Business

1. 2018-2019 Fiscal Year Audit

Randy Hoffman, Seim Johnson, reviewed the audit with the group. Highlights of his report were:

- Internal Control Deficiency: Due to a limited number of administrative personnel, a lack of segregation of duties exists. The audit firm realized that this is not always economically feasible to employ additional personnel for segregation of duties therefore, they recommended KCHS continue to review internal control policies and procedures and job assignments to ensure an adequate internal control structure.
- Budgetary Accounting: The budget submitted to Kearney County did not agree with the internal budget approved by the Board of Trustees and actual expenditures in 2019 exceeded the budget submitted by to Kearney County. It was recommended that KCHS review their current budget process to ensure expenditures budgeted for the property tax request match internal budgeted expense totals. The firm also KCHS management work with Kearney County when preparing future budgets expenditures are at a level that is anticipatory of actual expense activity and the budget approved by the Board of Trustees agrees with the budget submitted to Kearney County.
- Accounting for Leases for Interest Costs: It was recommended that KCHS management review the standard with the new statements.
- Noteworthy Items: Days of cash on hand: 28% increase to 119
Decrease in operating expenses of \$1.7 M
Total Margin-5.0% compared to (7.9%) in 2018
- Statement of Net Position
- Statement of Revenue, Expenses, and Changes in Net Position:
The 340B Drug program added \$460,000 to operating revenue
2019 showed a \$560,000 in excess of revenue over expenses before transfer from Kearney County, Capital Grants and Contributions for the first time in several years.
2019 showed a \$589,000 increase in net position compared to (\$894) in 2018 and (\$1,094) in 2017.

Mr. Hoffman closed his report with a thank you to the KCHS staff and Kayla for a smooth audit process. [Mr. Hoffman left the meeting at 12:39 pm and Jessica Landers, Radiology Supervisor, entered the meeting]. A motion was made by Jeff Hanson to approve the FY 2018-2019 Audit as presented by Mr. Hoffman. The motion was seconded. Voting aye: Olson, Hansen, Abrahamson and Stadler. Absent and not voting: McBride. Motion carried.

2. Strategic Planning 2019 – 2021

Luke presented the final 2019-2021 Strategic Plan for KCHS entitled: On the Move into the Future. The plan is our guide to ensure we continue to provide quality health care in this challenging environment. The plan will be modified as appropriate to meet the needs of rapidly changing health care delivery models, payment reforms, legislative requirements and other potential policy and regulatory changes and most of all hold KCHS accountable for the future. Several strategic plan metrics were presented in Financial Stewardship, Growth and Communications, Quality and Service Excellence, Facilities and Technology, Medical Staff Relations, and Talented, Capable, Engaged People.

VI. Reports

1. Kearney County Medical Fund

Luke gave a brief summary of the last meeting with the KCMF.

2. Financial / Statistical Report and Updates.

Report for July 2019

Month	Total Admissions	Total Patient Days	Average Daily Census	Total Clinic Visits	Excess of Revenue over Expenses/ Total Margin %	Total Cash and Cash Equivalents	Days of Cash on Hand	Comments
July 19	23	102	3.3	837	\$97,581 / 9.2%	\$2,921,077	102	

2. Bad debt for July was \$26,562/07 which was considerably lower than last month.

c. Quality Assurance Report

Kendra Brown, CNO, gave a brief summary of the July Quality Assurance meeting. The Antibiotic Stewardship Committee reviewed 10 charts for review and compliance. The clinic is tracking new patients and this year there were 510 new patients and 28 requests for charts to be sent out to different facilities. Clinic patient education needs some improvement and Janell will continue to monitor indicators. Kendra will be tracking how many times pain assessment are performed. 8 charts were sent out for external (CAH Network) physician peer review. 2 charts were selected by the QA Coordinator for KCHS Medical Staff review.

c. Human Resources Report and Updates

1. Hires/Terms-Employee Relations—

8/1/2019-8/28/2019	Month Percentage	YTD	Prior YTD	Employment Numbers
Overall Turnover	0%	6.6%	57.5%*/ 5% %	Total Employees 91 FTE-74 PT/PRN-17

* includes payoff from closure

Rebecca reported that currently we are recruiting on Nurse for Acute Care and a Radiology Tech and Pharmacy Manager/Outpatient Services RN.

d. CEO Report

The CEO Report was given by Luke Poore, CEO. Highlights of his report included

- **Outpatient Services Update**
Outpatient Rehabilitation- KCHS has continued to hold meetings with Gregg Fiddelke (Co-Owner Family Physical Therapy). Four months of data was provided and reviewed under the KCHS proposed RVU agreement. Both sides were agreeable. Next a full year of data will be reviewed to ensure RVU.
*Surgery-*Our first Total Knee Replacement for Orthopedics is scheduled next week. Practice runs have been excellent.
- **Clinic/CT Renovation-** Interim Operation-KCHS Leadership has been meeting monthly finalizing timelines needs for interim clinic space. The CEO Office, Director of Professional Services and Activities Coordinator will be relocated to the south wing. (Prior LTC offices).
- **Updated timeline in planning progress****Contingent on changes in construction plan
 - i. September 30, 2019-Architects will give project details to Lytle Construction to give cost.
 - ii. October 2, 2019 –KCHS Board Meeting with Architect onsite going through renderings with plan finishes and details.
 - iii. October 4, 2019-Hard bid number deadline for Lytle Construction.
 - iv. November 1, 2019-Construction set to begin*Contingent on changes in construction plan

- v. Updated Cost: The overall project cost without anything being cut back stands at \$2,150,000 per the updated sheet the updated sheet from RAD Planning. HVAC and Electrical upgrades are two areas with the largest potential change in hard numbers.
- vi. With the remodel of the clinic and office areas, the CT Scanner will be moved from the current space to the large conference room space to allow for infection control in the surgery area and consistent temperature control. Because of the move the Radiology Director, Jessica Landers, brought forth a new CT Scanner Proposal. The current CT Scanner went into service 09/17/2015 and does not have a power injector. It will cost \$20,000 to move the equipment during construction. The purchase of a new scanner will be a reduction in monthly payments \$297.46 and is now 4 years old. 7-10 years is the estimated life of most CT Scanners plus Seimens does not sell this model anymore. The estimated cost of the new machine is \$389,730 + \$41,157 buy-out of current machine totaling \$430,887 which includes a power injector and eliminates the \$20,000 moving fee. Luke would like to provide more detailed specifics to the next meeting before asking for approval of the purchase.
 - *Balanced Score Card Review*-From the patient satisfaction survey, Parking and the patient portal were the most common complaints. Several areas of the Scorecard were above the benchmark.
 - *Policies for approval* (refer to last page of minutes for a list of policies)

A motion was made by Clark Abrahamson to approve the policies and procedures as presented prior to the meeting. The motion was seconded. Voting aye: Abrahamson, Stadler, Olson, and Hanson. Motion carried. Absent and not voting, McBride. [Jessica Landers left the meeting at 1:30 pm].

e. Medical Staff Report/Concerns-No report

VII. Executive Session

At 1:32 pm a motion was made by Clark Abrahamson to go into executive session for Credentials, Charity Care, and Personnel. The motion was seconded. Voting aye: Stadler, Olson, Hanson and Abrahamson. Absent and not voting: McBride. Motion carried. Connie Jorgensen, Mary Bungler, Brent Stewart and Cindy Ramsey and left the meeting. At 1:40 pm Janell Shelton left the meeting. At 1:45 pm Kayla Rhynalds left the meeting. At 1:55 pm Luke Poore left the meeting and returned to the meeting at 2:30 pm. A motion was made by Clark Abrahamson to come out of executive session at 2:38 pm. The motion was seconded. Voting aye: Stadler, Olson, Hanson, and Abrahamson. Absent and not voting: 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 at the August meeting).

Name	Title	Scope of Practice	Appointment	Reappointment	Active Staff	Consulting Staff	Affiliate Staff	Locums	Affiliation
Ruth Jones	PLMHP PCMSW	Mental Health	X				X		

A motion was made by Stephen Olson to approve the credentials as presented by Janell Shelton. The motion was seconded. Voting aye: Olson, Hanson, Abrahamson, and Stadler. Motion carried. Absent and not voting: McBride. Motion carried.

A motion was made by Sam Stadler to approve Charity Care application(s) as presented by Kayla Rhynalds. The motion was seconded. Voting aye: Abrahamson, Olson, Stadler and Hanson. Absent and not voting: McBride. Motion carried.

A motion was made by Jeff Hanson to increase the CEO salary and to renew his contract for 3 years. The motion was seconded. Voting aye: Stadler, Hanson, Olson and Abrahamson. Absent and not voting: McBride. Motion carried.

A motion was made by Steve Olson to adjourn the meeting at 2:43 pm. The motion was seconded. Voting aye: Stadler, McBride, Olson, Hanson, and Abrahamson. Motion carried. The next regular meeting will be held on September 25, 2019 at noon.

Chairman

Secretary

August Policies for approval:

- a. Admin Contrast
- b. Back-Up Storage
- c. Employee Access
- d. Inadvertent Unauthorized Viewing
- e. Device and Media Controls
- f. Disciplinary Action Related to Use and Disclosure of Health Information
- g. Documents and Retentions
- h. Fax Verification
- i. Identification Badges