



Board of Trustees
MINUTES
June 1, 2022

The monthly meeting of the Governing Board 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 1, 2022.

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. 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 McBride called the meeting to order at 12:13 PM and called attention to the public meeting laws that are posted in the meeting room.

Present:

Board Members

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

KCHS Medical Staff

Shannon Kuehn, APRN

KCHS Staff

Luke Poore, CEO
Gavin Blum, CFO
Kendra Brown, CNO
Rebecca Cooke, COO
Janell Shelton, Director of Primary Care
Mark Klabunde, Director of Pharmacy
Connie Jorgensen, Administrative Assistant

County Board of Supervisors

Brent Stewart

Others

Cindy Ramsey

II. Public Comments/Communication

Luke Poore, CEO acknowledged thank you notes from the Wilcox-Hildreth and Axtell post prom students, the family of David LaBrie, the family of David Cavanaugh and the family of Lois Hansen for the "Lift of Thine Eyes" Book as well as the exceptional care given to their loved one.

III. Approval of Minutes

Action Taken: A motion was made by Stephen Olson to approve the meeting minutes of the regular meeting of April 27, 2022. The motion was seconded.

Motion carried.

IV. Old Business

None

V. New Business

None

VI. Reports

1. Kearney County Medical Fund

Luke Poore, CEO stated the Committee has received several sponsorships and a few teams for the Golf Tournament scheduled for July 15, 2022 at Awarii Dunes at this point in time. An early-July meeting will be held

with the KCHS Fund Committee to finalize last minute details. Luke Poore also stated that Andrew Olson has officially become a member of the Fund Committee, taking over the vacancy created by Jim Edgcombe's departure.

2. Financial /Statistical Report and Update

a. Statistical/Financial Report for April 2022 as reported by Gavin Blum, CFO.

Balance Sheet	April	March
Total Current Assets	\$16,689,333	\$16,740,383
Net Capital Assets	\$12,248,967	\$12,315,382
Total Assets	\$28,938,300	\$29,055,764
Total Current Liabilities	\$2,386,202	\$2,377,492
Net Assets	\$23,678,990	\$23,785,013
Net Assets and Liabilities	\$28,938,300	\$29,055,764

Profit and Loss Statement	April 22	Budget	YTD	Comments
Net Operating Revenue	\$1,136,250	\$1,320,153	\$13,683,758	
Total Operating Expenses	\$1,252,817	\$1,149,274	\$12,049,609	5% over budget
Income (Loss) from Operations	-\$116,568	\$170,879	\$1,634,150	
Net Earnings (Loss)	-\$106,023	\$188,695	\$1,961,539	First – in a year YTD steady
Financial Indicators	APRIL 2022		MARCH 2022	Comments
Days of Cash on Hand	365		387	
Days in Patient Accounts Receivables	52		51	
Accounts Payable Register	\$1,078,578.37		\$1,136,668.98	Gavin explained reasons for higher costs in Insurance, Capital Purchases, IT/EMR.

Statistics	April 2022	March 2022
Acute, Swing Bed, Observation Days	64	78
Lab Procedures	2657	3133
Radiology Total	353	389
Physical Therapy Total	911	992
Cardiac Rehab	41	62
Out Patient Surgery	36	31
Specialty Clinic Visits	158	194
ER Visits	84	82
Total Minden Clinic & Nursing Home Visits	682	823
Senior Life Solutions Units	166	162

b. Bad Debt Report

April 2022	March 2022	FY Average 2021	FY Average 2020	FY Average 2019
\$31,274.69	\$35,524.71	\$34,000	\$40,840	\$30,391

Gavin Blum, CFO concluded the Financial /Statistical Reports and Updates.

Action Taken: A motion was made by Sam Stadler to approve the Financial & Statistical Report including the Bad Debt Report. The motion was seconded. Voting aye: Stadler, Dahlgren, Hanson, McBride, and Olson. Motion carried.

c. Budget Proposal for 2023 Fiscal Year

a. Revenue Assumptions Summary (*Brief List*)

- Similar to FY 21 and 22
- Clinic Revenue increase with new PA-C started in March 2022 and UNMC residents rotating through fiscal year 2023.

- An average of 3% service rate increase in September 2022 is planned.

b. Expense Assumptions

- Salaries and Benefits – Typically do a 3% increase but with “Cost of Living” bumped up to possible 5%.
- Data Processing — Change in Electronic Medical Record from Centriq to Cerner.
- Utilities lower due to VOIP Phones, eliminating current expensive phone contract.
- Minor Equipment — Acute Wing, decade since renovation therefore increased need for equipment replacement.
- Advertising – Increase focus on marketing.
- Education – Stay competitive with other facilities.

c. Cost Based Reimbursement Assumptions

- Medicare Budget Sequestration starting again. Jump from 1% to 2% effective July 1, 2022. Possible up to 6% January 2023
- Expect a sizable payable for 2022 Cost Report (1M)
- Medicare Reimbursement for OP services decreased with our growth, from 87% in 2016 compared to expected 54% in 2023

d. Profit /Loss Statement Proposed Budget 2023

- Patient Service Revenue: Estimated 10% increase
- Total Operating Expenses: Estimated 7% increase
- Income Loss from Operations: Estimated Lower due to Higher Cost of Living Adjustment, Inflation, Rate Adjustments and Payer Mix
- Property Tax Revenue: Increase from \$200,000 to 400,000
- Net Earnings (Loss): \$200,000 difference from last year due to Property Tax Revenue pending County approval

Discussion ensued concerning the Property Tax Revenue increase. Gavin Blum, CFO explained that even though KCHS has become increasingly more profitable in recent years, the increase will be used for capital purchases and infrastructure rather than paying for operations as in the past. In asking for the increase KCHS will continue the growth and profitability without a bond issue and the recruitment of medical staff and other allied health professionals.

Gavin Blum also discussed the capital purchases budget items in his review, mentioning that those are not reflected within the Profit/Loss Statement of the budget outside of depreciation when put into service.

Action Taken: A motion was made by Stephen Olson to approve the Budget Proposal for 2023. The motion was seconded. Voting aye: Stadler, Dalgren, Hanson, McBride, and Olson.
Motion carried.

d. Red Flag Report

As Corporate Compliance Officer, Gavin Blum, reported that we continue to follow our Identity Theft Prevention Program. Over the course of the year, there have been no significant incidents. Gavin Blum pointed out specific areas and interventions taken to decrease the exposure of identity theft within KCHS.

Action Taken: A motion was made by Sam Stadler to approve the Red Flag Report as presented. The motion was seconded. Voting aye: Dalgren, Hanson, McBride, Olson, and Stadler.
Motion carried.

3. Monthly Quality Assurance Report

A monthly Quality Assurance Meeting was held on May 19, 2022. Kendra Brown, CNO, in the absence of Kathy Middleswart, RN, gave a brief report of departments scheduled to present listed below, touching on active projects and their quality initiatives within each.

- Social Services
- Dietary
- Specialty Clinic
- Human Resources
- Emergency Room

- HIM
- Nuclear Med
- Cardiac Rehabilitation
- Senior Life Solutions

Kendra Brown, CNO also communicated to the Board of Trustees that in July 2022, EMS and nursing staff will be attending a Trauma Workshop for CEU's in relation to the Emergency Room quality project. Eight incident reports were also reviewed.

Action Taken: A motion was made by Sam Stadler to accept the QA report as given. The motion was seconded. Voting aye: Hanson, McBride, Olson, Stadler, and Dahlgren. Motion carried.

4. Ancillary Services Report

Rebecca Cooke, COO outlined the Operations Report for May 2022.

- Rebecca Cooke communicated to the Board of Trustees that after visiting with Baird Holm and administration, the proposal would be to accept the overall 3% decrease on premiums from Nebraska Blue Cross/Blue Shield in regards to health insurance. The original quote sent was a 0% increase, however, after committing to not take the KCHS plan to market, it was agreed to adjust to a 3% decrease.
- The current patient enrollment within Senior Life Solutions is 8 patients. Rebecca Cooke commented on the great job the Senior Life Solutions staff was doing while promoting Mental Health month. Rebecca Cooke also communicated that Megan Wilsey, current Director of the program, submitted her resignation. Rebecca Cooke stated that there has been communication with Psychiatric Medical Care, regarding displeasure with their employee turnover. In response, a position has been opened, and begun receiving applications with hope of conversations providing better employee retention.
- Rebecca Cooke touched on Annual Performance Reviews for employees. As Gavin Blum stated in the budget, Rebecca Cooke mentioned the increases will be up to 5% this year based on performance. The idea would also be to apply another round of retention bonuses to all staff within the next fiscal year. While up to 5% will be departmental direction discretion, Administration will also be reviewing market rates for all positions to make further adjustments as needed to remain competitive.

Hires

Position	Department	Status
Patient Care Tech	Acute	Part-Time
Patient Care Tech	Acute	Summer-Intern
Environmental Tech	Environmental Services	Part-Time
Radiology Tech	Radiology	Part -Time

Separations

Position	Department	Status
Patient Care Tech	Acute	PRN

Recruiting

Position	Department	Status
RN or LPN	Acute (<i>Night</i>)	Full time
Lab Tech or Phlebotomist	Laboratory	Full Time
LPN	Outpatient & Specialty Clinic	Full Time
Program Director	Senior Life Solutions	Full Time

Employment Numbers

Total Employees	Full Time	Part Time/PRN
117	89	28

5. CEO Report

a. Outpatient Services Update

Recruitment of an Urologist is getting closer to coming to fruition, as Dr. Robert Santa-Cruz who is currently providing services in Cambridge and Valentine has agreed to arrange his schedule to provide a Urology Clinic in Minden a half day every other week. The gap is working with inReach healthcare and the two entities involved on a schedule that will work for all.

b. Medical Staff Recruitment

In August 2022, Dr. Shelby Liesemeyer, MD will begin her rotation with KCHS for one month. There is no UNMC resident onsite for the months of June and July.

c. Cerner “Community Works” Program

A new conversion date to Cerner has been scheduled to December 5, 2022. Due to the delay of the implementation Cerner has agreed to take on the cost of a Legacy agreement to give KCHS time to round out claims in the prior health record system. The approximate cost of \$30,000 will be assessed to Cerner.

d. Policies, New and Revised: The following policies were submitted for Board approval. The policies were sent out to the Board members prior to the meeting for review.

- KCHS Physician Supervision-Medical Staff / Acute (Revised)
- Medication Documentation and Patient Identification-Acute/Medical Staff/ Pharmacy (Revised)
- Oxygen Therapy Policy –Acute (Revised)
- Admissions to Skilled Swing Bed-Acute (Revised)
- Code Red-Safety (Revised)
- COAG-SYSMEX CA-600 PT/PTT/D-Dimer-Laboratory (New)
- Urine Drug Screen-Laboratory (Revised)
- TSH-TOSOH AIA 360-Laboratory (New)
- INR (POC)CoaguChek XS System-Laboratory (New)
- COVID-19 Vaccine Provider-RHC/ Infection Control/Pharmacy/Safety (Revised)
- Code Blue-Safety (Revised)
- Handling of DEA Controlled Medications-Acute /Pharmacy (Revised)
- COVID – SARS Antigen FIA/Sofia 2-Laboratory (New)
- Influenza A & B FIAS, Sofia-Laboratory (New)

Action Taken: A motion was made by Jeff Hanson to approve the policies as provided by CEO, Luke Poore. The motion was seconded. Voting aye: Dahlgren, Hanson, McBride, Olson, and Stadler.

Motion carried.

6. Medical Staff Report

Shannon Kuehn, APRN, representing the medical staff communicated to the group that although not as busy as they liked the past few weeks, school physicals have begun, appointments are picking up. She added that it has been great to have the residents from UNMC do their rotations in the clinic. In August 2022, they are looking forward to working with Dr. Shelby Liesemeyer, MD for a month.

[Shannon left the meeting at 1:13 PM]

VII. Other Business

None

VIII. Executive Session

Action Taken: At 1:15 PM, a motion was made by Stephen Olson to go into executive session for Charity Care, Credentials, and Personnel issues. The motion was seconded. Voting aye: Hanson, Dahlgren, Stadler, McBride and Olson. Motion carried.

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

Action Taken: A motion was made by Stephen Olson to come out of executive session at 1:45 pm. The motion was seconded. Voting aye: Stadler, Dahlgren, Olson, Hanson and McBride. Motion carried.

NAME	TITLE	SCOPE PRACTICE	APPOINT	REPOINT	ACTIVE	CONSULTING	AFFILIATE	LOCUMS	Association
Matthew Stem	MD	Radiology		X					Grand Island Radiology Associates

Out of Executive Session

Action Taken: Jeff Hanson made a motion to approve the application/reappointment of medical staff as presented by Janell Shelton. The motion was seconded. Voting aye: Hanson, Dahlgren, Stadler, McBride, and Olson. Motion carried.

Action Taken: A motion was made to approve the Charity Care Application as presented. The motion was seconded. Voting aye: Hanson, Olson, Stadler, McBride, and Dahlgren. Motion carried.

With no further business the meeting adjourned at 1:46 PM.

IX. Other Comments/Communications

Date of the next monthly meeting is June in the Functional Health Area beginning at noon.

Dick McBride, Chairman

Stephen Olson, Secretary