



**Board of Trustees  
Minutes  
May 3, 2023  
(April Meeting)**

The April 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 3, 2023. 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](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 12:05 PM and called attention to the public meeting laws that are posted in the meeting room.

Present:

**Board Members**

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

**County Board of Commissioners**

Brent Stuart (*Absent*)

**Others**

Cindy Ramsey, Minden Courier  
Craig Johnson, Holmes Murphy Representative

**KCHS Medical Staff**

Andy Craig, MD

**KCHS Staff**

Luke Poore, CEO  
Gavin Blum, CFO  
Kendra Brown, CNO  
Mark Klabunde, Pharmacy  
Danielle Morgan, RN, Quality Assurance Coordinator  
Rebecca Cooke, COO  
Brielle Grams, Director of Human Resources  
Janell Shelton, Director of Primary Care  
Brian Wickham, Director of IT  
Connie Jorgensen, Administrative Assistant

**II. Public Comments/Communication**

Public Comments and Communication were noted by Luke Poore, CEO, from the Axtell Post Prom Committee, the Minden Trap Team Board, Coaches, and members, the Lift Up Thine Eyes Book, the Kearney Area Animal Shelter, and members of the Invest for MPS.

**III. Approval of Minutes**

**Action Taken:** A motion was made by Sam Stadler to approve the meeting minutes of the March 29, 2023 meeting. The motion was seconded.

Voting Aye: Hanson, Olson, Stadler, McBride, and Dahlgren  
Motion Carried.

#### IV. New Business

1. Health/Dental Insurance Renewal *(Out of Agenda order)*

Luke Poore introduced Craig Johnson, Holmes Murphy Representative. Mr. Johnson was asked to come to the meeting to assist in explaining an increase of 33% for BCBS Health Insurance Renewal this year and options to take because of that.

Highlights of his conversation included:

- KCHS Health Insurance Renewal History for 5 years which equaled at premium change of 1.2% noting no increase in 2022 and 2021.
- The Rationale of the 33% increase
  - 4 claimants exceeded the \$75,000 pooling point
  - 88% loss ratio
  - 156% increase in average claims cost per contract
  - Carrier pandemic recuperation
  - National surge of deferred procedures
  - Inflationary environment, medical and general consumer price index
  - The Current Trend for facilities comparable to KCHS with carriers 25-40% increases in 2023
    - Similar scenarios 2020-2022 were 15-25%

Feeling 33% increase from BCBS was excessive Mr. Johnson outlined a few options with both vetting other fully insured carrier options, along with self-funded, captive-insured, and individual coverage health reimbursement arrangement. In conclusion Mr. Johnson said we could stay fully funded this year then watch the 4 claimants exceeding \$75,000 to see if claims diminish and then look at alternative funding. Luke Poore added that in the next few weeks, other options will be reviewed with Homes Murphy and brought to the Board of Trustees Meeting later in May including ancillary carriers such as vision and dental.

*(Mr. Johnson left the meeting at 12:40 PM)*

#### V. Old Business

Luke Poore, CEO updated the progress of recent purchases including the Telemetry Upgrade which is still in progress. Brian Wickham, Director of Information Technology, briefed the board of trustees on the HIPAA Penetration Testing performed by Intraprise Health TwelveSec Security, a partner of Intraprise Health. The purpose of the test was to evaluate the technical security posture of KCHS IT enterprise by revealing vulnerabilities from internal attack vectors, flag critical and high risks, identify whether a remote attacker could penetrate the infrastructure, and determine the impact of a security breach.

Findings in this report included:

- 0 Critical Risks
- 2 High Risks
- 10 Medium Risks
- 15 Low Risks
- 0 Informational Risks

In conclusion Brian explained that KCHS is running a version of the Microsoft Exchange Server that is no longer supported; no security patches for this version will be released by the vendor which was the reasoning for the high, medium, and low risk findings. The IT department was aware of this and is in the process of finding a replacement. A follow up scan will be completed in the near future.

*(Brian Wickham left the meeting at 12:45 PM)*

## New Business

### (Continued)

#### 2. Property/Liability Insurance Renewal

Gavin presented an Insurance Renewal Summary which detailed cost comparisons from 2022-2023 in Property, Auto Cyber, D&O, and MMIC (Medical Liability) which revealed an overall 22% increase in 2023.

#### 3. Paymerang

Gavin explained the advantages of contracting with Paymerang, a finance automation entity, for the process from invoice receipt to payment reconciliation. Kearney County Health Services will collect and code invoices and approve them. Then wire transfer a file to Paymerang where they are responsible for dispersing those funds to vendors for the organization bills. This will save dollars in labor, check stock, envelopes, printer costs, and postage plus enhanced fraud protection, reconciliation and rewards and rebates programs at no cost.

Board Members would receive a list of vendors with an amount and description for payment for approval. Luke Poore stated an agreed on process would be needed, but this should still give transparency, but better efficiency overall.

## VI. Reports

#### 6. Medical Staff Report (Out of Agenda order)

Dr. Andy Craig reported that the Cerner Implementation was ongoing with changes in documentation and patient flow. He reported that Jordan Kohtz, APRN is working out great in the emergency room rotation, and is excited about what the future holds for his practice in Minden. Dr. Andy Craig mentioned that everyone is thankful for the UNMC resident rotations but with Shelby coming in this summer staffing will be more than adequate, therefore, not the capacity to continue rotating residents in Minden.

(Dr. Andy Craig left the meeting at 1:00 PM)

#### 1. Kearney County Medical Fund

Luke reported the Fund Committees' main focus at this time is the Golf Tournament scheduled for June 9 at the Minden Country Club. Around 15 sponsorships have been returned. Team registrations will come later.

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

- a. Gavin Blum, CFO gave the Statistical / Financial Report for March 2023.

Balance Sheet	March 2023	February 2023
Total Current Assets	17,851,894	17,735,604
Net Capital Assets	11,680,717	11,718,916
Total Assets	29,532,611	29,454,520
Total Current Liabilities	1,270,352	1,355,930
Net Assets	25,640,005	25,436,145
Net Assets and Liabilities	29,532,611	29,454,520

\*\*Change in 2021 Cost report allowed nursing cost in \$214,000 receivable vs \$22,000 payable.

Statement of Profit & Loss	March	Budget	YTD
Net Operating Revenue	1,498,348	1,437,418	12,831,325
Total Operating Expenses	1,325,441	1,305,919	11,833,551
Income (Loss) from Operations	172,907	131,499	947,774
Non-Operating Revenue	30,952	50,199	519,400
Net Earnings (Loss)	203,860	181,698	1,467,174

Financial Indicators FY 2023 -- Profitability Indicators					
	November 2022	December 2022	January 2023	February 2023	March 2023
Days Cash on Hand	374	313	357	352	373
Days in Patient Accounts Receivable (Gross)	46	48	50	48	51

Financial Indicators FY 2023 -- Cost Per Day					
	November 2022	December 2022	January 2023	February 2023	March 2023
Clinic	5,810	7,420	6,805	6,360	6,894
Hospital	32,056	38,512	32,390	34,952	32,147

Statistical Summary	March 2023	Statistics
Observation Admits	12	
Lab tests	3,164	New Record
X-rays	184	Most since September 2022
CT Scans	135	New Record
Specialty Clinic Visits	127	1713 Projected (1931 in 2022)
Clinic Visits	731	8,769 Projected (9,177 in 2022)
Providers		
Doug Althouse, MD	36	2 <sup>nd</sup> Most Nursing Home Visits this year
Andy Craig	39	Most Swing Bed Patients this year
Jon Becker, PA	39	2 <sup>nd</sup> Most ER Visits this year
Katie Quichocho, PA-C	133	Most Clinic Visits this year

Accounts Payable Register (Gross)	February 2023	March 2023
2 Payrolls & 2 Check-Runs	1,102,366.92	1,189,351.85

Bad Debt Report & Averages					
March 2023	March 2023	FYTD Average	FY Average 2022	FY Average 2021	FY Average 2020
\$46,048.74	\$33,498.59	\$51,000	\$59,000	\$43,982	40,840

**Action Taken:** A motion was made by Dick McBride to approve the Financial and Statistical Report. The motion was seconded.

Voting Aye: Dahlgren, Hanson, McBride, Olson, and Stadler  
Motion Carried.

**Action Taken:** A motion was made by Jeff Hanson to approve the Bad Debt report. The motion was seconded.

Voting Aye: Hanson, McBride, Olson, Stadler, and Dahlgren  
Motion Carried

3. Quality Assurance /Infection Control Report

Danielle Morgan, Director of Quality Assurance and Infection Control, reported on the April 12<sup>th</sup> meeting conducted with Department Directors with Radiology, Central Sterilization, Acute Care, SomniTech, Infection Control, Surgery, Colonoscopy, Anesthesia, Business Office and Emergency Room (ER). The ER Transport Report was reviewed, as well as incident reports filed for committee review.

There were no significant concerns found.

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

Voting Aye: Dahlgren, Hanson, McBride, Olson, and Stadler  
Motion Carried.

4. Ancillary Services Report

Rebecca Cooke, COO reviewed the Operations Report for April 2023. Rebecca communicated that Senior Life Solutions continues to have a great census, however, there will be some patients titrating down opening up some availability. With that discussion, a quick review over revenues and expenses for both Senior Life Solutions and Rehabilitation were observed.

Rebecca Cooke stated that there would be a transition of Directorship for Radiology, as Jessica Landers will be relocating out-of-state in the coming months. Rebecca stated interviews are underway, and a decision is hopeful in the near future.

Also discussed briefly was marketing statistics provided.

**Hires**

Position	Department	Status
Director of Information Technology <i>(New)</i>	Information Technology	Full-Time
Network Specialist <i>(New)</i>		
Director of Radiology	Transfer in Dept	Full-Time

**Recruiting**

Position	Department	Status
RN Night	Acute	Full-Time
Business Office Specialist (New)	Business Office	Full-Time
Radiology Tech & Ultrasound Tech	Radiology	Full-Time

**Turnover Rates**

Overall March 2023	YTD	Prior YTD 2022
3.2%	3.2%	2.7%

**Employment Numbers**

March 2023	Total	Full-Time	Part-Time/PRN	FTEs
	124	91	33	99.61

5. CEO Report

Outpatient Services

- Restorix Health – Still anticipating August start for Wound Care services, with an agreement likely with Mary Lanning to provide the provider coverage at this time.
- Cardiology – Cassandra Lundberg, PA-C has started her monthly clinic in conjunction with Dr. Douglas Netz. We also started the Mobile Nuclear Medicine provided by Pioneer Heart Institute in conjunction with their monthly clinics.
- UNMC Resident – Dr. John DeWaard, MD held his last clinical day for KCHS on April 21, 2023. Dr. Vitor Martins DaSilva, MD will begin his rotation on May 1, 2023 and will be our last UNMC resident rotating with our medical staff.

Cerner Program

- Onsite “Health Check” will be held May 16, 2023 with a few department leads from Cerner onsite as requested on our end. Contacts from Cerner have been reaching out to our entire department leads to learn if they need to be onsite, or can complete this even remotely. Ambulatory continues to hold scheduled follow-up calls with Cerner as build/setup issues have been identified since conversion. Patient Accounting continues to be challenging with numerous “point leads” from Cerner being turned over on the last project. Progress from Cerner on making fixes needed by our team have been drawn out at times for Patient Accounting.

### Policies for Approval

- Guidelines for Advanced Practice Providers in the Emergency Department - Acute/Emergency Department (*Revised*)
- Ordering and Restocking Supplies - Acute (*Revised*)
- Medication Documentation and Patient Identification - Acute/Pharmacy/Medical Staff (*Revised*)

**Action Taken:** A motion was made by Stephen Olson to approve the above policies.

Voting Aye: Stadler, Dahlgren, Hanson, McBride, and Olson  
Motion Carried.

### VII. Executive Session

**Action Taken:** At 12:42 PM a motion was made by Jeff Hanson to go into executive session. The motion was seconded.

Voting Aye: Dahlgren, Hanson, McBride, Olson, and Stadler  
Motion Carried.

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

**Action Taken:** A motion was made by Stephen Olson to come out of executive session at 12:55 PM. The motion was seconded.

Voting Aye: Hanson, McBride, Olson, Stadler, and Dahlgren  
Motion Carried.

**Action Taken:** A motion was made by Jeff Hanson to approve the following applications for appointment or reappointment to the KCHS Medical Staff.

Name	Title	Scope of Practice	Appointment	Re-Appointment	Active Staff	Consulting Staff	Affiliate Staff	Locums Staff	Affiliation
Cassandra Lundberg	PA-C	Cardiology	X			X	X		Pioneer Heart
Robert James	CRNA	Anesthesia		X		X	X		
Zhang Ning	MD	Radiology		X		X			
Christopher Souчек	CRNA	Anesthesia		X		X	X		
Jason Walsh	MD	General Surgery							Privileges Termed - KRMC

Voting Aye: McBride, Olson, Stadler, Dahlgren, and Hanson  
Motion Carried.

### XIII. Other Comments/Communications

Next meeting will be May 31, 2023 at Noon in the Functional Health Meeting Room.

### IX. Adjournment

The meeting was adjourned at 1:05 PM.

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AJ Dahlgren, Chairman

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Stephen Olson, Secretary