



**Board of Trustees  
Minutes  
August 29, 2023**

The August 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 Tuesday, August 29, 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 12:02 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 Stewart

**Others**

Cindy Ramsey (*Minden Courier*)  
Randy Hoffman (*Eide Bailly*)

**KCHS Medical Staff**

Shannon Kuehn, APRN (12:50 PM Arrival)

**KCHS Staff**

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

**II. Public Comments/Communication**

A "Thank You" note from the Senior Parents of the MHS Football team was included in the Board packet.

**III. Approval of Minutes**

**Action Taken:** A motion was made by Sam Stadler to approve the meeting minutes of the July Regular Meeting.

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

Motion Carried.

**IV. Old Business**

1. EGD Gastroscope Update  
Luke Poore (CEO) updated the Board that the EGD Gastroscope purchase has arrived, already been put into service.
2. Telemetry System Update  
Luke Poore updated the Board that all remaining Telemetry System equipment needs should arrive in Early-October. The plan is to have setup of the entire new system by the first week of November, and begin staff training that week as well.

## V. New Business

### 1. Fiscal Year 2023 Audit Review

After thanking KCHS staff for assistance in preparing the FY audits review, Randy Hoffman, CPA, FHFMA, Eide Bailly (Partner) presented the FY 2023 Audit Review.

Highlights of the review included:

- Adoption of New Accounting Principle – GASB 96 Required Communication with the Board
- Internal Controls: Significant Deficiency-Segregation of Duties=In smaller organization not enough staff to do all functions. 70% of facilities served have this finding.
- Noteworthy Items
  - ➔ Days cash on hand - consistent 370 days. Could go 1 year without collections
  - ➔ Because of GASB96 KCHS has the right to use subscription IT asset (our Cerner Software) booked at \$2.9M and liability of \$2.8M related to future payments for software
  - ➔ Third party settlement payable of \$151K compared to \$478K last year or Medicare paid closer to our costs this year compared to previous year.
  - ➔ Increase in net patient revenue of \$730K - Pharmacy and Behavior Health increased
  - ➔ Increase in operating expenses of \$1.4M mainly due to salaries and benefits
  - ➔ Operating income of \$1.7 M vs \$2.2 M in 2022= Two very good years
  - ➔ Increase in net position of \$2.3M vs. \$2.5M in 2022
  - ➔ Total margin – 12.6% compared to 14.4% in 2022= One of the better facilities Eide Bailly works with. KCHS ranked one of the best in facilities audited by Eide Bailly.
  - ➔ Statement of Revenue, Expenses, and Changes in Net Position
    - Total operating revenue 2019 =\$10.7M compared to 2023 \$17.6M a \$6.9M increase
    - Total operating expenses 2019 =\$10.6M compared to 2023 \$15.9M a growth of \$5.3M
    - Operating Income in 2019 (first year without Long Term Care) = \$131K compared to 2023 \$1.7M
  - ➔ Comparative Ratios
    - NE Peer Group composed of CAH's with \$10M-\$20M in net patient service revenue based on 2022 Medicare Cost Report data
    - Average Age, Plant NE Peer Group=12.7 KCHS=8.9
    - Days of Cash on Hand NE Peer Group=226 KCHS=370
    - Days Revenue in Accounts Receivable NE Peer Group=44 KCHS=66 (Cerner)
    - Salaries to Net Patient Revenue NE Peer Group=45% KCHS=45%
    - Total Margin NE Peer Group=9.1% KCHS=12.6%
    - Medicare inpatient Payor Mix NE Peer Group=77.9% KCHS=90.8%
    - Medicare Outpatient Payor Mix NE Peer Group=44.3% KCHS=47.8%
    - Medicare Outpatient Cost to Charge Ratio NE Peer Group= 54% KCHS=51%

Randy left the meeting at 12:35 PM.

**Action Taken:** A motion was made by Stephen Olson to approve the audit report. The motion was seconded.

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

Motion Carried.

## VI. Reports

**\*\*Agenda Order Switch\*\***

**(In respect of time, Chairman Dahlgren moved Medical Staff Report to begin Departmental Reports)**

1. Medical Staff Report

Shannon Kuehn, APRN told the group that the Medical Staff is patiently awaiting Dr. Shelby Liesemeyer, MD arrival in October. Otherwise “everything is going good”.

2. Kearney County Medical Fund

Luke Poore, CEO, reported that the Golf Tournament donations were deposited into the KCHS Medical Fund general account. At the September meeting the Fund will seek a new member, as Diana Hammer turned in her resignation in August.

3. Financial/Statistical Reports

a. Gavin Blum, CFO gave the Statistical and Financial Report for July 2023, along with the Bad Debt Report.

Balance Sheet	July 2023	June 2023
Total Current Assets	18,784,403	18,682,400
Net Capital Assets	14,278,835	14,410,148
Total Assets	33,063,238	33,092,548
Total Current Liabilities	1,642,674	1,742,260
Net Assets	26,350,813	26,235,148
Net Assets and Liabilities	33,063,238	33,092,548

Statement of Profit & Loss	July 2023	Budget	YTD
Net Operating Revenue	1,579,144	1,524,833	1,579,144
Total Operating Expenses	1,487,399	1,448,623	1,487,399
Income (Loss) from Operations	91,745	76,211	91,745
Non-Operating Revenue	30,517	42,875	30,517
Net Earnings (Loss)	122,262	119,086	122,262

Financial Indicators					
	March 2023	April 2023	May 2023	June 2023	July 2023
Days Cash on Hand	373	385	367	339	335
Days in Patient Accounts Receivable (Gross)	51	59	62	55	62

Costs Per Day					
	March 2023	April 2023	May 2023	June 2023	July 2023
Clinic	6,894	5,999	6,636	8,871	7,815
Hospital	32,147	31,170	33,380	34,427	35,434

Statistical Summary	July 2023	Statistic
Swing Bed Admissions	14	Most Ever
Swing Bed Days	103	2 <sup>nd</sup> Most since January 2021
Dexascans	13	2 <sup>nd</sup> Most since November 2022
Nuclear Med Procedures	9	2 <sup>nd</sup> Most since May 2022
ER Visits	101	8 <sup>th</sup> Most Ever
Specialty Clinic Visits	121	On track for 1,452 (1,781 in 2023)
Clinic Visits	719	On track for 8,628 (8,810 in 2023)
Providers		
Andy Craig, MD	184	3 <sup>rd</sup> Most Clinic Visits for Provider
Jordan Kohtz, APRN	52	Most ER Visits for Provider
Shannon Kuehn, APRN	103	2 <sup>nd</sup> Most Clinic Visits since October 2022

Accounts Payable Register (Gross)	June 2023	July 2023
2 Payrolls & 2 Check-Runs	1,279,050.52	1,387,321.79

Bad Debt Report and Averages						
June 2023	July 2023	CYTD	2022	2021	2020	2019
43,957.56	12,644.44	2.6% Gross Patient Service Revenue	2.1%	3.2%	3.8%	3.5%

**Action Taken:** A motion was made by Dick McBride to approve the Financial and Statistical Reports, along with the Bad Debt Report. The motion was seconded.

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

4. Quality Assurance Report

Danielle Morgan, RN, (Director of QA/IC) reviewed minutes from the August 17, 2023 Quality Assurance meeting with the Board of Trustees, touching on the projects and or goals for each that is ongoing.

Departmental Reports shared were as follows:

- Social Services: Current project is tracking the number of Swing Bed referrals.
- Dietary: Current project is to track and make sure dietary consults are being completed in a timely manner
- Human Resources: The Goal is to achieve 100% compliance with our HIPAA privacy regarding ePHI.
- Medical Records: New project will be tracking how often charges are having to be modified in Cerner
- Nuclear Medicine: New project is to track time of order placed on patient to when the stress test gets completed.
- Cardiac Rehab: Goal is to having 90% of all patients who have been formally discharged to have an optimal blood pressure of 130/80 based on AHA guidelines.
- Emergency Room: Goal is to have 90% or greater of trauma patient each month have a GCS documented.
- Emergency Room: Goal is to have 100% of ER patient have provider notification and arrival time documented.
- Emergency Room: Project is to track documentation times of door to antibiotic times of patients who have been given the diagnosis of sepsis.

**Action Taken:** A motion was made by Sam Stadler to approve the QA/IC report.

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

5. Ancillary Services Report

Rebecca Cooke, COO reviewed the Operations Report for August 2023. Rebecca started with the Senior Life Solutions Department, touching on the current program enrollment which is currently sitting at ten active patients. Rebecca reported will have filled the open position of Program Director with Michelle (Shelly) Choquette, RN. She will begin September 25, 2023.

Physical Therapy continues to do well and looks forward to working with the school sporting events.

To conclude, Rebecca reviewed some marketing data from her report, as well as with Human Resources as it relates to recruitment and terminations and safety with seven incident reports.

**Hires**

Position	Department	Status
RN ( <i>Night</i> )	Acute	Part-Time
LPN	Clinic	Full-Time

### Separations

Position	Department	Status
RN (Night)	Acute	PRN
RN (Day)	Acute	Full-Time
Radiology Tech	Radiology	PRN
Patient Care Tech	Acute	PRN

### Recruiting

Position	Department	Status
RN (Day & Night)	Acute	Full-Time
Admissions Clerk	Clinic	Full-Time
EVS Tech	Environmental Services	Full-Time

### Turnover Rates

July 2023	YTD	Prior YTD
2.3%	6.3%	9.7%

### Employment Numbers

July 2023	Total	Full-Time	Part-Time/PRN	FTEs
	129	96	33	96.28

\*\*11 Incident Reports were reviewed for July 2023

#### 6. CEO Report

##### a. Outpatient Services Updates

Urology – The inReach Program has sourced an Urologist (Dr. Alan Kowitz) that would be coming from Sequim, Washington. Dr. Kowitz held a virtual zoom interview with Senior Administration, as well as Dr. Doug Althouse, MD on August 11<sup>th</sup>. He will be looking to cover Minden, Superior, and Lexington Urology care and will be ready to start as soon as October. He is planning on an onsite visit possibly as soon as September, to meet all the Medical Staff and tour the facility and equipment needs.

Wound Care – Sally Farquhar, APRN visited KCHS on August 18 with Restorix Health staff including the Wound Care RN that will be setting up clinic with Sally in Minden. Currently in Cambridge, she is relocating to the Holdrege area. Start date is October 24, 2023.

Cardiology – Cassandra Lundberg, PA-C will likely be transitioning her clinic in Minden to Lindy Vakoc, APRN as Pioneer Heart Institute is reviewing overall outreach based on providers locations.

##### b. Cerner “Community Works” Program

Performance overall is getting into a good place. We have touched on Patient Accounting in the past and drilling down further more of the billing space concerns/challenges. They will be sending assistance onsite for follow up on patient accounts training within the Cerner platform.

##### c. Policies

- Commitment Statement –Infection Control (Revised)
- Preparation for Dental Procedures-Surgery (Revised)
- Innowave Ultra Sonic Irrigator-Central Supply (New)

- C. Diff Quik Check Complete-Laboratory (Revised)
- Platelet Poor Plasma-Laboratory (Revised)
- Sample Collection –Laboratory (Revised)
- Timers-Laboratory (Revised)
- Urinalysis-Laboratory (Revised)
- Pandemic Plan Guidelines-Emergency Preparedness (New)
- Closed Point of Dispensing Plan (POD)-Emergency Preparedness (New)
- Credit Card Purchases – Materials Management (Revised)
- Admit Kits-Material Management (Revised)
- KCHS Logo Apparel-Materials Management (Revised)
- Emergency Recall to Work-Materials Management (Revised)
- Year-End Physical Inventory-Materials Management (Revised)
- Expired Items Process – Materials Management (Revised)
- Charging Supplies in Supply Point of Use (Cerner)-Materials Management (Revised)
- Decontamination of Education Equipment-Infection Control (New)
- Distribution Schedule-Materials Management (Revised)

Luke Poore added that KCHS will be holding an informative meeting open to the public involving Medicare Enrollment and Medicare Advantage Programs in collaboration with the Nebraska Hospital Association and the Nebraska Rural Health Association at the Minden Opera House September 26, 2023. More information will be distributed.

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

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

## VII. Executive Session

**Action Taken:** At 12:45 PM a motion was made by Stephen Olson to go into executive session. The motion was seconded.

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

Other staff left the meeting except Luke Poore, Gavin Blum, Rebecca Cooke, and Janell Shelton. Brent Stuart also stayed for the remainder of the meeting.

**Action Taken:** A motion was made by Jeff Hanson to come out of executive session at 2:04 pm. The motion was seconded.

Voting aye: Stadler, McBride, Dahlgren, Olson, and Hanson.  
Motion carried.

**Action Taken:** A motion was made by Jeff Hanson to approve the Credentials approved at the June Medical Staff Meeting as listed below:

Name	Title	Scope of Practice	Appoint	Reappoint	Term	Active Staff	Consulting Staff	Affiliate Staff	Locums Staff	Affiliation
Douglas Netz	MD	Cardiology		X			X			Pioneer Heart Institute
Kristina Draper	CRNA	Anesthesia		X			X	X		Kearney Anesthesia
Jonathan	MD	ENT		X			X			ENT Physicians of Kearney

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Todd Van Horn	CRNA	Anesthesia		X			X	X		Kearney Anesthesia
Abby Gallagher	APRN	Pulmonology		X			X			Hastings Pulmonary & Sleep Clinic
Andrew Ciccarelli	MD	Radiology	X				X			Grand Island Radiology

The motion was seconded.

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

Motion Carried.

**VIII. Other Comments/Communications**

Next meeting will be October 25, 2023 at Noon in the Functional Health Meeting Room.

**IX. Adjournment**

The meeting was adjourned at 2:04 PM.

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AJ Dahlgren, Chairman

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Stephen Olson, Secretary