

HD6 HOSPITAL BOARD REGULAR MEETING
January 28, 2021 – 5:15 p.m. – Patterson Health Center

PRESENT: Martha Hadsall, Linda Dills, Alan Patterson, Pam Fallis; These members joined electronically: Lee Cox, Kimberly Schrant, Dennis Roberts - Board of Directors; Pat Patton, CEO; Lori Allen, Executive Director of Operations & Strategic Development; Sandra Owen, CFO; Brooklyn Ireland, Jonathan Kolarik, Mitzi Bailey, Cheryl Moon, Joining electronically: Jason Jump, Amanda Stephens, Jennifer Johnson

Call to Order: Chairman Hadsall called the meeting to order at 5:22 p.m.

Public Presentations: None

Approval of Minutes: Minutes of the December 17, 2020 regular meeting were approved. Motion by Dills; seconded by Schrant. Motion carried unanimously.

Board Education: Jonathon Kolarik, Risk Prevention, presented a flow chart describing how different types of errors are reported. He emphasized the importance of a “great catch” to prevent an activity, behavior, or practice that could result in a “near miss” or an “incident”. He also defined the various standards of care.

Operations: COO Report – COVID Testing

Patterson Health Center is offering free COVID testing to the public in partnership with KDHE and Wichita State University. The free testing is offered Monday and Friday from 9a-10a.

Patterson Health Center is now allowing one visitor per day for inpatients up to a maximum of three different people. There are still no visitors allowed in the emergency room or those patients who are positive for COVID.

340B Program

Three manufacturers have limited the 340B pricing for the hospital. To continue to receive the 340B pricing from these manufacturers, the hospital has been required to select one contract pharmacy for certain manufacturers. Data for the 340B program for a six-month period was gathered and a comparison of volume and revenue was completed. Based on this information, a contract pharmacy was selected for the three manufacturers. Irwin Potter was selected for Novo Nordisk, Harper Pharmacy for Eli Lilly, and Irwin Potter and Freeman Pharmacy for Astra Zeneca. Hospitals have filed lawsuits regarding this matter as they believe the statutes do not support this type of restriction on the 340B pricing.

CEO Report- AAHN’S Place was notified by DCF that they are not currently approving any new facilities due to COVID-19. Hadsall reached out to Sen. Larry Alley and Rep. Kyle Hoffman for additional information. The bidding process for the remodel of the NAPA building is nearing completion. An IT director, Kevin Faucet, will begin February 15, 2021. Open positions include a business office manager, case manager, and clinic manager.

Financial Statements – CFO Owen reported on the December Financials. These financials are unaudited. The auditing firm of BKD, LLP will be onsite the week of March 8, 2021 to perform the annual audit and to provide the 12/31/20 audit entries that includes the Medicare Cost Report and any other adjustments. December financials reported Gross Patient Revenue of \$1,743,519. Monthly allowances that include insurance write-off’s, contractual adjustments, bad debt, etc. were \$187,250 resulting in Net Patient Revenue of \$1,556,269 for the month. Total Operating Revenues were \$1,570,903. Operating Expenses for December were \$2,022,600 with \$310,960 of it being depreciation expense. An Operating Loss of \$451,697 was reported for the month. Total Nonoperating Revenues were \$207,012; of this amount \$81,035 is COVID-19

grant income for the reimbursement of personal protective equipment and supplies relating to COVID-19. A loss of \$244,685 was reported for December. The second payment of the USDA EMR Revenue bond payment was made in December for \$589,182.71. Eight more years remain on this revenue bond. Year-to-Date figures represent positive growth despite a challenging year due to COVID-19. Gross Patient Revenue saw a 14% increase compared to December 2019. Outpatient services showed the most growth while inpatient and swing bed revenue was impacted by COVID-19. Year-to-date hospital stats showed growth in the service lines of radiology, ultrasounds, CT, mammography, rehab services, surgeries, cardiopulmonary services, and several others. The rural health clinics saw a decrease in clinic visits as well as the number of residents/apartments rented at Heritage Estates. YTD expenses were \$22,612,198; of this amount \$3,649,498 is depreciation expense. A reminder that depreciation expense is recorded monthly on the income statement as a cost of assets but is considered a non-cash expense. Majority of the depreciation expense relates to the new facility and equipment which positively impacts the Medicare Cost Report on the calculation of our Medicare reimbursement rates. YTD Nonoperating Revenues totaled \$4,566,348 which included the reporting of the SBA PPP Loan Forgiveness and COVID-19 Grant Income. An unaudited YTD loss is reported for 12/31/20 at \$419,777.

Owen provided a report on the Anthony and Harper Legacy AR accounts that included the number of accounts collected, total amount collected and remaining accounts. Patients have until June 30, 2021 to take advantage of the remaining discounts being offered on the self-pay balances as the legacy systems are no longer in use and/or being supported.

Owen reviewed monthly departmental stats. Accounts payable for December was \$2,262,525.14. Motion by Patterson; seconded by Fallis to approve accounts payable. Motion carried unanimously.

Harper County Health Foundation: They approved two requests from Patterson Health Center for two employees to further their education for Laboratory and mammography in Radiology. Golf tournament fundraiser will be August 7, 2021.

Unfinished Business: CEO Patton had met with a group of people from the Harper community about the Harper Campus. This group brainstormed ideas for the building to enhance the community.

New Business: None

Medical Staff Report and Credentialing: New Appointment Applications: Irene Chang, MD (Consulting – Pathology) Daniel Fox, MD (Courtesy – Internal Medicine – Telemedicine) Mediha Koraisly, MD (Courtesy – Internal Medicine - Telemedicine) Joanne Lapetina, MD (Courtesy – Internal Medicine – Telemedicine) Saurin Patel, MD (Courtesy – Internal Medicine – Telemedicine) Paulgun Sular, MD (Courtesy – Internal Medicine – Telemedicine) Mandees Behzad-Noori, MD (Courtesy – Internal Medicine – Telemedicine) (also Mandy Rieck, MD)

Re-appointment:
Maria Aguirre, MD (Consulting – Pathology) Samantha Beck, MD (Consulting – General Surgery) James Degner, MD (Consulting – Radiology) Jonathan Jensen, MD (Consulting – Urology) Ward Newcomb, MD (Consulting – Pathology) Karlie Parker, APRN (Mid-Level) Petie Schwerdtfeger, MD (Active – Family Practice) Patrick Ters, MD (Consulting – Cardiology)

The following staff members resigned/deleted staff privileges:
Carmelita Alvares, MD (Consulting – Pathology) Robert Gorman, MD (Courtesy – Internal Medicine) Teh Ho, MD (Consulting – Pathology) were approved as presented. Motion by Patterson; seconded by Roberts. Motion carried unanimously.

Executive Sessions: At 6:36 pm Roberts made a motion to enter executive session for 30 minutes for non-elected personnel; seconded by Cox. Motion carried unanimously. Additional participants for executive session; Jonathon Kolarik, Lori Allen, Praxis; Amanda Stephens and Jennifer Johnson. Executive session extended for another 10 minutes at 7:06 pm for patient confidentiality. Motion by Roberts; seconded by Fallis. Motion carried unanimously. The Board extended executive session for patient confidentiality for 30 minutes at 7:16 pm. Motion by Patterson; seconded by Cox. Motion carried unanimously.

Adjourn: There was no further business and the meeting adjourned at 7:46 p.m. Moved by Patterson; seconded by Schrant. Motion carried unanimously.


Submitted by Linda Dills, Secretary

