



Hospital District #6 Harper County
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pattersonhc.org

Mission Statement: Hospital District #6 provides high quality, patient and family centered health and wellness Services in partnership with our communities.

**HD#6 HOSPITAL BOARD REGULAR MEETING
May 26, 2022 – 5:15 p.m. – Patterson Health Center, Large Conference Room**

PRESENT:

Board of Directors – Alan Patterson, Tim Penner, Pam Fallis, Amy Walker, Kara Bello, Stan Wedman (Zoom)

PHC – Pat Patton, CEO; Lori Allen, COO; Sandra Owen, Controller; Mitzi Bailey, Clinic Administrator; Jonathan Kolarik, RM; Beth Towns, Executive Assist/Recorder; Dolores Seifert, PHC AR; Barklie Thomas, HIM Director

OTHER GUESTS - Cheryl Moon, Sherry West, Aaron Elmitt

CALL TO ORDER: Patterson called the meeting to order at 5:18 pm.

BOARD EDUCATION: Board education has been scheduled with consultant Todd Linden all day June 28. Beth will call Faith Penner to reserve Spring Creek House. Patterson stated beginning next month, he would like to take five minutes at the end of each meeting and state one thing that is being done well and one thing that can be improved. Patterson also stated he would like revive department heads to come to Board meetings to provide a short presentation about current events from their department. Pat will visit with department managers about this request.

PRESENTATIONS: No presentations were presented to the Board. Patterson stated he would like to thank Kimberly Schrant for her 6 years of Board service and Lee Cox for her 5 years of Board service. Prints have been ordered for both board members.

PUBLIC COMMENTS: Patterson asked if guests had any comments or items for discussion. No one presented comments or topics for discussion.

APPROVAL OF MINUTES: Minutes of the March 23, 2022, and April 28, 2022, regular board meetings were presented for approval. Motion by Penner; seconded by Fallis to approve minutes as presented. Stan Wedman abstained as he had not had a chance to read the minutes. Motion carried 5-0.

REPORTS & POLICY REVIEW/APPROVAL:

1. Jonathan Kolarik RN, RM/CCO presented the monthly Risk Management report and quarterly Corporate Compliance report for review and approval. The CC Team functions include JB Crane review of all outpatient areas, Caleb Edigar Pharmacy and Dr. Leavitt everything clinical and peer review. Per federal mandate, a physical plant assessment will also be completed this year. Level 3 or 4 adverse events are reported to KDHE, Level 1 or 2 adverse events are handled in-house by the committee. Risk Management and Corporate Compliance training will be completed this summer with staff, medical staff and board.
2. Pat Patton for Kim Barwick presented the policy Referral Award for review and approval. The policy provides a referral bonus to employees who refer people that hired by Patterson HC.
3. Beth Towns for Heather Reames RN DON presented policy VS on Discharge. This policy was approved by the Medical Staff and allows VS to be taken one hour prior to discharge.

Patterson asked for a motion to approve the reports and policies as presented. Motion by Penner to approve the reports and policies as presented; seconded by Fallis. Motion carried 6-0.

MEDICAL STAFF AND CREDENTIALING REPORT:

Beth Towns presented the credentialing appointments, reappointments and terminations approved by the Executive Medical Staff on May 24, 2022 – 2 New Appointments, 3 Reappointments, 1 not seeking reappointment and 1 with temporary privileges withdrew their application.

Patterson asked for a motion to approve the medical staff and privileges as presented. Motion by Bello; seconded by Walker. Motion carried 6-0.

OPERATIONS REPORT:

1. **Lori Allen, COO**, Epic River/KANZA payment plan - We are going to be mailing out more targeted letters to individuals that do not meet the new guidelines. It will state the minimum payment amount that will be required to keep the plan in house. We have focused a lot on moving over the current payment plans. All new plans are being set up to follow these guidelines as well.

The 340B outpatient program is up and running. It was retro effective back to January 1, 2022. There are some credit/rebills that need to be processed, but we should be able to bring some potential savings numbers next month. If you recall this program allows us to purchase the outpatient drugs for infusions, etc. at the highly discounted 340B price. We should be seeing several credit/rebills coming through on the contract pharmacy portion of the 340B program due to incorrect pricing.

SHIP COVID Funds are paying for automatic doors on the public restrooms, BioFire machine for lab, and the portable ultrasound.

2. **Pat Patton, CEO**, reported that a Revenue Cycle Director has been hired. Wendy in Rehab will be moving mid-July but will remain on staff PRN to assist with paperwork, billing, documentation, payers, etc. Currently recruiting for a FT PT. RehabVisions will be conducting an on-site assessment of the Rehabilitation Department.

Spencer Huhman has been hired on as an exercise physiologist. She will be able to work with Dietary and the Wellness Centers to establish programs for chronic conditions as well as cardiopulmonary rehab allowing us to do stress tests in-house vs sending them out.

Heather Reames has signed a two-year contract with RQI for internal training of staff for CPR, ACLS, PALS, BLS, ATLS etc. that will result in an overall savings of \$30k for the two-year period.

Lab has received their third and final lab tech from the Phillipines. COVID delayed the 3-year program a year. Alan asked Pat to invite them to the next Board meeting to meet the board and provide a presentation if they would like to do so. The BioFire has been purchased. The biomed hood from Anthony facility will be installed in the lab which will allow most blood cultures to be completed on-site.

The Nuclear Med camera should be up by first of July. Radiology Tech, Jerrod, will attend a two-week training program for this equipment.

FINANCIAL STATEMENTS: Owen reviewed what financial reports are available on TEAMS to Board Members for their monthly review of financials. Reports include the Balance Sheet, Profit & Loss Statement, Cash Flow, Hospital and RHC Stats, Key Indicators, Revenue by Cost Center, and AR Aged Trial Balance. She reminded the Board that the Finance Committee meets before the monthly board meeting and reviews the financials in detail and discusses any issues and/or concerns. Owen reviewed April's financials including cash accounts with payments received and expenses paid out. The 3rd Quarter DSH payment of \$60,981.00 was received. April included two payrolls that were

paid out. Days Cash on Hand is at 164 days; well above the average of 43.21 days for Kansas Critical Access Hospitals. Patient Accounts Receivable increased with the total AR balance of \$3,271,8371 and AR Days is at 38.52. Gross Patient Revenue for April was \$1,822,098; a YTD increase of 8.66% over April 2021. Total Operating Expenses were \$2,111,901; a YTD increase of 17.10% over April 2021. Nonoperating Revenues included \$11,811 of COVID-19 Grant Income. A Net Loss of \$296,142 was reported for the month of April with YTD Loss of \$1,409,224. 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 continues to relate to the new facility and equipment which positively impacts the Medicare Cost Report on the calculation of our Medicare reimbursement rates. YTD Depreciation expense is \$1,098,449. The Revenue by Cost Center report was reviewed that shows YTD changes in charges by department. Owen provided a summary on the 2021 Medicare Cost Report that outlined how a receivable of \$346,155.00 was calculated. Depreciation expense and the removal of the Anthony and Harper Campuses continue to positively impact the Medicare Cost Report as more depreciation expense is captured at PHC and eliminated from the other campuses as non-reimbursable cost centers. Changes in Medicare rates are expected with increases in Acute and Swingbed while the Outpatient percentage and RHC rate is expected to decrease slightly.

Accounts payable for April was \$1,620,882.12. Motion by Penner; seconded by Belloto approve accounts payable. Motion carried 6-0.

HARPER COUNTY HEALTH FOUNDATION (HCHF): The last meeting of the HCHF was 5/11. Mitzi Bailey shared that the HCHF provided ice cream and desserts to employees on 5/12 for Hospital Week. HCHF will have two booths at the Fair in August. The HC Strong Challenge ended May 20 with a 5K run. August will be the annual golf tournament. The Farm and Art Market at Patterson has resumed for the season. 154 people used the fitness centers in the 3 months the Foundation provided free memberships. Waiting to see how many of those renew memberships on their own. There were 8 scholarship applicants and 4 recipients were chosen. The next HCHF meeting will be at 6:30 am on 6/8. Kara Bello and Stan Wedman are the board members assigned to attend HCHF.

UNFINISHED BUSINESS: No unfinished business was presented for discussion.

NEW BUSINESS: Patterson presented the resignation of Lee Cox, Position 7 Board member, effective immediately. This position will need to be filled for the remaining 2 years. Patterson presented three possible candidates to fill Position 7 – Lisa Mathes, Mitchell Hall and Jan Lanie. Following discussion, Jan Lanie was recommended to fill the position. Motion by Wedman to fill Position 7 with Jan Lanie; seconded by Walker. Motion carried 6-0. Patterson will contact Jan. Beth will arrange Board Oath and Orientation for Jan prior to the next Board meeting.

Patton is working with leadership team to revisit the top 20 organizational goals for the year. Those will be brought to for discussion to the June Board meeting. The Board will choose 5 organizational goals as priorities.

EXECUTIVE SESSION:

Patterson asked for a motion to move to Executive Session with Pat Patton and Beth Towns present after a 10-minute break. Motion by Penner to move to Executive Session with Pat Patton and Beth Towns present to discuss Non-Elected Personnel; second by Walker; Time: 7:00 pm.

Motion by Walker to extend Executive Session by 30 minutes; seconded by Fallis; Time: 7:40 pm.

Exited from Executive Session at 8:07 pm with recommendation to approve additional leadership team component to Kimberly McNally's consulting contract. Motion by Bello; seconded by Walker. Motion carried 6-0.

ADJOURNMENT: There was no further business. The meeting adjourned at 8:10 pm. Moved by Penner; seconded by Wedman. Motion carried 6-0.


Kara Bello, Secretary

Approved by the Board on 6/23/22 (Date)