



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
September 22, 2022 – 5:15 p.m. – Patterson Health Center, Large Conference Room**

PRESENT:

Board of Directors – Alan Patterson, Amy Walker, Kara Bello, Stan Wedman, Pam Fallis, Tim Penner, Jan Lanie

PHC–Lori Allen, COO/Interim CEO; Jonathan Kolarik, RM/Safety/CC; Beth Towns, Executive Assist/Recorder; Sandra Owen, Controller; Kim Barwick, HR Manager; Julie Abel, EVS Manager

OTHER GUESTS - Todd Linden, Culture Coach

CALL TO ORDER: Patterson called the meeting to order at 5:16 pm.

PUBLIC COMMENTS: No public comments.

PRESENTATIONS: Julie Abel, Director of Environmental Services introduced herself and gave a description of her department’s services. She has been with Patterson three years starting employment as a C.N.A. at Harper Campus.

Patterson then asked those present to share a positive comment or experience related to Patterson Health Center.

BOARD EDUCATION: Jonathan Kolarik RN, Risk/Safety Manager & Corporate Compliance Officer, 30 year RN and 3 year Federal HIPAA auditor provided the Board with their annual Corporate Compliance, Risk Management and HIPAA training. All board members attested to the training received. Kolarik went on to report that the same annual educational training has been completed with 100% of the staff including medical staff, DME, Wellness and RHC’s. He also explained the roles and functions of the Risk Management and Corporate Compliance Committees. There is a compliance hotline that is available 24 hours a day and checked daily. Corporate Compliance manuals are strategically placed throughout the building so all staff have 24-hour access to the handbook. New privacy regulations should be published around Q1 2023, and education related to the new regulations must be completed within 6 months to comply.

Patterson recommended a change to the bylaws to remove the attendance of a board member at Risk Management/Quality Improvement meetings. The Board will vote on the proposed change at the next regular board meeting.

APPROVAL OF MINUTES: The following minutes were presented for approval:

- August 9, 2022, Special Board Meeting Minutes
- August 25, 2022, RNR and Tax Budget Hearing Minutes
- August 25, 2022, Board Meeting Minutes
- August 31, 2022, Special Board Meeting Minutes

Motion by Wedman to approve minutes as presented; seconded by Walker. Motion carried 7-0.

DEPARTMENT REPORTS, POLICY REVIEW & APPROVAL:

1. Jonathan Kolarik RN, RM/CCO presented the Risk Management report for review, discussion, and approval. Kolarik explained that SOC (standard of care) level 3 or 4's is reportable to KDHE, the risk management process and if/when there might be board involvement.
2. Beth Towns presented Aaron Schule's annual policy review for Plant Services. Only one policy (#6) was revised, and the revision explained.
3. Kim Barwick presented revisions to the Employee Complaint Policy but stated that revisions had been made to the leadership team since the policy was printed.

Patterson asked for a motion to approve the reports and policies as presented. Motion by Lanie to approve the reports and policies as presented including the edits to #3; seconded by Bello. Motion carried 7-0.

MEDICAL STAFF AND CREDENTIALING REPORT:

Beth Towns presented the credentialing appointments, reappointments and terminations approved by the Executive Medical Staff on September 22, 2022 – 9 New Appointments (4 by Proxy), 12 Reappointments (7 by Proxy) and 2 resignations.

Patterson asked for a motion to approve the medical staff and privileges as presented. Motion by Bello to approve; seconded by Penner. Motion carried 7-0.

OPERATIONS REPORT:

1. **Lori Allen, COO & Interim CEO** – An updated on the status of the strategic goals, new services, and staffing updates were provided. The Employee Health Fair lab draw participants included 139 employees, spouses and board members. All lab was able to be completed in-house this year. The Public health fair will be held October 24-28 from 7am-9 am in Patterson Health Center's large conference room.

FINANCIAL STATEMENTS: Sandra Owen, Controller, reported on the August 2022 Financials. August's activity in cash accounts was reviewed that included payments received and expenses paid out. Miscellaneous income received included SHIP Milestone payments of \$9,189; DSH \$62,114 and reimbursement from the Vaccine Confidence Grant for \$15,986.67. Payments received from insurance and patients were \$1,320,492.67. August included two payrolls. Days Cash on Hand is at 168 days: well above the average of 43.21 days for Kansas Critical Access Hospitals. Patient Accounts Receivable decreased with the total AR balance at \$2,848,145.00 and AR Days at 34. Gross Patient Revenue for August was \$2,029,990; a YTD increase of 4.76% over August 2021. Inpatient revenue decreased for August with only 5 patient days compared to an average of 47 patient days. Outpatient revenue increased in August but is down YTD by 7.35%. A detailed report on Outpatient Service lines was reviewed along with a discussion on the Wound Care program. Swing bed revenue has seen a positive 44.47% increase in revenue with an increase of 245 patient days. Allowances increased for the month that included additional write-offs due to timely filings and denials. Total Operating Expenses were \$2,049,517; a YTD increase of 10.91%. Nonoperating Revenues included \$25,245 of COVID-19 Grant Income. A Net Loss of \$258,682 was reported for the month of August with YTD Loss of \$2,501,955.

Accounts payable for August was \$1,483,348.89. Motion by Fallis to approve financials, accounts payable and statistics; seconded by Bello. Motion carried 7-0.

Owen reported that the Provider Relief Fund Single Audit was completed by Forvis/BKD. The audit included compliance requirements and internal controls relating to COVID expenditures from April 10, 2020, to June 30, 2021. The compliance related to ensuring that COVID expenditures were allowable costs/cost principles and met the reporting requirements. A sample of COVID related expenditures were provided for the audit. An Unmodified Opinion was issued meaning that all compliance requirements and expenditures met the Provider Relief Funds program requirements.

Authorized signers for bank accounts need updated due to changes in staff and board members. Authorized signers on all HD6 bank accounts are Alan Patterson, Tim Penner, Amy Walker, Lori Allen, Crissa Cox and Tonya Hekel. Motion by Lanie to approve the authorized signers; seconded by Fallis; Motion carried 7-0.

Owen updated the Board regarding the \$150,000 in tax credits that was received from the Kansas Department of Commerce. Donations received to date total \$28,750.00 which amounts to \$20,125.00 in tax credits. \$129,875.00 in tax credits remain with a deadline to acquire them by December 31, 2023.

HARPER COUNTY HEALTH FOUNDATION (HCHF): Bello reported the HCHF ball drop was successful, and the second-place winner returned their winnings to the girls' basketball team. Other successful HCHF recent events included the golf tournament and fair booth. This weekend is the Muddy Water event at the lake. HCHF increased their contribution for this year's mammograms at Patterson Health Center. Bello is promoting this opportunity to the Spanish community.

UNFINISHED BUSINESS:


1. Allen stated the abatement of the west side of the Harper hospital began September 12 following the sale of most equipment. Aaron Schule is in the process of obtaining bids to put up exterior walls on the west and south side of the building.
2. Culture coach consultants' length of agreements was discussed.

NEW BUSINESS:

1. The November meeting of the Board falls on Thanksgiving. Patterson asked for discussion about moving the date of the November meeting. Everyone agreed to move the November meeting to November 22 at 5:15 pm. Towns will move it on the calendar and Barwick will send a reminder.
2. CEO Search – Kim Barwick provided a report of the process to find a recruiter for the CEO position. Barwick reviewed recruitment contacts previously used for other positions as well as reached out to Kansas Hospital Association and Todd Linden, consultant. Morgan Hunter HealthSearch is being recommended based on their search experience and references consulted. A contract was presented to engage Morgan Hunter HealthSearch at a cost \$31,500. The contract is exclusive with installment payments; \$10,500 initially, \$10,500 upon presentation of a slate candidates, and final payment upon acceptance of employment by a candidate. The placement comes with a one-year guarantee; in the event the position is open again in one year for any reason a new search will be conducted at no cost. Todd Linden, culture coach, suggested that the Hospital Board appoint a CEO Search Committee of 5-7 people that includes two board members, a med staff member, middle management, and leadership to work with Jackson. Lanie made a motion to approve the contract with Morgan Hunter HealthSearch; Walker seconded. Motion carried 7-0.
3. Trustee Pledge Meeting Code of Conduct – Patterson presented a copy of the Trustee Pledge Meeting Code of Conduct introduced by culture coach Todd Linden. Following discussion, Walker made a motion to adopt the code of conduct and add it to the Board Oath packet and new board orientation going forward; seconded by Wedman. Motion carried 7-0.

EXECUTIVE SESSION: No motion was made to move to executive session.

ADJOURNMENT: There was no further business. Motion made by Penner to adjourn meeting; seconded by Wedman. Motion carried 7-0. Meeting adjourned at 7:44 pm.


Kara J. Bello, Secretary

Approved by the Board on 10/27/22

KB:BT