

1

HD6 HOSPITAL BOARD REGULAR MEETING
April 22, 2021 – 5:15 p.m. – Patterson Health Center

PRESENT: Martha Hadsall, Kimberly Schrant, Linda Dills, Lee Cox, Pam Fallis, Dennis Roberts, Alan Patterson- Board of Directors; Pat Patton, CEO; Lori Allen, COO; Sandra Owen, CFO; Cheryl Moon, Jonathan Kolarik, Mitzi Bailey and Deborah Murphy.

Call to Order: Chairman Hadsall called the meeting to order at 5:17 p.m.

Public Presentations: None

Approval of Minutes: Minutes of the March 25, 2021 regular meeting were approved as presented. Motion by Cox; seconded by Dills. Motion carried unanimously.

Board Education: Hadsall asked for suggestions of educational topics the Board may be interested in. Suggestions included telemedicine and how it works; the types of inpatient care provided by PHC and an informational presentation from Rachel Hadsall, Director of Quality Assurance on how PHC compares to other rural hospitals. Martha attended the Quality Management meeting and learned in a HCAHPS (Hospital Consumer Assessment Healthcare Providers and Systems) report, PHC is now being compared to other rural hospitals. In a recent patient satisfaction survey PHC exceeded every one of the averages for all the categories. Linda Dills said after hearing from several people about calls received from Chronic Care Management, she would like to know more about the program. CEO Patton said the program used by PHC was discontinued the end of March. CCM is a Medicare Program; a wellness program that many facilities are using with successful results. PHC will revisit the program at a later date. Lee Cox said the therapy pool is a great addition to PHC and the PT/OT Department and encouraged Board Members to visit or use it. Alan Patterson and Kimberly Schrant would like to learn more about additional services PHC could provide and on the verge of adding. Patton said that soon several new programs/services such as diabetic education and pain management will be implemented. He announced that Orthopedic Doctor Ansari has started seeing patients. Patton also told the Board there is discussion about opening the PHC Café again to the public as well as public use of the conference rooms. He stated that in a COVID Update, it was reported that OSHA issued a mandate that all hospital staff will continue to wear masks at least through the end of the year. Failure to comply with the mandate could result in fines.

Operations: The following proposed amendments to Hospital District No. 6 By Laws were presented for board action: Article IV – Powers and Responsibilities of the Hospital Board, Section 3: Responsibilities, Revision to #11 establishes a Risk Management Committee; Revision to #12 establishes a Quality Assurance and Performance Improvement Committee. Article VII – Committees, Sections 1, 2 & 3: Revision states that there will be three standing committees of the Hospital Board and gave committee responsibilities for the Executive Committee, Finance Committee and Joint Conference Committee.

All policies were approved as presented. Motion by Patterson; seconded by Dills. Motion carried unanimously.

Human Resources submitted the Drug & Alcohol policy for review only. This policy will replace the previous “Substance Abuse” policy. Changes to this policy is designed to correct instances of identified alcohol and/or drug use in the workplace.

Initially the policy was provided for review only. However, after review and Patton further explaining the updates, the policy was approved as presented. Motion by Lee Cox; seconded by Linda Dills. Motion carried.

CEO Report:

Jonathan Kolarik, RN, MBA, gave a Risk Management update, stating that most of the 2021 goals have been met or are on schedule. He advised that medication overrides have gone down 70 to 80% due to changes in the outpatient process. Beginning in May, the review process is changing to two committees. Peer Review will handle clinical incidents, while Risk Management will address all other hospital incidents.

Chief Operations Officer, Lori Allen, discussed the 2021 Harper County (KS) Community Health Needs Assessment (CHNA). She said that the survey is a short online survey created to evaluate current community health needs. The community will be given the opportunity to provide voluntary and confidential input. The survey will be placed in the paper, on the PHC Facebook page and the hospital website; and will be shared to the cities of Anthony and Harper. The survey will also be emailed to key stakeholder businesses in Harper County. It was sent to the school and Health Department for feedback; they said it looks good and are very interested in the results. The deadline to participate is Friday, May 21, 2021. A town hall with meal will be held in June to discuss the assessment.

CEO Patton reported that the 340B (prescription drug program) external audit is complete. One recommendation is an internal self-audit. Feedback from the auditors was very positive. They reviewed random records for appropriate documentation, as well as policies and procedures; they were pleased with everything.

June 1 is the target date to begin the Pain Management program. Two days a month patient will be seen to evaluate for outpatient surgical procedures.

Patton said he continues to work with Kansas Pediatrics reference a dermatology telemedicine program. Kansas Pediatrics targets rural communities and currently provides service to the Kansas City, Topeka and Wichita areas. The end of June is a projected target timeline to initiate service through PHC.

Patton discussed the Harper and Anthony facilities. With regards to the Harper facility, formation of a steering committee is being finalized. This committee will look at options for the future use of the facility. Snyder Environmental submitted a bid of \$416,000 to demo the Harper facility and a bid of \$440,000 for the Anthony facility. There was additional discussion about the condition of the facilities, cost to maintain and the need to further explore options. Before any decisions are made, there will be a feasibility discussion with the communities.

Financial Report – Controller Owen reported on the March 2021 Financials. Activity in cash accounts was reviewed that included payments received and expenses paid out. From a cash flow perspective, the hospital continues to operate well with Days Cash on Hand at 146.05; the average for Kansas Critical Access Hospitals is 47.10 days. Patient Accounts Receivable decreased by \$558,658 for the month due to increased insurance and patient payments and contractual adjustments. The increased contractual adjustments or write-offs negatively impacted the Profit and Loss Statement. Long-Term Debt of the Hospital was reviewed as a lease was paid off in March. Hospital currently has a Debt Ratio of 12%; average for other Kansas Hospitals is 3.36%. Debt Ratio measures the ability to pay commitments related to long-term debt (total debt compared to total assets). A higher value indicates greater ability to repay outstanding debts or take on additional debts. Departmental Revenue was compared to March 2020 with the following departments showing significant increases in gross patient revenue: Lab, Sonography, Pharmacy and Occupational Therapy. Total YTD Operating Expenses shows a decrease of \$107,541 or 2% compared to March 2020. A YTD decrease of 27.75% or \$113,000.00 in Purchased Services has been achieved in 2021 by eliminating

outside management fees associated with the Senior Behavioral Health program. A loss of \$357,985 was reported for March with a YTD Loss of \$743,727. 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. If YTD Depreciation expense of \$806,113 was removed from the YTD Loss, the Hospital would be reporting an Increase in Net Position (profit) of \$62,386 for 2021.

Owen reviewed monthly departmental stats. Accounts payable for March was \$1,260,527.37. Motion by Kimberly Schrant; seconded by Lee Cox to approve accounts payable. Motion carried unanimously.

Harper County Health Foundation: The approved March 10, 2021 minutes were made available for the Board to review. Dennis Roberts discussed community projects the Foundation is working on. The committee is purchasing practice hats for Chaparral High football team and hope to also purchase some for Attica. There was discussion about an administrative assistant/manager position and possibly making this a shared position with the PHC marketing position. The Foundation has a new website HCHF.org.

Unfinished Business: Martha said she has not yet received the names of Board candidates from the nominating committee.

New Business: Nothing was presented.

Medical Staff Credentialing: Nothing was presented.

Executive Session: At 6:23 pm Lee Cox made a motion to enter executive session for 1-hour to discuss non-elected personnel; seconded by Alan Patterson. Motion carried unanimously. Executive Session was extended at 7:23 pm for 15-minutes. Motion by Alan Patterson; seconded by Dennis Roberts. Motion carried unanimously. Open session resumed at 7:35 pm. No action was taken during executive session.

Adjourn: There was no further business and the meeting adjourned at 7:38 pm. Moved by Linda Dills; seconded by Alan Patterson. Motion carried unanimously.


Submitted by Linda Dills, Secretary

