



HD#6 HOSPITAL BOARD REGULAR MEETING
December 28, 2021 – 5:15 p.m. – Patterson Health Center

PRESENT: **Board of Directors** – Kimberly Schrant, Karo Bello, Lee Cox, Alan Patterson, Tim Penner, Pam Fallis

PHC – Pat Patton/CEO, Lori Allen/COO, Sandra Owen/Controller, Mitzi Bailey/Clinic Administrator, Dallas Murphy/Safety, Jonathan Kolarik/RM (by phone), Beth Towns/Admin Assist

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

PRESENTATIONS: Due to technical difficulties, the presentation from Turner Consultants was tabled to the January Board meeting.

APPROVAL OF MINUTES: Minutes of the November 23, 2021, regular board meeting was presented for approval. Motion by Lee Cox to approve minutes as presented; seconded by Kara Bello. Motion carried unanimously.

BOARD EDUCATION: No report.

POLICY & PROCEDURE (P&P) REVIEW & APPROVAL:

1. Dallas Murphy presented changes & explanation to several Disaster Preparedness policies:
 - Annex C – Introduction
 - Annex C – Attachment 1 – Bomb Threat
 - Annex C - Attachment 2 – Fire
 - Annex C – Attachment 3 – Internal Flooding
 - Flood Preparedness Checklist
 - Annex C - Attachment 4 – Facility Evacuation Tag Procedure
 - Annex C – Evacuation Plan
 - Annex F – Communication Plan
 - HHD#6 Radio Procedure

Motion by Kara Bellow to approve P&Ps as presented; seconded by Tim Penner. Motion carried unanimously.

OPERATIONS REPORT:

1. COO Report – Lori Allen
 - The Kanza Bank contract for the Epic River financial program was sent to legal counsel for review and a few minor changes made. The paperwork will be sent back to Epic River for review. A kick-off call is being scheduled for January.

- Lori explained the BCBS Quality Based Reimbursement Program and quality measures for the 2022 calendar year. Patterson Health Center reports on selected quality measures and receives an additional incentive amount.
- There is a new presumptive eligibility program through KanCare that would allow Medicaid to take effect on the same day the patient is seen.
- There is a new regulation that will take effect on January 1st, the No Surprises Act. This Act requires a Disclosure notice be distributed to Commercially insured patients and a Right to a Good Faith Estimate Notice be issued to self-pay patients. PHC is making process changes to accommodate the requirements of this act.
- Lori/Pat/Mitzi shared that the CT machine is being set up with a new program option that can provide low dose screenings for early detection of lung cancer for patients that meet the medical criteria. There is no additional cost for the program as the software came with the CT machine. Patterson is currently seeking to add an endocrinologist, pulmonologist and nephrologist to the medical staff.

2. CEO Report – Pat Patton

- The AWC and DME are open. A date for the grand opening has not been set yet.
- Pat made the board aware of provider and patient agreements used in managing narcotics as it relates to the pain management program.
- Pat presented an update from the recent Strategic Planning meeting held December 8. This is a mid-year assessment of the previous established goals and the focus/direction for the next 4-6 months.

FINANCIAL STATEMENTS: Sandra Owen, Controller, reported on the November 2021 financials.

November's activity in cash accounts was reviewed that included payments received and expenses paid out. There was an increase in cash for the month due to one-time payments regarding SPARK Funding, HRSA ARP Rural Distribution and State of Kansas-COVID reimbursement. Days Cash on Hand is at 125 days; well above the average of 47.10 days for Kansas Critical Access Hospitals. Patient Accounts Receivable increased slightly with the total AR balance of \$3,705,644. Gross Patient Revenue has a YTD increase of 12.96%. Net Patient Revenue continues to show a positive trend with a YTD increase of 9.25%. Allowances/contractual adjustments/write-offs are showing less fluctuations as the 3rd party billing company continues to work with the Business Office. Total Operating Expenses have increased by 6.04% YTD. A Net Loss was reported of \$266,013 for the month of November. Of this amount \$271,293 was Depreciation and Amortization, a non-cash expense. YTD shows an Increase in Net Position of \$1,148,290 (includes COVID grant income).

Accounts payable for November was \$1,758,203.27.

Motion by Lee Cox to approve accounts payable as presented; seconded by Pam Fallis. Motion carried unanimously.

HARPER COUNTY HEALTH FOUNDATION (HCHF): Kimberly Schrant reported the HCHF met December 10 and decided to initiate stop losses by diversifying the HCHF securities to better manage risk for the future.

The holiday fund raiser, "Love Lights", netted approximately \$5k in funds. The response from the community was so positive, the HCHF has decided to continue Love Lights as an annual community fund raiser.

UNFINISHED BUSINESS:

Kimberly Schrant presented for discussion her recommendation for interim Board member to replace the vacancy left by Linda Dills death. Amy Walker is agreeable to serve out the balance of Linda's term as a Board member. Board members unanimously agreed that Amy Walker is a good choice to fill the Board Secretary position. Kimberly will speak with Amy. Beth will arrange new leader orientation prior to the next Board meeting when Amy will be sworn in.

NEW BUSINESS:

1. Pat Patton, CEO, presented the Lease Purchase Agreement and the Base Lease with First National Bank of Hutchinson. The lease covers the improvements made to the NAPA Building. Owen reviewed the details of the lease with the amount being \$400,000, 4.5% interest rate and a seven-year term. Annual payments of \$68,042.48 will be made with a due date of December 31 with the last payment being made December 31, 2028.

Motion by Tim Penner; seconded by Kara Bello to approve the lease with First National Bank of Hutchinson for the remodeling costs of the NAPA Building. Motion carried unanimously.

2. Kara Bello questioned if Patterson Health Center had a plan for expanding COVID testing since the school board voted to stop providing in school testing for students beginning next semester. Patterson Health Center has a COVID testing site in the front parking lot from 8-9 am Monday thru Friday. Outside those hours, it is recommended to call ahead to the clinic to have a staff member come to the parking lot to test. It may be in the future that home test kits will become available.

MEDICAL STAFF CREDENTIALING: No report. Beth reminded Board members that Cheryl Moon's retirement reception is 2 pm, Thursday, December 30. She is retiring December 31.

EXECUTIVE SESSION:

Motion by Lee Cox to move to Executive Session to discuss Non-Elected Personnel item after a 10 minute break; second by Kara Bello; Time: 7:24 pm. Exited from Executive Session at 7:49 pm with no action(s) needing to be taken.

Adjourn: There was no further business and the meeting adjourned at 7:49 pm. Moved by Alan Pattreson; seconded by Tim Penner. Motion carried unanimously.



Submitted by Kimberly Schrant, Chair