

MINUTES OF THE KEARNY COUNTY HOSPITAL BOARD OF DIRECTORS
September 28, 2009

BOARD MEMBERS PRESENT: Pauline Neff, Ralph Reimer, Jon Wheat and Marilyn Wolfe

OTHERS PRESENT: Mary Bentley, CRNA; Heather Combs Platter; Marian Hunter, RN, DON-HPRV; ReChelle Kennedy, CFO; John Loebel, CEO; Julie Munson, DO; Arlo Reimer, MD; Erik Sandstrom, MD; Sue Stingley, RN, DNS; and Donna Winright

The Finance Committee of the Board of Directors met at 2:00 pm on Monday, September 28. Members in attendance were Pauline Neff, Ralph Reimer and Jon Wheat. John Loebel, CEO; ReChelle Kennedy, CFO; Sue Stingley, RN, DNS; and Donna Winright, Director of Human Resources were also in attendance. Eric Meyer and Paul Bowerman from the auditing firm of George, Bowerman and Noel were guests for part of the meeting. The auditors answered questions about the allocation of costs to the LTCU for Medicare cost reporting purposes. The committee reviewed the financial report for August and the cost reductions that were implemented in September. Sue Stingley presented the alternatives for the purchase of an infant radiant warmer for C-sections in the OR. The Committee also discussed the increases to the employee portion of the health insurance premiums that would be effective January 1, 2010.

The Kearny County Hospital Board of Directors was called to order by Jon Wheat, Chairman at 6:00 pm.

The agenda was amended by removing the resolution for patient loans with Kearny County Bank, adding an executive session to discuss the Assisted Living Apartments under Sue Stingley's report and adding Ralph Reimer to discuss voter concerns under the Administrative Report.

Sue Stingley provided an update on flu vaccinations. The hospital received half of the ordered doses of the seasonal flu vaccine and expects to receive the balance in November. However, almost all of the doses received have been administered with the remaining doses reserved for high-risk patients. The seasonal flu vaccine production was slowed to focus on the H1N1 vaccine. When it becomes available, the H1N1 vaccine will be administered on a priority basis to high-risk groups through the Kearny County Health Department with assistance from KCH nursing staff. She reported that over half of the nursing staff called in sick during the past week with a 24-hour virus.

Sue discussed the feasibility of the hospital carrying an anti-venom for rattle snake bites. The cost and shelf-life of the anti-venom makes it prohibitive for KCH to inventory.

The Board went into executive session for 10 minutes at 6:10 pm to discuss the Assisted Living Apartments. The Board came out of executive session at 6:15 pm. The board concurred with the administrative decision to make Apartment 410 an office.

Sue updated the Board on the installation of the new elopement deterrent system. Implementation has been delayed until October 9, 2009.

Marian Hunter reported that HPRV has one (1) bed available for a male and that the Family Dinner is scheduled for October 10th. Ralph Reimer inquired about the Point of Care system for long-term care and the Board requested a tutorial of the system at the next meeting.

Dr Reimer reported that the hospital has been busy. He met with Dr Birky and Dr Miller last week while in Wichita. They both continue to be very interested in Lakin and they would like to bring their spouses out for a weekend. Dr. Hetzel has decided to practice in Dodge. The Board requested that Bryna Sandstrom put together a weekend in October for them to visit. Dr Reimer also reported that Dr Vrtiska will continue to perform surgery in Lakin and see patients in the Clinic for follow-up. He will schedule consults in his office in Dodge.

Dr Sandstrom reported no issues at this time at HPRV.

As part of the consent agenda John Loebel discussed the cost savings that have been implemented.. The total reductions implemented to date are \$81,196 from the operating budget and \$34,000 from the capital budget. The consent agenda was approved as mailed.

ReChelle Kennedy reviewed the August financial reports. She stated that volume for August was about average. Inpatient activity was under budget but the outpatient statistics as well as gross patient revenue exceeded budget. Deductions from revenue were again greater than budgeted. The August financials, checks #068623 - #068818 in the amount of \$494,759. 86 and electronic transfers in the amount of \$666,383.51 were approved.

Donna Winright presented information regarding rate increases for the new health insurance benefit. Effective January 1, 2009, the employee portion of the premium would increase significantly. There was much discussion about how to handle the rate increase. The Board decided that the organization would pay 50% of the increase in premiums for each employee participating in the plan and the employee would make up the other 50%. (NOTE: Since the meeting, new information has become available for the Board to review at the October 26th meeting.)

After a brief discussion, it was decided that any additional recognition or benefits for years of service would not be discussed further due to the current financial situation.

John reported on physician recruitment. A third year resident and his spouse will visit Lakin on November 13th. He will be doing a one year fellowship in OB after he completes his residency and will be available to practice in July 2011. John also reported that Bryna Sandstrom attended a recruitment fair in Omaha last week and spoke with several possible recruits.

John provided information regarding the strategic planning session for the Board to be held on October 6th. Board members, physicians and staff were asked to complete a brief questionnaire and return it to John by Friday, October 2nd.

Ralph Reimer provided information to the board regarding his establishment of a community meeting to discuss issues that the public may have with the hospital.

Sue presented information regarding the purchase of an infant radiant warmer for use in the OR for C-sections. This piece of equipment was included in the capital budget at a cost of \$20,000. The Board approved the purchase of the infant radiant warmer at a cost of \$14,390.10.

It was moved, seconded and carried unanimously to adjourn the meeting at 7:19 pm

Respectfully submitted,

Ralph Reimer, Secretary

Approved:

Jon Wheat, Chairman

Heather Combs Platter, Recording Secretary