

**MINUTES OF THE KEARNY COUNTY HOSPITAL BOARD OF DIRECTORS**  
**January 31, 2011**

**BOARD MEMBERS PRESENT:** Pauline Neff, Hatty Rebel, Ralph Reimer, Tom Vincent, Marilyn Wolfe and Raymond Yakel

**OTHERS PRESENT:** Mary Bentley, CRNA; Heather Combs Platter; John Loebel, CEO; Drew Miller, MD; Julie Munson, DO; Arlo Reimer, MD; Erik Sandstrom, MD; Sue Stingley, DNS; Donna Winright and Sarah Irsik-Good, QA/RM Coordinator

The Finance Committee of the Board of Directors met at 2:00 pm on January 31. Members in attendance were Pauline Neff and Ralph Reimer. John Loebel, CEO, was also in attendance. The committee reviewed the financial report for December 2010.

The Kearny County Hospital Board of Directors was called to order by Tom Vincent, Vice-Chairman at 6:01 pm.

The agenda was approved as presented.

Ralph moved to enter into executive session for 30 minutes for the 3rd Qtr 2010 QA/RM report. The Board entered into executive session at 6:02 pm to review the 3<sup>rd</sup> Quarter 2010 QA/RM Report presented by Sarah Irsik-Good. The Board came out of executive session at 6:32 pm. The 3<sup>rd</sup> Quarter 2010 QA/RM Report was unanimously approved as presented.

Dr. Reimer presented to the Board the credentials of the following for appointment or re-appointment to the medical staff. James D. Dickie, MD, was appointed to the Locum Tenens Medical Staff; Helen Heintz, ARNP was re-appointed to the Allied Health Staff; Muhammad A. Khan, MD, and Bruce Melin, MD, were re-appointed to the Consulting Medical Staff.

Dr. Reimer also reported that the hospital and physicians have had ongoing dialog with Dr. Barker from Ulysses and he believes that Dr. Barker he will continue to provide surgical services at KCH.

John Loebel reported that the Hays Cardiology Group will schedule a date to bring Dr. Richard Markiewicz to KCH to meet the physicians and key staff members. The Hays Group is proposing that Dr. Markiewicz have an outreach clinic on a monthly basis at KCH. He would replace Dr. Ali who had previously come to Lakin.

There was also a follow-up to the discussion at the January 10<sup>th</sup> Board meeting concerning the OB situation in Tribune. Dr. Reimer had nothing new to report on that situation.

As part of the Consent Agenda., John suggested a correction to the minutes of the January 10, 2011 meeting. John reported errors in the Electronic Transfers noted in the November financials that were reported at that meeting. The actual amount approved should have been \$872,317.63 and not \$716, 631.38 as listed. The minutes of the January 10<sup>th</sup> meeting were approved with this change. The Board also approved the consent agenda.

John presented the financial report for December. He advised the Board that the first installment of the 2011 county appropriation in the amount of \$923,925 was received on January 24. Those funds were used to pay off the \$200,000 loan with the Kearny County Bank from November and to pay off the line of credit.

John reported that December was a terrific month financially for Kearny County Hospital. Total patient days including acute, skilled and newborn days are 13% higher than year-to-date budget. Gross patient revenue for the month exceeded the budget by \$102,835. Net patient revenue was \$1,280,493 which was \$202,699 above budget. The facility also received a quarterly disproportionate share payment of \$135,401 in December. The year-to-date operating expenses of \$7,563,827 are \$486,506 less than what was budgeted for the year-to-date. The net profit for the month was \$204,144 compared to a budgeted loss of (\$106,653). In the area of cost savings John reported the facility saved \$4,615 on liability insurance premiums for the 12 month period beginning February 1, 2011. The Board approved the December financials, checks #071613-071804 in the amount of \$326,132.33 and electronic transfers in the amount of \$715,225.26.

John informed the Board that Jon Wheat, Tom Vincent and he met last week with representatives from Quorum Health Resources (QHR). QHR is an independent consulting firm hired by the Kearny County Commissioners to assess overall operations of Kearny County Hospital and all of its affiliated entities including High Plains Retirement Village. He reviewed the list of information that they have asked for. They will return to KCH on Tuesday, February 2 to talk with the physicians and Board members. QHR will present their final report to the KCH Board of Directors and County Commissioners in mid to late March 2011.

John reminded the Board members of a board education session sponsored by the Pioneer Health Network on Thursday, March 24 in Garden City. The session will focus on Health Care Reform in Rural America and is an opportunity to get an update on the status of rural healthcare in Kansas and the entire country as well as to network with Board members from similar hospitals in the area.

He also provided an update on the humidity issues in the OR. On Thursday, January 13 John, Sue, Mary De La Rosa, Dennis Hernandez, James Bemis, Jon Wheat and Dennis Jones met with representatives from Hutton Construction, Trane, Tatro and MEI with the purpose of coming to a resolution of the problem that would be satisfactory and at no cost to KCH or the County. John stated that the contractors came with a very specific solution in mind and it appeared to work. Starting on January 13 the humidity levels in both operating rooms remained within the acceptable range of 30 – 60%. However, on January 28 the humidity in OR #2 began to dip below 30% and are continuing to do so. John was instructed to contact the contractors and advise them that KCH would pursue legal action if the problem was not fixed immediately. The Board also expressed their concern that other features of the air handling system have been modified in order to solve this problem.

John commented that ReChelle will be present at the February 28 meeting to discuss and present financing packages for the hospital and clinic EMR's.

Sarah Irsik-Good presented the 2011 Corporate Compliance Plan, the 2011 Quality Assurance Plan and the 2011 Risk Management Plan for Board approval. The 2011 Corporate Compliance Plan includes 2 changes – 1) Sarah Irsik-Good is now the Corporate Compliance officer (replacing ReChelle Kennedy); and 2) Compliance issues should be reported in the same fashion that other incidents are reported. The 2011 Quality Assurance Plan had no changes other than the date. The 2011 Risk Management Plan has

added the CEO/Administrator as a non-voting member of the Medical Staff Risk Management committee. The Board voted to approve the three plans as presented.

It was moved, seconded and unanimously approved to adjourn the meeting at 7:32 pm.

Respectfully submitted,

Ralph Reimer, Acting Secretary

Approved:

Tom Vincent, Vice-Chairman

Heather Combs Platter, Recording Secretary