

**MINUTES OF THE KEARNY COUNTY HOSPITAL BOARD OF DIRECTORS**  
**February 22, 2010**

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

**OTHERS PRESENT:** Mary Bentley, CRNA; Heather Combs Platter; ReChelle Kennedy, CFO; John Loebel, CEO; Julie Munson, DO; Arlo Reimer, MD; Sue Stingley, RN, DNS; and Donna Winright

The Finance Committee of the Board of Directors met at 2:00 pm on Monday, February 22. Members in attendance were Pauline Neff, Ralph Reimer, Tom Vincent, Jon Wheat and Raymond Yakel. John Loebel, CEO; ReChelle Kennedy, CFO; and Sue Stingley, RN, DNS, were also in attendance. The committee reviewed the financial report for January 2010. The committee discussed the meeting that took place over lunch with the County Commissioners relative to the fiscal year 2011 budget timeline and the health fair. The committee also reviewed the financial report for January and Sue's request to purchase two beds and a lift for High Plains Retirement Village using funds from the Shriver Trust and donations.

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

The agenda was approved as mailed.

Sue Stingley requested input from the Board regarding the criteria for the New Year's Baby. She presented information from other area hospitals that require that the New Year's Baby be a county resident. The Board advised that the hospital change the New Year's Baby designation to now honor the first Kearny County resident born at Kearny County Hospital.

Sue reported that Marian Hunter will be returning to work soon. In her absence, Sue presented the HPRV update. There are currently three (3) empty beds and staff openings for one LPN and one CNA. The activities department is implementing more activities including activities on the weekends. The survey task force has been re-established to prepare for the annual licensing survey which is expected to happen soon.

Sue updated the Board on the status of the tiered billing system for HPRV and Assisted Living. The intent is for the new system to be cost-neutral. However, some residents may see an increase on their bills. The proposed system for HPRV is based on objective criteria that measures resource utilization in caring for the resident. The base rate for the Assisted Living Apartments would be determined by the square footage of the resident's room and additional charges would be determined by three additional levels of service provided. The committee has yet to determine how the new system will be phased into use.

Dr Reimer provided an update on the status of the Electronic Medical Record. More systems will be demonstrated within the next two weeks. The EMR Task Force is working to have a recommendation ready for the next Board meeting.

Sue reported for Dr Sandstrom by sharing comments from Dr Bustle, the locum tenens who was on call over the weekend. He complimented the staff on how well they handled the weekend trauma incident.

The consent agenda was reviewed. John provided an update on the humidity issues in the OR. The sensors were adjusted and there have not been issues since the adjustment. ReChelle Kennedy provided an update on the Kearny County Hospital sponsored 5K run/walk. The event is scheduled for Wednesday, May 12<sup>th</sup>. The run/walk will consist of two laps that start and stop at KCH. A barbecue will be held at the conclusion of the event. The consent agenda was approved as mailed.

ReChelle presented the Finance Committee report. She clarified a misconception about payment for babies born to non US citizens at KCH. Because the baby automatically becomes a US citizen at birth, there are programs in which the hospital is reimbursed for the delivery and for all other expenses related to the baby's care. In addition, she reported that in the future net losses will be displayed separately for the hospital, the clinic and HPRV. Jon Wheat reported that the county commissioners stated that the value of a mill is decreasing for the county. ReChelle provided information about the cuts in Medicaid – we will now be reimbursed 10% less. It is estimated that the impact at the hospital will be an additional loss of \$93,000 in reimbursement. At the nursing home, it is estimated that the 10% cut will cost an additional \$130,000 annually in reimbursement.

ReChelle reviewed the January financial reports. January proved to be another strong month for Kearny County Hospital. The January financial report, checks #069581 – 069783 in the amount of \$542,965.20 and electronic transfers in the amount of \$672,961.58 were approved.

In observance of Memorial Day, the May KCH Board of Directors meeting will be held Tuesday, June 1, 2010. An earlier date for the Finance Committee meeting will be determined. There was agreement with the Commissioners that we would have the FY 2011 budget to them for their June 4, 2010 meeting.

. John provided an update on Physician Recruitment. Dr Miller and Dr Birky signed their contracts with KCH on February 2, 2010. There will be articles in The Lakin Independent featuring the new physicians. Dr Reimer provided information regarding a phone conversation he had with Jeremy Kirchoff, MD. Dr Kirchoff expressed his interest in practicing in Lakin. There was much discussion about the need for hiring a fifth physician. The Board asked Dr Reimer to contact Dr Kirchoff and thank him for his interest, but that we are obligated to Dr Miller and Dr Birky and are not in the position to hire a fifth physician at this time

Jon Wheat summarized the meeting that took place with the County Commissioners earlier in the day. It included discussions about the Health Fair and the budget for the next fiscal year. The Commissioners expressed that they would like to continue to have a Health Fair; however, they stated that the ultimate decision will be left to the hospital board. Jon expressed his concerns of having the Health Fair based on the continuing deterioration of the hospital's financial position. The Health Fair has many positive aspects, but the financial impact is negative – particularly in terms of the revenue that is lost. After much discussion, the Board voted to cancel the 2010 Kearny County Health fair.

John informed the Board that Frankie Forbes, who has functioned as the lead attorney for KCH, has left the firm of Holbrook and Osborne. Although the organization has had a long history with the firm, John stated the high level of comfort that he and other members of the management team have had in working with Mr. Forbes. John asked if there would be any objections to moving our business to whatever firm he goes to work for. The Board was agreeable as long as the hourly rates at the new firm are not higher. John was asked to provide an update at the next Board meeting.

Sue presented a request to purchase two new beds for HPRV using funds from the Shriver Trust and to purchase a patient lift for HPRV, similar to the one recently donated by Vernon and Pauline Neff, from other unrestricted donations. The cost for two beds is \$7,576.36 plus approximately 7% for freight. The amount available from the Shriver funds is \$7,367.04. The total cost for two Stryker beds and one new lift is approximately \$12,000. There are funds of approximately \$11,000 available from donations. Sue provided information supporting the purchase of Stryker beds and the usage of the new lift. The Board approved the purchase using donations first and then operating funds to cover any shortage. The Board requested that Sue try to negotiate no charge for freight as was done with the last purchase from Stryker.

The Board entered into executive session at 7:17 pm for 20 minutes to discuss a personnel issue with John, Donna, Sue and Heather requested to stay. The Board came out of executive session at 7:27 pm. No action was taken.

It was moved, seconded and carried unanimously to adjourn the meeting at 7:28 pm

Respectfully submitted,

Ralph Reimer, Secretary

Approved:

Jon Wheat, Chairman

Heather Combs Platter, Recording Secretary

