

**MINUTES OF THE KEARNY COUNTY HOSPITAL BOARD OF DIRECTORS**  
**March 29, 2010**

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

**OTHERS PRESENT:** Heather Combs Platter, Recording Secretary; Sarah Irsik-Good, Risk and Quality Manager; ReChelle Kennedy, CFO; John Loebel, CEO; Julie Munson, DO; Erik Sandstrom, MD; Arlo Reimer, MD; Sue Stingley, RN, DNS; Donna Winright, HR Director; and Missy Gerritzen

The Finance Committee of the Board of Directors met at 2:00 pm on Monday, March 29. Members in attendance were Pauline Neff, Ralph Reimer and Tom Vincent. John Loebel, CEO; ReChelle Kennedy, CFO; and Sue Stingley, RN, DNS were also in attendance. The committee reviewed the financial report for February, the status of the fiscal year 2011 budget, the distribution from the Shriver Trust, the tiered billing system for HPRV and the status of the electronic medical record for long term care.

The Kearny County Hospital Board of Directors was called to order by Tom Vincent, Vice-Chairman at 6:00 pm.

Dr. Reimer requested the addition of approval of medical staff appointments and reappointments to the agenda. The agenda was approved with this addition.

The Board voted to go into executive session for 35 minutes for the 4<sup>th</sup> Qtr 2009 QA/RM report with all except Missy Gerritzen asked to stay. The Board entered into executive session at 6:02 pm and came out at 6:24 pm.

The Board approved the 4<sup>th</sup> Quarter 2009 QA/RM Report as presented.

Sue Stingley presented the HPRV update to the Board. The Long Term Care Unit currently has 37 residents and all people on the waiting list have been contacted regarding the availability of rooms. While the rooms are empty, maintenance is painting and installing new flooring. Assisted Living has two apartments available. We are short one full-time nurse in Assisted Living and one full-time nurse in Home Health.

Sue presented further information regarding the beds and lift approved for purchase at the February meeting. Some of the donation funds intended for these were restricted to specific departments or functions and could not be utilized. The total cost for the two beds and the lift was \$12,624.20. Of this, \$10,461.35 will come from donations and \$2,162.85 from operating cash.

There was much discussion regarding the payout of the principal from the Shriver Trust and how it should be invested. The total received was \$420,000 in two equal checks – one for the hospital and one for HPRV. Administration was asked to determine from the

Trustee what restrictions there might be on the use of the funds and explore investment options.

Dr. Reimer reported to the Board that he spoke with Dr. Jeremy Kirchoff per the Board's request at the February meeting. Dr Reimer also presented for approval the appointment of Dr. Julia Myers to the courtesy staff; the reappointment of Dr. Guillermo Garcia and Olivia Iway to the courtesy staff; the reappointment of Dr. Hubert Peterson to the consulting staff; and the reappointment of David Bose, CRNA, to the allied health professional staff. These have all been recommended by both the local and joint medical staffs. The Board approved the reappointment and appointments.

Dr. Reimer presented an update on the Electronic Medical Record (EMR). The EMR committee is recommending to the Board that we proceed with the Optimus system for the Long Term Care EMR. Sue will continue to research the Optimus system and prepare a proposal for Board approval.

There was much discussion about the EMR systems for the hospital and clinic. Unfortunately there is only one system that will incorporate both the hospital and clinic and that system is much more expensive than alternative systems. The committee will continue to research options for the hospital and clinic. Dr Reimer will also consult with Dr Miller and Dr Birky to see if they have recommendations for a system.

The urgency of acquiring an EMR is that Government reimbursement and/or penalties depend on achieving meaningful use by 2015. Reimbursement amounts will be higher if meaningful use is achieved sooner rather than later.

Dr Sandstrom stated that he had nothing to add to Sue's report on HPRV.

John Loebel presented information regarding the cardiology clinic at KCH on the 4<sup>th</sup> Friday of each month. Dr Curtis, a well-respected cardiologist from the DeBakey Heart Institute in Hays, will be the physician who staffs our clinic in the future.

John corrected the minutes from the February meeting regarding the tiered billing system in long term care. It will go into effect with the new budget year. In addition, the Occupancy Report should reflect 37 residents in the Long Term Care Unit at HPRV.

The Board approved the consent agenda.

ReChelle Kennedy reviewed the February financial statements. February was an average month for Kearny County Hospital. The Board approved the February financials, checks #069785 – 070001 in the amount of \$378,867.94 and electronic transfers in the amount of \$681,616.68.

ReChelle presented information regarding the Hospital's portion of the health insurance premiums. They will increase by 12% effective July 1<sup>st</sup> and the 2010-2011 budget will need to account for this increase.

ReChelle also provided information about the new Long Term Care bed tax bill in the state of Kansas. It has been approved by the House Ways & Means Committee. The initial cost to HPRV would be \$53,000 in the first year but together with Federal matching funds it will supposedly provide funding to pay back the 10% Medicaid cut in reimbursement in the LTCU that started on January 1st and increase our base Medicaid rate.

John presented the Administrative Report. He provided an update on the annual cost savings achieved by the hospital and HPRV as well as an update on physician recruitment.

John presented further information regarding Frankie Forbes, the general counsel for KCH and HPRV. There was much discussion about changing legal counsel to the Forbes Law Group from Holbrook and Osborn. It was John's recommendation to move to the new group and, based on historical usage, pay for services at an hourly rate.

Donna Winright presented information regarding the Medical Training Scholarship. She requested a donation from the hospital in the amount of \$500 for the 2010 scholarship fund. The Board approved her request.

The Board moved to go into executive session for 45 minutes with John requested to stay to discuss potential litigation with legal counsel on a conference call. The Board entered into executive session at 7:45 pm and came out at approximately 8:10 pm.

It was moved, seconded and carried unanimously to adjourn the meeting at 8:12 pm

Respectfully submitted,

Ralph Reimer, Secretary

Approved:

Tom Vincent, Vice-Chairman

Heather Combs Platter, Recording Secretary