

**Phillips County Health Systems
BOARD OF TRUSTEES' MEETING
Education Conference Room, Phillips Co. Hospital
August 20, 2015**

Board Members Present:

Art Henrickson
Stanley Kats
Sandi Preuss
Arliss Hatcher
Nicole Jones

Hazel Ames (7:40 joined the meeting)
Stanley Robb
Mark Gervais
Sarah Rudd

Staff Present: Dave Engel, CEO
Rhonda Kellerman, Clinic Administrator
Christi Driggs, CFO
Dr. Ben Stephenson M.D.
Vickie Gibbs, D.O.N.
Les Lacy, Regional VP, GPHA
Dave Dellasega, President & CEO, GPHA
Peggy Fabin, Recorder

Community Present:

Board Attorney Frankie Forbes, Roger Jackson, John Beim, Eric Summerall, Bill Greving, Shirley Henrickson, Richard Ames.

Chairman Art Henrickson called the Board of Trustees' meeting to order at 7:00 p.m. in the Education/Conference Room at the Phillips County Hospital. Art reported that Dr. Ben is on call so Dr. Ben will report on Medical Staff immediately after the consent agenda. Eric Summerall is an addition to the agenda and will follow Dr. Ben's Medical Staff report. New Business (b) Hospital/Clinic EMR will follow Erick Summerall. Old Business: (d) Line of Credit, New Business (c.) Feasibility presentation. Nicole Jones made a motion to accept the agenda as amended. Arliss Hatcher seconded the motion. Motion carried.

Consent Agenda: Sarah Rudd discussed three sentences in the July 23rd minutes that need to be deleted in Facility Planning. "The committee would like to present two options for the board to consider. First option is to improve the Operating Room to meet regulatory standards. Second option is to present a survey to Phillips County residents seeking their input on what should be done with their hospital." These sentences need to be deleted as after discussion the options process was tabled by Arliss Hatcher. Mark Gervais made a motion to accept the consent agenda

with the deletion of the three sentences in the July 23, 2015 Board minutes and with no GPHA report. Stan Kats seconded the motion. Motion carried.

Medical Staff Report: Dr. Ben Stephenson, M.D. spoke of the Rehab Department starting the Pelvic Floor program. Danielle Bohl, Physical Therapist and Kim Overmiller, Physical Therapy Assistant recently attended training for the pelvic floor procedure. The Rehab Department will have an Occupational Therapist joining the team the end of September. Dr. Sarin recently used the new C-Arm in Radiology, nice to have that availability for Radiology. The C-Arm emits less radiation exposure to patients. The providers are working on ICD-10 order sets for inpatients charting. The Custom Learning Team, Awards/Recognition Committee has asked the providers to pick the Employee of the Month every other month for the Beacon of Light award.

Public Comment: None

Art Henrickson introduced Eric Summearall, of Plainville Kansas. Art recently met Eric at the Rooks County Fair. Eric Summearall is the Communications and Development Director of Rooks County Healthcare Foundation in Plainville. Eric was attending the Board meeting as a private citizen but wanted to let the Board know of the importance of a CAH hospital in rural Kansas

and how a foundation can contribute to a hospital. Eric is a native of Plainville who lived in the Northwest United States until 6 months ago when he moved back to Plainville. He then accepted his current position at the Healthcare Foundation and is very compassionate about what he does for the hospital, Plainville citizens and the surrounding communities. Rooks County Health Center is a new hospital built in 2008 to replace the aging hospital that opened its doors in 1955. The patient volume has surpassed what the Board expected. Rooks County Health Center is adding a MRI room and expanding the Rehab Department. They have recruited two new physicians and are very proud to have a walk- in clinic and state of the art equipment.

7:40 Dr. Ben Stephenson left the meeting.

8:09 Eric Summerall left the meeting.

Dave Dellasega, President and CEO of Great Plains Health Alliance, and Les Lacy, Regional Vice President of Great Plains Health Alliance presented information on various software systems used by healthcare organizations. GPHA currently has an agreement with Siemens but Siemens was recently bought out by Cerner. GPHA has negotiated a contract with Cerner for the use of their software but the negotiated contract would necessitate the acceptance of the contract by at least 20 hospitals to obtain that pricing. Discussion followed on the current Siemens contract, transition costs, clinic interface issues, and the allowance of contract costs in the Medicare cost report. It was then decided to table a decision on the Cerner contract until more information could be obtained on possibly tying into a larger medical centers' system, problems encountered by Cerner system users, etc. Dave Engel will research other options.

8:57 Richard Ames joined the meeting.

9:23 Dave Dellasega left the meeting.

Reports:

Financial Report:

	Current Month	Previous Month
Cash	\$ 428,409	\$212,162
Accounts Receivable	\$ 1,755,240	\$2,418,092
Total Assets	\$ 4,916,354	\$4,914,634
Accounts Payable	\$ 478,266	\$,441,237
Total Liabilities	\$ 2,467,778	\$2,708,536
Current Ratio	1.31	1. 21

	Current Month	Previous Month	Year-to-Date Actual	Year-to-Date Budget
Total Patient Service Revenue	\$919,268	\$971,869	\$3,857,923	\$3,590,352
Net Patient Service Revenue	\$997,150	\$878,296	\$3,455,113	\$3,425,596
Net Income	\$56,239	(\$293,616)	(\$237,378)	(\$146,084)
Cash Available for Debt Service	(\$135,856)	(\$217,516)		

**The amounts listed for Net Income (Loss) and Cash Available for Debt Service have the purchased equity and asset amount of \$2,739,243 removed. This is the amount purchased from Great Plains of Phillips County, Inc. by Phillips County Hospital. This is the cumulative effect of the previous ownership and has been reported in meetings throughout the years already.

	Current Month	Previous Month	Year-to-Date Actual	Year-to-Date Budget
Total Patient Days	141	184	649	710
Average Patients per Day	4.54	6.1	5.15	5.87
ER Visits	129	115	500	468
Outpatient Services	4,124	4,439	17,619	16,879
PCMC	789	865	3,286	3,175
LMC	97	71	356	394

Communications (Information Only)

Administrator Report: September 25th 5:30- 8:30 p.m. and September 26th 7:30 a.m.-10:30 a.m. will be the Board retreat at the Huck Boyd center. Discussion was held on who should attend the retreat. The Board asked Dave to invite the hospital managers, members of the Healthcare

Foundation and community and business leaders from around Phillips County. A representative from the KU Heart and Stroke Collaborative met with Vickie Gibbs and Pete Rogers at the hospital today. Vickie Gibbs, D.O.N was available to comment on this meeting. Phillips County Hospital is the first hospital in the state of Kansas to have the E Avera system in the ER. The KU Heart and Stroke Collaborative is impressed with the system and will be paying \$56,700.00 for the next three years for Phillips County Hospital's use of the system. The KU representative was very impressed with Phillips County Hospital's protocols that have been in place with incoming Heart and Stroke patients and the excellent teamwork with Phillips County EMS staff. Because of this great teamwork between the two entities, patients are getting EKG's done quicker and these critical patients are getting transported to specialized doctors quickly. The KU representative feels that Phillips County is the leader of the 11 counties in the Heart and Stroke Collaborative in this area.

Phillips County Health Systems recently received cost report data to be mailed to our fiscal intermediary. We anticipate receiving a partial settlement of \$410,163. As a reminder, Phillips County Health Systems Medicare reimbursement was reduced 30% beginning November 2014 thru March 2015. Had no change in reimbursement occurred, our settlement would have been next to zero.

Old Business:

Community Education: nothing to report.

Business Development: nothing to report

Credentialing Committee: nothing to report

Facility Planning: nothing to report

Board self-evaluation: Arliss Hatcher reported that she had emailed the self-evaluation survey results from Cindy Samuelson, KHA, to the Board members. Ms. Samuelson had also sent suggested topics of improvement that the Board could work towards. It was the consensus of the Board members to have Arliss email those suggested topics to the Board also.

Line of Credit: Christi Driggs, CFO reported that payments in the amount of \$105,556.70 and \$174,017.62 were made and one for \$125,527.82 was made today (August 20th). This payment is ½ of the amount due collected during the July 15-31 time frame. Including all three payments, our balance is \$594,897.86, not including interest. We intend to make the other ½ payment as soon as possible. We did recalculate our borrowing base as of July 31st and it is \$849,006.50 so we are in good shape relative to our base.

New Business:

Wellness Center Request - A letter of thanks was received from The Wellness Center for the continued support of The Wellness Center. The Wellness Center is used by Phillips County Health Systems employees regularly throughout the year. Discussion was held and it was the

consensus of the Board to continue support from the Phillips County Health Systems for another year to benefit community members and our employees.

Feasibility Study – Chairman Henrickson stated that he had received a request from Kelly Roe to allow a representative from a Denver, Co. company to present the results of the feasibility/request for proposal solicited by the community group. Discussion followed. It was decided that the community group had requested the RFP so they should hear the firm's presentation first. The Board could then receive a report from a representative of the community group on their assessment of the proposal.

Mark Gervais made a motion to return to the regular date September 17, 2015 for the September Board meeting instead of September 24th that was agreed upon in the July Board meeting. Arliss seconded the motion. Motion carried.

Executive Session: Sarah Rudd moved that the Board enter executive session for a period of 30 minutes to discuss personnel issues; seconded by Mark Gervais. Motion carried. Chairman Art Henrickson asked that Les Lacy and Frankie Forbes stay for the executive session and called for a 5 minute recess. Dave Engel, Rhonda Kellerman, Christi Driggs, Vickie Gibbs, Roger Jackson, John Beim, Bill Greving, Shirley Henrickson, Richard Ames, Peggy Fabin left the meeting. Executive session started at 10:15 p.m. Board returned to open session at 10:45 p.m. Sarah Rudd moved that the Board re-enter executive session for a period of 10 minutes to discuss personnel issues; seconded by Arliss hatcher. Board entered executive session at 10:46 p.m. At 10:55 p.m., Board returned to open meeting. No action taken. Motion carried.

Adjournment: Stan Robb moved that the meeting adjourn; seconded by Nicki Jones. Motion carried. Meeting adjourned at 11:01 p.m.

Secretary Nazel Ames

Recorder Peggy Fabin