

**Phillips County Health Systems
BOARD OF TRUSTEES' MEETING
Education Conference Room, Phillips Co. Hospital
January 21, 2016**

Board Members Present:

Art Henrickson
Stanley Kats
Sandi Preuss
Arliss Hatcher
Nicole Jones

Hazel Ames
Stanley Robb
Mark Gervais
Sarah Rudd

Staff Present: Dave Engel, CEO
Les Lacy, Regional VP for GPHA
Christi Driggs, CFO
Vickie Gibbs, D.O.N.
Peggy Fabin, Recorder

Community Present:

Board Attorney Frankie Forbes, John Beim, Richard Ames, Amanda Atkisson

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. Mark Gervais requested Medical Staff report removed from the consent agenda due to confidential content in the report, New Business, (b) By Laws added. Hazel Ames made a motion to accept the agenda as presented with the one deletion to the consent agenda, and one addition to the agenda. Sandi Preuss seconded the motion. Motion carried unanimously.

Consent Agenda: Arliss Hatcher made a motion to accept the consent agenda without the Medical Staff report. Stan Robb seconded; motion carried unanimously.

Public Comment: None

Reports:

Financial Report: Christi Driggs presented financials for December 2015.

	Current Month	Previous Month
Cash	\$230,345	\$147,246
Accounts Receivable	\$1,705,885	\$1,859,241
Total Assets	\$3,741,222	\$3,701,516
Accounts Payable	\$1,101,694	\$1,013,366
Total Liabilities	\$2,239,020	\$2,170,007
Current Ratio	0.86	0.90

	Current Month	Previous Month	Year-to-Date Actual	Year-to-Date Budget
Total Patient Service Revenue	\$993,645	\$880,035	\$ 8,584,163	\$ 8,078,292
Net Patient Service Revenue	\$893,511	\$665,731	\$ 7,400,323	\$ 7,707,591
Net Income	(29,334)	(\$257,217)	(\$ 1,262,753)	(\$328,689)
Cash Available for Debt Service	(807,689)	(\$840,166)		

**The amounts listed for Net Income (Loss) and Cash Available for Debt Service has 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	209	99	1,328	1,602
Average Patients per Day	6.57	3.30	4.80	5.87
ER Visits	122	113	1,099	1,055
Outpatient Services	4,408	4,400	39,977	38,048
PCMC	740	752	6,935	7,158
LMC	91	143	856	889

We have submitted an interim cost report for the 7 months ending 10/31/2015. With this, we have requested a lump sum payment of \$535,000 to compensate for the calculated underpayments between, April 1-October 31. That money was received on January 11th 2016. Although not requested, Medicare did also adjust our per diem rates effective January 1, 2016.

If cash was inclusive of the Medicare underpayment, our current ratio would calculate at 1.12 rather than the 0.86, as stated. Christi reported that she is currently working with departments on their budgets. Christi reported that items could be taken off the budget list as equipment such as the C-Arm and hospital beds, etc. were purchased through awarded grants. Dave Engel thanked Peggy Fabin for her diligence in finding grant monies for equipment needs.

Communications (Information Only)

Administrator Report: Dave asked Board Attorney, Frankie Forbes what the protocol is for the minutes of subcommittee meetings. Frankie Forbes replied that minutes are not required but would be in the best business practice of the Board as committee meetings are open to the public except for confidential meetings such as Risk Management, credentialing, personnel. The KU School of Architecture contacted Dave to inquire if Phillips County Health Systems was interested in a capstone healthcare facility planning project for spring 2016. We accepted this offer. On February 1, 2015 nine Kansas University graduate students will be at PCHS with their professor to conduct interviews and assess our site for their research on rural healthcare.

Dave attended the Kansas Advocacy day in Topeka on Tuesday. Senator Elaine Bowers asked and has recommended Mr. Engel to the Rural Health Care task force put in place through the Lt. Governor's office. He will be at a CEO roundtable in Salina on Friday. Dave updated the Board on the humidity issues in the operating room. The humidity is too dry now that it is winter. Nick Kennedy is working with another company to meet compliance regulations. One replacement unit cost twenty two thousand dollars. Each surgical room requires a unit. Small units costing approximately fifteen thousand dollars each will be needed for the recovery and old delivery areas. Airgas replaced the oxygen supply tank south of the building. The company has been making adjustments to make sure the valves are working as they should.

Old Business: none

Mission-Vision- Values subcommittee: nothing to report, committee has not met since November. Facility Planning: nothing to report.

Credentialing Committee Report: Nicole Jones gave the report for the Credentialing committee. Privileges were requested for reappointment for Joe Barnes MD, Steven Ronsick MD, Joshua Garcia MD, and privileges as requested for Robyn Burwell, APRN. Nicki Jones moved that all be given privileges as requested. Sandi Preuss seconded the motion. Motion carried unanimously.

New Business: Chairman Henrickson asked for discussion on the Board's official newspaper of record. Discussion occurred, Mark Gervais motioned for the Phillips County Advocate be the newspaper for legal notices of the Board. Minutes will continue to be sent to both papers and it is up to Administration to determine the advertising preference. Stan Robb seconded the motion. Motion carried unanimously.

Chairman Henrickson discussed the annual reviewing of the Board's By Laws. Frankie Forbes, Board attorney, reported that his office had reviewed the By Laws in April when the Board took over the management of Phillips County Health Systems from Great Plains of Phillips County Inc. dba Phillips County Hospital through Great Plains Health Alliance. Chairman Henrickson discussed the Board format on recording votes. Sandi Preuss made a motion that starting next month, all votes would be recorded as to the number of members voting for the motion, the

number of members voting against the motion or abstaining from the vote and that those members voting against or abstaining would be named in the record/minutes. Nicki Jones seconded the motion. Motion carried unanimously.

Executive Session: Nicole Jones moved that the Board enter executive session for a period of 20 minutes to discuss personnel issues; seconded by Arliss Hatcher. Motion carried unanimously. Chairman asked that Board attorney, Frankie Forbes remain for executive session and announced a three minute recess. Peggy Fabin, Les Lacy, Dave Engel, Amanda Atkisson, Vickie Gibbs, Christi Driggs, Richard Ames, and John Beim left the meeting. Executive session began at 8:12 p.m. and returned to open session at 8:32 p.m. Arliss Hatcher moved that the Board re-enter executive session for a period of 30 minutes to discuss personnel issues; seconded by Stan Robb. Motion carried unanimously. Executive session began at 8:34 p.m. and returned to open session at 8:55 p.m.

Stan Kats moved that the Board have an executive meeting with Les Lacy on Tuesday, January 26th at 7 p.m. to discuss personnel issues. Seconded by Stan Robb. Motion carried unanimously.

Adjournment: Nicki Jones moved that the meeting adjourn; seconded by Sandi Preuss. Motion carried unanimously. Meeting adjourned at 8:56 p.m.

Next Board Meeting: Thursday, February 18, 2016 at 7 p.m.

Secretary _____

Recorder Peggy Fabin