

**Phillips County Health Systems
BOARD OF TRUSTEES' MEETING
Education Conference Room, Phillips Co. Hospital
May 25, 2017**

Board Members Present:

Stanley Kats	Jayne Holle
Hazel Ames	Vicki Constable
Stanley Robb	Jessie Wyrill
Christiane 'Criquet' Cole	Ruth Hackerott
Kelly Roe	

Staff Present: Rex Walk, (Interim) CEO
Les Lacy, VP of Regional Operations of GPHA
Rhonda Kellerman, Clinic Administrator
Krystal Schwenn, Chief Financial Officer
Tara Overmiller, Marketing Director
Shirley VanLoenen, Auxiliary President
Nick Kennedy, Maintenance Manager
Mika Cary, Risk Manager
Becky Levin, Laboratory Manager
Katie Heinzen, Patient Services
Marissa Davis, Swingbed Coordinator
Kevin Wilson, Information Technology
Peggy Fabin, HR Dept. / Board Recorder

Community Present:

Board Attorney Frankie Forbes, John A. Beim, Art Henrickson, Shirley Henrickson.
Chairman Stanley Kats called the Board of Trustees' meeting to order at 6:00 p.m. in the Education Conference room at the Phillips County Hospital.

Education: Rex Walk Interim CEO shared an online KHA Board Education video by Jake Poore, Trustees Takeaway-The Leader's Role.

Agenda: Vicki Constable made a motion to accept the agenda as presented. Kelly Roe seconded the motion. Motion carried 8-0.

Consent Agenda: Jayne Holle motioned for the consent agenda to be approved with #10 Medical Bylaws removed, seconded; by Ruth Hackerott. Motion carried 8-0.

Public Comment: None

REPORTS:

1. Financial Report: Krystal Schwenn, CFO reported on the Fiscal Year 2017 year end and the Audit process. Krystal reported that BKD will be here June 26th – June 30th to do their audit. Krystal reported on a Charity Care application from a patient in the amount of \$12,673.00. The needed paperwork for Charity Care has been received and the patient does meet the guidelines for the charity write off for this amount. Discussion followed. New Board members would like information on the guidelines and aspects that go into a Charity Care account brought to the June meeting. Jessie Wyrill motioned to approve the Charity Care request, Kelly Roe seconded the motion. Motion carried 8-0.

2. GPHA Report and Budget Report: Les Lacy presented the GPHA report (attached) and the 2018 Budget. He discussed the process that had been followed in budget development, which involved Krystal Schwenn, CFO and the department heads as well as a review with interim CEO Rex Walk. Ralph Slavens, Staff Accountant, GPHA also provided support and assistance.

Les Lacy reported that Krystal had gone through both the presentation budget and more than 800 lines of detail several times and had repeated conversations with department heads as necessary. He indicated that the budget is a management tool and most expenses can be dialed in fairly well, but variations in volume or patient needs would create variances in the expense side of the budget. Revenue in the budget is based on anticipated volume and adjusted charges and so is also an estimate. He indicated that while a reimbursement estimate had been made, it is very challenging to be accurate with this. Lacy stated that the hospital can and does make periodic estimates on reimbursement; it will not know exactly what will be paid for a case that happens today until the cost report is filed in the summer of 2018. Payments that are being received prior to filing that cost report are “interim payments.”

While the budget presented showed a loss in the accrual accounting format in which it is required to be presented, depreciation expense and allowance for doubtful accounts are not treated as cash. Therefore the budget represents a small positive cash position for the year end.

Following Lacy's presentation and discussion, Ruth Hackerott motioned to accept the budget as presented; seconded by Jessie Wyrill. Motion carried 8-0. Kelly Roe requested that she receive a copy of the full, line-item budget so that she could become more familiar with the information.

Shirley VanLoenen, President of PCHS Auxiliary, presented the information on the Auxiliary that started in 1952. PCHS Auxiliary is a volunteer program with 70 current members that holds quarterly meetings at Phillips County Hospital. The Auxiliary raises money through their gift shop at the hospital, fundraisers and bake sales. Of the monies raised, part is donated back to the hospital by purchasing equipment needs. The Auxiliarians have given 2042 hours of service to the hospital this year. The Auxiliary has a yearly \$250.00 scholarship they award for college tuition. This year's winning applicant was Baily Imm, a pharmacy student. The Phillips County Chamber and Main Street award for service was awarded to the PCHS Auxiliary this year at the Chamber Banquet. In April the Auxiliary hosted the District 5 meeting at the Huck Boyd Center with 72 attendees. In September the Auxiliary Board will be attending the Kansas Hospital Association meeting to accept the Gold Seal Award.

Katie Heinzen- PFAC (Patient Family Advocacy Council) reported that the Auxiliary donated \$2,000.00 towards the purchase of new signs for the Clinic and Hospital. Katie stated that the PFAC committee has solicited bids for signs from three commercial design companies. These signs will be moveable should the hospital and clinic relocate.

Shirley VanLoenen and Katie Heinzen left the meeting at 6:40 p.m. Art and Shirley Henrickson enter the meeting at 6:55 p.m.

COMMITTEE REPORTS:

1. Building, Equipment and Grounds Committee- Nick Kennedy, Maintenance Manager updated the Board on the Operating Room renovation. The ceiling should be completely installed, the air flow is installed and Medical Gas should be here Wednesday for the air balancing. The lighting is LED lighting. An Open House of the Operating Room will be June 5th from 11:30 – 1:30. The Informational Technology Server room that is currently in the HIM closet is being moved to an open room next to that closet which will give expansion to the IT equipment needs.
2. Credentialing committee – Hazel Ames reported that the Credentialing Committee had met and approved the privileges as requested for William R. Marsh, M.D. Radiology Consultant, Kearney. Hazel Ames moved that the Board approve the privileges as recommended by the Credentialing Committee; seconded by Vicki Constable. Motion carried 8-0.
3. Human Resource committee – Kelly Roe reported that the Mission Statement subject was discussed during the May 8, 2017 HR Committee meeting. It was discussed and decided by the HR committee that: 1) the Board had not yet resolved to modify the mission statement, and 2) the subject of the modification of the mission statement did not fall under the purview of an HR

committee. The reason the mission statement is even an issue is that there was some confusion as to whether the new "vision statement that was adopted and reflected in the April 2016 meeting minutes – was meant as a "vision statement," or rather was intended to be the new mission statement. After reviewing the minutes and the email from Sarah Rudd to the Board providing the language for the statement, it was apparent that the statement was intended as a vision statement, and not a mission statement.

The HR committee identified the following options for Board consideration:

- 1) Pass a new resolution accepting the April 2016 vision statement as the mission statement; or
- 2) Leave the April 2016 as the vision statement and either: a) leave the mission statement as it is currently, or b) develop a new mission statement.

The HR committee recommended leaving that statement as the vision statement and also recommended that the Board reinstate a strategic planning committee and authorize that committee to review the mission statement and strategic plan, and develop options and recommendations for moving forward.

OLD BUSINESS:

1. Board Bylaws: After discussion Vicki Constable motioned to table the proposed Bylaws revisions to allow adequate time for the Bylaws committee review, seconded by Jayne Holle. Motion carried.

2. Board Charter/Officer Job Descriptions: Kelly Roe motioned to table the discussion of the Board Chairman Job description as this could be incorporated into the revised bylaws.

Stan Kats advised the Board that he did sign a Bridge Loan at First National Bank for the payment on the Operating Room. The decision was made by Chairman Kats since a 90-day payment had been promised to Knipp and the original loan agreement paperwork hadn't been completed. He wanted the Board members to be aware of the bridge loan and the reason for it. Criquet Cole made a motion to ratify the bridge loan as agreed to by Chairman Stan Kats. Seconded by Jessie Wyrill. Motion carried 8-0.

3. Bylaws Committee Reinstatement: during the April 2017 Hazel Ames, Kelly Roe, and Jessie Wyrill volunteered to be on the Bylaws Committee. Chairman Kats thanked them for volunteering and appointed them to the Bylaws Committee.

4. Top 20 Critical Access Hospital Award: Tara Overmiller, Marketing Director, spoke of the employee picture that was taken to announce the Top 20 CAH award and was published in the local newspapers then was published by Hays, Salina and Wichita newspapers. That picture is

now the cover of Phillips County Health Systems Facebook page. A newspaper insert will be in next week's papers showcasing the Top 20 CAH designation and our services. The National Rural Health Association Annual Meeting will be September 27-29 in Kansas City when the actual award will be presented.

5. June Board Mini-Retreat: tabled till June meeting.

6. Internal Signature Approval Policy: Jayne Holle moved to approve the policy as presented, seconded by Kelly Roe. Motion carried. 8-0

NEW BUSINESS:

1. Outpatient Clinic Services update: Rex Walk (Interim CEO) reported to the Board that Dr. Harrison, Ortho Specialist notified him that he is moving, his P.A. will still see patients at our Outpatient Clinic. Rex continues to visit with specialist about utilizing our Outpatient Clinic.

2. Access Care: Utilization and hours of the access care was discussed; it was agreed to change the hours of Access Care to Monday-Friday 5-7 p.m., Saturday and Sundays 9 a.m. – 12:00. Jayne Holle made the motion to the changed hours of Access Care; seconded by Ruth Hackerott. Motion carried 8-0.

3. Patient Experience Program: Rex Walk (Interim CEO) reported on the Patient Experience Program, a position that would follow the patient from entering the door for services through discharge.

Becky Levin left the meeting at 8:31 p.m.

Rex Walk reported he had written a grant to the Morgan and Cole Foundation in the amount of \$30,000.00 to fund half of a full time employee for this position and the grant had been awarded. An applicant was interviewed by Krystal Schwenn, Tara Overmiller, Vickie Gibbs, and Katie Heinzen. Rex Walk was not involved in the interviewing process. The applicant was accepted and will start June 19th. Rex Walk apologized to the Human Resource Department employees Sonya Aiken and Peggy Fabin as the hiring process policy was not followed with the applicant.

BOARD EDUCATION:

Mika Cary, Risk Manager presented the Avera e Care system utilized in the Emergency Room. Avera is a telecommunication system which allows the nurses or providers to push a button and have access to a group of specialist in South Dakota. Those specialist include trauma physicians, therapists, radiologist, cardiologists, etc. as well as nurses and they can help direct the care provided to the patient. The system is available 24 hours every 365 days throughout the year. Phillips County Hospital was the first to implement the system in Kansas through a grant. The Avera system staff can help arrange transfers to Hays, Kearney hospitals or AirCare to other facilities which frees up time for the nurses or on-call provider to be with the patient in the

Emergency Room. A tour of the Avera system and the new hospital beds that was received through a grant was planned but due to time the tour was postponed. Mika reported on a notice received from the KU Heart and Stroke Collaborative commending PCHS on their superb stroke care given on administering Tpa (clot busting) medication to stroke patients. Dr. Moser reported that the Tpa was done in 31 and 33 minutes!! The 31 minute door to drug patients came in by the fantastic Phillips County EMS service who called a stroke in the field and the drug was literally given minutes after the CT interpretation was completed. Kudos to Phillips County Nurses, Providers and EMS staff, 31 minutes is the Kansas Heart and Stroke Collaborative record for giving Tpa.

Executive Session:

Jessie Wyrill moved that the Board enter executive session for a period of 10 minutes to discuss personnel issues; seconded by Kelly Roe. Motion carried 8-0. Chairman Kats asked that Rhonda Kellerman, Les Lacey, Frankie Forbes, and Rex Walk stay in addition to the Board and then announced a five minute recess. John Beim, Art Henrickson, Shirley Henrickson, Krystal Schwenn, Nick Kennedy, Tara Overmiller, Mika Cary, Marissa Davis, Kevin Wilson, Peggy Fabin left the meeting.

EXECUTIVE SESSION: Executive session began at 9:37pm and open session resumed at 9:47pm. Kelly Roe moved that the Board re-enter executive session to further discuss personnel issues for a period of twenty minutes; seconded by Jessie Wyrill. Motion carried 8-0. Executive session began at 9:48pm and open session resumed at 10:09pm. No action taken.

Kelly Roe moved that the Board enter executive session for a period of thirty-five minutes to discuss personnel issues; seconded by Jessie Wyrill. Chairman Kats asked that only the Board and Frankie Forbes attend the session. Rhonda Kellerman, Les Lacey, and Rex Walk left the meeting. Executive session began at 10:12pm and open session resumed at 10:45pm. Criquet Cole moved that the Board authorize Chairman Kats to negotiate with Rex Walk for a full time administrator position and bring the results back to the Board; seconded by Ruth Hackerott. Motion carried 8-0.

ADJOURNMENT: Stan Robb moved that the meeting adjourn; seconded by Vickie Constable. Motion carried 8-0. Meeting adjourned at 10:52pm.

Next Board Meeting: Thursday, June 22, 2017 at 6 p.m.

Secretary Nazel Ames

Recorder Peggy Fabin