

**BOARD OF TRUSTEES' MEETING**  
**Education Conference Room – Phillips County Hospital**  
**Thursday, April 26, 2018, 6:00 pm**

**Board Members Present:**

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

**Staff Present:**

Rex Walk, CEO	Krystal Schwenn, Chief Financial Officer
Les Lacy, VP Regional Operations of GPHA	Tara Overmiller, Marketing Director
Codi Cox, Patient Account Manager	Rhonda Kellerman, Clinic Administrator
Jennifer Dodds, Patient Engagement Director	Sonya Aiken, Payroll/Benefits Coordinator
Kathleen Wilson, Chef	
Theresa Hughes, Board Recorder	

**Community Present:**

Board Attorney Frankie Forbes, Kayla Cartwright (via teleconference), John A. Beim, Darrell Phillips, Bill Calhoun, Tony Black, John Lanning, Leslie Gary.

Chairman Stanley Kats called the Board of Trustees' meeting to order at 6:00 pm in the Education/Conference room at the Phillips County Hospital.

**Review of Agenda:** Chairman Kats asked for any additions to the agenda. Additions requested included: 1) Kelly Roe brought up a point of order that the election should occur at the beginning of the meeting to coincide with the term of officers and bylaws requirements. 2) Kelly Roe further proposed a resolution amendment be added to the discussion of Board Officer Elections listed under New Business. After lengthy debate on both requests, Stan Kats ruled against modifying the agenda. Criquet Cole motioned to approve the agenda; Ruth Hackerott seconded. Motion carried 7-1, Kelly Roe voting against.

**Consent Agenda:** Chairman Kats asked for approval of the Consent Agenda. Jessie Wyrill moved to accept the consent agenda; Jayne Holle seconded. Motion carried 8-0.

**Public Comments:** None.

**Guest Introduction and Presentation:** Rex Walk introduced John Lanning, COO of Kearney Regional Medical Center. John discussed his role and introduced their new CEO, Bill Calhoun.

Bill talked about KRMC's commitment to excellence and their goal to provide physician-driven, state-of-the-art medical care to the region. They would like to continue to grow and strengthen the relationship with PCHS moving forward.

Bill Calhoun, Tony Black, and John Lanning left the meeting at 6:31 pm

Darrell Phillips from DPI Benefits spoke to the company's commitment to deliver extraordinary service that is the best of its kind. Also, leverage their market leadership and business volume to offer the best benefits at the lowest cost. Darrell provided an overview of how the current employee benefit plan is progressing and that PCHS will see a reduction in premiums of 18.53%.

Rex suggested the discussion stay on topic of health insurance and that item 1 under New Business on the agenda be presented concurrently.

**1. Employee Health Insurance:** Tara Overmiller went over the process PCHS went through to ascertain the best option for health benefits for employees and the companies they looked at for coverage. Sonya Aiken walked the Board through the proposal for approval showing significant savings for both employee and employer contributions while maintaining excellent coverage. Further discussions revolved around incentives to use PCHS facilities and establishing a Wellness Program. Darrell informed the Board of two "passive" wellness plans DPI currently has for diabetics and Tria Health to work medication management for those patients with chronic conditions. No vote required.

Dr. Lawton joined the meeting at 6:38 pm

Darrell Phillips left the meeting at 7:05 pm

Codi Cox introduced Kayla Cartwright; Patient Financial Services Manager with Cerner, Kayla joined the meeting via teleconference at 7:08 pm. Kayla discussed her role with Cerner and GPHA and her current working relationship and commitment to PCHS. Kayla has a weekly call with Rex, Krystal, and Codi to discuss concerns and successes and ensure PCHS' overall financial health. Since taking over the role in January 2018, Kayla has worked closely with Codi to address aging receivables. Kayla has committed to working with GPHA and PCHS to keep systems up to date with evolving regulations and training.

**REPORTS:**

**1. February 2018 Financial Report:**

ASSETS	Feb. 2018	Jan. 2018	Feb. 2017	LIABILITIES	Feb. 2018	Jan. 2018	Feb. 2017
Cash	\$842,486	\$843,287	\$431,773	Accounts Payable	\$1,033,731	\$1,044,768	\$832,509
Accounts Receivable	\$2,008,854	\$1,971,125	\$1,584,875	Current Portion Notes Payable	\$207,203	\$307,203	\$6,925
Allowance for Doubtful Accts	\$331,024	\$329,658	\$462,344	TOTAL CURRENT LIABILITIES	\$2,275,946	\$2,427,239	\$1,984,939
Allowance for 3rd Party Contractual Adjustments	\$314,440	\$314,440	\$14,753	TOTAL LONG TERM LIABILITIES	\$257,136	\$262,134	\$264,532
TOTAL ALLOWANCES	\$16,584	\$15,218	\$477,097	Operating Fund	\$2,295,071	\$2,295,071	\$2,002,942
Net Accounts Receivable	\$1,992,270	\$1,955,906	\$1,584,875	Restrictive Fund	\$303,037	\$303,037	\$164,851
Total Other Current Assets	\$305,522	\$298,574	\$262,788	TOTAL FUND BALANCE	\$2,598,108	\$2,598,108	\$2,167,793
TOTAL CURRENT ASSETS	\$3,140,278	\$3,097,768	\$2,279,436				
TOTAL RESTRICTED ASSETS	\$193,610	\$150,054	\$228,061	NET PROFIT (LOSS)	\$75,011	\$139,717	\$411,685
NET PROPERTY AND EQUIPMENT	\$1,853,270	\$1,880,902	\$1,478,889		Feb. 2018	Jan. 2018	Feb. 2017
				Days in AR:	58	58	69
TOTAL ASSETS	\$5,206,201	\$5,147,765	\$4,005,579		FY2018	FY2019	GPHA All
				Average Days in AR	65.2	63	59

Ruth Hackerott moved to accept the financial report; Jayne Holle seconded. Motion carried 8-0.

**2. Year-end Closing Activites:** Krystal Schwenn gave a quick update on the timeline for FY2018 closing. GPHA will be starting their audit June 11<sup>th</sup>, and BKD will start their audit on July 9<sup>th</sup>. BKD will present their results to the Board after completion. The Cost Report will be completed and filed no later than August 31<sup>st</sup>.

**COMMITTEE REPORTS:**

- 1. Credentialing Committee:** The credentialing committee met and reviewed the applications of the following providers:

**Appointment with privileges as requested:**

Nancy Kisner, PA

Allied Health, Locum

Mark Meyer, M.D.

Consultant, Orthopaedic

**Reappointment with privileges as previously requested:**

Karim Marsri, M.D.

Consultant, Freestate Telehealth

Timothy Lawton, M.D.

Locum, Family Practice

David Hadford, M.D.

Consultant, Radiology Bryant Heart

Joseph Kummer, M.D.

Consultant, Radiology Bryant Heart

Hazel Ames moved that the privileges be approved for all as requested; seconded by Vicki Constable. Motion carried 8-0.

2. **Human Resource Committee:** Discussion centered on the need for a Human Resource Director. Hazel Ames suggested the conversation be tabled until there is an applicant for the position while discussions continue on the exact roles and responsibilities.
3. **Building, Equipment & Grounds:** No report this evening.

**OLD BUSINESS:**

**1. Grant Notifications Requiring PCHS Board Approval:**

**a. Student Loan Repayment Program:** Rex updated the Board on the need for their approval to move forward with the 25% of the Student Loan Repayment Program not covered by the Morgan and Cole Foundation grant. The dollars needed are budgeted for and provide a crucial recruiting benefit for new physicians and in retaining current providers. Vicki Constable moved that the Board approve the 25% payout; Jayne Holle seconded. Motion carried 8-0.

**b. Mammography Unit:** Tara Overmiller informed the Board that PCHS had received funding for mammography equipment from the Hansen Foundation for \$100,000 with an additional \$5000 from the Armstrong Foundation. PCHS would need to cover the remaining \$30,000 for equipment purchase. Rex Walk called GE during the meeting and got them to agree to lower the cost to \$125,000 reducing PCHS' portion to \$20,000. Tara indicated she is still looking for additional sources of funding as well. Les Lacey suggested a cost analysis be run to provide additional data to Board members. Jayne Holle moved to allow the Executive Committee to make the decision pending the cost analysis; seconded by Jessie Wyrill. Motion carried 8-0.

**2. Centralized Billing Office:** Codi Cox updated the Board that at this time they do not have a recommendation yet for moving forward with any changes to the current Centralized Billing

Office. Krystal and Codi have met with additional companies outside of Cerner and hope to have more detailed information at the May Board meeting.

Kathleen Wilson joined the meeting at 8:27 pm.

## **NEW BUSINESS:**

**1. Philips Lifeline Options:** Jennifer Dodds presented the Board three options for continued service with Philips Lifeline. 1) PCHS can continue to install, service and bill subscribers. 2) Go from renting to a "lease to own program" which would earn/save \$3,700 per year with the current subscriber base. 3) Turn over current subscribers to Philips to include all operations. Jennifer will have additional information and recommendation at the May meeting.

**2. Nex-Gen Internship Program:** Jennifer Dodds updated the Board on the interviews and hiring of interns from Nex-Tech's Student Internship Program. Jennifer was excited to report that there were 13 applicants and Nex-Tech agreed to fund four positions at PCHS starting June 4<sup>th</sup> and running through the summer. Four excellent candidates were selected, Conner Weinman and Erica Hoover for Physical Therapy and Alyssa DeBoer and Kylie Wood for Nursing.

**3. Logan Clinic Update:** Rex updated Board members on a recent trip to Logan with Stan Kats and Tara Overmiller. They met with Max Lowry and Brian Stockman about plans going forward with Logan Clinic. Logan Clinic will be working to implement a Direct Primary Care model, an alternative payment model accessing high functioning healthcare with a simple, flat, \$100 monthly membership fee. No fee-for-service payments. No third party billing.

**4. Board Election of Officers:** After lengthy debate on the pros and cons of holding elections at calendar year-end versus fiscal year-end, it was decided that the current officers have their tenure extended to December 31st to coincide with newly elected Board members. Jayne Holle motioned that the Board retain and the three officers, Stan Kats, Chairman, Stan Robb, Vice Chairman and Hazel Ames, Secretary extend their term to December 31, 2018. Stan Robb seconded. Motion carried 5-3, with Hazel Ames, Jessie Wyrill and Criquet Cole voting No. Frankie Forbes suggested that the terms extend until the next Board meeting and come back with a proposal to modify the bylaws to include an election at the beginning of the calendar year as opposed to fiscal year-end. Motion to rescind died due to lack of a vote.

**Next PCHS Board of Trustees' Meeting:** Thursday, May 24, 2018, 6:00 pm in the Education Conference Room at Phillips County Hospital.

**EXECUTIVE SESSION:** Vicki Constable moved that the Board enter executive session to discuss employer-employee negotiations pursuant to KSA 75-4319(b) (3); that Board members, Rex Walk, Frankie Forbes, Krystal Schwenn, Les Lacey, Rhonda Kellerman, and Tara Overmiller

attend and that open meeting resume in the conference room at 9:45pm. Seconded by Hazel Ames. Motion carried unanimously. John Beim, Leslie Gary, Jennifer Dodds, Codi Cox, Sonya Aiken, Kathleen Wilson, and Theresa Hughes left the meeting.

Open session resumed at 9:45 pm. No action taken. Jayne Holle moved that the Board re-enter executive session to discuss employer-employee negotiations pursuant to KSA 75-4319(b) (3), that the same people attend and that open meeting resume in the conference room at 9:52pm. Seconded by Jessie Wyrill. Motion carried unanimously.

Open session resumed at 9:52pm. No action taken.

**ADJOURNMENT:** Vicki Constable moved the meeting adjourn; seconded by Jayne Holle. Meeting adjourned at 10:08pmpm.

Secretary Hazel Ames

Recorder [Signature]