

**BOARD OF TRUSTEES' MEETING
SPECIAL MEETING
Curt Erickson Conference Room – Phillips County Hospital
Tuesday, October 16, 2017, 6:00 pm**

Board Members Present:

Stanley Kats

Jayne Holle

Christiane 'Criquet' Cole

Hazel Ames

Kelly Roe (via Teleconference)

Stan Robb

Jessie Wyrill

Ruth Hackerott

Vicki Constable

Staff Present:

Rex Walk, Interim CEO

Codi Cox, Patient Account Manager

Rhonda Kellerman, Clinic Administrator

Theresa Hughes, Board Recorder

Krystal Schwenn, CFO

Donna Winchell, HIM Director

Mildred Hadley, Radiology Supervisor

Community Present:

Board Attorney Frankie Forbes, John A. Beim, Tad Felts, Jim Cole, Arliss Hatcher.

Chairman Stanley Kats called the Board of Trustees' meeting to order at 6:10 pm in the Curt Erickson conference room at the Phillips County Hospital.

Review of Agenda: No additions. Jayne Holle moved the Agenda be approved; seconded by Ruth Hackerott. Motion carried 8-0.

Public Comment: None.

REPORTS:

1. September 2018 Statistics: Rex Walk wanted to update the Board on September numbers. Highlights included Physical Therapy is up 7% and patient average per day went from 4.3 to 6.8. Rex will present the full financial report at next week's regularly scheduled Board meeting.

Rhonda Kellerman joined the meeting at 6:18 pm.

OLD BUSINESS:

1. Centralized Billing Office (CBO): After questions arose in the September Board of Trustees meeting regarding the CBO and move to Cerner it was decided to dig deeper and try to find answers for those concerns. Krystal Schwenn and Codi Cox presented the Board their findings in researching the two options, direct with Cerner or Cerner with GPHA. After briefly going over the history of GPHA and PCHS, Codi and Krystal walked the Board through the current CBO contracts and the pros and cons of each.

GPHA Proposal: 2.25% fee, ninety (90) day termination clause, access to GPHA billing and compliance experts. Frankie discussed GPHA stating that if PCHS goes with Cerner direct their previous offer allowing the hospital to utilize their experts for a \$150 per hour fee would be off the table.

Cerner Proposal: 1.99% fee, three (3) year term, maximum increase per year after the end of the initial contract is .002%; additional costs for Quadax/Denials Management; Premier (Medical Necessity Checker) and Web Docs (Storage) \$887.00.

Krystal and Codi spent several days researching and obtaining answers to employee concerns across all departments for any potential gaps in service in leaving GPHA as well as pros and cons of each proposal. Both Krystal and Codi believe if an issue arises that Cerner cannot assist with they can utilize their extensive industry networks to address any issues for which they currently use experts at GPHA. The final staff recommendation is that PCHS moves the Centralized Billing Office services to Cerner Direct and are committed to making it successful.

2. Update Regarding Ongoing Negotiations with GPHA: Frankie Forbes discussed his ongoing negotiations and productive calls with GPHA regarding financial services that they could provide to PCHS. GPHA's initial proposal was higher than PCHS is comfortable with and included unnecessary services. Frankie reiterated that PCHS would not agree to \$80k annually and would submit a counterproposal with only those items needed by PCHS bringing it down to \$60k. Initially, GPHA appeared to be receptive to the lower proposal from PCHS. However, the last email Frankie received before the meeting indicated they were no longer willing to budge on the initial proposal of \$80k. Frankie asked the Board for direction on any further negotiations with GPHA. The Board consensus is that Frankie's time could be better spent elsewhere and should not spend any more time on the GPHA negotiations.

Rhonda left the meeting at 7:10 pm.

3. Contingency Planning Efforts: Financial and Other Services: Rex Walk informed the Board that PCHS is currently receiving several bids and proposals from financial services companies, healthcare management companies as well as Health Care Organizations for the necessary defined services. To make an informed decision, Stan Kats would like to schedule additional special Board meetings to review all of the bids with the Board before the current 90-day out clause with GPHA expires on November 21st

4. Upcoming Board Meetings:

- a. Thursday, November 1st, 2018, 6:00 pm – Rex will provide bids from interested companies on financial services for the Board to review.
- b. Thursday, November 8th, 2018, 6:00 pm – Meeting to discuss the competing companies and their bids for PCHS financial services.
- c. Thursday, November 15th, 2018 6:00 pm – Regular monthly Board of Trustees Meeting.

The meetings will be in the Curt Erickson Conference Room on the main floor of Phillips County Hospital.

EXECUTIVE SESSION: At 7:25 pm, Jayne Holle moved that the Board enter executive session for a period of 10 minutes for attorney-client privilege pursuant to K.S.A. 74-4319(b)(2), that only The Board, Rex Walk, Frankie Forbes, Krystal Schwenn and Mildred Hadley attend to participate in the discussion, and that open meeting resume in the Curtis Erickson conference room. Motion seconded by Ruth Hackerott and carried 8-0. Chairman Stan Kats called a 5-minute recess while Codi Cox, Donna Winchell, John Beim, Tad Felts, Jim Cole, Arliss Hatcher, and Theresa Hughes left the meeting.

OPEN SESSION: Open session resumed at 7:40 pm. No action taken. Mildred Hadley continued the discussion on an I-CAD unit for the mammogram machine initiated during Executive Session. The I-CAD unit is an accessory which the radiologists request. It was the consensus of the Board that the unit was needed and to pursue grants to help defray the cost of the unit.

ADJOURNMENT: At 7:55 pm Jessie Wyrill moved that the meeting adjourn; seconded by Ruth Hackerott. Meeting adjourned.

Secretary Haye) Jones
Recorder Shirley