

June 30, 2021

Welcome Announcement of Open Meeting Law Posting

Karen Dahlkoetter called the Meeting of the Thayer County Health Services Board of Trustees to order on June 30, 2021, at 7:00 p.m. in the TCHS Bruning Conference Room, 120 Park Avenue, Hebron, NE. The open meeting laws are posted and viewable in the conference room. Present on roll call were Karen Dahlkoetter, Loren Wiedel, Laura Tuma, Connie Lichty, and Mike Long. Others in attendance: Scott Cook, Jamie Koch, Marie Knedler, Peggy Hamilton, Lori Grummert, Andrew McCabe (Wipfli), and Rita Luongo. Recorder: Bridget Behrends, Executive Assistant.

Approval of Agenda & Approval of May 2021 Board Meeting Minutes & April 20, 2021 & April 21, 2021 Emergency Meeting Minutes: Loren motioned to approve the agenda along with May 2021 Board Meeting Minutes & April 20, 2021 & April 21, 2021 Emergency Meeting Minutes. Connie seconded. Laura abstained due to absence from May's meeting. Roll call vote, all yes. Motion carried.

Wipfli Presentation: The Thayer County Health Services Medicare Cost Report Summary was presented by Andrew McCabe, Wipfli. The components of this presentation involved: basic reimbursement for a Critical Access Hospital (CAH), an overview of the Medicare Cost Report, along with highlights from the Medicare Cost Report. Following the presented information, there were discussions regarding Medicare Advantage plans, cash flow, reimbursement, revenue, expenses, various accounts, and annual review. Overall, this provided the board with additional detailed education and allowed for questions to be answered regarding the financials for Medicare in a Critical Access Hospital.

Financial Statements- May 2021:

Lori Grummert, Controller reviewed the financial statement packet for the Eleven Months Ended May 31, 2021 and 2020 with the Board:

Month: Operating loss of (\$113089) or (5.5%) and an EBIDA of \$38531 or 1.9%. Management Fee is over budget, as FY 2021 budget was decreased for Management Fee. Contract Services includes: Quality, Senior Life Solutions, IT and HHS. Cash and equivalents increased by \$418,079 to \$11,518M, from prior month. Days cash on hand remains strong at 180.3.

Year to Date: Operating Income was \$1,143,603 or 4.7%, total margin of \$1,216,418 or 5.0%, and an EBIDA of \$2,924,216 or 12.2%. AR Days at the end of May were 46.0 (gross) and 43.9 (net). TCHS AR days are very good and considerably better than compared benchmarks. Age of plant continues to rise as depreciation expenses continues to drop along with capital investments.

Additional Information: TCHS has received multiple CAREs Act stimulus payments. Regulations are being continually reviewed regarding these funds so they can be properly accounted for. TCHS continues to invest in the community and Health System. The new HR/Payroll system implementation is continuing. As mentioned above Management Fee was decreased from \$443,500 to \$186,000 in the budget.

Discussion: Moving forward, directors will be held more accountable for budget management.

Laura made a motion to approve the May 2021 Financial Statements, Mike seconded. Roll call vote, all yes. Motion carried.

Officers Reports:

Chief Executive Officer Report- Scott Cook

- a. **Consent Agenda (May) – Loren made a motion to approve the May consent agenda as written; Connie seconded. Roll call vote, all yes. Motion Carried.** Discussion before approval: There was a discussion regarding the Quality and Safety Committee Meeting Minutes being added to the consent agenda. Jamie reported that it was suggested by state surveyors that all committees involving quality should go to the board. The board will now receive meeting minutes from Medical Staff, Policy & Procedure, Quality Committee, Safety Committee, and Compliance Committee Meetings.
- b. **Expansion Project:** Scott reported that Josh Olsen of CHI Health met with McCarthy to review the bill and discuss potential rescope of the project based on TCHS needs. Therefore, Josh Olsen will be providing consulting as TCHS assesses demographic data and volumes in regards to Specialty Clinic. It was determined that Scott Cook, Interim CEO, will conduct demographic research along with assess inpatient and outpatient data to determine appropriate services. The Building Committee plans to meet in August to discuss the expansion project.
- c. **Jarie Sones:** Scott announced that Jarie Sones, APRN, has tendered her resignation with TCHS. Scott reassured the board that this decision was not made with any malice towards TCHS or its direction. This decision has been made with Jarie's desired career path at focus. Jarie is honored to continue providing patient's healthcare needs until her last day and plans to work together with TCHS to make this transition as smooth as possible to continue the great service provided at TCHS. At this time, Scott recognized that it has been a privilege to have Jarie Sones, APRN, with the organization and serving TCHS patients since October 2018.
- d. **New Hires:** Scott reported that there were three new hires in the month of June. These individuals include: Julia Boshart, Pharmacy Tech, Tanya Potthoff, Clinical Informatist, and Mary Skyler, Staff Pharmacist. During this time, Scott introduced Peggy Hamilton, Interim CFO to the board. Peggy is coming to TCHS from previous roles with Chambers Health in Anahuac, Texas and most recent work with the Ministry of Health in New Zealand. Peggy brings a wealth of knowledge in finance and critical access hospital operations.

Chief Nursing Officer Report- Jamie Koch

- a. **Physician Credentialing: Connie motioned to approve the initial appointments and re-appointments as recommended by the Medical Staff. Mike seconded. Roll call vote, discussion prior to approval:** none.
- b. **State Survey Results:** Jamie reported that State Surveyors were onsite at Thayer County Health Services starting on Monday, May 24-2021 through Thursday, May 27, 2021. Overall, the state survey went well with TCHS being sited with two small deficiencies. In the Exit Interview, it was determined that there was one deficiency related to documentation for preventative maintenance of equipment. Jamie was pleased to report that the State Survey Plan of Correction has been approved and TCHS does not anticipate a follow up walk-in from surveyors.
- c. **Vaccine Clinic Grant:** Jamie reported that TCHS has submitted an application for a COVID-19 Vaccine Clinic Grant. This Rural Health Vaccine Education Grant will provide \$20,000 with the potential of up to \$50,000 per clinic of grant funding for vaccine clinics. This includes all vaccines such as flu and hepatitis in addition to COVID-19. During this time, Scott thanked Rita for her efforts, as she went above and beyond with assisting a number of other Critical Access Hospitals with this grant process.

Chief Financial Officer Report- Lori Grummet

- a. **Capital Budget:** Lori presented the Capital Budget to the board. During this time, Scott reported that there is flexibility to this budget, as TCHS is waiting on quotes. These capital items include: AHU 1 replacement, replacement-components-chiller, repair ambulance garage door, nutanix node, Hgb A1C testing, isolation rooms, bariatric bed with ceiling lift, infant warmer, IV hood, Biodex balance platform, Retail Pharmacy updating, vital signs monitor with telemetry, ECG machine, ortho drills and saws, sterilization containers, cautery machine, anesthesia machine monitor, CO2 unit for scopes, and vital signs monitor with telemetry. Following this information, there were discussions regarding the isolation room, generator, air handler, chiller, and parking lot. As a result, the top two items of AHU 1 replacement and replacement-components-chiller will be taken off of the Capital Budget as Carol McCormick of CHI Health will come assess the TCHS facility needs. Lastly, it was suggested that a quarterly report is provided to the board to verify what has been spent in the capital budget. **Laura motioned to approve \$665,400 of the Capital**

Budget with removal of the AHU 1 replacement as well as the replacement-components-chiller and revision to the isolation rooms. Loren seconded. Roll call vote, all yes. Motion Carried.

- b. **Fiscal Year 2022 Budget:** Lori presented the Fiscal Year 2022 Budget to the board. During this time, key assumptions, key ratios, and key statistics were reviewed. In addition, statements of net position, statements of cash flow, and statements of revenue, expenses and changes in net position were reviewed. Following this information, there were discussions regarding the pharmacy budget, senior life solutions, decrease in lab tests, along with the volume of surgery scopes. Lori mentioned that there was an operating loss of \$264,749. Loren asked if the directors provide most of this information. Scott responded that the directors will be provided tools and held accountable for their budgets. **Laura motioned to approve the Fiscal Year 2022 Budget. Loren seconded. Roll call vote, all yes. Motion Carried.**

Vice President of Clinic Services-

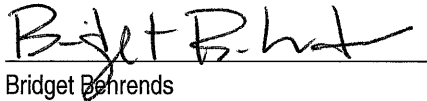
- a. None.

Old Business for The Board: *none.*

Miscellaneous/New Business for the Board: *none.*

Visitor Comments: *none.*

Executive Session: Laura moved to go into Executive Session at 9:08pm, Connie seconded. Roll call votes, all yes. Motion Carried. (See Executive Session minutes attached).



Bridget Behrends
Executive Assistant



Scott Cook
Interim Chief Executive Officer