



June 26, 2024

#### **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 26 at 7:00 pm 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 the roll call were Karen Dahlkoetter, Loren Wiedel, Connie Lichty and Mike Long. Absent Laura Tuma. Others in attendance: Brian Rokusek, Amanda Vandervoort, Mike DeFoe, and Alex Burhop of CHI Health was on the phone. Recorder: Lori Grummert, Controller.

#### **Approval of Agenda & Approval of May 29, 2024 Board Meeting Minutes:**

**Mike motioned to approve the agenda along with the May 29, 2024, Board Meeting Minutes as written. Connie seconded. Roll call vote: Loren yes, Mike yes, Connie yes, and Karen yes. Motion carried.**

#### **Financial Statements –May 2024:**

Mike reviewed the financial statement packet for the Eleventh Month Ending May 31, 2024, and 2023 with the Board:

Month of May: Overview of the May 31, 2024, financial statements for the eleventh month of fiscal year 2024. MTD there was an operating gain of \$180,000 and an EBIDA of \$337,000. Total patient revenues were above budget 5% and the prior year 20%. Inpatient revenue was under budget (52%), outpatient and professional revenues were above budget 14% and 3% respectively. The average daily census for the floor was 3.1 with no nursery stays in the month.

Outpatient statistics for the month of May were above budget in all areas. Surgery visits 19%, ER visits 30% and Imaging 36% all had significant revenue impacts. Clinic visits were under budget (4%) and the prior year (4%). Total expenses were over budget 5% for the month.

For the month total cash and investments increased \$848,000. The days cash on hand ended at 93 days. We continue to work with the new TC Pharmacy QS1 software and made a partial estimated revenue entry as the reconciliation process is still being worked by Pioneer and the pharmacy.

Year to Date: The YTD operating loss was (\$530,000), total margin (\$342,000) and an EBIDA of \$1,295,000. The YTD total patient revenue was under budget (6%) but above prior YTD 3%. The net patient revenue is under budget (11%) and the prior year (3%). The May financials were prepared using the cost report template that was updated with the TCHS FY23 audited data. AR Days decreased (9) to 51 days net as we strive to reduce AR days back to 50.

Additional Information: Per the cost report monthly template supplied by Wipfli, our current estimated Medicare rates for the month were: IP \$5,606, OP 69.5% and SWB \$5,215. Prior year rates were IP \$5,631, OP 72% and SWB \$4,395.

**Loren made a motion to approve the May 2024 Financial Statements, and Mike seconded. Roll call vote, Loren yes, Mike yes, Connie yes, and Karen yes. Motion Carried.**

#### **Officers Reports:**

##### **Chief Executive Officer Report-Brian Rokusek**

- a. **Consent Agenda (May) – Connie made a motion to approve the May consent agenda as written; Loren seconded. Roll call vote, Connie yes, Loren yes, Mike yes, and Karen yes. Motion Carried.**
- b. **Administration Update:** Brian reported that 85% of employees completed the Employee Engagement survey. Leadership continues to work on the strategic plan to align with employee engagement survey. Plans to present at either July or August board meeting.
- c. **New Hires:** Brian reported on two new hires for the month. Danielle Blackburn – Retail Pharmacist and Jennifer Nieman Clinic Triage Nurse.

##### **Chief Nursing Officer Report – Jamie Koch**

- a. **Physician Credentialing: Mike motioned to approve the initial appointments and re-appointments as recommended by the Medical Staff. Connie seconded. Roll call vote. Mike yes, Connie yes, Loren yes, Loren yes and Karen yes. Motion carried.**

**Chief Financial Officer Report – Mike DeFoe**

**FY25 Budget – Mike reviewed the budget for FY'25**

**Assumptions**

**Volumes:**

1. 18% Clinic visit increase. This is with ramp up of new APP providers at 70%.
2. Payor mix is consistent with prior year with Medicare Advantage in commercial.
3. Surgery procedures increase due to Ortho procedures increase with more days from provider.
4. Imaging increase has MRI onsite increase as well as new APP provider utilization.
5. Lab increases due to clinic visits and new APP provider utilization.

**Revenues:**

1. 3.99% charge master increase with this budget and review actual increase the beginning of FY 2025.
  - 1.1. Outpatient and Prof Fees revenue increase driven by clinic visits with additional providers.
  - 1.2. Additional patient revenue increases due to Ortho procedures increase with more days from provider.
2. Adjustments have been blended with the prior year and historical performance as OP Medicare utilization grows.
3. TC Pharmacy has continued script and revenue growth.
4. TCHS will strive to get patients to complete charity applications to increase charity care and reduce bad debt.
5. TCHS is expecting the Provider Assessment to be received in FY25 but is not represented in this budget.

**Operating Expense:**

1. Per the NHA salary survey, TCHS will have a market increase as well as a merit increase.
2. Benefits have 30% health insurance increase in second half of fiscal year.
3. Contract services 24% increase due to Ni2 Revenue Cycle maintenance. There is a like amount increase in revenues. We are expecting more but wanting to see how much actual impact.
4. Supplies increase due to \$130,000 implant increase.
5. Other Expenses increased due to marketing for providers and employee retention.
6. Training increases as education is back to onsite over online.
7. Minor Equipment increase due to additional surgical and Med/Surg equipment.

**Capital:**

1. Ambulance - \$75,000. Grant, the rest from Thayer County Hospital Guild and Foundation.
2. Radiology Equipment – looking at cash purchases or capital leases.

**Loren made a motion to approve the FY'25 Budget and Capital Budget, and Mike seconded. Roll call vote, Loren yes, Mike yes, Connie yes, and Karen yes. Motion Carried.**

**Chief Operations Officer – Amanda Vandervoort**

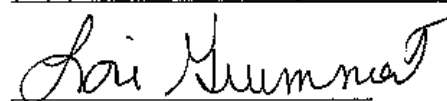
- a. **Provider Update:** None.

**Old Business for the Board:** None.

**Miscellaneous/New Business for the Board:** None

**Visitor Comments:** Alex Burhop, update on the organization chart with the CMO and CNO still waiting on. The Golf outing was great to participate in.

**Connie moved and Mike seconded to adjourn the Board of Trustees meeting at 8:46 pm. Roll call taken. Connie yes, Mike yes, Loren yes and Karen yes. Motion carried.**



Lori Grummert  
Controller



Brian Rokusek  
Chief Executive Officer