

<b>Meeting Title:</b>	Board of Trustees Meeting	<b>Chairperson:</b>	James Moreau
<b>Date/Time:</b>	March 20, 2024	<b>Location:</b>	Norton County Hospital

**Norton County Hospital  
Board of Trustees Meeting Minutes**

<b>Attended</b>	<b>Position</b>
James Moreau	Board President
Jimmy Todd	Board Vice-President (via Zoom)
Jerry Hawks	Board Member
Andrew Black	Board Member
Randa Vollertsen	Board Treasurer
Lee Juenemann	Board Member
Garrett Beydler	Norton County Commissioner
Kevin Faughnder	NCH Chief Executive Officer
ReChelle Horinek	NCH Chief Financial Officer
Shannan Hempler	NCH Director of Human Resources
Klare Bliss	NCH Chief of Information
Mel Dewitt	NCH Risk and Clinic Manager
Tabetha Harris	NCH HR Assistant/Public Relations
Sarah Mohr	NCH DON
Matt Morris	FORVIS Rep
Amanda Kuxhausen	NCH Quality Control and Risk Management

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	<b>Agenda Item</b>	<b>Action and/or Time</b>
1.	February 21 <sup>st</sup> , 2024 Board Meeting Minutes	Motion by Randa Vollertsen to approve the amended minutes of the February 21 <sup>st</sup> , 2024 meeting. Second by James Moreau. Motion carries unanimously.
2.	<b>Consent Agenda Items:</b> a) Personnel Information b) Patient Satisfaction Survey Summary c) Accounts Payable – Bills	Motion by Randa Vollertsen to approve the Consent Agenda Items as presented. Second by Lee Juenemann . Motion carries unanimously.
3.	<b>Executive Session: Non-Elected Personnel</b>	James Moreau moved to enter into executive session: K.S.A. 75-4319(b)(1) for discussion of data relating to financial affairs or trade secrets with the Board, CEO, CFO, HR and county commissioner in attendance not to exceed 10 minutes. Seconded by Andrew Black. Motion passed. The executive session begins at 6:34 p.m. Exit at 6:45 p.m.
4.	<b>Board Action from Executive Session</b>	
5.	<b>Executive Session: Non-Elected Personnel</b>	Andrew Black moved to enter into executive session: K.S.A. 75-4319(b)(4) for discussion of data relating to financial affairs or trade secrets with the Board, CEO, and county

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		commissioner in attendance not to exceed 5 minutes. Seconded by <b>James Moreau</b> . Motion passed. The executive session begins at <b>6:45 p.m.</b> Exit at <b>6:50 p.m.</b>
6.	<b>Board Action from Executive Session</b>	<p>Motion by <b>Jerry Hawks</b> to remove Jenny Braun as Secretary of the Board. Second by <b>Andrew Black</b>. Motion carries unanimously.</p> <p>Motion by <b>Jerry Hawks</b> to appoint Mr. Jueneman as Secretary of the Board. Second by <b>Andrew Black</b>. Motion carries unanimously.</p>
7.	<b>Conflict of Interest Statements</b> Annual renewal of conflict of interest statements. Tabby will update the signature page and bring to the next meeting.	
8.	<b>Ni2 Update</b> Jason Adams, from Ni2, joined via Zoom to provide comprehensive updates from the last month.  Reporting for recovery and down is no longer happening because the 36-month agreement has ended. Initiatives have delivered about \$900,00 since they began Cash trends improving AR trending upward due to self-pay and Medicaid reimbursements. Due to the trend of higher out-of-pocket payment balances	
9.	<b>Matt Morris with FORVIS</b> ReChelle will upload the management letter, which outlines several key financial challenges faced by Norton County Hospital: <b>Operating Margin Decline:</b> There has been a decline in the operating margin, along with an increase in supply chain and	

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	<p>employee costs. By June 2023, the hospital's operating cost coverage decreased significantly from 130 days to 38 days.</p> <p><b>Draft Format:</b> The management letter is still in draft format due to contract liabilities with Cerner. ReChelle is collaborating with Matt to obtain the necessary numbers from Cerner.</p> <p><b>Cost Report Settlements:</b> The biggest adjustments in the financials were related to cost report settlements, leading to higher costs and lower volumes.</p> <p><b>Debt Agreement:</b> There is a debt agreement for the bonds, with \$500k remaining. It's crucial to generate enough income to meet bond payments. The hospital fell below this requirement last year and is still there for the 2023 tax year. A consultant may be needed to ensure compliance with bond obligations.</p> <p><b>Financial Viability Concerns:</b> The financial statements assume the hospital will continue as a going concern, but recurring losses raise doubts about its ability to do so. Although adjustments helped balance things out, there are ongoing concerns about sustainability.</p> <p><b>Medicare Payment:</b> Not having to pay back Medicare this year will provide some relief.</p> <p><b>Asset Management:</b> Capital assets include the building and equipment, while the lease asset pertains to the CT scanner. The 340b program is crucial for maximizing cash flow.</p> <p><b>Patient Credit:</b> The hospital grants credit without collateral to patients, resulting in uncollectible accounts and a loss of \$1,269,000 in 2023.</p> <p><b>Strategic Plan:</b> Management is exploring various alternatives to mitigate these financial challenges. A strategic plan is in place to improve utilization and reduce costs without compromising patient care quality.</p> <p>These points highlight the financial complexities faced by Norton County Hospital and the proactive steps being taken to address them and ensure financial sustainability.</p>	
10.	<p><b>Governance Manual</b></p> <p>The governance manual was updated for 2024 and put before the board for approval.</p> <p>Amend Jenny's position and James' stock photo.</p> <p>Will get back to Tabby with any other updates.</p>	

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11.	<p><b>Risk Management</b> Amanda Kuxhausen, the new Risk Management and Quality Assurance Coordinator presented</p> <p>An updated Risk Management approval page; with updated names of new manager, providers, CEO</p>	<p>Motion by Randa Vollertsen to approve the change of management from Mel to Amanda as well as all of the amendments on the approval page as presented. Second by James Moreau. Motion carries unanimously.</p>
12.	<p><b>CNO Report</b> Sarah Mohr, the Chief Nursing Officer (CNO), presented the comprehensive updates from over the last month.</p> <p>Staffing and Patient Statistics:</p> <ul style="list-style-type: none"> <li>The hospital has successfully filled one full-time floor nurse position and plans to hire another after graduation this spring. Additionally, three LPNs will join this summer.</li> <li>The hospital is seeing an average of 3.1 patients per day and an average of 6 ER visits per day, with a total of 178 patients in the last 30 days.</li> </ul> <p>Clinical Operations and Quality Improvement:</p> <ul style="list-style-type: none"> <li>The CT scanner will be de-installed starting tomorrow, made possible by support from the community, foundation, and board.</li> <li>Amanda is leading the Quality Assurance Performance Improvement (QAPI) initiative, focusing on establishing baselines for quality metrics, developing targeted improvement areas, and providing training to staff.</li> <li>The hospital has eliminated one agency nurse position, resulting in a significant monthly savings of \$10,000.</li> </ul> <p>Customer Service and Trust Initiative:</p> <ul style="list-style-type: none"> <li>A new customer service initiative called the "Trust Initiative" is underway, aimed at teaching nurses to shift their focus towards providing excellent patient care and building trust with patients.</li> </ul> <p>T = Time expectation management R = Relationships first U = Understand your patient</p>	

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	<p>S = Spotlight the patient T = Transition with kindness</p>	
12.	<p><b>CIO Report</b> Klare Bliss, the Chief Information Officer (CIO), presented the comprehensive updates from over the last month.</p> <p>Regarding the rev cycle optimization feedback, we are still awaiting input and suggestions to improve our revenue cycle processes.</p> <p>There are upcoming changes related to our systems: <b>Oracle Buying Corner:</b> The acquisition by Oracle is expected to enhance speed and security. However, this transition will involve downtime to transfer servers. Our downtime is scheduled for August, and internal processes are being developed to manage this effectively. It's important to note that billing operations will not be impacted during this period. <b>Capstone Financials:</b> The financials for Capstone are complete, and we are preparing to phase out Centrique completely by May 1st. The last double EHR payment is anticipated in April as part of this transition.</p> <p>These updates outline our ongoing efforts to optimize our systems and streamline our operations for better efficiency and effectiveness.</p>	
13.	<p><b>CFO Report of Statistical/Financial Information</b> ReChelle Horinek, the Chief Financial Officer (CFO), presented statistical and financial information for February 2024, covering various aspects of the organization: Financial Overview:</p> <ul style="list-style-type: none"> <li>• Gross patient revenue for the period was \$2.368 million, exceeding the budget by \$116k.</li> <li>• No 340b claims were processed in the last 8 days of February.</li> <li>• A loss of \$15,866 was incurred in operations, which was offset partially by county tax dollars and some interest, resulting in a \$6,791 profit.</li> <li>• A CD was cashed out in February.</li> <li>• March saw excellent collections and a cost report settlement.</li> <li>• Awaiting the new rate letter from Medicare.</li> </ul>	<p>James/ Randa Motion by <b>James Moreau</b> to allow ReChelle and Kevin Enter into a capital lease agreement to finance the remaining 177k balance on CT scanner, with the bank that has the lowest interest rate. Second by <b>Randa Vollertsen</b>. Motion carries unanimously.</p>

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	<ul style="list-style-type: none"> <li>Hoping for the sales tax to pass to facilitate investments in the facility.</li> </ul> <p>Statistics:</p> <ul style="list-style-type: none"> <li>Outpatient and swing bed statistics for last month were significantly higher than budgeted.</li> <li>It's noted that outpatient services (with 50% reimbursements) are more crucial for revenue generation compared to inpatient services (with 90% reimbursements).</li> </ul> <p>Investment and Financing:</p> <ul style="list-style-type: none"> <li>The hospital is in the process of financing the remaining amount for the CT scan. GE Credit, with high-interest rates, is being evaluated, and discussions with local banks are ongoing to secure the best rates.</li> </ul> <p>These updates provide a comprehensive view of the hospital's financial performance, investment strategies, and ongoing efforts to optimize revenue streams.</p>	
14.	<p><b>Financial Affairs of Non-Elected Personnel</b>  Financial Assistance YTD: \$220,857.67  Bankruptcy YTD: --</p> <p>We currently have a significant number of accounts in collections. However, we are unable to proceed with collection efforts at this time due to the ongoing transition to Cerner. We anticipate that this transition will be completed by next month, allowing us to resume our collection processes.</p> <p>In the interim, our credit management team has taken proactive measures to address outstanding accounts by filing lawsuits against patients to settle these accounts. As a result, several accounts are scheduled for court proceedings next week. We are actively working to manage these collections efficiently and effectively during this transitional period.</p>	<p>Motion Randa Vollertsen to send an amount not to exceed \$19,603 for attempted collections, and to approve financials. Second by James Moreau Motion carries unanimously.</p>
15.	<p><b>Medical Clinic Update</b>  Melody DeWitt, the Medical Clinic Manager, provided the following updates:</p> <ul style="list-style-type: none"> <li>Averaging 267 patients per week.</li> <li>Among them, 86 are acute same-day patients, and there are 7.5 Saturday clinic patients.</li> </ul>	

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	<ul style="list-style-type: none"> <li>Weekly gross charges are currently trending upwards, although there's potential for a decrease due to the departure of Dr. Dreher.</li> <li>Vytalize report indicates 1600 patients in January and 1300 in February.</li> <li>Providers underwent a documentation training session last month to enhance efficiency and accuracy.</li> <li>Collaborating with the Chief Nursing Officer (CNO) to explore strategies for revenue enhancement and operational improvement.</li> </ul>	
16.	<p><b>CEO Report</b> Kevin Faughnder, the Chief Executive Officer, provided a comprehensive report on various initiatives and updates:</p> <p>Positive Momentum:</p> <ul style="list-style-type: none"> <li>Significant progress and positive momentum observed, with improved financial outlook and heightened optimism among staff.</li> </ul> <p>CHNA:</p> <ul style="list-style-type: none"> <li>Community Health Needs Assessment (CHNA) town hall round table scheduled for tomorrow at the 4H building, starting at 5:30 PM.</li> <li>Primary concerns identified include: <ul style="list-style-type: none"> <li>Billing practices (already addressed).</li> <li>Availability and longevity of doctors, particularly female physicians.</li> <li>Efforts to rehire previous physicians, especially in obstetrics (OB) and pediatric care.</li> <li>Improving access to same-day appointments.</li> <li>Addressing concerns regarding leadership professionalism and hospital board involvement.</li> <li>Managing healthcare costs and enhancing mental health services.</li> </ul> </li> <li>Ongoing efforts to address these concerns will be discussed during the event.</li> </ul> <p>1% Sales Tax Initiative:</p> <ul style="list-style-type: none"> <li>Development of webpage and brochure underway.</li> <li>Postcards to be sent within 7-10 days to inform the community.</li> <li>Productive discussions with local businesses; concerns can be addressed by contacting Kevin.</li> </ul>	



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	<p>Voting and Admission Practices:</p> <ul style="list-style-type: none"> <li>Voting and admission practices for Advanced Practice Providers (APP) have been restored, promoting equality within the organization.</li> </ul> <p>Recruitment Efforts:</p> <ul style="list-style-type: none"> <li>Jedi anesthesiologist and Gary Hemb have signed contracts.</li> <li>Offer extended to John Molstad PA.</li> <li>Elite 365 recruitment team enlisted to aid in physician recruitment.</li> </ul> <p>Upcoming Events:</p> <ul style="list-style-type: none"> <li>County health fair scheduled for April 11th.</li> <li>CT scanner temporarily offline starting tomorrow, expected to resume operations by April 1st.</li> <li>Information to be disseminated through Facebook (FB) and the website.</li> </ul> <p>Collaboration Efforts:</p> <ul style="list-style-type: none"> <li>Productive meetings held with Valley Hope and Andbe Home to enhance agreements and improve overall care coordination.</li> </ul> <p>By-Law Revision:</p> <ul style="list-style-type: none"> <li>Considering by-law revisions to expand surgery services, reflecting a commitment to enhancing healthcare offerings.</li> </ul>	
17.	<p><b>Commissioner Report</b></p> <p>Notice has been written, and ballot is made for 1% Sales Tax Increase Proposal</p>	
18.	<p><b>Board Member Reports</b></p> <p>Need to touch base with NRHF to see if we need a member on their board from our board</p>	
19.	<p><b>Other Business</b></p> <p>n/a</p>	
20.	<p><b>Adjourn</b></p>	<p>Meeting adjourned at 8:52p.m.</p>

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Lee Jueneman, Secretary

*Lee Jueneman Sec.*