

<b>Meeting Title:</b>	Board of Trustees Meeting	<b>Chairperson:</b>	James Moreau
<b>Date/Time:</b>	February 19, 2025	<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)
Lee Juenemann	Board Secretary
Jerry Hawks	Board Member
Randa Vollertsen	Board Treasurer
Robert Wyatt	Board Member
Andrew Black	Board Member
Garrett Beydler	Norton County Commissioner
Kevin Faughnder	NCH Chief Executive Officer
Klare Bliss	NCH Chief Information Officer
Mel DeWitt	Norton Medical Clinic Manager
ReChelle Horinek	NCH Chief Financial Officer
Shannan Hempler	NCH HR Director
Matt Morris	Forvis Mazars

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	<b>Agenda Item</b>	<b>Action and/or Time</b>
<b>1.</b>	<b>January 15th, 2025 Board Meeting Minutes</b>	Motion by <b>Jimmy Todd</b> to approve the minutes of the January 15th, 2025 meeting. Second by <b>Andrew Black</b> . Motion carries unanimously.
<b>2.</b>	<b>February 1st, 2025 Special Board Meeting Minutes</b>	Motion by <b>Andrew Black</b> to approve the minutes of the February 1st, 2025 special meeting. Second by <b>Randa Vollertsen</b> . Motion carries unanimously.
<b>3.</b>	<b>Consent Agenda Items:</b> a) Personnel Information b) Payroll Briefing c) Accounts Payable – Bills	Motion by <b>Randa Vollertsen</b> to approve the Consent Agenda Items as presented. Second by <b>Robert Wyatt</b> . Motion carries unanimously.
<b>4.</b>	<p><b>Forvis Mazars Financial Report</b> Matt Morris from Forvis Mazars attended to give a financial update for fiscal year 2024—July 1, 2023 through June 30, 2024.</p> <p><b>Forvis Mazars Report to the Board of Trustees and Management</b> Matt reviewed the management letter which summarized the hospital’s operations for fiscal year 2024. This included a review of internal controls, reconciliation adjustments, trends and analytics. The revenue and expenses for the fiscal year remained steady from the prior year. The hospital’s cash position decreased again in 2024. It was noted that NCH’s tax support for fiscal year 2024 is 1.4% of operating expenses, one of the lowest in the state. The average tax support in Kansas is 5%.</p> <p><b>Independent Auditor’s Report and Financial Statements</b> Matt presented the draft audit report and financial statements for fiscal year 2024. NCH was given a clean audit opinion for the year.</p>	

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	<p>The balance sheet, revenue and expenses, and cashflows were reviewed with the Board.</p> <p>NCH remains identified as a going concern as of June 30, 2024 in the audit report. The Hospital has incurred losses and negative cash flows from operations for the past several years. Management is considering several alternatives for mitigating these conditions during the next year. The Hospital has implemented an overall strategic plan to improve utilization and reduce costs without impacting the quality of patient care. In May 2024, a 1% sales tax was passed by Norton County. The sales tax is for operational support of the Hospital and Emergency Medical Services (EMS), with 75% going to the Hospital and 25% going to EMS. The sales tax took effect October 2024 and is in effect for ten years.</p> <p>ReChelle shared that since we have been busier and had higher revenue while our expenses remained stable, Medicare has most likely overpaid us in this fiscal year. Remember that Medicare only wants us to break even. She stated that we will prepare an interim cost report for the current fiscal year and book a monthly liability to Medicare to show a truer financial picture each month.</p> <p>No action is needed on the draft audit report. Matt will send the final version for Board approval.</p>	
5.	<p><b>Medical Staff Credentialing Applications</b></p> <p>The board was presented with a credentialing application for Dr. Gabel, general surgeon.</p>	<p>Motion by <b>Andrew Black</b> to approve the credentialing application for Dr. Gabel, general surgeon, as presented. Second by <b>James Moreau</b>. Motion carries unanimously.</p>
6.	<p><b>Executive Session: Attorney-Client Consultation</b></p>	<p><b>Andrew Black</b> moved to enter into executive session: K.S.A. 75-4319(b)(2) for the discussion of privileged attorney-client information; with the Board, CEO, and</p>

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		commissioner in attendance not to exceed <b>30</b> minutes. Seconded by <b>James Moreau</b> . Motion passed. The executive session begins at <b>7:22 p.m.</b> Exit at <b>7:49 p.m.</b>
7.	<b>Board Action from Executive Session</b> No action taken from executive session	n/a
8.	<b>CNO Report</b> Sarah Mohr, the Chief Nursing Officer (CNO), presented comprehensive updates for the reporting period of January 1st to January 31st: <b>Key Metrics:</b> <ul style="list-style-type: none"> <li>• Daily Census: 5.5 patients (↑ from 3.9 in Dec 2024)</li> <li>• Inpatient Admissions: 20 patients (↑ from 18 in Dec 2024)</li> <li>• Inpatient Days: 173 days (↑ from 122 in Dec 2024)</li> <li>• ER Visits: 174 visits (↑ from 155 in Dec 2024)</li> <li>• Outpatient Visits: 237 visits (↑ from 208 in Dec 2024)</li> </ul> <b>People:</b> <ul style="list-style-type: none"> <li>• Lacey Ninemire, RRT/Cardiac Rehab/Emergency Preparedness, invited as a panelist to speak at the Project ECHO for Interstitial Lung Disease conference on 3/11. She will speak on “Building and maintaining a vibrant PR program from marketing and promotion to improving attrition. Gaining new participants via referrals AND retaining existing participants.” This one-hour ECHO session will be moderated by Dave Burnett and will give panelists the opportunity to talk about information pertaining to their programs. This ECHO session is designed to support the learning of advanced practice clinicians, nurses, social workers, and respiratory therapists. Congrats Lacey!</li> <li>• Sarah attended the KHA Workforce Roundtable on 2/6. Working to bring HOSA (Health Occupations Students of America) organization to Norton County and the school system to get youth interested in healthcare careers.</li> <li>• Erin May, potential PA student from Oberlin (Currently finishing her Master’s in Public Health at K-State), will begin shadowing with Kristin and Bailey this week.</li> </ul>	

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	<p><b>Operations:</b></p> <ul style="list-style-type: none"> <li>• Dr. Wheeler elected to cancel January, February and March.</li> <li>• Dr. Gabel had 1<sup>st</sup> colonoscopy day on 1/27. Next surgical day is 2/24.</li> <li>• Dr. Smairat, Cardiologist, no longer having specialty clinic at NCH. Last clinic was 3/13. Dr. Crawley and Dr. Lanspa will be continuing services with NCH.</li> <li>• New lab analyzer setup continues. Rep from Quidel-Ortho here assisting with validations this week.</li> <li>• Awaiting Cerner “project kick-off” on 2/24 to interface new lab analyzer. Cerner project will take approx. 6-8 weeks from kick-off to complete interfacing.</li> <li>• Thank you to Mitch and Todd in Radiology for covering additional call these past few weeks.</li> </ul> <p><b>Education:</b></p> <ul style="list-style-type: none"> <li>• Updating fall risk policy to reflect current assessment standards and increase implementation of alarms for high-risk patients.</li> <li>• Reviewing new pain assessment forms with providers next week to improve pain documentation process for pain clinics and getting services paid by insurance.</li> <li>• Continuing to emphasize documentation standards and audit charts to find areas of improvement.</li> </ul> <p><b>Customer Service:</b></p> <ul style="list-style-type: none"> <li>• Patients continue to express appreciation for daily rounding by administration.</li> <li>• Continuing to stress the importance of friendliness and attentiveness to nursing staff.</li> </ul>	
9.	<p><b>CIO Report</b></p> <p>Klare Bliss, the Chief Information Officer (CIO), provided the following comprehensive updates for the last month:</p> <p><b>Cerner EES Projects</b></p> <ul style="list-style-type: none"> <li>• Experian Project IT connections complete!</li> <li>• Lab Analyzer MDI interface connection with Cerner Kick Off week of Feb 23rd</li> <li>• OCI Migration has been postponed to Sept 2025 as Cerner works out remaining issues. We will get 90 days’ notice prior to the migration.</li> <li>• RevCycle Optimization- Cerner- Oracle Health- on hold</li> <li>• Cerner will be rolling out OH Patient Accounting year 2025</li> </ul>	

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	<p><b>Cerner Change Governance</b></p> <ul style="list-style-type: none"> <li>Continuing meetings with Departments requesting changes or improved functionality in Cerner and discussing changes then creating SRs.</li> <li>Current Change Governance Projects: Outpatient Charges to Auto populate, Nursing Order Sets (End of Life, Psych, CIWA)</li> <li>11 SRs open at this time</li> </ul> <p><b>Cybersecurity Artic Wolf</b></p> <ul style="list-style-type: none"> <li>Managed Awareness education- Users will get first education videos this week</li> <li>Meetings each week confirming connection of all PCs &amp; Servers-</li> <li>Just had full training of the Risk dashboard and now working as a team mitigating risks</li> <li>Plans to do a Phishing test at the end of this month</li> </ul> <p><b>Updates</b></p> <ul style="list-style-type: none"> <li>VersaBadge project – IT side complete- Dan did a lot of wiring</li> <li>Avel ecare Pharmacy- Working with Pharmacy to help integrate notifications for outside pharmacists</li> <li>Cybersecurity Training education last month through Emergency Preparedness</li> <li>SRA complete review 2025 SRA Plan and focus for the year</li> </ul> <p><b>HIPAA Security Risk Assessment Plan</b> Klare also shared the HIPAA Security Risk Plan for 2025.</p>	
10.	<p><b>Medical Clinic Update</b> Melody DeWitt, the Norton Medical Clinic Manager, shared the following Medical Clinic updates:</p> <ul style="list-style-type: none"> <li>Hired a new nurse aide that starts 2/25/25</li> <li>1233 patient visits</li> <li>492 acute/same day appointments</li> <li>42 patients on Saturdays</li> <li>22 Medicare Annual Wellness Visits</li> <li>91 Follow Up Visits</li> <li>20 Established Care Visits</li> <li>37 Physicals</li> <li>62 Nurse Visits</li> <li>4 DOT Physicals</li> <li>44 No Show</li> </ul>	

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	<ul style="list-style-type: none"> <li>• 24 Wellness</li> <li>• 12 Well Child Checks</li> <li>• 16 Procedures</li> <li>• Vytalize-\$10,590.30 for December's payment</li> <li>• Copayment project-adding notes into system as to why patients are refusing to pay</li> <li>• Portal project-attempting to get as many patients signed up when coming in for appointments</li> <li>• Will start cross-training more as soon as new aide starts</li> </ul>	
<b>11.</b>	<b>Ni2 Update</b> Reports were available for Board review.	
<b>12.</b>	<b>CFO Report of Statistical/Financial Information</b> The comprehensive financial and statistical updates for January 2025 were available for the Board: <b>January Income Statement</b> <ul style="list-style-type: none"> <li>• Profit: \$236,566 for January, bringing YTD profit to \$922,938</li> <li>• Gross patient revenue: \$3,051,137. This would be a record monthly revenue for the last couple of years. All revenue categories were above budget this again this month.</li> <li>• Contractual adjustments are consistent with percentages of gross revenue and include an accrual (estimated at 45-48% avg).</li> <li>• Operating expenses: \$1,617,738. Professional fees have stabilized with the reduction of temporary staffing. Supplies and a few other categories were over budget, in relation to patient numbers.</li> <li>• Additional Revenue: Includes payments for 340B, sales of service revenue, dietary revenue, etc.</li> <li>• Year-over-Year Improvement: Operating profit/loss improved by nearly \$1.2 million</li> </ul> <b>Balance sheet</b> <ul style="list-style-type: none"> <li>• Cash balance: \$1,380,513 (including investments) as of January 31, 2025, with 27.62 days of cash on hand.</li> <li>• We will see some changes in the Balance Sheet when 2024 fiscal year end entries are posted from FORVIS in February.</li> </ul> <b>Statistics</b> <ul style="list-style-type: none"> <li>• January 2025 statistics align with strong revenue performance:</li> </ul>	

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	<ul style="list-style-type: none"> <li>o Inpatient days and swing bed days were both up from December 2024.</li> <li>o Ancillary and outpatient services show a year-to-date increase.</li> <li>o Norton Medical Clinic had 1,138 provider visits in January.</li> </ul> <p><b>Other Information</b></p> <ul style="list-style-type: none"> <li>• 2024 Cost Report: We have received our FYE 2024 settlement from Medicare of \$344,736.</li> <li>• We also received a “settle up” payment from Medicare for FY 2025 services underpaid of \$361,700.</li> </ul> <p><b>Experian Project</b></p> <ul style="list-style-type: none"> <li>• Currently testing and verifying data, estimated 3 weeks to complete.</li> <li>• Insurance verification will cover 300+ additional insurance companies when operational.</li> <li>• Cost estimator tool implementation will follow.</li> </ul> <p><b>VersaBadge Implementation</b></p> <ul style="list-style-type: none"> <li>• Contract signed for system tracking provider and nursing time in ER and Acute Care.</li> <li>• Currently verifying data from the medical staff. Adding nursing staff will follow provider verification.</li> </ul> <p><b>Other Items</b></p> <ul style="list-style-type: none"> <li>• New Reserve account opened at the end of January. To date, we have deposited the first two sales tax payments, the Medicare 2024 settlement payment, and the most recent real estate tax distribution into this account. It is our intention to continue to put the sales tax funds into this account to be used for capital improvements at NCH.</li> </ul>	
<b>13.</b>	<p><b>Financial Affairs of Non-Elected Personnel</b></p> <p>Financial Assistance YTD: \$12,580.00</p> <p>Bankruptcy YTD: --</p>	<p>Motion by <b>Randa Vollertsen</b> to send an amount not to exceed \$3,368.00 for attempted collections, and to approve financials. Second by <b>Lee Juenemann</b>. Motion carries unanimously.</p>
<b>14.</b>	<p><b>CEO Report</b></p> <p>Kevin Faughnder, the Chief Executive Officer, provided a comprehensive report on various initiatives and updates:</p>	<p>Motion by <b>Andrew Black</b> to purchase back-up lab</p>



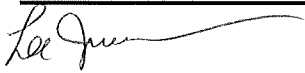
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<p><b>Physician Recruiting</b></p> <ul style="list-style-type: none"> <li>New application from Dr. Carlos Rivera received last week. We are setting up a Zoom call with Dr. Rivera.</li> </ul> <p><b>Passport Health Initiative</b></p> <ul style="list-style-type: none"> <li>Communications Campaign: “Destination Health” initiative launched on February 5th with “Women’s Health” and was well attended with positive reviews.</li> </ul> <p><b>Operational Updates</b></p> <ul style="list-style-type: none"> <li>Modernization: Surgery Department update is complete.</li> <li>Expanded Services: On February 1<sup>st</sup>, Lacey Ninemire started a Peripheral Artery Disease (PAD) Clinic.</li> <li>Business Development: A representative from the University of Kansas Health System Care Collaborative asked NCH to partner with Smith County Memorial Hospital, Rooks County Health Center and Phillips County Health Systems for a Health Resources and Services Administration (HRSA) grant to expand services in our region. The goal of the project is to improve local access to care and generate new revenue through regional collaboration. All four hospitals signed a Memorandum of Agreement (MOA) and we have submitted our grant application. I will update the Board when a decision is reached on who was awarded the grant.</li> <li>Expanded Services: Dr. Kelly Gabel began performing colonoscopies on January 27th.</li> <li>Community Relations: Melody DeWitt and Kevin met with Norton school officials regarding the process of getting a doctor’s note to miss school. The mutual agreement between NCH and the Norton schools is that NCH providers will not provide a note to students unless they are seen in the clinic.</li> </ul> <p><b>Capital Investments</b></p> <ul style="list-style-type: none"> <li>Lab Analyzer: It is projected to have the machine fully operational and integrated with Cerner in April. Kevin also discussed the purchase of a couple smaller machines that would serve as a back-up for stroke and cardiac patients and prevent NCH from Emergency Room diversions.</li> <li>Mammogram Machine: The mammogram machine has been ordered at a cost of \$332,290.59. The Norton Regional Health Foundation donated \$60,000. The next grant application went to the Greater Northwest Kansas Community Foundation. We will continue applying for additional grants to help with the purchase. Installation is</li> </ul>	<p><b>equipment for stroke and cardiac testing for \$5,092.45. Second by Randa Vollertsen. Motion carries unanimously.</b></p>
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	<p>planned for mid-March and will take about four days. The DEXA will be a later installation.</p> <p><b>Strategic Plan 2025</b></p> <ul style="list-style-type: none"> <li>• Strategic Planning: The Board of Trustees and senior hospital leadership met on February 1<sup>st</sup> to update our facility strategic plan. We will have it ready for final review during the March Board meeting.</li> </ul>	
<b>15.</b>	<p><b>Commissioner Report</b></p> <p>No report</p>	
<b>17.</b>	<p><b>Board Member Reports</b></p> <p>A thank you note was read from the Surgery staff for support with the upgrades in their department.</p> <p>The Board asked that their gratitude be passed along to staff for their great work. They feel that the community is gaining confidence in NCH again.</p>	
<b>18.</b>	<p><b>Other Business</b></p> <p>No other business</p>	
<b>19.</b>	<p><b>Adjourn</b></p>	<p>Meeting adjourned at <b>8:41 p.m.</b></p>

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Lee Jueneman, Secretary