

Allen County Regional Hospital Board of Trustees Meeting

7:00 P.M. Tuesday, May 24, 2016

Board Room - Allen County Regional Hospital

3066 N. Kentucky, Iola, KS 66749

The scheduled meeting of the Board of Trustees of Allen County Regional Hospital was held Tuesday, May 24, 2016 7:00 p.m. in the Board Room of the Allen County Regional Hospital. Board members present were Patti Boyd, Karen Gilpin, Loren Korte, Jay Kretzmeier, Harry Lee, Jr., and Sean McReynolds. Also in attendance were ex officio members Brian Wolfe representing the ACRH Chief of Staff and Allen County Regional Hospital CEO Tony Thompson.

The meeting was called to order at 7:02 PM by Chairman Harry Lee. The agenda for the meeting was reviewed, two changes were proposed. Karen Gilpin presented a motion to approve of the agenda as amended. This motion was seconded by Loren Korte and upon the vote the motion passed. Loren Korte presented a motion to approve the minutes of the meeting dated April 26, 2016. This motion was seconded by Karen Gilpin and the motion carried.

The chairman opened the floor for the public forum, there were no requests to be heard.

The next item on the agenda was the report of the auditor's examination of the hospital's financial statements for the year ending December 31, 2015. Attending the meeting representing the accounting firm of BKD were Sue Brammer and Allison Swaters. Ms. Swaters presented a summary of the audit report to the board of trustees. The presenter identified controls in place, the areas of high risk, the methods of revenue recognition, and management estimates. The auditor's report expressed an unmodified opinion indicating the financial statements were free of material misstatement. The report included one adjustment to the estimated revenues from the Medicare Cost Report. The adjustment was to increase a payable to CMS in the amount of \$229,000. The hospital's change in net position for the year reflected a reduction of \$1,344,451. This included payments during the year in the amount of \$900,667 made to the Allen County Public Building Commission toward retirement of bonds. Loss from operations for the year amounted to \$624,779 which included depreciation and amortization deductions in the amount of \$917,659. These items resulted in a positive cash flow for the calendar year in the amount of \$292,880. Questions and answers followed the presentation. Loren Korte presented a motion to approve of the audit report. This motion was seconded by Sean McReynolds. Following discussion the motion passed unanimously.

CEO Tony Thompson was called upon for an administrator's report. Thompson indicated there were two upcoming opportunities for trustee education. May 26th, 10:00 AM at the hospital is to be held a Rural Health Initiative message from Sheldon Weisgrau on the topic Medicaid expansion. On May 31st at noon at the hospital the Kiwanis Club will be featuring Sen. Jerry Moran.

The CEO is circulating information to the medical staff describing a podiatrist who performs operating room procedures. There was nothing new to report with regards to search for OB/GYN, dermatology, or endocrinology. The medical office building steering committee will meet the following day to continue to review information and develop a plan moving forward as to tile deficiencies in patient showers. The CEO indicated there were no diversions since the last meeting of the board.

During the time of trustee reports, Karen Gilpin indicated she had held communications with the Allen County Community Foundation concerning a gift. Chairman Lee reported he and Tony Thompson together had discussed opportunities for USDA grants and loans for different projects. One of the programs has an annual cap of \$25,000. There was an expression of enthusiasm for this program and encouragement for the pre-application process.

CFO Larry Peterson was called upon for the hospital's financial reports. Several volume statistics continue to be weak. One exception was the OB GYN statistics which exceeded budget for the month. The reports reflected the first month of the 340B drug program. Increased activity is anticipated with this program in the future. Following questions and answers Karen Gilpin offered a motion to approve of the financial report. This motion was seconded by Sean McReynolds and when the vote was taken the motion passed.

The Medical Executive Committee report dated April 19, 2016 was reviewed by the board. Included in that report was information that the hospital had zero deficiencies on the Level IV Trauma certification which is expected soon and will be a significant achievement for the hospital and its staff. Sean McReynolds made a motion to approve of the Medical Executive Committee report. The motion was seconded by Loren Korte and the motion passed.

At 8:01 PM Sean McReynolds presented a motion to move into executive session for a period of three minutes to include Larry Peterson, Patty McGuffin, and Alan Weber for the purposes of credentialing and the privacy protection of non-elected personnel. The motion was seconded by Karen Gilpin and the motion passed. The trustees entered into the executive session. At 8:03 PM the board exit from the executive session. Jay Kretzmeier presented a motion to approve of the Medical Executive Committee recommendations and credential staff as follows:

Initial Appointments:

Jennifer Powell, PA-C	Effective	06/01/2016 through 08/31/2017
Kasey Thrailkill, CRNA	Effective	06/01/2016 through 03/31/2018

Reappointments:

Bryan Baxley, CRNA	Effective	07/01/2016 through 02/28/2018
Patricia MacFarlane, MD	Effective	07/01/2016 through 06/30/2018

Additional privileges:

Rebecca Lohman, MD

Effective

01/01/2015 through 11/30/2016

Resignations:

Leigh Scharff, ARNP

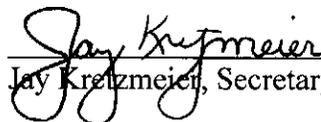
Effective

05/31/2016

This motion was seconded by Patti Boyd. When the vote was taken the motion passed unanimously.

At 8:05 PM a motion was made by Sean Mc Reynolds to enter into executive session along with Alan Weber, Patty McGuffin, and Larry Peterson for a period of 10 minutes for the purpose of protecting the privacy of non-elected personnel. Karen Gilpin seconded the motion and the motion passed. At 8:15 PM trustees exited from executive session. Karen Gilpin made a motion to reenter and continue the executive session for an additional 10 minutes. This motion was seconded by Patti Boyd and upon the vote the motion passed.

At 8:25 PM the board exited from the executive session. No immediate action came forth. Having no further business to come before the meeting a motion is received from Patti Boyd to adjourn the meeting. The motion was seconded by Karen Gilpin and the meeting was adjourned.


Jay Kretzmeier, Secretary

Read and approved 6-28-16