

Allen County Regional Hospital Board of Trustees Meeting

7:00 P.M. Tuesday, March 22, 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, March 22, 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., Sean McReynolds, and Debbie Roe. 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 7:00 PM by Chairman Harry Lee. The agenda for the meeting was reviewed and a motion was received from Debbie Roe to approve the agenda. The motion was seconded by Karen Gilpin and the motion passed. Karen Gilpin presented a motion to approve the minutes of the meeting dated February 23, 2016 which had previously been submitted to the board members. This motion was seconded by Debbie Roe and upon the vote the motion carried.

At the time for public forum there were no requests to be heard.

CEO Tony Thompson was called upon to present his administrator's report. A magazine article from Trustee magazine was presented concerning information protection and safeguarding against data theft. Larry Peterson provided a brief explanation as to support the hospital receives from HCA as to information protection strategies. Mr. Thompson continued with a handout, what he references as the "stoplight report" which reports on the hospital strategic planning priorities. There was a brief recruitment update. It was reported Dr. Baratham,,a Rheumatologist from Overland Park will be running first day of clinic on April 11th and will continue with visits once each month. Some discussion continues in the search for an OB GYN. Thompson indicated it was early enough in the process to not yet consider using a recruiting firm. He reported Health Facilities Group's Bruce Jones was reviewing alternatives suggested by Murray Company as to the tile issues in-hospital shower areas. HFG provided assurance that any remedy approved will meet or exceed the original construction specifications. The CEO reported there were no diversions since the last meeting of the board.

A report was received from the most recent meeting of the Medical Office Building Steering Committee. The committee is making plans for the next step in the process. Meetings have been held with many individual providers in the community. The next meeting to take place on March 30th will be a meeting of those who have expressed interest in the project. It is expected from that meeting the program interest will be culminated that will result in obtaining cost estimates for those interested in participating in the medical office building project.

At the time for trustee's reports, Karen Gilpin presented information from the KHA conference she attended in Wichita on March 3rd and 4th. Gilpin acknowledged the current state of hospital administration throughout Kansas was somewhat depressing. During the meetings it was reported 30 hospitals currently in Kansas are in some form of financial distress. Gilpin reported the meetings were insightful in examining ways to facilitate recruitment and maintain patient census using new and contemporary approaches.

Chairman Harry Lee indicated he had been consulted by two area bankers who are interested in how the local hospital was performing. During the discussions he received an expression the hospital bylaws, as passed, may be rather restrictive to achieve governing continuity. Lee reported Jim Gilpin from Community National Bank has been analyzing the hospital's loan with CNB and is willing to meet with the finance committee and share his observations at a future date. Larry Peterson indicated he had been in communication with Gilpin concerning his analysis. Having been previously excused, Patti Boyd arrived at the meeting at this time.

Larry Peterson reported he had held conversation with Jeff Cokely from the Allen County Community Foundation where it was decided there will be receipts come each month around the middle of the month as to hospital contributions held by the foundation. He reported two payments had recently been received a \$9000 check representing earnings on the endowment fund and one payment representing the transfer of unrestricted gifts. Several brief comments were received related to fundraising. No action was taken as to thoughts on campaign considerations.

Angela Slocum was called upon for the Quality Assurance Subcommittee report. She presented a printed core measurement dashboard with final third-quarter 2015 results and tentative fourth quarter 2015 results. A shift was noted in quality measurements moving from inpatient toward outpatient measurements. Slocum fielded questions from board members. She then presented the printed quality improvement dashboard for the entire year of 2015. The hospital Risk Management Plan which had been part of the trustee's preparation materials was the next item to come before the board. Slocum submitted a one-page summary of the plan, discussion followed. Karen Gilpin made a motion to adopt the risk management plan as presented. This motion was seconded by Patti Boyd and upon the vote the motion passed unanimously.

CNO Patty McGuffin presented a report on the hospital inpatient HCAHPS scores. The results for fourth quarter 2015 reflected ratings above national averages in 10 of the 11 categories and improvement over the previous quarter in nine of the 11 categories. A graph of the top box performance scores from December 2013 through December 2015 was presented as to the overall rating of the hospital. Over the two-year period the rating moved from 45% to a level approaching 90% in the hospital's overall inpatient rating taken by the independent third-party HealthStream. Patti Boyd presented a motion to accept and approve of the quality assurance reports. This motion was seconded by Debbie Roe and upon the vote the motion passed.

The next item upon the agenda related to marketing materials presented to the board at its last meeting. At this time Karen Gilpin presented a communication to the board from Susan Lynn of the Iola Register addressed to the trustees concerning its proposal as to a marketing plan. Copies

of the letter were distributed to the members of the board. By common consent it was determined the item would be placed upon the agenda of the next meeting of the board.

CFO Larry Peterson presented the monthly financial reports. The statistical reports, payer utilization, income, and balance sheets were all presented and reviewed. It was noted volume and results of operations were down during the first two months of the year. Questions and comments followed. Patti Boyd presented a motion to approve of the report. Karen Gilpin seconded the motion and the motion carried.

The Medical Executive Committee report dated February 16, 2016 was reviewed by the trustees. Karen Gilpin presented the motion to approve of the report. The motion was seconded by Sean McReynolds and when the vote was taken the motion passed.

At 8:12 PM a motion was received from Patti Boyd to move into executive session for the purpose of credentialing providers and provide for the privacy of non-elected personnel for a period of five minutes and to include Larry Peterson and Patty McGuffin. At 8:15 PM the board exited from executive session. Jay Kretzmeier made the following motion which was seconded by Karen Gilpin to prove the Medical Executive Committee's recommendations for the credentialing of the following:

Initial Appointments

Aruna Baratham, MD	03/23/2016 through 08/31/2017
Brady Reed, CRNA	04/01/2016 through 12/31/2017
Dena Splitter, APRN	04/01/2016 through 02/28/2018

Reappointment

Susan Speaks, MD, PHD	04/01/2016 through 03/31/2018
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Upon a call from the Chairman for the vote, the motion passed unanimously.

At 8:17 PM a motion was received from Debbie Roe to enter into executive session for 10 minutes along with Larry Peterson and Patty McGuffin for the purpose of the privacy of patient personal health information. This motion was seconded by Karen Gilpin and upon the vote the motion passed and the executive session was held. At 8:27 PM the session was open to the public. No action immediately followed.

At 8:30 PM a motion was received from Debbie Roe to move into executive session for a period of two minutes along with Larry Peterson and Patty McGuffin for the purpose of attorney-client privileged communications. This motion was seconded by Sean McReynolds. The motion passed.

At 8:32 PM the board exited from the executive session. Patti Boyd presented a motion to adjourn the meeting. The motion was seconded by Debbie Roe and the meeting was adjourned.

Jay Kretzmeier, Secretary

Read and approved _____