

Minutes

BOARD MEMBERS PRESENT

Lori Penner
Jeff Yarrow
Richard Cott
Terri Parry
Sandy Fox

OTHER PERSONS PRESENT

Austin Gillard, CEO
Angela Kobel, CFO
Andrew Still, CEO Intern

CALL TO ORDER

Lori Penner called the meeting to order at 8:05 p.m.

BOARD MEETING MINUTES

Lori Penner asked if there were any corrections to the board minutes from July 14, 2025. Motion made by Sandy Fox, seconded by Richard Cott, to approve the board minutes. Motion carried 4-0.

AGENDA REVIEW

Add: Executive Session
Independent Living Needs
TOP and Holidays

OLD BUSINESS

Nothing to add

ANGELA KOBEL, CFO

- a. Cash Receipts & Disbursements for May and June 2025
Angela Kobel presented the cash receipts and disbursements for May and June 2025.
- b. Financial Review for May and June 2025
Angela Kobel presented the financials for May and June 2025. After discussion, motion made Jeff Yarrow, seconded by Terri Parry, to approve the cash receipts and disbursements and financials for May and June 2025 as presented. Motion carried 4-0.
- c. Medicare Advantage Plans
Angela Kobel presented our Medicare Advantage activity from 2024 and 2025 YTD. In the first six months of 2025, we have already exceeded \$179,000 in Medicare Advantage bad debt write offs. This is a \$78,000 increase from 2024. These losses are not sustainable for Clay County Medical Center. We will still not sign a Medicare Advantage Agreement, but we will start billing these plans again to help offset the loss.

NEW BUSINESS

- a. Hospital Hot Water Heater
Our main hot water heater at Clay County Medical Center has failed due to the tank leaking from the bottom. At the moment, we are running on our backup hot water heater. These hot water heaters should last 15 to 20 years, but this one has not. The tank is also no longer made, so we cannot just replace the leaking tank. We have received a bid from Central Mechanical for \$179,250 and a bid from Kruse Corporation for \$113,960. These are dual fuel hot water heaters (natural gas and diesel), and they are located within the mechanical penthouse on the roof. A crane is needed to remove and replace the hot water heater. Austin Gillard is going to continue to look at options before presenting official quotes to the board.

- b. WPS & Riley Family Physicians
WPS (Medicare Contractor) is now reviewing our 2023 cost report. WPS has sent our audit firm and Clay County Medical Center a directive stating that Riley Family Physicians does not qualify to be consolidated on our cost report like our clinics in Clay Cetner, Linn, and Clyde do. WPS tried to push this same agenda during their 2021 cost report review. After attorneys got involved, WPS withdrew their view. We have sent WPS all this information again for review and have asked WPS to reconsider their stance.
- c. Cerner Invoicing
Since April of this year, Cerner has been trying to invoice Clay County Medical Center around \$17,000 more per quarter, based on their understanding of our Agreement. We have not paid this increased amount. Our legal team agreed with our view, that Cerner is reading the Agreement incorrectly. After three months of back and forth, Cerner's legal team finally agreed with our view on July 22. The invoices will move back to the correct quarterly rate.
- d. Medical Provider Credentialing
The board reviewed the credentialing files recommended by the Medical Executive Committee for the following:
Courtesy Staff
Fadi Bedros, MD - Nephrology - Reappointment
Jack Jones, MD - Cardiology - Reappointment
Allied Health
Lisa Price, PA-C – Ortho - Reappointment
Amanda Lamb, APRN – Neurology - Reappointment
CRNA
Susan Thomas, CRNA – Anesthesiology - Initial Appointment
After discussion, motion made by Richard Cott, seconded by Terri Parry, to approve the credentialing files recommended by the Medical Executive Committee. Motion carried 4-0.
- e. Independent Living Needs
Sandy Fox was talking with a community member about their desire for more independent living options within the community. The board discussed looking more into the feasibility of these types of units. We do own the property with a cul-de-sac just east of Advena Living for these types of units. Austin Gillard will talk with Meadowlark Hills for further input, ROI, etc.
- f. TOP and Holidays
Richard Cott wanted a refresher on how our TOP was calculated and how holidays are factored into the TOP accrual. Austin Gillard went through our basic TOP calculation, how we updated the TOP policy around three years ago to be more competitive in the market, and how holidays were built into the TOP accrual based on hours worked.

AUSTIN GILLARD, CEO

- a. 2025 Goals
Austin Gillard reviewed the goals accomplished and where we are going over the next six months. Here are the goals for the next six months:
- July 2025 - Start billing and collecting Associated Urologists professional fee & train on Cerner EMR – Effective July 28, 2025
 - July 2025 - Start billing and collecting Inspire ENT professional fee & train on Cerner EMR – Effective July 28, 2025
 - July 2025 - Finalize the Professional Services Agreement with Orthopedic and Sports Medicine Center
 - August 2025 - Finalize ortho implant agreements and order all FF&E for new total joints program
 - August 2025 - Start the Riley Family Physicians 1,700 sq. ft. expansion project
 - September 2025 - Start the Physical Therapy and Cardiac Rehab remodel
 - September 2025 - Finalize and order all FF&E for the Riley Family Physicians expansion project
 - October 2025 - Start billing and collecting Orthopedic and Sports Medicine Center professional fee & train on Cerner EMR
 - October 2025 - Open Vaccine & Immunization Clinic
 - November 2025 - First knee replacement performed at CCMC
 - November 2025 - Finish the Physical Therapy and Cardiac Rehab remodel
 - January 20256 - Finish the Riley Family Physicians expansion project

- b. **Balanced Scorecard**
Austin Gillard presented our 2025 balanced scorecard. Overall, we are not performing well compared to previous years. These downward trends will need to be corrected over the next several months. Some items of refocus include unbilled AR, overtime costs, unscheduled costs, and HCAHPS.
- c. **Vaccine & Immunization Clinic**
We have hired a very experienced vaccine nurse to lead this new service line. The Kansas Department of Health and Environment will be onsite towards the end of August for additional training before we 'go live' administering these vaccines and immunizations.
- d. **340B Consultant**
Our new 340B consultant has done a great job so far. Over the last month, we have received an exception from GSK and Boehringer Ingelheim to contract with Ferguson Rexall Drugs and Patterson Family Apothecary. In the past, we were only able to contract with one pharmacy, not two or three.
- e. **Orthopaedic and Sports Medicine Center**
Dr. McAtee and Dr. Chase are reviewing the equipment list needed to start a total joint replacement program at Clay County Medical Center. This has a cost of just over \$350,000 for the trays, supplies, carts, power tools, etc. We expect to Dr. McAtee and Dr. Chase to start seeing patients in the new specialist clinic at Clay Cetner Family Physicians in October. They plan on performing their first total knee at Clay County Medical Center in November 2025. Austin Gillard meets with the Zimmer implant reps on Tuesday this week to start price negotiations.
- f. **Inspire ENT & Associated Urologists**
Our new Agreement with Inspire ENT and Associated Urologists started today, July 28. We will now start billing their professional fees each time they are at Clay County Medical Center. They will now office out of the new specialist clinic within Clay Center Family Physicians.
- g. **Strategic Plan FY 2023 – 2026**
At the next board meeting, our CEO Interns will be reviewing our strategic plan, what we have accomplished, what we need to work on, and what is no longer relevant. It has been almost three years since we wrote and approved this strategic plan. We will be working to find a time in late 2025 or early 2026 to update our plan for the next three years.
- h. **Construction Update**
 - **CCFP Expansion**
The new space is working out well. Team members and patients have had positive comments so far. We will start to see the cleanup process of the jobsite area south of the west parking lot begin this week and next week. The new ER screen wall project started last week and should be finished this week. There are still minor punch list items that need completed.
 - **Riley Family Physicians**
We are converting one exam room into an office for Gloria Park, PMHNP during the construction project. Our Engineering team will start on this project this week. We are planning to start moving dirt in the next few weeks. We do not have a finalized construction schedule currently.
 - **Physical Therapy & Cardiac Rehab**
All construction agreements have been signed. We are now procuring all the materials needed before we start the renovation. We do not have a finalized construction schedule currently.

Motion made by Terri Parry, seconded by Richard Cott, for the board to enter executive session for a period of 10 minutes with Austin Gillard from 9:42 p.m. to 9:52 p.m. in order to discuss negotiations with outside providers, which includes data relating to financial affairs or trade secrets of corporations, partnerships, trusts, and individual proprietorships, as permitted under K.S.A. 75-4319(5). No action was taken.

The meeting adjourned at 9:52 p.m.

Next Meeting: August 18 8:00 p.m., September 8 at 8:00 p.m., September 29 at 8:00 p.m.