



Hospital District #6 Harper County
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pattersonhc.org

Mission Statement: Hospital District #6 provides high quality, patient, and family centered health and wellness services in partnership with our communities.

HD#6 HOSPITAL BOARD REGULAR MEETING
December 18, 2025 – 5:18 p.m. – Patterson Health Center, Large Conference Room

PRESENT:

Board of Directors

Jan Lanie, Dick Aldis, Jerid Befort, Tim Penner, Pam Fallis, Kara Bello

PHC Sarah Teaff, CEO; Lori Allen, COO; Sandra Owen Campbell, CFO; Kim Barwick, HR Director

Guests None

CALL TO ORDER The meeting was called to order at 5:18 p.m.

PUBLIC COMMENTS: None

BOARD EDUCATION or PRESENTATIONS:

APPROVAL OF MINUTES: Minutes from the regular board meeting on November 20, 2025, were presented for approval. Motion to approve by Lanie; seconded by Bello; motion carried unanimously.

DEPARTMENT REPORTS, POLICY REVIEW & APPROVAL:

Emergency Department Readiness Development and Competency Policy – the policy was developed to incorporate the use of evidence-based emergency room protocols.

Nutrition Services Policies and Procedures were presented for their bi-annual review. Updates were made to represent current practices and protocols. The policies were approved as presented. Motion by Penner; seconded by Aldis; motion carried unanimously.

MEDICAL STAFF AND CREDENTIALING REPORT:

The Executive Medical Staff met on December 17, 2025, to consider credentialing applications from:

- New appointments – None
- Reappointments: Nader Eldika, MD; Phu Truong, MD
- Terminations/Resignations – StatRad Providers Credentialed by Proxy: Barbara Manchec, M.D.; PHC: Jennifer Westerman, APRN; Richard Aldis, PA; Leonard Wedman, PA; Spencer Anderson, PA.; Rebecca Kramer, CRNA; Kevin Heath, MD; Brian Hunt, MD; Walter Ingram, MD; Joanne Lapetina, MD; Michael Magee, MD; Marcus Scarbrough, MD; Molly VanPetten, MD; Amit Patel, MD

The applications were recommended for Board approval by the Executive Medical Staff. The board approved the medical staff applications and privileges as presented. Motion by Aldis, seconded by Bello. Motion carried unanimously

OPERATIONS REPORTS:

COO:

- Educational information was provided related to the 340B program's change to a rebate model January 1, 2026. Potential good news is that Kansas may pass a bill in 2026 to allow unlimited contract pharmacies again. The proposed bill will allow this in counties with populations of less than 50,000. This would allow us to again add Freeman and Hibbard's to the program and increase volumes at Harper Pharmacy.
- Driggs Design has explored the irrigation option for the lagoon directly with KDHE on behalf of Patterson Health Center. KDHE determined that PHC is not a suitable candidate for irrigation. As a result, Driggs Design requested that Bergkamp Construction evaluate alternative options, including the addition of a third lagoon cell and synthetic liner options. Bergkamp is currently finalizing cost estimates that will be presented to the board for review.
- A therapist has been hired for the Senior Life Solutions Program. Kay Cartee is a Licensed Marriage and Family Therapist (LMFT) and Licensed Master Addiction Counselor (LMAC) with over 25 years of experience in behavioral health. Her background includes providing therapy and assessments for older adults in outpatient, long-term care, hospice, and community settings. She brings experience in group and individual therapy, trauma-informed care, substance use treatment, and program development, making her well-suited to support the launch and ongoing success of the Senior Life Solutions program at Patterson Health Center. Group therapy is scheduled to begin December 19, 2025.

CEO:

- A 1.5% Cost-of-Living Adjustment (COLA) for all full-time and part-time employees was implemented and effective with the final payroll of 2025. This is being done to recognize strong fiscal discipline in 2025 and align with the strategy to stabilize wages and support staff retention. The fully loaded cost (including KPERS and payroll taxes) is approximately \$185,000, which is less than 1% of total operating expenses.
- Employee health insurance premiums will remain flat for 2026 due to the continued strong performance of the self-funded health plan. Enhancing benefits will include a reduction to the office visit co-pay for PHC primary care providers and transition to a \$25 per visit copay structure for Physical Therapy received at PHC.
- While expense discipline will remain a priority, 2026 will reflect a deliberate shift toward revenue recovery and growth by strengthening existing service lines, addressing areas of stagnation, and pursuing thoughtful expansion opportunities, while continuing to balance financial stewardship and operational efficiency.
- Orthopedic outreach remains on hold until early 2026 as Dr. Janssen works with her team to establish a second location in Wichita. Leadership will reconnect following the first quarter of the new year.
- Recruitment challenges persist for Medical Laboratory Technologists (MLTs), requiring the continued use of travelers over the past several months to ensure uninterrupted service coverage.
- A new C-arm imaging system is installed and operational now. This system will enhance pain management and procedural services.

- The Harper County Health Foundation awarded funding for the purchase of GlideScopes for the Emergency Department, replacing equipment that was nearly 20 years old. We are extremely grateful for the Foundation's continued partnership and investment in patient safety and clinical excellence.
- A contract with ISG Technology has been finalized to strengthen IT infrastructure and support. Mellisa Mixon, IT Director, joined the organization this month, providing dedicated leadership and strategic oversight. AI-enabled clinical documentation tools are being implemented to improve provider workflow efficiency and reduce the documentation burden.

FINANCIAL STATEMENTS:

Campbell reported on November 2025 Financials. November's activity in cash accounts was reviewed, that included payments received and expenses paid out. Payments received from insurance and patients were \$1,131,796.99. Additional revenue included: Provider Assessment Payments \$106,806; MSSP Shared Savings Program \$111,072.73; Contract Revenue \$10,024.54; Sunflower Foundation Grant \$20,000; Patterson Family Foundation Grant \$255,000 and a donation from the Patterson Family Foundation for \$350,000.00. November included two payrolls and four account payable runs. Days Cash on Hand increased to 209 days. Patient Accounts Receivable increased with a total AR balance of \$3,089,256.00 and AR Days at 30.79. Gross Patient Revenue for November was \$1,979,047. Inpatient revenue decreased with 23 patient days and has a YTD increase of \$51,333 in revenue. Swingbed revenue increased for the month with 74 patient days and has a YTD increase of \$583,853 in revenue. Outpatient Revenue saw a decrease in revenue in November and continues to have a YTD decrease in revenue of \$54,392 or .40%. Total Operating Revenues increased for the month and has a YTD increase of \$1,321,161 or 6.60% compared to November 2024. Total Operating Expenses decreased in November with total expenses of \$2,240,714. YTD total expenses has decreased by 1.43% or \$346,076. A Net Profit of \$258,629 was reported for the month of November 2025 with a YTD Loss of \$647,345.

Accounts payable for November totaled \$2,080,985.95. Accounts payable were approved as presented. Motion by Fallis seconded; by Penner. Motion carried unanimously.

HARPER COUNTY HEALTH FOUNDATION (HCHF): The Harper County Health Foundation Love Lights event will take place on December 21st, continuing a meaningful and visible community tradition.

UNFINISHED BUSINESS: Inspire Rehab - Ongoing challenges in Physical Therapy Services were reviewed. Despite continued recruitment efforts over the past two years, PHC has been unable to recruit a Physical Therapist/Manager for the Department. Staffing has limited our ability to fully meet outpatient and swing bed demands and are restricting growth. Inspire Rehab conducted a comprehensive assessment of PT operations and growth potential. Members of the Finance Committee met with Inspire Rehabilitation to review projected volumes, financial assumptions, and growth expectations, alongside management's independent internal analysis. Growth opportunities in both outpatient and swing bed settings under the current model cannot be supported.

A partnership with Inspire Rehabilitation is expected to provide enhanced recruitment, management expertise, and the scalability needed for sustainable, quality growth while ensuring financial and compliance oversight. Operational and financial data, including utilization trends and growth indicators, were provided for Board review.

Communications from therapy staff regarding their concerns and perspectives about Inspire and therapy services were provided to the Hospital Board for review.

Following discussion, the CEO was authorized to execute a contract with Inspire Rehabilitation to support Physical Therapy services. Motion by Lanie; seconded by Befort. Motion carried unanimously.

NEW BUSINESS: 2026 Operating & 2026-2031 Capital Budgets - Campbell presented the 2026 Operating and Capital Budget along with Finance Committee members Jan Lanie and Tim Penner. The Operating Budget shows Gross Patient Revenue \$26,676,351, Total Operating Revenues \$24,774,051, Operating Expenses \$27,954,226 and projected Net Loss of \$1,478,602. The Operating Budget includes \$2,605,000 of depreciation expense. The Operating Budget is very similar to the actual Profit and Loss Statement of 2025 but includes the new service lines and contractual changes. The Capital Budget was also reviewed with a list of capital items through Year 2031. Both budgets were approved as presented. Motion by Lanie; seconded by Fallis. Motion carried unanimously.

ADJOURNMENT: There was no further business, and the meeting adjourned to 6:57p.m. Motion made by Lanie; seconded by Aldis. Motion carried unanimously.


Kara Bello, Secretary

Approved by the Board 1-22-2026 (Date)