



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
February 26, 2026 – 5:15 p.m. – Patterson Health Center, Large Conference Room

PRESENT:

Board of Directors

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

PHC Lori Allen, COO; Sandra Campbell, CFO; Kim Barwick, HR Director; Carol McKee, Heritage Estates;
Amber Speer, RN, QA/Infection Control/Risk Manager

Guests Sarah Sampson, Fee Insurance

CALL TO ORDER The board meeting was called to order at 5:15 p.m.

PUBLIC COMMENTS: None

BOARD EDUCATION or PRESENTATIONS: None.

NEW BUSINESS: 2025 Employee Self-Funded Insurance – Performance Report: Sarah Sampson, Fee Insurance, recapped the plan's 2024 performance before providing a comparative review of 2025. There were 10 claimants who exceeded \$30,000 in medical and prescription drugs; 3 claimants exceeded the \$60,000 that is funded directly by PHC. The large claim impact was \$618,000. Even with the high claims experience the plan did well providing an opportunity to enhance benefits for the employee group. For 2026 the PHC office visit co-pay was reduced to \$15; physical therapy services at PHC has been changed to a \$20 co-pay rather than applying deductible and co-insurance; PHC will also be adding a Wellness Program benefit to the plan that can be utilized by all employees. Sampson cautioned that compliance initiatives through the Consolidated Appropriations Act of 2026 and the Department of Labor's proposed fee disclosure regulations will likely have a negative impact on pharmacy rebates that may affect the plan as early as July 2026.

APPROVAL OF MINUTES: Minutes from the regular board meeting on January 22, 2026, were presented for approval. Accounts payable dollars were amended to reflect the accurate amount presented in January. Motion to approve as corrected by Lanie; seconded by Penner; motion carried unanimously.

DEPARTMENT REPORTS, POLICY REVIEW & APPROVAL:

Disaster Preparedness Appendix C – the Appendix was updated as part of the bi-annual review.
Infection Prevention Influenza Season Guidelines – The policy was revised to include length of quarantine to represent current CDC protocols.

OSC Wound Care Policies – The wound care program policies and procedures provided by Restorix were presented for approval.

The appendix and policies were approved as presented. Motion by Bello; seconded by Befort. Motion carried unanimously.

MEDICAL STAFF AND CREDENTIALING REPORT:

The Executive Medical Staff met on February 25, 2026, to consider credentialing applications from:

- New appointments – StatRad Teleradiologists (Providers Credentialed by Proxy): Jason Shore, DO; Jesse Sinanan, MD
- Reappointments: StatRad Teleradiologists (Providers Credentialed by Proxy): David Cohen, MD; Evelyn Lorents, MD; Kenneth Nalaboof, MD; Manal Schoellerman, MD; PHC: Joshua Ellis, PA; Channity Farley, APRN; Leah Gerdes, APRN; Brandon Hendrix, PA; Ray House, MD; Lidia Manouilova, MD; Mattie Passet, APRN; Janira Navarro Sanchez, MD; Ashley Robbins, MD; Kelli Swayden, APRN; Jacob Wallace, MD
- Terminations/Resignations – StatRad Providers Credentialed by Proxy: Neil Anand, MD; PHC: Timothy Benning, MD; Paul Hutsey, 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 Bello, seconded by Aldis. Motion carried unanimously

OPERATIONS REPORTS:

Risk Management/Quality Assurance/Infection Control – Speer reviewed the following:

- Quality Assurance Performance Improvement Plan
- 2025 Annual Quality Report
- The 2025 HCAHPS annual report

COO:

- 340B Program Update: The Board was briefed on federal and state developments regarding the 340B Drug Pricing Program. HRSA is pivoting away from its previous rebate pilot toward a new "Manufacturer Rebate Model." At the state level, the Fifth U.S. Circuit Court upheld a Louisiana law (similar to Kansas SB 284) protecting contract pharmacy use. If SB 284 passes in the Kansas House, it would allow for unlimited contract pharmacies, potentially increasing revenue and supporting the reactivation of Freeman and Hibbard pharmacies.
- Lagoon Expansion: Representatives from Driggs Design are scheduled to attend the March meeting to present expansion options.
- Personnel: Maintenance Manager Aaron Schule has submitted his resignation, effective March 6. The recruitment process is underway, with three candidates currently under consideration.
- South Central DME: The department was recognized by the Anthony Chamber of Commerce with the Business Excellence Award for its commitment to community service and quality care.
- PayZen Program: Management reviewed the performance of the patient payment program launched in May 2025. Currently, \$53,907 in patient accounts are enrolled, with an average yield of 62%. The program continues to perform within expectations.

CEO:

- National Recognition: Patterson Health Center was named a 2026 Top 100 Critical Access Hospital by The Chartis Center for Rural Health. This places PHC in the top 8% of such hospitals nationwide and makes it one of only 11 recognized in Kansas. This is the organization's fourth such award since 2023.

- Budget and Charge Master Review: Management is conducting structured sessions with department leaders to align 2026 goals with financial realities. These reviews focus on transparency, reimbursement education, and ensuring the charge master remains accurate and competitive.
- Therapy Services Transition: The transition of therapy services to InReach (formerly Inspire Rehabilitation) will be finalized the first Monday in March. All existing therapy staff have accepted positions to ensure continuity of care.
- Workforce & Service Expansion: Laboratory: A new Medical Laboratory Scientist was successfully recruited.
Wound Care: A Wound Care RN has been hired to work two days per week, allowing for expansion of this service line.
- Leadership Structure Update: To clarify roles and accountability, the "Department Heads" group has been renamed the Leadership Team, and the former "Leadership Team" has been renamed the Executive Committee.
- Heritage Estates Update: Management met with families on February 24 to discuss the impact of the September 2025 rate increase. While the facility operated at a \$218,000 loss in 2025, this represents an improvement over the \$298,000 loss in 2024. A Heritage Estates Report from Carol McKee, Assisted Living Operator, will become a standing item on the Board agenda.

Heritage Estates Report:

- Renovations on Apartments 8 and 11 continue, both units are being made move-in ready.
- McKee is currently managing four active leads, including two high-interest prospects evaluating internal and external floor plans.
- A new resident-centered dining initiative is being launched, allowing for personalized meal and dessert requests to be integrated into the monthly calendar with other activities/events based on resident interest.

FINANCIAL STATEMENTS:

Campbell reported on January 2026 Financials. January's activity in cash accounts was reviewed, that included payments received and expenses paid out. Payments received from insurance and patients were \$1,133,971. Additional revenue included tax revenue payments from Harper and Kingman counties, Provider Assessment payments, contract revenue from Harper County Health Department and proceeds from sale of Tablo (Dialysis) machines. January included three payrolls paid. Days Cash on Hand increased to 175 days. Patient Accounts Receivable increased with a total AR balance of \$3,233,660 and AR Days at 36.10. Gross Patient Revenue for January was \$2,132,711. Inpatient revenue decreased for the month with 37 patient days. Swingbed revenue increased by \$13,811 with 87 patient days. Outpatient Revenue saw an increase in revenue of 11.22% compared to January 2025. Total Operating Revenue had a YTD increase of 9.43% or \$159,229 compared to January 2025. Total Operating Expenses decreased for the month with total expenses of \$2,314,909. There was a loss of \$90,982 on the sale of the three Tablo machines associated with the Dialysis program recorded in January. Net Loss of \$318,714 was reported for the month of January 2026.

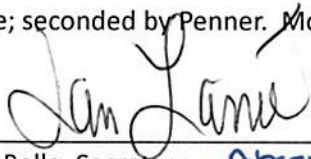
Accounts payable for January were \$2,214,903.02. Motion by Penner seconded by Bello to approve accounts payable. Motion carried unanimously.

HARPER COUNTY HEALTH FOUNDATION (HCHF): The Harper County Health Foundation approved 50% of a scholarship application received for nursing school. The City of Attica has submitted a grant

application for consideration to fund defibrillators to be placed in key locations. A fitness initiative, "March March", has been launched. Efforts continue to find an individual to serve in the vacant board position. Fundraisers are being planned.

UNFINISHED BUSINESS: Therapy Services: Erin Finke, DPT, inReach Interim Director, will be on-site March 2 to oversee the transition of services and ensure continuity of care.

ADJOURNMENT: There was no further business, and the meeting adjourned to 6:41p.m. Motion made by Lanie; seconded by Penner. Motion carried unanimously.



Kara Bello, Secretary - Absent
Signed by Board Chairman
Jan Lanie

Approved by the Board 3-26-2026 (Date)