



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
August 28, 2025 – 5:15 p.m. – Patterson Health Center, Large Conference Room

PRESENT:

Board of Directors

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

PHC Sarah Teaff, CEO; Lori Allen, COO; Sandra Owen, CFO; Kim Barwick, HR Director; Carol Mckee, Heritage Estates

Guests None

REVENUE NEUTRAL RATE HEARING: The RNR meeting was called to order at 5:15 pm by Lanie. No public was in attendance. Owen presented the 2026 Tax Budget. The 2025 Mill Levy is at 22.613. The Revenue Neutral Rate was calculated at 21.630 due to the increase in valuations. Notifications were provided appropriately as required by statute. The 2026 Tax Budget maintains the current Mill Levy at 22.613 and was approved to exceed the revenue neutral rate with the Mill Levy remaining the same; roll call vote: Lanie – Yes; Befort – Yes; Penner – Yes; Fallis – Yes; Stoughton – Yes; Aldis – Yes; Bello – Yes.

The revenue neutral rate meeting adjourned at 5:20pm. Motion by Penner; seconded by Stoughton. Motion carried unanimously.

PUBLIC BUDGET HEARING: The Public Budget Tax Hearing was called to order at 5:20 p.m. No public was in attendance. Owen reviewed the 2026 Tax Budget. 2026 Mill Levy is proposed at 22.613; the same Mill Levy as Year 2025. Lanie made a motion to approve the 2026 Tax Budget: seconded by Fallis. Motion carried unanimously.

The budget hearing adjourned at 5:24pm. Motion by Penner; seconded by Stoughton. Motion carried unanimously.

REGULAR MEETING CALL TO ORDER The meeting was called to order at 5:24 p.m.

PUBLIC COMMENTS: None

BOARD EDUCATION or PRESENTATIONS: Heritage Estates – Carol McKee, Director, provided information about the assisted living facility located in Harper, Kansas. Rates were revised for an effective date of

September 1, 2025, along with restructured pricing for extra services. Residents are provided with activities to keep them engaged. Marketing materials are being developed, and painting is planned.

APPROVAL OF MINUTES: Minutes from the regular board meeting on July 24, 2025, were presented for approval. Motion to approve by Lanie; seconded by Bello; motion carried unanimously.

DEPARTMENT REPORTS, POLICY REVIEW & APPROVAL:

Chargemaster annual review – Teaff reviewed the policy based on recommendations from Eide Bailey. The policy provides how frequently the charge master reviewed and who is responsible. We've reviewed it in the past, but this policy is more robust, focusing on best practices.

SCDME Policies – Policies were presented for review and approval. All policies are new and have been approved by the medical staff.

Human Resources Policies – Policies were presented for their biennial review. Change details along with the full policy were presented for review and approval.

Barwick presented results of the 2025 Employee Engagement Survey along with a comparison to the previous years results.

Motion by Bello; seconded by Lanie; motion carried unanimously.

MEDICAL STAFF AND CREDENTIALING REPORT:

The Executive Medical Staff met on August 26, 2025, to consider credentialing applications from:

- New appointments – Lindsay Wells PA, John Whitehead, DO
- Reappointments:
 - Neil Anand, MD, Jeremiah Jansen, MD, Justin McCoy, MD, Peter Reuss, MD, James Summa, MD, Shota Yamamoto, MD, Justin Yoon, MD, Scott Porter, MD, Amy Quinn, PA
- **Terminations/Resignations**
 - Manish Kumbar, MD, Matthew Hermann, 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 Stoughton, seconded by Fallis. Motion carried unanimously

OPERATIONS REPORTS:

Quality/Risk Management

- A reminder was provided of the influenza vaccination protocols.
- Quality improvement goals were reviewed.
- Patient survey results for the last quarter were reviewed.
- Incident statistical data was shared. Incidents have decreased, further investigation will be completed; however, some of the decrease is a result of a proactive focus on corrections.

COO:

- 340B program, HRSA approved a voluntary pilot rebate program identifying specific drugs that qualify. Six of the ten drugs that have been identified have high utilization through PHCs 340B program. Manufacturer deadline to file with HRSA to participate in the program is September 15, 2025, with an effective date of January 1, 2026. The rebate process will have a negative impact on cash flow. The facility has 45 days of the drug being dispensed to file a rebate claim; the manufacturer then has 10 days to deny or reimburse the claim.
- The lagoon has reached capacity twice over the last two years, which has required an emergency discharge. Under direction from KDHE the organization is required to evaluate options to eliminate the need to discharge in the future. Two engineering bids were obtained to evaluate

options and provide cost estimates to mitigate the issue. A motion was made to approve the bid from Driggs Design Group. Motion by Penner; seconded by Bello. Motion carried unanimously.

- Members were made aware of the blood drive scheduled for September 9, 2025.
- A women's night will be held on October 16th from 5:30pm-7:00pm in conjunction with free mammograms.

CEO:

- Senator Jerry Moran recently visited Patterson Health Center which provided an opportunity to discuss financial reimbursements, staffing and rural healthcare challenges.
- The organization is working toward alignment of Wellness Center rates. With this rate adjustment members will be able to utilize either facility to attend classes or use equipment.
- The Harper City Manager reached out about a partnership with to apply for revitalization funds for Harper's main street. Teaff will be involved in preliminary discussions.
- Mobile clinic hours have been reduced to half days due to the need for provider availability at PHC. Other opportunities to utilize the mobile unit are being investigated.

FINANCIAL STATEMENTS:

Owen reported on the July 2025 Financials. July's activity in cash accounts was reviewed, that included payments received and expenses paid out. Payments received from insurance and patients were \$1,358,870. Additional revenue included: 2024 Medicare Cost Report of \$611,882; 2025 Medicare Retro Payments of \$267,200; DSH 3rd and 4th Quarter Payments of \$408,912.44; CareMark Pharmacy Rebate of \$31,189.31; and misc. other revenue. July included three payrolls and five account payable runs. Days Cash on Hand increased to 181.85. Patient Accounts Receivable decreased with a total AR balance of \$3,195,315 and AR Days at 31.55. Gross Patient Revenue for July was \$2,162,241. Inpatient revenue increased in July with 32 patient days and has a YTD decrease of \$49,842 in revenue. Swingbed revenue increased for the month with 74 patient days and has a YTD increase of \$489,689 in revenue. YTD patient days is 741 vs 465 YTD July 2024. Outpatient Revenue saw an increase in revenue in July but continues to have a YTD decrease in revenue of \$91,776 or 1.05%. Total Operating Revenues has a YTD increase of \$544,218 or 4.15% compared to July 2024. Total Operating Expenses increased in July with total expenses of \$2,184,294. YTD total expenses has decreased by 1.65% or \$251,387. A Net Loss of \$84,633 was reported for the month of July 2025 with a YTD Loss of \$355,457. Owen talked about some known expenses coming up and the potential impact on cash at year-end.

Accounts payable for July were \$1,712,453.83. Motion by Fallis, seconded by Stoughton, to approve accounts payable. Motion carried unanimously.

HARPER COUNTY HEALTH FOUNDATION (HCHF): The Foundation will be sponsoring a ball drop fundraiser in partnership with the Chaparral High School girls' basketball team on October 10, 2025. The golf tournament is scheduled for September 27, 2025. Sponsors are being sought for the golf tournament. Plans are underway to sponsor a pickle ball tournament. Tuition sponsorship opportunities were discussed along with the process to award scholarships and ensure future funding is available. A committee has been formed to further develop the process to review and award scholarships. H&R Block will be filing the current tax return; the foundation will investigate future tax filing options.

UNFINISHED BUSINESS: None

NEW BUSINESS: Aldis shared a positive patient experience he became aware of through acquaintances.

EXECUTIVE SESSION: None

ADJOURNMENT: There was no further business, and the meeting adjourned to 7:10 p.m. Motion made by Lanie; seconded by Bello. Motion carried unanimously.


Kara Bello, Secretary

Approved by the Board 9/25/25 (Date)