

**Nocona General Hospital
Board of Directors Meeting
September 15, 2020**

Board Members Present:

Charles May, President
Ken Koontz, Vice-President
Chris Keck, Secretary
Kristal Ferguson
Paula Webb

Absent:

Cris Lemon
Ron Brown

Hospital Administration:

Lance Meekins, CEO; Rebecca Hamilton, Admin. Assistant/HR

Medical Staff:

Len Dingler, MD

Others Present:

Brian Jackson, Jackson & Carter, PLLC

Meeting was called to order by President, Charles May at 12:35 PM.

Approval of Previous Minutes

Paula Webb made a motion to accept the minutes of the August 18, 2020 meeting as presented. Ken Koontz seconded, and the motion passed unanimously.

Community Input: None

Old Business: None

New Business:

Discussion and Possible Vote on 2020 Hospital District Tax Rate

Lance Meekins reported that all the necessary steps had been performed to act on the hospital's 2020 tax rate. Based on previous discussions, a rate of \$0.18/\$100 in appraised value was published along with all the required public notifications in the newspaper. He reminded the Board they could vote to set a lower tax rate at this meeting but could go no higher without additional publication of its intent. The proposed tax rate would result in a tax levy of about \$760,000.

Ken Koontz made a motion to set the hospital's 2020 tax rate at \$.18/\$100 in appraised value, and Chris Keck seconded the motion. Motion passed unanimously.

Discussion and Possible Vote on August 2020 Financial Statements

Lance presented the following report on the hospital's August financials:

For August the hospital finished with 31 admissions, 606 outpatient discharges, including 18 surgeries, 253 ER visits, 67 ambulance calls, 445 home health visits and 1685 clinic visits. Additionally, there were 12 observation admissions. This utilization resulted in gross revenue of \$2,057,881, exceeding

budget by about 16.5%. The average daily census was 5 patients. The average length of stay was 5.0 days.

On the net revenue front the hospital benefited from various QIPP reconciliation periods from the first two years of the program, as well as some remaining year 3 quarterly payments. The total for the month was about \$130,000. The hospital's accounts receivable has aged significantly over the past couple of months requiring additional allowances to be booked.

Expenses exceeded budget for the month as well. A portion (about \$15,000) is due to 3 biweekly PTO accruals occurring during the month. The remainder is additional shifts in nursing and an increase in patients in the physical therapy department requiring additional hours worked. The supplies were over budget as we continue to purchase COVID-related expenses, which, as you recall, will be offset by the stimulus payments the hospital received previously. I will wait to drop those payments to the bottom line until the auditors give us the green light.

Ken Koontz made a motion to accept the August financial report as presented and Paula Webb seconded. Motion passed unanimously.

Discussion and Possible Vote on Capital Equipment Purchase: Surgical Table

Lance stated that, according to Bonnie Robertson, the existing surgical table was installed approximately one year after the hospital opened its doors back in the mid-70s. It is starting to show its age as the hydraulics are starting to fail, which is a major concern for patient safety. It is a significant purchase, and the hospital doesn't do a substantial number of surgeries (this is not the table used for scopes), but Lance stated that, if the hospital plans to continue with surgical procedures, it is a necessity not only for safety, but also to entice surgeons to continue to utilize our facility.

Paula Webb asked Lance to review with the vendor the line item in the quote for uncrating and testing the equipment, something for which there shouldn't be an additional expense. Paula then made a motion to purchase the surgical table and Chris Keck seconded. Motion passed unanimously.

Discussion and Possible Vote on Capital Equipment Purchase: IV Pumps

Lance also presented for the board's consideration the purchase of new IV pumps which will be claimed as a COVID expense. He explained that the pandemic has placed undue burden on patient supplies. Patients with confirmed COVID-19 infection have been noted to require increased amounts of medications, such as Remdesivir, Zithromax, Ascorbic Acid, and maintenance fluids. The time these fluids take to infuse prohibits offering a basic standard of care for medication administration through the intravenous route. Purchasing an additional ten IV pumps will allow the nursing staff to have adequate resources to administer all medications to the patient in a safe and timely manner.

Ken Koontz made a motion to purchase the IV Pumps as presented, and Kristal Ferguson seconded. Motion passed unanimously.

Convene to Closed Session for the Following Purpose:

(a) Texas Government Code Section 551.071-Consultation with Attorney

There was no Closed Session.

Administrative Report

Lance presented the following report to the Board:

Possible Critical Access Hospital Designation (CAH)

This is still being discussed, but at this time I have not seen it placed in any of latest round of possible COVID relief packages.

MFAR

The latest rumor from late August was a positive one. Texas AG Paxton spoke to President Trump and Mark Meadows about MFAR harm to Texas, and the President told his chief of staff to “stop” and “kill it”. Stay tuned.

New Nursing Facility for QIPP

Our consultants, HSM, reached out to me to discuss the addition of a new facility for the QIPP program. Gamble Guest Care is a current partner of ours with a facility in Dallas. They recently purchased a Fort Worth area facility and wish to partner it with us as well. Oakmont Guest Care (previously Bishop Davies NC) was purchased by Gamble Guest Care on July 1, 2020. The NF is 161 bed facility at approximately 75% occupancy in August located at 2712 Hurstview Dr, Hurst, TX. They are estimating the CHOW date to be as of January 1, 2021. This timeframe would require the CHOW to be submitted to HHSC during November, and documents would be worked up in October and November. The CHOW timing may be contingent on the timing of the July 1 CHOW by Gamble Guest Care.

This NF is interesting in that the NF was eligible in Year 3 and year 4 as a private NF with 72.47% Medicaid Utilization. As a private NF the facility was only eligible for Components 2 and 3, and it appears the NF was fully funded in Component 2 and approximately 80% on Component 3 (Note Comp 3 is 100% achievement due to COVID). Since the NF is eligible in year 4 as a private, we will need to work with HHSC at the submission of the CHOW to become public. The assumption is that once the NF is public it will be eligible for Components 1 and 4. Although, we will need to opt out of Component 1 since there will not be an IGT submission. If the NF meets metrics at approximately 80% achievement the potential hospital district revenue would be approximately \$392,520. HSM performed the due diligence on the facility, and those documents are available for review. If the consensus is to move forward, the appropriate documents will be drawn up, as previously stated, in the next couple of months.

Coronavirus Update

- The hospital has treated 10 lab-confirmed inpatients. There are currently 2 admitted.
- As of this writing the hospital has the following stats:
301 symptomatic patients tested (+124 since last board report)
58 positive results (+31 since last board report)
1 pending
241 negatives
Have also tested 75 outpatient surgery patients---3 were positive
- PPE stockpiles are good.
- Our stockpile of rapid tests remains over 500 with the ability to order additional tests if needed.
- Region wide currently (9/10) for Trauma Area C:

	ICU	M/S
URHCS	4	16
Promise	0	3
NGH	0	2
Wilbarger	0	1
Hardeman	0	0

Electra	0	1
Kell West	0	1
Graham	0	1

Medical Staff Report: Nothing to Report.

Other Business: None

Meeting was adjourned at 1:29 PM.

Charles May, President

Chris Keck, Secretary