

**Nocona General Hospital  
Board of Directors Meeting  
October 20, 2020**

**Board Members Present:**

Charles May, President  
Chris Keck, Secretary  
Kristal Ferguson  
Paula Webb

**Absent:**

Ken Koontz, Vice-President  
Cris Lemon  
Ron Brown

**Hospital Administration:**

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

**Others Present:**

Brian Jackson, Jackson & Carter, PLLC

Meeting was called to order by President, Charles May at 12:36 PM.

**Approval of Previous Minutes**

Paula Webb made a motion to accept both the minutes of the September 15, 2020 Public Hearing and the September 15, 2020 Regular board meeting as presented. Chris Keck seconded, and the motion passed unanimously.

**Community Input:** None

**Old Business:** None

**New Business:**

**Discussion and Possible Vote on September 2020 Financial Statements**

For September the hospital finished with 22 admissions, 637 outpatient discharges, including 11 surgeries, 269 ER visits, 52 ambulance calls, 432 home health visits, and 1586 clinic visits. Additionally, there were 10 observation admissions. This utilization resulted in gross revenue of \$1,560,000, missing budget by about 11.5%. The average daily census was 4.5 patients. The average length of stay was 5.1 days. For the year gross revenue has exceeded budget by about 2% and running about 11% above last year.

On the net revenue front, the hospital benefited from the QIPP August payments of about \$110,000. Lance reported that he continues to book allowances at between 62-65%, meaning the hospital is anticipating collecting approximately \$0.35 per each dollar charged.

Overall expenses were slightly under budget for the month with variances among the individual line items. A separate spreadsheet is included in the board packet detailing the additional salaries expended as we covered for numerous employees out sick. The line item for utilities is skewed as we booked credits for our internet service that we receive via the USAC program. Additionally, the employee benefits line item was well under budget, as we had an appropriate amount accrued for future claims

without posting an additional amount. Supplies were impacted by the purchase of flu shots, fees for re-working the website, and additional PPE purchases.

Paula Webb made a motion to accept the September financial report as presented, and Kristal Ferguson seconded the motion. Motion passed unanimously.

**Discussion and Possible Vote to Name Lance Meekins as Trustee of the Nocona General Hospital 457 Plan, Replacing Wells Fargo, Effective December 31, 2020, and Also Designate Other 457 Plan Officers/Parties and Their Roles as Legally Required**

Lance stated that the hospital's current trustee and investment vehicle for the retirement plan, Wells Fargo IRT, has merged its operations with Principle. Due to this change, various options for a new investment and reporting companies were reviewed. After reviewing the options, we are recommending switching to John Hancock for investments, Retirement LLC for recordkeeping, and Wilshire Associates as the fiduciary. If approved, the changes will occur January 1, 2021, with employee meetings prior to that date.

Chris Keck made a motion to move forward with the recommended changes; Paula Webb seconded. Motion passed unanimously.

**Discussion and Possible Vote on 2020 Tax Totals**

Paula Webb made a motion to accept the final 2020 Tax Totals; Kristal Ferguson seconded. Motion passed unanimously.

**Convene to Closed Session for the Following Purpose:**

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

The Board dismissed to Closed Session at 1:11 PM.

**Reconvene to Open Session and Take Action as Follows:**

**(b) Discussion and Possible Vote on Matters Related to Consultation with Attorney**

The Board reconvened to Open Session at 1:20 PM.

No action was taken.

**Administrative Report**

Lance presented the following report to the Board:

MFAR

As we discussed at the end of last month's meeting, Seema Verma, the administrator for the Centers for Medicare and Medicaid Services (CMS), sent a Twitter message on September 14 stating with regard to the proposed Medicaid Fiscal Accountability Regulation (MFAR) that "We've listened closely to concerns that have been raised by our state and provider partners about potential unintended consequences of the proposed rule, which require further study. Therefore, CMS is withdrawing the rule from the regulatory agenda." The reality is that the decision was more than likely not solely based on the overwhelming opposition and the negative impact on hospitals local and state government, but was most likely driven by great political pressure brought about by member of Congress and state leaders. For Texas, kudos go to Governor Greg Abbott, Lt. Governor Dan Patrick, Attorney General Ken Paxton, and other leaders in the Texas Legislature who communicated to the President on down the negative impact MFAR would create in Texas. Additionally, many of you left comments and letters, as well as, many other hospital leaders around the State. It's a big win!

Price Posting Requirement

We were in hopes that the new price transparency rule would be delayed due to the Covid outbreak. The rule states that by January 1, 2021 hospitals must:

1. Provide a machine-readable file containing negotiated charges (rates) for ALL items and services.
2. For 300 shoppable items and services only, including 70 defined by CMS if they are provided by the hospital, hospitals must provide a consumer-friendly display of gross charge and negotiated charges (rates).

The solution is complex due to multitude of contracts each hospital has with insurance providers. Fortunately, our computer vendor, CPSI, has developed a solution that appears to satisfy the requirements, and will provide a link to the files on our website. Of course, it's not free as there is an initial setup charge and monthly maintenance of about \$250.

Medicare Accelerated Payments

As you may recall the hospital received accelerated payments for both the hospital and clinic totaling approximately \$1.7 million back in April. These are prepayments that initially had to be repaid starting 120 days from their receipt at 100% withholding from Medicare remits. The latest Continuing Resolution passed by Congress at the beginning of the month loosened those payback provisions. The new repayment schedule is as follows:

- Payback begins 1-year after issuance of the Advance Payment
- First 11-months of the payback will be equal to 25% of the remit payment
- Next 6-months payback will be 50% of remit payment

After 29-months CMS expects any amount not paid back through the withholds to be paid in a lump sum. Interest will begin to accrue at 29-months but the rate will be 4% (not the current 9.6%).

Coronavirus Update as of 10/15/2020

	<b>Symptomatic</b>	<b>OP</b>		
Tested	513	86		
Positive	133	4		
Negative	378	82		
Pending	0	0		
Deaths	2	0		
	<b>ICU</b>	<b>M/S</b>	<b>Staff Absenteeism</b>	
URHCS	19	48	65	
Clay Co	0	0	0	
Electra	0	1	7	
Encompass	0	0	5	
Graham	0	7	Yes	
Hamilton	0	0	1	
Hardeman	0	0	2	

Kell West	0	1	0
NGH	0	4	6
Promise	0	0	0
Seymour	0	2	0
Wilbarger	1	0	Yes

w/clinic

**Medical Staff Report:** Nothing to Report

**Other Business:** None

**Meeting was adjourned at 1:48 PM.**

---

Charles May, President

---

Chris Keck, Secretary