

**Nocona General Hospital
Board of Directors Meeting
July 16, 2024**

Board Members Present:

Charles May, President
Ken Koontz, Vice-President
Chris Keck, Secretary
Paula Webb
Ron Brown
Kristal Ferguson
Cris Lemon

Absent:

Hospital Administration:

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

Medical Staff:

Len Dingler, MD

Others Present:

Brian Jackson, Jackson & Carter, PLLC

Meeting was called to order by President, Charles May at 12:33 PM.

Approval of Previous Minutes from the June 18, 2024 Regular Meeting

Ron Brown made a motion to approve the minutes of the June 18, 2024 Regular Meeting, and Paula Webb seconded. Motion carried unanimously.

Community Input

None

Old Business

None

New Business

Discussion and Possible Vote on June 2024 Financial Statements

Lance presented the following report to the board:

For the month of June, the hospital had 30 admissions; 543 outpatient discharges, including 3 surgeries; 256 ER visits; 365 home health visits; and 1521 clinic visits. Additionally, there were 11 observation admissions. This utilization resulted in gross revenue of about \$1.77M, missing budget by about 10.6% while exceeding the yearly budget 1.0%. The average daily census was a low 3.3 patients with an average length of stay of 3.4 days. These utilization numbers combined with the expenses and allowances resulted in a \$376,422 loss from operations. Although patient volumes are up slightly, we continue to not be able to generate enough volume both on an inpatient and outpatient basis to offset the expenses that unfortunately continue to increase at a higher rate.

Overall, for the fiscal year the operational loss grew slightly. We moved approximately \$3,650,000 from “savings” to operations to cover the operational loss.

For year over year comparison: (12 months)

- Gross revenue is up 2.9% from with last year but down 7% from FY22.
- Net revenue is up 20.7% (increased collections), and up 6.2% from FY22.
- The ADC is up 0.3 patients from last year but down 1.5 from 2022.
- **Admissions are up 1% but down 18% from FY22.**
- The ALOS is the up slightly.
- **Outpatient discharges are up 4% compared to last year but down 7% from 2 years ago.**
- ER visits are down 12%.
- Ambulance calls are up 14%.
- **Obs admissions are up 14%.**
- O/P surgeries are the same.
- Clinic visits are up 3%.
- FTEs are up 1.5.
- Receipts of patient accounts are up 14% for hospital accounts, up 32% for home health, and up around 1.5% in the clinics when Cooper’s stats are removed.

Net operating revenue exceeded budget by 21.5% for the month and exceeded the yearly budget by around 17.5%.

Overall expenses were over budget by about 15% for the month and about 8% over budget for the year, mostly due to supplies, Cooper, and consultant fees. Additionally, we paid a year’s worth of invoices to Peyton’s Project which assists us with reduced pricing on anti-venom, about \$32,000. Also, Durbin decided to catch up on billing as well. In addition to the cost report, we utilized them for several required projects, i.e. UC audits, AHA survey, etc. Those invoices totaled close to \$60,000.

Non-operating revenue included an accrual of about \$285,000 for QIPP year 7 that has not been received yet. In years past this accrual was well over \$1M, but due to the IGT issues we discussed at last month’s meeting, the recoupment of significant amounts of IGT has reduced the benefit.

So, in summary, utilization stats have improved slightly from last year but remain below FY22 levels. The increase in net revenue is good, but it has not kept pace with the increase in expenses. The operational loss, while only slightly greater than last year, still is a major concern. It continues to be offset by the supplemental payment programs and investment income.

Ken Koontz made a motion to accept the June 2024 financials as presented, and Cris Lemon seconded. Motion carried unanimously.

Discussion and Possible Vote on Credentialing Amanda Hancke, CRNA, with Genesis Wellness & Pain

Paula Webb made a motion to pain management credentials to Amanda Hancke, CRNA, pending Medical Staff approval. Ken Koontz seconded, and the motion carried unanimously.

Discussion and Possible Vote on Delineation of Privileges for Anesthesiologist

Paula Webb made a motion to approve the Delineation of Privileges for an Anesthesiologist, and Chris Keck seconded. Motion carried unanimously.

Convene to Closed Session for the Following Purposes:

- a) **Texas Government Code Section 551.071 – Consultation with Attorney**
No Closed Session

Administrative Report

Lance presented the following additional information to the Board:

Renovation Project Timeline

- Construction is scheduled to start July 17th with site demolition work, including tree removal, construction fence installation, and roll-off dumpster arrival.
- Structural steel for the addition is currently expected to arrive on-site the 3rd week of August.
- The first application for payment is expected July 25th, and hopefully a monthly payment projection will be completed soon to assist with cash flow and help determine if financing of the project or future QIPP IGT payments will be necessary due to continued slow operations and cash receipts.
- Braun Intertec has taken existing soil samples in the area of the building addition for analysis.
- Phase 1 schedule from the contractor is expected soon. Hopefully I will have it for the board meeting.
- No change orders have been approved to date.

Genesis Pain Management

We are still negotiating the final contract with Genesis for pain management. However, Jacob Jordan, who led the presentation for Genesis at the recent board meeting, has left the company and is now operating out of the Clinics of North Texas. We have met with both Jacob and Genesis and are evaluating their proposals. Although the Board approved the Genesis Pain Management contract last month, it has not been signed due to the uncertainty with Jacob’s departure.

Year to Year Comparison of Stats:

	FY 2024 (Unaudited)	FY 2023	FY 2022	FY 2021
Net Patient Revenue	\$9,873,301	\$8,493,578	\$9,425,267	\$9,027,776
Admissions	360	356	425	392
O/P Discharges	7,408	7,150	7,958	7,343
Total Expenses	\$13,991,808	\$12,505,971	\$12,143,856	\$12,175,097
Change Net Pos.	\$3,088,663	\$4,447,202	\$4,740,387	\$5,538,113
FTEs	112	110	113	113
Days Cash on Hand	694	683	574	484

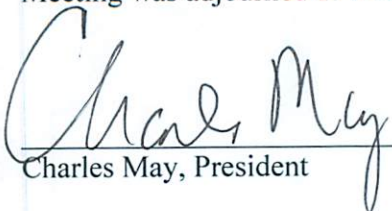
Medical Staff Report

Nothing to Report.

Other Business

None

Meeting was adjourned at 1:19 PM.



 Charles May, President



 Chris Keck, Secretary