

**Nocona General Hospital
Board of Directors Meeting
January 21, 2025**

Board Members Present:

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

Absent:

Cris Lemon
Ron Brown

Hospital Administration:

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

Medical Staff:

Len Dingler, MD

Others Present:

David Hartwell, BYSP Architects
Tommy Davis, D&CO
Bruce Miller, DMN

Meeting was called to order by President, Charles May at 12:30 PM.

Approval of Previous Minutes

Ken Koontz made a motion to approve both the minutes of the December 17, 2024 Regular meeting. Chris Keck seconded, and the motion carried unanimously.

Community Input

None

Old Business

None

New Business

Discussion with David Hartwell: Update on Renovation Project

David Hartwell brought the board up to speed on the status of the renovation project. Lance pointed out one action item for the Board to consider: a change order beyond the scope of the contingency amount that will increase the overall cost of the project. It will provide a mini-split for the server room in the clinic. However, David reported that, after further research, Maintenance Director Todd Sutton was able to obtain a much lower quote by purchasing outside the scope of the current project.

Discussion and Possible Vote on FYE 2024 Audit Presented by Durbin & Co.

Tommy Davis of D&Co (Auditors) presented a summary of the 2024 audit.

Paula Webb made a motion to approve the FYE 2024 audit as presented, and Kristal Ferguson seconded. Motion carried unanimously.

Discussion and Possible Vote on December 2024 Financial Statements

Lance presented the following report on the December 2024 Financials:

For December the hospital finished with 36 admissions; 594 outpatient discharges, including 7 surgeries; 363 ER visits; 67 ambulance calls; 431 home health visits; and 1628 clinic visits. Additionally, there were 16 observation admissions. This utilization resulted in gross revenue of about \$2.1M, falling short of budget by 1.5%. The average daily census was 3.7 patients with an average length of stay of 3.1 days. All utilization stats are in the red compared to last year with the exceptions of clinic visits.

For year over year comparison:

- Gross revenue is under budget by about 9.6% and down 1.3% from last year. Net revenue is down 6.2% from last year as bad debt continues to climb. Expenses are down 1.1%.
- The ADC is down about 0.6 patients.
- Admissions are down 18.6%.
- The ALOS is up 0.2 days.
- Outpatient discharges are down 4%.
- ER visits are down 3.9%.
- Obs admissions are down 17%.
- O/P surgeries are down 12.5%.
- Clinic visits are up 1%.
- FTEs are up 0.6.
- Days Cash on Hand is up 8.4%.

It was a decent month compared to previous months except for net revenue being under budget by 14%. Collections have lagged this fiscal year compared to last year as collections on hospital accounts is down almost 22% (like the decline in utilization). Clinic collections are up 32% due to Cooper's nursing home billings.

Please note that we received very little in QIPP payments but are still paying the monthly consultant fees, this is the reason for the negative non patient revenue. I net the revenue with the associated expenses of the QIPP program.

Paula Web made a motion to accept the December 2024 financials as presented, and Ken Koontz seconded. Motion carried unanimously.

Discussion and Possible Vote on Calling of Election for Saturday, May 3, 2025

Ken Koontz made a motion to call for an election on Saturday, May 3, 2025, and Paula Webb seconded. Motion carried unanimously.

Discussion and Possible Vote on Amendment to Dieticians on Demand Contract

Lance reported that the hospital has utilized this company for several years now for our dietician consulting as required by CMS. They are now requesting a contract extension with an increase in the hourly rate from \$60 to \$75/hr. As difficult as it was to get this company, I recommend moving forward with the amendment. Please note we only utilize this company for about 6-10 hours per month so the financial effect is not too severe.

Paula Webb made a motion to approve the amendment to the contract with Dieticians on Demand. Chris Keck seconded, and the motion carried unanimously.

Discussion and Possible Vote on Change Order #2 for Renovation Project

As mentioned previously, Todd was able to find a much more cost-effective way to purchase the split unit outside of the current renovation project. Therefore, the board chose to table this item..

Convene to Closed Session for the Following Purposes:

- a) **Texas Government Code Section 551.071 –Attorney Consultation & Presentation of Quality Assurance Metrics**

None

Administrative Report

Lance presented the following report to the Board:

Parking Lot

The contract has been reviewed and signed. I expect the project to begin late this month or in early February.

Pain Management

For the month of December there were a total of 13 surgical cases and 19 clinic visits. The fees paid for these services were about \$8900. At this time all the above have been billed but not yet reimbursed. We will monitor the reimbursement closely and bring a full report to the Board for December next month.

The Genesis representatives have been pleased with the early results and fully expect to have to increase to 2 days within a year. Their goal is 7-8 surgical cases and up to 15 clinic visits per week. They have initiated marketing in Cooke County as well.

State Legislative Session

The 89th Texas Legislature convened on January 14th. Rep. Dustin Burrows (R - Lubbock) was elected Speaker of the House. Represent Burrows has 6 rural hospitals in his district (2 of them still deliver babies), and he has been a friend of TORCH in prior sessions. He was recognized by TORCH for his work on behalf of rural health with an award after the 2019 session. Gov. Greg Abbott gave brief remarks in the Senate on opening day. Looking ahead, Abbott will deliver his State of the State address on Sunday, February 2. Comptroller Glenn Hegar released the biennial revenue estimate. Texas lawmakers have an estimated \$194.6 billion available for general-purpose spending in the 2026-27 biennium, a slight decrease from the current biennium, but a remarkable \$23.8 billion budget surplus for the legislature to decide how to spend (or hold).

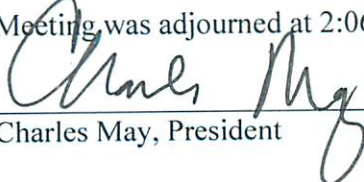
Medical Staff Report

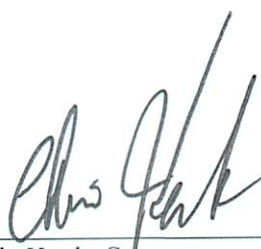
Nothing to Report

Other Business

None

Meeting was adjourned at 2:06 PM.


Charles May, President


Chris Keck, Secretary