

SABINE COUNTY HOSPITAL DISTRICT
BOARD OF DIRECTORS
MEETING MINUTES

March 23, 2015

The Sabine County Hospital District Board of Directors met for a Regular Meeting on March 23, 2015 at 5:30 PM in the Sabine County Hospital Board Room 167.

Present

Phil Yocom, President
Earl Willis, VP & Treasurer
Joe McNaughten, Secretary
Mark Pearson, Member at Large
Dr. Lana Comeaux, Member
Gary Williams, EMS Administrator
Diane Powell, District Administrator
Emily Taylor, Administrator Assistant

Others Present

Diana Taylor, Sabine County Hospital Administrator
Penny Ferguson, Sabine County Reporter
Montez McNaughten, Sabine County Citizen
Andy Freeman, CEO Preferred Management

- I. Mr. Yocom called the meeting to order at 5:30 p.m.
- II. Mr. Williams opened the meeting with prayer.
- III. No Comment
- IV. Mr. Willis stated he had a question over the February 23, 2015 Regular Board Meeting Minutes. Mr. Willis stated that when discussing the Nursing Home UPL in the previous meeting it was his understanding that the Sabine County Hospital District would not have to manage the nursing home. Ms. Powell stated yes, Sabine County Hospital District would have to sign a management agreement however this is done through the state. Mr. Willis then stated that was not what he understood. Ms. Powell stated with the UPL we will sign a contract with the state and the nursing home to manage the nursing home. Mr. Willis then stated there was a clerical error that needed to be taken care of. Mr. Willis then moved to accept the minutes and Financials. Ms. Powell stated that the total collection rate from July to December is 74.8% for Sabine County EMS. The average collected per trip thru December is \$605 per trip for Sabine County EMS. Ms. Powell stated that would go up some we were still collecting on December billing pretty heavily. Ms. Powell stated that she and Mr. Williams are working to increase the collection rate. Ms. Powell stated that Emergicon stated the reason our collection rate is so high is

because the administrators at Sabine County EMS are working on collections as well as the staff at Emergicon. Ms. Powell stated that working together with Emergicon, as well as the staff at Sabine County EMS helps with the collection rate. Mr. Pearson seconded. Motion passes.

- V. Ms. Taylor volunteered to move her power point to the next regular session meeting due to the lengthy agenda. Mr. Yocom stated that on behalf of the board he appreciated Ms. Taylor moving her power point presentation.
- VI. Ms. Taylor asked that the board consider funding half the current contract year for the next IGT call which will be either April or May. She stated that IGT goes into two pools, Uncompensated Care and DSRIP. She asked the board to consider funding half of the \$780,000, which is the current contract year amount. She stated that this IGT call in April or May would be for Uncompensated Care and it is only funded once per year. She stated to the board that only funding what is owed to Preferred would give Sabine County Hospital a shortfall of approximately \$428,000 with the match. Mr. Pearson stated he is concerned about the financial well-being of Preferred Hospital Leasing. Mr. Freeman assured Mr. Pearson that Preferred Hospital Leasing is very strong financially. Mr. Yocom stated he would like to know exactly how the money is being spent. Mr. Freeman stated the money is used for the operation of the hospital, he stated that it goes to things like paying doctors, buying x-ray machines, etc. Mr. Willis stated he did not want to repeat last year and overfund Preferred. Dr. Comeaux stated she would consider this however she does not feel like she has all of the information from Preferred. She stated she would like to see the financial numbers from Sabine County Hospital only, not including the clinics. She also stated she is concerned that if we send up the \$390,000 to IGT and Preferred closes the doors, how Preferred would handle this type of situation. Mr. Willis stated that the District would have the A/R. Dr. Comeaux stated she would like to know from Preferred what kind of assurance the District would have from Preferred if they were to close the doors. Mr. Freeman stated he has no intention of going anywhere. He stated that they are investing back into the hospital. Ms. Taylor stated they are trying to hire another PA to help with staffing the ER. The money that they are asking for would go to help cover the cost of another mid-level provider for the hospital. Mr. Freeman stated that if Preferred is in trouble he would come to the board to let them know first thing. He stated they have been in business for 27 years and they are financially sound. Dr. Comeaux asked for a line item financial list of what this money would go for. Ms. Taylor stated that most of the money goes to salaries, she said she would discuss this in closed session. Dr. Comeaux stated she didn't need to know the names she would like to see exactly how it is spent. Mr. Yocom stated his worry is that every time the board makes a policy, Preferred comes back and asks to change the policy. Ms. Taylor stated that the state changes the dates annually and this is out of Preferred's control. Dr. Comeaux stated she would not have a problem considering this if she had a line item financial statement letting the citizens of Sabine County know what this money is being spent on. She would like to be able to explain to the citizens of Sabine County how this is helping them. Dr. Comeaux asked for a historical graph showing what Preferred has put back into the hospital. Mr. Freeman stated he could get that to the board. Mr. Pearson asked if Preferred is in good shape. Mr. Freeman stated that they are

in great shape. Mr. Freeman stated he is working on succession planning. MS. Taylor stated that they would get the reports to the board that have been requested. No action taken.

VII. Ms. Taylor stated that Preferred Hospital Leasing is offering an additional \$16,000 in additional compensation per year to cover indigent, charity, and Medicaid transports out of Sabine County Hospital. Mr. Yocom asked about the spreadsheet that Ms. Taylor presented to the board. Ms. Taylor stated that Preferred was paying Acadian Ambulance \$26,500 per month for the ambulance service, which comes to \$318,000 per year. She stated that now Preferred is not having to pay this, however they are making lease payments in the amount of \$212,000 per year to Sabine County Hospital District. She also stated that the Sabine County Hospital District is now not required to fund \$90,000 in the capital equipment fund annually. Ms. Taylor stated that Sabine County Hospital had to pay Care Plus, a private ambulance service, for a transfer of an uninsured patient to Lufkin in the amount of \$818.00. She stated that if the hospital has to do this often then this should also be taken into account prior to making an agreement with Sabine County EMS to compensate for uncompensated transfers. Mr. McNaughten stated that this may never happen again. Ms. Powell explained that when dealing with a private ambulance service, most of the time they will not cover the cost of uninsured transfers. Mr. Yocom stated that it was his understanding that the lease payments had nothing to do with the ambulance subsidy. Ms. Taylor stated that was what was originally proposed in order to keep the Preferred contract amount the same. Mr. Freeman, CEO Preferred Hospital Leasing, stated that was the original discussion. Mr. Yocom stated that when the \$318,000 was paid it was a pass through cost to Preferred because the Sabine County Hospital District actually paid this amount through IGT. Mr. Yocom stated that Preferred received the 140% return on the \$318,000. Mr. Freeman stated that Woodland Heights received most of the 140% return. Mr. Yocom asked what the loss is for Sabine County EMS for uncompensated transfers. Ms. Powell stated that she hadn't looked at all the transfers, she has looked at the Houston transfers and that amount is \$65,000 but that was just through October. Mr. Yocom asked that Ms. Powell get the amount of uncompensated transfers from Sabine County Hospital and accrue it for twelve months. Mr. Yocom stated that moving forward Preferred would reap the benefit of the 140% return on the \$318,000. Mr. Yocom stated he feels \$16,000 annually would not be close to covering the uncompensated transfers. Ms. Taylor stated that the \$212,000 that is paid in lease payments and the \$90,000 in capital equipment reserve makes up \$302,000 of the \$318,000. Mr. Yocom stated the \$90,000 should not be taken into account because it was not paid to Preferred it was a fund set aside for the Hospital, however this was never funded because anytime there was a capital equipment request to the District, the District paid for the capital equipment. Ms. Taylor stated that there would not be any requests for capital equipment. Mr. Yocom stated the \$90,000 should go away. Mr. Willis stated the Board does not have enough information. He suggested that the item be tabled until the Board could receive the report from Ms. Powell. Mr. Yocom asked that this be referred to the Finance Committee.

VIII. Mr. Williams explained that February started off slow but picked up by the end of the month with a total of 129 calls with 117 being billable. Mr. Williams stated that the call

volume increased due to more calls in Six Mile, Fairmont, Pendleton zones and decreased in Hemphill. He stated that we continued to take about 30% of the patients to the Sabine County ER and other 70% of the patients to Lufkin, Nacogdoches, Jasper and San Augustine, 23% of calls coming out of Sabine County ER. He stated that Sabine County EMS is receiving more of the Medicaid money from the July and August, so we are able to get a clearer picture of the actual dollar figures. He stated that there is still a lot of Medicaid in appeals due to the timing on getting our Medicaid number. Ms. Powell stated in the month of August, Sabine County EMS has not received anything from Superior, a form of Texas Medicaid. Ms. Taylor stated the Hospital is having the same issues with this. Ms. Taylor stated it was managed Medicaid. Mr. Freeman stated it was contracted through Medicaid as a subcontractor for the state. Mr. Williams stated that he and Ms. Powell met with Emergicon and they are doing everything they can to collect the money from Superior. Mr. Williams stated that he and Ms. Powell can look at the Emergicon website and see the numbers in real time to see what is being appealed or denied and why. Mr. Yocom asked if there was anything we could do with a state agency to get payment. Mr. Freeman stated that the issue needed to be addressed with the state. Mr. Yocom asked if it would be ok with the board for him to draft a letter on behalf of the Hospital District board of directors to the state to explain the current situation with Superior. Mr. Yocom asked about the higher than usual call volume in the Pendleton Harbor area. Mr. Williams stated that month to month different zones will increase. Ms. Powell stated that it not unusual for Pendleton Harbor to have multiple calls at the same time. Mr. Williams stated that the Sabine County EMS received their auto vent. He stated that this is a rescue vent used on transfers of less than one hour. Mr. Williams stated that the pagers had been received but due to some confusion at the Sheriff's office they had yet to be used. He stated that he has met with the Sheriff and Jail Administrator and all of the issues had been resolved. Mr. Williams stated that Sherriff Maddox has some concerns with his dispatchers not being emergency medical dispatchers, and their ability to help a person on a 911 call. Mr. Yocom asked that Mr. Williams write up some procedures to help the dispatchers with 911 emergencies. Ms. Taylor stated the other evening they had eight critical patients come in the in the ER all by private vehicle which put Sabine County Hospital on ER diversion. She stated she then called Ms. Powell to let her know that the ER would be on diversion until further notice. Ms. Taylor stated that within five minutes the EMS Crews were at the hospital to help with anything necessary to get the patients to where they needed to go and it was very much appreciated. Mr. Pearson then asked Mr. Williams how much is being spent on sheets each month. Mr. Williams stated that it costs approximately \$1100.00 per month for sheets and blankets. Mr. Pearson then asked how much was being spent on biohazard waste and sharps disposal. Mr. Williams stated that it was \$74.00 per month. Mr. Williams stated it was once a quarter. Ms. Powell stated that in a six month period there was only one trash bag. Mr. Yocom ask if there was any question or comments over the EMS Administrator report. Mr. Yocom moved to accept the EMS Administrator's report Mr. McNaughten seconded. Motion passed.

- IX. Ms. Powell stated that she would like to be able to direct deposit all 1099 Vendor checks this would include Dr. Gulbis, as well as Mr. Williams and Ms. Powell's insurance

check. Mr. Yocom moved to allow all 1099 Vendor Checks to be direct deposited. Mr. Willis seconded. Motion passed.

- X. Mr. Willis moved to allow the District Administrator to attend any UPL meetings involving EMS and Nursing Home. Mr. Yocom seconded. Motion passed.
 - XI. Dr. Comeaux moved to award Mr. Williams an 8% performance bonus and Ms. Powell would receive an 8.5% performance bonus. Mr. Willis seconded. Motion passed.
 - XII. No action taken.
 - XIII. Mr. Yocom moved to allow all Sabine County Hospital Board Members as well as the Administrator's attend the THT Conference July 30-August 1, 2015. Mr. Willis Seconded. Motion passed.
 - XIV. Mr. Willis moved to allow Ms. Powell and Mr. Williams to attend the Texas Ambulance Conference April 8-11, 2015. Mr. Yocom seconded. Motion passed.
- Dr. Comeaux arrived at 6:12 p.m.
- XV. Mrs. Powell stated that the board would like tablets to get the board meeting packets on. Mr. Yocom stated that if the Board had tablets Ms. Powell could have uploaded the Amended agenda for the board meeting without having to reprint the agenda to bring to the meeting. Mr. Willis asked for explanation over the tablets. Mrs. Powell stated that she would email the packet to each board member on Thursday, then on the day of the meeting she would distribute the tablets for each member to use. Mr. Yocom stated that he did not like that idea, his concern is everyone being able to use and understand the equipment. Mr. Willis asked what the tablets would accomplish. Ms. Powell stated the tablets would assure that you received your packets on time for the board meeting. Mr. Yocom stated that this was the first time in three months that he had received his packet on time. Ms. Powell stated packets have to be sent out on Thursday by 9:00 A.M prior to the meeting to assure that all board member received there packets. Mr. Pearson asked what the cost was to send out each packet. Ms. Powell stated it is approximately \$4 per packet each month. Mr. Yocom stated that it is about \$20 a month. Mr. Willis stated his preference would be a paper copy like we are currently during. Mr. Yocom and Mr. Pearson agreed it is hard to justify the cost of tablets. Mr. Yocom recaps to Dr. Comeaux what was currently being discussed due to late arrival. Dr. Comeaux asked why packet couldn't be e-mail. Ms. Powell explained that they could be e-mailed but you would need the tablet to access the email during the meetings. Dr. Comeaux stated she would like an electronic copy so she didn't have to go to her post office box. Ms. Powell stated that she would email all the board members the packets as well as mail them a paper packet as well. No Action Taken.
 - XVI. Mr. Yocom stated that the state was proposing to cut the property tax rate from 8% to a 4% cap. If the District exceeded the 4% increase they would be subject to the roll back. He stated that back in 2006, 2007, and 2008 if they were not able to raise the taxes by 8%

the Hospital would have closed. Mr. Yocom stated that he would offer to write a letter to the state over the issue if the board allows. Mr. Pearson moved to allow Mr. Yocom to write a letter on the behalf of the Board of Directors. Mr. Willis seconded. Motion passed.

XVII. Mr. Willis moved change the April and May meeting dates to April 20 and May 18. Mr. McNaughten seconded. Motion Passed.

Mr. McNaughten left at 6:44 p.m.

XVIII. Closed Session at 7:05p.m.

XIX. Closed Session

XX. Return to Open Session at 8:35p.m

XXI. Mr. Yocom moved to allow the Hospital District Attorney to review all contracts. Dr. Comeaux seconded. Motion passed.

XXII. No Board Member Comments

XXIII. Adjourn 8:36 pm

Phil Yocom, President
Sabine County Hospital District
Board of Directors

Joe McNaughten, Secretary
Sabine County Hospital District
Board of Directors