

SABINE COUNTY HOSPITAL DISTRICT
BOARD OF DIRECTORS
MEETING MINUTES

April 20, 2015

The Sabine County Hospital District Board of Directors met for a Regular Meeting on April 20, 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
Diane Powell, District Administrator
Gary Williams, EMS Administrator
Emily Taylor, Administrative Assistant

Absent

Dr. Lana Comeaux, Member

Others Present

Diana Taylor, Sabine County Hospital Administrator
Penny Ferguson, Sabine County Reporter
Larry Stephens, CFO Preferred Management
Andy Freeman, CEO Preferred Management
Mike Easley, VP Preferred Management
Bob Kusterman, Sabine County Citizen
Mark Keene, Attorney

- I. Mr. Yocom called the meeting to order at 5:30 p.m.
- II. Mr. McNaughten opened the meeting with prayer.
- III. No Public Comments.
- IV. Mr. Willis stated there was a grammatical error in the minutes and would pass this along to Diane Powell. Mr. Yocom moved to accept the minutes and financials. Mr. Pearson seconded. Motion passed.
- V. Ms. Taylor stated Inpatient Census is up 17%, Swing Bed Days are up 18%, ER Visits are down 5%, Transfers are down 2%, and Clinic Visits are down 9%. She stated the results of the new procedural changes were made effective January 1, 2015 in the Emergency Department regarding the provision of services for non-emergent patients have been tallied. A total of 356 ER patients presented in March which is a 2% decrease

from March 2014. 4% of those presenting were screened as non-emergent (total of 15). With an average of 11.4 patients per day presenting to the ER. Sabine County Hospital will be adding an additional mid-level provider to our medical staff team and is in the process of recruiting. One site visit has been conducted on 4/3/15. Four other CV's received and reviewed. Dr. Greg Backofen took his Family Practice Board Certification exam during the week of April 13th and should receive results back in fifteen days. His licensure is in process with an anticipated start date for July pending Texas licensure when he completes his residency training. Sabine County Hospital will be participating in Shattered Dreams on May 14th in Brookeland, TX with a live drill and patients being brought to Sabine County Hospital. Sabine County Hospital is planning a revamp of its Health Fair and due to the scheduling of the Shattered Dreams program; the health fair will be located on the Hemphill square. In addition, to the standard vendor booths, the focus will be 'Healthy U' and plans are to try to include a wider variety of participants. A bicycle rodeo is planned with over 80 free bicycle helmets to be given to children participating along with free backpacks and safety information. Sabine County is planning to donate a portion of the county's monies received for Child Safety to help with the purchase of the bicycle helmets. A Healthy Food Show will be conducted with judging in these categories: Salads, Low-Sugar Desserts, and Vegan Main Dishes. Additionally, a skills competition with teams of four to encourage others to join in will be held with a: Hula Hoop Contest, Balloon Blowing, and Wheelchair Races. The event will be held on Thursday May 21, 2015 from 4 to 7 p.m. Ms. Taylor stated that for the first two months of 2015: Ordinary Income from patient revenue above budget 104.9%, deductions to income are above budget 121.2%, Sabine County Hospital Expenses are below budget 99%, other income is below budget at 47.7%, and other expenses are below budget at 83.3%. No Action Taken.

- VI. Ms. Taylor presented a PowerPoint presentation of 2014 year in review this included the hiring of Dr. Luraguiz in July, 2014, the purchase of capital equipment for Sabine County Hospital in the amount of \$93,581.00, remodeling of the triage room. She also stated that new hospital beds, a mobile ultrasound and a remodel of the nurses' station were purchased through the Community Improvement Grant. She stated that in 2014 Sabine County Hospital and Clinic employees donated over \$2,000 in Christmas gifts and Thanksgiving food items to residents in Sabine County. She stated that the staff at Sabine County Hospital was involved in Ebola Preparedness Training, CPR Instruction, PA externships, Quality Assurance Performance Improvement, and attendance in 1115 Waiver Meetings at UTMB. Ms. Taylor stated that Inpatient Days were 857, Outpatient Days were 6880, ER visits were 3789, Swing Bed Days were 565, Toledo Bend Clinic visits were 4986, and Sabine Family Medicine visits were 4860 for 2014. The Sabine County Hospital ER received a 99% positive response rate for 2014. She stated that the average days in AR for Sabine County Hospital were 50.30 days, Sabine Family Medicine were 38.02 days, and Toledo Bend Family Medicine were 60.59 days. The additions to Management at Sabine County Hospital were Margie Watson as CNO and David Jones as Maintenance Director. No Action Taken
- VII. Mr. Freeman, Preferred Management CEO, stated that they have the 1115 financial report that was requested by the Hospital District Board at the March Board Meeting. Larry

Stephens, Preferred Management CFO, stated from June 2010 through May 2012, the Sabine County Hospital District made \$1.63 million in IGTs to the State under the UPL program. The IGTs and federal match combined totaled \$3.91 million that was sent to Woodland Heights Medical Center. Woodland Heights retained \$440,000 and used the remaining \$3.47 million to pay for ambulance, trauma and physician services. Woodland Heights paid Acadian Ambulance Service a total of \$1.08 million for 44 months of ambulance Service, they paid Preferred Hospital Leasing \$1.10 million for trauma services for 43 months, and they paid Community Care Specialists \$1.30 million for physician's services. In addition, Woodland Heights received another \$2.5 million from the 1115 program for a total benefit of \$2.84 million. From April 2013 through June 2014, the Sabine County Hospital District made \$2.27 million in IGTs to the State under the 1115 Waiver program. The IGTs and federal match combined totaled \$5.5 million, with \$2.05 million sent to Woodland Heights and \$3.4 million paid to Sabine County Hospital. Funds received by the hospital were applied towards uncompensated care and the hospital's DSRIP project to improve access to primary care covering the period from 2013 through 2014. Amounts paid to the hospital for both uncompensated care and DSRIP represent the value of these services as calculated by the State. DSRIP funding includes the cost of recruiting and compensating new providers an increase of \$553,000 in 2014 alone, with an expected increase of \$771,000 in 2015. Actual uncompensated care costs for the two year period were over \$2.8 million. Lack of IGT funds in 2015 will result in a net loss of \$1,092,000 of federal match funding. Mr. Willis asked for the amount that would be owed to Preferred on June 6, 2015. Ms. Powell stated the total which includes the \$16,257.31 from 2014, would be approximately \$274,000. Mr. Willis then asked when the Preferred contract states the payment is due to them. Ms. Powell stated she was unsure if the contract had a monthly date, however she stated when figuring the payment for June she included the amount owed for June. Mr. Willis stated that he did not want to see the hospital lose \$1 million in 2015. No Action Taken

- VIII. Ms. Powell stated Sabine County Hospital District has been approved to participate in the Ambulance UPL. She stated that with this UPL program the District could not receive funds from Preferred and from the UPL program. She stated that the return on the money from UPL was 2 to 1. No Action Taken.
- IX. Mr. Williams reported that for March 2015, Sabine County EMS responded to 170 calls, the average response time was 8 minutes 40 seconds. Mr. Williams stated that Medicare and Medicaid will not pay for treatment no transport. He stated that medical supplies cost went up in March due to the number of respiratory patients, he stated that those calls require the use of double the supplies that other calls would use. Mr. Williams stated that due to the saturation of Sabine County ER, Sabine County EMS has been transporting more patients to San Augustine and Jasper. Mr. Williams stated he is in the process of getting grants to expand telemedicine to the back of the ambulance. Mr. Pearson asked about Sabine County ER saturation. Mr. Williams stated that the number of critical walk-ins at Sabine County ER is extremely high. He stated that the hospital will call him and let him know that they would like for Sabine County EMS to take patients to other locations if possible. Mr. Yocom stated that there was a communication issue between Sabine County EMS and Sabine County Hospital, however they have worked through the

issues and are now in direct communication with each other. Mr. Williams stated that the Pineland Unit is now on Monday through Friday, 10 hours per day, and 24 hours per day on Saturday and Sunday. Mr. Pearson stated the Pineland sign at the station looked great. Mr. Yocom moved to accept the EMS Administrator's report. Mr. Pearson seconded. Motion passed.

- X. Sabine County Hospital District entered Executive Session at 6:23 p.m. pursuant to Section 551.071 of Texas Government Code to discuss the following:
1. Consultation with legal counsel regarding compliance with the Hospital's Lease and Operating Agreement.
 2. Consultation with legal counsel concerning the Sabine County EMS Ambulance Station.
- XI. Return to Open Meeting at 7:08.

Returning to Open Meeting with Preferred Management, Sabine County Hospital District Board of Directors, Mark Keene, Gary Williams, Emily Taylor and Diane Powell present.

- XII. Mr. Yocom moved to authorize and instruct counsel to initiate all available remedies including legal action to secure compliance with the Hospital's Lease Agreement. Mr. McNaughten seconded. Mr. McNaughten, Mr. Yocom and Mr. Pearson voted yes. Mr. Willis abstained.
- XIII. No Action Taken.
- XIV. Board Member Comments:

Mr. Pearson: No Comment.
Mr. Yocom: No Comment.
Mr. Willis: No Comment.
Mr. McNaughten: No Comment.

- XV. Meeting adjourned at 7:12 p.m.

Phil Yocom, President
Sabine County Hospital District
Board of Directors

Joe McNaughten, Secretary
Sabine County Hospital District
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