

**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE  
WINNIE-STOWELL HOSPITAL DISTRICT**

The meeting of the Board of Directors of the Winnie-Stowell Hospital District (“District”) was noticed and filed pursuant to the Texas Open Meetings Act a full 72 hours prior to the opening of said meeting for 9:00 a.m. on the 25th of January, 2016 at the Winnie Community Hospital (“Hospital”)-Front Conference Room, Broadway, Winnie Texas (a copy of said Notice being placed amongst the files of the District).

The roll was called of the members of the Board, to wit:

Elroy Henry, Chair  
Jeff Rollo, Vice-Chair  
Ed Murrell, Secretary  
Sharon Burgess, Director  
Raul Espinosa, Director

All said Board members were present. In addition, to the above named Board members, also present at the meeting was: Sherrie Norris, District Administrator; Hubert Oxford, IV, Hazel Meaux; and Wade Thibodeaux with the Hometown Press. At approximately 9:03 a.m., a quorum was established and Chairman Henry and then a request for public comment.

There being no public comment, Chairman Henry turned to Agenda Item No. 3, to review and approve financials reports; payment of invoices, and amend the budget, if necessary. Administrator Norris was called on to address the payment of invoices. According to Mrs. Norris, the District was able to secure a month extension on its property and windstorm insurance for the Highway 124 property. The cost of the extension was \$476.27 as opposed to over \$3,000.00 for the year and if cancelled within the first quarter, the District would only receive 3/4ths of the premium back. In addition, Administrator Norris informed the Board that the Finance Committee needed to meet prior to the next Board meeting to discuss amending the budget in light of the upcoming IGT for the Uncompensated Care program to be discussed in

Agenda Item No. 4. A motion was made by Director Murrell to approve the payment of the insurance invoice. *See Exhibit "A"*. This motion was seconded by Director Rollo, with the unanimous consent of all Board members.

Chairman Henry then asked Board to turn its attention to Agenda Item No. 4, discuss and take action, if necessary, on approving an intergovernmental transfer "IGT" for the Winnie Community Hospital to participate in the DY 4 Uncompensated Care Program. Attorney Oxford informed the Board that the IGT for the Hospital to participate in the Uncompensated Care program could be as much as \$251,000.00 and it DY4 UC IGT Commitment Due on the day of this meeting then the deposit to the District's Texnet account needed to be done by January 27, 2016 after receiving the final IGT payment amount. Afterwards, the Board discussed the need to amend the budget at the next regularly scheduled meeting because the IGT amount for DY 4 was in excess of the \$130,000.00 budgeted for the Uncompensated Care Program in 2016. Addition, there was some discussion about the need to meet with the Hospital to evaluate whether some portion of the IGT or the Uncompensated Care payment should be applied to the amount owed by the District to the Hospital as part of the existing Indigent Care Agreement. Thereafter, a motion was made by Director Murrell to approve the IGT for DY 4 on behalf of the Winnie Community Hospital with the understanding that the two parties would meet to determine whether any portion of the IGT or the Uncompensated Care proceeds would be credited to the amount owed by the Hospital District to the Hospital for the Indigent Care Agreement. This motion was seconded by Director Rollo, with the unanimous consent of all Board members.

Next, Chairman Henry asked the Board to move forward to Agenda Item No. 5, to discuss and take action, if necessary, of approving funding documents for Loan 8 to assist with nursing home operations, including an IGT for Eligibility Period 2, 3rd Qtr. In so doing,

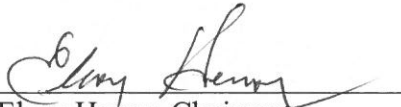
Chairman Henry called on Attorney Oxford for an explanation. Attorney Oxford reported to the Board that between the date of this meeting and the date of the Regular Meeting in February 2016, the Board was going to be asked to make an IGT for Eligibility Period 2, 3<sup>rd</sup> Quarter and therefore, he requested the Board give Chairman Henry authority to sign the loan documents for this period so that the Board does not have to have a special meeting to approve the documents. Attorney Oxford explained that presently, the amount of the loan is uncertain and the loan documents are the same as the documents he previously signed. After Attorney Oxford's comments and request, a motion was made by Director Murrell to give Chairman Henry authority sign the loan documents for Loan 8. This motion was seconded by Director Espinoza with the unanimous consent of all Board members present.

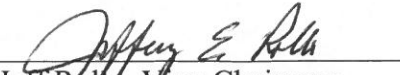
After the budget for 2016 was discussed and approved, Chairman Henry asked the Board to discuss and take action, if necessary, Agenda Item No. 6, to discuss and take action, if necessary, on initiating the CHOW process to acquire the license for the Jasper Nursing & Rehabilitation Center. No action was taken on this Agenda Item but Attorney Oxford reported that the nursing home owner for this facility was interested in pursuing a Change of Ownership ("CHOW") with the District so that this facility could participate in the QIPP program and that the District could acquire the license for this facility because the facility was located within 150 miles of the District. In addition, Attorney Oxford informed the Board that under the existing QIPP rules, if acquired through a CHOW process, this facility would have a significant Medicaid shortfall and have numbers for the QIPP program that would make it worth the District's time to acquire. With this said, however, Attorney Oxford asked the Board to not make a decision yet because he was still trying to gather information on the program and the facility. Therefore, this Agenda Item was tabled until the February 17, 2017 Regular meeting.

Next, Chairman Henry asked the Board to consider Agenda Item No. 7, to discuss and take action, if necessary, on establishing an indigent care card system through Indigent Care Solutions and approve amendments to the Indigent Care Solutions contract. Chairman Henry called on Administrator Norris to explain. According to Mrs. Norris, since the District was considering paying for ambulance services and as the Indigent Program increases in size, she has made an inquiry to Indigent Healthcare Solution, the vendor for the District's indigent software, as to whether they provided identification cards. Per Mrs. Norris, IHS does provide a service for the cards and she was waiting on a proposal for the costs. No action was taken and this agenda item was pushed until the February Regular meeting.

Lastly, the Board was asked to consider Agenda Item No. 8, to Discuss and take action, if necessary, on hiring an indigent care director. Before any discussion on this matter took place, Chairman Henry called the Board into Executive Session pursuant to Chapter 551.071 of the Texas Governmental Code to discuss Personnel matters. The Board came out of Executive Session at 10:48 and took action. A motion was made by Director Rollo to hire Yani Jimenez as the Indigent Care Director and to pay her \$14.00 per hour for ninety (90) days and following ninety (90), Mrs. Jimenez would be evaluated to: 1) keep her job if she was able to perform her duties; 2) remain at the same pay; or 3) get a raise.

Immediately following the hiring of the Indigent Care Director, Chairman Henry Reminded the Board that next regularly scheduled meeting would be held on February 17, 2016 at 6 :00 a.m. A motion was then made by Director Espinoza at 10:51 p.m. This motion was seconded by Director Burgess, with the unanimous consent of all Board members to adjourn.

  
Elroy Henry, Chairman

  
Jeff Rollo, Vice-Chairman