

MINUTES OF THE REGULAR 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 6:00 p.m. on the 20th day of April 2016, at the Winnie Community Hospital (“Hospital”)-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 with the exception of Director Espinosa. In addition, to the above named Board members, also present at the meeting was: Sherrie Norris, District Administrator; Yani Jiminez, Indigent Care Director; Hubert Oxford, IV, Attorney; District; Deputy Tony King, Chambers County Sherriff’s Office; and citizens listed on **Exhibit “A”**.

At approximately 6:06 p.m., a quorum was established and Chairman Henry made introductions that were followed by a brief moment of silence, the Pledge of Allegiance, and then a request for public comment. There being no public comment, Chairman Henry asked the Board to Chairman Henry asked the Board to address Agenda Item No. 3, to consider and take action on Agenda Item No. 3, to review and approve the minutes from the following meeting:

- March 23, 2016 Regular Meeting
- April 6, 2016 Special Meeting.

After a review of the minutes, Director Murrell made a motion to approve the minutes for April 20, 2016 Regular Meeting and the May 12, 2016 Special Meeting. This motion was seconded by Director Burgess, with the unanimous consent of all Board members.

Chairman Henry then asked the Board to discuss Agenda Item No. 4, to review and approve financial reports and payment of invoices. According to Mrs. Norris, she was still in the process of finalizing the data entry process for Quickbooks and once this is completed, she would have more detailed reports for the next meeting. Regardless, as of the meeting, the District had a balance of \$1,197,748.90 in its operation's account. In addition, the District received a check in the amount of \$668,361.90 from Molina for an MPAP payment that had been deposited by way of remote deposit in the Interbank on the day of the meeting but had not posted as of the meeting. Therefore, the District's net cash position after receipt of the comptroller's monthly tax revenue of \$39,811.41 and the posting of the Molina MPAP payment was \$2,029,249.80. Otherwise, the District had \$104,400.13 in a CD at Prosperity Bank and \$152,638.87.16 in a TexStar Account and will have \$668,461.90 in the Texnet account after the check from Molina was deposited. (See **Exhibit "B"**). Following a review of the invoices and account balances, the Board discussed their desire to set aside \$500,000.00 in the operations account for reserves. Director Murrell made a motion to approve the payment of bills and the financial statements presented by Mrs. Norris and to transfer \$500,000.00 from the District's operations account into the Texstar account. (See **Exhibit "B"**). This motion was seconded by Director Burgess, with the unanimous consent of all Board members present.

After the presentation of the District's financials, Chairman Henry asked the Board to return to Agenda Item No. 5 and called on the Committee Chairman to give committee reports.

The reports by each Committee Chair are as follows:

- **Building Committee:** Chairman Henry stated they closed on the building and property on March 23rd and the District received \$28,166.57 from the title company after closing.
- **Finance Committee:** Chairman Murrell reported that he has worked with Director Espinoza on the flooding issues and the two recommended that the Hospital be allowed to utilize a portion of the \$76,000.00 of excess funds from the indigent care agreement for flood work repair and the invoices for this work would be submitted for review.
- **Indigent Healthcare Committee:** Chairwoman Burgess informed the Board that her committee had nothing to report.
- **Personnel Committee:** Director Rollo informed the Board, this committee had nothing to report.
- **Hospital Liaison:** No report.

Following the brief committee reports, Chairman Henry called for reports by the staff. First, Mrs. Norris advised the Board that the District received over \$8,000.00 from the tobacco settlement. Moreover, as she stated earlier, Administrator Norris was continuing to work with the District's CPA to get the District's finances in QuickBooks.

Attorney Oxford reported on three matters. First, Attorney Oxford informed the Board that he continues to work with the LTC Group to establish a rate that would be better for the District but the LTC Group still has not received its report by VMG Healthcare who was re-evaluating the LTC fees and services and there has been no word by the State of Texas in regard to a reconciliation payment for Eligibility Period 1. In addition, Attorney Oxford advised the Board that the FQHC report was to be finished by the May meeting. Lastly, Attorney Oxford asked for feedback on the District's proposed Grant/Sponsorship Policy and Procedures and received the following response from Director Murrell and the Board concurred with his thoughts as it relates to grants or projects funded by the District:

1. Grant Approval: Applicants need to get three (3) bids and the vendors used by the grant applicants must be approved by the Board and agree to a conflicts of interest statement.


2. Monitoring: The District will prepare a report to be utilized by all grant recipients that will be provided to the District on an agreed to basis depending on the project or grant requests.
3. Amendments: Any amendments to a grant or project must be submitted, to the Board in writing so that the Board can consider the request at its next regular scheduled meeting or special meeting.
4. Payments: The District will hold back 10% of grant or project funds to ensure completion of the requests or project in a timely and acceptable manner. Invoices will be paid in the form of draws after receiving a request to pay along with invoices supporting the draw and two Board members have inspected the progress of the project or basis for the grant funds.
5. Closeout: A closeout and payment of the 10% retainer can occur after all work has been completed and two Board members perform an inspection and verify the basis for the grant or project was complete.

After the lengthy discussion on Attorney Oxford's requests for suggestions on the issues surrounding the proposed Grant/Sponsorship Policy and Procedures, Chairman Henry called on the Indigent Care Director, Yani Jiminez, to give her indigent care reports. *See Exhibit "C"* According to Mrs. Jiminez, in the month of March, the District's indigent care cost for forty-two (42) clients was \$21,451.65 in healthcare cost for the month of March but if the District were to have actually paid for the hospital and non-hospital care, the amount paid by the District would have been \$10,458.51 based on the Medicaid reimbursement rates. Of the \$10,458.51, \$3,837.01 or 36% was for prescription drugs and did not come under the Indigent Care Agreement.

After the staff reports, Chairman Henry asked the Board to begin considering the action items on the Agenda. First, he turned to Agenda Item 7, to discuss and take action, if necessary, on obtaining a hired and non-owned insurance policy on behalf of the District. Attorney Oxford explained this agenda item came as a result of questions raised by several Board members concerning the District's responsibilities and liabilities when it came to staff operating vehicles while performing job duties for the District. Attorney Oxford presented the Board with a quote from J.S. Edwards and Sherlock on behalf of the Hartford Insurance Company for \$761.00 per year that provides a \$1,000,000.00 liability policy that covers hired and non-owned claimed as

well as an additional \$1,000,000.00 umbrella policy. See **Exhibit “D”**. Attorney Oxford explained that the hired and non-owned portion of the policy protects the District in the event that an employee or Board Member was involved in an auto accident. After considering the cost and the benefits, Director Murrell made a motion to obtain the liability and umbrella policy from the Hartford Insurance Company for \$761.00. This motion was seconded by Director Rollo with the unanimous consent of all Board members.

Upon the conclusion of all the action items, Chairman Henry announced that the Board would meet again on May 18, 2016, for its regularly scheduled meeting in May 2016. A motion was then made by Director Murrell to adjourn the meeting. This motion was seconded by Director Burgess, with the unanimous consent of all Board members.


Elroy Henry, Chairman


Jeff Rollo, Vice-Chairman