

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

The Regular 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 seventy-two (72) hours prior to the opening of said meeting for 6:00 p.m. on the 21th day of March 2018, at the Winnie Community Hospital (“Hospital”)-Conference Room, Broadway, Winnie Texas (a copy of said Notice being placed amongst the files of the District).

At approximately 6:00 p.m., the public hearing was convened, and the roll was called of the members of the Board, to wit:

Ed Murrell, President  
Jeff Rollo, Vice-President  
Anthony Stramecki, Treasurer  
Raul Espinosa, Secretary  
Sharon Burgess, Director

All said Board members were present except Directors Rollo and Burgess. Also present at the public hearing were: Sherrie Norris, District Administrator; Yani Jimenez, Indigent Care Director; Hubert Oxford, IV, General Counsel; Chris Portner; Mo Danishmund, Chief Financial Officer of Winnie Community Hospital; Chris Portner, General Counsel for Winnie Community Hospital; Wade Thibodeaux, the Hometown Press; Gloria Roemer, Seabreeze Beacon; and Hazel Meaux, interested citizen.

There being no public comment, President Murrell asked the Board to consider and take action on Agenda Item No. 4, to review and approve the minutes of the Regular Meeting held on February 21, 2018. The Board reviewed the minutes and a motion was made by Director Stramecki to approve the minutes of the Regular Meeting held on February 21, 2018. This motion was seconded by Director Espinosa with the unanimous consent of all Board members.

The Board was then asked by President Murrell to consider Agenda Item No. 5, to review and approve financial reports; payment of invoices, and amend budget, if necessary. In light of Mr. Sticker's absence due to a conflicting schedule, Attorney Oxford and Administrator Norris presented the District's financials. According to the Attorney Oxford and Mrs. Norris, they prepared a cover page for the District that summarizes the District's cash position, invoices to be approved; payments made since the last meeting; upcoming payments due; loan balances; and an investment report that is compliant with Section 2256.023 of the Government Code. Afterwards, the Board reviewed the Cash and Investment Report as well as: 1) Balance Sheet as of January 31, 2018; 2) Profit & Loss Budget vs. Actual as of February 28, 2018; and 3) the check register for the District's Prosperity Account from January 1, 2018 through March 21, 2018. (See **Exhibit "A"**). Following a review of the outstanding invoices by Mrs. Norris, Attorney Oxford spent a considerable amount of time reviewing the upcoming transactions and the need to utilize the District's line of credit at Post Oak Bank because the Loan 12 payment due to Salt Creek Capital, LLC was due on April 1, 2018 and the Component 1 funds were scheduled to be received later in the month. At the end of this discussion, a motion was made by Director Stramecki to: 1) approve the Cash and Investment Report; payment of invoices and the financial reports prepared by the District's CPA set forth in Exhibit "A". This motion was seconded by Director Espinosa and approved with the consent of a Board members.

Next, President Murrell asked Committee Chairpersons if they had anything discussed as set forth in Agenda Item No. 6. The various Chairpersons all stated that they had nothing to report. Therefore, President Murrell turned to Agenda Item No. 7, to discuss staff reports. The reports given by staff were as follows:

- a. **District Administrator:** Administrator Norris informed the Board that the annual Texas Healthcare Trustees Conference was scheduled for July 27<sup>th</sup>-28<sup>th</sup>, 2018 in Grapevine,

Texas, and she asked the Board to let her know whether any members were interested in attending because the deadline to register was June 1, 2018. In response, the various Board members discussed pros and cons of attending and advised Mrs. Norris that they would report back at the next Board meeting on whether they would attend.

- b. **District Indigent Care Director:** President Murrell then turned to the District's Indigent Care Director, Yani Jimenez and asked for her indigent care report. Before giving her report, Mrs. Jimenez advised the Board that she had been discussing with Mrs. Farrow the appropriate remedy for the handful of instances in which citizens schedule appointments with Mrs. Farrow but fail to show up for the appointment. At issue is whether the District should: 1) send an invoice for missed appointment; 2) do not send an invoice but prohibit the family from participating in the future; 3) establish a process that gives families one unexecuted absence and then bar future appointments if the second appointment is not attended. In addition, there was some discussion of whether the Board should be invoiced for a family's failure to appear, but nothing was decided.

Moreover, Mrs. Jimenez informed the Board of an issue involving Patient 1011 who has been enrolled in the indigent care program since January 2016 and who has accrued \$16,705.93 in hospital and pharmaceutical expenses in the current enrollment year that ends on April 30, 2018. The matter at hand was that Patient 1011 needed to undergo a foot amputation at UTMB and the cost of the amputation was \$22,754.70 which would make the amount of care expended on the patient over the District maximum of \$30,000.00 per year. Further, she reported that she requested that the surgery be postponed until after she could discuss with the full board at the next regularly scheduled meeting but was informed that the surgery was urgent and could not wait. Therefore, she advised the Indigent Care Committee on the matter and the procedure was performed. In response, Attorney Oxford reminded the Board that the \$30,000.00 threshold was a maximum liability that the District had to incur if feasible, and there may be few occasions where the District has no choice but to provide the treatment. Further, Attorney Oxford reminded the Board that the agreement with UTMB set a \$60,000.00 cap on treatment and UTMB was within their contractual rights to perform the procedure. Most importantly, the Board agreed that part of the reason for the District's participation in the various Nursing Home Programs was to be able to provide more comprehensive healthcare treatment to clients in the same position as Patient 1011.

Lastly, Mrs. Jimenez reviewed the February 2018 indigent care report. (See **Exhibit "B"**). A summary of the report is as follows:

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# of Clients:	February				Year to Date			
	Billed Amount	Medicaid Rate	% of Services	Actually Paid	Billed Amount	Medicaid Rate	% of Services	Actually Paid
	63							
<b>Summary by Facility</b>								
Winnie Community Hospital	\$69,585.00	\$28,529.85	51.68%	\$0.00	\$125,518.00	\$51,462.38	93.22%	\$0.00
<b>Pharmacy</b>								
Brookshire Brothers Pharmacy	\$12,825.05	\$10,723.07	19.42%	\$10,723.07	\$21,815.46	\$18,779.25	34.02%	\$18,779.25
Wilcox Pharmacy	\$1,314.27	\$795.07	1.44%	\$795.07	\$2,879.88	\$1,802.05	3.26%	\$1,802.05
<b>Total</b>	<b>\$14,139.32</b>	<b>\$11,518.14</b>		<b>\$11,518.14</b>	<b>\$24,695.34</b>	<b>\$20,581.30</b>		<b>\$20,581.30</b>
<b>UTMB</b>								
UTMB Hospital	\$29,218.00	\$7,012.32	12.70%	\$7,012.32	\$107,721.23	\$25,853.08	46.83%	\$25,853.08
UTMB Physician Services	\$11,218.00	\$2,717.37	4.92%	\$2,717.37	\$24,589.00	\$7,086.11	12.84%	\$7,086.11
Youth Counseling	\$255.00	\$255.00	0.46%	\$255.00	\$255.00	\$255.00	0.46%	\$255.00
<b>Total</b>	<b>\$40,691.00</b>	<b>\$9,984.69</b>	<b>18.09%</b>	<b>\$9,984.69</b>	<b>\$132,565.23</b>	<b>\$33,194.19</b>		<b>\$33,194.19</b>
<b>Grand Totals</b>	<b>\$124,415.32</b>	<b>\$50,032.68</b>		<b>\$21,502.83</b>	<b>\$282,778.57</b>	<b>\$105,237.87</b>		<b>\$53,775.49</b>
<b>Summary by Service Provided</b>								
Prescription Drugs	\$14,139.32	\$11,518.14	20.86%	\$11,518.14	\$24,695.34	\$20,581.30	37.28%	\$20,581.30
WCH Clinic	\$8,497.00	\$3,483.77	6.31%	\$0.00	\$19,758.00	\$8,100.78	14.67%	\$0.00
WCH ER	\$39,662.00	\$16,261.42	29.46%	\$0.00	\$75,332.00	\$30,886.12	55.95%	\$0.00
WCH Inpatient	\$0.00	\$0.00	0.00%	\$0.00	\$0.00	\$0.00	0.00%	\$0.00
WCH Observation	\$0.00	\$0.00	0.00%	\$0.00	\$0.00	\$0.00	0.00%	\$0.00
WCH Labs	\$5,860.00	\$2,402.60	4.35%	\$0.00	\$8,331.00	\$3,415.71	6.19%	\$0.00
WCH Physical Therapy	\$4,644.00	\$1,904.04	3.45%	\$0.00	\$4,644.00	\$1,904.04	3.45%	\$0.00
WCH Ultrasound	\$1,312.00	\$537.92	0.97%	\$0.00	\$1,968.00	\$806.88	1.46%	\$0.00
WCH Lab/Xray	\$2,408.00	\$987.28	1.79%	\$0.00	\$7,309.00	\$2,996.69	5.43%	\$0.00
WCH CT Scan	\$0.00	\$0.00	0.00%	\$0.00	\$0.00	\$0.00	0.00%	\$0.00
WCH Xray	\$6,134.00	\$2,514.94	4.56%	\$0.00	\$7,064.00	\$2,896.24	5.25%	\$0.00
Lab/Xray readings	\$1,068.00	\$437.88	0.79%	\$0.00	\$1,112.00	\$455.92	0.83%	\$0.00
UTMB Outpatient	\$29,218.00	\$7,012.32	12.70%	\$7,012.32	\$107,721.23	\$25,853.08	46.83%	\$25,853.08
UTMB Anesthesia	\$0.00	\$0.00	0.00%	\$0.00	\$1,680.00	\$1,155.00	2.09%	\$1,155.00
UTMB Physician Services	\$11,218.00	\$2,717.37	4.92%	\$2,717.37	\$22,909.00	\$5,931.11	10.74%	\$5,931.11
Youth Counseling	\$255.00	\$255.00	0.46%	\$255.00	\$255.00	\$255.00	0.46%	\$255.00

At the conclusion of the indigent care report, the Board was asked to return to Agenda Item No. 5 to amend the approval for the payment of invoices to include the invoice of \$22,754.70 by UTMB for the amputation of Patient 1011's foot. A motion was then made by Director Stramecki to amend his previous motion for Agenda Item No. 5 to include the payment of the \$22,754.70 UTMB invoice to amputate Patient 1011's foot. The amended motion was seconded by Director Espinosa and unanimously approved by all Board members present.

- c. **District General Counsel:** Attorney Oxford had nothing to report at the time.
- d. **LTC Report:** LTC provided its quarterly report attached as **Exhibit "C"**. Attorney Oxford explained that the quarterly report only mentions certain nursing homes because LTC Group was now visiting the homes on a quarterly basis.
- e. **Hospital Report:** None.

Following the staff reports, President Murrell asked the Board to address Agenda Item No. 8, to discuss and take action, if necessary, on adopting a resolution to open "Clearing Account" at Post Oak Bank. Administrator Norris was called to explain this agenda item while Attorney Oxford

passed out a proposed resolution. (See **Exhibit “D”**). Mrs. Norris explained that occasionally deposits were made into the various nursing home accounts by payors for the wrong nursing facility and she was requesting this account be opened so that she could set aside the funds until a determination was made on where the funds should be deposited. Mrs. Norris continued by explaining that the reason payments are paid to the incorrect account is because a payor may have make a payment to the Hospital District based on the District’s taxpayer identification number rather than the facility’s payor number and simply deposit the funds in any District account. Once Mrs. Norris completed her explanation, a motion was made by Director Stramecki to adopt the Resolution that authorizes the “Clearing Account” at Post Oak Bank. (See **Exhibit “D”**). This motion was seconded by Director Espinosa and approved by all Board members present.

Next, President Murrell called on Attorney Oxford to discuss Agenda Item No. 9, to discuss and take action, if necessary on refunding the overpayment of sales tax. The Administrator explained that the District received a letter from the Comptroller of Public Accounts stating that the District had been overpaid \$24,081.53 in local sales and use tax. (See **Exhibit “E”**). Further, Mrs. Norris explained to the Board that the District was given two payment options. The first was to have the monthly sales tax reduced by \$651.00 for thirty-six (36) months and then \$645.53 on the thirty-seventh (37) month. The second option was to pay a lump sum payment of the balance owed less 2% (i.e., \$24,081.53 minus \$481.63, or \$23,599.90). After considering the options, a motion was made by Director Stramecki to pay the lump sum payment of \$23,599.90. This motion was seconded by Director Espinosa and unanimously approved by all the Commissioners present.

At 7:12 p.m., President Murrell called the Board into executive session pursuant to Section 551.071 of the Texas Government Code for purposes of consultation with the District’s Attorney. The Board returned from executive session at 7:36 p.m. and took no further action.

President Murrell then called for any other such matters before the Board. There being none, President Murrell informed the Board that the next regularly scheduled meeting would be one week later than usual due to scheduling conflict and would take place on April 18th, 2018 at 6:00 p.m. At 7:37 p.m., a motion was made by Director Stramecki to adjourn the meeting. This motion was seconded by Director Espinosa and unanimously approved by all the Board members present.

  
Edward Murrell, President

  
Jeff Rollo, Vice-President