

**MINUTES FOR 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 21th of August, 2019 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 6:08 p.m., the meeting was convened, and the roll was called of the members of the Board, to wit:

Ed Murrell, President
Anthony Stramecki, Vice-President
Robert “Bobby” Way, Treasurer
Jeff Rollo, Secretary
Raul Espinosa, Director

All said Board members were present less Director Way. In addition, to the above-named Board members, also present at the meeting were: Sherrie Norris, District Administrator; Yani Jiminez, Indigent Care Director; Hubert Oxford, IV, General Counsel for the District; Saad Javed, Acting Administrator for Riceland Hospital; Mr. Mo Danishmund, Chief Financial Officer for Hospital; Chris Portner, General Counsel for Riceland Hospital; Mr. Wade Thibodeaux, the Hometown Press; and Gloria Roemer, Seabreeze Beacon.

After the introduction of the guest, President Murrell called on those present to recite the Pledge of Allegiance and the Pledge of Allegiance to the State Flag of Texas. He then asked for Public Comment and since there was none, he referred the Board to Agenda Item No. 4, to review and approve the minutes of the July 17, 2019 Regular Meeting. The minutes were examined by the Board and no changes were recommended. Therefore, Director Stramecki made a motion to

approve the minutes of the July 17, 2019 Regular Meeting. This motion was seconded by Director Rollo with the unanimous consent of all Board members.

President Murrell then asked the Board to address Agenda No. 5, to review and approve financial reports; payment of invoices, and amend budget, if necessary. In light of Mr. Sticker's absence, Attorney Oxford was asked to present the financials and treasurer's report. Attorney Oxford referred the Board to the District's Balance Sheet and Profit & Loss Budget vs. Actual statement as of July 31, 2019. He then advised the Board that at the next meeting, depending on the Board's decision at tomorrow's Special Meeting to make an intergovernmental transfer ("IGT") on behalf of the Hospital so that the Hospital can participate in the 1115 Waiver Program-Uncompensated Care, it may be necessary to amend the budget at the next Regular Meeting because the expected amount of the upcoming IGT was most likely going to exceed the \$1,000,000.00 budgeted for IGTs on behalf of the Hospital. (See **Exhibit "A-1"**).

Next, Attorney Oxford discussed the Treasurer's Report, check register, and outstanding invoices to be considered. (See **Exhibit "A-2"**). Initially, Attorney Oxford asked the Board to review the invoices to be paid. Once the Board completed their review, he referred the Board to the funds available section of the report and explained that that the District had \$2,877,036.46 in funds available after the payment of invoices. He then directed them to the section for that reconciled the Interbank Account to explain the restricted and unrestricted fund designations. Per Attorney Oxford, the District had \$728,549.84 in unrestricted funds still in the account. He advised this was relevant for a determination of the amount the District was going to be able to commit for an IGT on behalf of the Hospital's participation in the 1115 Waiver Program weighed against cash available to the District. That is, while the District has \$2,877,036.46 in unrestricted funds, he did not recommend using any of the District's funds that were in CDs or available on the Line

of Credit to make an IGT or for operations. Combined, this amounted to \$148,8700.21 or fifty-one percent (51%) of the District's unrestricted funds. The Board then asked Attorney Oxford to have a cash flow sheet available for tomorrow's meeting so that they could determine a reasonable amount of funds to commit for the upcoming 1115 Waiver Program IGT for the Hospital.

Attorney Oxford agreed to create a cash flow sheet for the balance of the year and then directed the Board's attention to the remainder of the Treasurer's Report. Attorney Oxford highlighted that the money to repay Loan 14 was in the District's Interbank Account and the District needed to begin using future nursing home revenues for August and September 2019 to repay the \$2,000,000.00 on its line of credit.

At the end of the discussion concerning the financials, a motion was made by Director Stramecki to approve the financials for July 2019, the August 21, 2019 Treasurer's reports, and invoices to be paid. This motion was seconded by Director Rollo and unanimously approved by all Board members.

President Murrell then asked the Board to return to Agenda Item No. 6, Committee Reports. President Murrell the Committee Chairpersons to provide any reports. The Chairman of the Personnel Committee, Director Rollo deferred his Committees recommendation on hiring an Indigent Care Director to for the discussion in Agenda Item No. 8. Otherwise, there was no further reports given at this time during the meeting.

Next, President Murrell called on staff to give their reports as provided for in Agenda Item No. 7. The reports provided were as follows:

- a. **Administrator's Report:** Mrs. Norris had nothing to report.
- b. **District Indigent Care Director:** In July, Mrs. Jiminez reported that the number of residents participating in the District's Indigent Care Program decreased by two participants to

eight-seven (87) participants. She then reviewed the various categories of Indigent Care cost for the month and explained that she was monitoring the pharmacy costs because over the last several months, the pharmacy fees have been escalating. Mrs. Jimenez did note that year to date, the District has spent \$171,797.12 for indigent care. The following is a summary of the District's Indigent Care Cost in June that are set forth in more detail in **Exhibit "B"**.

	July				Year to Date			
Clients:	87							
Children Counseled:	14							
	Billed Amount	Medicaid Rate	% of Services	Actually Paid	Billed Amount	Medicaid Rate	% of Services	Actually Paid
Summary by Facility								
Winnie Community Hospital	\$75,773.60	\$31,067.18	64.61%	\$0.00	\$522,715.52	\$214,403.36	59.36%	\$0.00
Pharmacy								
Brookshire Brothers Pharmacy Corp	\$8,636.43	\$7,721.40	16.06%	\$7,721.40	\$58,093.26	\$52,241.46	14.46%	\$52,241.46
Brookshire Brothers Pharmacy Med	\$6.80	\$6.80	0.01%	\$6.80	\$86.40	\$8.50	0.00%	\$86.40
Wilcox Pharmacy	\$3,318.13	\$1,914.95	3.98%	\$1,914.95	\$16,604.96	\$11,083.15	3.07%	\$11,083.15
Pharmacy Total	\$11,961.36	\$9,643.15	20.05%	\$9,643.15	\$74,784.62	\$63,333.11	17.53%	\$63,411.01
UTMB								
UTMB Hospital	\$23,788.85	\$5,709.32	11.87%	\$5,709.32	\$231,721.96	\$66,148.58	18.31%	\$66,148.58
UTMB Physician Services	\$5,594.00	\$1,579.53	3.28%	\$1,579.53	\$53,040.00	\$17,252.00	4.78%	\$17,252.00
UTMB Total	\$29,382.85	\$7,288.85	15.16%	\$7,288.85	\$284,761.96	\$83,400.58	23.09%	\$83,400.58
Youth Counseling	\$85.00	\$85.00	0.18%	\$85.00	\$85.00	\$85.00	0.02%	\$85.00
Grand Totals	\$117,202.81	\$48,084.18		\$17,017.00	\$882,347.10	\$361,222.05		\$146,896.59

Summary by Service Provided								
	Billed Amount	Medicaid Rate	% of Services	Actually Paid	Billed Amount	Medicaid Rate	% of Services	Actually Paid
Prescription Drugs	\$11,961.36	\$9,643.15	20.05%	\$9,643.15	\$135,505.42	\$88,396.54	22.89%	\$88,396.54
WCH Clinic	\$11,246.60	\$4,611.11	9.59%	\$0.00	\$72,567.72	\$29,752.77	7.70%	\$0.00
WCH ER	\$33,086.00	\$13,565.26	28.21%	\$0.00	\$196,817.00	\$80,694.97	20.89%	\$0.00
WCH Inpatient	\$0.00	\$0.00	0.00%	\$0.00	\$0.00	\$0.00	0.00%	\$0.00
WCH Observation	\$6,614.00	\$2,711.74	5.64%	\$0.00	\$17,255.00	\$7,074.55	1.83%	\$0.00
WCH Outpatient Surgery	\$0.00	\$0.00	0.00%	\$0.00	\$0.00	\$0.00	0.00%	\$0.00
WCH Labs	\$8,059.00	\$3,304.19	6.87%	\$0.00	\$47,715.00	\$19,563.15	5.07%	\$0.00
WCH Physical Therapy	\$3,024.00	\$1,239.84	2.58%	\$0.00	\$23,799.00	\$9,757.59	2.53%	\$0.00
WCH Ultrasound	\$689.00	\$282.49	0.59%	\$0.00	\$6,151.00	\$2,521.91	0.65%	\$0.00
WCH Lab/Xray	\$7,978.00	\$3,270.98	6.80%	\$0.00	\$90,239.00	\$36,997.99	9.58%	\$0.00
WCH CT Scan	\$0.00	\$0.00	0.00%	\$0.00	\$8,105.00	\$3,323.05	0.86%	\$0.00
WCH Xray	\$1,847.00	\$757.27	1.57%	\$0.00	\$40,148.80	\$16,461.00	4.26%	\$0.00
WCH Optical Specialist	\$0.00	\$0.00	0.00%	\$0.00	\$2,920.00	\$1,197.20	0.31%	\$0.00
Lab/Xray readings	\$3,230.00	\$1,324.30	2.75%	\$0.00	\$16,998.00	\$6,969.18	1.80%	\$0.00
UTMB Outpatient	\$23,788.85	\$5,709.32	11.87%	\$5,709.32	\$231,721.96	\$66,148.58	17.13%	\$66,148.58
UTMB Anesthesia	\$0.00	\$0.00	0.00%	\$0.00	\$5,180.00	\$3,955.00	1.02%	\$3,955.00
UTMB Physician Services	\$5,594.00	\$1,579.53	3.28%	\$1,579.53	\$47,860.00	\$13,297.00	3.44%	\$13,297.00
Youth Counseling	\$85.00	\$85.00	0.18%	\$85.00	\$85.00	\$85.00	0.02%	\$0.00
Grand Totals	\$117,202.81	\$48,084.18		\$17,017.00	\$943,067.90	\$386,195.48		\$171,797.12

c. **District General Counsel:** Attorney Oxford had nothing to report.

d. **LTC Report:** Attorney Oxford referred the Board to the LTC Executive Report submitted for June 2019. *See Exhibit "C"*.

e. **Hospital Report:** Attorney Oxford recommended that the Board table the Hospital Report until the Special Meeting because the report include duplicative information. The Board agreed and asked for the report to be given during the next day's Special Meeting.

After receiving the various reports, President Murrell called on Director Rollo to address Agenda Item No. 8., discuss and take action, if necessary, on hiring an Indigent Care Coordinator/Assistant Administrator. Director Rollo informed the Board that after interviewing a number of candidates to replace the Indigent Care Director and to assist the Administrator, the Committee recommended that Patricia Ojeda be hired to serve as the District's Indigent Care Coordinator/Assistant Administrator. Director Rollo reviewed Mrs. Ojeda's resume for the Board and stated that the Personnel Committee felt she was the best fit for the job. President Murrell also informed the Board that he met with Mrs. Ojeda prior to the meeting and concurred with the recommendation. In addition, President Murrell informed the Board that he and Mrs. Ojeda were able to come to an agreement, if approved by the Board, that she would be paid \$20 per hour for the first ninety (90) days of her employment and then her salary would be re-evaluated. However, he advised, her first day of full time employment was going to be on September 1, 2019 because of some prior commitments and thus, her review would occur after November 30, 2019. All the Board members present were supportive of the recommendation and as a result, Director Rollo made a motion to hire Mrs. Ojeda starting on September 1, 2019 on a full time basis for \$20 per hour during a probation period of ninety (90) days and to reevaluate her pay rate after the ninetieth (90th) day of employment. Director Rollo's motion was seconded by Director Stramecki and unanimously approved by all the Board members present.

Subsequently, the Board was directed to Agenda Item No. 9, to discuss and take action, if necessary, on approving a proposed Amended and Restated Interlocal Agreement with the East

Chambers Independent School District. Attorney Oxford asked if he could address this agenda item and was granted permission to do so by President Murrell. He then explained that he amended the previous Interlocal Agreement with the school district to establish that the term of the agreement was for one (1) year and in order to be renewed, annual Board approval was necessary. Mr. Oxford continued by explaining that the reason he set the terms for one year to be approved is because the school district asked that they be allowed to submit annual budgets that were different than the line item categories in the original agreement and the changes to this agreement accommodated that request. (See Exhibit "D"). The Board members reviewed the proposed changes and after a few follow up questions, a motion was made by Director Stramecki to approve the Amended Interlocal Agreement with the East Chambers Independent School District. Director Stramecki's motion was seconded by Director Rollo and unanimously approved by all the Directors present.

Since all Board members were not able to be present at the meeting, President Murrell then requested that the Board table Agenda Item No. 9 , to discuss and take action, if necessary, on approving the submission of an Intergovernmental Transfer Commitment form on behalf Winnie Community Hospital/Riceland Hospital for the 1115 Waiver Program-Uncompensated Care, until tomorrow's Special Meeting. The Board members agreed, and a Motion was made by Director Rollo to table Agenda Item No. 10. This motion was seconded by Director Rollo and unanimously approved by all the Directors present.

Before convening, Director Rollo asked President Murrell to return to the Personnel Committee report because it was brought to his attention that Mrs. Jimenez had a request of the Board. President Murrell then asked Mrs. Jimenez to make her request. Mrs. Jimenez then reminded the Board that in January 2019, she was told that she would be considered for a raise if

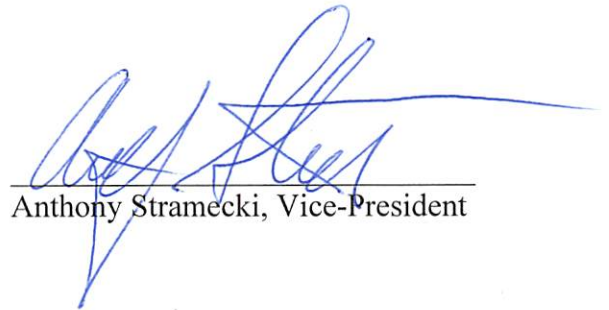
she was able to learn and perform Mrs. Norris's job so that Mrs. Norris could take a vacation. Mrs. Norris confirmed that she did as requested and when she came back from her vacation at the end of July 2019, everything was in order. The Board was then asked by Mrs. Jimenez if they would be willing to give her a retroactive raise going back to January 16, 2019.

Once this request was made, a dialogue ensued between Attorney Oxford, Mrs. Jimenez and the Board to clarify the Board's intent. Attorney Oxford reminded the Board that when the raise was discussed, it was the Board's intent to give Mrs. Jimenez a raise as an incentive to learn Mrs. Norris job so that she could utilize more time off in the future and not on a one time basis. He also stated that when the offer was extended, it was his recollection that the raise was going to be effective once Mrs. Jimenez successfully completed the performance of Mrs. Norris's job duties while she was on vacation. However, once Mrs. Jimenez announced her resignation prior to Mrs. Norris leaving during the July 17, 2019 Regular Meeting but agreed to work until August 31, 2019, she created a quandary for the Board. On one hand, did complete the task of performing the work but on the other hand, the District was going to have to train another employee to do something Mrs. Jimenez was trained to perform.

In response, the Board asked Mrs. Jimenez if she felt a retroactive pay increase going back to July 1, 2019 was fair and if so, how much did she believe was fair. Before she could answer, Attorney Oxford stated that if the Board was going to give a raise, he recommended that the amount be commensurate with the amount paid to Mrs. Ojeda for the retroactive period agreed by the Board. If the Board concurred, this would be \$3.50 per hour. In addition, he counselled the Board that they could not take action on this matter because it was not on the agenda. In response, President Murrell asked staff to place this matter on the agenda for the next Regular Meeting.

President Murrell then called for any other such matters before the Board. There being none, the President Murrell reminded the Board of the Special Meeting on August 22, 2019 at 9:00 a.m. and confirmed there would be a quorum at the meeting. Afterwards, he discussed the date for the upcoming meeting, and it was agreed to hold the meeting on September 18, 2019, at 6:00 p.m. Thereafter, at 7:56 p.m., a motion was made by Director Rollo to adjourn the meeting. This motion was seconded by Director Stramecki and unanimously approved by all the Board members present.


Edward Murrell, President


Anthony Stramecki, Vice-President