

**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., October 21, 2020 at the District’s Offices located at 520 Broadway, Winnie, Texas 77665, Winnie Tx 77665 (a copy of said Notice being placed amongst the files of the District).

This meeting was held via videoconference to mitigate the spread of COVID-19. The meeting was duly posted pursuant Texas Government Code 551.127 as modified by the May 12, 2020 Proclamation of Governor Abbott in which the Governor acted to maintain government transparency and continued government operations while reducing face-to-face contact for government open meetings. In addition, members of the public were able to participate and address the Board during the videoconference meeting and a recording of the meeting was made and is available to the public.

At approximately 6:06 p.m., the meeting was convened, and the roll was called of the members of the Board, to wit:

Mr. Ed Murrell	President
Mr. Anthony Stramecki	Vice-President
Robert “Bobby” Way	Treasurer
Jeff Rollo	Secretary

All said Board members were present, thus constituting a quorum. In addition, to the above-named Board members, also present at the meeting were:

Mrs. Sherrie Norris	District Administrator
Mrs. Patricia Ojeda	Indigent Care Director
Mr. David Sticker	District CPA
Mr. Hubert Oxford, IV	General Counsel for the District
Mr. Mo Danishmund	Chief Financial Officer, Hospital
Mrs. Chris Portner	General Counsel, Hospital
Mr. Saad Javed	Co-Chief Operating Officer, Hospital
Mrs. Lacey Self	Citizen

Mr. Donnie Self	Citizen
Mr. Wade Thibodeaux	Hometown Press
Mrs. Gloria Roemer	Seabreeze Beacon
Mr. Robert Falls	Winnie Stowell Emergency Medical Services

**2. Pledge of Allegiance**

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.

**3. Public Comment**

President Murrell asked for Public Comment but there was none.

**4. Review and Approve Minutes of Previous Meeting(s): September 16, 2020 Regular Meeting.**

President Murrell called on the Board to address Agenda Item No. 4, to review and approve the minutes of the September 16, 2020 Regular Meeting. The minutes were examined by the Board and no changes were recommended.

Upon motion by Director Stramecki, which was seconded by Director Rollo, the Board unanimous approval of all the Board members present, the Board approved the minutes of the September 16, 2020 Regular Meeting.

**5. Review and approve financials report; payment of invoices; receive Accountants report, and amend budget, if necessary.**

President Murrell then called on Mr. David Sticker to present the District’s year Financial statements for September 2020. (See Exhibit “A-1”). Mr. Sticker informed the Board that there were no significant changes in the balance sheet. As for the profit and loss statement, he highlighted the changes made following the last meeting when the Board amended the budget.

Upon the conclusion of Mr. Sticker’s presentation of the financial statement and budget amendments, Attorney Oxford was called on to discuss the Treasurer’s

Report, check register, and outstanding invoices to be considered. (See Exhibit “A-2”). First, Attorney Oxford asked the Board to review the invoices to be paid. The total of these invoices amounted to \$62,703.79. A summary of the invoices paid is as follows:

Pending Expenses	For	Amount
Brookshire Brothers	Indigent Care	\$5,571.49
Wilcox Pharmacy	Indigent Care	\$1,095.21
UTMB at Galveston	Indigent Care	\$33,357.40
UTMB Faculty Group	Indigent Care	\$10,134.30
Indigent Healthcare Solutions	IC Inv #70662	\$1,109.00
American Education Services	S Stern-Student Loan	\$150.14
Penelope (Polly) Butler	Youth Counseling	\$170.00
Grace Nichols	Youth Counseling	\$170.00
Nicki Holtzman	Youth Counseling	\$340.00
Benckenstein & Oxford	Inv # 49885	\$7,750.00
Hubert Oxford	1/2 Legal Retainer	\$500.00
Josh Heinz	1/2 Legal Retainer	\$500.00
David Sticker	Inv #22287	\$1,281.25
Technology Solutions of Texas	Inv #1491	\$75.00
Felipe Ojedia-Yard Service	Inv #10004	\$300.00
Graciela Chavez-Office Cleaning	Inv #	\$100.00
Carrol R Hand Ins	Inv #16034 Bond B Way	\$50.00
Carrol R Hand Ins	Inv #16035 Bond A	\$50.00
<b>Total Pending Expenses</b>		<b>\$62,703.79</b>

After the Board completed their review of the invoices, Attorney Oxford referred the Board to the funds available section of the report and explained that the District had \$8,257,925.46 in funds available after the payment of invoices and taking into account the restricted funds in the District’s Interbank Account. Attorney Oxford highlighted to the Board that the Line of Credit had been paid down substantially but there remained \$256,002.05. He then recommended that the District repay the line of credit entirely. The Board agreed.

Next, the Board was asked to review the Cash Availability Report for October 2020 until January 2021. Per Mr. Oxford, prior to the meeting, he and staff worked with LTC Group to he believed they have sorted through the various payments and expenses to arrive at an accurate evaluation of the District’s cash availability. He then reviewed the cash availability report in detail for the remainder of the year, and

highlighted the fact that the report, summarized below, pays all Vendors on their regular schedule.

Date	Transaction	Notes	Actual
<b>October 2020</b>			
	<b>Cash Available</b>	<b>DOES NOT INCLUDE PROSPERITY CD &amp;</b>	<b>\$7,265,209.20</b>
July 15, 2020	Hospital Assistance	Pending	(\$167,000.00)
October 31, 2020	QIPP Year 4, Component 2 Funds	September Component 2 Funds Received	\$305,930.04
October 31, 2020	QIPP Year 4, Component 2	Component 2 Payment to MGRs	(\$152,965.02)
October 31, 2020	Operating Expenses	Recurring monthly (Monthly Avg. per Budget)	(\$71,016.50)
October 31, 2020	Component 1 Payment	September Component 1 Payment	\$1,875,628.29
October 31, 2020	Principle Payment-Loan 17a	Payment 5/10 for Loan 17a	(\$1,875,628.29)
October 31, 2020	QIPP Year 3, Qtr. 4 Component 4 and Lapsing Fund	Based on QIPP Year 3, QTR 4 Component 4	\$1,502,469.81
October 31, 2020	Payment to Manager Component 4	Payment to Manager Component 4	(\$751,234.91)
<b>CA October 31, 2020</b>			<b>\$7,931,392.62</b>

<b>November 2020</b>			
November 1, 2020	Payment to East Chambers	Recurring monthly	(\$15,000.00)
November 15, 2020	Sales Tax Revenue Estimate	Recurring monthly (Monthly Avg. per Budget)	\$41,666.67
November 30, 2020	LTC Payment	December	(\$150,000.00)
November 30, 2020	Interest-Loan 17a (6/10)	Recurring through 9/30/2020	(\$84,597.98)
November 30, 2020	Component 2 Funds	October Component 2 Funds Received	\$314,857.85
November 30, 2020	QIPP Year 3, Component 2	Component 2 Payment to MGRs	(\$157,428.93)
November 30, 2020	Operating Expenses	Recurring monthly (Monthly Avg. per Budget)	(\$71,016.50)
November 30, 2020	Component 1 Payment	October Component 1 Payment	\$1,893,738.55
November 30, 2020	Principle Payment-Loan 17a	Payment 6/10 for Loan 17a	(\$1,893,738.55)
<b>CA November 30, 2020</b>			<b>\$7,809,873.73</b>

<b>December 2020</b>			
December 1, 2020	QIPP Year 4, IGT 2 Line of Credit Payment	Use \$6,000,000 of LOC	(\$6,000,000.00)
December 1, 2020	Interest Set Aside-Loan 18	One time payment for Interest 12/1/2020-	(\$425,979.80)
December 1, 2020	Payment to East Chambers	Recurring monthly	(\$15,000.00)
December 15, 2020	Sales Tax Revenue Estimate	Recurring monthly (Monthly Avg. per Budget)	\$41,666.67
December 31, 2020	LTC Payment	January	(\$150,000.00)
December 31, 2020	Interest-Loan 17a (7/10)	Recurring through 9/30/2020	(\$84,597.98)
December 31, 2020	QIPP Year 4, Component 2	Estimate based on IGT	\$314,091.29
December 31, 2020	QIPP Year 4, Component 2	Component 2 Payment to MGRs	(\$157,045.64)
December 31, 2020	Operating Expenses	Recurring monthly (Monthly Avg. per Budget)	(\$71,016.50)
December 31, 2020	Component 1 Payment	November Component 1 Payment	\$1,842,479.88
December 31, 2020	Principle Payment-Loan 17a	Payment 7/10 for Loan 17a	(\$1,842,479.88)
<b>CA December 31, 2020</b>	<b>DOES NOT INCLUDE PROSPERITY CD &amp; TEXSTAR</b>		<b>\$1,261,991.77</b>

Once the discussion on the agenda item was complete, Director Rollo made a motion, that was seconded by Director Way, with the unanimous approval of all the Board members present, to: a) approve the financials for September 2020; b) adopt the Treasurer's Reports; c) pay the invoices presented; and d) pay off the balance on the line of credit of \$256,002.05. (See Exhibits "A-1" and "A-2").

## 6. Discuss and take-action on Committee Reports:

**Personnel Committee:** Director Stramecki informed the Board that the Personnel Committee once again met prior to the meeting and advised Mrs. Ojeda of their decision to give her a merit raise. However, since it was not on the agenda,

he informed her this will need to be approved by the Board at their November 18, 2020 Regular Meeting.

**7. Receive reports, by:**

**a. Administrator's Report**

Mrs. Norris had nothing to report during this portion of the meeting.

**b. District Indigent Care Director Report**

Mrs. Ojeda reported that in September 2020, there were thirty-nine (38) indigent clients, which was one (1) less than in August. As with last month, the District is currently providing youth counseling to twelve (12) children. Thereafter, Mrs. Ojeda reviewed her monthly reports and provided the Board with a summary of the reports set forth below and attached as **Exhibit "B"**.

	September			Year to Date		
Indigent Clients: Youth Counseling:	38 12			Clients Enrolled: YC Enrolled:	91 14	55 11
<b>PROVIDER TOTALS</b>	<b>Billed Amount</b>	<b>Contracted Rate</b>	<b>Actually Paid</b>	<b>Billed Amount</b>	<b>Contracted Rate</b>	<b>Actually Paid</b>
<b>Pharmacy</b>						
Brookshire Brothers Pharmacy Corp	\$5,571.49	\$5,571.49	\$5,571.49	\$51,105.17	\$44,827.97	\$44,827.97
Wilcox Pharmacy	\$1,095.21	\$1,095.21	\$1,095.21	\$17,751.19	\$11,317.57	\$11,317.57
<b>Pharmacy Totals</b>	<b>\$6,666.70</b>	<b>\$6,666.70</b>	<b>\$6,666.70</b>	<b>\$68,856.36</b>	<b>\$56,145.54</b>	<b>\$56,145.54</b>
<b>Winnic Community Hospital</b>						
WCH Clinic	\$4,131.00	\$1,594.08	\$1,594.08	\$43,989.17	\$17,784.98	\$17,784.98
WCH Observation	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
WCH ER	\$8,577.00	\$3,261.55	\$3,261.55	\$131,828.00	\$53,794.46	\$53,794.46
WCH Lab/Xray	\$10,026.00	\$4,110.66	\$4,110.66	\$33,600.40	\$13,776.16	\$13,776.16
WCH CT Scan	\$0.00	\$0.00	\$0.00	\$27,611.00	\$11,320.51	\$11,320.51
WCH Labs	\$0.00	\$0.00	\$0.00	\$59,677.00	\$24,467.57	\$24,467.57
WCH Xray	\$0.00	\$0.00	\$0.00	\$53,747.00	\$22,036.27	\$22,036.27
WCH Lab/Xray Reading	\$370.55	\$151.93	\$151.93	\$10,698.55	\$4,305.23	\$4,305.23
WCH Inpatient	\$0.00	\$0.00	\$0.00	\$26,500.00	\$10,865.00	\$10,865.00
WCH Physical Therapy	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
WCH Ultrasound	\$0.00	\$0.00	\$0.00	\$4,334.00	\$1,776.94	\$1,776.94
<b>WCH Totals</b>	<b>\$23,104.55</b>	<b>\$9,118.22</b>	<b>\$9,118.22</b>	<b>\$391,985.12</b>	<b>\$160,127.12</b>	<b>\$160,127.12</b>
<b>Balance on Contracted Amount (Lump Sum Payment of \$196,669.30)</b>		<b>\$36,542.18</b>			<b>\$36,542.18</b>	
<b>Actual Medicaid Rate Incurred</b>		<b>\$4,376.74</b>		<b>\$196,669.30 -</b>	<b>\$59,095.59</b>	<b>\$137,573.71</b>
<b>UTMB</b>						
UTMB Physician Services	\$31,353.00	\$6,900.34	\$6,900.34	\$94,272.00	\$18,487.59	\$18,487.59
UTMB Anesthesia	\$7,234.00	\$3,100.19	\$3,100.19	\$23,474.00	\$11,162.79	\$11,162.79
UTMB In-Patient	\$112,363.05	\$19,679.71	\$19,679.71	\$248,870.47	\$55,473.92	\$55,473.92
UTMB Outpatient	\$55,888.83	\$13,677.69	\$13,677.69	\$347,616.26	\$69,403.06	\$69,403.06
UTMB Lab&Xray	\$540.00	\$133.77	\$133.77	\$6,752.00	\$453.59	\$453.59
<b>UTMB Totals</b>	<b>\$207,378.88</b>	<b>\$43,491.70</b>	<b>\$43,491.70</b>	<b>\$720,984.73</b>	<b>\$154,980.95</b>	<b>\$154,980.95</b>
<b>Non-Contracted Services</b>						
Barrier Reef (UTMB ER Physician)	\$0.00	\$0.00	\$0.00	\$4,748.00	\$118.78	\$118.78
Chambers Co Public Hosp Distr ER	\$0.00	\$0.00	\$0.00	\$673.05	\$0.00	\$0.00
Winnie-Stowell EMS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Non-Contract Services Totals</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$5,421.05</b>	<b>\$118.78</b>	<b>\$118.78</b>
<b>Youth Counseling</b>						
Grace Nichols	\$170.00	\$170.00	\$170.00	\$2,550.00	\$2,295.00	\$2,295.00
Nicki Holtzman	\$340.00	\$340.00	\$340.00	\$2,040.00	\$2,295.00	\$2,295.00
Penelope Butler	\$170.00	\$170.00	\$170.00	\$1,700.00	\$1,700.00	\$1,700.00
<b>Youth Counseling Totals</b>	<b>\$680.00</b>	<b>\$680.00</b>	<b>\$680.00</b>	<b>\$4,590.00</b>	<b>\$4,590.00</b>	<b>\$4,590.00</b>
<b>Medical Supplies</b>						
Alliance Medical Supply (C-PAP)	\$0.00	\$0.00	\$0.00	\$400.00	\$400.00	\$400.00
<b>Medical Supplies Total</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$400.00</b>	<b>\$400.00</b>	<b>\$400.00</b>
<b>Grant Totals</b>	<b>\$237,830.13</b>	<b>\$59,956.62</b>	<b>\$59,956.62</b>	<b>\$1,192,637.26</b>	<b>\$376,762.39</b>	<b>\$376,762.39</b>

Some highlights of the report are as follows:

- Indigent care numbers are still down and as of the end of the September, only three (3) youth participating in the counseling program renewed.
- The total billed for Indigent Care through August was \$1,192,637.26 and the amount paid has been \$376,762.39
- Of the \$196,699.35 contracted amount already paid to Riceland, the actual amount that would have been paid to date by the District is \$160,127.12. If the District paid the actual Medicaid rate, the amount that would have been paid to the Hospital for the year is \$59,095.59.
- Riceland referred four (4) clients to UTMB during the month of September. All were approved.
- UTMB expenses increased from \$10,861.91 to \$43,491.70 due to: 1) the surgical spine surgery discussed at the August 2020 Regular Meeting; and 2) \$9,000.00 in re-billed claims.

**c. District General Counsel Report**

Attorney Oxford had nothing to report.

**d. LTC Report**

Staff provided the Board members with the LTC Report for September 2020 and asked that they review it and if there were any questions. (See **Exhibit “C”**). There were none.

**e. Hospital Report**

Mr. Saad Javid gave the Hospital’s report for August 2020 and started the report by highlighting the monthly statistics. A copy of the report is set forth below and attached as **Exhibit “D”**.

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Census	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Average	Texas Average
ER Visits	187	178	193	147	162	166	141	169	190	170	
Conversion to Inpatient/observation	9	14	17	14	10	7	6	17	21	13	
Percentage	5%	8%	9%	10%	6%	4%	4%	10%	11%	7%	
Transferred out	8	14	7	13	16	11	11	8	9	11	
Percentage	4%	8%	4%	9%	10%	7%	8%	5%	5%	6%	
ER shifts covered by doctors	80%	82%	87%	72%	57%	67%	61%	55%	66%	70%	
Number Inpatient days	83	95	69	64	75	74	60	119	90	81	
Number Hospice days	1	17	27	7	1	0	0	4	6	7	
Number Swingbed days	2	7	16	20	99	57	53	43	62	40	
Number Observation days	36	47	21	5	8	11	5	28	33	22	
Total All Inpt. Days	122	166	133	96	183	142	118	194	191	149	
Average Inpatient days per day	3.94	5.72	4.29	3.20	5.90	4.73	3.81	6.26	6.37	4.91	1.63
CTs	56	71	59	39	56	48	46	57	54	54	
Xrays	270	268	185	160	200	169	151	194	248	205	
Ultrasounds	20	20	14	8	5	1	3	2	21	10	
Encounters - Adult Clinic	638	598	592	349	360	453	384	388	515	475	
Encounters - Pediatric Clinic	274	306	221	69	95	169	178	233	279	203	
Behavioral Health patients	45	44	39	0	0	0	0	0	0	14	
Physical Therapy	0	1	2	0	1	0	0	0	0	0	
<b>Additional Items:</b>											
*Continuing to follow through with protocol set by Chambers County.											
*Doing best we can to keep patients safe and confident while they receive care from our providers											
*COVID-19 analyzer and lab is officially live.											

In addition, Mr. Danishmund reminded the Board of this request during the September 16, 2020 Regular Meeting to assist the Hospital with the purchase of a generator to operate the HVAC system. He then presented three (3) estimates and informed the board that the low estimate was for \$123,000.00 to purchase and connect the generator. (See **Exhibit “E”**). Upon receiving the quotes, President Murrell referred the matter to the Finance Committee and asked for the committee to make a recommendation.

**8. Discuss and take action, if necessary, on considering a request by the Winnie Stowell Emergency Medical Services for a transport vehicle and supporting services.’**

President Murrell then called on Mr. Robert Falls, with the Winnie Stowell Emergency Medical Services District to discuss this agenda item. Mr. Falls thanked the Board for the opportunity to make a presentation. He then handed out a proposal for a new transport ambulance and staffing for one medic. (See **Exhibit “F”**). Mr. Falls then made a presentation in which he asked, on behalf of the WSEMS, for financial assistance to purchase a transport ambulance and to pay the cost of one (1)

full time employee to operate the ambulance for 365 days a week, twenty-four (24) hours a day. As stated in the proposal, the estimated cost for an ambulance was \$85,000.00 and \$122,640.00 for the employee. The reason, according to Mr. Fall, for the request is the wait times at the Hospital and local nursing home on Acadian Ambulance, the contracted transfer service. Lastly, Mr. Falls explained that if the Board was willing to consider this request, the wait time to order an ambulance and receive the ambulance was several months and therefore, the WSEMS requested that the matter be considered during the November 2020 Regular Meeting.

In response to the request, the Board members asked several questions regarding the WSEMS's business plan and discussion with the Hospital but the WSEMS asked for extra time to address the Board's concerns. However, the Board expressed a desire to assist and President Murrell then referred this matter to the Finance Committee to discuss and present a recommendation at the November 18, 2020 Regular Meeting.

A motion was then made to table Agenda Item No. 8 by Director Stramecki. This motion was seconded by Director Way and unanimously approved by all the Board members.

**10. Discuss and take-action, if necessary, on acquiring three (3) additional nursing facilities for HMG.**

President Murrell then asked the Board to move to Agenda Item No. 10, and asked Attorney Oxford to address the agenda item. Attorney Oxford informed the Board that HMG requested that the District consider acquiring three (3) additional homes and enroll the nursing homes in the QIPP Year 5. The three homes are Cimarron Place Health & Rehabilitation Center, Silver Springs Health & Rehabilitation Center, and Accel at College Station. Attorney Oxford then provided the Board with a summary of the estimated revenue the three (3) nursing homes would generate from the QIPP program if they were acquired. (See Exhibit "G"). According to Attorney Oxford, if the three (3) homes achieved seventy-five percent (75%), the District should earn an additional \$500,000.00 in revenue. Moreover, Attorney Oxford reminded the Board that nursing homes that have historically underachieved, if acquired by an operator such as HMG, can meet the achievement



metrics by simply improving a certain percentage over the prior achievement levels. Attorney Oxford then suggested that the Board acquire the three (3) nursing facilities from HMG through participating in the change of ownership (“CHOW”) process and paying half the cost of the fair market appraisal value.

The Board agreed and then Director Stramecki made a motion to acquire Cimarron Place Health & Rehabilitation Center, Silver Springs Health & Rehabilitation Center, and Accel at College Station and to authorize the President to execute the CHOW documents and any other agreements with Accounts Receivable Lenders and to pay half of the cost for the fair market value appraisal. This motion was seconded by Director Rollo and approved with the unanimous vote of all the Board members present.

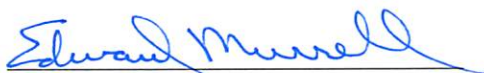
**9. Discuss and take-action, if necessary, on appointing vacant Board position.**

Prior to addressing this agenda item, President Murrell called the Board into executive session at 8:05 p.m. to discuss Personnel Matters pursuant to Chapter 551.074 of the Government. Code. The Board returned from Executive Session at 8:48 p.m. and no action was taken.

Thereafter, the Board discussed their choice to replace former Director Espinosa and informed Mrs. Lacy Self that they were interested in engaging her as a consultant to assist with making recommendations to better the Hospital. A motion was then made by Director Stramecki to appoint Kacey Vratis to serve the remainder of former Director Raul Espinosa’s term that expires on November 8, 2022. This motion was seconded by Director Rollo and approved by all the Board members except Director Way who voted against the motion.

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President Murrell then called for any other such matters before the Board. There being none, the Board discussed the date for the upcoming meeting, and it was agreed to hold the meeting on November 18, 2020 at 6:00 p.m. Thereafter, at 8:55 p.m., a motion was made by Director Stramecki to adjourn the meeting. This motion was seconded by Director Rollo and unanimously approved by all the Board members present.



Edward Murrell, President



Anthony Stramecki, Vice-President