

## 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., January 20, 2021 at the District’s Offices located at 520 Broadway, Winnie, Texas 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 to Texas Government Code 551.127 as modified by the December 6, 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 6:01 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
Kacey Vratiss	Director

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	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
Mr. Saad Javed	Co-Chief Operating Officer, Hospital

Mr. Wade Thibodeaux	Hometown Press
Mrs. Gloria Roemer	Seabreeze Beacon
Dorothy Faye Hamilton	Citizen
Meredith Hamilton	Citizen
Abby Howarton	Citizen
Annette Rayburn	St. Vincent de Paul Society
Debbie Jones	Citizen
Tommy Davis	Durbin & Company
Steven Thummel	Durbin & Company

## 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): December 16, 2020 Regular Meeting; and December 21, 2020 Public Hearing and Special Meeting.

President Murrell then called on the Board to address Agenda Item No. 5, to review and approve the minutes of December 16, 2020 Regular Meeting; and December 21, 2020 Public Hearing and Special Meeting. The minutes were examined by the Board and no changes were recommended.

Upon motion by Director Rollo, which was seconded by Director Stramecki, the Board unanimous approval of all the Board members present, the Board approved the minutes of the December 16, 2020 Regular Meeting; and December 21, 2020 Public Hearing and Special Meeting.

To accommodate the visitors, President Murrell then asked the Board to move to Agenda Items 8 and 9 .

**8. Discuss and take-action, if necessary, to accept the 2019 Audit and Management Letter.**

President Murrell then called on Mr. Tommy Davis with Durbin and Company to present the District's 2019 audit. Mr. Davis then asked the Board to review the draft audit and management letter set forth as **Exhibit "A"**. According to Mr. Davis, the District was in sound financial shape and this year, as with the previous years, there were no deficiencies of any kind to report. In addition, Mr. Davis stated that he appreciated the District's efforts to obtain all the information sought by the Auditors and had it readily available. Additionally, Mr. Davis verified that the District was in compliance the Public Funds Investment Act as all of its accounts were properly collateralized.

At the end of the discussion, Director Stramecki made a motion to accept the audit and Management Letters for 2019 as presented and set forth in **Exhibit "A"**. Director Rollo seconded the motion and it was unanimously approved by all Board members present.

**9. Discuss and take-action, if necessary, on approving grant request by:**

- a. St. Vincent de Paul Society; and**
- b. Winnie Community Hospital for a generator to operate the hospital's HVAC system during power outages.**

Upon the completion of the discussion on the Audit, President Murrell called on those in attendance for St. Vincent de Paul Society to present their request for grant funds. Mrs. Annette Rayburn, speaking on behalf of St. Vincent de Paul thanked the Board for the opportunity present their grant request for ten computers, a printer, Zoom television set up like the District uses, and associated hardware. (*See Exhibit "B"*). According to Mrs. Rayburn, this equipment is essential for the organization's continued success and they simply do not have the funds to purchase any of the new equipment. Mrs. Rayburn also explained to the Board that the District's mission and St. Vincent de Paul's mission closely mirrored each other as St. Vincent de Paul provides food, medical equipment, prescriptions, and cloths to residents of the District who can demonstrate that they fall within the 150% poverty

level. She then turned the presentation over to Mrs. Meredith Hamilton, who prepared the grant request and researched the computers and other equipment.

According to Mrs. Hamilton, she tried to repair the existing computers, printers, etc. but they were too old and not repairable. Therefore, working with the District and the District's computer consultant, Mr. Ronnie Husband, she prepared various options for the District consider based on the speeds of the computers and various vendors. (See **Exhibit "B"**).

The Board then reviewed the application and the proposals prepared by Mrs. Hamilton and expressed that they believed it would be in the best interest of the residents of the District if the Hospital District utilized the St. Vincent de Paul Society, and their resources, to help facilitate the healthcare needs of the District's residents who fall below the 150% Federal poverty line. Taking this into the consideration and looking to establish a long-term partnership with St. Vincent de Paul, the Board stated that it was necessary for the organization to have the requested equipment to maintain their mission.

Following a discussion on the computer equipment needed, Director Stramecki made a motion to authorize St. Vincent de Paul to purchase up to \$15,000.00 in computer equipment and a portion of the funds can be spent on Mr. Husband to assist with the purchase and installation of the Computers and other requested equipment included in the grant application. This motion as seconded by Director Way and unanimously approved by all the Director's present.

**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 to date Balance Sheet and Profit & Loss Budget vs. Actual for December 2020. (See **Exhibit "C-1"**). Since this income statement reflected the budget amendments adopted during the December Special Meeting and the actual year end numbers, Mr. Sticker spent more time than usual reviewing the actuals to the final budgeted amounts. Overall, Mr. Sticker informed the Board that the final budget numbers were mostly accurate except for a couple line items. In particular, there was a

discussion about Audit Expenses set forth in Line Item 522 because the year-to-date amount spent was \$38,450.00 but the budget was \$25,000.00. According to Staff and Mr. Sticker, unlike in year's past, the District paid a portion of the 2019 audit (i.e., pending audit) before the final audit was complete. Therefore, instead of paying all \$25,000.00 in 2021, as usual, a portion of the payment was paid in 2020. Therefore, the final budget number for this line in 2021 was going to need to be reduced from \$25,000.00 to the final balance payment amount which was expected to be \$11,550.00.

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 "C-2"**). First, Attorney Oxford asked the Board to review the invoices to be paid. These invoices totaled \$26,810.65. A list of the invoices paid were as follows:

Pending Expenses	For	Amount
Brookshire Brothers	Indigent Care	\$2,933.92
Wilcox Pharmacy	Indigent Care	\$1,470.46
UTMB at Galveston	Indigent Care	\$4,152.36
UTMB Faculty Group	Indigent Care	\$1,675.09
Chamers Co Public Hosp Dist	Indigent Care	\$188.73
Indigent Healthcare Solutions	IC Inv #71143	\$1,109.00
American Education Services	S Stern-Student Loan	\$150.14
Penelope (Polly) Butler	Youth Counseling	\$170.00
Nicki Holtzman	Youth Counseling	\$340.00
Benckenstein & Oxford	Inv# 49975	\$9,625.00
Hubert Oxford	1/2 Legal Retainer	\$500.00
Josh Heinz	1/2 Legal Retainer	\$500.00
David Sticker	Inv #42	\$2,343.75
Technology Solutions of Tx	Inv 1522 (IT Services)	\$75.00
Function 4	Inv #834674	\$5.20
Lisa Rae, LLC	Inv 1001 (Web Services)	\$510.00
The Seabreeze Beacon	Inv #4905	\$277.00
The Hometown Press	Inv #2794	\$45.00
Felipe Ojedia-Yard Service	Inv #1008	\$300.00
Graciela Chavez-Office Cleaning		\$100.00
Riceland Medical Center	Property Lease	340.00
<b>Total Pending Expenses</b>		<b>\$26,810.65</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 the funds available dropped from \$6,439,221.38 to \$2,412,778.42 due to the Intergovernmental Transfer (“IGT”) made for the Quality Improvement Payment Program (“QIPP”).

Unlike in prior months, Attorney Oxford explained that there was no Cash Availability/Cash Flow report because the report that had been presented expired at the end of January. However, Attorney Oxford then requested permission to work on a Cash Availability Report through June 2021 to evaluate cash availability through June 2021. The Board agreed.

Attorney Oxford then reviewed the Account Reconciliation section of the report for First Financial Bank and Interbank. Attorney Oxford explained that the District was still receiving funds in its First Financial Bank account and the Interbank account but LTC Group and staff were working with the various Managed Care Organization (“MCO”) to redirect the payments to First Financial Bank. As of the meeting, the balance in the two (2) accounts was \$6,840,884.31, of which, \$6,429,313.16 was restricted. Thereafter, Attorney Oxford explained that the amount of money outstanding for the combined QIPP payments was \$7,997,603.23.

Once the discussion on the budget, Treasurer’s Report, and invoices payable was complete, Director Rollo made a motion, that was seconded by Director Vratis, with the approval of a majority of the Board members present, to: a) approve the financials for December 2020; b) adopt the Treasurer’s Reports; and c) pay the invoices presented. (See Exhibits “C-1” and “C-2”). Directors Stramecki and Way abstained.

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

**Indigent Care Committee:** The Indigent Care Committee informed the Board that they met on January 19, 2020 and met with the Winnie Stowell Positive Action Committee (“WSPAC”). The purpose of the meeting was to educate the WSPAC on the District’s mission and to find ways for the WSPAC to help the

District promote the indigent care program. Director Way and Mrs. Ojeda advised the Board that the meeting was productive, and they believed the WSPAC was going to help boost the indigent care program participants.

**7. Receive reports, by:**

**a. Administrator's Report**

Mrs. Norris stated that she had nothing to report for this meeting.

**b. District Indigent Care Director Report**

Mrs. Ojeda reported that in December 2020, there remained thirty-nine (39) indigent clients. Year to date, the average number of clients remained at fifty-two (52). Mrs. Ojeda moved to her monthly reports and provided the Board with a summary of the reports set forth below. (See Exhibit "D").

Indigent Clients: Youth Counseling:	December Indigent Clients: 39 Youth Counseling: 5			Year to Date Clients Enrolled: 98 YC Enrolled: 15		
<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>
Pharmacy						
Brookshire Brothers Pharmacy Corp	\$2,943.14	\$2,933.92	\$2,933.92	\$58,956.00	\$52,020.61	\$52,020.61
Wilcox Pharmacy	\$1,470.46	\$1,470.46	\$1,470.46	\$21,765.80	\$15,332.18	\$15,332.18
<b>Pharmacy Totals</b>	<b>\$4,413.60</b>	<b>\$4,404.38</b>	<b>\$4,404.38</b>	<b>\$80,721.80</b>	<b>\$67,352.79</b>	<b>\$67,352.79</b>
Winnie Community Hospital						
WCH Clinic	\$5,795.00	\$2,328.39	\$2,328.39	\$58,164.17	\$22,652.50	\$22,652.50
WCH Observation	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
WCH ER	\$13,748.00	\$5,636.68	\$5,636.68	\$148,249.00	\$56,273.73	\$56,273.73
WCH Lab/Xray	\$19,468.00	\$7,981.88	\$7,981.88	\$82,295.40	\$31,458.23	\$31,458.23
WCH CT Scan	\$15,513.00	\$6,360.33	\$6,360.33	\$46,016.00	\$16,638.21	\$16,638.21
WCH Labs	\$0.00	\$0.00	\$0.00	\$70,666.00	\$28,254.74	\$28,254.74
WCH Xray (MRI)	\$3,420.00	\$1,402.20	\$1,402.20	\$72,008.00	\$29,247.76	\$29,247.76
WCH Lab/Xray Reading	\$795.00	\$131.20	\$131.20	\$12,262.55	\$4,449.96	\$4,449.96
WCH Inpatient	\$0.00	\$0.00	\$0.00	\$26,500.00	\$6,322.20	\$6,322.20
WCH Physical Therapy	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
WCH Ultrasound	\$710.00	\$291.10	\$291.10	\$8,332.00	\$3,416.12	\$3,416.12
<b>WCH Totals</b>	<b>\$59,449.00</b>	<b>\$24,131.78</b>	<b>\$24,131.78</b>	<b>\$524,499.12</b>	<b>\$198,713.45</b>	<b>\$198,713.45</b>
<b>Balance on Contracted Amount (Lump Sum Payment of \$196,669.30)</b>		<b>(\$2,044.15)</b>			<b>(\$2,044.15)</b>	
<b>Actual Medicaid Rate Incurred</b>		<b>\$8,817.25</b>		<b>\$196,669.30</b>	<b>\$94,795.97</b>	<b>\$101,873.33</b>
UTMB						
UTMB Physician Services	\$4,521.00	\$1,298.78	\$1,298.78	\$113,105.00	\$23,381.66	\$23,381.66
UTMB Anesthesia	\$854.00	\$376.31	\$376.31	\$26,168.00	\$12,653.04	\$12,653.04
UTMB In-Patient	\$0.00	\$0.00	\$0.00	\$248,870.47	\$55,473.92	\$55,473.92
UTMB Outpatient	\$17,301.49	\$4,152.36	\$4,152.36	\$420,789.60	\$86,870.10	\$86,870.10
UTMB Lab & Xray	\$0.00	\$0.00	\$0.00	\$9,732.00	\$1,177.16	\$1,177.16
<b>UTMB Totals</b>	<b>\$22,676.49</b>	<b>\$5,827.45</b>	<b>\$5,827.45</b>	<b>\$818,665.07</b>	<b>\$179,555.88</b>	<b>\$179,555.88</b>
Non-Contracted Services						
Barrier Reef (UTMB ER Physician)	\$0.00	\$0.00	\$0.00	\$4,748.00	\$118.78	\$118.78
Chambers Co Public Hosp Distr ER	\$393.18	\$188.73	\$188.73	\$2,505.52	\$879.59	\$879.59
Winnie-Stowell EMS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Non-Contract Services Totals</b>	<b>\$393.18</b>	<b>\$188.73</b>	<b>\$188.73</b>	<b>\$7,253.52</b>	<b>\$998.37</b>	<b>\$998.37</b>
Youth Counseling						
Grace Nichols	\$0.00	\$0.00	\$0.00	\$2,550.00	\$2,295.00	\$2,295.00
Nicki Holtzman	\$340.00	\$340.00	\$340.00	\$1,870.00	\$1,870.00	\$1,870.00
Pendope Butler	\$170.00	\$170.00	\$170.00	\$2,550.00	\$2,805.00	\$2,805.00
<b>Youth Counseling Totals</b>	<b>\$510.00</b>	<b>\$510.00</b>	<b>\$510.00</b>	<b>\$6,970.00</b>	<b>\$6,970.00</b>	<b>\$6,970.00</b>
Medical Supplies						
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>Grand Totals:</b>	<b>\$87,442.27</b>	<b>\$35,062.54</b>	<b>\$35,062.54</b>	<b>\$1,438,903.51</b>	<b>\$454,300.49</b>	<b>\$454,300.49</b>

Mrs. Ojeda then highlighted various aspects of the report and provided the Board with her talking points. (See **Exhibit “D”**). In particular, Mrs. Ojeda focused her discussion on the annual Pharmacy cost; Winnie Community Hospital cost; and UTMB Cost compared the prior year. Per Mrs. Ojeda, she was happy to report that the District saved \$189,122.02 due to the implementation of the Pharmacy program; better oversight of UTMB referrals, and agreement with Hospital to provide health care services to the District’s Indigent Care program participants.

<b>Entity</b>	<b>2019 Cost</b>	<b>2020 Cost</b>
Pharmacy	\$109,120.69	\$67,352.79
Winnie Community Hospital	\$309,326.39	\$198,713.45*
UTMB	\$214,252.97	\$179,555.88
<b>Totals</b>	<b>\$632,700.05</b>	<b>\$443,578.03</b>

\* \$196,669.36 is the contracted amount paid per Indigent Care Agreement. The actual amount incurred was \$198,713.45.

Mrs. Ojeda was then asked for the Medicaid rate using the true Medicaid calculations. Mrs. Ojeda responded that if the District paid the Medicaid rate, the year-to-date expenses would be \$94,795.97.

Upon the completion of Mrs. Ojeda’s report, the Board expressed their gratitude for all her efforts and encouraged Mrs. Ojeda to continue the hard work.

**c. District General Counsel Report**

Attorney Oxford only reported that the District’s Special Purposes Report were filed, and he provided the Board with copies of the report. (See **Exhibit “E”**).

**d. LTC Report**

The LTC submitted a report for the Board to review. After a review of the report, the Board had no questions. (See **Exhibit “F”**).



## e. Hospital Report

Mr. Saad Javid gave the Hospital's report for November 2020 and started the report by highlighting the monthly statistics. A copy of the report is set forth below and attached as **Exhibit "G"**.

Census	2020												Average	Texas Average
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec		
ER Visits	187	178	193	147	162	166	141	169	190	188	194	168	174	
Conversion to Inpatient/observation	9	14	17	14	10	7	6	17	21	10	14	11	13	
Percentage	5%	8%	9%	10%	6%	4%	4%	10%	11%	5%	7%	7%	7%	
Transferred out	8	14	7	13	16	11	11	8	9	12	17	12	12	
Percentage	4%	8%	4%	9%	10%	7%	8%	5%	5%	6%	9%	7%	7%	
ER shifts covered by doctors	80%	82%	87%	72%	57%	67%	61%	55%	66%	52%	47%	52%	65%	
Average Inpatient days per day	2.68	3.28	2.23	2.13	2.42	2.47	1.94	4.00	3.00	5.90	6.70	8.29	3.75	
Average Hospice days per day	0.03	0.59	0.87	0.23	0.03	0.00	0.00	0.13	0.20	0.00	0.00	0.00	0.17	
Average Swingbed days per day	0.06	0.24	0.52	0.67	3.19	1.90	1.71	1.39	2.07	1.32	1.60	3.84	1.54	
Average Observation days per day	1.16	1.62	0.68	0.17	0.26	0.37	0.16	0.90	1.10	1.06	0.83	0.84	0.76	
Average All Inpt. days per day	3.94	5.72	4.29	3.20	5.90	4.73	3.81	6.42	6.37	8.29	9.13	12.97	6.23	1.63
CTs	56	71	59	39	56	48	46	57	54	80	56	60	57	
Xrays	270	268	185	160	200	169	151	194	248	280	306	305	228	
Ultrasounds	20	20	14	8	5	1	3	2	21	30	44	26	16	
Encounters - Adult Clinic	638	598	592	349	360	453	384	388	515	479	539	447	479	
Encounters - Pediatric Clinic	274	306	221	69	95	169	178	233	279	243	256	190	209	
Behavioral Health patients	45	44	39	0	0	0	0	0	0	0	0	0	11	
Physical Therapy	0	1	2	0	1	0	0	0	0	0	0	0	0	

Mr. Javed highlighted the average overnight stays and was happy announce the number was up to 12.97, which is estimated to be the highest ever. He also informed the Board that the Hospital has isolated twelve (12) beds for the Covid-19 patients.

### 10. Discuss and take-action, if necessary, on approving IGT for DY 10 Uncompensated Care Advance Payment.

Staff informed the Board that on January 13, 2021 the District received a notice from the Texas Health and Human Services Commission stating that the first intergovernmental transfer ("IGT") on behalf of the Hospital for DY 10-Uncompensated Care program was due on February 3, 2021. (See **Exhibit "H"**). Staff then reported that the amount of the IGT was for \$24,146.30 and it was expected to return \$75,480.80 to the Hospital in Uncompensated Care funds. Staff requested approval to participate in the program on behalf of the Hospital and to make the designated IGT.

The Board agreed and then a motion was made by Director Stramecki to make an IGT up to \$26,000.00 on behalf of the Hospital to participate in the DY 10-

Uncompensated Care program. This motion was seconded by Director Way and unanimously approved by all the Directors present.

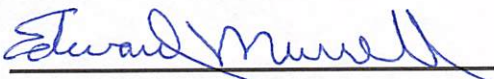
**11. Discuss and take-action, if necessary, on hiring a part-time office assistant.**

President Murrell then called on staff to discuss Agenda Item No. 11. According to Mrs. Norris, she has prepared a job description for a part time employee and asked the Board to review it. (See **Exhibit "I"**). According to the proposed job description the general job duties for the employee would be to provide support to work-site supervisor and office visitors by handling a variety of tasks to ensure that all interactions between the organization and others are positive and productive. Specifically, this would include copying; filing; shredding; scanning; processing mail; assist with monthly medical billing; dispense indigent care applications; and receive incoming documents from Indigent Care Applicants. Mrs. Norris then asked for authority to advertise for this position in the local newspapers.

Upon the completion of the discussion on hiring a part time employee, the Board agreed that this was necessary and then Director Stramecki made a motion to authorize Mrs. Norris to advertise for the position and interview candidates. This motion was seconded by Director Way and unanimously approved by all the Directors present.

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 next Regular Meeting on February 17, 2021 at 6:00 p.m. Afterwards, at 8:13 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

