

## **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., August 18, 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). An electronic version of this meeting is available upon request.

### **1. Call the Meeting to Order**

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 Vratis	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. Hubert Oxford, IV	General Counsel for the District
Mr. David Sticker	District CPA
Mr. Mo Danishmund	Chief Financial Officer, Winnie Community Hospital (“Hospital”)
Mr. Saad Javed	Co-Chief Operating Officer, Hospital
Mr. Chris Portner	General Counsel, Riceland Hospital
Mr. Robert Jacobs	Clinical Manager for Riceland
Mr. William Franz	THRIVE
Mr. Wade Thibodeaux	The Hometown Press
Mrs. Gloria Roemer	The Seabreeze Beacon

## **2. Pledge of Allegiance**

After the introduction of the guests, 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**

The President then asked for Public Comment but there was none.

## **4. Review and Approve Minutes of Previous Meeting(s): July 28, 2021, Regular Meeting; and July 30, 2021, Special Meeting.**

Following, President Murrell called on the Board to review and approve the minutes from July 28, 2021, Regular Meeting and July 30, 2021, Special Meeting. Attorney Oxford apologized for the lack of a number for this agenda item as this was a formatting error. Afterwards, the minutes were examined by the Board and no additional changes were recommended.

Consequently, Director Stramecki made a motion to approve the minutes of the July 28, 2021, Regular Meeting and July 30, 2021, Special Meeting. This motion was seconded by Director Vratis, and unanimously approved by all the Board members.

## **12. Discuss and take-action, if necessary, to engage THRIVE to update the District's 2016 FQHC report.**

President Murrell then asked the Board to move to Agenda Item No. 12 and called on Mr. William Franz to discuss the proposal for the Federally Qualified Healthcare Center ("FQHC") study update. (*See Exhibit "A"*). Mr. Franz informed the Board that he was contacted by the District's staff to prepare an update to the prior FQHC study that was performed in 2016. Mr. Franz advised the Board that given the District's change in the District's financial position and changes to the rules regarding the FQHCs, the establishment of an FQHC in District may be more feasible. In addition, Mr. Franz informed the Board that if the Board approved the proposal, THRIVE would also do an analysis of an "FQHC Look Alike" and a Rural Health Clinic. Per Mr. Franz, an "FQHC Look Alike" provides the same services as

an FQHC except that it does not receive federal funds. However, he explained that FQHC Look Alike facilities often stand a better chance of being converted to a traditional FQHC because the Look Alike facilities can provide a track record of providing services when filing their applications for the traditional FQHC approval.

The Board then discussed an estimated timeline for completion and Mr. Franz stated that he believed his team could complete the work in thirty (30) days. Nevertheless, he cautioned that this was an ambitious timeline because it was subject to the availability of the individuals needed to be interviewed and an inspection of the Hospital's clinic.

After a lengthy discussion of the scope of the project, Director Stramecki made a motion to authorize THRIVE to perform an update to the prior FQHC study as set forth in **Exhibit "A"**. This motion was seconded by Director Way, and unanimously approved by all the Board members.

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

Turning to the District's financial reports, Mr. David Sticker was asked to discuss, the District's year to date Balance Sheet and Profit & Loss Budget vs. Actual. (See **Exhibit "B-1"**). Mr. Sticker then reviewed the Balance Sheet and Profit & Loss Budget vs. Actual statements and informed the Board that he worked with staff prior to the Meeting to make sure the District's Quickbooks was reconciled. In regard to the Profit & Loss Statement, Mr. Sticker stated that he anticipated upcoming budget amendments for: 1) attorney fees due to the unexpected expenses incurred from *In re Abri Health Services et al* bankruptcy proceeding, and fees incurred from acquiring the eleven (11) new facilities; and 2) cost resulting from the acquisition of the eleven (11) new facilities such as CHOW costs, appraisal fees, and possible increased LTC Fees.

Upon the conclusion of the discussion of the Balance Sheet and Profit & Loss Statement, Attorney Oxford continued the discussion on the financials by addressing the Treasurer's Report, check register, and outstanding invoices to be considered. (See **Exhibit "B-2"**). As in the past, Attorney Oxford asked the Board to review the invoices to be paid. The total invoices amounted to \$65,890.92 but once again included an invoice from Bonds & Ellis of \$18,308.30 for time spent on the *In Re*

*Abri Health Services* bankruptcy matter. A complete list of the invoices to be paid is as follows:

Pending Expenses	For	Amount
Brookshire Brothers	Indigent Care	\$1,130.54
Wilcox Pharmacy	Indigent Care	\$961.00
UTMB at Galveston	Indigent Care	\$13,114.35
UTMB Faculty Group	Indigent Care	\$1,820.01
Barrier Reef Emergency Physician	Indigent Care	\$118.78
Indigent Healthcare Solutions	IC Inv #72257	\$1,109.00
American Education Services	S Stern-Student Loan	\$150.14
Nicki Holtzman	Youth Counseling	\$340.00
Kalos Counseling (Benjamin Odom)	Youth Counseling	\$510.00
Penelope (Polly) Butler	Youth Counseling	\$425.00
Chambers Cty PHD#1	IC Dental	\$320.00
Benckenstein & Oxford	Inv #50174	\$21,275.00
Hubert Oxford	Legal Retainer	\$1,000.00
David Sticker	Inv #58	\$1,781.25
Technology Solutions of Tx	Inv #1617	\$75.00
Bonds & Ellis (Clay Taylor)	Inv #12833 (In re Abri)	\$18,308.30
Philadelphia Ins Co (D&O renewal)	Inv #2003346484	\$10.00
Felipe Ojedia-Yard Service	Inv #1015	\$300.00
Graciela Chavez-Office Cleaning	Inv #8018599	\$100.00
Gaudet Solutions	Youth-Irlen	\$1,900.00
Benckenstein & Oxford-Reimbursement for Hotel	Acct#38305	\$946.05
Benckenstein & Oxford-Reimbursement	Office Supplies	\$196.50
<b>Total Pending Expenses</b>		<b>\$65,890.92</b>

Once the Board members completed their review of the invoices, Attorney Oxford referred the Board to the First Financial Bank Reconciliation section of the report. Per Attorney Oxford, the balance in the District's Commercial Account at First Financial Bank was \$11,366,355.43. Of the total funds deposited in this account, the District's unrestricted funds balance was \$4,593,333.90.

Turning to the Fund Summary section, the total liquid funds available as of the meeting, was \$7,254,675.60. This is an increase of nearly \$2,000,000.00 because of the payment of \$978,373.36 for Year 4, third quarter Quality Incentive Payment Program ("QIPP") Component 3, 4 and lapsing funds and the repayment of the District's Line of Credit.

At the end of the discussion, the Board was asked if there were any additional questions or comments. Since there were none, Director Stramecki made a motion, which was seconded by Director Way, and the unanimous approval of the Board members to: a) approve the financials for July 2021; b) adopt the Treasurer's Reports; and c) pay the invoices presented. (See Exhibits "B-1", "B-2", and "B-3").

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

No Committee had a report for this meeting.

## **7. Receive reports, by:**

### **a. Administrator's Report**

This month Mrs. Norris advised that she been asked by the Seabreeze Beacon and the Hometown Press to purchase advertisements for the fall sports edition. Mrs. Norris reminded the Board that in the past, the District has promoted its indigent care program, youth counseling program, and Irlen's program. The Board agreed with Mrs. Norris's recommendation and authorized Mrs. Norris to purchase the advertisements.

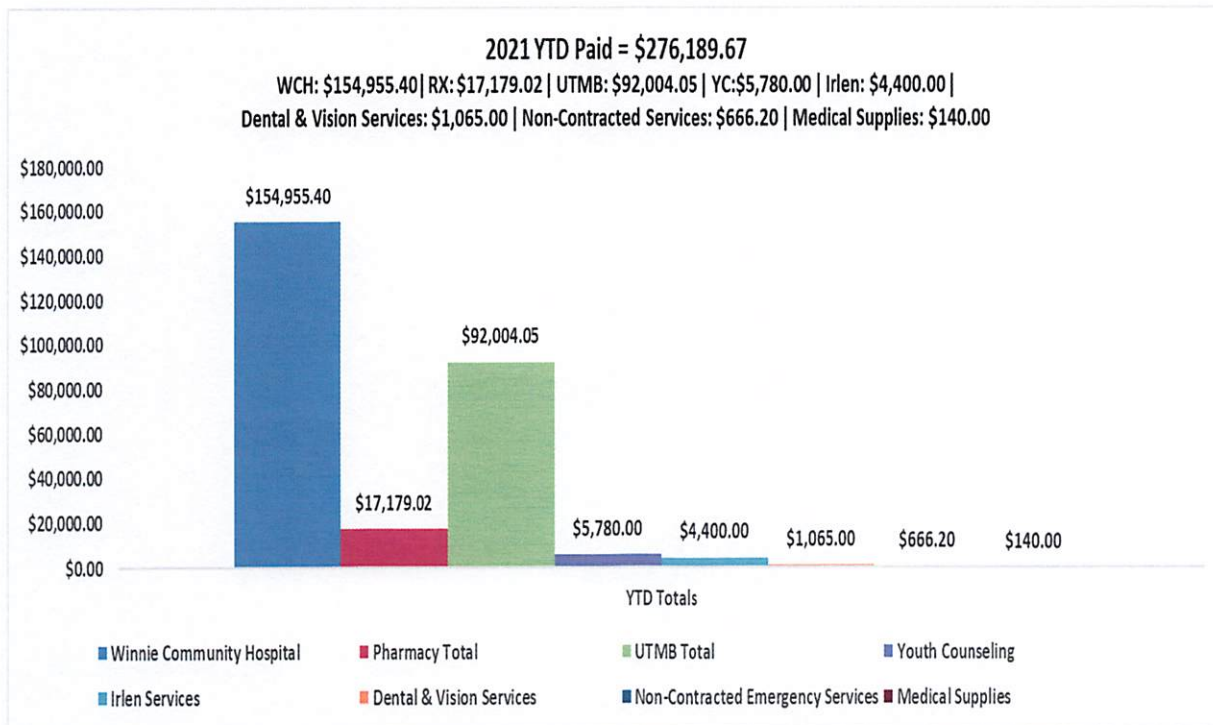
### **b. District Indigent Care Director Report**

Mrs. Ojeda was called on to give the Indigent Care report. Mrs. Ojeda reported that in July 2021, the number of clients enrolled in the indigent care program decreased by one (1) client to fifty-seven (57) clients, while the Youth Counseling once again increased by three (3) to fourteen (14) children.

Additionally, Mrs. Ojeda was happy to announce that the District screened one Irlen's client who turned out to be positive. According to Mrs. Ojeda, the child had two (2) siblings that had previously been tested by the school and one of his siblings also positive. Mrs. Ojeda conveyed that the family was very appreciative

of the Hospital District’s efforts as their three (3) children were also utilizing the District’s youth counseling program.

Next, Mrs. Ojeda presented the Board with her monthly statistics and the reports set forth in **Exhibit “C”** and summarized below.



After her discussion of the financial aspects of the report, Mrs. Ojeda asked the Board to review her remaining reports and contact her if there were any questions.

**c. District General Counsel Report**

Mr. Oxford advised that he had nothing to report at this time.

**d. LTC Report**

Staff presented the LTC Report for July 2021. (See **Exhibit D**). After the Board reviewed the reports, there were no questions.

## e. Hospital Report

President Murrell then called on Mr. Javed to give the Hospital report for July 2021. Mr. Javid reviewed the monthly statistics but emphasized that the month of July 2021 was one of the Hospital's busiest because of the overwhelming number of Covid 19 patients being treated at the Hospital. Specifically, in addition to testing patients for Covid 19 and giving Covid-19 vaccines, the Hospital treated twenty-seven (27) Covid 19 patients. A copy of the report is set forth below and attached as **Exhibit "E-1"**.

2021								
Census	Jan	Feb	Mar	Apr	May	June	July	Average
ER Visits	167	170	184	225	231	256	265	214
Conversion to Inpatient/observation	16	17	9	14	24	26	31	20
<i>Percentage</i>	10%	10%	5%	6%	10%	10%	12%	9%
Transferred out	7	7	12	8	17	13	12	11
<i>Percentage</i>	4%	4%	7%	4%	7%	5	5%	5%
ER shifts covered by doctors	74%	51%	55%	68%	48%	60%	56%	59%
Average Inpatient days per day	167	172	146	117	196	135	115	150
Average Hospice days per day	0	13	7	22	7	5	18	10
Average Swingbed days per day	0	50	35	20	83	26	114	47
Average Observation days per day	31	12	18	33	35	32	36	28
Total All Inpt. Days	198	247	206	192	321	198	283	235
Average All Inpt. days per day	6.39	8.52	6.65	6.40	10.35	6.60	9.13	7.72
CTs	66	66	60	68	73	61	68	66
Xrays	248	240	309	292	250	305	318	280
Ultrasounds	30	42	37	39	37	32	26	35
Encounters - Adult Clinic	409	368	514	507	455	552	497	472
Encounters - Pediatric Clinic	226	171	287	279	168	179	242	221
Behavioral Health patients	0	0	0	0	0	11	18	4
Physical Therapy	1	0	0	0	1	0	1	0

After a review of the monthly statistics, Mr. Javid highlighted the following:

- Hospital has resumed its Intensive Outpatient Programs (IOP) to provide clinical diagnostic and treatment services to the area's elderly;
- Hospital is now able to provide Acute Dialysis care;
- Laboratory inspection started on August 3, 2021 and will continue at a later date due to spike in Covid cases at the Hospital; and
- New Director of Nursing stated on July 19th, 2021.

Next, Mr. Danishmund introduced Mr. Robert Jacobs, the Clinical Manager for Riceland, to provide a timeline of the Hospital's efforts to fight the Covid-19 virus. (See Exhibit "E-2"). Among other topics discussed, Mr. Jacobs informed the Board that the Hospital was currently providing treatment to fourteen (14) Covid-19 patients; the Hospital was assigned ten (10) extra nurses by the State of Texas; and the Hospital was approved to provide infusion therapy for Covid 19 patients. At the end of the presentation, the Board members thanked the Hospital for their efforts.

**8. Discuss and take-action, if necessary, to approve funding agreement with WSEMS for operating and staffing transport van.**

President Murrell asked Attorney Oxford to give an update on this agenda item. Attorney Oxford informed the Board that he has worked on an agreement, but he was informed that the vehicle will not be delivered for several months. He then requested the Board table this agenda item and asked that it remain on the agenda.

The Board agreed. Director Stramecki then made a motion to table Agenda Item No. 8. This motion was seconded by Director Rollo, and unanimously approved by all the Board members.

**9. Discuss and take-action, if necessary, on action in *In re Abri Health Services, et al* following the mediation held on May 28, 2021.**

Attorney Oxford was called on to discuss this agenda item. Attorney Oxford reported that no action needed to be taken on this agenda item, but he was told that the matter was nearly resolved pending a final recommendation of the mediator. Most importantly, Attorney Oxford told the Board that the landlord, LTC Properties, Inc., has agreed to indemnify the Hospital District for all liabilities incurred resulting from the former tenant/operator's operations of the eleven (11) new facilities being acquired by the District. Looking forward, Attorney Oxford advised that he and the other lawyers involved had to finalize the various agreements and expects that the lawyers for Abri Health Services/Senior Care to continue their efforts to vigorously defend their client by continually shifting the terms of any proposed settlement and agreements.



**10. Discuss and take-action, if necessary, on authorizing staff to renew crime policy.**

President Murrell called on staff to discuss the crime policy. Staff requested that this agenda item also be tabled because they have received proposals for various levels of coverage, deductibles, and premiums but are still waiting on a response for a third option requested prior to the meeting.

In response, Director Stramecki made a motion to table Agenda Item No. 10. This motion was seconded by Director Rollo, and unanimously approved by all the Board members.

**11. Discuss and take-action, if necessary, on renewing the Service Agreement with the LTC Group.**

Next, President Murrell called on Attorney Oxford to discuss Agenda Item No. 11, the renewal of the LTC Serviced Agreement for September 2021-August 2022. Attorney Oxford reminded the Board that the agreement is substantially the same as the prior year's agreement except that it: 1) adds three (3) new nursing homes; and 2) includes a provision for the nursing facilities deemed to be "troubled" because of poor metric achievement percentages or fines assessed by the State of Texas or the Federal government. A copy of the Fifth Amended and Restated Service Agreement is set forth in **Exhibit "F"**.

Following a brief discussion of the agreement, Director Stramecki made a motion to Authorize the execution of the Fifth Amended and Restated Service Agreement. This motion was seconded by Director Rollo, and unanimously approved by all the Board members.

**13. Discuss and take-action, if necessary, on raising the indigent care poverty rate from 150% to 200%.**

President Murrell then turned to Agenda Item 12, to discuss and amend the District Indigent Care Agreement to increase the poverty rate from 150% to 200%. According to President Murrell, the County has raised its poverty rate to 200% in order to make it easier to qualify for the County Indigent Care Program and by doing this, the County is matching the poverty rate used by Chambers County Public Hospital District No. 1 (i.e., Chambers Health). Therefore, President Murrell

recommended increasing the District's rate so that the poverty rate throughout the county would be 200%. Mrs. Ojeda then responded to a question about the impact on the decision to rate on the District's indigent population. Per Mrs. Ojeda, she has only had a handful of potential clients apply for the District's Indigent Care Program that fell within the poverty rate level between 150% to 200%. As such, she did not anticipate enrolling a substantial number of residents due to the increase.

The Board concurred, and then Director Stramecki made a motion to amend the District's Indigent Care Program to enable residents of the District whose poverty level is 200% or below to qualify for the program. This motion was seconded by Director Rollo, and unanimously approved by all the Board members.

**14. Discuss and take-action, if necessary, on approving grant request by Winnie Community Hospital for Staffing reimbursement for Covid-19 shots; Assistance with staffing due to spike in Corona virus; and Reimbursement for Patient Monitoring Telemetry Machine.**

President Murrell called on Mr. Danishmund to address this agenda item. Mr. Danishmund asked that this agenda item be tabled because the Hospital was still in the process of attempting to collect information needed to get reimbursed for the estimated 20,000 covid vaccines given. To date, Mr. Danishmund stated that the Hospital has collected approximately \$8,000.00 for giving the vaccines.

Director Stramecki then made a motion to table Agenda Item No. 14. This motion was seconded by Director Way, and unanimously approved by all the Board members.

Before concluding the meeting, President Murrell asked to address the Board on two (2) issues. First, he requested that the Board consider purchasing masks, gloves, and sanitizer for the upcoming Rice Festival. Since this was not on the agenda, the Board could not take-action but if this was something the Board was interested in pursuing, he wanted to get bids. The Board was receptive, and Mr. Murrell informed the Board that given the timing, the District may need to have a special meeting to approve any proposal. Secondly, President Murrell informed the Board that he had lunch with two (2) members of the Chambers Health Board to continue discussions on shared services. During the lunch, Mr. Murrell was

informed that Chambers Health had an OBGYN that could assist with a Women's Health initiative. In response, President Murrell was informed that Chambers Health hired a nurse practitioner, not a doctor. President Murrell then asked staff to verify whether Chambers Health hired a doctor or a nurse practitioner. After this was cleared up, he would discuss with the Board members with whom he had lunch.

Thereafter, 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 September 15, 2021. A motion was made by Director Stramecki at 9:12 p.m., 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