

## **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 18, 2023 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 copy of this meeting is available upon request.

At approximately 6:07 p.m., the meeting was convened, and the roll was called off 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	District Administrator
Mrs. Patricia Ojeda	Indigent Care Director
Mr. Hubert Oxford, IV	General Counsel for the District
Mr. David Sticker	District’s CPA
Ms. Kaley Smith	Coastal Gateway Health Center
Dr. Michael Lyons	Coastal Gateway Health Center
Mr. Robert Jacobs	Clinical Manager for Riceland
Mr. Mo Danishmundt	Chief Financial Officer, Riceland Hospital
Ms. Gloria Roemer	The Seabreeze Beacon
Mr. Robert A. Pascasio	OmniPoint Health

## **5. Review and minutes of the December 14, 2022 Public Hearing and Regular Meeting.**

President Murrell then called on the Board to return to review and approve the minutes from the December 14, 2022 Public Hearing and Regular Meeting. The Board reviewed the minutes and had no further changes.

Consequently, Director Stramecki made a motion to approve the minutes of the December 14, 2022 Public Hearing and Regular Meeting. This motion was seconded by Director Vratis, and unanimously approved by all the Board members.

## **6. 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-end Balance Sheet and Profit & Loss Budget vs. Actual. (See **Exhibit "A-1"**). In regard to the Profit & Loss Statement, Mr. Sticker noted that the year-end revenue was \$1,470,407.53 below the final budget estimates at \$55,303,407.83. According to Mr. Sticker, revenue estimates were off because the projected Quality Improvement Payment Program ("QIPP") revenues were less than expected. Meanwhile, the year-end expenses were \$3,235,591.67 less than budgeted for the same reason, as the QIPP calculations for the Management Fees and the IGT were less than expected.

After completing his review of the financials, Mr. Sticker reported to the Board that it was his desire to retire and asked the Board to begin to identify another CPA to replace him. Per Mr. Sticker, he wanted to spend more time with his family and most importantly, play in his band, but he has really enjoyed working for the District. In response, the Board thanked Mr. Sticker for all of his efforts in securing the District's funds and stated that he will be missed greatly. Mr. Sticker then agreed to continue as the District's CPA until a replacement was found.

Attorney Oxford then asked the Board to turn to the Treasurer's Report in their binders. (See **Exhibit "A-2"**). Attorney Oxford stated that the total invoices presented at the meeting amounted to \$489,084.77. However, he did note that the

that the LTC Invoice of \$240,000.00 had been previously paid earlier in the month. Therefore, the total expenses for the month amounted to \$729,084.77. A complete list of the invoices to be paid is as follows:

Pending Expenses	For	Amount
Brookshire Brothers	Indigent Care	\$5,188.69
Wilcox Pharmacy	Indigent Care	\$1,391.32
UTMB at Galveston	Indigent Care	\$41,731.50
UTMB Faculty Group	Indigent Care	\$7,906.37
Thompson Outpatient Clinic	Indigent Care	\$1,392.76
Riceland Medical Center	Indigent Care	\$397.49
Beaumont Pathology y Associates	Indigent Care	\$49.45
Indigent Healthcare Solutions	IC Inv#75111	\$1,109.00
\$25 Optical	SP Program	\$50.00
Omnipoint Health-Dental	SP Program	\$2,314.00
Penelope (Polly) Butler	Youth Counseling	\$170.00
Nicki Holtzman	Youth Counseling	\$170.00
Kalos Counseling (Benjamin Odom)	Youth Counseling	\$1,105.00
Benckenstein & Oxford	Inv # 50653	\$24,320.00
Hubert Oxford	Legal Retainer	\$1,000.00
David Sticker	Inv #92	\$3,437.50
Technology Solutions of Tx	Inv #1739	\$75.00
Felipe Ojedia-Yard Service	Inv #1033	\$300.00
Graciela Chavez-Office Cleaning	Inv #965953	\$120.00
American Education Services	S Stern-Student Loan	\$150.14
WSVEMS	Grant Inv (Dec Payroll)	\$10,752.00
Fitz & Shipman Inc	Inv # 0085277	\$762.50
The Seabreeze Beacon	Inv #6301	\$360.00
The Hometown Press	Inv # 3703	\$350.00
Torch (Membership Dues)	Inv #2228196	\$1,895.00
Allegiance Bank	LOC Interest-Auto Pay Jan 23	\$15,370.83
Coastal Gateway	January 2023 Grant Request	\$75,624.92
JS Edwards	Renewal Commerical Pkg	\$3,221.20
Riceland Medical Center	RMC IC Contract	\$288,370.10
<b>Total Pending Expenses:</b>		<b>\$489,084.77</b>

Next, Attorney Oxford referred the Board to the Funds Summary section of the Treasurer’s report, which is set forth below.

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Funds Summary	Totals
Prosperity Operating (Unrestricted)	\$670,305.22
First Financial (Unrestricted)	\$8,946,097.55
First Financial (Restricted)	\$7,837,460.91
TexStar	\$701,026.61
Allegiance Bank LOC (Available)	\$19,421.67
Total District Funds	<b>\$18,174,311.96</b>
Less First Financial (Restricted)	<b>(\$7,837,460.91)</b>
Less TexStar Reserve Account	<b>(\$701,026.61)</b>
Less Committed Funds ( <i>See below</i> )	<b>(\$7,914,112.00)</b>
Cash Position (Less First Financial Restricted)	<b>\$1,721,712.44</b>
Pending Expenses	\$489,084.77
Ending Balance (Less expenses-Available Cash, not	<b>\$2,210,797.21</b>
Total Funds (Ending Balance+LOC	
Outstanding+QIPP Funds Outstanding)	<b>\$9,840,399.11</b>

In addition, Attorney Oxford discussed the First Financial Bank reconciliation section of the Treasurer's report. This month, there was nothing out of the ordinary as staff and Attorney Oxford verified that the reserved funds for the Component 1 payments were correct with LTC Group.

Attorney Oxford then directed the Board the Committed Funds section. During this discussion, Attorney Oxford explained that staff recommended the Board set aside \$7,000,000.00 for the working capital line of credit for the Gulf Coast facilities. In total, staff recommended setting aside \$7,914,112.00 in Committed Funds.

Lastly, Attorney Oxford referred the Board to the Check Register and other supporting financial information found in **Exhibit "A-3"**.

President Murrell then called for a motion to approve the financials, Treasurer's Report, and payment of invoices. In response, Director Stramecki made a motion, which was seconded by Director Vratis, and with unanimous approval of the Board members to: : a) approve the year end financials for 2022; b) approve the Treasurer's Report; c) pay the outstanding invoices; and d) approve the Check Register. (*See Exhibit "A-1", "A-2", and "A-3"*).

**7. Discuss and take-action on Committee Reports: a) Finance Committee; b) Indigent Healthcare Committee; c) Personnel Committee; and d) Hospital Liaison.**

President Murrell asked the Committees if there were any reports. The Indigent Care Committee has begun to meet with Coastal Gateway's CEO Kaley Smith to begin discussing the relationship between the entities relating to the treatment of indigent and uninsured within the District. As of the meeting, Director Way did not have any details to report but hoped the group would soon be able to establish rates for Coastal Gateway to treat the District's indigent that the Board will need to approve.

**8. Receive reports, by:**

**a. Administrator's Report**

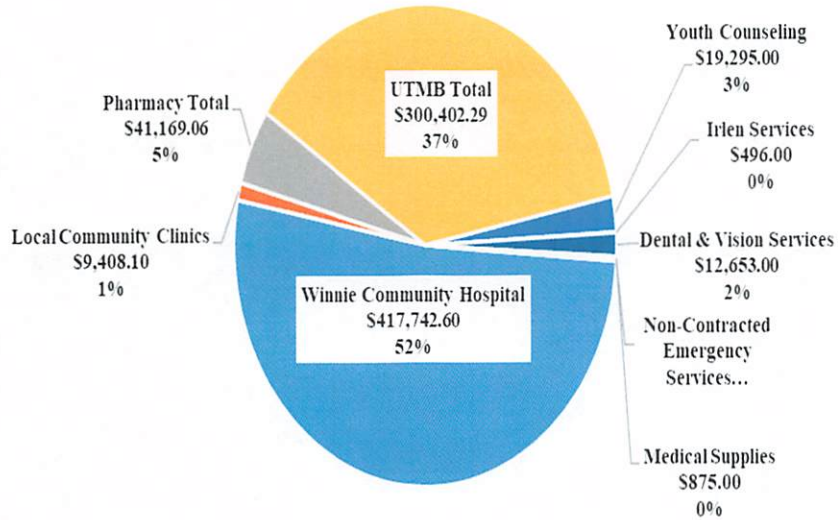
Mrs. Norris advised that she was going to meet with a proposed replacement for Mr. Sticker at 2:30 p.m. on Friday, January 21, 2022.

**b. District Indigent Care Director Report**

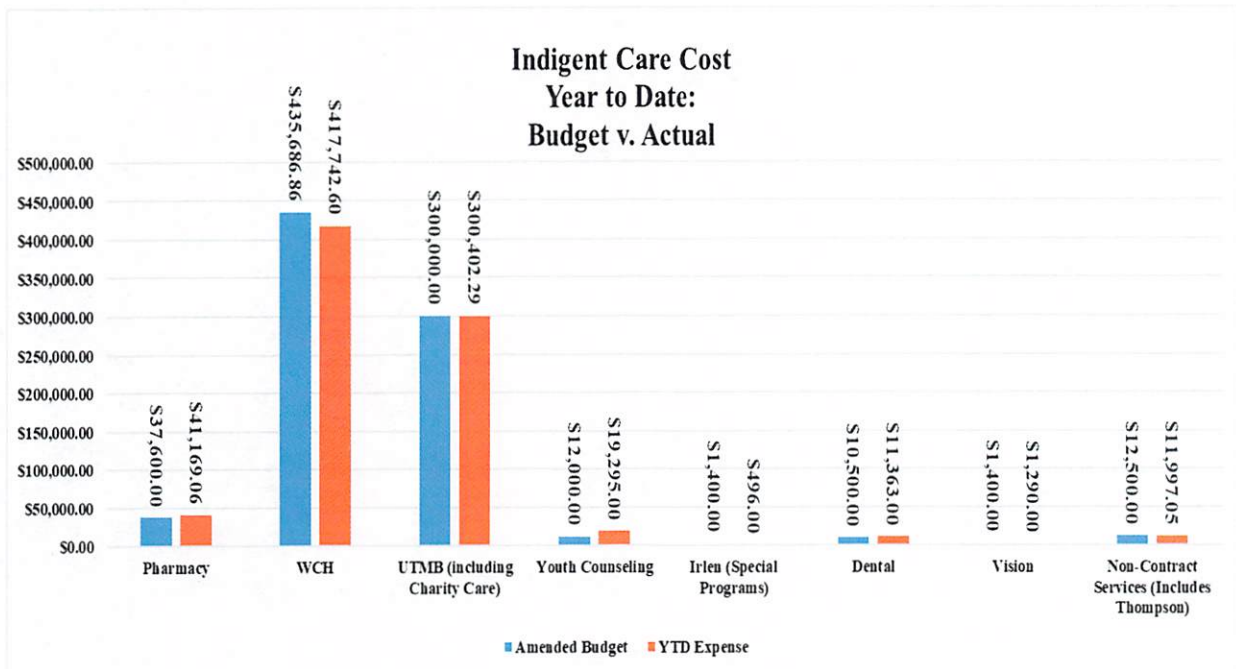
Next, Mrs. Ojeda was called on to give the Indigent Care report. Mrs. Ojeda reported that in December 2022, there were ninety (90) indigent clients enrolled in the District's Indigent Care Program. This is an increase of one (1) client from the previous month. Mrs. Ojeda then informed the Board that the number of children who have received youth counseling in December increased by one (1) to seventeen (17) children. Furthermore, as in the prior month, the District did not provide any Irlen services, but in December, one (1) resident used the vision benefits and seven (7) used the dental benefits. (See **Exhibit "B"**).

Mrs. Ojeda then reviewed the year-end indigent care cost but explained that she would need to update these costs in February because they do not include the Hospital's total cost for December because the invoices were received on the day of the meeting. Otherwise, in 2022, the cost of services provided less the Hospital's December 2022 cost were as follows:

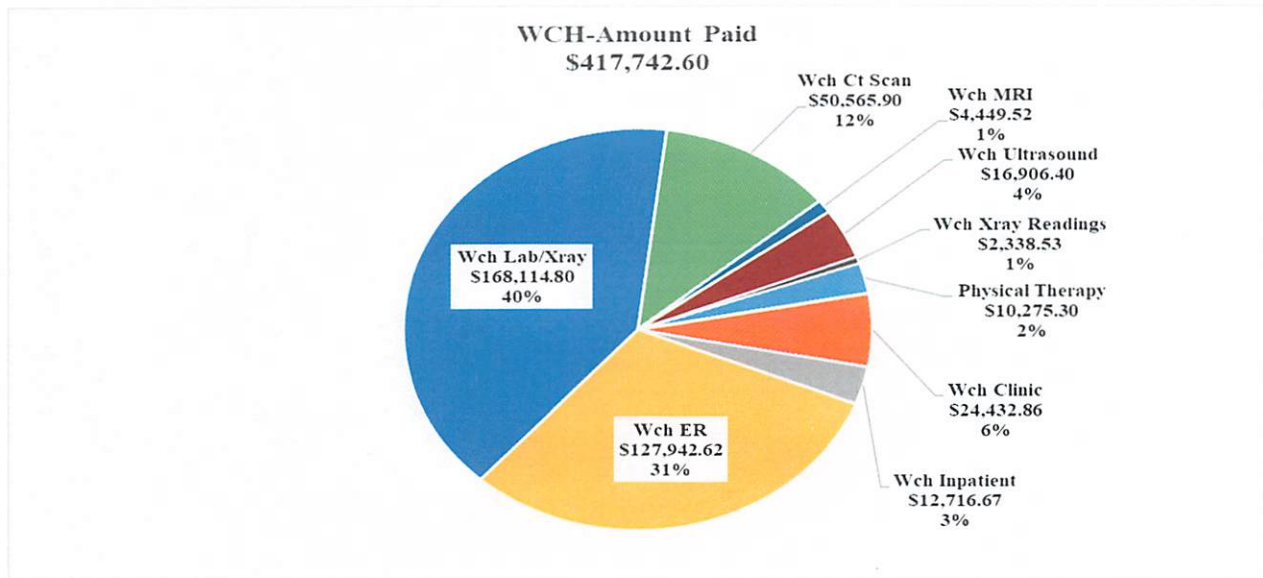
**Year To Date Payments Incurred: \$802,589.58\***  
**(Does not Include December 2022 WCH Invoice)**



In addition, Mrs. Ojeda provided the Board with the year-end budget to actual numbers for indigent care costs, less the December invoice from the Hospital. These costs are also set forth below:



Regarding the Hospital specific expenses, year to date, the District has incurred \$417,742.60 in Hospital expenses, not including full December 2022 invoice from the Hospital, which explains why the totals only increased by \$397.49 from the previous month. The chart below identifies how these funds were spent by the various departments at the Hospital.



Thereafter, Mrs. Ojeda presented reports on the County Van, Marcelous Williams, and the Winnie Stowell Emergency Medical Services (“WSEMS”). A summary of activity for December 2022 is as follows:

District Program	Residents Served	District Indigent Clients
County Van	77	3
Marcelous Williams	23	21
	<b>Transports by WSVEMS</b>	<b>Transports From Riceland</b>
WSEMS Transport Van	9	4

Before concluding her report, Mrs. Ojeda reported that she did receive the Winnie Stowell Emergency Medical Services’ (“WSVEMS”) report, but the report did not provide any information on the invoices for December 2022. Furthermore, Mrs. Ojeda advised that as of the meeting, the WSEMS has not provided any updates or inquired about the task assigned during the December 2022 Regular Meeting

necessary to maintain their grant after June 2023 despite attempts by Mrs. Ojeda to reach out to the WSEMS to provide the necessary criteria to answer any questions.

For the details within her reports, Mrs. Ojeda referred the Board to the remainder of **Exhibit “B”** and asked that the Board members please contact her with any questions after they have had a chance to review them in more detail.

### **c. District General Counsel Report**

Attorney Oxford had nothing to report outside of the agenda.

### **d. Coastal Gateway Report**

Turning to the Coastal Gateway report, Ms. Kaley Smith, Coastal Gateway’s (“Health Center”) Chief Executive Officer, and Dr. Lyons, the Chief Medical Officer for Coastal Gateway, presented monthly District report. (See **Exhibit “C”**). This month, Coastal Gateway representatives reviewed the report provided but did not address any issues involving discussions with the Hospital regarding agreements for services between the two entities except that discussions were continuing. Otherwise, the two (2) reported on the following:

- Needs Assessment: Needs assessment will go out beginning the week of January 22, 2022.
- Electronic Medical Record (“EMR”) Implementation: Working on patient portals and intake process. In addition, Coastal Gateway continues to work on interfaces with health care providers such as LabCorp, Quest, and other healthcare providers.
- Staff Hires: Ms. Smith was proud to report that Coastal Gateway hired Kacey White Flores as a PA who will begin working on April 4. Ms. White is a local resident with deep roots in the community who Ms. Smith believes will be a valuable member of their team.
- Building/Property Update: The District received a request for revised engineering plans on January 9, 2023 and submitted amended plans on January 11, 2023. Mrs. Smith then stated that the revision was required



because the calculations were off on the last submittal due to confusion on whether to include the retention pond for drainage purposes.

#### e. LTC Report

The Board was then directed to **Exhibit “D”** for a review of the LTC Report for December 2022. (See **Exhibit “D”**). After being given time to review the report, the Board was asked if there were any questions but there were none.

#### f. Hospital Report

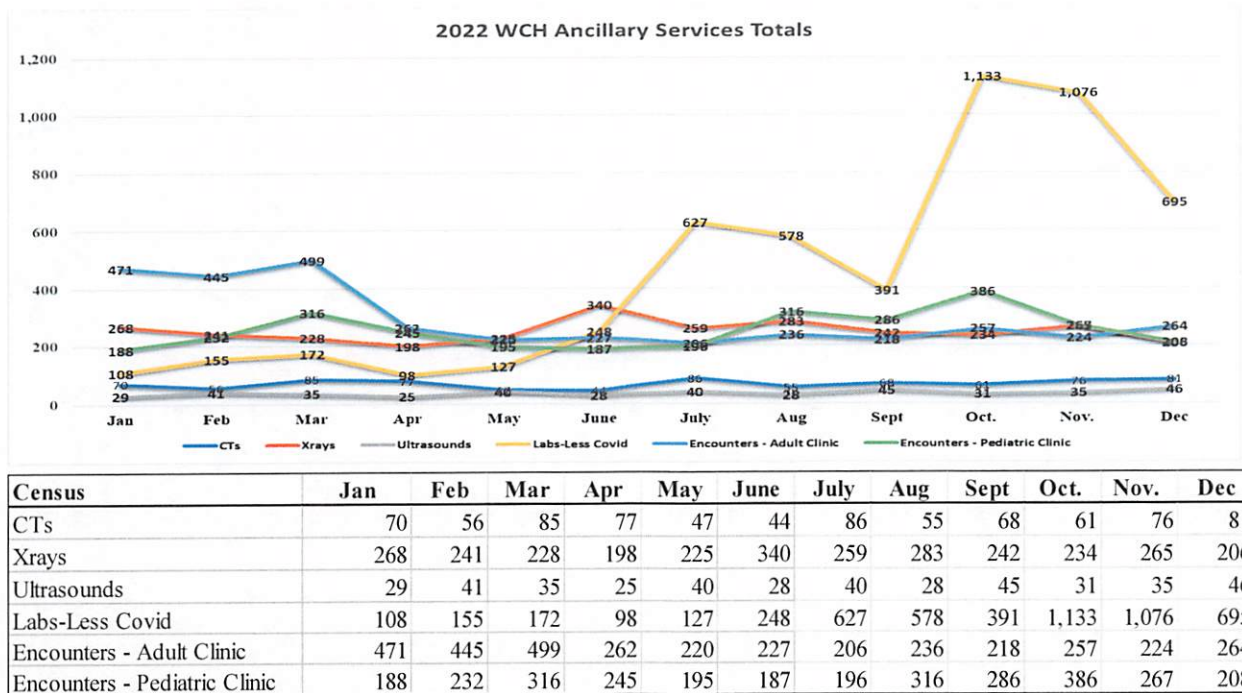
President Murrell then called on Mr. Danishmund to provide the Hospital’s year-end report for 2022. Mr. Danishmund distributed his monthly report, which is set forth below, and began to review the statistics.

2022													
Census	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Average
ER Visits	210	161	215	229	240	245	242	194	244	260	261	249	229
Conversion to Inpatient/observation	17	18	26	24	20	16	19	15	18	24	14	23	20
Percentage	8%	11%	12%	10%	8%	7%	8%	8%	7%	9%	8%	9%	9%
Transferred out of ER	13	10	12	12	11	15	13	7	16	8	10	10	11
Percentage	6%	6%	6%	5%	5%	6%	5%	4%	7%	3%	4%	4%	5%
ER shifts covered by doctors	3%	4%	3%	3%	3%	3%	3%	10%	10%	6%	3%	0%	4%
Number Inpatient days	187	171	127	74	125	163	174	191	170	136	183	151	154
Number Hospice days	0	4	8	5	7	0	0	8	6	5	5	0	4
Number Swingbed days	27	47	53	60	67	218	47	59	12	19	129	36	65
Number Observation days	47	38	29	24	51	14	34	39	27	26	32	29	33
Total All Inpt. Days	261	260	217	163	250	395	255	297	215	186	349	216	255
Average Inpatient days per day	8.42	9.29	7.00	5.43	8.06	13.17	8.23	9.58	7.17	6.00	11.63	6.97	8.41
CTs	70	56	85	77	47	44	86	55	68	61	76	81	67
Xrays	268	241	228	198	225	340	259	283	242	234	265	206	249
Ultrasounds	29	41	35	25	40	28	40	28	45	31	35	46	35
Labs-Covid (#encounters)	3,028	1,137	380	23	47	96	130	200	112	91	188	84	460
Labs-RPP (#encounters)	6	2	23	9	20	25	91	125	139	381	394	225	120
Labs-All Other (# encounters)	102	153	149	89	107	223	536	453	252	752	682	470	331
Encounters - Adult Clinic	471	445	499	262	220	227	206	236	218	257	224	264	294
Encounters - Pediatric Clinic	188	232	316	245	195	187	196	316	286	386	267	208	252
Behavioral Health patients	30	29	31	32	44	43	34	43	45	42	46	40	38
Physical Therapy	1	1	0	0	0	2	0	3	4	2	2	1	1

Upon the competition of the monthly statistics, Mr. Danishmund followed up on Mrs. Ojeda’s report on the WSVEMS transfer service. Specifically, he informed the Board that in December 2022, the Hospital had ten (10) transfers of which the WSVEMS had the opportunity to respond to nine (9) of the ten (10) calls. However, the WSVEMS was only able to transport four (4) of the calls because of staffing problems on the transport ambulance. In response and because of the previous report

given by Mrs. Ojeda, the Board asked the staff to hold the WSVEMS payment until the District receives verification from the WSVEMS that it was their intention to comply with the terms of the grant agreement and terms set forth by the District's Board during the December 14<sup>th</sup>, 2022 Regular Meeting.

Lastly, due to the concerns raised by Hospital regarding their clinic's numbers dropping, the Board then reviewed the status of Hospital's ancillary services for the year. A chart of the various services is set forth below.



**9. Discuss and take-action, if necessary, on making a contribution to partnership facilitated by Chambers County Public Hospital District to establish a countywide Meals on Wheels program.**

President Murrell then called on Mr. Robert A. Pascasio, Chief Executive Officer of Omnipoint Health to present his grant request set forth in **Exhibit "E"** for a one-time contribution of \$25,000.00 to Omnipoint Health to assist Omnipoint Health in restarting the Chambers County Meals on Wheels program. According to Mr. Pascasio, he was making the same request from Chambers County and City of Mount Belvieu and if the three (3) parties agreed to make \$25,000.00 contributions,

Omnipoint Health would oversee and staff the program in exchange for an in kind contribution.

After the discussion on the Agenda Item, a motion was made by Director Stramecki to approve the one-time payment of \$25,000.00 as requested subject to the Chambers County and Mount Belvieu agreeing to fund \$25,000.00 each and Omnipoint Health shall provide a scope of services they are going to provide and details for servicing those residents within the District that qualified. The motion was seconded by Director Vratis, and unanimously approved by all the Board members.

**10. Discuss and take-action, on approving intergovernmental transfer on behalf of Winnie Community Hospital for DY-12 Uncompensated Care program.**

Staff reported that on January 12, 2023, the District was asked by the Hospital to make an intergovernmental transfer (“IGT”) on their behalf for the DY-12, 1115 Waiver Program-Uncompensated Care payment. According to the staff, this was the first of two (2) scheduled IGTs for the year and the amount of the IGT was \$34,229.89. Once made, the IGT would generate an Uncompensated Care payment of \$100,883.85. Lastly, since the amount of the IGTs sometimes changed, staff asked for authority to make an IGT of up to \$40,000.00, if necessary.

The Board agreed and then a motion was made by Director Stramecki to authorize an IGT on behalf of the Hospital to participate in the DY-12, 1115 Waiver Program-Uncompensated Care in the amount of up to \$42,000.00. The motion was seconded by Director Rollo, and unanimously approved by all the Board members.

**11. Discuss and take-action, if necessary, on receiving proposals from contractors to assist with the installation of the new facility on Highway 124 (i.e., foundation, electricity, plumbing, and concrete) and consider request for foundation change orders for the facility.**

No action was taken on this agenda item, but the Board asked that it be tabled until the next meeting in the event that there is the need for any change orders to the proposals adopted during the November 30, 2022 Special Meeting.

Consequently, a motion was made by Director Stramecki to table this agenda item. Director Stramecki's motion was seconded by Director Way, and unanimously approved by all the Board members.

**12. Discuss and take-action, if necessary, on approving 2022 engagement letter with Durbin & Co.**

President Murrell then called on staff to present the 2022 Engagement Letter by Durbin & Co for the 2022 audit. (See **Exhibit "F"**). Staff recommended approval of the letter and informed the Board that the letter was similar to the prior letters and included a not to exceed value of \$25,000.00 as the Board has requested in the past.

Upon the completion of the discussion, a motion was made by Director Stramecki to engage Durbin & Co. to perform the 2022 audit. This motion was seconded by Director Vratis, and unanimously approved by all the Board members.

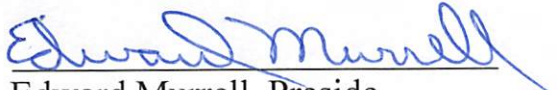
**13. Discuss and take-action, on authorizing a lease agreement with Coastal Gateway Health Centers**

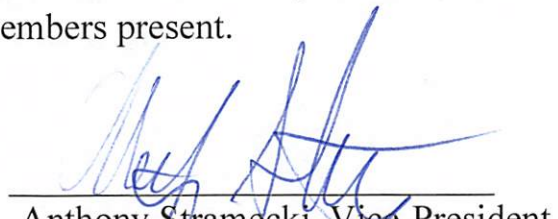
Attorney Oxford was then called on to present the proposed lease between the District and Coastal Gateway Health Centers for the Ramtech building and surrounding parking lot. (See **Exhibit "G"**). Attorney Oxford presented the lease and inquired about several parts of the proposed lease including: (a) the price per square foot; (b) whether the District's Board wanted to impose restrictions on the lease such as a requirement that make sure Coastal Gateway uses its best efforts to negotiate a contract with Riceland Hospital to provide ancillary services such as lab work and x-rays; (c) confirmed that the District was to be listed as an additional insured on Coastal Gateway's liability policy; and (d) verified that the District was not going to require certain policy limits for medical malpractice insurance or require an auto policy.

The Board then discussed the issues and afterwards, a motion was made by Director Stramecki to enter into a lease for \$1.00 per square foot based on the size of the building with no restrictions except that the facility be used to operate as a

clinic; and the District was to be listed as an additional insured on the Coastal Gateway's liability insurance but the District was not going to require a minimum amount on their malpractice insurance in the lease nor was the District going to require Coastal Gateway to carry an auto policy. This motion was seconded by Director Rollo, and unanimously approved by all the Board members.

Thereafter, President Murrell then called for any other such matters before the Board. There being none, the Board then confirmed the date for the next Regular Meeting on February 16, 2022. A motion was made by Director Stramecki at 7:43 p.m., to adjourn the meeting. This motion was seconded by Director Rollo and unanimously approved by all the Board members present.

  
Edward Murrell, Preside

  
Anthony Stramecki, Vice-President