

Exhibit “A”

**WINNIE-STOWELL HOSPITAL DISTRICT
WINNIE, TEXAS**

DRAFT

**AS OF AND FOR THE YEARS ENDED
DECEMBER 31, 2022 AND 2021**



INDEPENDENT AUDITOR'S REPORT

Board of Directors and Management
Winnie-Stowell Hospital District
Winnie, Texas

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Winnie-Stowell Hospital District (the "District"), as of and for the years ended December 31, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the Winnie-Stowell Hospital District's statements of net position, and the related statements of revenues, expenses, and changes in net position, and cash flows.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Winnie-Stowell Hospital District as of December 31, 2022 and 2021, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Winnie-Stowell Hospital District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in aggregate, that raise substantial doubt about Winnie-Stowell Hospital District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management discussion and analysis on pages A-1 through A-4 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

Required Supplementary Information

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have issued our report dated August __, 2023, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

**WINNIE-STOWELL HOSPITAL DISTRICT
WINNIE, TEXAS**

Management's Discussion and Analysis

DRAFT

**AS OF AND FOR THE YEARS ENDED
DECEMBER 31, 2022 AND 2021**

WINNIE-STOWELL HOSPITAL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
AND FINANCIAL STATEMENTS

Our discussion and analysis of Winnie-Stowell Hospital District's financial performance provides an overview of the District's financial activities for the fiscal years ended December 31, 2022 and 2021. Please read it in conjunction with the District's financial statements, which begin on page 1.

FINANCIAL HIGHLIGHTS

- The District's net position increased in 2022 by \$9,730,241 or 82.5% and decreased in 2021 by \$2,029,743 or 14.7%.
- The District's net patient service revenue increased in 2022 by \$80,623,147 or 29.1% and increased in 2021 by \$41,148,900 or 17.5%.
- The District's operating expenses increased in 2022 by \$61,885,265 or 21.6% and increased in 2021 by \$42,563,143 or 17.5%.
- The District's non-operating revenues decreased in 2022 by \$7,002,538 or 92.4% and decreased in 2021 by \$641,183 or 7.8%.

USING THIS ANNUAL REPORT

The District's financial statements consist of three statements, a Statement of Net Position; a Statement of Revenues, Expenses and Changes in Fund Net Position; and a Statement of Cash Flows. These financial statements and related notes provide information about the activities of the District, including resources held by the District but restricted for specific purposes by contributors, grantors, and enabling legislation.

The Statement of Net Position and Statement of Revenues, Expenses, and Changes in Net Position

Our analysis of the District's finances begins on page A-2. One of the most important questions asked about the District's finances is, "Is the District as a whole better or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position report information about the District's resources and its activities in a way that helps answer this question. These statements include all restricted and unrestricted assets and all liabilities using the accrual basis of accounting. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District's net position and changes to it. You can think of the District's net position—the difference between assets and liabilities—as one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as measures of the quality of service it provides to the community, as well as local economic factors to assess the overall health of the District.

**WINNIE-STOWELL HOSPITAL DISTRICT
 UNAUDITED MANAGEMENT’S DISCUSSION AND ANALYSIS
 AND FINANCIAL STATEMENTS (CONTINUED)**

The Statement of Cash Flows

The final required statement is the Statement of Cash Flows. The statement reports cash receipts, cash payments, and net changes in cash resulting from operations, investing, and financing activities. It provides answers to such questions as “Where did cash come from? “What was cash used for?” and “What was the change in cash balance during the reporting period?”

THE DISTRICT’S NET POSITION

The District’s net position is the difference between its assets and liabilities reported in the Statement of Net Position on page 2. The District’s assets, liabilities, and net position are summarized in **Table 1**. The total net position represents the District’s net worth.

Table 1: Assets, Liabilities, and Net Position

	2022	2021	2020
Assets:			
Current Assets	\$ 111,654,902	\$97,868,701	\$78,957,466
Capital Assets (net)	1,426,949	121,283	126,462
Total Assets	<u>\$ 113,081,851</u>	<u>\$97,989,984</u>	<u>\$79,083,928</u>
Liabilities:			
Other Current and Non-Current	\$ 91,560,414	\$82,946,636	\$55,692,261
Deferred Inflows of Resources	-	3,252,152	9,570,728
Total Net Position	<u>21,521,437</u>	<u>11,791,196</u>	<u>13,820,939</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 113,081,851</u>	<u>\$97,989,984</u>	<u>\$79,083,928</u>

A significant component of the change in the District’s assets is the increase in patient accounts receivable in the amount of \$5,625,848, and the increase in prepaid and other current assets of \$2,680,594 in 2022. A significant component of the change in the District’s liabilities, deferred inflows of resources and net position is the increase in accounts payable of \$3,114,512 and the decrease in deferred inflows of resources of \$3,252,152 which is related to the receipt of provider relief funds discussed in Note 13.

**WINNIE-STOWELL HOSPITAL DISTRICT
UNAUDITED MANAGEMENT'S DISCUSSION AND ANALYSIS
AND FINANCIAL STATEMENTS (CONTINUED)**

OPERATING RESULTS AND CHANGES IN THE HOSPITAL'S NET POSITION

In 2022 and 2021, the District's net position increased in 2022 by \$9,730,241 or 82.5% and decreased in 2021 by \$2,029,743 or 14.7%.

	2022	2021	2020
Operating Revenues:			
Net Patient Service Revenue	\$357,282,917	\$276,659,770	\$235,510,870
Other Operating Revenue	36,953	12,314	13,222
Total Operating Revenue	<u>357,319,870</u>	<u>276,672,084</u>	<u>235,524,092</u>
Operating Expenses:			
Salaries	150,062	126,149	117,525
Employee Benefits	11,559	10,394	10,124
Nursing Home Expenses	322,097,373	260,782,079	221,915,400
Indigent Care	2,335,138	1,142,607	622,402
Legal and Consulting Fees	2,825,549	2,283,616	1,923,116
Other Operating	20,737,640	21,927,211	19,122,504
Depreciation and Amortization	5,179	5,179	3,021
Total Operating Expenses	<u>348,162,500</u>	<u>286,277,235</u>	<u>243,714,092</u>
Operating Income (Loss)	<u>9,157,370</u>	<u>(9,605,151)</u>	<u>(8,190,000)</u>
Nonoperating Revenues and (Expenses):			
Sales Tax Revenue	781,769	675,333	645,787
CAREs Act Provider Relief Funds	3,252,152	9,610,727	9,545,150
Investment Income	36,847	21,443	43,981
Interest Expense	<u>(3,497,897)</u>	<u>(2,732,094)</u>	<u>(2,018,326)</u>
Total Nonoperating Revenue / (Expense)	<u>572,871</u>	<u>7,575,409</u>	<u>8,216,592</u>
Increase (Decrease) in Net Position	<u>\$ 9,730,241</u>	<u>\$ (2,029,742)</u>	<u>\$ 26,592</u>

Operating Income (Loss)

Contributing to the overall change of the District's net position is its operating income, generally, the difference between the net patient service revenue and the expenses incurred to perform those services. The District has reported an operating income (loss) of \$9,157,370 and (\$9,605,151) in 2022 and 2021, respectively.

**WINNIE-STOWELL HOSPITAL DISTRICT
UNAUDITED MANAGEMENT'S DISCUSSION AND ANALYSIS
AND FINANCIAL STATEMENTS (CONTINUED)**

Nonoperating Revenues and Expenses

Nonoperating revenues consist primarily of sales taxes levied by the state and provider relief funds. The District received \$106,436 more in taxes in 2022, while in 2021 the taxes collected increased by \$29,546. The District recognized provider relief funds of \$3,252,152 and \$9,610,727 as of December 31, 2022 and 2021. Nonoperating expenses consist primarily of interest expense. The District paid \$765,803 more in interest in 2022 and \$713,768 more in 2021.

THE DISTRICT'S CASH FLOWS

Changes in the District's cash flows are consistent with changes in operating losses and nonoperating revenues and expenses previously discussed.

DEBT ADMINISTRATION

Debt

At December 31, 2022 and 2021, the District had \$29,071,762 and \$23,572,318, respectively, in notes payable as detailed in Note 8 of the financial statements.

Other Economic Factors

The District maintains good relations with various employers in the area. The District seeks to maintain its provider status in the many health insurance networks that local employers participate in. The District will continue to look for ways to foster its relationship with local employers and work towards promoting the services it offers to potential patients in the area.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our patients, suppliers, taxpayers, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact, the District's office at Winnie-Stowell Hospital District, 538 Broadway, Winnie, Texas 77665.

**WINNIE-STOWELL HOSPITAL DISTRICT
WINNIE, TEXAS**

Financial Statements

DRAFT

**AS OF AND FOR THE YEARS ENDED
DECEMBER 31, 2022 AND 2021**

WINNIE-STOWELL HOSPITAL DISTRICT
STATEMENTS OF NET POSITION
DECEMBER 31, 2022 AND 2021

ASSETS:	<u>2022</u>	<u>2021</u>
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 24,293,196	\$ 21,470,809
Short-Term Investments	7,019,422	6,020,261
Assets Restricted by Contributors or Grantors	-	2,078
Patient Accounts Receivable, Net of Allowance	49,682,242	44,056,394
Nursing Home Supplemental Payment Receivable	11,842,095	10,437,568
Prepaid and Other Current Assets	18,681,490	15,749,173
Sales Taxes Receivable	<u>136,457</u>	<u>132,418</u>
Total current assets	111,654,902	97,868,701
 CAPITAL ASSETS, NET		
Land	\$ 1,197,232	\$ -
Construction-in-Progress	113,613	-
Depreciable Capital Assets, Net	<u>116,104</u>	<u>121,283</u>
Total Capital Assets, Net	<u>1,426,949</u>	<u>121,283</u>
Total Assets	<u><u>\$ 113,081,851</u></u>	<u><u>\$ 97,989,984</u></u>

The accompanying notes are an integral part of these financial statements.

**WINNIE-STOWELL HOSPITAL DISTRICT
STATEMENTS OF NET POSITION**

DECEMBER 31, 2022 AND 2021

LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION:	<u>2022</u>	<u>2021</u>
CURRENT LIABILITIES		
Accounts Payable	\$ 62,487,246	\$ 59,372,734
Accrued Payroll, Benefits, and Related Liabilities	1,406	1,584
Notes Payable	<u>29,071,762</u>	<u>23,572,318</u>
Total Current Liabilities	<u>91,560,414</u>	<u>82,946,636</u>
Total Liabilities	<u>91,560,414</u>	<u>82,946,636</u>
DEFERRED INFLOWS OF RESOURCES	-	3,252,152
NET POSITION		
Invested in Capital Assets Net of Related Debt	1,426,949	121,283
Unrestricted	<u>20,094,488</u>	<u>11,669,913</u>
Total Net Position	<u>21,521,437</u>	<u>11,791,196</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 113,081,851</u>	<u>\$ 97,989,984</u>

The accompanying notes are an integral part of these financial statements.

WINNIE-STOWELL HOSPITAL DISTRICT
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
OPERATING REVENUES:		
Net Nursing Home Patient Service Revenue	\$ 357,282,917	\$ 276,659,770
Other Revenue	36,953	12,314
Total Operating Revenues	<u>357,319,870</u>	<u>276,672,084</u>
OPERATING EXPENSES:		
Salaries	150,062	126,149
Employee Benefits	11,559	10,394
Nursing Home Expenses	322,097,373	260,782,079
Indigent Care	2,335,138	1,142,607
Legal and Consulting Fees	2,825,549	2,283,616
Other Operating	20,737,640	21,927,211
Depreciation and Amortization	5,179	5,179
Total Operating Expenses	<u>348,162,500</u>	<u>286,277,235</u>
Operating Income (Loss)	9,157,370	(9,605,151)
NONOPERATING REVENUES (EXPENSES):		
Sales Tax Revenue	781,769	675,333
CAREs Act Provider Relief Funds	3,252,152	9,610,727
Investment Income	36,847	21,443
Interest Expense	<u>(3,497,897)</u>	<u>(2,732,094)</u>
Total Nonoperating Revenues (Expenses)	<u>572,871</u>	<u>7,575,409</u>
Excess of Revenues Over Expenses Before Capital Grants and Contributions	<u>9,730,241</u>	<u>(2,029,742)</u>
Increase (Decrease) in Net Position	9,730,241	(2,029,742)
Net Position, Beginning of Year	<u>11,791,196</u>	<u>13,820,938</u>
Net Position, End of Year	<u>\$ 21,521,437</u>	<u>\$ 11,791,196</u>

The accompanying notes are an integral part of these financial statements.

**WINNIE-STOWELL HOSPITAL DISTRICT
STATEMENTS OF CASH FLOWS**

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021
CASH FLOW FROM OPERATING ACTIVITIES		
Receipts from and on Behalf of Patients	\$ 316,462,731	\$ 230,505,786
Other Receipts and Payments, net	(213,370)	12,314
Indigent Care Support	2,037,454	4,466,467
Payments to Suppliers and Contractors	(315,810,825)	(226,047,658)
Payments to Employees	(161,799)	(138,674)
Net cash provided by (used in) operating activities	2,314,191	8,798,235
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment Earnings	36,847	21,443
Purchase of Investments	(997,083)	89,126
Net Cash Provided by (Used in) Investing Activities	(960,236)	110,569
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase of Capital Assets	(1,310,845)	-
Net Cash Provided by (Used in) Capital and Related	(1,310,845)	-
CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES		
Sales Tax	777,730	653,965
CAREs Act Provider Relief Funds	-	3,292,151
Principal Payments on Debt and Notes Payable	(23,572,319)	(23,035,716)
Proceeds From Issuance of Long-Term Debt and Notes Payable	29,071,763	23,304,017
Interest Payments on Long-Term Debt and Notes Payable	(3,497,897)	(2,732,094)
Net Cash Provided by (Used in) Noncapital Financing Activities	2,779,277	1,482,323
Net Increase (Decrease) in Cash and Cash Equivalents	2,822,387	10,391,127
Cash and Cash Equivalents, Beginning of Year	21,470,809	11,079,682
Cash and Cash Equivalents, End of Year	\$ 24,293,196	\$ 21,470,809

The accompanying notes are an integral part of these financial statements.

**WINNIE-STOWELL HOSPITAL DISTRICT
STATEMENTS OF CASH FLOWS (CONTINUED)**

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021
RECONCILIATION OF CASH AND EQUIVALENTS TO THE BALANCE SHEETS		
Cash and equivalents presented under the following titles:		
Cash and Cash Equivalents	\$ 24,293,196	\$ 21,470,809
	\$ 24,293,196	\$ 21,470,809
RECONCILIATION OF NET INCOME TO NET CASH USED IN OPERATING ACTIVITIES		
Operating Income (Loss)	9,157,370	(9,605,151)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows Used in Operating Activities:		
Depreciation and Amortization	5,179	5,179
(Increase) Decrease in:		
Accounts Receivable	(5,625,848)	(15,858,878)
Prepaid Expenses and Other Current Assets	(2,932,317)	9,327,820
Nursing Home Supplemental Payment Receivable	(1,404,527)	(2,056,808)
Increase (Decrease) in:		
Accounts Payable	3,114,512	26,988,205
Accrued Salaries and Benefits Payable	(178)	(2,132)
 Net Cash Provided By (Used in) Operating Activities	 \$ 2,314,191	 \$ 8,798,235

The accompanying notes are an integral part of these financial statements.

**WINNIE-STOWELL HOSPITAL DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization - The Winnie-Stowell Hospital District (the “District”) was formed as a political subdivision under the laws of the State of Texas, and became effective on January 1, 2005, in the eastern portion of Chambers County, Texas. The District is governed by an elected five-member board of directors serving four-year terms. As a hospital district it is not controlled by or dependent upon any other entity and does not exercise control over operations of any other entity. The District has entered into operations transfer agreements with forty nursing facilities which transferred the operations and certain operating assets of each facility. The District has also received an assignment or transfer of the Medicare and Medicaid Provider agreements for each facility.

The accounting policies of the District conform to accounting principles generally accepted in the United States of America.

Enterprise Fund Accounting – The District uses enterprise fund accounting. Revenues and expenses are recognized on the accrual basis using the economic resources measurement focus. The District has elected to apply the provisions based on Governmental Accounting Standards Board (GASB) Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. The District has also elected to apply the provisions of GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and Statement No. 65, *Items Previously Reported as Assets and Liabilities*.

Newly Adopted Accounting Pronouncements:

GASB Statement No. 87 – In June 2017, GASB issued GASB Statement No. 87 – *Leases*. The objective of this Statement is to improve accounting and financial reporting for leases by governments by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. In accordance with GASB Statement No. 95, the Statement is effective for reporting periods beginning after June 15, 2021. Management is currently evaluating the effect this pronouncement will have on the financial statements and related disclosures.

GASB Statement No. 89 – In June 2018, GASB issued GASB Statement No. 89 – *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objective of this Statement is to enhance the relevance and comparability of information about the capital assets and the cost of borrowing for a reporting period and to simplify accounting for interest cost incurred before the end of a construction period. In accordance with GASB Statement No. 95, the Statement is effective for reporting periods beginning after December 15, 2020. Management is currently evaluating the effect this pronouncement will have on the financial statements and related disclosures.

**WINNIE-STOWELL HOSPITAL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2022 AND 2021**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Newly Adopted Accounting Pronouncements (Continued)

GASB Statement No. 91 – Governmental Accounting Standards Board Statement No. 91, *Conduit Debt Obligations*. The objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. In accordance with GASB Statement No. 95, the Statement is effective for reporting periods beginning after December 15, 2021.

GASB Statement No. 92 – In January 2020, the Governmental Accounting Standards Board (“GASB”) issued GASB Statement No. 92 – *Omnibus 2020*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics and includes specific provisions about the following:

- The effective date of GASB Statement No. 87, *Leases* to be effective for *fiscal years* beginning after December 15, 2019 and is effective for all reporting periods thereafter;
- Reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB);
- The applicability of GASB Statements No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*, as amended, and No. 74, *Financial Reporting for Post-employment Benefit Plans Other Than Pension Plans*, as amended, to reporting assets accumulated for postemployment benefits;
- The applicability of certain requirements of GASB Statement No. 84, *Fiduciary Activities*, to postemployment benefit arrangements;
- Measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition;
- Reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers;
- Reference to nonrecurring fair value measurements of assets and liabilities in authoritative literature;
- Terminology used to refer to derivative instruments.

**WINNIE-STOWELL HOSPITAL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2022 AND 2021**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Newly Adopted Accounting Pronouncements (Continued)

The requirements of this Statement are effective as follows:

- The requirements related to the effective date of Statement 87, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance;
- The requirements related to intra-entity transfers of assets and those related to the applicability of Statements 73 and 74 are effective for fiscal years beginning after June 15, 2021, in accordance with GASB Statement No. 95;
- The requirements related to application of Statement 84 to postemployment benefit arrangements and those related to nonrecurring fair value measurements of assets or liabilities are effective for reporting periods beginning after June 15, 2021, in accordance with GASB Statement No. 95;
- The requirements related to the measurement of liabilities (and assets, if any) associated with AROs in a government acquisition are effective for government acquisitions occurring in reporting periods beginning after June 15, 2021, in accordance with GASB Statement No. 95.

Management is currently evaluating the effect this statement will have on the financial statements and related disclosures.

GASB Statement No. 97 – In June 2020, the Governmental Accounting Standards Board (“GASB”) issued GASB Statement No. 97 – *The Annual Comprehensive Financial Report*. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of this Statement that are related to the accounting and financial reporting for Section 457 plans are effective for fiscal years beginning after June 15, 2021, with earlier application encouraged. Management is currently evaluating the effect this statement will have on the financial statements and related disclosures.

**WINNIE-STOWELL HOSPITAL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2022 AND 2021**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Newly Adopted Accounting Pronouncements (Continued)

GASB Statement No. 98 – In October 2021, the Governmental Accounting Standards Board (“GASB”) issued GASB Statement No. 98 – *The Annual Comprehensive Financial Report*. The objective of this Statement is to establish the term Annual Comprehensive Financial Report and its acronym ACFR. The terms *comprehensive annual financial report* and *comprehensive annual financial reports* in NCGA and GASB pronouncements are replaced with *annual comprehensive financial report* and *annual comprehensive financial reports*, respectively. The associated acronyms in NCGA and GASB pronouncements are replaced with ACFR and ACFRs. This Statement replaces an existing term but does not otherwise establish new accounting and financial reporting requirements. The requirements of this Statement apply to all state and local governments. The requirements of this Statement are effective for fiscal years ending after December 15, 2021.

Pending Adoption of Recent Accounting Pronouncements

GASB Statement No. 96 – In May 2020, the Governmental Accounting Standards Board (“GASB”) issued GASB Statement No. 96 – *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA, and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. This statement is effective for reporting periods beginning after June 15, 2022, with earlier application encouraged. Management is currently evaluating the effect this statement will have on the financial statements and related disclosures.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents - The District considers highly liquid investments with an original maturity of three months or less to be cash equivalents, excluding amounts whose use is limited by board designation or other arrangements under trust agreements.

**WINNIE-STOWELL HOSPITAL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2022 AND 2021**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Patient Accounts Receivable – The allowance for estimated uncollectible patient accounts receivable is maintained at a level which, in management’s judgment, is adequate to absorb patient account balance write-offs inherent in the billing process. The amount of the allowance is based on management’s evaluation of the collectability of patient accounts receivable, including the nature of the accounts, credit concentrations, and trends in historical write-off experience, specific impaired accounts, and economic conditions. Allowances for uncollectibles and contractals are general determined by applying historical percentages to financial classes within accounts receivable. The allowances are increased by a provision for bad debt expenses and contractual adjustments, and reduced by write-offs, net of recoveries.

Investments – The District is authorized to invest excess working capital and assets whose use is limited in certificate of deposit, money market accounts, or U.S. government securities. The District can invest its excess working capital monies in certificates of deposit at its designated depository and other financial institutions. Investments at the District’s depository are secured by the Federal Deposit Insurance Corporation (FDIC) or through the purchase of collateral in the form of US government securities by the depository.

Assets Whose Use is Limited - Assets whose use is limited (if any) include assets held under indenture agreements and designated assets set aside by the board of directors to be used for capital expenditures over which the board retains control and may at its discretion subsequently use for other purposes. Amounts required to meet current liabilities of the District have been reclassified as current assets

Capital Assets – Capital assets are carried at cost. Contributed capital assets are reported at their estimated fair value at the time of their donation. Equipment under capital lease obligations is amortized on the straight-line method over the shorter of the lease term or the estimated useful life of the equipment life. Such amortization is included in depreciation and amortization in the financial statements. Except for capital assets acquired through gifts, contributions, or capital grants, interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring these assets.

The District has elected to capitalize expenditures over \$5,000 and provide for depreciation of capital assets by the straight-line method at rates promulgated by the American Hospital Association, which are designed to amortize the cost of such equipment over its useful life as follows:

Building	5 to 50 years
Major Moveable Equipment	3 to 20 years

**WINNIE-STOWELL HOSPITAL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2022 AND 2021**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position – Net position of the District is classified into two components. Net investment in capital assets consists of capital assets net of accumulated depreciation and reduced by the current balances of any outstanding borrowings used to finance the purchase or construction of those assets. Unrestricted net position is the remaining net position that does not meet the definition of net investment in capital assets.

Operating Revenues and Expenses – For purposes of display, the District’s statements of revenues, expenses and changes in net position distinguishes between operating and non-operating revenues and expenses. Operating revenues and expenses result from exchange transactions associated with providing health care services - the District’s principal activity. Non-exchange revenues and expenses, including taxes, grants and contributions, and intergovernmental transfers received for purposes other than capital asset acquisition, are reported as non-operating revenues and expenses. Operating expenses are all expenses incurred to provide health care services, other than financing costs.

Federal Income Taxes - The District is a political subdivision under the laws of the State of Texas, and therefore, it is exempt from federal income tax pursuant to Section 115 of the Internal Revenue Code. Additionally, pursuant to Section 1.6033-2(g)(6) of the Income Tax Regulations, it is not required to file an information return form 990.

Indigent Care – The District provides payment for services to health care providers for certified indigents who have applied and met the District’s criteria for indigent care. The District pays a discounted rate which in most cases is equal to the Medicaid reimbursement rates.

Sales Tax Revenue – Sales taxes are collected by the state of Texas and remitted to the District monthly. The tax is collected by the vendor and is required to be remitted to the state by the 20th of the month following collection. The tax is then paid to the District by the Friday following the second Wednesday of the subsequent month. These funds were used to support operations.

Risk Management - The District is exposed to various risks of loss from torts: theft of, damage to and destruction of assets; business interruption; errors and omissions and natural disasters. Commercial insurance coverage is purchased for claims arising from such matters. Settled claims have not exceeded this commercial coverage during the year.

Reclassifications – Certain reclassifications have been made to the 2021 financial statements to conform to the 2022 financial statement presentation. These reclassifications had no effect on the change in net position.

**WINNIE-STOWELL HOSPITAL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2022 AND 2021**

NOTE 2 – NURSING HOME NET PATIENT SERVICE REVENUE

A significant portion of the District’s nursing home revenues and related accounts receivable are derived from programs administered by various federal and state agencies. Accordingly, the District is subject to regulatory requirements imposed by these governmental agencies. Revenues under certain of these programs are subject to examination and retroactive adjustment. Management does not expect a material settlement to result from any such examinations.

Patient service revenue for the Nursing Homes is comprised as follows:

	<u>2022</u>	<u>2021</u>
SNF Gross Patient Revenue	\$ 368,786,300	\$ 281,077,742
Provision for Bad Debts	<u>(11,503,383)</u>	<u>(4,417,972)</u>
Net Nursing Home Patient Service Revenue	<u>\$ 357,282,917</u>	<u>\$ 276,659,770</u>

NOTE 3 - DEPOSITS WITH FINANCIAL INSTITUTIONS

At December 31, 2022 and 2021, the carrying amount of the District’s deposits with financial institutions was \$30,611,591 and \$26,800,592, respectively, and the bank balance was \$30,611,591 and \$26,801,592, respectively.

	<u>2022</u>	<u>2021</u>
Amount insured by the FDIC	\$ 1,000,000	\$ 1,000,000
Amount collateralized with securities held by the pledging financial institution's trust department in the District's name	<u>29,611,591</u>	<u>25,801,592</u>
Total bank balance	<u>\$30,611,591</u>	<u>\$26,801,592</u>

**WINNIE-STOWELL HOSPITAL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2022 AND 2021**

NOTE 4 – INVESTMENTS

The District has funds invested in TexSTAR which is reported as cash and equivalents. TexSTAR is a local government investment pool created under the Interlocal Cooperation Act specifically tailored to meet Texas state and local government investment objectives of preservation of principal, daily liquidity, and competitive yield. TexSTAR is administered by First Southwest Asset Management, Inc. and JP Morgan Chase. The fund is rated AAAM by Standard and Poor's and maintains a maturity of 60 days or less, with a maximum maturity of 13 months for any individual security. The fund seeks to maintain a constant dollar objective and fulfills all requirements of the Texas Public Funds Investment Act for local government investment pools. At December 31, 2022 and 2021, the carrying amount of the District's deposits with financial institutions was \$701,027 and \$690,478, respectively. Separate financial statements can be obtained by sending TexSTAR a fax or calling 1-800-TEX-STAR.

TexSTAR is a member of Securities Investor Protection Corporation (SIPC). The SIPC provides \$500,000 of coverage for missing securities, including \$250,000 for claims of cash awaiting reinvestment. Market losses are not covered by SIPC.

The District's investments may be exposed to the following types of risk:

Interest Rate Risk – Interest rate risk is the risk that the market values of investments will change based on changes in market interest rates. The District limits maturities to one year or less as a means of managing its exposure to fair value losses arising from increasing interest rates. State investment pools are presented as an investment with a maturity of less than one year because they are redeemable in full immediately.

Credit Risk – Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. At December 31, 2022 and 2021, the District's investments in TexSTAR was rated AAA by Standard & Poor's.

Custodial Credit Risk – For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty the District will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. TexSTAR is managed to fulfill all requirements of the Texas Public Funds Investment Act.

Concentration of Credit Risk – The District places no limit on the amount that may be invested in any one issuer. At December 31, 2022 and 2021, the investment in state investment pools was approximately 4.0% and 4.0% of total cash and cash equivalents and short-term investments respectively.

**WINNIE-STOWELL HOSPITAL DISTRICT
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 DECEMBER 31, 2022 AND 2021**

NOTE 5 – NURSING HOME ACCOUNTS RECEIVABLE

Concentration of Credit Risk – The District grants credit without collateral to its patients, most of whom are insured under third-party payor agreements. The mix of receivables from patients and third-party payors at December 31 is as follows:

	<u>2022</u>	<u>2021</u>
Medicare	16%	23%
Medicaid	15%	34%
Managed Care	44%	32%
Patients	<u>25%</u>	<u>11%</u>
Total	<u><u>100%</u></u>	<u><u>100%</u></u>

NOTE 6 – SALES TAX RECEIVABLE

Sales taxes are reported as revenues in the period for which they are collected. Tax revenue for 2022 and 2021 was \$781,769 and \$675,333, respectively. As of December 31, 2022 and 2021, the balance of sales tax receivable and its related allowance for uncollectible taxes are as follows:

	<u>2022</u>	<u>2021</u>
Taxes Receivable	<u><u>\$ 136,457</u></u>	<u><u>132,418</u></u>

**WINNIE-STOWELL HOSPITAL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2022 AND 2021**

NOTE 7 – CAPITAL ASSETS

The following is a summary of capital assets at cost less accumulated depreciation:

	Balance 12/31/21	Additions	Reclass/ Retirements	Balance 12/31/22
Land	\$ -	\$ 1,197,232	\$ -	\$ 1,197,232
Building and improvements	129,483	-	-	129,483
Equipment	140,655	-	-	140,655
Construction in progress	-	113,613	-	113,613
Totals at Historical Cost	270,138	1,310,845	-	1,580,983
Less Accumulated Depreciation for:				
Building and improvements	(8,200)	(5,179)	-	(13,379)
Equipment	(140,655)	-	-	(140,655)
Total Accumulated Depreciation	(148,855)	(5,179)	-	(154,034)
Capital Assets, Net	<u>\$ 121,283</u>	<u>\$ 1,305,666</u>	<u>\$ -</u>	<u>\$ 1,426,949</u>
	Balance 12/31/20	Additions	Reclass/ Retirements	Balance 12/31/21
Building and improvements	\$ 129,483	\$ -	\$ -	\$ 129,483
Equipment	140,655	-	-	140,655
Totals at Historical Cost	270,138	-	-	270,138
Less Accumulated Depreciation for:				
Building and improvements	(3,021)	(5,179)	-	(8,200)
Equipment	(140,655)	-	-	(140,655)
Total Accumulated Depreciation	(143,676)	(5,179)	-	(148,855)
Capital Assets, Net	<u>\$ 126,462</u>	<u>\$ (5,179)</u>	<u>\$ -</u>	<u>\$ 121,283</u>

**WINNIE-STOWELL HOSPITAL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2022 AND 2021**

NOTE 8 – NOTES PAYABLE

Following is a summary of notes payable at December 31:

	Balance 12/31/21	Additions	Reductions	Balance 12/31/22
(19) Salt Creek Capital	\$ 11,786,159	\$ -	\$(11,786,159)	\$ -
(20) Salt Creek Capital	11,786,159	-	(11,786,159)	-
(21) Salt Creek Capital	-	9,014,433	-	9,014,433
First Financial Bank	-	13,057,329	-	13,057,329
Stellar Bank	-	7,000,000	-	7,000,000
Total Notes Payable	\$ 23,572,318	\$ 29,071,762	\$(23,572,318)	\$ 29,071,762

	Balance 12/31/20	Additions	Reductions	Balance 12/31/21
(17) Salt Creek Capital	\$ 6,042,713	\$ -	\$(6,042,713)	\$ -
(17a) Salt Creek Capital	6,042,713	-	(6,042,713)	-
(18) Salt Creek Capital	5,609,296	-	(5,609,296)	-
(19) Salt Creek Capital	-	11,786,159	-	11,786,159
(20) Salt Creek Capital	-	11,786,159	-	11,786,159
(2b) Allegiance Bank	5,609,295	-	(5,609,295)	-
Total Notes Payable	\$ 23,304,017	\$ 23,572,318	\$(23,304,017)	\$ 23,572,318

The terms and due dates of the District's notes payable at December 31, 2022 and 2021 follow:

- (2b) Allegiance Bank – 3.5% note payable with all outstanding principal and interest due July 7, 2020. Note payable was renewed with a new maturity date of November 10, 2021. Note payable is collateralized by cash and investments.
- (17) Salt Creek Capital – 16.8% note payable with all outstanding principal and interest due March 31, 2021 and is collateralized by cash and investments.
- (17a) Salt Creek Capital – 16.8% note payable with all outstanding principal and interest due March 31, 2021 and is collateralized by cash and investments.
- (18) Salt Creek Capital – 16.8% note payable with all outstanding principal and interest due November 1, 2021 and is collateralized by cash and investments.
- (19) Salt Creek Capital – 16.8% note payable with all outstanding principal and interest due April 30, 2022 and is collateralized by cash and investments.

**WINNIE-STOWELL HOSPITAL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2022 AND 2021**

NOTE 8 – NOTES PAYABLE (CONTINUED)

- (20) Salt Creek Capital – 16.8% note payable with all outstanding principal and interest due October 30, 2022 and is collateralized by cash and investments.
- (21) Salt Creek Capital – 16.8% note payable with all outstanding principal and interest due April 30, 2023 and is collateralized by cash and investments.
- (22) Salt Creek Capital – 16.8% note payable with all outstanding principal and interest due October 30, 2023 and is collateralized by cash and investments.
- Stellar Bank – 2.55% note payable with all outstanding principal and interest due May 23, 2023 and is collateralized by a certificate of deposit.

In 2022 and 2021, total interest incurred was \$3,497,897 and \$2,732,094, respectively, all of which was charged to operations.

NOTE 9 – INDIGENT CARE

The District is responsible for providing healthcare for residents of the District that qualify under the indigent program guidelines. In March 2015, the District hired an indigent care director and began operating the indigent care program themselves. In addition, the District is part of an indigent care assistance agreement with Winnie Community Hospital (the “Hospital”). This agreement is intended to reimburse the Hospital for services provided to residents of the District. The District incurred expense for indigent care and assistance in the amount of \$2,335,138 and \$1,142,607 for the year ended December 31, 2022 and 2021, respectively.

NOTE 10 – NURSING HOME OPERATIONS

During 2014, the District entered into operations transfer agreements with thirteen nursing facilities which transferred the operations and certain operating assets of each facility. In fiscal years 2017 and 2018, the District entered into operations transfer agreements with a total of eleven additional nursing homes. In fiscal year 2020, the District entered into an operation transfer agreement with an additional nursing home. In 2021, the District entered into operations transfer agreement with an additional fourteen nursing home. The District has also received an assignment or transfer of the Medicare and Medicaid Provider agreements for each facility. In addition to the operations transfer agreements, the District has also entered into a lease agreement with each facility for the lease of real property, fixed assets, and associated equipment that encompass the nursing home’s physical properties. The total rental expense paid to all facilities was \$37,465,824 and \$33,546,256 for the year ended December 31, 2022 and 2021, respectively.

**WINNIE-STOWELL HOSPITAL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2022 AND 2021**

NOTE 10 – NURSING HOME OPERATIONS (CONTINUED)

At the time of each transfer agreement, the District executed a management agreement with LTC Group, LLC to provide certain operational and clinical review services for all of the nursing home facilities on behalf of the Hospital District. The initial term of these agreements are through August 31, 2016, unless sooner terminated. These agreements shall be automatically renewed for successive two-year periods unless either party cancels in writing on or before 90 days prior to the end of the current term. As of December 31, 2022 and 2021, no termination event has occurred.

Under these agreements, the District has paid total service fees of \$17,124,144 and \$11,820,596, respectively, which is recorded in other operating expenses on the statements of revenues, expenses, and changes in net position for the year ended December 31, 2022 and 2021.

In connection with these agreements, the District has recorded all patient revenue and the related accounts receivable. The District recorded \$357,282,917 and \$276,659,770 in net patient related revenue for the years ended December 31, 2022 and 2021, respectively. These revenues are recorded as Net Nursing Home Patient Service Revenues on the statements of revenues, expenses, and changes in net position.

Additionally, the District has entered into separate management agreements whereby each facility is managed by a third-party in which the District pays monthly fees for management services and operating expenses including quality incentives, if any, based upon the terms of each individual agreement. These fees total \$322,097,373 and \$260,782,079 for the years ended December 31, 2022 and 2021, respectively. These expenses are recorded as Nursing Home expenses on the statements of revenues, expenses, and changes in net position. Amounts due and unpaid as of December 31, 2022 and 2021 for these expenses are \$62,487,246 and \$59,372,734, respectively.

Quality Incentive Payment Program (QIPP) – During its 84th session, the Texas Legislature directed HHSC to transition MPAP to a new Quality Incentive Payment Program (QIPP) effective September 1, 2016, and HHSC will implement QIPP on September 1, 2017. QIPP will require participating facilities meeting certain qualifying criteria to submit projects to HHSC requesting the additional funding as supported in the individual projects. These projects are expected to improve quality and innovation in the provision of nursing facility services, including but not limited to payment incentives to establish culture change, small house models, staffing enhancements and outcome measures to improve the quality of care and life for nursing facility residents. A portion of the additional funding will be funded through intergovernmental transfer (IGT) payments from each participating provider. QIPP IGTs for a specific capitation rate period will be due to HHSC approximately six months prior to the beginning of the rate period. The District has recorded a QIPP receivable of \$11,842,095 and \$10,437,568 at December 31, 2022 and 2021, respectively.

**WINNIE-STOWELL HOSPITAL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2022 AND 2021**

NOTE 11 – COMMITMENTS AND CONTINGENCIES

Litigation – The District is, from time to time, subject to claims and suits for damages, including damages for personal injuries to patients and others, most of which are covered as to risk and amount. In the opinion of management, there were no known pending legal proceedings that could have a material effect on the District’s financial position or results of operations.

NOTE 12 – MALPRACTICE CLAIMS

The District is a unit of government covered by the Texas Tort Claims Acts which, by statute, limits its liability to \$100,000 per person and \$300,000 for each single occurrence. These limits coincide with the malpractice insurance coverage maintained by the District, which is purchased under a claims-made policy on a fixed premium basis. Accounting principles generally accepted in the United States of America require a health care provider to accrue the expense of its share of malpractice claims costs, if any, for any reported and unreported incidents of potential improper professional service occurring during the year by estimating the probable ultimate costs of the incidents. Based upon the District’s claims experience, no such accrual has been made.

NOTE 13 – COVID-19 PROVIDER RELIEF FUNDS

The Coronavirus Aids, Relief, and Economic Security (CARES) Act (P.L. 116-136), THE Paycheck Protection Program (PPP) and Health Care Enhancement Act (P.L. 116-139), and the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act (P.L. 116-123) appropriated funds to reimburse eligible healthcare providers for healthcare related expense or lost revenues attributable to coronavirus. These funds were distributed by the Health Resources and Services Administration (HRSA) through the Provider Relief Fund (PRF) program. The District received relief funds through Phase 1-3 Stimulus payments and targeted distributions such as Rural Distribution, Allocation for Skilled Nursing Facilities (SNFs), Nursing Home Infection Control, and Allocation for Safety Net Hospitals. Recipients of these funds agreed to Terms and Conditions, which require compliance with reporting requirements as specified by the Secretary of Health and Human Services in program instructions.

- **Stimulus Phases 1-4** – By accepting the Relief Funds, the District must maintain compliance with the Secretary's terms and conditions, including but not limited to, using the Relief Funds to prevent, prepare for, and respond to coronavirus, and shall reimburse the District only for health care related expenses or lost revenues that are attributable to coronavirus. The District's commitment to full compliance with all terms and conditions is material to the Secretary's decision to disburse these funds. Non-compliance with any terms and conditions is grounds for the secretary to recoup some or all of the payment made from the Relief Fund. The District received stimulus funds in the amount of \$-0- and \$3,252,152 for the year ended December 31,2022 and 2021. For the years ended December 31, 2022 and 2021, the District recognized \$0 and \$3,083,475, respectively, in PRF revenue.

**WINNIE-STOWELL HOSPITAL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2022 AND 2021**

NOTE 13 – COVID-19 PROVIDER RELIEF FUNDS (CONTINUED)

- **Skilled Nursing Facilities (SNFs) and Nursing Home Infection Control** – The Relief Funds provided to skilled nursing facilities is to help them combat the effects of the pandemic on the nation’s vulnerable seniors. The provider relief funds will be used to support nursing homes suffering from significant expensed or lost revenue attributable to COVID-19. Each SNF will receive a fixed distribution of \$50,000, plus a distribution of \$2,500 per bed to all certified SNFs with six or more certified beds. The Nursing Home must attest they will only use the Provider Relief Fund payments to prevent, prepare for, and respond to coronavirus. The payment shall reimburse for health care related expense or lost revenues that are attributable to coronavirus. The District received skilled nursing facilities funds in amount of \$-0- and \$1,475,761 for the year ended December 31, 2022 and December 31, 2021.

In accordance with the Department of Health and Human Services Post-Payment Notice of Reporting Requirements, the recipients must submit their use of PRF payments by reporting healthcare related expense attributable to coronavirus that another source has not reimbursed then applying actual patient care lost revenues to the remaining funds. If recipients do not expend PRF funds in full by the end of calendar year 2020, they will have an additional six months in which to use remaining amounts toward expenses attributable to coronavirus but not reimbursed by other sources, and /or lost revenues. For the year ended December 31, 2021, the District received \$4,727,913 in total COVID-19 provider relief funds, had \$9,610,727 expenses attributable to coronavirus not reimbursed by other sources and estimated lost revenues. Additionally, the District only recognized revenue of \$9,610,727 for the year ended December 31, 2021 with amount of \$3,252,152 as deferred inflows. The District recognized the remaining \$3,252,152 as revenue during 2022. The respective revenue is included with nonoperating revenues in accompanying statements of revenues, expenses and changes in net position.

NOTE 14 – SUBSEQUENT EVENTS

The date to which events occurring after December 31, 2022, the date of the most recent statement of net position, have been evaluated for possible adjustment to the financial statements or disclosure is August __, 2023, which is the date on which the financial statements were available to be issued.

Supplementary Information

DRAFT

**WINNIE-STOWELL HOSPITAL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Total Federal Expenditures
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>		
Direct Programs:		
Provider Relief Fund (PRF) and American Rescue Plan (ARP) Rural Distribution	93.498	<u>4,727,913</u>
Total Provider Relief Fund (PRF) and American Rescue Plan (ARP) Rural Distribution		<u>4,727,913</u>
<i>TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</i>		<u>4,727,913</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS		<u><u>\$ 4,727,913</u></u>

DRAFT

The accompanying notes are an integral part of this schedule.

**WINNIE-STOWELL HOSPITAL DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2022**

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal and state awards (the “Schedule”) includes the federal award activity of Winnie-Stowell Hospital District (the “District”) under programs of the federal government for the year ended December 31, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, activities and changes in net assets, or cash flows of the District.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 – INDIRECT COST RATE

The District has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 4 – SUBRECIPIENTS

The District did not provide any federal awards to subrecipients during the year ended December 31, 2022.

NOTE 5 – PROVIDER RELIEF FUND (93.498)

Expenditures under CFDA 93.498, Provider Relief Fund (PRF) applies the guidance of the U.S. Department of Health and Human Services (HHS). For the PRF program, the amount on the SEFA is reported based on the PRF portal submission guidelines. Payments from HHS for the PRF are assigned to one of four Payment Received Periods based upon the date each payment from the PRF was received. Each Period has a specified Period of Availability and timing of reporting requirements. The SEFA includes those qualifying expenditures and/or lost revenues that were reported in the PRF portal for Period 3 (Payment Received Periods from January 1, 2021 to June 30, 2021 and Periods of Availability from January 1, 2020 to June 30, 2022) and Period 4 (Payment Received Periods from July 1, 2021 to December 31, 2021 and Periods of Availability from January 1, 2020 to December 31, 2022). As such, the amount presented in this SEFA will differ from amounts presented in the statement of operations and changes in net assets.



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Directors and Management
Winnie-Stowell Hospital District
Winnie, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Winnie-Stowell Hospital District (the "District"), which comprise the statement of net position as of December 31, 2022, and the related statements of revenues, expenses, and changes in net position, and cash flows for the year then ended, and the related notes to financial statements, and have issued our report thereon dated August __, 2023.

Report Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Winnie-Stowell Hospital District’s Response to Findings

Winnie-Stowell Hospital District’s response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Winnie-Stowell Hospital District’s response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

DRAFT

Durbin & Company, L.L.P.
Lubbock, Texas
August __, 2023

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

Board of Directors and Management
Winnie-Stowell Hospital District
Winnie, Texas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Winnie-Stowell Hospital District's (the "District") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended December 31, 2022. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Winnie-Stowell Hospital District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's federal programs.

Auditor's Responsibility for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we consider necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor’s Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Durbin & Company, L.L.P.
Lubbock, Texas
August __, 2023

**WINNIE-STOWELL HOSPITAL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

SUMMARY OF AUDITOR’S RESULTS

1. The auditor’s report expresses an unmodified opinion on whether the financial statements of Winnie-Stowell Hospital District were prepared in accordance with GAAP.
2. No significant deficiencies relating to the audit of the financial statements are reported in the Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of Winnie-Stowell Hospital District, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies relating to the audit of the major federal award programs are reported in the Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance.
5. The auditor’s report on compliance for the major federal award programs for Winnie-Stowell Hospital District expresses an unmodified opinion on all major federal programs.
6. There are no audit findings related to major programs that are required to be reported in accordance with 2 CFR §200.516(a).
7. The programs tested as a major program were:

Program	CFDA Number
Provider Relief Fund (PRF) and American Rescue Plan (ARP) Rural Distribution	93.498

8. The threshold used for distinguishing between Type A and B programs was \$750,000.
9. Winnie-Stowell Hospital District was determined NOT to be a low-risk auditee.

FINDINGS – FINANCIAL STATEMENT AUDIT

- No matters reportable

FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAM AUDIT

- No matters reportable

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

- No matters reportable

Exhibit “B-1”

Winnie-Stowell Hospital District

Balance Sheet

As of July 31, 2023

08/14/23

Accrual Basis

	<u>Jul 31, 23</u>
ASSETS	
Current Assets	
Checking/Savings	
100 Prosperity Bank -Checking	214,314.36
102 First Financial Bank	
102b FFB #4846 DACA	10,470,008.48
102c FFB #7190 Money Market	13,701,447.06
102d FFB #7639 CD	8,200,000.00
Total 102 First Financial Bank	32,371,455.54
105 TexStar	720,704.55
108 Stellar Bank NH Combined	8,118,114.30
Total Checking/Savings	41,424,588.75
Other Current Assets	
110 Sales Tax Receivable	132,417.87
114 Accounts Receivable NH	48,284,816.91
116 - A/R Gulf Cost CHOW - LOC	
116.01 -Gulf Coast LOC Copperas	550,000.00
116.02 -Gulf Coast LOC Corrigan	800,000.00
116.03 -Gulf Coast LOC Hemphill	550,000.00
116.04 -Gulf Coast LOC Oak Vill	550,000.00
116.05 -Gulf Coast LOC ParkView	550,000.00
116.06 -Gulf Coast LOC Winnie L	800,000.00
Total 116 - A/R Gulf Cost CHOW - LOC	3,800,000.00
117 NH - QIPP Prog Receivable	10,027,171.63
118 Prepaid Expense	36,494.65
119 Prepaid IGT	16,530,167.89
Total Other Current Assets	78,811,068.95
Total Current Assets	120,235,657.70
Fixed Assets	
120 Equipment	140,654.96
121 Office Building	129,483.00
122 Highway 124 Property	1,197,231.85
123 Highway 124 Building	113,613.00
125 Accumulated Depreciation	-148,854.64
Total Fixed Assets	1,432,128.17
TOTAL ASSETS	<u>121,667,785.87</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
190 NH Payables Combined	8,103,055.15
201 NHP Accounts Payable	-112,107.31
205 FFB Loan (5 Mth)	4,910,059.17
206 FFB Loan (11 Mth)	14,353,948.46
210.22 Loan Payable 22 QIPP 6	13,057,329.45
225 FUTA Tax Payable	112.00
230 SUTA Tax Payable	251.31
235 Payroll Liabilities	1,260.80
240 Accounts Payable NH	57,671,040.13
Total Other Current Liabilities	97,984,949.16
Total Current Liabilities	97,984,949.16
Total Liabilities	97,984,949.16

Winnie-Stowell Hospital District

Balance Sheet

As of July 31, 2023

	<u>Jul 31, 23</u>
Equity	
300 Net Assets, Capital, net of	121,283.00
310 Net Assets-Unrestricted	11,217,836.13
315 Committed for Capital Proj	450,000.00
Retained Earnings	6,901,662.64
Net Income	4,992,054.94
Total Equity	<u>23,682,836.71</u>
TOTAL LIABILITIES & EQUITY	<u><u>121,667,785.87</u></u>

Winnie-Stowell Hospital District Profit & Loss Budget vs. Actual January through July 2023

	Jan - Jul 23	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
400 Sales Tax Revenue	472,576.98	770,000.00	-297,423.02	61.4%
405 Investment Income	135,377.10	35,000.00	100,377.10	386.8%
407 Rental Income	24,500.00	69,500.00	-45,000.00	35.3%
409 Tobacco Settlement	14,398.30	11,000.00	3,398.30	130.9%
415 Nursing Home - QIPP Program	37,826,663.64	64,796,074.68	-26,969,411.04	58.4%
Total Income	38,473,516.02	65,681,574.68	-27,208,058.66	58.6%
Gross Profit	38,473,516.02	65,681,574.68	-27,208,058.66	58.6%
Expense				
500 Admin-Administrative Salary	47,531.89	80,312.00	-32,780.11	59.2%
502 Admin-Administrative Assnt	4,217.00	45,000.00	-40,783.00	9.4%
503 Admin - Staff Incentive Pay	0.00	4,000.00	-4,000.00	0.0%
504 Admin-Administrative PR Tax	4,818.83	10,025.00	-5,206.17	48.1%
505 Admin-Board Bonds	0.00	250.00	-250.00	0.0%
515 Admin-Bank Service Charges	755.49	1,400.00	-644.51	54.0%
521 Professional Fees - Acctng	4,272.50	36,000.00	-31,727.50	11.9%
522 Professional Fees-Auditing	0.00	26,000.00	-26,000.00	0.0%
523 Professional Fees - Legal	7,000.00	25,000.00	-18,000.00	28.0%
550 Admin-D&O / Liability Ins.	15,681.26	16,000.00	-318.74	98.0%
560 Admin-Cont Ed, Travel	0.00	9,000.00	-9,000.00	0.0%
562 Admin-Travel&Mileage Reimb.	5,198.24	200.00	4,998.24	2,599.1%
569 Admin-Meals	647.75	1,500.00	-852.25	43.2%
570 Admin-District/County Prom	0.00	5,000.00	-5,000.00	0.0%
571 Admin-Office Supp. & Exp.	3,722.26	10,000.00	-6,277.74	37.2%
572 Admin-Web Site	0.00	1,000.00	-1,000.00	0.0%
573 Admin-Copier Lease/Contract	1,861.44	3,000.00	-1,138.56	62.0%
575 Admin-Cell Phone Reimburse	1,050.00	1,800.00	-750.00	58.3%
576 Admin-Telephone/Internet	1,983.66	3,500.00	-1,516.34	56.7%
577 - Admin Dues	1,895.00	1,895.00	0.00	100.0%
591 Admin-Notices & Fees	736.00	4,000.00	-3,264.00	18.4%
592 Admin Office Rent	2,380.00	4,080.00	-1,700.00	58.3%
593 Admin-Utilities	1,803.00	4,000.00	-2,197.00	45.1%
594 Admin-Casualty & Windstorm	0.00	2,800.00	-2,800.00	0.0%
597 Admin-Flood Insurance	0.00	1,800.00	-1,800.00	0.0%
598 Admin-Building Maintenance	3,830.00	6,000.00	-2,170.00	63.8%
601 IC-Healthcare Expenses				
601.01a IC Pmt to Hosp-Indigent	288,767.59	288,370.10	397.49	100.1%
601.01b IC Pmt to Coastal (Ind)	0.00	147,316.76	-147,316.76	0.0%
601.02 IC-Non Hosp Costs UTMB	137,701.06	300,000.00	-162,298.94	45.9%
601.03 IC-Non Hosp-Specl Pro				
601.03a Dental	10,703.00	10,500.00	203.00	101.9%
601.03b IC Vision	815.00	1,200.00	-385.00	67.9%
601.04 IC-Non Hosp Cost-Other	23,919.79	12,500.00	11,419.79	191.4%
601.05 IC - Chairty Care Prog	0.00	25,000.00	-25,000.00	0.0%
Total 601.03 IC-Non Hosp-Specl Pro	35,437.79	49,200.00	-13,762.21	72.0%
Total 601 IC-Healthcare Expenses	461,906.44	784,886.86	-322,980.42	58.9%
602 IC-WCH 1115 Waiver Prog	34,229.89	129,340.00	-95,110.11	26.5%
603 IC-Pharmaceutical Costs	33,533.60	37,600.00	-4,066.40	89.2%
604 Hosp Uncomp. Care Repayment	295,713.46			
605 IC-Office Supplies/Postage	39.99	2,000.00	-1,960.01	2.0%
607 WSHD - Grants				
600 East Chambers ISD Partnersh	143,308.38	283,643.00	-140,334.62	50.5%
607.01 WCH/RMC	0.00	1,000,000.00	-1,000,000.00	0.0%
607.03 WSVEMS				
607.03c WSVEMS - Salaries	56,832.00	168,800.00	-111,968.00	33.7%
Total 607.03 WSVEMS	56,832.00	168,800.00	-111,968.00	33.7%
607.06 FQHC(Coastal)	592,928.93	914,112.00	-321,183.07	64.9%
607.99 WSHD - Grants Other				
607.99a Marcelous Williams	43,154.58	57,742.12	-14,587.54	74.7%
607.Admin-Cont Ed-Med Pers.	1,050.98	1,801.68	-750.70	58.3%
Total 607.99 WSHD - Grants Other	44,205.56	59,543.80	-15,338.24	74.2%
Total 607 WSHD - Grants	837,274.87	2,426,098.80	-1,588,823.93	34.5%
611 IC-Indigent Care Dir Salary	38,490.69	65,264.00	-26,773.31	59.0%
612 IC-Payroll Taxes -Ind Care	2,127.72	5,125.00	-2,997.28	41.5%
615 IC-Software	7,763.00	13,308.00	-5,545.00	58.3%
616 IC-Travel	217.64	600.00	-382.36	36.3%
617 Youth Programs				
617.01 Youth Counseling	8,925.00	25,000.00	-16,075.00	35.7%
617.02 Irlen Program	0.00	600.00	-600.00	0.0%
Total 617 Youth Programs	8,925.00	25,600.00	-16,675.00	34.9%

Winnie-Stowell Hospital District
Profit & Loss Budget vs. Actual
January through July 2023

	Jan - Jul 23	Budget	\$ Over Budget	% of Budget
630 NH Program-Mgt Fees	9,802,677.12	17,446,084.60	-7,643,407.48	56.2%
631 NH Program-IGT	16,219,252.18	31,638,239.32	-15,418,987.14	51.3%
632 NH Program-Telehealth Fees	143,877.18	196,091.32	-52,214.14	73.4%
633 NH Program-Acctg Fees	38,452.50	35,000.00	3,452.50	109.9%
634 NH Program-Legal Fees	204,904.73	250,000.00	-45,095.27	82.0%
635 NH Program-LTC Fees	1,668,000.00	3,120,000.00	-1,452,000.00	53.5%
637 NH Program-Interest Expense	2,171,883.20	3,656,575.04	-1,484,691.84	59.4%
638 NH Program-Loan/Bank Fees	710,484.42	100.00	710,384.42	710,484.4%
639 NH Program-Appraisal	49,029.25	23,250.00	25,779.25	210.9%
674 - Property Acquisition	625,889.96	534,062.00	91,827.96	117.2%
675 HWY 124 Expenses				
675.01 Tony's BBQ Bldg Expenses	0.00	25,000.00	-25,000.00	0.0%
675.02 Clinic Expenses	0.00	10,000.00	-10,000.00	0.0%
Total 675 HWY 124 Expenses	0.00	35,000.00	-35,000.00	0.0%
676 Building-Property Insurance	17,403.92			
Payroll Expenses	0.00			
Total Expense	33,481,461.08	60,727,786.94	-27,246,325.86	55.1%
Net Ordinary Income	4,992,054.94	4,953,787.74	38,267.20	100.8%
Other Income/Expense				
Other Income				
416 Nursing Home Operations	151,568,590.74			
Covid Provider Relief Funds	0.00			
Total Other Income	151,568,590.74			
Other Expense				
640 Nursing Home Oper. Expenses	151,568,590.74			
Total Other Expense	151,568,590.74			
Net Other Income	0.00			
Net Income	4,992,054.94	4,953,787.74	38,267.20	100.8%

Exhibit “B-2”

WSHD Treasurer's Report

Reporting Date: **Wednesday, July 19, 2023**

Pending Expenses	For	Amount	Funds Summary	Totals
Indigent Healthcare Solutions	Inv #76284	\$1,566.00	Prosperity Operating (Unrestricted)	\$769,647.65
Brookshire Brothers	Indigent Care		First Financial DACA (Unrestricted)	\$8,850,940.52
Wilcox Pharmacy	Indigent Care		First Financial DACA (Restricted)	\$3,935,507.88
UTMB at Galveston	Indigent Care	\$7,161.90	First Financial Money Market (Restricted)	\$13,701,447.06
UTMB Faculty Group	Indigent Care	\$3,147.25	TexStar (Restricted)	\$720,704.55
Thompson Outpatient Clinic	Indigent Care	\$1,419.08	FFB CD Balance	\$8,200,000.00
Alliance Medical Services	Indigent Care	\$650.00	Total District Funds	\$36,178,247.65
Christus St Elizabeth	Indigent Care	\$11,729.76	Less First Financial (Restricted)	(\$3,935,507.88)
Heart & Lung Center	Indigent Care	\$61.17	Less TexStar Reserve Account	(\$720,704.55)
Radiology Associates	Indigent Care	\$92.79	Less LOC Outstanding	\$0.00
Riecland Medical Center	Indigent Care	\$23,000.71	Less First Financial Money Market (Restricted)	(\$13,701,447.06)
\$25 Optical	SP Program	\$100.00	Less Committed Funds (See Total Commitment)	(\$705,477.48)
Dr. June Stansky	SP Program	\$120.00	Cash Position (Less First Financial Restricted)	\$17,115,110.69
Bayside Dental	SP Program	\$660.00	Pending Expenses	(\$575,735.33)
Winnie Family Dental	SP Program	\$3,275.16	Ending Balance (Cash Position-Pending Expenses)	\$16,539,375.36
 			*Total Funds (Ending Balance+LOC Outstanding+QIPP Funds Outstanding+Outstanding Chow Loans)	\$25,252,552.18
Prior Month				
			Prosperity Operating (Unrestricted)	\$544,083.65
			First Financial (Unrestricted)	\$9,093,287.41
			First Financial (Restricted)	\$2,201,233.13
			First Financial Money Market (Restricted)	\$13,840,344.06
			TexStar (Restricted)	\$717,588.13
			FFB CD Balance	\$8,200,000.00
			Total District Funds	\$34,596,536.38
			Less First Financial (Restricted)	(\$2,201,233.13)
			Less TexStar Reserve Account	(\$717,588.13)
			Less LOC Outstanding	\$0.00
			Less First Financial Money Market (Restricted)	(\$13,840,344.06)
			Less Committed Funds (See Total Commitment)	(\$917,572.28)
			Cash Position (Less First Financial Restricted)	\$16,919,798.78
			Pending Expenses	(\$303,398.31)
			Ending Balance (Cash Position-Pending Expenses)	\$16,616,400.47
			Total Funds (Ending Balance+LOC Outstanding+QIPP Funds Outstanding+Committed Funds)	\$20,926,403.51

Total Pending Expenses: **\$575,735.33**

*Difference in Total Funds from July to August is \$4,326,148.68

Change in Outstanding QIPP Funds	\$4,395,938.94
Interest payment on 11 mth loan	\$101,972.84
District amount for Qtr pymt	\$1,615,416.20
Change in Committed Funds	(\$272,337.02)
Set aside to make loan payment	(\$1,677,262.57)
	\$4,163,728.39

First Financial Bank Reconciliations

First Financial Bank Reconciliations					
FFB Balance	\$12,786,448.39				
	Restricted Funds	Total Scheduled Payment	Balance Received	Balance Due	Due to District
Gross Yr. 6, Component 1-IGT 11 (First Half)					
May (1st Half) - remainder to be received	\$0.00	\$51,444.80	\$0.00	\$51,444.80	\$0.00
June (2nd Half)	\$0.00	\$2,593,502.43	\$0.00	\$2,593,502.43	\$0.00
Total Component 1, IGT 11	\$0.00	\$2,644,947.23	\$0.00	\$2,644,947.23	\$0.00
5 Month Set Aside (FFB)					
Remainder to receive for May (1st Half)	\$0.00	\$51,444.80	\$0.00	\$51,444.80	\$0.00
June (2nd Half)	\$0.00	\$2,593,502.43	\$0.00	\$2,593,502.43	\$0.00
Minimum Monthly Payment due September 1, 2023	\$1,677,262.57	\$0.00	\$0.00	\$0.00	\$0.00
Total Loan Set Aside	\$1,677,262.57	\$2,644,947.23	\$0.00	\$2,644,947.23	\$326,321.00
Yr. 6, Component 2 (Public & Private)					
Q3-Comp. 2-March	\$364,082.97	\$680,206.88	\$680,206.88	\$0.00	\$316,123.91
Q3-Comp. 2-April	\$351,435.64	\$654,912.22	\$654,912.22	\$0.00	\$303,476.58
Q3-Comp. 2-May	\$163,754.29	\$656,154.82	\$279,549.52	\$376,605.30	\$115,795.23
Q4-Comp. 2-June	\$0.00	\$667,198.92	\$0.00	\$667,198.92	
Total Component 2 due to MGRs.	\$879,272.90	\$2,658,472.84	\$1,614,668.62	\$1,043,804.22	\$735,395.72
Yr. 6, Component 3 (Public & Private)					
Yr. 6, Component 3 Qtr 3 (March to May)	\$601,570.32	\$2,677,062.03	\$1,203,140.64	\$1,473,921.39	\$601,570.32
Total Component 3 due to MGRs	\$601,570.32	\$2,677,062.03	\$1,203,140.64	\$1,473,921.39	\$601,570.32
Yr. 6, Component 4 (Public Only)					
Yr. 6, Component 4 Q3 (March to May)	\$625,319.44	\$2,741,864.28	\$1,250,638.88	\$1,491,225.40	\$625,319.44
Total Component 4 due to MGRs	\$625,319.44	\$2,741,864.28	\$1,250,638.88	\$1,491,225.40	\$625,319.44
Yr. 6, Lapse Funds					
Yr. 6, Component Lapse Q3 (March to May)	\$388,526.44	\$1,707,665.24	\$777,052.87	\$930,612.37	\$388,526.44
Total Lapse Funds 4 due to MGRs	\$388,526.44	\$1,707,665.24	\$777,052.87	\$930,612.37	\$388,526.44

Variance Payments (Component 1, 2, 3, 4, and Lapsing Funds)					
Variance March	(\$630.96)	\$241,386.05	(\$1,261.92)	\$242,647.97	(\$630.96)
Variance April	(\$63,653.35)	(\$127,306.69)	(\$127,306.69)	\$0.00	(\$63,653.35)
Variance May	(\$90,550.75)	(\$185,639.04)	(\$181,101.49)	(\$109,250.23)	(\$90,550.75)
Variance Qtr. 3 Variance	(\$99,184.94)	(\$436,206.27)	(\$198,369.88)	(\$237,836.39)	(\$99,184.94)
Variance June	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Variance Payment Totals	(\$254,019.99)	(\$507,765.96)	(\$508,039.98)	(\$104,438.66)	(\$254,019.99)

Adjustment Payments (Less: Mission, Red Oak, and Texarkana)					
QIPP YR 4 Adjustment 3	\$0.00	(\$1,516.85)	\$0.00	(\$1,516.85)	\$0.00
QIPP YR 5 Adjustment 2	\$9,542.30	\$96,711.42	\$19,084.60	\$77,626.82	\$9,542.30
Total Adjustment & Reconciliation Payment	\$9,542.30	\$95,194.57	\$19,084.60	\$76,109.97	\$9,542.30

Adjustment & Refund Payments (Mission, Red Oak, and Texarkana)					
QIPP YR 4 Adjustment 3	\$0.00	(\$128.55)	\$0.00	(\$128.55)	\$0.00
QIPP YR 5 Adjustment 2	\$2,470.90	\$7,012.48	\$4,941.80	\$2,070.68	\$2,470.90
Total Adjustment & Reconciliation Payment	\$2,470.90	\$6,883.93	\$4,941.80	\$1,942.13	\$2,470.90

Non-QIPP Funds	\$5,563.00				
Restricted	\$3,935,507.88				
Unrestricted	\$8,850,940.52				
Total Funds	\$12,786,448.39				

Committed Funds					
Commitment	Total Initial Commitment	YTD Paid by District	Committed Balance		
1. FQHC Grant Funding-2023	\$914,112.00	\$592,928.93	\$321,183.07	January through July 2023	
2. Hospital-DY 8 Repayment	\$680,007.87	\$295,713.46	\$384,294.41		
3. Interim Working Capital Loan	\$7,000,000.00	\$3,800,000.00	\$3,800,000.00		
Total Commitments	\$8,594,119.87	\$4,688,642.39	\$4,505,477.48		

Gulf Coast Interim Working Capital Loan					
	Amount Advanced	Line of Credit Remaining			
Tuesday, January 10, 2023	\$760,000.00	\$6,240,000.00			
Friday, February 10, 2023	\$760,000.00	\$5,480,000.00			
Thursday, March 9, 2023	\$760,000.00	\$4,720,000.00			
Friday, April 7, 2023	\$760,000.00	\$3,960,000.00			
Tuesday, May 9, 2023	\$760,000.00	\$3,200,000.00			
Amount Paid	\$3,800,000.00	\$3,200,000.00			

To date, the District has received a total of \$805,249.09 in payments for the Gulf Coast Facilities. Of the funds received \$118,573.50 is for Medicaid funding, which is due to the District. These funds are on deposit at Stellar Bank in each of

5 Month Outstanding Short Term Revenue Note (Acct #57627) Buyout of Loan 22 and Termination Payment for Salt Creek					
Annual Interest Rate	8.25%	Payments Per Year	5	Origination Fee	\$116,944.93
Years	1	Amount	\$11,694,493.48		
Amortization Table	Component Payment	Principle	Interest	Payment	Balance
1-June 30, 2023 (March & April 2023, Comp. 1) Payoff	(\$4,509,523.54)	(\$4,434,483.88)	(\$75,039.66)	(\$4,509,523.54)	\$7,260,009.60
2-July 31, 2023 (May 2023, Comp. 1)	(\$2,399,913.42)	(\$2,349,950.44)	(\$49,962.98)	(\$2,399,913.42)	\$4,910,059.16
3-August 31, 2023 (June 2023 Comp. 1)	(\$1,677,262.57)	(\$1,636,686.39)	(\$40,576.18)	(\$1,677,262.57)	\$3,273,372.77
4-September 30, 2023 (July 2023, Comp. 1)		(\$2,338,898.70)	(\$22,504.44)	(\$2,361,403.13)	\$934,474.07
5-October 31, 2023 (August 2023, Comp. 1)		(\$934,474.07)	(\$6,424.51)	(\$940,898.58)	\$0.00
6-October 31, 2023 (Adjustment-Shortfall)			\$0.00		\$0.00
Amount Paid	(\$8,586,699.53)	(\$11,694,493.48)	(\$194,507.77)	(\$11,889,001.24)	\$0.00

First Financial Bank-11 Month Outstanding Short Term Revenue Note-Loan 23 (Acct #57635) (June 2023-May 31, 2023) 1st Half of Year 7					
Annual Interest Rate	8.25%	Payments Per Year	11	Origination Fee	\$143,539.48
Years	1	Amount	\$14,353,948.46	Salt Creek Original Fee	\$450,000.00
Amortization Table	Component Payment	Principle	Interest	Payment	Balance
1-June 30, 2023			(\$101,972.84)	(\$101,972.84)	\$14,353,948.46
2-July 31, 2023			(\$101,972.84)	(\$101,972.84)	\$14,353,948.46
3-August 31, 2023			(\$101,972.84)	(\$101,972.84)	\$14,353,948.46
4-September 30, 2023			(\$101,972.84)	(\$101,972.84)	\$14,353,948.46
5-October 31, 2023 (September, Comp. 1)	\$2,252,580.63	(\$2,392,324.74)	(\$101,972.84)	(\$2,494,297.58)	\$11,961,623.72
6-November 31, 2023 (October, Comp. 1)	\$2,298,308.31	(\$2,392,324.74)	(\$82,236.16)	(\$2,474,560.91)	\$9,569,298.98
7-December 31, 2023 (November, Comp. 1)	\$2,322,357.95	(\$2,392,324.74)	(\$65,788.93)	(\$2,458,113.67)	\$7,176,974.23
8-January 31, 2024 (December, Comp. 1)	\$2,393,223.56	(\$2,392,324.74)	(\$49,341.70)	(\$2,441,666.44)	\$4,784,649.49
9-February 28, 2024 (January, Comp. 1)	\$2,343,214.45	(\$2,392,324.74)	(\$32,894.47)	(\$2,425,219.21)	\$2,392,324.74
10-March 31, 2024 (February, Comp. 1)	\$2,299,429.86	(\$2,392,324.74)	(\$16,447.23)	(\$2,408,771.98)	\$0.00
11-April 30, 2024 (Shortfall)	\$444,833.71		\$0.00		\$0.00
Amount Paid	\$14,353,948.47	(\$14,353,948.46)	(\$756,572.69)	(\$15,110,521.15)	

District's Investments

	Balance	Interest Paid	Reporting Period	Paid this Reporting Period	Interest Paid to date
*CD at First Financial Bank Bank UPDATE	\$8,200,000.00	3.60%	July 2023	Paid Quarterly	
Money Market-First Financial Bank	\$13,701,447.06	4.00%	July 2023	\$43,905.61	\$95,709.76
Texstar C.D. #1110	\$720,704.55	5.1148%	July 2023	3,116.42	

TO THE BEST OF MY KNOWLEDGE, THESE FIGURES IN THE WSDH

Edward Murrell,
President

Robert "Bobby" Way
Treasurer/Investment Officer

Date: _____

Date: _____

*Italics are Estimated amounts

Exhibit “B-3”

Winnie-Stowell Hospital District
Bank Accounts Register
As of July 19, 2023 to August 15, 2023

<i>Type</i>	<i>Date</i>	<i>Num</i>	<i>Name</i>	<i>Memo</i>	<i>Clr</i>	<i>Amount</i>	<i>Balance</i>
100 Prosperity Bank -Checking							543,866.71
Check	07/19/2023	3913	Indigent Healthcare S...	Inv #76114	X	(1,109.00)	542,757.71
Check	07/19/2023	3914	Brookshire Brothers	IC Batch Date 06.04.2023	X	(2,926.02)	539,831.69
Check	07/19/2023	3915	Wilcox Pharmacy	IC Batch Date 06.03.2023	X	(1,713.90)	538,117.79
Check	07/19/2023	3916	UTMB at Galveston	IC Batch Date 06.01.2023	X	(19,402.04)	518,715.75
Check	07/19/2023	3917	UTMB Faculty Group ...	IC Batch Date 06.01.2023	X	(5,922.70)	512,793.05
Check	07/19/2023	3918	Thompson OPC (Clinic)	IC Batch Date 06.11.2023	X	(1,568.24)	511,224.81
Check	07/19/2023	3919	Bayside Dental	IC SP Batch Date 06.08.2023	X	(1,100.00)	510,124.81
Check	07/19/2023	3920	Nicki Holtzman MS, ...	YC Batch Date 06.02.2023	X	(425.00)	509,699.81
Check	07/19/2023	3921	Kalos Counseling	YC Batch Date 06.02.2023	X	(255.00)	509,444.81
Check	07/19/2023	3922	Technology Solutions ...	Inv #1790	X	(95.00)	509,349.81
Check	07/19/2023	3923	Felipe Ojeda	Inv #1039	X	(350.00)	508,999.81
Check	07/19/2023	3924	Graciela Chavez	Inv #965960	X	(120.00)	508,879.81
Check	07/19/2023	3925	Benckenstein & Oxford	Inv #50832 (May 2023)	X	(39,088.92)	469,790.89
Check	07/19/2023	3926	Hubert Oxford	Legal Retainer	*	(1,000.00)	468,790.89
Check	07/19/2023	3927	Makayla Vidal	Inv #00022	X	(7,175.00)	461,615.89
Check	07/19/2023	3928	American Education S...	92 5529 5461 S Stern	X	(150.14)	461,465.75
Check	07/19/2023	3929	Coastal Gateway Healt...	Grant (Jul 2023)	X	(64,238.07)	397,227.68
Check	07/19/2023	3930	Function 4	3A0064 Inv #1044149	X	(23.25)	397,204.43
Check	07/19/2023	3931	Gulfway Lumber	Inv # 2306-234216 (HWy 124)	X	(6,679.30)	390,525.13
Check	07/19/2023	3932	Fittz & Shipman, Inc	Inv #0086006 (Hwy 124)	X	(2,200.00)	388,325.13
Check	07/19/2023	3933	Winnie Community H...	UC DY8 HHSC Recoupment Demand Aug	X	(147,856.73)	240,468.40
Check	07/24/2023	3935	Stellar Bank	VOID: Opening Deposits for 4 HMG NHs Da...	X		240,468.40
Check	07/24/2023	3934	Stellar Bank	VOID: Opening Deposits for 4 HMG NHs Da...	X		240,468.40
Check	07/24/2023	3936	Stellar Bank	Opening Deposits for 4 HMG NHs Daisa/Dac...	X	(800.00)	239,668.40
Liability ...	07/28/2023		QuickBooks Payroll S...	Created by Payroll Service on 07/25/2023	X	(9,635.18)	230,033.22
Liability ...	07/28/2023		QuickBooks Payroll S...	Created by Payroll Service on 07/25/2023	X	(638.06)	229,395.16
Check	07/28/2023	3937	Marcelous-Williams R...	Grant 3rd Qtr Pmt	M	(14,435.53)	214,959.63
Check	07/28/2023		Prosperity Bank	ACH, Withdrawal, Processed	X	(725.24)	214,234.39
Paycheck	07/31/2023	DD1297	Norris, Sherrie	Direct Deposit	X		214,234.39
Paycheck	07/31/2023	DD1298	Ojeda, Patricia	Direct Deposit	X		214,234.39
Paycheck	07/31/2023	DD1299	Walters, Reagan D	Direct Deposit	X		214,234.39
Deposit	07/31/2023		Prosperity Bank	Deposit, Processed	X	79.97	214,314.36
Check	08/04/2023			Memo:ACH, Deposit, Processed Payee:ACH ...	M	500,000.00	714,314.36
Check	08/07/2023		Trinity Bay Conservat...	ACH, Withdrawal, Processed	M	(67.74)	714,246.62
Check	08/08/2023	995154	ECISD	Draft, Withdrawal, Processed	M	(22,077.13)	692,169.49
Check	08/10/2023		IRS	ACH, Withdrawal, Processed	M	(3,665.18)	688,504.31
Check	08/10/2023	995153	Riceland Medical Cen...	Draft, Withdrawal, Processed	M	(340.00)	688,164.31
Deposit	08/11/2023		Texas Comptroller of ...	ACH, Deposit, Processed	M	78,992.67	767,156.98
Deposit	08/11/2023		Tony's BBQ	Deposit, Processed	M	3,500.00	770,656.98
Check	08/11/2023		Entergy	ACH, Withdrawal, Processed	M	(223.03)	770,433.95
Liability ...	08/14/2023		QuickBooks Payroll S...	Created by Payroll Service on 08/09/2023	*	(786.30)	769,647.65
Paycheck	08/15/2023	DD1300	Walters, Reagan D	Direct Deposit	X		769,647.65
Check	08/16/2023	To Print	Indigent Healthcare S...	Inv #76284		(1,566.00)	768,081.65
Check	08/16/2023	To Print	UTMB at Galveston	IC Batch Date 07.01.2023		(7,161.90)	760,919.75
Check	08/16/2023	To Print	UTMB Faculty Group ...	IC Batch Date 07.01.2023		(3,147.25)	757,772.50
Check	08/16/2023	To Print	Thompson OPC (Clinic)	IC Batch Date 07.11.2023		(1,419.08)	756,353.42
Check	08/16/2023	To Print	Alliance Medical Serv...	IC Batch Date 07.10.2023		(650.00)	755,703.42
Check	08/16/2023	To Print	Christus St Elizabeth	IC Batch Date 07.01.2023		(11,729.76)	743,973.66
Check	08/16/2023	To Print	Heart & Lung Center ...	IC Batch Date 07.03.2023		(61.17)	743,912.49
Check	08/16/2023	To Print	Radiology Associates, ...	IC Batch Date 07.02.2023		(92.79)	743,819.70
Check	08/16/2023	To Print	Riceland Medical Cen...	RMC Contract		(23,000.71)	720,818.99
Check	08/16/2023	To Print	\$25 Optical	IC SP Batch Date 07.08.2023		(100.00)	720,718.99
Check	08/16/2023	To Print	Dr. June Stansky, Opt...	IC SP Batch Date 07.08.2023		(120.00)	720,598.99
Check	08/16/2023	To Print	Bayside Dental	IC SP Batch Date 07.08.2023		(660.00)	719,938.99
Check	08/16/2023	To Print	Winnie Family Dental	IC SP Batch Date 07.08.2023		(3,275.16)	716,663.83
Check	08/16/2023	To Print	Kalos Counseling	YC Batch Date 07.02.2023		(170.00)	716,493.83
Check	08/16/2023	To Print	Technology Solutions ...	Inv #1796		(95.00)	716,398.83
Check	08/16/2023	To Print	Felipe Ojeda	Inv #1040		(350.00)	716,048.83
Check	08/16/2023	To Print	Graciela Chavez	Inv #965961		(120.00)	715,928.83
Check	08/16/2023	To Print	Benckenstein & Oxford	Inv #50851 (Aug 2023)		(16,400.00)	699,528.83
Check	08/16/2023	To Print	Hubert Oxford	Legal Retainer		(1,000.00)	698,528.83
Check	08/16/2023	To Print	Makayla Vidal	Inv #00024		(7,525.00)	691,003.83
Check	08/16/2023	To Print	American Education S...	92 5529 5461 S Stern		(150.14)	690,853.69
Check	08/16/2023	To Print	Coastal Gateway Healt...	Grant (Aug 2023 Req)		(83,837.28)	607,016.41
Check	08/16/2023	To Print	Gulfway Lumber	Inv #2308-343294 (Hwy 124)		(101.40)	606,915.01
Check	08/16/2023	To Print	Endpoint IT LLC	Inv # 1454 ((Hwy 124)		(4,380.00)	602,535.01
Check	08/16/2023	To Print	Winnie Community H...	UC DY8 HHSC Recoupment Demand Sep		(147,856.73)	454,678.28

Winnie-Stowell Hospital District
Bank Accounts Register
As of July 19, 2023 to August 15, 2023

<i>Type</i>	<i>Date</i>	<i>Num</i>	<i>Name</i>	<i>Memo</i>	<i>Clr</i>	<i>Amount</i>	<i>Balance</i>
Check	08/16/2023	To Print	Winnie Community H...	Grant - Software		(60,765.96)	393,912.32
Check	08/16/2023	To Print	Winnie Community H...	Grant - CT Scan		(200,000.00)	193,912.32
Total 100 Prosperity Bank -Checking						(349,954.39)	193,912.32
102 First Financial Bank							25,134,864.60
102b FFB #4846 DACA							11,294,520.54
Check	07/19/2023			Memo:Transfer from DDA Acct No. 1110214...	X	1,674,556.20	12,969,076.74
Check	07/24/2023			Memo:Transfer from DDA Acct No. 1110214...	X	97,800.00	13,066,876.74
Check	07/26/2023			Memo:Transfer from DDA Acct No. 1110214...	X	11,632.00	13,078,508.74
Check	07/26/2023			Memo:ACH Paymen Winnie-Stowell H CCD ...	X	(106,614.00)	12,971,894.74
Check	07/28/2023			Transfer from XXX4846 to XXX7635: Conf ...	X	(101,972.84)	12,869,921.90
Check	07/28/2023			Transfer from XXX4846 to XXX7627: Conf ...	X	(528,343.45)	12,341,578.45
Check	07/28/2023			Transfer from XXX4846 to XXX7627: Conf ...	X	(1,871,569.97)	10,470,008.48
Check	08/04/2023			Memo:ACH, Deposit, Processed Payee:ACH ...	M	(500,000.00)	9,970,008.48
Check	08/04/2023			ACH PaymenWinnie-Stowell HCCD 1611500...	M	(11,612.00)	9,958,396.48
Check	08/04/2023		LTC Group	ACH PaymenWinnie-Stowell HCCD 1611500...	M	(234,000.00)	9,724,396.48
Check	08/09/2023			Memo:Transfer from DDA Acct No. 1110214...	M	5,563.00	9,729,959.48
Check	08/11/2023			Memo:Transfer from DDA Acct No. 1110214...	M	24,026.40	9,753,985.88
Transfer	08/15/2023			Transfer from Dada		3,032,462.51	12,786,448.39
Check	08/30/2023	Pending	First Financial Bank	(Int Pmt 11 mth Ln)		(101,972.84)	12,684,475.55
Check	08/30/2023	Pending	First Financial Bank	(Int Pmt 5mth Ln 1,626,686.39 principal & 4...		(1,677,262.57)	11,007,212.98
Total 102b FFB #4846 DACA						(287,307.56)	11,007,212.98
102c FFB #7190 Money Market							13,840,344.06
Check	07/28/2023		Salt Creek Capital LLC	Ln 22 Int Pmt (8 of 11)	X	(182,802.61)	13,657,541.45
Deposit	07/31/2023				X	43,905.61	13,701,447.06
Check	08/31/2023	Pending	Salt Creek Capital LLC	Ln 22 Int Pmt (9 of 11)		(182,802.61)	13,518,644.45
Total 102c FFB #7190 Money Market						(321,699.61)	13,518,644.45
Total 102 First Financial Bank						(609,007.17)	24,525,857.43
TOTAL						(958,961.56)	24,719,769.75

Exhibit “C”



08.16.23 WSHD Regular Board Meeting Indigent Care Report

1) Active Client Count:

- a) Indigent Clients: **99** – DOWN by **4** from **103** in **JUN**
 - **39** Apps, [**21 Renewals, 8 New, 1 ER Referrals, and 9 Previous**]
 - **22** Approved [**18 Renewals, 0 New, 1 ER Referrals, & 3 Previous**]
 - **2** Withdrew / **4** Denied / **14** Incomplete / **4** Pending
- b) Youth Counseling: **25** – the same since **APR** - However only **2** were seen in **JUL**
- c) Irlen Services: **0** – the same since **OCT 2022**
- d) Dental: **8** clients used their benefit in **JUL**
- e) Vision Services: **2** clients used their benefit in **JUL**
- f) Riceland Emergency Room Referrals: **9** (**1 Approved, 8 Failed to Apply, and 0 Pending**)

2) Riceland Hospital & Clinics:

The **JUL** charges were DOWN by **\$12.2 K** from **\$90.8 K** to **\$78.6 K**.

3) UTMB Hospital & Clinics:

UTMB **JUL** charges were DOWN by **\$67.3 K** from **\$119.6 K** to **\$52.3 K**, which included **4 procedures** for a total payment of **\$9.5 K**. *The FY 24 Reimbursement Rates for UTMB, which are effective 09.01.23 were received on 07.25.23 and they remain the same at 22% for Outpatient & 33% for Inpatient.*

4) Our over-all YTD expenditure Charts:

We have expended **00%** of the overall Indigent Care Budget

- **72%** of the Pharmacy budget (**No Jul inv**)
- **108%** of the Riceland budget
- **36%** of the UTMB budget
- **64%** of the Youth Counseling budget
- **82%** of the Vision budget
- **117%** of the Dental budget
- **83%** of the Thompson Outpatient Clinic budget

5) District Programs:

- a) County Van (See attached): **8** out of **78** were WSHD clients
- b) Marcelous Williams (See attached): **29** out of **30** were WSHD clients
- c) East Chambers School will provide their next quarterly report in **AUG**



CHART 1: 2023 YTD WSHD Services & Budget Status:

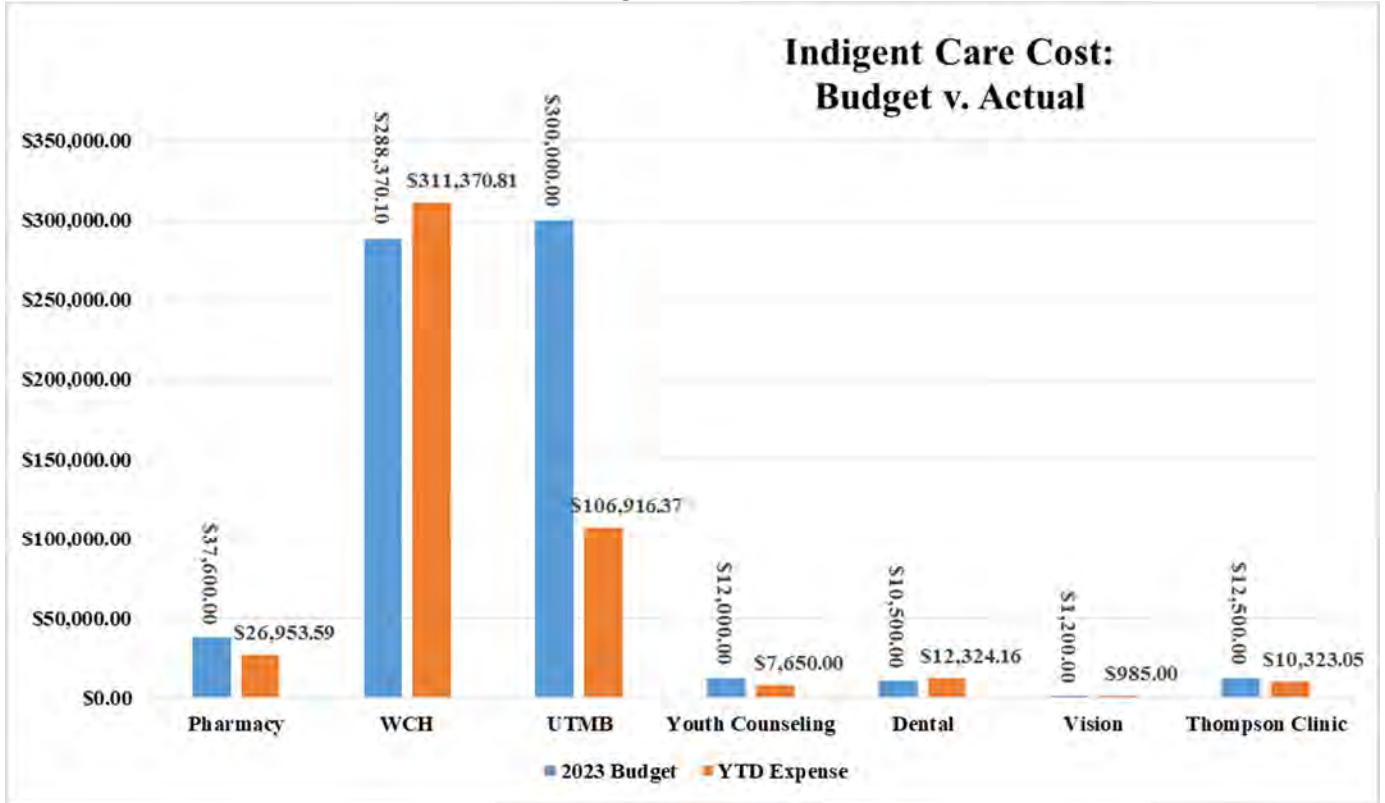
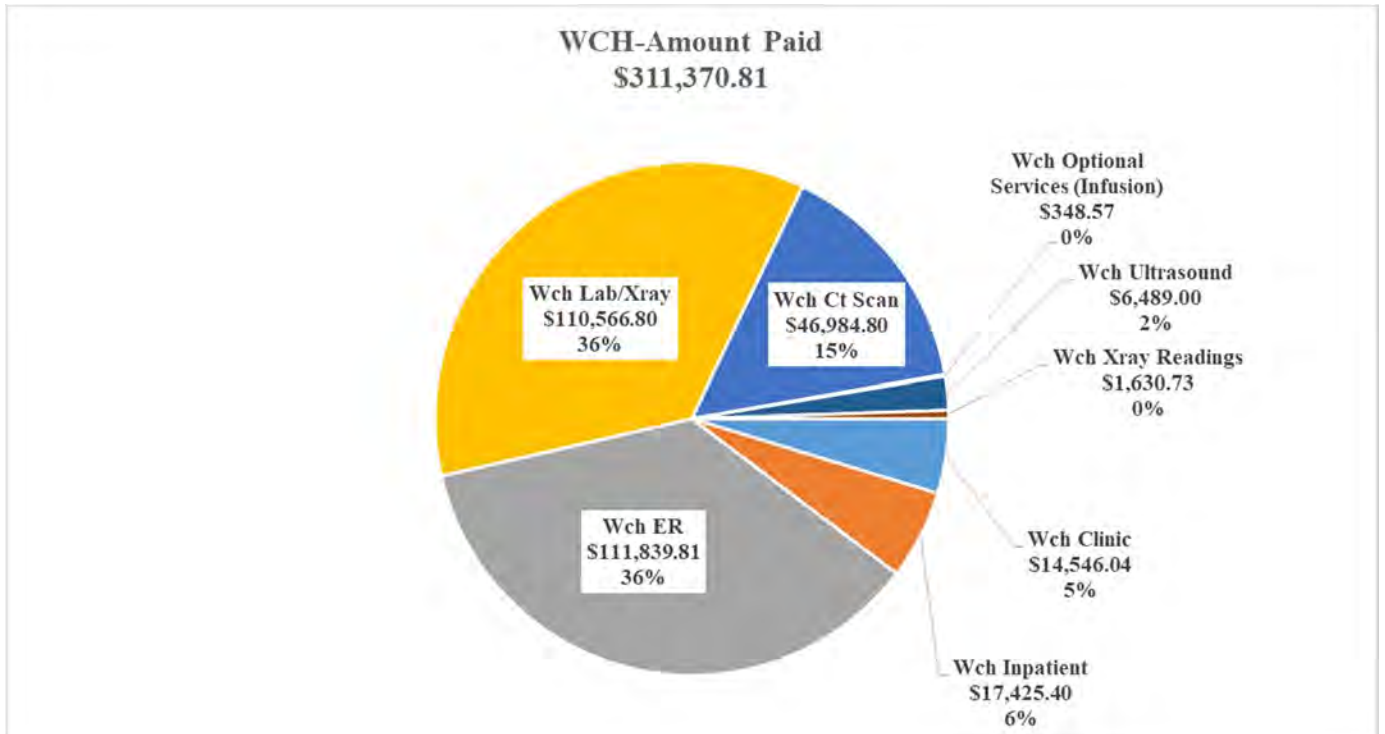


CHART 2: 2023 WCH Services Breakdown

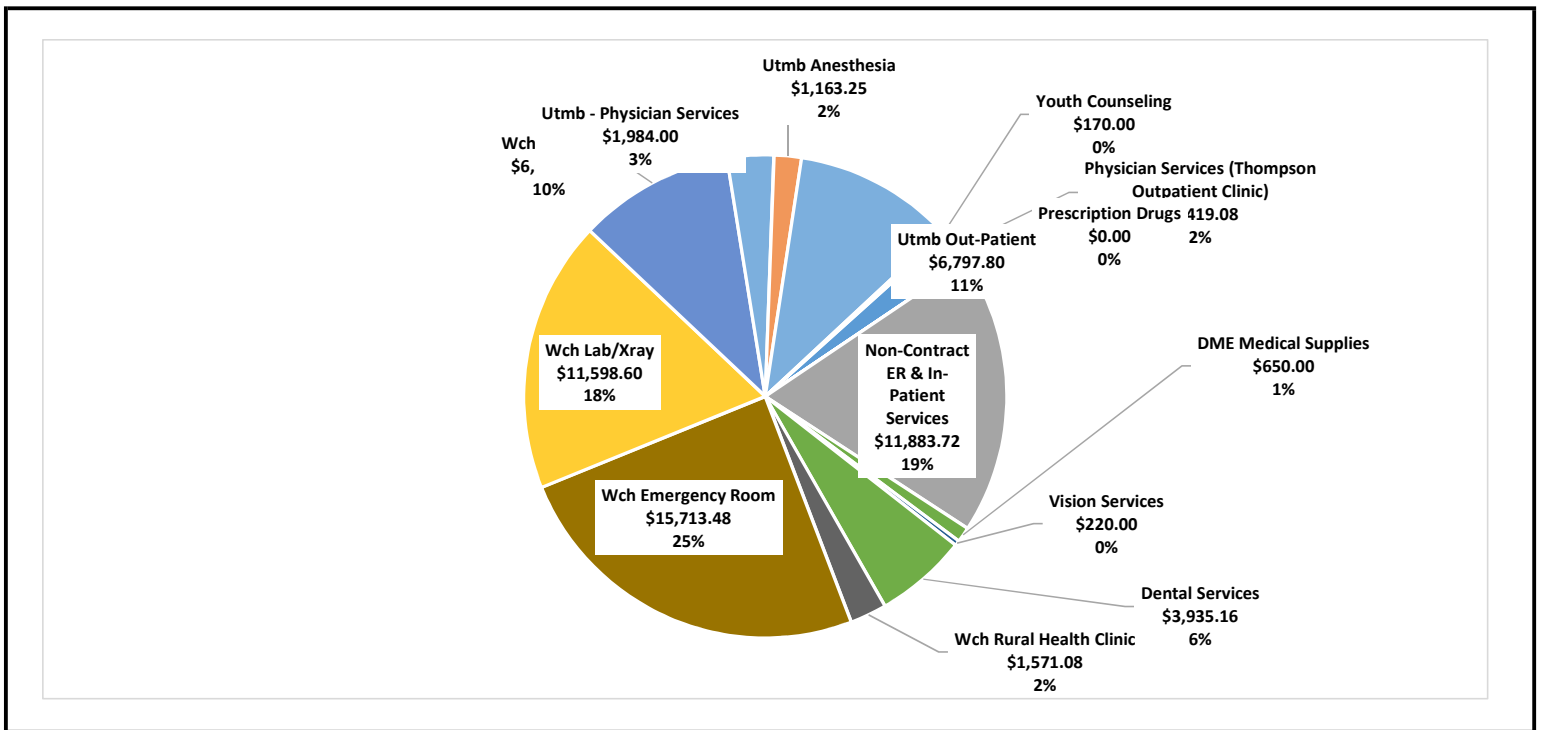


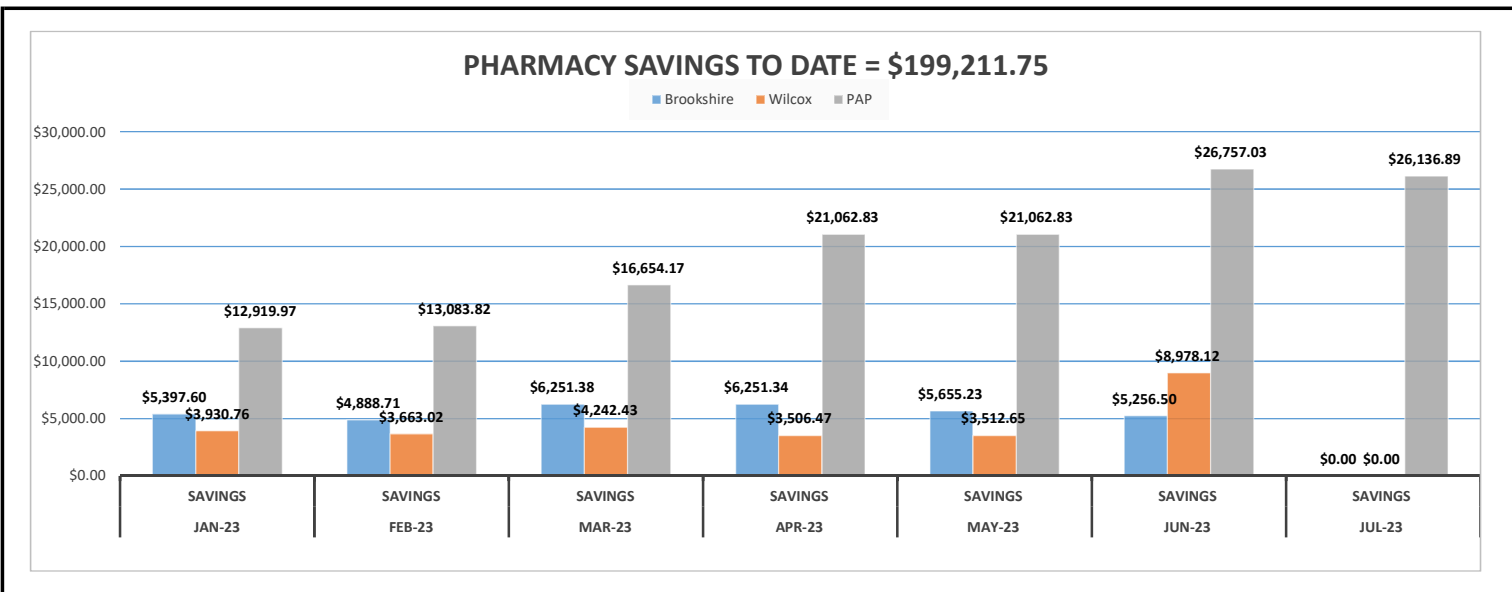
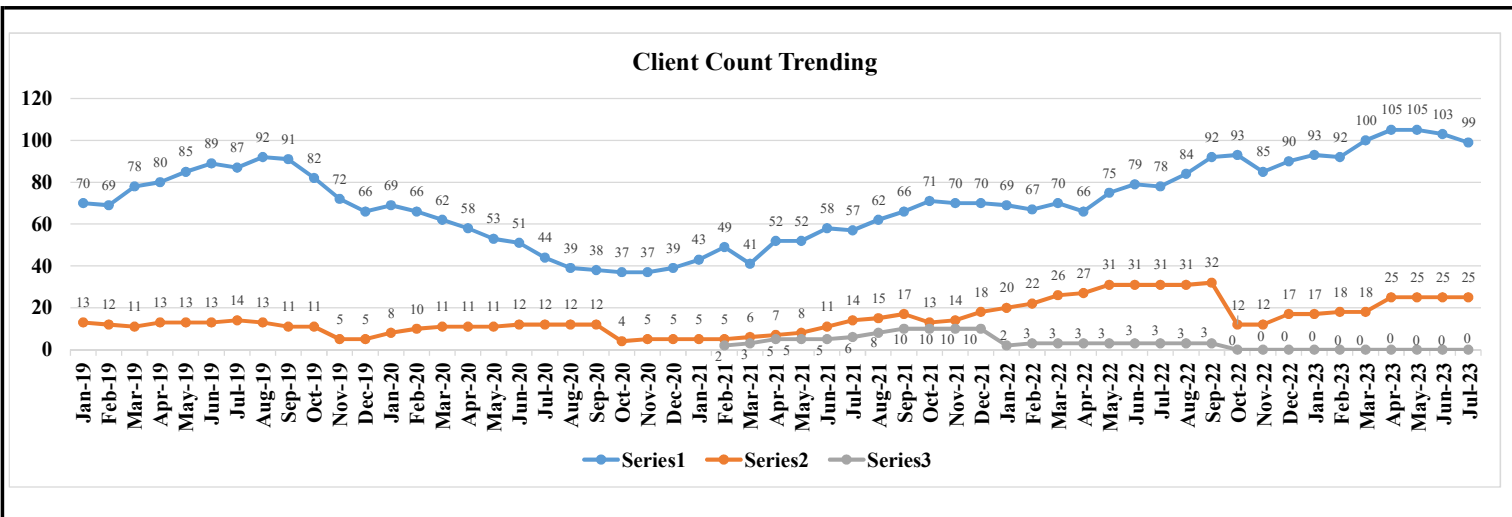
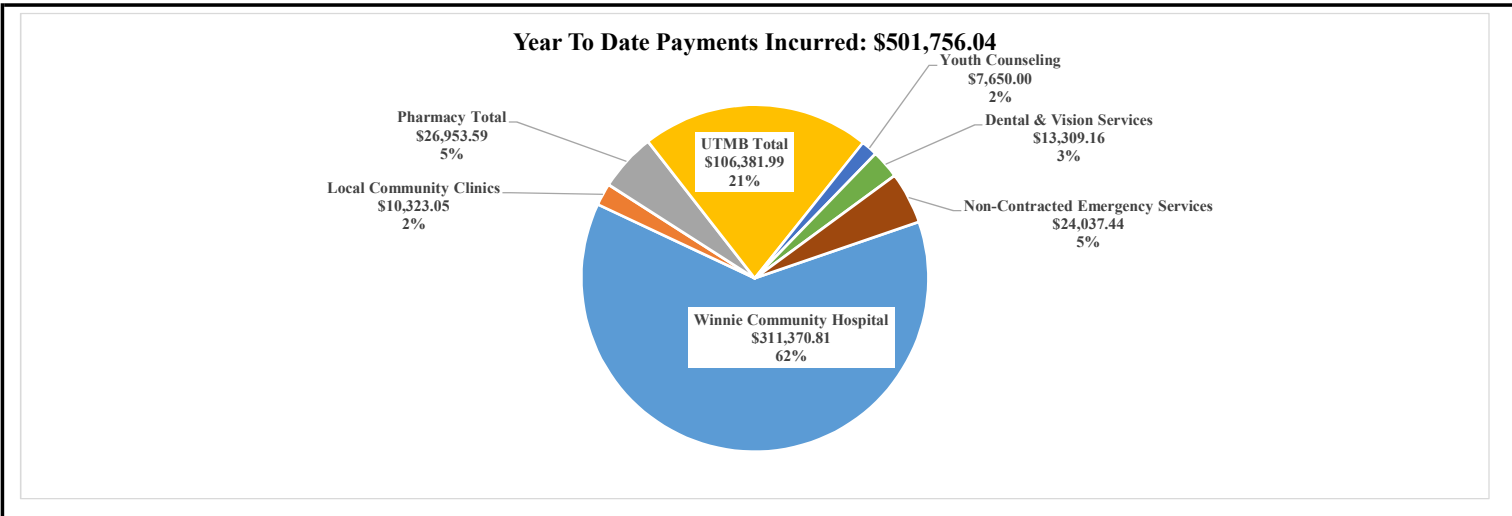
WSDH Indigent Care Director Report
Jan-Dec 2023 YTD Expenditures Worksheet

	June			July			Year to Date		
	Indigent Clients:	Youth Counseling:	Irlen Services:	Billed Amount	Contracted Rate	Actually Paid	Total Unduplicated	Average	
Indigent Clients:	103						Clients Enrolled:	129	100
Youth Counseling:	25						YC Enrolled:	25	21
Irlen Services:	0						IS Enrolled:	0	0
PROVIDER TOTALS							Billed Amount	Contracted Rate	Actually Paid
Pharmacy									
Brookshire Brothers Pharmacy Corp	\$3,626.48	\$3,626.48	\$2,926.02	\$0.00	\$0.00	\$0.00	\$21,338.72	\$19,680.08	\$16,653.68
Wilcox Pharmacy	\$1,713.90	\$1,713.90	\$1,713.90	\$0.00	\$0.00	\$0.00	\$10,335.41	\$10,335.41	\$10,299.91
ADJUSTMENTS-Refunds/Credits							YTD Refunds/Credits		\$0.00
Pharmacy Totals	\$5,340.38	\$5,340.38	\$4,639.92	\$0.00	\$0.00	\$0.00	\$31,674.13	\$30,015.49	\$26,953.59
Winnie Community Hospital									
WCH Clinic	\$4,055.00	\$2,019.96	\$2,019.96	\$3,341.00	\$1,571.08	\$1,571.08	\$36,094.04	\$14,546.04	\$14,546.04
WCH ER	\$40,116.00	\$20,182.76	\$20,182.76	\$30,987.00	\$15,713.48	\$15,713.48	\$213,564.00	\$111,839.81	\$111,839.81
WCH Lab/Xray	\$19,049.00	\$11,429.40	\$11,429.40	\$19,331.00	\$11,598.60	\$11,598.60	\$190,070.00	\$110,566.80	\$110,566.80
WCH CT Scan	\$14,792.00	\$8,875.20	\$8,875.20	\$14,813.00	\$6,642.00	\$6,642.00	\$82,051.00	\$46,984.80	\$46,984.80
WCH Optional Services (Infusion)	\$1,024.00	\$182.93	\$182.93	\$954.00	\$165.64	\$165.64	\$1,978.00	\$348.57	\$348.57
WCH Xray (MRI)	\$3,738.00	\$165.46	\$165.46	\$7,476.00	\$335.73	\$335.73	\$33,642.00	\$1,539.66	\$1,539.66
WCH Lab/Xray Reading	\$2,214.00	\$297.01	\$297.01	\$1,686.00	\$215.47	\$215.47	\$12,106.00	\$1,630.73	\$1,630.73
WCH Inpatient	\$4,620.00	\$2,772.00	\$2,772.00	\$0.00	\$0.00	\$0.00	\$22,881.00	\$17,425.40	\$17,425.40
WCH Ultrasound	\$1,230.00	\$738.00	\$738.00	\$0.00	\$0.00	\$0.00	\$10,815.00	\$6,489.00	\$6,489.00
WCH Totals	\$90,838.00	\$46,662.72	\$46,662.72	\$78,588.00	\$36,242.00	\$36,242.00	\$603,201.04	\$311,370.81	\$311,370.81
ADJUSTMENTS-Refunds/Credits							YTD Credit Adjustments		\$0.00
Balance on Contracted Amount (Lump Sum Payment of \$288,370.10)		\$13,241.29			(\$23,000.71)			(\$23,000.71)	
UTMB									
UTMB Physician Services	\$18,954.00	\$4,848.29	\$4,848.29	\$9,555.00	\$1,984.00	\$1,984.00	\$68,558.00	\$14,197.54	\$14,197.54
Barrier Reef (UTMB ER Physician)	\$3,967.00	\$0.00	\$0.00	\$1,593.00	\$0.00	\$0.00	\$20,378.00	\$582.29	\$582.29
UTMB Anesthesia	\$1,680.00	\$1,074.41	\$1,074.41	\$2,562.00	\$1,163.25	\$1,163.25	\$7,988.00	\$4,980.15	\$4,980.15
UTMB In-Patient	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$93,479.84	\$29,571.91	\$29,571.91
UTMB Outpatient	\$93,769.15	\$19,340.44	\$19,340.44	\$36,385.09	\$6,797.80	\$6,797.80	\$261,292.08	\$53,489.28	\$53,489.28
UTMB Lab&Xray	\$1,256.00	\$61.60	\$61.60	\$2,192.00	\$364.10	\$364.10	\$23,072.61	\$4,095.20	\$4,095.20
ADJUSTMENTS-Refunds/Credits							YTD Refunds/Credits		(\$8,183.94)
UTMB Totals	\$119,626.15	\$25,324.74	\$25,324.74	\$52,287.09	\$10,309.15	\$10,309.15	\$474,768.53	\$106,916.37	\$106,916.37
Local Community Clinics (601.04)									
Coastal Gateway Health Clinic	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Thompson Outpatient Clinic	\$6,177.00	\$1,568.24	\$1,568.24	\$5,680.00	\$1,419.08	\$1,419.08	\$41,442.00	\$10,323.05	\$10,323.05
Local Community Clinics	\$6,177.00	\$1,568.24	\$1,568.24	\$5,680.00	\$1,419.08	\$1,419.08	\$41,442.00	\$10,323.05	\$10,323.05
Non-Contracted Emergency Services (601.04)									
Non-Contract ER & In-Pt Services	\$0.00	\$0.00	\$0.00	\$116,389.60	\$11,883.72	\$11,883.72	\$135,965.40	\$24,037.44	\$24,037.44
Winnie-Stowell EMS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Non-Contract Services Totals	\$0.00	\$0.00	\$0.00	\$116,389.60	\$11,883.72	\$11,883.72	\$135,965.40	\$24,037.44	\$24,037.44
Youth Counseling									
Benjamin Odom	\$255.00	\$255.00	\$255.00	\$170.00	\$170.00	\$170.00	\$3,570.00	\$3,570.00	\$3,570.00
Nicki Holtzman	\$425.00	\$425.00	\$425.00	\$0.00	\$0.00	\$0.00	\$3,315.00	\$3,315.00	\$3,315.00
Penelope Butler	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$765.00	\$765.00	\$765.00
Youth Counseling Totals	\$680.00	\$680.00	\$680.00	\$170.00	\$170.00	\$170.00	\$7,650.00	\$7,650.00	\$7,650.00
Irlen Services									
Nancy Gaudet	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Irlen Services Totals	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Indigent Special Services									
Dental Services	\$3,286.00	\$1,100.00	\$1,100.00	\$4,730.40	\$3,935.16	\$3,935.16	\$20,567.40	\$12,324.16	\$12,324.16
Vision Services		\$0.00	\$0.00	\$220.00	\$220.00	\$220.00	\$985.00	\$985.00	\$985.00
Indigent Special Services Totals	\$3,286.00	\$1,100.00	\$1,100.00	\$4,950.40	\$4,155.16	\$4,155.16	\$21,552.40	\$13,309.16	\$13,309.16
Medical Supplies (601.04)									
Alliance Medical Supply (C-PAP)	\$0.00	\$0.00	\$0.00	\$650.00	\$650.00	\$650.00	\$1,730.00	\$1,730.00	\$1,730.00
Medical Supplies Total	\$0.00	\$0.00	\$0.00	\$650.00	\$650.00	\$650.00	\$1,730.00	\$1,730.00	\$1,730.00
Grand Totals	\$225,947.53	\$80,676.08	\$79,975.62	\$258,715.09	\$64,829.11	\$64,829.11	\$1,317,983.50	\$505,352.32	\$502,290.42

WSHD Indigent Care Director Report
Jul 2023 SOURCE CODE REPORT

Source	Description	Amount Billed	Amount Paid	% of Total
01	Physician Services (Thompson Outpatient Clinic)	\$5,680.00	\$1,419.08	2.19%
02	Prescription Drugs	\$0.00	\$0.00	0.00%
NCP	Non-Contract ER & In-Patient Services	\$116,389.60	\$11,883.72	18.33%
03	Non-Contract Hospital In-Patient Services		\$11,790.93	18.19%
04	Non-Contract ER Services		\$92.79	0.14%
09	DME Medical Supplies	\$650.00	\$650.00	1.00%
13	Vision Services	\$220.00	\$220.00	0.34%
14	Dental Services	\$4,730.40	\$3,935.16	6.07%
21	Wch Rural Health Clinic	\$3,341.00	\$1,571.08	2.42%
24	Wch Emergency Room	\$30,987.00	\$15,713.48	24.24%
25	Wch Lab/Xray	\$19,331.00	\$11,598.60	17.89%
26	Wch Ct Scan	\$14,813.00	\$6,642.00	10.25%
27	Wch Optional Services (Infusion Therapy)	\$954.00	\$165.64	0.26%
28	Wch X-Ray (MRI)	\$7,476.00	\$335.73	0.52%
29	Wch Ultrasound	\$0.00	\$0.00	0.00%
44	Wch Xray Readings	\$1,686.00	\$215.47	0.33%
31	Utmb - Physician Services	\$9,555.00	\$1,984.00	3.06%
31-1	Utmb Anesthesia	\$2,562.00	\$1,163.25	1.79%
34	Utmb Out-Patient	\$36,385.09	\$6,797.80	10.49%
34-1	Utmb ER Physicians - Barrier Reef	\$1,593.00	\$0.00	0.00%
35	Utmb Lab/X-Ray	\$2,192.00	\$364.10	0.56%
39	Youth Counseling	\$170.00	\$170.00	0.26%
Expenditures/Reimbursements/Adjustments		\$258,715.09	\$64,829.11	100%
Grand Total		\$258,715.09	\$64,829.11	100%





Chambers County East Side Van Monthly Report



Commissioner PCT #1, Jimmy E Gore
 211 Broadway | PO BOX 260
 Winnie, Texas 77665
 409-296-8250

Jul-23

VEHICLE #1		EAST SIDE VAN #1	
TOTAL MILES DRIVEN			2609
TOTAL HOURS DRIVEN			139.25
TOTAL EXPENSES FOR MONTH			\$836.71
<i>FUEL COST</i>			\$733.00
<i>REPAIRS & MAINTENANCE COST</i>	oil change, labor, wiper		\$103.71
<i>MISC EXPENSES</i>			
TOTAL RIDERS			25
<i>TOTAL WSHD RIDERS</i>			1
TOTAL TRIPS			50
<i>TOTAL TRIPS FOR WSHD RIDERS</i>			2

VEHICLE #2		EAST SIDE VAN #2	
TOTAL MILES DRIVEN			3265
TOTAL HOURS DRIVEN			163.08
TOTAL EXPENSES FOR MONTH			\$865.90
<i>FUEL COST</i>			\$809.60
<i>REPAIRS & MAINTENANCE COST</i>	oil change, labor		\$56.30
<i>MISC EXPENSES</i>			
TOTAL RIDERS			27
<i>TOTAL WSHD RIDERS</i>			5
TOTAL TRIPS			56
<i>TOTAL TRIPS FOR WSHD RIDERS</i>			9

VEHICLE #3		RAV 4	
TOTAL MILES DRIVEN			2944
TOTAL HOURS DRIVEN			151.75
TOTAL EXPENSES FOR MONTH			\$416.70
<i>FUEL COST</i>			\$312.09
<i>REPAIRS & MAINTENANCE COST</i>	oil change, rotate tires, supplies		\$104.61
<i>MISC EXPENSES</i>			
TOTAL RIDERS			26
<i>TOTAL WSHD RIDERS</i>			2
TOTAL TRIPS			47
<i>TOTAL TRIPS FOR WSHD RIDERS</i>			2

GRAND TOTALS	
MILES DRIVEN	8818
RIDERS	78
<i>WSHD RIDERS</i>	8
TRIPS	153
<i>WSHD TRIPS</i>	13
EXPENSES	\$2,119.31

Marcelous Williams Resource Center Winnie-Stowell Hospital District Report								
Year to Date Details for 2023	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	YTD DATE
YTD WSHD REFERRALS	0	2	0	4	2	0	0	8
YTD Indigent Care (Medical, Dental & Vision)	0	2	0	3	2	0	0	7
YTD Prescription Assistance	0	0	0	1	0	0	0	1
YTD Youth Counseling	0	0	0	0	0	0	0	0
YTD Irlen Syndrome Services	0	0	0	0	0	0	0	0
YTD OTHER REFERRALS	2	10	4	4	7	8	7	42
YTD Gift of Life	0	0	0	0	0	0	0	0
YTD Work in Texas (Texas Workforce Commission)	0	0	0	0	0	0	0	0
YTD Chambers County Indigent or OmniPoint FC	0	0	0	0	0	0	0	0
YTD Chambers County Indigent Dental	0	0	0	0	0	0	0	0
YTD Transportation	0	1	0	0	0	0	0	1
YTD Medical Services (Other Than Indigent)	0	2	0	0	1	1	1	5
YTD G.E.T.-C.A.P.	0	0	0	0	0	0	0	0
YTD Misc. MWRC Available Services	2	7	4	4	6	7	6	36
YTD APPLICATIONS INITIATED/PROCESSED	29	26	24	21	28	21	23	172
YTD WSHD Indigent Care	0	0	0	1	3	0	0	4
YTD Prescription Assistance	0	0	0	0	0	0	0	0
YTD Social Security	6	4	2	6	3	4	4	29
YTD Medicare Savings Program	1	1	0	0	2	0	0	4
YTD Medicaid	2	2	2	0	0	4	3	13
YTD Food Stamps	17	19	18	13	15	11	14	107
YTD Home Repair	0	0	1	0	3	2	2	8
YTD G.E.T.-C.A.P.	3	0	1	1	2	0	0	7
YTD CLIENTS SERVED	21	27	24	19	20	24	30	165
YTD WSHD Clients	19	21	23	18	18	23	29	151
YTD Chambers County Residents	0	0	1	1	2	0	1	5
YTD Other County Residents	2	6	0	0	0	0	0	8
YTD OFFICE SUPPLIES EXPENSES	\$1,964.24	\$544.54	\$431.67	\$790.92	\$701.42	\$534.93	\$238.35	\$5,206.07
YTD STAFFING EXPENSES	\$3,984.11	\$3,984.11	\$3,904.16	\$3,253.12	\$6,420.83	\$5,791.13	\$5,466.66	\$32,804.12
YTD GRANT AMOUNT SPENT OF TO \$57,742.00	\$5,948.35	\$4,528.65	\$4,335.83	\$4,044.04	\$7,122.25	\$6,326.06	\$5,705.01	\$38,010.19
YTD GRANT BALANCE REMAINING OF	\$51,793.65	\$47,265.00	\$42,929.17	\$38,885.13	\$31,762.88	\$25,436.82	\$19,731.81	\$19,731.81
OUTREACH ACTIVITIES/EVENTS ATTENDED	0	0	9	3	2	1	0	15

MONTHLY REFERRALS & APPLICATIONS REPORT												
CLIENT DETAILS					PROGRAM(S) CLIENT REFERRED TO			APPLICATION(S) INITIATED WITH CLIENT				
DATE	REFERRAL CLIENTS	Client Name Example: J. OR For Repeat Client: R	Client Residency Data Winnie Stowell Hosp Dist Chambers County	Transportation	Medical Services (Other Than Indigent)	Misc. MWRC Available Services	Social Security Disability: SSI	Retirement	Medicaid	Food Stamps	Home Repair	
7/5/2023	R	SPE P	X	X						X	X	
7/5/2023	R	MOUL	X		X					X		
7/6/2023	R	BAEL	X							X		
7/6/2023	R	STEE	X							X		
7/7/2023	R	RIS G	X						X	X		
7/7/2023	R	BRDJ	X							X		
7/12/2023	R	SIMD	X							X		
7/12/2023	R	BRDJ	X							X		
7/12/2023	R	ARRK	X			X				X		
7/12/2023	R	DRSH	X							X		
7/13/2023	R	HAN J	X			X				X		
7/13/2023	R	RODG	X							X	X	
7/14/2023	R	WRKK	X							X		
7/14/2023	R	COAR	X							X		
7/18/2023	R	GRE J	X				X					
7/19/2023	R	MORR	X						X	X	X	
7/19/2023	R	LEMB	X						X	X	X	
7/19/2023	R	ROD T	X				X					
7/20/2023	R	YERJ	X				X					
7/25/2023	R	MAYR	X							X		
7/25/2023	R	COAR	X							X		
7/25/2023	R	HAN J	X			X						
7/26/2023	R	LOGG	X						X	X		
7/27/2023	R	BELE	X				X					
7/28/2023	R	ROD G	X							X		
7/28/2023	R	COAR	X			X				X		
7/28/2023	R	ANG J	X			X				X		
7/28/2023	R	ACKM	X							X		
30	(23)	0	29	1	0	1	6	4	3	14	2	

07/01/23 MONTHLY EMPLOYEE SCHEDULE & PAYROLL	
DATE	PAYROLL AMOUNT
7/14/2023 Payroll Payments	\$3,145.83
7/28/2023 Payroll Payments	\$2,320.83
TOTAL SALARY EXPENSE FOR THE MONTH:	\$5,466.66

07/2023 OFFICE SUPPLY EXPENSES INCURRED	
DATE	AMOUNT
2023-07-03 T Mobile	\$140.00
2023-07-03 Web/ 800 services	\$66.16
2023-07-07 Stamps/Myfax	\$32.19
TOTAL	\$238.35

8/22/2023 MONTHLY OUTREACH & EVENTS							
OUTREACH / EVENT DATE	TYPE OF OUTREACH	EVENT LOCATION	PARTNER(S)	IMPACT	PURPOSE	# OF PKTS DISTRIB	NOTES
TOTAL OUTREACH /EVENTS FOR THE MONTH:							0

Exhibit “D”

Spring Branch Transitional Care Center	Caring	Census: 187. The state came to the facility in July 2023 for a complaint survey, the facility received one environmental tag, they are working on a POC. There were eleven outstanding reportable incidents since the last visit, all have been cleared following state review. The facility is not using agency staffing. The facility hopes to have the residents' rooms painted and bathrooms retiled in the next month.
---	--------	---

Administrator: Tangela Manuel, LNFA
DON: Cokese Laird, RN

FACILITY INFORMATION

Deerbrook Nursing and Rehab is a licensed 124- bed facility with an overall star rating of 2 and a rating of 3 stars in Quality Measures. Current census is 82. (7 Private Pay; 6 Medicare; 46 Medicaid; 1 Hospice; 18 Insurance; 5 Medicaid Pending)

The QIPP site visit was conducted over the phone. The Administrator was as on the call and very helpful. The Administrator reports the facility is currently COVID_19 free. The Administrator reported they are still able to allocate vaccinations in-house.

The Administrator reported the facility is currently ready for the current hurricane season with all supplies, contracts, generator and the preparedness plan is in place.

The Administrator reports the facility continues with open visitation and it is going very well. All visitors in the general population are screened (with electronic monitoring system).

The residents continue participating in the dining room with good participation for all meals (also adding more snacks for weight loss residents and aroma therapy added for those who need assistance). The Facility had a Father's Day meal and special activities for the weekend. The Administrator reported that the facility had a 4th of July celebration and have started outings to Walmart and Golden Corral and looking into going to local Bingo games.

The Administrator reported the facility continues with the MAD Genius program and continually check their competencies and conduct regular trainings. The Administrator reports they had a Nurse and CNA week celebration, including food trucks and try to have snacks available at all times. The facility continues with their tuition reimbursement program for medication aides. They partner with LoneStar College for CMA to LVN, LVN to RN and pay for books, materials, etc.

SURVEY INFORMATION

The facility is currently in their window for their full book survey. The state last came to the building was in March 2023 to review self-reports that were cleared, no citations.

REPORTABLE INCIDENTS

April/May/June 2023 the facility had no complaints and 3 self-reports, all still pending.

CLINICAL TRENDING

Incidents/Falls:

April/May/June 2023 Deerbrook reported - 33 total falls without injury and 4 falls with injury with 9 repeat falls, 4 skin tears, 0 bruises, 2 fractures, 0 behaviors, 1 Laceration and 0 Elopements.

Infection Control:

April/May/June 2023 the facility reported a total of 84 infections- 22 UTI's; 8 Respiratory infections; 20 Wound infections; 3 Blood infections, 1 Stool infection, 1 EENT infection and 29 Other infections (no details).

Weight loss:

In **April/May/June 2023** Deerbrook reported - 13 residents with 5% in 1 month or less weight loss and 0 residents with greater than 10% weight loss in 6 months.

Pressure Ulcers:

In **April/May/June 2023** Deerbrook reported - 45 residents with pressure ulcers, totaling 81 sites, 4 of them facility acquired.

Staffing:

Current Open Positions						
Shift	RN	LVN	Nurse Aide	Hskp.	Dietary	Activity
6 to 2						
2 to 10		2				
10 to 6						
Other						
# Hired this month						
# Quit/Fired						

Total number employees: 111 _ Turnover rate%: 41 _

Casper Report:

Indicator	Current %	State %	National %	Comments/PIPs
New Psychoactive Med Use (S)	0%	1.9%	1.9%	
Fall w/Major Injury (L)	1.9%	3.6%	3.5%	
UTI (L) *	0%	1.5%	2.5%	
High risk with pressure ulcers (L) *	5.1%	8%	9.1%	
Loss of Bowel/Bladder Control(L)	81.3%	54.1%	48.5%	PIP in place
Catheter(L)	1.4%	1.6%	1.7%	
Physical restraint(L)	0%	0%	0.1%	
Increased ADL Assistance(L)	21.2%	17.6%	15.2%	PIP in place
Excessive Weight Loss(L)	10.6%	5%	6.6%	PIP in place

Depressive symptoms(L)	19.2%	5.8%	9.1%	PIP in place
Antipsychotic medication (L) *	8.2%	9.3%	14.8%	

QIPP Component 1

Indicator	QAPI Program Y/N Mtg Dates	PIP's Implemented (Name specific PIP's)
Comprehensive, data driven QAPI Program/Policy that focuses on actions/activities resulting from analysis/quality assess/assurance of indicators of the outcomes of care and quality of life.	Y	
QAPI Meeting dates of submission (owner/operator involvement evident)	4/13/2023, 5/11/2023, 6/22/2023	

Component 2

<u>Indicator</u> REVIEW TURNOVER PIP CHARTER FROM THE MONTH PRIOR TO QIPP SUBMISSION. INCLUDE UPDATES TO PIPS AND PREPARE FOR A SUCCESS STORY IN THE LAST QUARTER OF QIPP YR 5.	Benchmark Met Y/N	Comments
Did NF maintain 4 additional hours (<i>non-managerial</i>) of RN staffing coverage per day, beyond the CMS mandate?	Y	
<ul style="list-style-type: none"> Additional hours provided by direct care staff? 	Y	
Did NF maintain 8 additional hours (<i>non-managerial</i>) of RN staffing coverage per day, beyond the CMS mandate?	Y	
<ul style="list-style-type: none"> 8 additional hours non-concurrenty scheduled? 	Y	
<ul style="list-style-type: none"> Additional hours provided by direct care staff? 	Y	
<ul style="list-style-type: none"> Telehealth used? 	Y	No encounters
NFs provided in total 12 or 16 hours of RN coverage, respectively, on at least 90 percent of the days within the reporting period?	Y	
NF has a workforce development program in the form of a PIP that includes a self-directed plan and monitoring outcomes?	Y	

<ul style="list-style-type: none"> Was Workforce Development data submitted q month to QIPP during the quarter? 	Y	
<ul style="list-style-type: none"> Agency usage or need d/t critical staffing levels 	N	
<ul style="list-style-type: none"> PIP submitted on the topic of resident-centered culture change, workforce development, and staff retention: <ul style="list-style-type: none"> During the first reporting period? Subsequently reported outcomes related to the plan throughout the eligibility period? Discuss RCA for turnover: Has anything changed from the original RCA? PIP for retention and recruitment is current: NEW Retention efforts updated on Current PIP 	Y	

QIPP Component 3 – CMS Long-Stay Quality Metrics

Indicator	National Benchmark	Baseline Target	Results	Met Y/N	Comments
Percent of high-risk Long-Stay residents with pressure ulcers; including unstageable ulcers	81.4%	6.06%	4.8%	Y	
Percent of residents who received an anti-psychotic medication	14.49%	10.21%	6.67%	Y	
Percent of residents whose ability to move independently has worsened	18.04%	12.11%	8.70%	Y	
Percent of residents with urinary tract infection	2.36%	0.84%	0%	Y	

QIPP Component 4 – CMS Long-Stay Quality Metrics

Indicator	Met Y/N	National Benchmark	Baseline Target	Results	Comments
Facility has active infection control program that includes pursuing improved outcomes in vaccination rates and antibiotic stewardship:					

<p>Quarter 1</p> <ul style="list-style-type: none"> ➤ Designated leadership individuals for antibiotic stewardship ➤ Written policies on antibiotic prescribing ➤ Pharmacy-generated antibiotic use report from within the last six months ➤ Lab-generated antibiogram report from within the last six months (or from regional hospital) ➤ Audits (monitors and documents) of adherence to hand hygiene ➤ Audits (monitors and documents) of adherence to personal protective equipment use ➤ Current list of reportable diseases 	Y				
<p>Quarter 2</p> <ul style="list-style-type: none"> ➤ Nursing Facility Administrator (NFA) and Director of Nursing (DON) submit current certificate of completion for "Nursing Home Infection Preventionist Training Course" developed by CMS and the CDC. ➤ Infection control policies demonstrating data-driven analysis of NF performance and evidence-based methodologies for intervention. (Reviewed within 6 months of reporting period) <p>**PHARMACY / LAB ANGIOBIOGRAM REPORTS DUE MONTH AFTER QIPP QUARTER ENDS</p>	Y				
<p>Quarter 3</p> <ul style="list-style-type: none"> ➤ Designated leadership individuals for antibiotic stewardship ➤ Written policies on antibiotic prescribing ➤ Pharmacy-generated antibiotic use report from within the last six months ➤ Lab-generated antibiogram report from within the last six months (or from regional hospital) ➤ Audits (monitors and documents) of adherence to hand hygiene ➤ Audits (monitors and documents) of adherence to personal protective equipment use ➤ Current list of reportable diseases 	Y				

Quarter 4	National	Baseline	Results	Met Y/N	
Percent of Residents Assessed and Appropriately Given the Pneumococcal Vaccine.	93.84%	%	88.14%	N	
Percent of Residents Assessed and Appropriately Given the Seasonal Influenza Vaccine	96.07%	%	78.50%	N	

Administrator: Tangela Manuel, LNFA
DON: Cokese Laird, RN

FACILITY INFORMATION

Deerbrook Nursing and Rehab is a licensed 124- bed facility with an overall star rating of 2 and a rating of 3 stars in Quality Measures. Current census is 82. (7 Private Pay; 6 Medicare; 46 Medicaid; 1 Hospice; 18 Insurance; 5 Medicaid Pending)

The QIPP site visit was conducted over the phone. The Administrator was as on the call and very helpful. The Administrator reports the facility is currently COVID_19 free. The Administrator reported they are still able to allocate vaccinations in-house.

The Administrator reported the facility is currently ready for the current hurricane season with all supplies, contracts, generator and the preparedness plan is in place.

The Administrator reports the facility continues with open visitation and it is going very well. All visitors in the general population are screened (with electronic monitoring system).

The residents continue participating in the dining room with good participation for all meals (also adding more snacks for weight loss residents and aroma therapy added for those who need assistance). The Facility had a Father's Day meal and special activities for the weekend. The Administrator reported that the facility had a 4th of July celebration and have started outings to Walmart and Golden Corral and looking into going to local Bingo games.

The Administrator reported the facility continues with the MAD Genius program and continually check their competencies and conduct regular trainings. The Administrator reports they had a Nurse and CNA week celebration, including food trucks and try to have snacks available at all times. The facility continues with their tuition reimbursement program for medication aides. They partner with LoneStar College for CMA to LVN, LVN to RN and pay for books, materials, etc.

SURVEY INFORMATION

The facility is currently in their window for their full book survey. The state last came to the building was in March 2023 to review self-reports that were cleared, no citations.

REPORTABLE INCIDENTS

April/May/June 2023 the facility had no complaints and 3 self-reports, all still pending.

CLINICAL TRENDING

Incidents/Falls:

April/May/June 2023 Deerbrook reported - 33 total falls without injury and 4 falls with injury with 9 repeat falls, 4 skin tears, 0 bruises, 2 fractures, 0 behaviors, 1 Laceration and 0 Elopements.

Infection Control:

April/May/June 2023 the facility reported a total of 84 infections- 22 UTI's; 8 Respiratory infections; 20 Wound infections; 3 Blood infections, 1 Stool infection, 1 EENT infection and 29 Other infections (no details).

Weight loss:

In **April/May/June 2023** Deerbrook reported - 13 residents with 5% in 1 month or less weight loss and 0 residents with greater than 10% weight loss in 6 months.

Pressure Ulcers:

In **April/May/June 2023** Deerbrook reported - 45 residents with pressure ulcers, totaling 81 sites, 4 of them facility acquired.

Staffing:

Current Open Positions						
Shift	RN	LVN	Nurse Aide	Hskp.	Dietary	Activity
6 to 2						
2 to 10		2				
10 to 6						
Other						
# Hired this month						
# Quit/Fired						

Total number employees: 111 _ Turnover rate%: 41 _

Casper Report:

Indicator	Current %	State %	National %	Comments/PIPs
New Psychoactive Med Use (S)	0%	1.9%	1.9%	
Fall w/Major Injury (L)	1.9%	3.6%	3.5%	
UTI (L) *	0%	1.5%	2.5%	
High risk with pressure ulcers (L) *	5.1%	8%	9.1%	
Loss of Bowel/Bladder Control(L)	81.3%	54.1%	48.5%	PIP in place
Catheter(L)	1.4%	1.6%	1.7%	
Physical restraint(L)	0%	0%	0.1%	
Increased ADL Assistance(L)	21.2%	17.6%	15.2%	PIP in place
Excessive Weight Loss(L)	10.6%	5%	6.6%	PIP in place

Depressive symptoms(L)	19.2%	5.8%	9.1%	PIP in place
Antipsychotic medication (L) *	8.2%	9.3%	14.8%	

QIPP Component 1

Indicator	QAPI Program Y/N Mtg Dates	PIP's Implemented (Name specific PIP's)
Comprehensive, data driven QAPI Program/Policy that focuses on actions/activities resulting from analysis/quality assess/assurance of indicators of the outcomes of care and quality of life.	Y	
QAPI Meeting dates of submission (owner/operator involvement evident)	4/13/2023, 5/11/2023, 6/22/2023	

Component 2

<u>Indicator</u> REVIEW TURNOVER PIP CHARTER FROM THE MONTH PRIOR TO QIPP SUBMISSION. INCLUDE UPDATES TO PIPS AND PREPARE FOR A SUCCESS STORY IN THE LAST QUARTER OF QIPP YR 5.	Benchmark Met Y/N	Comments
Did NF maintain 4 additional hours (<i>non-managerial</i>) of RN staffing coverage per day, beyond the CMS mandate?	Y	
<ul style="list-style-type: none"> Additional hours provided by direct care staff? 	Y	
Did NF maintain 8 additional hours (<i>non-managerial</i>) of RN staffing coverage per day, beyond the CMS mandate?	Y	
<ul style="list-style-type: none"> 8 additional hours non-concurrenty scheduled? 	Y	
<ul style="list-style-type: none"> Additional hours provided by direct care staff? 	Y	
<ul style="list-style-type: none"> Telehealth used? 	Y	No encounters
NFs provided in total 12 or 16 hours of RN coverage, respectively, on at least 90 percent of the days within the reporting period?	Y	
NF has a workforce development program in the form of a PIP that includes a self-directed plan and monitoring outcomes?	Y	

<ul style="list-style-type: none"> Was Workforce Development data submitted q month to QIPP during the quarter? 	Y	
<ul style="list-style-type: none"> Agency usage or need d/t critical staffing levels 	N	
<ul style="list-style-type: none"> PIP submitted on the topic of resident-centered culture change, workforce development, and staff retention: <ul style="list-style-type: none"> During the first reporting period? Subsequently reported outcomes related to the plan throughout the eligibility period? Discuss RCA for turnover: Has anything changed from the original RCA? PIP for retention and recruitment is current: NEW Retention efforts updated on Current PIP 	Y	

QIPP Component 3 – CMS Long-Stay Quality Metrics

Indicator	National Benchmark	Baseline Target	Results	Met Y/N	Comments
Percent of high-risk Long-Stay residents with pressure ulcers; including unstageable ulcers	81.4%	6.06%	4.8%	Y	
Percent of residents who received an anti-psychotic medication	14.49%	10.21%	6.67%	Y	
Percent of residents whose ability to move independently has worsened	18.04%	12.11%	8.70%	Y	
Percent of residents with urinary tract infection	2.36%	0.84%	0%	Y	

QIPP Component 4 – CMS Long-Stay Quality Metrics

Indicator	Met Y/N	National Benchmark	Baseline Target	Results	Comments
Facility has active infection control program that includes pursuing improved outcomes in vaccination rates and antibiotic stewardship:					

<p>Quarter 1</p> <ul style="list-style-type: none"> ➤ Designated leadership individuals for antibiotic stewardship ➤ Written policies on antibiotic prescribing ➤ Pharmacy-generated antibiotic use report from within the last six months ➤ Lab-generated antibiogram report from within the last six months (or from regional hospital) ➤ Audits (monitors and documents) of adherence to hand hygiene ➤ Audits (monitors and documents) of adherence to personal protective equipment use ➤ Current list of reportable diseases 	Y				
<p>Quarter 2</p> <ul style="list-style-type: none"> ➤ Nursing Facility Administrator (NFA) and Director of Nursing (DON) submit current certificate of completion for "Nursing Home Infection Preventionist Training Course" developed by CMS and the CDC. ➤ Infection control policies demonstrating data-driven analysis of NF performance and evidence-based methodologies for intervention. (Reviewed within 6 months of reporting period) <p>**PHARMACY / LAB ANGIOBIOGRAM REPORTS DUE MONTH AFTER QIPP QUARTER ENDS</p>	Y				
<p>Quarter 3</p> <ul style="list-style-type: none"> ➤ Designated leadership individuals for antibiotic stewardship ➤ Written policies on antibiotic prescribing ➤ Pharmacy-generated antibiotic use report from within the last six months ➤ Lab-generated antibiogram report from within the last six months (or from regional hospital) ➤ Audits (monitors and documents) of adherence to hand hygiene ➤ Audits (monitors and documents) of adherence to personal protective equipment use ➤ Current list of reportable diseases 	Y				

Quarter 4	National	Baseline	Results	Met Y/N	
Percent of Residents Assessed and Appropriately Given the Pneumococcal Vaccine.	93.84%	%	88.14%	N	
Percent of Residents Assessed and Appropriately Given the Seasonal Influenza Vaccine	96.07%	%	78.50%	N	

Administrator: Kimberly Mostek
DON: Joddie Naeseth, RN

FACILITY INFORMATION

Friendship Haven is a 150-bed facility with a current overall star rating of 1 and Quality Measures star rating of 4. The census on the date of this report was 100 (72 +5 pending) MCD; (12) MCR; (12) HMO; and (4) PP.

The QIPP site visit was conducted via telephone. The Administrator was on the call.

The Administrator reported they are implementing their emergency plan and are following all the state/federal/local mandates. Galveston County Transmission Rate is below high, and masks are optional.

The Administrator reports the facility is currently COVID free. PPE inventory is still good, with at least a 2 week's supply.

The Administrator reported 100% of employees (with exemptions) and 77% of residents have received their COVID_19 vaccinations. The DON reports the facility is storing and able to provide the vaccine onsite and provide as needed and if enough signed up, hold special clinic so the vaccine is not wasted.

Visitation is going well after signing in for contact tracing at front door.

Residents come out to the large dining room for all meals and activities with good participation. The facility is planning a celebration for Cinco De Mayo.

The facility is no longer using agency. The Administrator reports the facility continues to have something every month for the employees and they are planning an event for Nurses Week and Nursing Home Week.

SURVEY INFORMATION

Friendship Haven had a state off site review of 6 self-reports and all cleared with no citations.

REPORTABLE INCIDENTS

In **Jan/Feb/March 2023** the facility self-reported 3 incidents, 1 cleared, no citations and 2 (injury of unknown origin & Abuse) are still pending.

CLINICAL TRENDING

Incidents/Falls:

Friendship Haven in **Jan/Feb/March 2023** reported - 24 total falls without injury and 5 falls with injury with 2 repeat falls, 2 skin tears, 1 bruise, 0 fractures, 2 behaviors, 1 Laceration and 0 Elopements.

Infection Control:

Friendship Haven in **Jan/Feb/March 2023** reported a total of 56 infections- 14 UTI's; 8 Respiratory infections; 18 Wound infections; 2 GI infections and 14 Other infections (no details).

Weight loss:

Friendship Haven in **Jan/Feb/March 2023** reported - 13 residents with 5% in 1 month or less weight loss and 5 residents with greater than 10% weight loss in 6 months.

Pressure Ulcers:

Friendship Haven in **Jan/Feb/March 2023** reported - 12 residents with pressure ulcers, totaling 18 sites, 0 of them facility acquired.

Restraints:

Friendship Haven is a restraint free facility.

Staffing: -

Current Open Positions						
Shift	RN	LVN	Nurse Aide	Hskp.	Dietary	Activity
6 to 2	0	0	2	0	0	0
2 to 10	0	2	2	0	0	0
10 to 6	0	1	1	0	0	0
Other	0	0	0	0	0	0
# Hired this month	2	3	11	0	0	0
# Quit/Fired	1	1	1	0	0	0

Total number employees: 135 ___ **Turnover rate%: 6.74%** ___

CASPER REPORT

Indicator	Current %	State %	National %	Comments/PIPs
New Psychoactive Med Use (S)	.9%	1.9%	1.9%	
Fall w/Major Injury (L)	0%	3.6%	3.5%	
UTI (L) *	0%	1.5%	2.5%	
High risk with pressure ulcers (L) *	5.5%	8.1%	9.1%	
Loss of Bowel/Bladder Control(L)	86.5%	53.4%	48.2%	
Catheter(L)	2.3%	1.8%	2.2%	
Physical restraint(L)	0%	0%	0.1%	
Increased ADL Assistance(L)	18.4%	18.1%	15.7%	
Excessive Weight Loss(L)	0%	5.1%	6.7%	
Depressive symptoms(L)	0%	5.9%	8.7%	
Antipsychotic medication (L) *	6.2%	9.7%	14.7%	

QIPP Component 1

Indicator	QAPI Program Y/N Mtg Dates	PIP's Implemented (Name specific PIP's)
Comprehensive, data driven QAPI Program/Policy that focuses on actions/activities resulting from analysis/quality assess/assurance of indicators of the outcomes of care and quality of life.	Yes	
QAPI Meeting dates of submission (owner/operator involvement evident)		Information not provided

Component 2

<u>Indicator</u> REVIEW TURNOVER PIP CHARTER FROM THE MONTH PRIOR TO QIPP SUBMISSION. INCLUDE UPDATES TO PIPS AND PREPARE FOR A SUCCESS STORY IN THE LAST QUARTER OF QIPP YR 5.	Benchmark Met Y/N	Comments
Did NF maintain 4 additional hours (<i>non-managerial</i>) of RN staffing coverage per day, beyond the CMS mandate?	Y	
<ul style="list-style-type: none"> Additional hours provided by direct care staff? 	Y	
Did NF maintain 8 additional hours (<i>non-managerial</i>) of RN staffing coverage per day, beyond the CMS mandate?	Y	
<ul style="list-style-type: none"> 8 additional hours non-concurrenty scheduled? 	Y	
<ul style="list-style-type: none"> Additional hours provided by direct care staff? 	Y	
<ul style="list-style-type: none"> Telehealth used? 	Y	No encounters
NFs provided in total 12 or 16 hours of RN coverage, respectively, on at least 90 percent of the days within the reporting period?	Y	
NF has a workforce development program in the form of a PIP that includes a self-directed plan and monitoring outcomes?	Y	
<ul style="list-style-type: none"> Was Workforce Development data submitted q month to QIPP during the quarter? 	Y	
<ul style="list-style-type: none"> Agency usage or need d/t critical staffing levels 	N	eliminated
<ul style="list-style-type: none"> PIP submitted on the topic of resident-centered culture change, workforce development, and staff retention: <ul style="list-style-type: none"> ○ During the first reporting period? 	Y	

<ul style="list-style-type: none"> ○ Subsequently reported outcomes related to the plan throughout the eligibility period? ○ Discuss RCA for turnover: Has anything changed from the original RCA? ○ PIP for retention and recruitment is current: ○ NEW Retention efforts updated on Current PIP 		
--	--	--

QIPP Component 3 – CMS Long-Stay Quality Metrics

Indicator	National Benchmark	Baseline Target	Results	Met Y/N	Comments
Percent of high-risk Long-Stay residents with pressure ulcers; including unstageable ulcers	8.12%	%	6%	Y	
Percent of residents who received an anti-psychotic medication	14.49%	%	5.56%	Y	
Percent of residents whose ability to move independently has worsened	15.08%	%	3.46%	Y	
Percent of residents with urinary tract infection	2.31%	%	0%	Y	

QIPP Component 4 – CMS Long-Stay Quality Metrics

Indicator	Met Y/N	National Benchmark	Baseline Target	Results	Comments
Facility has active infection control program that includes pursuing improved outcomes in vaccination rates and antibiotic stewardship:	Y				
Quarter 1					
1. Designated leadership individuals for antibiotic stewardship	Y				
2. Written policies on antibiotic prescribing	Y				
3. Pharmacy-generated antibiotic use report					

from within the last six months	Y				
4. Lab-generated antibiogram report from within the last six months (or from regional hospital)	Y				
5. Audits (monitors and documents) of adherence to hand hygiene	Y				
6. Audits (monitors and documents) of adherence to personal protective equipment use	Y				
7. Current list of reportable diseases	Y				
Quarter 2					
1. Nursing Facility Administrator (NFA) and Director of Nursing (DON) submit current certificate of completion for "Nursing Home Infection Preventionist Training Course" developed by CMS and the CDC.	Y				
2. Infection control policies demonstrating data-driven analysis of NF performance and evidence-based methodologies for intervention. (Reviewed within 6 months of reporting period)	Y				
3. **PHARMACY / LAB ANGIOBIOGRAM REPORTS DUE MONTH AFTER QIPP QUARTER ENDS	Y				
Quarter 3					

<ul style="list-style-type: none"> ➤ Designated leadership individuals for antibiotic stewardship ➤ Written policies on antibiotic prescribing ➤ Pharmacy-generated antibiotic use report from within the last six months ➤ Lab-generated antibiogram report from within the last six months (or from regional hospital) ➤ Audits (monitors and documents) of adherence to hand hygiene ➤ Audits (monitors and documents) of adherence to personal protective equipment use ➤ Current list of reportable diseases 	<p>Y</p> <p>Y</p> <p>Y</p> <p>Y</p> <p>Y</p> <p>Y</p> <p>y</p>				
<p>Quarter 4</p> <p>Percent of Residents Assessed and Appropriately Given the Pneumococcal Vaccine.</p>			%		
<p>Percent of Residents Assessed and Appropriately Given the Seasonal Influenza Vaccine</p>			%		

Administrator: Crystal Stalder, LNFA (new)
DON: Jessica Fuentes, RN

FACILITY INFORMATION

Park Manor Cy-fair is a 120-bed facility with a current overall star rating of 1 and Quality Measures star rating of 4. The census on the date of this report was 98: (17) PP; (6) MC; (60 + 6 pending) MDC; (4) Hospice and (11) HMO.

The QIPP site visit was conducted via telephone. The Administrator was on the call.

The Administrator reports the facility is currently COVID_19 free. Park Manor of Cy-fair is still considered a community vaccination clinic offering Pfizer shots. The facility staff COVID_19 vaccination rate is at 100% including exemptions and resident's is at 73% and this information is reported to NSHN weekly.

Visitation is open and going smoothly. Visitors enter after signing in and documenting via kiosk for contact tracing.

The residents are still coming out to the dining room for meals and activities with very good participation. The facility now has college student volunteers in addition to churches coming to the building. The Administrator reports the facility had a Father's Day and 4th of July celebrations.

The facility Talent and Learning Educator who works on employee appreciation events based on special calendar days. The Administrator reports the facility celebrated Nurses Week and CNA week.

SURVEY INFORMATION

Park Manor Cy-fair had their full book survey 4/25/23 resulting in 2 Health tags, one for dietary and one for med pass and the POC was accepted and all cleared.

REPORTABLE INCIDENTS

In **April/May/June 2023**, the facility had (1) self-report cleared with no citations.

CLINICAL TRENDING

Incidents/Falls:

During **April/May/June 2023** Park Manor of Cy-fair had 30 total falls without injury, and 10 falls with injury (PIP in place – annual), and 4 repeat Falls, 9 Skin Tears, 0 Lacerations, 0 Fractures, 1 Bruise and 3 Behaviors.

Infection Control:

Park Manor of Cy-fair reports 50 total infections in **April/May/June 2023**– 14 UTI’s; 10 URI’s; 5 Wound infections, 3 GI infections, 2 Blood infections, 1 EENT infection and 15 Other.

Weight loss:

Park Manor of Cy-fair reported Weight loss in **April/May/June 2023**– 16 residents with 5-10% and 0 residents with > 10% loss in 30 days.

Pressure Ulcers:

In **April/May/June 2023**-Park Manor of Cy-fair had 2 residents with 2 pressure ulcer sites – 2 acquired in house.

Restraints:

Park Manor of Cy-fair is a restraint free facility.

Staffing:

Current Open Positions						
Shift	RN	LVN	Nurse Aide	Hskp.	Dietary	Activity
6 to 2	1	1	0	Contract	Contract	0
2 to 10	2	1	0	Contract	Contract	0
10 to 6	1	0	0	Contract	Contract	0
Other	0	0	0	Contract	Contract	0
# Hired this month	2	3	5	Contract	Contract	0
# Quit/Fired	3	1	5	Contract	Contract	0

Total number employees: 125 Turnover rate .07%

CASPER REPORT

Indicator	Current %	State %	National %	Comments/PIPs
New Psychoactive Med Use (S)	2.7%	1.9%	1.9%	GDR meeting now being held monthly vs. quarterly
Fall w/Major Injury (L)	6.8%	3.6%	3.5%	
UTI (L) *	0%	1.5%	2.5%	
High risk with pressure ulcers (L) *	4.9%	8.0%	9.1%	
Loss of Bowel/Bladder Control(L)	95.8%	54.1%	48.5%	Educating CNA on coding accuracy
Catheter(L)	1.6%	1.6%	1.7%	
Physical restraint(L)	0%	0%	.1%	
Increased ADL Assistance(L)	31.3%	17.6%	15.2%	Educating CNA on coding accuracy
Excessive Weight Loss(L)	0%	5%	6.6%	
Depressive symptoms(L)	1.4%	5.8%	9.1%	
Antipsychotic medication (L) *	9.4%	6.4%	2.7%	GDR meeting now being held monthly vs. quarterly

PHARMACY Consultant reports/visit/ med destruction?

Completed.

of GDR ATTEMPTS in the month: How many successful?
 # of Anti-anxiety (attempts 0 successful _____ failed _____)
 # of Antidepressants (attempts 7 successful 7 failed _____)
 # of Antipsychotic (attempts 4 successful 0 failed _____)
 # of Sedatives (attempts 0 successful _____ failed _____)

DIETICIAN Recommendation concerns/Follow Up?

Weight meetings now being held weekly with IDT.

SOCIAL SERVICES: NUMBER/TYPE OF GRIEVANCES (RESOLVED OR NOT)--

April: 7 & all resolved. May: 2 & all resolved. June: 13 & all resolved

TRAUMA INFORMED CARE IDENTIFIED:

No concerns

ACTIVITIES: PIP/CONCERNS:

None

DIETARY: PIP/CONCERNS:

None

ENVIRONMENTAL SERVICES: PIP/CONCERNS:

Carpets needing attention due to spots. Carpet cleaner broken. One was borrowed from a sister facility, carpets were cleaned and facility has new cleaner.

MAINTENANCE: PIP/CONCERNS: _____

None

MEDICAL RECORDS/ CENTRAL SUPPLY: PIPS/CONCERNS:

None

MDS: PIPS/CONCERNS:

None

QIPP Component 1

Indicator	QAPI Program Y/N Mtg Dates	PIP's Implemented (Name specific PIP's)
Comprehensive, data driven QAPI Program/Policy that focuses on	yes	

actions/activities resulting from analysis/quality assess/assurance of indicators of the outcomes of care and quality of life.		
QAPI Meeting dates of submission (owner/operator involvement evident)	4/17/23, 5/22/23, 6/19/23	Recruiting and Retention, Reduce Falls with patients and dementia.

Component 2

<u>Indicator</u>	Benchmark	Comments
REVIEW TURNOVER PIP CHARTER FROM THE MONTH PRIOR TO QIPP SUBMISSION. INCLUDE UPDATES TO PIPS AND PREPARE FOR A SUCCESS STORY IN THE LAST QUARTER OF QIPP YR 5.	Met Y/N	
Did NF maintain 4 additional hours (<i>non-managerial</i>) of RN staffing coverage per day, beyond the CMS mandate?	y	
<ul style="list-style-type: none"> Additional hours provided by direct care staff? 	y	
Did NF maintain 8 additional hours (<i>non-managerial</i>) of RN staffing coverage per day, beyond the CMS mandate?	Y	
<ul style="list-style-type: none"> 8 additional hours non-concurrenty scheduled? 	Y	
<ul style="list-style-type: none"> Additional hours provided by direct care staff? 	Y	
<ul style="list-style-type: none"> Telehealth used? 	Y	No encounters
NFs provided in total 12 or 16 hours of RN coverage, respectively, on at least 90 percent of the days within the reporting period?	Y	
NF has a workforce development program in the form of a PIP that includes a self-directed plan and monitoring outcomes?	Y	
<ul style="list-style-type: none"> Was Workforce Development data submitted q month to QIPP during the quarter? 	Y	
<ul style="list-style-type: none"> Agency usage or need d/t critical staffing levels 	No	
<ul style="list-style-type: none"> PIP submitted on the topic of resident-centered culture change, workforce development, and staff retention: <ul style="list-style-type: none"> During the first reporting period? Subsequently reported outcomes related to the plan throughout the eligibility period? Discuss RCA for turnover: Has anything changed from the original RCA? PIP for retention and recruitment is current: NEW Retention efforts updated on Current PIP 	Y	Staff retention

QIPP Component 3 – CMS Long-Stay Quality Metrics

Indicator	National Benchmark	Baseline Target	Results	Met Y/N	Comments
Percent of high-risk Long-Stay residents with pressure ulcers; including unstageable ulcers	9.1%	2.5%	4.9%	N	New treatment nurse starts on 8/15/23
Percent of residents who received an anti-psychotic medication	14.8%	9%	11.4%	N	GDR meetings with IDT now held weekly vs quarterly
Percent of residents whose ability to move independently has worsened	18.9%	20%	30.9%	N	CNAs educated on coding accuracy
Percent of residents with urinary tract infection	2.5%	2.5%	0%	Y	

QIPP Component 4 – CMS Long-Stay Quality Metrics

Indicator	Met Y/N	National Benchmark	Baseline Target	Results	Comments
Facility has active infection control program that includes pursuing improved outcomes in vaccination rates and antibiotic stewardship:	Y				
Quarter 1					
➤ Designated leadership individuals for antibiotic stewardship	Y				
➤ Written policies on antibiotic prescribing					
➤ Pharmacy-generated antibiotic use report from within the last six months	Y				
➤ Lab-generated antibiogram report from					

<p>within the last six months (or from regional hospital)</p> <ul style="list-style-type: none"> ➤ Audits (monitors and documents) of adherence to hand hygiene ➤ Audits (monitors and documents) of adherence to personal protective equipment use ➤ Current list of reportable diseases 	<p>Y Y Y Y</p>				
<p>Quarter 2</p> <ul style="list-style-type: none"> ➤ Nursing Facility Administrator (NFA) and Director of Nursing (DON) submit current certificate of completion for "Nursing Home Infection Preventionist Training Course" developed by CMS and the CDC. ➤ Infection control policies demonstrating data-driven analysis of NF performance and evidence-based methodologies for intervention. (Reviewed within 6 months of reporting period) <p>**PHARMACY / LAB ANGIOBIOGRAM REPORTS DUE MONTH AFTER QIPP QUARTER ENDS</p>	<p>Y Y</p>				
<p>Quarter 3</p> <ul style="list-style-type: none"> ➤ Designated leadership individuals for antibiotic stewardship ➤ Written policies on antibiotic prescribing ➤ Pharmacy-generated antibiotic use report from within the last six months ➤ Lab-generated antibiogram report from 	<p>Y Y Y Y</p>				

<p>within the last six months (or from regional hospital)</p> <ul style="list-style-type: none"> ➤ Audits (monitors and documents) of adherence to hand hygiene ➤ Audits (monitors and documents) of adherence to personal protective equipment use ➤ Current list of reportable diseases 	<p>Y</p> <p>Y</p> <p>Y</p>				
<p>Quarter 4</p> <p>Percent of Residents Assessed and Appropriately Given the Pneumococcal Vaccine.</p>			69%	N	
<p>Percent of Residents Assessed and Appropriately Given the Seasonal Influenza Vaccine</p>			71%	N	

Administrator: Vincent Mitchell
DON: Myra Polio, RN

FACILITY INFORMATION

Park Manor Cypress Station is a 125-bed facility with a current star rating of 2 and a Quality Measures rating of 4. The census on the date of this report was 80. PP:6; MCR: 1; MDC: 48 (+8 pending); HMO:14; Hospice 3.

The QIPP site visit was conducted via telephone. The DON and Administrator nurse were on the call.

The facility has one COVID_19 positive resident (tested positive Tuesday) and 2 staff. The Administrator reports the facility continues providing the COVID_19 vaccine (including booster) in house to staff and residents. The facility staff COVID_19 vaccination rate is 100% with exemptions and the resident vaccination rate is 74%. This information is reported weekly to NSHN.

Visitations are still going well after screening and documenting via kiosk. The facility has good resident participation with meals and activities. The facility continues having Walmart outings and church activities as well as movies and they recently had a Father's Day and July 4th celebration.

The Administrator reports the facility still feeds the staff at least monthly and they continue celebrating employee of the month and of the year. The facility still has a Talent Director to focus on retention of employees. The facility celebrated Nurse's and CNA week.

SURVEY Information

Park Manor of Cypress Station has not had state back in their building since the annual March survey.

REPORTABLE INCIDENTS

Two self-reports (COVID+ resident & alleged abuse) still pending review for **April/May/June 2023**.

CLINICAL TRENDING

Incidents/Falls:

Park Manor Cypress Station reported 60 total falls (16 repeat) without injury (PIP in place) and 1 fall with injury during **April/May/June 2023**, 4 skin tears, 0 bruises, 0 fractures, 1 Laceration, 2 behaviors and 0 Elopements. There is a PIP in place.

Infection Control:

Administrator reported 34 infections during **April/May/June 2023** of which 10 were UTIs, 6 were Respiratory infections, 14 wound infections, 0 Stool infections and 4 Other (no details provided).

Weight Loss:

During **April/May/June 2023**, Park Manor Cypress Station had 7 residents with 5-10% weight loss in 1 month and 0 with >10% weight loss in 6 months.

Pressure Ulcers:

In **April/May/June 2023**, Park Manor Cypress Station had 14 residents with 18 pressure ulcer sites – 1 acquired in house.

Restraints:

Park Manor of Cypress Station is a restraint free facility.

Staffing:

Current Open Positions						
Shift	RN	LVN	Nurse Aide	Hskp.	Dietary	Activity
6 to 2	0	1	5	0	0	0
2 to 10	0	2	1	0	0	0
10 to 6	0	1	1	0	0	0
Other	1	0	0	0	0	0
# Hired this month	1	1	6	0	0	0
# Quit/Fired	1	0	4	0	0	0

Total number employees: 110 **Turnover rate%:** 49 Annualized

Casper Report:

Indicator	Current %	State %	National %	Comments/PIPs
New Psychoactive Med Use (S)	0.00%	1.9%	1.9%	
Fall w/Major Injury (L)	1.4%	3.6%	3.5%	
UTI (L) *	0.0 %	1.5 %	2.5 %	
High risk with pressure ulcers (L) *	3.7 %	8.0 %	9.1 %	
Loss of Bowel/Bladder Control(L)	84.8 %	54.1 %	48.5%	PIP in place
Catheter(L)	1.1 %	1.6 %	1.7 %	
Physical restraint(L)	0.0 %	0.0 %	0.1 %	
Increased ADL Assistance(L)	10.4 %	17.6 %	15.2%	
Excessive Weight Loss(L)	1.4 %	5.0 %	6.6 %	
Depressive symptoms(L)	10.0 %	5.8 %	9.1 %	PIP in place
Antipsychotic medication (L) *	9.5 %	9.3 %	14.8 %	

PHARMACY Consultant reports/visit/ med destruction? Yes, no concerns

of GDR ATTEMPTS in the month: How many successful?
 # of Anti-anxiety (attempts 4 successful 3 failed 1)
 # of Antidepressants (attempts 3 successful 3 failed 0)
 # of Antipsychotic (attempts 2 successful 1 failed 1)

of Sedatives (attempts__1__successful_0__failed__1__)

DIETICIAN Recommendation concerns/Follow Up? No concerns

SOCIAL SERVICES: NUMBER/TYPE OF GRIEVANCES (RESOLVED OR NOT)- 77 all resolved

TRAUMA INFORMED CARE IDENTIFIED: None

ACTIVITIES: PIP/CONCERNS: Doing activities outside of the facility since the covid restrictions has lessened and developing more cultural food and activities. We are planning on doing more activities outside like shopping trips, going to daytime bingo places, trips to local buffets.

DIETARY: PIP/CONCERNS: Food preferences and food coming to the rooms warm and not hot. We have given the residents choice menu's and we offer more off the menu items to supplement for food choices, and we have ordered closed food carts to help keep the temperature hot with increased staff to pass out trays faster.

ENVIRONMENTAL SERVICES: PIP/CONCERNS: None

MAINTENANCE: PIP/CONCERNS: None

MEDICAL RECORDS/ CENTRAL SUPPLY: PIPS/CONCERNS: Doctors signing orders within 10 days. Calling the doctors office daily to ensure we are getting orders signed and into pcc timely.

MDS: PIPS/CONCERNS: None

QIPP Component 1

Indicator	QAPI Program Y/N	PIP's Implemented (Name specific PIP's)
	Mtg Dates	
Comprehensive, data driven QAPI Program/Policy that focuses on actions/activities resulting from analysis/quality assess/assurance of indicators of the outcomes of care and quality of life.	YES	
QAPI Meeting dates of submission (owner/operator involvement evident)	4/20/23, 5/18/23, 6/15/23	

Component 2

<u>Indicator</u>	Benchmark	Comments
<u>REVIEW TURNOVER PIP CHARTER FROM THE MONTH PRIOR TO QIPP SUBMISSION. INCLUDE UPDATES TO PIPS AND PREPARE FOR A SUCCESS STORY IN THE LAST QUARTER OF QIPP YR 5.</u>	Met Y/N	
Did NF maintain 4 additional hours (<i>non-managerial</i>) of RN staffing coverage per day, beyond the CMS mandate?	YES	
<ul style="list-style-type: none"> Additional hours provided by direct care staff? 	YES	
Did NF maintain 8 additional hours (<i>non-managerial</i>) of RN staffing coverage per day, beyond the CMS mandate?	YES	
<ul style="list-style-type: none"> 8 additional hours non-concurrently scheduled? 	YES	
<ul style="list-style-type: none"> Additional hours provided by direct care staff? 	YES	
<ul style="list-style-type: none"> Telehealth used? 	YES	NO ENCOUNTERS
NFs provided in total 12 or 16 hours of RN coverage, respectively, on at least 90 percent of the days within the reporting period?	YES	
NF has a workforce development program in the form of a PIP that includes a self-directed plan and monitoring outcomes?	YES	
<ul style="list-style-type: none"> Was Workforce Development data submitted q month to QIPP during the quarter? 	YES	
<ul style="list-style-type: none"> Agency usage or need d/t critical staffing levels 	No	
<ul style="list-style-type: none"> PIP submitted on the topic of resident-centered culture change, workforce development, and staff retention: <ul style="list-style-type: none"> During the first reporting period? Subsequently reported outcomes related to the plan throughout the eligibility period? Discuss RCA for turnover: Has anything changed from the original RCA? PIP for retention and recruitment is current: NEW Retention efforts updated on Current PIP 	YES	

QIPP Component 3 – CMS Long-Stay Quality Metrics

Indicator	National Benchmark	Baseline Target	Results	Met Y/N	Comments
Percent of high-risk Long-Stay residents with pressure ulcers; including unstageable ulcers	8.14 %	8.15 %	4.08 %	yes	

Percent of residents who received an anti-psychotic medication	14.49 %	12.44 %	10.61%	y	
Percent of residents whose ability to move independently has worsened	18.04 %	7.30 %	6.20 %	y	
Percent of residents with urinary tract infection	2.36 %	0.46 %	0.0%	y	

QIPP Component 4 – CMS Long-Stay Quality Metrics

Indicator	Met Y/N	National Benchmark	Baseline Target	Results	Comments
Facility has active infection control program that includes pursuing improved outcomes in vaccination rates and antibiotic stewardship:	Y				
Quarter 1 <ul style="list-style-type: none"> ➤ Designated leadership individuals for antibiotic stewardship ➤ Written policies on antibiotic prescribing ➤ Pharmacy-generated antibiotic use report from within the last six months ➤ Lab-generated antibiogram report from within the last six months (or from regional hospital) ➤ Audits (monitors and documents) of adherence to hand hygiene ➤ Audits (monitors and documents) of adherence to personal protective equipment use ➤ Current list of reportable diseases 	Yes				

<p>Quarter 2</p> <ul style="list-style-type: none"> ➤ Nursing Facility Administrator (NFA) and Director of Nursing (DON) submit current certificate of completion for "Nursing Home Infection Preventionist Training Course" developed by CMS and the CDC. ➤ Infection control policies demonstrating data-driven analysis of NF performance and evidence-based methodologies for intervention. (Reviewed within 6 months of reporting period) <p>**PHARMACY / LAB ANGIOBIOGRAM REPORTS DUE MONTH AFTER QIPP QUARTER ENDS</p>	<p>Yes</p> <p>Yes</p>				
<p>Quarter 3</p> <ul style="list-style-type: none"> ➤ Designated leadership individuals for antibiotic stewardship ➤ Written policies on antibiotic prescribing ➤ Pharmacy-generated antibiotic use report from within the last six months ➤ Lab-generated antibiogram report from within the last six months (or from regional hospital) ➤ Audits (monitors and documents) of adherence to hand hygiene ➤ Audits (monitors and documents) of adherence to personal protective equipment use ➤ Current list of reportable diseases 	<p>Y IP Nurse</p> <p>Y</p> <p>Y</p> <p>Y</p> <p>Y</p> <p>Y</p> <p>Y</p>				
<p>Quarter 4</p> <p>Percent of Residents Assessed and Appropriately Given the Pneumococcal Vaccine.</p>	<p>%</p>	<p>%</p>	<p>%</p>		



Park Manor of Cypress Station
420 Lantern Bend Dr., Houston, TX 77090
Site Visit: 07/13/2023

Percent of Residents Assessed and Appropriately Given the Seasonal Influenza Vaccine	%	%	%		
--	---	---	---	--	--

Administrator: David Holt
DON: Tina Cook, RN
ADON: Swana William Smith, LVN

FACILITY INFORMATION

Park Manor South Belt is a 120-bed facility with a current overall star rating of 4 and Quality Measures star rating of 5. The census on the date of this report was 111: (7) MC; (19) HMO; (19) PP; (60) MDC + 6 pending; (3) Hospice.

The QIPP site visit was conducted via telephone. The ADON was on the call. The ADON reported they currently have no COVID_19 in the facility. The ADON reports the so far, 100% (with 4 approved waivers) of employees and 60.4% of their residents have received their COVID_19 vaccines and this information is reported to NSHN weekly.

The ADON reports the facility's emergency plan is up to date for hurricane season and letters have been sent with adequate supplies in place.

The ADON reports the facility is still working on painting throughout the facility.

Activities have been on-going with good participation. The facility had a great turn out with residents yesterday for a painting activity and they celebrated Father's Day and 4th of July.

The facility is still currently offering a sign on bonus for both nurses and CNAs. Usually, once per week the facility brings in food for the staff (barbeque for the 4th) and there is a snack bar available. The facility still recognizes an employee of the month, birthdays and the MAD Genius program is also in place.

SURVEY INFORMATION

Park Manor South Belt has not had the state in the building since their annual survey 2/26/23.

REPORTABLE INCIDENTS

April/May/June 2023- There were no self-reports or complaints.

CLINICAL TRENDING

Incidents/Falls:

During **April/May/June 2023** Park Manor of South Belt had 63 total falls (11 repeats), of which 0 resulted in injury, 4 Skin tears, 0 Lacerations, 0 Elopements, 0 Fractures, 2 Bruises and 2 Behaviors.

Infection Control:

Park Manor of South Belt reports 121 total infections in **April/May/June 2023**-41 UTIs; 17 Respiratory infections; 19 Wound infections; 14 EENT infections; 6 Blood infections; 4 GI infections; 8 Genital infections and 12 Other infections. There is a PIP in place for infections.

Weight loss:

Park Manor of South Belt for **April/May/June 2023** had 8 residents with 5-10% weight loss in 1 month and 0 residents with >10% weight loss in 6 months and there is still a PIP in place.

Pressure Ulcers:

Park Manor South Belt reported in **April/May/June 2023**-28 residents with 36 total pressure ulcers and 15 were facility acquired and there is a PIP in place.

Restraints:

Park Manor of South Belt is a restraint free facility.

Staffing:

Current Open Positions						
Shift	RN	LVN	Nurse Aide	Hskp.	Dietary	Activity
6 to 2		1				
2 to 10						
10 to 6			3	N/A	N/A	N/A
Other			3	N/A	N/A	N/A
# Hired this month	1	6	24	N/A	N/A	N/A
# Quit/Fired	2	05	23	N/A	N/A	N/A

Total number employees: 98 Turnover rate: 32.6% cumulative

CASPER REPORT

Indicator	Current %	State %	National %	Comments/PIPs
New Psychoactive Med Use (S)	0%	1.9%	1.9%	
Fall w/Major Injury (L)	1.3%	3.5%	3.6%	
UTI (L) *	0%	2.5%	1.5%	
High risk with pressure ulcers (L) *	8.6%	9.1%	8.0%	PIP in place
Loss of Bowel/Bladder Control(L)	79.4%	48.5%	54.1%	
Catheter(L)	4.3%	1.7%	1.6%	All appropriate
Physical restraint(L)	0%	0.1%	0%	
Increased ADL Assistance(L)	0%	15.2%	17.6%	
Excessive Weight Loss(L)	2.7%	6.6%	5.0%	
Depressive symptoms(L)	0%	9.1%	5.8%	
Antipsychotic medication (L) *	1.3%	14.8%	9.3%	

PHARMACY Consultant reports/visit/ med destruction? Monthly visits, reports completed and drug destruction monthly

of GDR ATTEMPTS in the month: How many successful?
 # of Anti-anxiety (attempts- 4 successful 4 failed __0__)
 # of Antidepressants (attempts-6 successful - 4 failed__2__)
 # of Antipsychotic (attempts - 0 successful__0__failed__0__)
 # of Sedatives (attempts -0 successful__0__failed__0__)

DIETICIAN Recommendation concerns/Follow Up? Weekly, reports and concerns completed.

SOCIAL SERVICES: NUMBER/TYPE OF GRIEVANCES (RESOLVED OR NOT) - 114 total

14 grievances - 3 missing cloths, 1 10/6 shift not attentive, 1 cold food, 3 activity concerns, 1 family notification, 2 ADL's, 1 Administrative staff, 1 Medication, 1 Nurse Rude (All concerns addressed and resolved)

TRAUMA INFORMED CARE IDENTIFIED: None

ACTIVITIES: PIP/CONCERNS: PIP

DIETARY: PIP/CONCERNS: None

ENVIRONMENTAL SERVICES: PIP/CONCERNS: None

MAINTENANCE: PIP/CONCERNS: Routine Maintenance

MEDICAL RECORDS/ CENTRAL SUPPLY: PIPS/CONCERNS: None

MDS: PIPS/CONCERNS: None

QIPP Component 1

Indicator	QAPI Mtg Dates	PIP's Implemented (Name specific PIP's)
Comprehensive, data driven QAPI Program/Policy that focuses on actions/activities resulting from analysis/quality assess/assurance of indicators of the outcomes of care and quality of life.	Y	
QAPI Meeting dates of submission (owner/operator involvement evident)	Y	No dates provided

Component 2

<u>Indicator</u> REVIEW TURNOVER PIP CHARTER FROM THE MONTH PRIOR TO QIPP SUBMISSION. INCLUDE UPDATES TO PIPS AND PREPARE FOR A SUCCESS STORY IN THE LAST QUARTER OF QIPP YR 5.	Benchmark Met Y/N	Comments
Did NF maintain 4 additional hours (<i>non-managerial</i>) of RN staffing coverage per day, beyond the CMS mandate?	Y	
<ul style="list-style-type: none"> Additional hours provided by direct care staff? 	Y	
Did NF maintain 8 additional hours (<i>non-managerial</i>) of RN staffing coverage per day, beyond the CMS mandate?	Y	
<ul style="list-style-type: none"> 8 additional hours non-concurrently scheduled? 	Y	
<ul style="list-style-type: none"> Additional hours provided by direct care staff? 	Y	
<ul style="list-style-type: none"> Telehealth used? 	N	
NFs provided in total 12 or 16 hours of RN coverage, respectively, on at least 90 percent of the days within the reporting period?	Y	
NF has a workforce development program in the form of a PIP that includes a self-directed plan and monitoring outcomes?	Y	
<ul style="list-style-type: none"> Was Workforce Development data submitted q month to QIPP during the quarter? 	Y	
<ul style="list-style-type: none"> Agency usage or need d/t critical staffing levels 	N	
<ul style="list-style-type: none"> PIP submitted on the topic of resident-centered culture change, workforce development, and staff retention: <ul style="list-style-type: none"> ○ During the first reporting period? ○ Subsequently reported outcomes related to the plan throughout the eligibility period? ○ Discuss RCA for turnover: Has anything changed from the original RCA? ○ PIP for retention and recruitment is current: ○ NEW Retention efforts updated on Current PIP 	Y	

QIPP Component 3 – CMS Long-Stay Quality Metrics

Indicator	National Benchmark	Baseline Target	Results	Met Y/N	Comments
Percent of high-risk Long-Stay residents with pressure ulcers; including unstageable ulcers	8.0%	9.1%	8.6%	Y	
Percent of residents who received an anti-psychotic medication	9.3%	14.8%	1.3%	Y	
Percent of residents whose ability to move independently has worsened	18.9%	15.8%	5.3%	Y	
Percent of residents with urinary tract infection	1.5%	2.5%	0%	Y	

QIPP Component 4 – CMS Long-Stay Quality Metrics

Indicator	Met Y/N	National Benchmark	Baseline Target	Results	Comments
Facility has active infection control program that includes pursuing improved outcomes in vaccination rates and antibiotic stewardship:	Y				
Quarter 1 <ul style="list-style-type: none"> ➤ Designated leadership individuals for antibiotic stewardship ➤ Written policies on antibiotic prescribing ➤ Pharmacy-generated antibiotic use report from within the last six months ➤ Lab-generated antibiogram report from within the last six months (or from regional hospital) 	Y				

<ul style="list-style-type: none"> ➤ Audits (monitors and documents) of adherence to hand hygiene ➤ Audits (monitors and documents) of adherence to personal protective equipment use ➤ Current list of reportable diseases 				
<p>Quarter 2</p> <ul style="list-style-type: none"> ➤ Nursing Facility Administrator (NFA) and Director of Nursing (DON) submit current certificate of completion for "Nursing Home Infection Preventionist Training Course" developed by CMS and the CDC. ➤ Infection control policies demonstrating data-driven analysis of NF performance and evidence-based methodologies for intervention. (Reviewed within 6 months of reporting period) <p>**PHARMACY / LAB ANGIOBIOGRAM REPORTS DUE MONTH AFTER QIPP QUARTER ENDS</p> <ul style="list-style-type: none"> ➤ 	Y			
<p>Quarter 3</p> <ul style="list-style-type: none"> ➤ Designated leadership individuals for antibiotic stewardship ➤ Written policies on antibiotic prescribing ➤ Pharmacy-generated antibiotic use report from within the last six months ➤ Lab-generated antibiogram report from within the last six months (or from regional hospital) 	Y			

<ul style="list-style-type: none"> ➤ Audits (monitors and documents) of adherence to hand hygiene ➤ Audits (monitors and documents) of adherence to personal protective equipment use ➤ Current list of reportable diseases 					
Quarter 4 Percent of Residents Assessed and Appropriately Given the Pneumococcal Vaccine.	99.28%		100%	Y	
Percent of Residents Assessed and Appropriately Given the Seasonal Influenza Vaccine	98.38%		87.38%	N	

Cory Thompson-Administrator
Mabinti Kanu, RN-DON

FACILITY INFORMATION

Park Manor Westchase is a 125-bed facility with a current overall star rating of 2 and a Quality of Resident Care star rating of 4. The census on the date of the report was 89: 15 PP; 2 MC; 56 MDC; 13 HMO; and 3 Hospice.

The QIPP site visit was conducted via telephone. The Administrator and DON were on the call.

The Administrator reports the facility is currently COVID_19 free and they have everything in place for hurricane season.

100% of employees (with 2 exemptions) and 100% of residents have received their COVID_19 vaccines. The facility provides vaccines and boosters in house.

Visitation is going well, with screening on-going and documenting using kiosk. Visitors are encouraged to wear masks.

Activities are going well, with good participation, especially when entertainment comes into the facility. The facility has been taking residents on fishing trips and they a Father's Day and July 4th celebrations.

The Administrator reports the facility does celebrate Star of the month with 100.00 gift certificate and a food truck comes out once per quarter (hamburgers in June) and the facility also continues with the MAD Genius program for daily recognition of staff. Cory also goes down the hall daily (handing out poker chips) to recognize staff. HMG University through the corporate office still offers scholarships for CNAs to become LVN/RN or LVN to become an RN. The facility will also have shaved ice truck come in August for staff and their children.

SURVEY Information

The facility's last state visit was in October 2022. They did an offsite investigation in June for 2 complaints that were unsubstantiated, no citations.

REPORTABLE INCIDENTS

The facility had 6 self-reports for **April/May/June 2023** - 4/21 Fall w/Maj. Inj., 5/6, Misappropriation, 5/16 Abuse, 5/19 Misappropriation, 5/24 Abuse, 7/14 Fall w/Maj. Inj. These are all still pending.

CLINICAL TRENDING

Incidents/Falls

During **April/May/June 2023**, Park Manor Westchase reported 6 total falls without injury (9 repeat falls), 0 falls with injury, 5 skin tears, 0 lacerations, 1 elopement, 2 behaviors, 0 fractures, and 0 bruises.

Infection Control:

During **April/May/June 2023**, Park Manor Westchase reported 47 infections of which 19 were UTI's, 2 were Respiratory, 14 wound infections, 0 Blood infections, 2 GI infections, 4 EENT infections and 6 Other.

Weight loss:

During **April/May/June 2023**, Park Manor Westchase had 3 residents with 5% in 1 month or less weight loss and 3 residents with greater than 10% weight loss in 6 months.

Pressure Ulcers:

During **April/May/June 2023** Park Manor Westchase reported 5 residents with pressure ulcers with 20 sites, 16 of them facility acquired. There is a PIP in place.

Restraints:

Park Manor Westchase does not use side rails or restraints.

Staffing:

Current Open Positions						
Shift	RN	LVN	Nurse Aide	Hskp.	Dietary	Activity
6 to 2	0	0	0	-	-	-
2 to 10	0	0	3	-	-	-
10 to 6	0	6	0	-	-	-
Other	-	5	-	-	-	-
# Hired this month	0	3	2	-	-	-
# Quit/Fired	0	0	0	-	-	-

Total number employees: 111 Turnover rate%: 32% annualized

CASPER REPORT

Indicator	Current %	State %	National %	Comments/PIPs
New Psychoactive Med Use (S)	2.6%	1.8%	1.7%	
Fall w/Major Injury (L)	1.4%	3.4%	3.4%	
UTI (L) *	0%	1.4%	2.3%	
High risk with pressure ulcers (L) *	2.3%	7.3%	8.1%	
Loss of Bowel/Bladder Control(L)	94.7%	52.3%	47.4%	PIP Implemented

Catheter(L)	1.2%	1.5%	1.7%	
Physical restraint(L)	0%	0%	.1%	
Increased ADL Assistance(L)	7.6%	17.2%	14.8%	
Excessive Weight Loss(L)	5.3%	4.9%	6.2%	
Depressive symptoms(L)	1.1%	5.3%	8.1%	
Antipsychotic medication (L) *	3.3%	10.1%	14.5%	

QIPP Measures

Component 1

Indicator	QAPI Program Y/N Mtg Dates	PIP's Implemented (Name specific PIP's)
Comprehensive, data driven QAPI Program/Policy that focuses on actions/activities resulting from analysis/quality assess/assurance of indicators of the outcomes of care and quality of life.	Y	
QAPI Meeting dates of submission (owner/operator involvement evident)	4/11/23, 5/9/23, 6/13/23	

Component 2

<u>Indicator</u>	Benchmark Met Y/N	Comments
<u>REVIEW TURNOVER PIP CHARTER FROM THE MONTH PRIOR TO QIPP SUBMISSION. INCLUDE UPDATES TO PIPS AND PREPARE FOR A SUCCESS STORY IN THE LAST QUARTER OF QIPP YR 5.</u>		
Did NF maintain 4 additional hours (<i>non-managerial</i>) of RN staffing coverage per day, beyond the CMS mandate?	Y	
<ul style="list-style-type: none"> Additional hours provided by direct care staff? 	Y	
Did NF maintain 8 additional hours (<i>non-managerial</i>) of RN staffing coverage per day, beyond the CMS mandate?	Y	
<ul style="list-style-type: none"> 8 additional hours non-concurrenty scheduled? 	Y	
<ul style="list-style-type: none"> Additional hours provided by direct care staff? 	Y	

• Telehealth used?	Y	No encounters
NFs provided in total 12 or 16 hours of RN coverage, respectively, on at least 90 percent of the days within the reporting period?	Y	
NF has a workforce development program in the form of a PIP that includes a self-directed plan and monitoring outcomes?	Y	
• Was Workforce Development data submitted q month to QIPP during the quarter?	Y	
• Agency usage or need d/t critical staffing levels	Y	PIP in place
<ul style="list-style-type: none"> • PIP submitted on the topic of resident-centered culture change, workforce development, and staff retention: <ul style="list-style-type: none"> ○ During the first reporting period? ○ Subsequently reported outcomes related to the plan throughout the eligibility period? ○ Discuss RCA for turnover: Has anything changed from the original RCA? ○ PIP for retention and recruitment is current: ○ NEW Retention efforts updated on Current PIP 	Y	

QIPP Component 3 – CMS Long-Stay Quality Metrics

Indicator	National Benchmark	Baseline Target	Results	Met Y/N	Comments
Percent of high-risk Long-Stay residents with pressure ulcers; including unstageable ulcers	8.1%	2.5%	2.3%	Y	
Percent of residents who received an anti-psychotic medication	14.5%	14.5%	3.3%	Y	
Percent of residents whose ability to move independently has worsened	15.1%	15.1%	7.9%	Y	
Percent of residents with urinary tract infection	2.3%	1.5%	0%	Y	

QIPP Component 4 – CMS Long-Stay Quality Metrics

Indicator	Met Y/N	National Benchmark	Baseline Target	Results	Comments
Facility has active infection control program that includes pursuing improved outcomes in vaccination rates and antibiotic stewardship:	Y				

<p>Quarter 1</p> <ul style="list-style-type: none"> ➤ Designated leadership individuals for antibiotic stewardship ➤ Written policies on antibiotic prescribing ➤ Pharmacy-generated antibiotic use report from within the last six months ➤ Lab-generated antibiogram report from within the last six months (or from regional hospital) ➤ Audits (monitors and documents) of adherence to hand hygiene ➤ Audits (monitors and documents) of adherence to personal protective equipment use ➤ Current list of reportable diseases 	<p>Y</p> <p>Y</p> <p>Y</p> <p>Y</p> <p>Y</p> <p>Y</p> <p>Y</p> <p>Y</p>			
<p>Quarter 2</p> <ul style="list-style-type: none"> ➤ Nursing Facility Administrator (NFA) and Director of Nursing (DON) submit current certificate of completion for "Nursing Home Infection Preventionist Training Course" developed by CMS and the CDC. ➤ Infection control policies demonstrating data-driven analysis of NF performance and evidence-based methodologies for intervention. (Reviewed within 6 months of reporting period) <p>**PHARMACY / LAB ANGIOBIOGRAM REPORTS DUE MONTH AFTER QIPP QUARTER ENDS</p>	<p>Y</p> <p>Y</p>			

Quarter 3 ➤ Designated leadership individuals for antibiotic stewardship ➤ Written policies on antibiotic prescribing ➤ Pharmacy-generated antibiotic use report from within the last six months ➤ Lab-generated antibiogram report from within the last six months (or from regional hospital) ➤ Audits (monitors and documents) of adherence to hand hygiene ➤ Audits (monitors and documents) of adherence to personal protective equipment use ➤ Current list of reportable diseases	Y	Y	Y	Y	
Quarter 4 Percent of Residents Assessed and Appropriately Given the Pneumococcal Vaccine.	National	Baseline	Results	Met Y/N	
	92.7%	95%	100%	Y	
Percent of Residents Assessed and Appropriately Given the Seasonal Influenza Vaccine	95.4%	95%	100%	Y	

Administrator: Ken Hiscox
DON: Robert Kelly, RN

FACILITY INFORMATION

Spring Branch Transitional Care Center is managed by Caring Healthcare. They are licensed for 198 beds and are comprised of 4 floors. The CMS overall star rating for the facility is 1 with a 2-star rating in Quality Measures. The facility specializes in Behavioral/psychiatric but also has a wing for Korean residents. The census given on the day of report was 187.

The QIPP site visit was conducted via telephone. The Administrator was on the call.

The Administrator reported they are currently free of COVID_19 and ready for the current hurricane season. Spring Branch is utilizing their own pharmacy, Med-Options for vaccines. The Administrator reports the percent of residents who are fully vaccinated is 94% and approximately 100% of staff (with 11 exemptions) have received a full series of vaccinations and this information is reported to NSHN bi-weekly.

Staffing is still good. Currently, the facility is not using agency for staffing. The facility is still using bonuses and negotiating salaries.

The PIP for staffing and psychotropic meds to ensure appropriate diagnosis is still in place.

Visitation is open and going well. Activities are doing better with small/groups on each floor with good participation. The facility is still working on re-painting all the rooms and baseboards, hallways are all completed, and they will be working on re-tiling some of the bathrooms as well with anticipated completion in the next 30 days. The Administrator reports the facility had a Father's Day and July 4th celebration for the residents.

The facility had a Nurse's Day and CNA week celebration with food and activities.

SURVEY Information

The facility just had the state in the building for a complaint investigation and 11 self-reports that were unsubstantiated, and the complaint was substantiated with an environment tag.

REPORTABLE INCIDENTS

Information not provided.

CLINICAL TRENDING

Incidents/Falls:

Information not provided.

Infection Control:

Information not provided.

Weight loss:

Information not provided.

Pressure Ulcers:

Information not provided.

Restraints:

Spring Branch Transitional Care is a restraint free facility.

Staffing:

Staffing is a challenge at this time, especially in the nursing department.

QIPP SCORECARD

Component 1

Indicator	QAPI & Mtg Dates	PIP's Implemented (Name specific PIP's)
Comprehensive, data driven QAPI Program/Policy that focuses on actions/activities resulting from analysis/quality assess/assurance of indicators of the outcomes of care and quality of life.	Y-2 nd or 3 rd Wed of month	
QAPI Meeting dates of submission (owner/operator involvement evident)	Y	

Component 2

Indicator	Benchmark Met Y/N	Comments
<u>REVIEW TURNOVER PIP CHARTER FROM THE MONTH PRIOR TO QIPP SUBMISSION. INCLUDE UPDATES TO PIPS AND PREPARE FOR A SUCCESS STORY IN THE LAST QUARTER OF QIPP YR 5.</u>		

Did NF maintain 4 additional hours (<i>non-managerial</i>) of RN staffing coverage per day, beyond the CMS mandate?	Y	
<ul style="list-style-type: none"> Additional hours provided by direct care staff? 	Y	
Did NF maintain 8 additional hours (<i>non-managerial</i>) of RN staffing coverage per day, beyond the CMS mandate?	Y	
<ul style="list-style-type: none"> 8 additional hours non-concurrently scheduled? 	Y	
<ul style="list-style-type: none"> Additional hours provided by direct care staff? 	Y	
<ul style="list-style-type: none"> Telehealth used? 	Y	
NFs provided in total 12 or 16 hours of RN coverage, respectively, on at least 90 percent of the days within the reporting period?	Y	
NF has a workforce development program in the form of a PIP that includes a self-directed plan and monitoring outcomes?	Y	
<ul style="list-style-type: none"> Was Workforce Development data submitted q month to QIPP during the quarter? 	Y	
<ul style="list-style-type: none"> Agency usage or need d/t critical staffing levels 	N	
<ul style="list-style-type: none"> PIP submitted on the topic of resident-centered culture change, workforce development, and staff retention: <ul style="list-style-type: none"> During the first reporting period? Subsequently reported outcomes related to the plan throughout the eligibility period? Discuss RCA for turnover: Has anything changed from the original RCA? PIP for retention and recruitment is current: NEW Retention efforts updated on Current PIP 	Y	

QIPP Component 3 – CMS Long-Stay Quality Metrics

Indicator	National Benchmark	Baseline Target	Results	Met Y/N	Comments
Percent of high-risk Long-Stay residents with pressure ulcers; including unstageable ulcers	%				Information not provided but per corporate, measure on track to be met in 2 nd QTR
Percent of residents who received an anti-psychotic medication	%				
Percent of residents whose ability to move independently has worsened	%				

Percent of residents with urinary tract infection	%				
---	---	--	--	--	--

QIPP Component 4 – CMS Long-Stay Quality Metrics

Indicator	Met Y/N	National Benchmark	Baseline Target	Results	Comments
Facility has active infection control program that includes pursuing improved outcomes in vaccination rates and antibiotic stewardship:	Y				
Quarter 1 <ul style="list-style-type: none"> ➤ Designated leadership individuals for antibiotic stewardship ➤ Written policies on antibiotic prescribing ➤ Pharmacy-generated antibiotic use report from within the last six months ➤ Lab-generated antibiogram report from within the last six months (or from regional hospital) ➤ Audits (monitors and documents) of adherence to hand hygiene ➤ Audits (monitors and documents) of adherence to personal protective equipment use ➤ Current list of reportable diseases 	Y				
Quarter 2 <ul style="list-style-type: none"> ➤ Nursing Facility Administrator (NFA) and Director of Nursing (DON) submit current certificate of completion for "Nursing Home Infection Preventionist Training Course" 	Y				

<p>developed by CMS and the CDC.</p> <ul style="list-style-type: none"> ➤ Infection control policies demonstrating data-driven analysis of NF performance and evidence-based methodologies for intervention. (Reviewed within 6 months of reporting period) <p>**PHARMACY / LAB ANGIOBIGRAM REPORTS DUE MONTH AFTER QIPP QUARTER ENDS</p>					
<p>Quarter 3</p> <ul style="list-style-type: none"> ➤ Designated leadership individuals for antibiotic stewardship ➤ Written policies on antibiotic prescribing ➤ Pharmacy-generated antibiotic use report from within the last six months ➤ Lab-generated antibiogram report from within the last six months (or from regional hospital) ➤ Audits (monitors and documents) of adherence to hand hygiene ➤ Audits (monitors and documents) of adherence to personal protective equipment use ➤ Current list of reportable diseases 	Y				
<p>Quarter 4</p> <p>Percent of Residents Assessed and Appropriately Given the Pneumococcal Vaccine.</p>					No data reported but believe they have met both
<p>Percent of Residents Assessed and Appropriately Given the Seasonal Influenza Vaccine</p>					

Exhibit “E”

	Option	Vendor	Product	Cost	Notes (All Quotes are Net of Removal)
Winnie Community Hospital					
WCH	Recommended-1	Southern States Imaging	2012 GE Brightspeed Elite 16-Slice CT	\$200,000.00	Includes 5 year service Plan
WCH	2	Southern States Imaging	2012 GE Brightspeed Elite 16-Slice CT	\$150,000.00	Same bid-No Service Plan
WCH	3	Block Imaging	2012 GE Optima 520 CT 16-Slice	\$216,000.00	No service plan.
WCH	4	Block Imaging	2008 GE Brightspeed Elite 16-Slice CT	\$184,025.00	No service plan.
WCH	5	Absolute Imaging	GE Lightspeed 16-Slice CT With ASIR	\$205,000.00	No service plan.
WSHD Research					
PO	1	Digit Systems	GE BrightSpeed 16 Elite 16-Slice CT	\$393,000.00	Includes 5 year Service plan Cost \$3800 per month
PO	2	Digit Systems	GE BrightSpeed 16 Elite 16-Slice CT	\$123,000.00	No service plan
PO	3	Amber Diagnostics	BrightSpeed Elite 16 Slice (Helios Gentry)	\$180,000.00	No service plan

Hubert Oxford IV

Subject: FW: CT Scanner Price Info
Attachments: WCH - Grant Request with Three Vendors.pdf; WSHD-CT Machine Research.pdf

From: Hubert Oxford IV
Sent: Saturday, August 12, 2023 9:43 AM
To: Bobby Way <bobw1212@aol.com>; Anthony Stramecki <anthony@stramecki.com>; Patricia Ojeda <patricia@wshd-tx.com>
Cc: Sherrie Norris <sherrie@wshd-tx.com>; Edward Murrell <murrelledward@yahoo.com>; Jeff Rollo <rollojer@yahoo.com>; Kacey Vratis <kvratis@wshd-tx.com>; 'MaKayla Vidal' <makaylalynn01@gmail.com>
Subject: FW: CT Scanner Price Info

Bobby, Anthony, Patricia,

While I was doing the minutes for the Special Meeting, I was having a difficult time writing them about the CT Machine because when the Board approved the CT Machine, the Board did not have three (3) bids to compare. By way of background, the CT Machine being replaced is a 2006 model and when the District purchase the machine in 2015, the District paid \$490,000.00.

Nevertheless, assuming the Hospital did not have any other bids, I asked Patricia to do some research so that we could verify the purchase price of the 2012 machine was reasonable and to find out if we needed to ask the Hospital for additional bids. Thankfully, she took off and found some good information, summarized in the chart below and in the PDF attached titled WSHD-CT Machine Research.

Before receiving Patricia's response, I then talked to Mo and told Mo the District really needed to get three (3) bids. He immediately told me that the Hospital had three bids and he sent them to me while I was on the phone. A summary of the three bids he submitted is below and have been added to the Hospital's attached grant request.

*{**I have not talked to Patricia before sending this e-mail and my interpretation of the research, especially for Digit Systems, may not an accurate representation of her findings. I defer to Patricia to correct me.}*

As you can see, the amount the District approved, top proposal named "Recommended-1" is within reason. The issue is how do we want to move forward to make sure our paperwork is complete. Option 1 is to do nothing except to bring this to everyone's attention. Option 2-Re-notice the agenda item and approve it with all the attached information. After thinking about it, I believe it is best to be safe than sorry and therefore, we are doing to post an amendment to the agenda to next week's meeting and ask the Board reconsider this issue and re-approve it.

A summary of the attached PDFs is below.

	Option	Vendor	Product	Cost	Notes (All Quotes are Net of Removal)
Winnie Community Hospital					
WCH	Recommended-1	Southern States Imaging	2012 GE Brightspeed Elite 16-Slice CT	\$200,000.00	Includes 5 year service Plan
WCH	2	Southern States Imaging	2012 GE Brightspeed Elite 16-Slice CT	\$150,000.00	Same bid-No Service Plan
WCH	3	Block Imaging	2012 GE Optima 520 CT 16-Slice	\$216,000.00	No service plan.
WCH	4	Block Imaging	2008 GE Brightspeed Elite 16-Slice CT	\$184,025.00	No service plan.
WCH	5	Absolute Imaging	GE Lightspeed 16-Slice CT With ASIR	\$205,000.00	No service plan.
WSHD Research					
PO	1	Digit Systems	GE BrightSpeed 16 Elite 16-Slice CT	\$393,000.00	Includes 5 year Service plan Cost \$3800 per month
PO	2	Digit Systems	GE BrightSpeed 16 Elite 16-Slice CT	\$123,000.00	No service plan
PO	3	Amber Diagnostics	BrightSpeed Elite 16 Slice (Helios Gentry)	\$180,000.00	No service plan

Please review and if you have any questions, give me a call to discuss.

Sincerely,

Hubert Oxford, IV
Benckenstein & Oxford, L.L.P.
3535 Calder Avenue, Suite 300
Beaumont, Texas 77706
(409) 951-4721 Direct
(409) 351-0000 Cell
(409) 833-8819 Fax

CONFIDENTIAL NOTICE

This e-mail transmission (and/or the documents accompanying it) may contain confidential information belonging to the sender which is protected by the attorney-client privilege. This information is intended only for the use of the individual or entity named above. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this information is strictly prohibited. If you have received this e-mail in error, please immediately send a reply and delete the e-mail promptly. If there is any question or difficulty, please notify us by calling us collect at phone number (409) 833-9182.

From: Patricia Ojeda <patricia@wshd-tx.com>
Sent: Friday, August 11, 2023 10:58 AM
To: Hubert Oxford IV <hoxfordiv@benoxford.com>
Subject: CT Scanner Price Info

Here's what I have so far on pricing, and I have received one quote (see attached). The only thing is that the machines are 2010 models, but the tube (the most critical part of the machine) is a 2020 model. I'm attaching one quote I received from Medilab and was promised one more by early afternoon from Digit Systems.

Company	Phone#	Make	Model	Details	Price
Amber Diagnostics	(866) 919-2959	GE	BrightSpeed Elite	16 Slice	
Blue Sky Exchange	(720) 406-9100	GE	BrightSpeed Elite	16 Slice	
LBNMedical	(459) 688-6500	GE	BrightSpeed Elite	16 Slice	\$50,575-\$122,139
Bimedis	BROKER -No PH#	GE	BrightSpeed Elite	16 Slice	\$49,414-\$119.336
Medilab (Melissa Henao-Acosta)	(786) 797-0356	GE	BrightSpeed Elite	16 Slice	\$110,000.
Digit Systems	(404) 500-2183	GE	BrightSpeed Elite	16 Slice	\$100,000.

Patricia Ojeda



Indigent Care Director

Office: (409)296-1003

Fax: (409)400-4023

Email: Patricia@WSHD-TX.com

PRIVACY NOTICE and DISCLAIMER:

This message is intended only for the use of the individual to whom it is addressed and may contain information that is privileged, confidential, or prohibited from disclosure under applicable federal or state law. If the reader of this message is not the intended recipient or the employee agent responsible for delivering the message to the intended recipient, you are hereby notified that reading this communication or any dissemination, distribution, or copying of this communication is strictly prohibited. If you have received this communication in error, please call (409) 296-1003 and ask to speak with the sender. Also, you should delete the message from your system. Thank you.

Exhibit "B"

**WINNIE STOWELL HOSPITAL DISTRICT
GRANT/SPONSORSHIP COVER SHEET**

(Please return to Winnie Stowell Hospital District,
P. O. Box 1997, Winnie, Texas 77665;
No later than two (2) weeks prior to the funding deadline)

Date: 07/26/2023

Organization/Individual Requesting Grant Funds: RICELAND MEDICAL CENTER

Organization/Individual Address: 538 BROADWAY AVENUE
WINNIE, TX 77665

Contact Person: MO DANISHMUND
Title: CFO

Phone Number: (409) 767-1003 Fax Number: 409-730-8055

E-Mail Address: MO@STARCOIMPEX.COM

Name of Project, Program or Event: CT MACHINE REPLACEMENT

Date of Program or Event: 07/27/2023

Is your organization (check one):

- Non-profit and classified as tax-exempt under Sections 501(c) (3) or 170(c) of the United States Internal Revenue Code (attach copy of organizations tax and exemption information)
- Public Agency
- Private Healthcare Provider
- None of the above

Dollar Amount or In-kind Services Requested: \$216,500

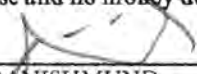
Please provide a comprehensive description of how the District's resources will be used (Please complete below, or you may also attach support material): RMC WILL USE THE DISTRICT RESOURCES TO UPGRADE ITS
FAILING CT MACHINE.

Which of the following does the requested sponsorship support (check all that apply):

- Indigent Care
- Community Healthcare
- Economic Development
- Community Outreach

Please provide a brief description of the request provided how the request will help the District will assist the District in achieving its stated purposes. (Please complete below, or you may also attach support material):
IT WILL SERVE THE DISTRICT'S PURPOSE OF PROVIDING CONTINUED HEALTHCARE TO THE COMMUNITY AND
INDIGENT PATIENTS.

Please verify that this grant is a tax free donation in which 100% of the grant proceeds will be spent for the designed purpose and no money donated by the District will be used to offset taxes of any kind.

Signature: 
Name: MO DANISHMUND
Title: CFO



CT Machine Replacement

Project Narrative

- **Organizational Background**
- **Description & Beneficiaries**
- **Evaluation Grant Request**
- **Impact & Sustainability**
- **Funding Request**
- **Timeline**
- **Application Budget**

I. Organizational Background:

Riceland Medical Center is a vital community resource, providing essential healthcare services to the rural Chambers County. We are writing this grant proposal to urgently address the critical need to upgrade our outdated and failing CT machine. The current CT machine requires increasing amounts of maintenance and workarounds to keep it functional. There are also rings in the images, due to the age of the detector this machine has, those cannot be repaired, that part is not replaceable. If this machine were to fail unexpectedly, our ER would have to be put on diversion for any patients requiring CT exams – for at least three weeks while waiting for a new machine to be delivered, installed and technicians trained on. We believe that by investing in a modern CT system, we can improve diagnostic accuracy, expedite treatment, and ultimately save lives. The Riceland Medical Center team is committed to maintaining the highest standard of healthcare for our community, and this grant will play a crucial role in achieving that goal. Our small critical access hospital plays a pivotal role in caring for the most vulnerable members of our community. We are the primary provider of treatment and imaging services for the indigent care program, offering essential medical care to those who lack financial resources and insurance coverage. These patients heavily rely on our hospital for timely diagnoses and treatments, as they often face barriers to accessing healthcare facilities outside the community.

Without a functional CT machine, the indigent care program participants would suffer immensely. Prompt and accurate diagnoses are crucial for designing effective treatment plans, and any delays or errors resulting from the failing CT machine could lead to worsened health conditions and unnecessary pain for these vulnerable individuals. It is of utmost importance



that we continue to offer nearby diagnostic imaging services to ensure equitable healthcare access for all members of our community.

By upgrading our CT machine, we will not only enhance medical services for the general population but also fulfill our commitment to the indigent care program, furthering our mission to provide compassionate and inclusive care to all patients, regardless of their financial circumstances.

II. Description & Beneficiaries:

Our small critical access hospital serves a diverse population of approximately 7,000 residents in rural Chambers County. Despite the limited resources, we provide essential medical services, including emergency care, imaging, and outpatient treatments. The lack of a functional CT machine severely hinders our ability to provide timely and accurate diagnoses, affecting patients suffering from various medical conditions, including trauma, cancer, and neurological disorders.

The primary beneficiaries of this grant project are the patients of Riceland Medical Center and Winnie Stowell Hospital District. This upgrade will enable us to provide the highest level of medical care, leading to improved health outcomes and increased patient satisfaction. Additionally, patients in surrounding rural areas, who often depend on our facility for specialized medical services, will also benefit from this technology enhancement. Below is a breakdown of the CT studies performed by Riceland Medical Center since installing the current CT machine in 2015, including WSHD patients who are part of the Indigent Care Assistance Program.

Sum of Units		Column								
Row Labels	2015	2016	2017	2018	2019	2020	2021	2022	2023	Grand Total
COMM	146	125	174	226	161	160	167	186	131	1476
MEDICAID	42	38	44	59	42	45	75	80	65	490
MEDICARE	229	244	328	305	214	326	364	389	255	2654
SELF PAY	101	74	100	135	62	128	141	130	85	956
WSHD	6	9	15	26	28	20	27	21	19	171
Grand Total	524	490	661	751	507	679	774	806	555	5747
<i>WSHD %</i>	<i>1%</i>	<i>2%</i>	<i>2%</i>	<i>3%</i>	<i>6%</i>	<i>3%</i>	<i>3%</i>	<i>3%</i>	<i>3%</i>	<i>3%</i>



III. Evaluation Grant Request:

To ensure a successful upgrade of our CT machine, we have conducted a comprehensive evaluation of our needs and identified the ideal system that aligns with our patient population and healthcare demands. The proposed CT machine will have advanced imaging capabilities, reduced radiation exposure, and enhanced automation features, enabling faster and more accurate diagnoses.

We are seeking a grant in the amount of \$216,500 which will cover the cost of purchasing and installing the new CT machine, calibrating and certifying, integration with our PACS system, as well as providing essential training to our medical staff to effectively operate the equipment.

IV. Impact & Sustainability:

The impact of this grant project will be far-reaching. By upgrading our CT machine, we anticipate the following outcomes:

- **Improved Diagnostic Accuracy:** The advanced imaging technology will allow for more precise and early detection of medical conditions, leading to better treatment planning and outcomes for our patients.
- **Streamlined Patient Flow:** The new CT machine's faster scanning capabilities will reduce waiting times, enabling us to accommodate more patients and enhance overall efficiency.
- **Reduced Radiation Exposure:** The state-of-the-art technology will minimize radiation doses during scans, ensuring patient safety and well-being.
- **Stronger Community Trust:** A modern and reliable CT machine will bolster community trust in the hospital's ability to provide cutting-edge healthcare services. The enhanced reputation will increase patient confidence and loyalty to our facility, leading to increased patient volume and community support.
- **Reduced Patient Stress and Anxiety:** Upgrading the CT machine will reduce patient waiting times, as the advanced system will perform scans more efficiently. This decrease in wait times will alleviate stress and anxiety for patients, resulting in a more positive healthcare experience.

Regarding sustainability, we have cultivated a robust and dependable partnership with our radiology service vendor. Together, we are steadfast in our commitment to conducting regular maintenance and servicing of our radiology equipment, thereby ensuring the enduring



advantages of this project. This approach guarantees the seamless execution of future upgrades and replacements while upholding the paramount importance of patient care.

V. Funding Request:

We are seeking a grant in the amount of \$216,500. The budget breakdown is as follows:

- Removal of Old CT Machine (Credit for trade in \$15,000)
- Shipping and Delivery of New CT Machine (\$165,000)
- Professional Installation (included)
- Installation testing, Calibration, Compliance Testing & Certification (included)
- Training Program for Radiology Technicians (included)
- PACS (Picture Archiving and Communication System) Integration (included)
- 60 month Service Agreement includes: (\$50,000)
 - Parts, Labor, and Quarterly PM's
 - Response time: 4-6 Hours on-site, 30 minutes by phone
 - Glassware Included (Tube replacement)
 - Overnight parts shipping – Priority AM

VI. Timeline:

CT Machine Purchase: As soon as possible

Delivery: If ordered this week, Delivery by 8/8/2023

Installation/Downtime: Down 8/14/2023 – 8/18/2023

Staff Training: 8/21/2023 – 8/23/2023

Project Completion and Implementation: 8/23/2023

Quotes received to date are available in attached files.

VII. Application Budget:

The overall budget for the project is estimated to be \$216,500, this total includes applicable estimated sales tax.



MEDICAL SALES, SERVICE and SUPPLIES
 5345 Snayfingher Woods Dr.
 Decatur, GA 30035

Date: July 28, 2023
 QUOTE # 072523WH Rev. C

To Riceland Medical System
 538 Broadway
 Winnie, TX 77665

Salesperson	Job	Payment Terms	Estimated Delivery
WPH	GE Brightspeed 16-Slice CT	15% Deposit; 15% Due Upon Delivery; 70% Due Upon First Patient Scan	August 21, 2023

Qty	Description	Unit Price	Line Total
1	Refurbished 2012 GE Brightspeed Elite 16-Slice CT (SN: 308736HMB)	\$165,000.00	\$165,000.00
	Fully-Refurbished System to meet and/or Exceed OEM Specifications		
	High Resolution Scanning Gantry Helios 3 LightSpeed Gantry Assy. MX-200 Performix 6.3MHU CT Tube (50M mAs Tube) 53 kW Hi-Frequency Generator Simultaneous Sixteen Slice Acquisition Helios Hilight 16 Slice Detector .5 Second 360 deg. Rotation Speed with Variable Speed up to 4 secs 120 Sec per Acquisition Helical 73GB Hard Disk for 250,000 Images 2.3GB MOD Drive for Dicom 3.0 Image Storage Patient Positioning Table and Slip-Ring Gantry kVp Selections - 80, 120 and 140 kVp mA Selections - 10 to 440 in 10 mA Increments		
	Patient Positioning Table 51cm (21 in.) Minimum Elevation 135cm Scannable Patient Travel 400 lb Capacity to Performance Specification (450lb max.) Metal Free Table with Metal Free Accessories		
	Software Options: Smart Prep, Smart Speed, Helical Tilt, AutomA, Power 440, Patient 16-Slice, 3000 Image Series, Direct 3D, 90kVa, CopyComposer, Direct MPR, Data Export, NeuroFilter, VolumeViewer, Connect Pro		
	System will Meet XR-29 Criteria The OEM is responsible for deeming the system compliant and providing the certification.		

	Warranty/Installation		
	- (12) Months Parts and Labor Warranty - (12) Month Tube Warranty - (3) Days Applications Training - (5-7) Business Days Installation		
1	Trade-In Value of Existing GE Lightspeed 16-Slice CT	(\$15,000.00)	(\$15,000.00)
	Equipment Is Subject to Availability		
		Subtotal	\$150,000.00
		Sales Tax	TBD
		Total	\$150,000.00

Service Agreement Option:

(60) Months Service Agreement (Post Warranty)	\$4,166.67mo.	\$50,000.00
Includes: Parts, Labor and Quarterly PM's Coverage Hours: M - F; 9am - 6pm CST (Excluding Weekends and Holidays) Response Time: 4-6 Hours; 30-Mintues Phone Glassware Included Overnight Parts Shipping - Priority AM		

Terms:

1. The Equipment Shall be Delivered on or before **August 21, 2023** ("Delivery Date") at **538 Broadway Winnie, TX 77665**, SSI Imaging shall pay all transportation costs.
2. This Equipment is sold with a (12) Months Parts and Labor warranty. AMI reserves the right to use "certified used" parts for any warranty claims at its sole discretion. Warranty begins on the day of Clinical Acceptance for First Clinical Patient, whichever happens first.
3. 15% Deposit is required at time of contract acceptance. 15% Payment is due upon Delivery and 70% Balance is Due upon First Patient Scan
4. Installation, set up and (3) days of applications training is included in this contract.
5. Cancellation: A 20% Cancellation Fee of the above stated equipment List Price will be applied if the order is cancelled after the seller has acknowledged receipt of Purchase Order
6. All terms and conditions of this contract are confidential. This quote is subject to the Terms and Conditions included in the Equipment Purchase Agreement.

Quotation prepared by: Will Hengemuhle /j

NOTE: A dedicated phone line or Secure VPN access is mandatory on all products that are capable of remote diagnostics. It is the customer's responsibility both physically and financially to install or have installed and maintain such access. It is the customer's responsibility both physically and financially for all room modifications such as, and not limited to, proper electrical, plumbing and structural per manufacturer's specifications. AMI will provide all necessary drawings.

To accept this quotation, sign here and return:

Thank you for your business!

SSI Imaging, (Yours, Dr.), Decatur, GA 30030

EXHIBIT A

STANDARD TERMS AND CONDITION

1. **INCORPORATION OF ADDITIONAL TERMS AND CONDITIONS:** This Exhibit is an integral part of SSI IMAGING, INC.'s offer to sell the Equipment to PURCHASER. By signing the Agreement and the Exhibit and returning it to SSI IMAGING, INC., PURCHASER hereby accepts all of the terms and conditions set forth in this Agreement, including, but limited to the terms set forth in this and any other Exhibit.

2. **DEFAULT:**
 - (a) If PURCHASER fails to comply with the payment terms described on the first page of this Agreement, and such non-payment continues for a period of five (5) business days after such payment due date, then in addition to any and all rights and remedies available to SSI IMAGING, INC. at law or equity, SSI IMAGING, INC. shall have the right to cancel this Agreement and retain any and all funds paid to SSI IMAGING, INC., including, but limited to all deposits and prepayments.
 - (b) In the event SSI IMAGING, INC. agrees to accept multiple payments to satisfy the Purchase Price which shall be paid over a period of time, PURCHASER hereby grants SSI IMAGING, INC. a purchase money security interest under the UCC in all Equipment to secure full payment for such goods is received. PURCHASER shall execute any documents required by SSI IMAGING, INC. to perfect such security interest in the Equipment, and where permitted PURCHASER hereby authorizes SSI IMAGING, INC. to sign and file the same without PURCHASER's signature. PURCHASER agrees to pay any and all expenses related to the preparation and filing of such documents.

3. **TRANSFER OF TITLE:** Upon SSI IMAGING, INC.'s receipt of the full Purchase Price, SSI IMAGING, INC. shall assign, transfer and convey all of its right, title and interest in the Equipment to PURCHASER, free and clear of all liens and encumbrances.

4. **INSTALLATION, TURNOVER AND ON-SITE APPLICATIONS TRAINING:**
 - (a) SSI IMAGING, INC. shall provide PURCHASER with site planning assistance including preliminary/final room drawings. SSI IMAGING, INC. shall only perform commercially normal installation.
 - (b) PURCHASER shall be responsible to prepare the site in accordance with the site plan and the specifications of the Original Equipment Manufacturer (OEM). All applicable, licenses and/or permits shall be the responsibility of the PURCHASER.
 - (c) SSI IMAGING, INC. shall provide **3-days** on-site applications training. The training schedule is generally 4-5 days following the turnover of the Equipment. Training is approved for CEU's.
 - (d) The following services shall not be provided by SSI IMAGING, INC.: (i) Installation of air conditioning units, water chillers, and electrical panels and related equipment and environmental which shall be performed by licensed contractors hired by PURCHASER. (ii) Site modifications and renovations to the installation site as would be required by Original Equipment Manufacturer (OEM) specifications.
 - (e) The procedure for the installation and turnover of the Equipment, along with on-site applications training is as follow: (i) Upon the delivery of the Equipment and upon PURCHASER's completion of site preparation, SSI IMAGING, INC. shall commence installation the Equipment (in accordance with the provision set forth in paragraphs (a) and (b) above. (ii) SSI IMAGING, INC. shall schedule and provide Purchaser's employees with application training for the Equipment (in accordance with the provision set forth in paragraph (c) above) upon completion of the installation of the Equipment; provided however, if Purchaser delays the application training by more than (20) business days, then the installation and turnover of the Equipment shall be deemed accepted. (iii) Upon completion of the installation of the Equipment and the applications training, SSI IMAGING, INC. shall provide Purchaser with a Certificate of Acceptance which shall provide that: (A) the Equipment has been properly installed and the Equipment meets or exceeds the original specifications of the original equipment manufacturer, and (B) the application training has been completed. (iv) Purchaser shall have 5 business days from the receipt of the Certificate of Acceptance to provide SSI IMAGING, INC. with either: (A) written acceptance to the installation and turnover of the Equipment; or (B) provide SSI IMAGING, INC. with written notice which describes any issues relating to the Equipment's conditions or specifications, the installation of the Equipment or the application training.

5. **RISK OF LOSS:** The risk of loss from any damages or casualty to the Equipment shall passes from SSI IMAGING, INC. to PURCHASER when the Equipment is duly delivered inside the CUSTOMER's site.

6. **LIMITED WARRANTY:**

(a) Subject to the provisions set forth below, SSI IMAGING, INC. shall provide a limited warranty for a **12-Month** period commencing on first clinical use and billing of patient ("Warranty Period"). The warranty coverage period is M-F, 8am-5pm, excluding holidays.

(b) SSI IMAGING, INC. warrants that the Equipment is free from defects in material or workmanship under normal use and service. There shall be no warranty on consumables. The limited warranty shall cover all parts and labor, provided, however, the warranty period relating to tube coverage shall be limited to **(12) Months**.

(c) Any Equipment found to be defective during the "Warranty Period shall be repaired or replaced free of charge, provided that PURCHASER satisfies all of the following conditions: (i) PURCHASER gives written notice of the defect (with reasonable relevant information) to SSI IMAGING, INC. as soon as reasonably practicable and within the Warranty Period; (ii) the Equipment has been used solely for its proper purpose and in accordance with the operating instructions specified by the original equipment manufacturer (including, but not limited to meet or exceed the proper power requirements in accordance with the specifications of the original equipment manufacturer and all HVAC requirements); (iii) the defect has not been caused by fire, accident, misuse, neglect, incorrect installation by PURCHASER or its customers, agents or servants, (iv) there has been no unauthorized alteration, repair or maintenance or the use of sub-standard consumables; (v) the defect has not arisen from any design, specification, component or material supplied by or on behalf of PURCHASER; (vi) no part of the Equipment has been replaced with a part not supplied or approved by SSI IMAGING, INC.; (vii) all repairs to the Equipment have been made by personal of SSI IMAGING, INC. or approved by SSI IMAGING, INC.

(d) PURCHASER shall be liable for any costs incurred by SSI IMAGING, INC. in responding to claims caused by operator error or incorrect application or other default of PURCHASER or other third party;

(e) PURCHASER shall pay the costs of all consumables.

(f) SSI IMAGING, INC., at its sole discretion, shall determine whether to replace or repair the Equipment.

(g) If a part fails within this Warranty Period and is replaced or repaired, then the new part will have a warranty period equal to the remaining period of the part that failed.

(h) PURCHASER shall accord SSI IMAGING, INC. and its representatives or agents sufficient and timely access to the Equipment to enable its staff to inspect and adjust, repair, remove or replace the agents sufficient and timely access to the Equipment to enable its staff to inspect and adjust, repair, remove or replace the Equipment; and (j) THIS WARRANTY IS GIVEN IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY, DESCRIPTION AND FITNESS FOR PARTICULAR PURPOSE.

7. **LIMITATION OF WARRANTIES AND LIABILITY, HOLD HARMLESS:**

(a) PURCHASER ACKNOWLEDGES THAT SSI IMAGING, INC. DID NOT MANUFACTURE THE EQUIPMENT, AND THAT EXCEPT AS SET FORTH HEREIN, SSI IMAGING, INC. MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE, WITH RESPECT TO THE EQUIPMENT. THIS AGREEMENT STATES SSI IMAGING, INC.'S ENTIRE OBLIGATION WITH RESPECT TO THIS TRANSACTION. EXCEPT AS SET FORTH HERIN, SSI IMAGING, INC. PROVIDES NO WARRANTY OF OPERABILITY AND WILL HAVE NO LIABILITY FOR ANY FAILURE OF THE EQUIPMENT AFTER PURCHASER OR ITS AGENTS TAKE TITLE AND BEGIN DEINSTALLATION. IN NO EVENT WILL SSI IMAGING, INC. OR ITS AGENTS BE LIABLE FOR ANY CONSEQUENTIAL OR INCIDENTAL DAMAGES, INCLUDING LOSS OF USE, PROJECTED PROFITS, OR OTHER FINANCIAL LOSSES DERIVING FROM THE SALE OR USE OF THE ABOVE MENTIONED EQUIPMENT, NOR SHALL SSI IMAGING, INC. OR ITS AGENTS BE LIABLE FOR ANY DAMAGES FOR BODILY INJURY.

(b) PURCHASER AGREES TO INDEMNIFY, DEFEND AND HOLD HARMLESS SSI IMAGING, INC. AGAINST ANY AND ALL CLAIMS, JUDGMENTS, COSTS (INCLUDING ACTUAL ATTORNEY'S FEES), EXPENSES, OR OTHER LOSSES TO ANY PERSON, GROUP OR ENTITY, DERIVING FROM PURCHASER'S BREACH OF THIS AGREEMENT. IN THE EVENT THE TRANSFER IS NOT COMPLETED FOR ANY REASON, INCLUDING FORCE MAJEURE, ACTS OF WAR OR GOD, OR WITHDRAW OF THE EQUIPMENT FOR SALE, THE SOLE LIABILITY OF SSI IMAGING, INC. SHALL BE LIMITED TO THE RETURN OF ALL MONIES ALREADY PAID TO SSI IMAGING, INC. BY PURCHASER, INCLUDING DEPOSITS.

8. **SOFTWARE:**

(a) PURCHASER acknowledges and agrees that SSI IMAGING, INC. has no rights, titles, and interest in and to software relating to the Equipment, and that SSI IMAGING, INC. has no right to grant any licenses thereunder. PURCHASER further acknowledges and agrees that all, rights, title and interest in such software remains with the original equipment manufacturer ("OEM").

(b) By executing this Agreement, the PURCHASER hereby designates SSI IMAGING INC. as PURCHASER's attorney in fact, with full power and authority to act on PURCHASER's behalf with the OEM in connection with obtaining the necessary software from the OEM to operate, repair or maintain the Equipment.

9. **TAXES:** Any sales, use, property, or other taxes or regulatory fees applicable to this transaction will be in addition to the purchase price quoted, and shall be due and payable by PURCHASER. PURCHASER shall provide to SSI IMAGING, INC. proof of any claimed exemption from the foregoing items.

10. **SUBCONTRACTORS:** SSI IMAGING, INC. reserves the right to utilize sub-contracts for any of the required to meet its obligations under this Agreement.

11. **APPLICABLE LAW, ARBITRATION, LITIGATION, JURISDICTION, AND VENUE:**

(a) This Agreement shall be governed by and interpreted by the laws of the State of Georgia. Any Controversy or Claim arising out of or in relation to this Agreement, or breach thereof, shall be submitted to binding arbitration. Any such arbitration shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association, but not necessarily administered by the American Arbitration Association. The venue of any such arbitration shall be the State of Georgia. Any controversy will be submitted to a panel of three arbitrators. PURCHASER and SSI IMAGING, INC. shall each select one arbitrator and those arbitrators shall select a third arbitrator. Any arbitrator must be a member of the Texas Bar Association. The fees for the arbitrators will be levied as follows: PURCHASER and SSI IMAGING, INC. will each be responsible for paying the respective fee of the arbitrator they selected. PURCHASER and SSI IMAGING, INC. will each pay fifty percent (50%) of fees charged by the third arbitrator. Judgment upon the award rendered by the arbitrators may be entered and enforced by any court having jurisdiction. The prevailing party in arbitration shall be awarded all costs incurred in connection with the pursuit of its claims, including filing fees, arbitrators' fees, and reasonable attorney fees.

(b) PURCHASER hereby consents to personal jurisdiction in the State of Georgia and to venue in the county or federal district in which SSI IMAGING, INC. maintains its headquarters.

12. **ENTIRE AGREEMENT, NON-CANCELLATION:** This Agreement (and all exhibits) represents the entire agreement between the parties, is a final expression of that agreement, is non-cancelable, and supersedes any previous oral or written agreements between the parties. Any changes must be in writing signed by both parties. This Agreement will not be binding until signed by both parties, and can be withdrawn by either party at any time, without notice, prior to signature by either party.

13. **MISCELLANEOUS PROVISIONS:**

(a) Paragraph headings used in this Agreement are of no legal effect;

(b) If any provision contained in this Agreement is determined to be invalid, illegal or otherwise unenforceable, the remaining provisions shall be fully enforceable;

(c) Any forbearance by either party from enforcing any term of this Agreement shall not constitute a waiver of any right under this Agreement, unless stated in writing;

(d) This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement. A copy of a signature received through telefax transmission or other electronic means (including in Adobe PDF or similar format) shall bind the party whose signature is so received as if such signature were an original.

(e) PURCHASER may not assign any of its rights or obligations under this Agreement without the prior written consent of SSI IMAGING, INC. which consent shall not be unreasonably withheld.

(f) All Exhibits to this Agreement are expressly made a part of this Agreement as fully as though completely set forth in this Agreement.

SSI IMAGING, INC. and PURCHASER do each hereby agree and accept the terms and conditions set forth in this Exhibit.

SELLER: "SSI IMAGING, INC."

Will Henemuhle, Jr.

Will Henemuhle, Jr. (Aug 1, 2023 11:08 EDT)

SSI IMAGING, INC. Signature

PURCHASER: Riceland Healthcare Systems

Mo Danishmund

Mo Danishmund (Aug 1, 2023 10:07 CDT)

Purchaser Signature

Will Henemuhle, Jr. President

Print Name/Title and Date

08/01/2023

Mo Danishmund CFO

Print Name/Title and Date

08/01/2023



MEDICAL SALES, SERVICE and SUPPLIES
 5345 Snapfinger Woods Dr.
 Decatur, GA 30035

Date: July 25, 2023
 QUOTE # 072523WH Rev. B

To Riceland Healthcare System
 85 I-10 Frontage Rd. Ste. 111
 Beaumont TX 77707

Salesperson	Job	Payment Terms	Estimated Delivery
WPH	GE Brightspeed 16-Slice CT	30% Deposit; 60% Due Prior to Shipping; 10% Due Upon First Patient Scan	TBD

Qty	Description	Unit Price	Line Total
1	Refurbished 2012 GE Brightspeed Elite 16-Slice CT	\$165,000.00	\$165,000.00
	Fully-Refurbished System to meet and/or Exceed OEM Specifications		
	High Resolution Scanning Gantry Helios 3 LightSpeed Gantry Assy. MX-200 Performix 6.3MHU CT Tube 53 kW Hi-Frequency Generator Simultaneous Sixteen Slice Acquisition Helios Hilight 16 Slice Detector .5 Second 360 deg. Rotation Speed with Variable Speed up to 4 secs 120 Sec per Acquisition Helical 73GB Hard Disk for 250,000 Images 2.3GB MOD Drive for Dicom 3.0 Image Storage Patient Positioning Table and Slip-Ring Gantry kVp Selections - 80, 120 and 140 kVp mA Selections - 10 to 440 in 10 mA Increments		
	Patient Positioning Table 51cm (21 in.) Minimum Elevation 135cm Scannable Patient Travel 400 lb Capacity to Performance Specification (450lb max.) Metal Free Table with Metal Free Accessories		
	Software Options: Smart Prep, Smart Speed, Helical Tilt, AutomA, Power 440, Patient 16-Slice, 3000 Image Series, Direct 3D, 90kVa, CopyComposer, Direct MPR, Data Export, NeuroFilter, VolumeViewer, Connect Pro		
	System will Meet XR-29 Criteria The OEM is responsible for deeming the system compliant and providing the certification.		

	Warranty/Installation		
	<ul style="list-style-type: none"> - (12) Months Parts and Labor Warranty - (12) Month Tube Warranty - (3) Days Applications Training - (5-7) Business Days Installation 		
1	Trade-In Value of Existing GE Lightspeed 16-Slice CT	(\$15,000.00)	(\$15,000.00)
	Equipment Is Subject to Availability		
		Subtotal	\$150,000.00
		Sales Tax	TBD
		Total	\$150,000.00

Service Agreement Option:

(60) Months Service Agreement (Post Warranty)	\$4,166.67mo.	\$50,000.00
Includes: Parts, Labor and Quarterly PM's Coverage Hours: M – F; 9am – 6pm CST (Excluding Weekends and Holidays) Response Time: 4-6 Hours; 30-Mintues Phone Glassware Included Overnight Parts Shipping – Priority AM		

IMAGING PROPOSAL:

Riceland Healthcare
Brittany Givens
85 I-10 Frontage Rd Suite 111
Beaumont, Texas 77707
United States

INCO Terms 2010 Applies
CIP: Texas

Prepared By:
Gabe Stabile
Product Specialist
(614) 260-0365
gabe.stabile@blockimaging.com



Product Description	Price
Refurbished 2012 GE Optima 520 CT Solarix tube SW options : Smart Prep, Helical Tilt, AutomA, Patient 16 slice, 3000 Image Series, Direct 3D, Copy Composer, Direct MPR, Data Export, Lite Power 350, Helical 120 sec, 0.8 Second Scan, Enhanced Recon, ASIR, Volume Viewer, Connect Pro, Denta Sca	\$200,000
Deinstall Professional deinstallation and removal of site's current GE Lightspeed 16 Slice CT Scanner.	

Subtotal	200,000
Taxes (Estimated)	16,500
Total Purchase Price	USD 216,500

Actual tax due upon final invoice

NOTES: Price includes: Equipment, insurance, delivery to site, installation, and service as outlined below.

In an effort to pave the way for a successful delivery and set-up, the Buyer is responsible for ensuring that the site is ready for installation no later than 9/30/2023 ('Site Readiness date'). Site readiness includes, but is not limited to, the following: shielding (lead or RF), electrical wiring, panels, UPS units, unistrut, and transformers. Unless otherwise stated, the Buyer is also responsible for applications training on the equipment.

Service Coverage offered or included under this Imaging Proposal is for a Block Imaging Service Agreement with the main features indicated below. The comprehensive terms and conditions are found online at: <https://www.blockimaging.com/terms/pssc2x>

Service Terms:

Inclusions: Parts, Labor, travel, Glassware Coverage

Coverage Term: 12 Month with repairs being performed during normal business hours (Mon - Fri, 8am - 5pm) excluding holidays

Preventative Maintenance Visits: 2 per Year, which may be performed during normal business hours (Mon - Fri, 8am - 5pm) excluding holidays

98% Uptime Guarantee

PAYMENT TERMS:

(Via bank wire transfer)

Deposit of 20% of the total purchase price (less tax if applicable) due with signed agreement.

Payment of 70% of the total purchase price due prior to refurbishment.

Balance due upon completion of installation.

Price includes professional deinstallation and removal of site's current GE Lightspeed 16 Slice CT Scanner.

BUYER ACCEPTANCE:

Riceland Healthcare

SELLER:

Block Imaging International, Inc.

Accepted by: _____

Accepted by: _____

Signature & Date: _____

Signature & Date: _____

Buyer acknowledges and agrees that any export or transshipment of this Equipment, technology or software will be done in accordance with the United States Export Administration Regulations and the Office of Foreign Assets Control restrictions.

By signing, parties agree to enter this binding contract subject to the terms and contained herein and those located online at <https://www.blockimaging.com/terms/ies29r> (which are hereby incorporated by reference) for the date range including the date this Agreement is fully executed. The individuals signing for their respective parties represent that they are authorized to bind their party to this Agreement.

BANKING INFORMATION: ALL BANK WIRE FEES TO BE PAID BY THE SENDER

	US \$ & All Other Currency	ACH or EFT Transactions
Bank Name:	JPMorgan Chase Bank, N.A. New York, NY 10004	JPMorgan Chase Bank, N.A. New York, NY 10004
International Swift Code:	CHASUS33	CHASUS33
Routing Number:	021000021	072000326
Beneficiary:	Block Imaging International, Inc. 1845 Cedar St., Holt, MI 48842, USA	Block Imaging International, Inc. 1845 Cedar St., Holt, MI 48842, USA
Account Number:	687153366	687153366

IMAGING PROPOSAL:

Riceland Healthcare
Brittany Givens
85 I-10 Frontage Rd Suite 111
Beaumont, Texas 77707
United States

INCO Terms 2010 Applies
CIP: Texas

Prepared By:
Gabe Stabile
Product Specialist
(614) 260-0365
gabe.stabile@blockimaging.com



Product Description	Price
Refurbished 2008 GE Brightspeed Elite 16 Slice CT 6.3 MHU Tube TIO Console Software options: Smart Prep, Patient 16 Slice, Auto mA, Direct-3D, Direct-MPR, Helical Tilt, 3000 Image Series, Data Export , Volume Viewer, Copy Composer, Enhanced Recon, ASIR, SmartScore Pro, Connect Pro, Smart Speed, Power 440, 90 KVA, CardIQSnapshot, Noise Reduction Filter, EKG Viewer	\$170,000
Deinstall Professional deinstallation and removal of site's current GE Lightspeed 16 Slice CT scanner.	

Subtotal	170,000
Taxes (Estimated)	14,025
Total Purchase Price	USD 184,025

Actual tax due upon final invoice

NOTES: Price includes: Equipment, insurance, delivery to site, installation, and service as outlined below.

In an effort to pave the way for a successful delivery and set-up, the Buyer is responsible for ensuring that the site is ready for installation no later than 9/30/2023 ('Site Readiness date'). Site readiness includes, but is not limited to, the following: shielding (lead or RF), electrical wiring, panels, UPS units, unistrut, and transformers. Unless otherwise stated, the Buyer is also responsible for applications training on the equipment.

Service Coverage offered or included under this Imaging Proposal is for a Block Imaging Service Agreement with the main features indicated below. The comprehensive terms and conditions are found online at: <https://www.blockimaging.com/terms/pssc2x>

Service Terms:

Inclusions: Parts, Labor, travel, Glassware Coverage

Coverage Term: 12 Month with repairs being performed during normal business hours (Mon - Fri, 8am - 5pm) excluding holidays

Preventative Maintenance Visits: 2 per Year, which may be performed during normal business hours (Mon - Fri, 8am - 5pm) excluding holidays

98% Uptime Guarantee

PAYMENT TERMS:

(Via bank wire transfer)

Deposit of 20% of the total purchase price (less tax if applicable) due with signed agreement.

Payment of 70% of the total purchase price due prior to refurbishment.

Balance due upon completion of installation.

Pricing includes professional deinstallation and removal of site's current GE Lightspeed 16 slice CT.

BUYER ACCEPTANCE:

Riceland Healthcare

SELLER:

Block Imaging International, Inc.

Accepted by: _____

Accepted by: _____

Signature & Date: _____

Signature & Date: _____

Buyer acknowledges and agrees that any export or transshipment of this Equipment, technology or software will be done in accordance with the United States Export Administration Regulations and the Office of Foreign Assets Control restrictions.

By signing, parties agree to enter this binding contract subject to the terms and contained herein and those located online at <https://www.blockimaging.com/terms/ies29r> (which are hereby incorporated by reference) for the date range including the date this Agreement is fully executed. The individuals signing for their respective parties represent that they are authorized to bind their party to this Agreement.

BANKING INFORMATION: ALL BANK WIRE FEES TO BE PAID BY THE SENDER

	US \$ & All Other Currency	ACH or EFT Transactions
Bank Name:	JPMorgan Chase Bank, N.A. New York, NY 10004	JPMorgan Chase Bank, N.A. New York, NY 10004
International Swift Code:	CHASUS33	CHASUS33
Routing Number:	021000021	072000326
Beneficiary:	Block Imaging International, Inc. 1845 Cedar St., Holt, MI 48842, USA	Block Imaging International, Inc. 1845 Cedar St., Holt, MI 48842, USA
Account Number:	687153366	687153366



Quote

MEDICAL SALES, SERVICE and SUPPLIES
 2195 Pendley Rd.
 Cumming, GA 30041
 866.750.7744 p

Date: July 25, 2023
 QUOTE #031119WH-E Rev. A
 EXPIRATION DATE: 30-Days

To Riceland Medical Center
 538 Broadway
 Winnie, TX 77665

Salesperson	Job	Payment Terms	Estimated Delivery
	GE Lightspeed 16-Slice with First Scan Warranty	70% Deposit; 30% Upon Clinical Acceptance	30 Days from Deposit Received

Qty	Description	Unit Price	Line Total
1	GE Lightspeed 16-Slice CT With ASIR	\$205,000.00	\$205,000.00
	Fully-Refurbished System to meet and/or Exceed OEM Specifications		
	Software Revision: 12BW13.7_SP1-1-1.HP_P_G16_G_HPT Gantry Type: HP60 PDU Type: NGPDU		
	System Options:		
	Smart Prep, AutoMA, Helical Tilt, Direct -3D, 3000 Image Series, Direct-MPR, Data Export, CopyComposer, Patient 16 slice, Smart Speed, Power440, 90KV, Enhanced Reco, ASIR , Real Time CT Fluoro, VolumeViewer, Connect Pro, Exam Split		
	Warranty/Installation	Incl.	Incl.
	- First Scan Warranty - (1) Days Applications Training - (5) Business Days Installation		
	Equipment Is Subject to Availability		
		Subtotal	\$205,000.00
		Sales Tax	TBD
		Total	\$205,000.00

Terms:

1. The Equipment Shall be Delivered on or before 30 Days from Signed and Deposit Received (“Delivery Date”) at 538 Broadway, Winnie, TX 77665. Absolute Medical Imaging shall pay all transportation costs.
2. This Equipment is sold with a First Scan Warranty. AMI reserves the right to use “certified used” parts for any warranty claims at its sole discretion. Warranty begins on the day of Clinical Acceptance for First Clinical Patient, whichever happens first.
3. 70% Deposit is required at time of contract acceptance. 30% Balance will be due upon Clinical Acceptance.
4. Installation, set up and (1) days of applications training is included in this contract.
5. All terms and conditions of this contract are confidential. This quote is subject to the Terms and Conditions included in the Equipment Purchase Agreement.
6. This quote is contingent upon the availability of the equipment, which is subject to prior sale.

Quotation prepared by: James Stegall

NOTE: A dedicated phone line or Secure VPN access is mandatory on all products that are capable of remote diagnostics. It is the customer’s responsibility both physically and financially to install or have installed and maintain such access. It is the customer’s responsibility both physically and financially for all room modifications such as, and not limited to, proper electrical, plumbing and structural per manufacturer’s specifications. AMI will provide all necessary drawings.

Thank you for your business!

Absolute Medical Imaging, Inc. 866.750.7744 o 843.815.4676 f

EXHIBIT A

STANDARD TERMS AND CONDITION

1. **INCORPORATION OF ADDITIONAL TERMS AND CONDITIONS:** This Exhibit is an integral part of ABSOLUTE MEDICAL IMAGING, INC.’s offer to sell the Equipment to PURCHASER. By signing the Agreement and the Exhibit and returning it to ABSOLUTE MEDICAL IMAGING, INC., PURCHASER hereby accepts all of the terms and conditions set forth in this Agreement, including, but limited to the terms set forth in this and any other Exhibit.

2. **DEFAULT:**

(a) If ABSOLUTE MEDICAL IMAGING, INC. fails to deliver the Equipment within 45-Days after the Delivery Date **TBD** then PURCHASER shall have the right to cancel this Agreement and receive a full refund of any and all funds paid to ABSOLUTE MEDICAL IMAGING, INC., including, but limited to all deposits and prepayments. The aforementioned refund shall be PURCHASER’s sole and exclusive remedy.

(b) If PURCHASER fails to comply with the payment terms described on the first page of this Agreement, and such non-payment continues for a period of five (5) business days after such payment due date, then in addition to any and all rights and remedies available to ABSOLUTE MEDICAL IMAGING, INC. at law or equity, ABSOLUTE MEDICAL IMAGING, INC. shall have the right to cancel this Agreement and retain any and all funds paid to ABSOLUTE MEDICAL IMAGING, INC., including, but limited to all deposits and prepayments.

(c) In the event ABSOLUTE MEDICAL IMAGING, INC. agrees to accept multiple payments to satisfy the Purchase Price which shall be paid over a period of time, PURCHASER hereby grants ABSOLUTE MEDICAL IMAGING, INC. a purchase money security interest under the UCC in all Equipment to secure full payment for such goods is received.

PURCHASER shall execute any documents required by ABSOLUTE MEDICAL IMAGING, INC. to perfect such security interest in the Equipment, and where permitted PURCHASER hereby authorizes ABSOLUTE MEDICAL IMAGING, INC. to sign and file the same without PURCHASER's signature. PURCHASER agrees to pay any and all expenses related to the preparation and filing of such documents.

3. **TRANSFER OF TITLE:** Upon ABSOLUTE MEDICAL IMAGING, INC.'s receipt of the full Purchase Price, ABSOLUTE MEDICAL IMAGING, INC. shall assign, transfer and convey all of its right, title and interest in the Equipment to PURCHASER, free and clear of all liens and encumbrances.

4. **INSTALLATION, TURNOVER AND ON-SITE APPLICATIONS TRAINING:**

(a) ABSOLUTE MEDICAL IMAGING, INC. shall provide PURCHASER with site planning assistance including preliminary/final room drawings. ABSOLUTE MEDICAL IMAGING, INC. shall only perform commercially normal installation.

(b) PURCHASER shall be responsible to prepare the site in accordance with the site plan and the specifications of the Original Equipment Manufacturer (OEM). All applicable, licenses and/or permits shall be the responsibility of the PURCHASER.

(c) ABSOLUTE MEDICAL IMAGING, INC. shall provide **1-day** on-site applications training. The training schedule is generally 4-5 days following the turnover of the Equipment. Training is approved for CEU's.

(d) The following services shall not be provided by ABSOLUTE MEDICAL IMAGING, INC.: (i) Installation of air conditioning units, water chillers, and electrical panels and related equipment and environmental which shall be performed by licensed contractors hired by PURCHASER. (ii) Site modifications and renovations to the installation site as would be required by Original Equipment Manufacturer (OEM) specifications.

(e) The procedure for the installation and turnover of the Equipment, along with on-site applications training is as follow: (i) Upon the delivery of the Equipment and upon PURCHASER's completion of site preparation, ABSOLUTE MEDICAL IMAGING, INC. shall commence installation the Equipment (in accordance with the provision set forth in paragraphs (a) and (b) above); provided that if Purchaser delays the installation of the Equipment or the site has not been properly prepared by Purchaser for installation within 5 business days of the Delivery Date, then the installation and turnover of the Equipment shall be deemed accepted. Further, shall pay ABSOLUTE MEDICAL IMAGING, INC. a storage fee in the amount of \$1,500.00 per month, and such fees shall be due and payable prior to the delivery and installation of the Equipment at the site. (ii) ABSOLUTE MEDICAL IMAGING, INC. shall schedule and provide Purchaser's employees with application training for the Equipment (in accordance with the provision set forth in paragraph (c) above) upon completion of the installation of the Equipment; provided however, if Purchaser delays the application training by more than 5 business days, then the installation and turnover of the Equipment shall be deemed accepted. (iii) Upon completion of the installation of the Equipment and the applications training, ABSOLUTE MEDICAL IMAGING, INC. shall provide Purchaser with a Certificate of Acceptance which shall provide that: (A) the Equipment has been properly installed and the Equipment meets or exceeds the original specifications of the original equipment manufacturer, and (B) the application training has been completed. (iv) Purchaser shall have 5 business days from the receipt of the Certificate of Acceptance to provide ABSOLUTE MEDICAL IMAGING, INC. with either: (A) written acceptance to the installation and turnover of the Equipment; or (B) provide ABSOLUTE MEDICAL IMAGING, INC. with written notice which describes any issues relating to the Equipment's conditions or specifications, the installation of the Equipment or the application training. (v) If Purchaser fails to provide ABSOLUTE MEDICAL IMAGING, INC. with a written response to the Certificate of Acceptance in accordance with subparagraph (iv) above, then the installation and turnover of the Equipment shall be deemed accepted.

5. **RISK OF LOSS:** The risk of loss from any damages or casualty to the Equipment shall pass from ABSOLUTE MEDICAL IMAGING, INC. to PURCHASER when the Equipment is duly delivered inside the CUSTOMER's site.

6. **LIMITED WARRANTY:**

(a) Subject to the provisions set forth below, ABSOLUTE MEDICAL IMAGING, INC. shall provide a limited First-Scan Warranty period commencing on the earlier of: (i) acceptance of the Equipment by PURCHASER (in accordance with the terms set forth on Exhibit "A"), or (ii) first clinical use and billing of patient ("Warranty Period"). The warranty coverage period is M-F, 8am-5pm, excluding holidays.

(b) ABSOLUTE MEDICAL IMAGING, INC. warrants that the Equipment is free from defects in material or workmanship under normal use and service. There shall be no warranty on consumables. The limited warranty shall cover all parts and labor, provided, however, the warranty period relating to tube coverage shall be limited to **First-Scan**.

(c) Any Equipment found to be defective during the "Warranty Period shall be repaired or replaced free of charge, provided that PURCHASER satisfies all of the following conditions: (i) PURCHASER gives written notice of the defect (with reasonable relevant information) to ABSOLUTE MEDICAL IMAGING, INC. as soon as reasonably practicable and within the Warranty Period; (ii) the Equipment has been used solely for its proper purpose and in accordance with the operating instructions specified by the original equipment manufacturer (including, but not limited to meet or exceed the proper power requirements in accordance with the specifications of the original equipment manufacturer and all HVAC requirements); (iii) the defect has not been caused by fire, accident, misuse, neglect, incorrect installation by PURCHASER or its customers, agents or servants, (iv) there has been no unauthorized alteration, repair or maintenance or the use of sub-standard consumables; (v) the defect has not arisen from any design, specification, component or material supplied by or on behalf of PURCHASER; (vi) no part of the Equipment has been replaced with a part not supplied or approved by

ABSOLUTE MEDICAL IMAGING, INC.; (vii) all repairs to the Equipment have been made by personal of ABSOLUTE MEDICAL IMAGING, INC. or approved by ABSOLUTE MEDICAL IMAGING, INC.; (viii) PURCHASER has made all payments due and owing to ABSOLUTE MEDICAL IMAGING, INC.. In the event PURCHASER fails to meet the requirements set forth in sub-paragraph (c)(ii) above, ABSOLUTE MEDICAL IMAGING, INC. shall have the right to impose additional charges to PURCHASER or void the limited warranty set forth herein, as provided by ABSOLUTE MEDICAL IMAGING, INC. in its sole discretion.

(d) PURCHASER shall be liable for any costs incurred by ABSOLUTE MEDICAL IMAGING, INC. in responding to claims caused by operator error or incorrect application or other default of PURCHASER or other third party;

(e) PURCHASER shall pay the costs of all consumables.

(f) ABSOLUTE MEDICAL IMAGING, INC., at its sole discretion, shall determine whether to replace or repair the Equipment.

(g) If a part fails within this Warranty Period and is replaced or repaired, then the new part will have a warranty period equal to the remaining period of the part that failed.

(h) ABSOLUTE MEDICAL IMAGING, INC., at its option and sole discretion, may repair the Equipment at the site of PURCHASER or direct PURCHASER to have the Equipment returned to ABSOLUTE MEDICAL IMAGING, INC.'s premises. If repairs are made at the location of PURCHASER, ABSOLUTE MEDICAL IMAGING, INC. will not charge for the cost of materials or labor but will, at its discretion, charge travelling and subsistence expenses incurred by ABSOLUTE MEDICAL IMAGING's representatives; and (i) PURCHASER shall accord ABSOLUTE MEDICAL IMAGING, INC. and its representatives or agents sufficient and timely access to the Equipment to enable its staff to inspect and adjust, repair, remove or replace the agents sufficient and timely access to the Equipment to enable its staff to inspect and adjust, repair, remove or replace the Equipment; and (j) THIS WARRANTY IS GIVEN IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY, DESCRIPTION AND FITNESS FOR PARTICULAR PURPOSE.

7. LIMITATION OF WARRANTIES AND LIABILITY, HOLD HARMLESS:

(a) PURCHASER ACKNOWLEDGES THAT ABSOLUTE MEDICAL IMAGING, INC. DID NOT MANUFACTURE THE EQUIPMENT, AND THAT EXCEPT AS SET FORTH HEREIN, ABSOLUTE MEDICAL IMAGING, INC. MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE, WITH RESPECT TO THE EQUIPMENT. THIS AGREEMENT STATES ABSOLUTE MEDICAL IMAGING, INC.'S ENTIRE OBLIGATION WITH RESPECT TO THIS TRANSACTION. EXCEPT AS SET FORTH HERIN, ABSOLUTE MEDICAL IMAGING, INC. PROVIDES NO WARRANTY OF OPERABILITY AND WILL HAVE NO LIABILITY FOR ANY FAILURE OF THE EQUIPMENT AFTER PURCHASER OR ITS AGENTS TAKE TITLE AND BEGIN DEINSTALLATION. IN NO EVENT WILL ABSOLUTE MEDICAL IMAGING, INC. OR ITS AGENTS BE LIABLE FOR ANY CONSEQUENTIAL OR INCIDENTAL DAMAGES, INCLUDING LOSS OF USE, PROJECTED PROFITS, OR OTHER FINANCIAL LOSSES DERIVING FROM THE SALE OR USE OF THE ABOVE MENTIONED EQUIPMENT, NOR SHALL ABSOLUTE MEDICAL IMAGING, INC. OR ITS AGENTS BE LIABLE FOR ANY DAMAGES FOR BODILY INJURY.

(b) PURCHASER AGREES TO INDEMNIFY, DEFEND, AND HOLD HARMLESS ABSOLUTE MEDICAL IMAGING, INC. AGAINST ANY AND ALL CLAIMS JUDGMENTS, COSTS (INCLUDING ACTUAL ATTORNEY FEES), EXPENSES, OR OTHER LOSSES TO ANY PERSON, GROUP OR ENTITY, DERIVING FROM ABSOLUTE MEDICAL IMAGING, INC.'S SERVICES. IN THE EVENT THAT THE TRANSFER IS NOT COMPLETED FOR ANY REASON, INCLUDING FORCE MAJEURE, ACTS OF WAR OR GOD, OR WITHDRAWAL OF THE EQUIPMENT FOR SALE, THE SOLE LIABILITY OF ABSOLUTE MEDICAL IMAGING, INC. SHALL BE LIMITED TO THE RETURN OF ALL MONIES ALREADY PAID TO ABSOLUTE MEDICAL IMAGING, INC. BY PURCHASER, INCLUDING DEPOSITS. PURCHASER WILL HAVE NO OTHER REMEDY UNDER LAW FOR ANY REASON WHATSOEVER, INCLUDING BUT NOT LIMITED TO LOSS OF USE OR DERIVATIVE PROFITS OR ANY OTHER DAMAGES.

8. SOFTWARE:

(a) PURCHASER acknowledges and agrees that ABSOLUTE MEDICAL IMAGING, INC. has no rights, titles, and interest in and to software relating to the Equipment, and that ABSOLUTE MEDICAL IMAGING, INC. has no right to grant any licenses thereunder. PURCHASER further acknowledges and agrees that all, rights, title and interest in such software remains with the original equipment manufacturer ("OEM").

(b) ABSOLUTE MEDICAL IMAGING, INC. make no representations and warranties to PURCHASER that the software was properly installed in the Equipment and that it will perform substantially as described in the OEM's specification for the Equipment.

(c) By executing this Agreement, the PURCHASER hereby designates ABSOLUTE MEDICAL IMAGING INC. as PURCHASER's attorney in fact, with full power and authority to act on PURCHASER's behalf with the OEM in connection with obtaining the necessary software from the OEM to operate, repair or maintain the Equipment.

9. TAXES: Any sales, use, property, or other taxes or regulatory fees applicable to this transaction will be in addition to the purchase price quoted, and shall be due and payable by PURCHASER. PURCHASER shall provide to ABSOLUTE MEDICAL IMAGING, INC. proof of any claimed exemption from the foregoing items.

10. SUBCONTRACTORS: ABSOLUTE MEDICAL IMAGING, INC. reserves the right to utilize sub-contracts for any of the required to meet its obligations under this Agreement.

11. APPLICABLE LAW, ARBITRATION, LITIGATION, JURISDICTION, AND VENUE:

(a) This Agreement shall be governed by and interpreted by the laws of the State of Georgia. Any Controversy or Claim arising out of or in relation to this Agreement, or breach thereof, shall be submitted to binding arbitration. Any such arbitration shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association, but not necessarily administered by the American Arbitration Association. The venue of any such arbitration shall be the State of Georgia. Any controversy will be submitted to a panel of three arbitrators. PURCHASER and ABSOLUTE MEDICAL IMAGING, INC. shall each select one arbitrator and those arbitrators shall select a third arbitrator. Any arbitrator must be a member of the Georgia Bar Association. The fees for the arbitrators will be levied as follows: PURCHASER and ABSOLUTE MEDICAL IMAGING, INC. will each be responsible for paying the respective fee of the arbitrator they selected. PURCHASER and ABSOLUTE MEDICAL IMAGING, INC. will each pay fifty percent (50%) of fees charged by the third arbitrator. Judgment upon the award rendered by the arbitrators may be entered and enforced by any court having jurisdiction. The prevailing party in arbitration shall be awarded all costs incurred in connection with the pursuit of its claims, including filing fees, arbitrators' fees, and reasonable attorney fees.

(b) PURCHASER hereby consents to personal jurisdiction in the State of Georgia and to venue in the county or federal district in which ABSOLUTE MEDICAL IMAGING, INC. maintains its headquarters.

12. ENTIRE AGREEMENT, NON-CANCELLATION: This Agreement (and all exhibits) represents the entire agreement between the parties, is a final expression of that agreement, is non-cancelable, and supersedes any previous oral or written agreements between the parties. Any changes must be in writing signed by both parties. This Agreement will not be binding until signed by both parties, and can be withdrawn by either party at any time, without notice, prior to signature by either party.

13. MISCELLANEOUS PROVISIONS:

(a) Paragraph headings used in this Agreement are of no legal effect;

(b) If any provision contained in this Agreement is determined to be invalid, illegal or otherwise unenforceable, the remaining provisions shall be fully enforceable;

(c) Any forbearance by either party from enforcing any term of this Agreement shall not constitute a waiver of any right under this Agreement, unless stated in writing;

(d) This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement. A copy of a signature received through telefax transmission or other electronic means (including in Adobe PDF or similar format) shall bind the party whose signature is so received as if such signature were an original.

(e) PURCHASER may not assign any of its rights or obligations under this Agreement without the prior written consent of ABSOLUTE MEDICAL IMAGING, INC. which consent shall not be unreasonably withheld.

(f) All Exhibits to this Agreement are expressly made a part of this Agreement as fully as though completely set forth in this Agreement.

ABSOLUTE MEDICAL IMAGING, INC. and PURCHASER do each hereby agree and accept the terms and conditions set forth in this Exhibit.

SELLER: "ABSOLUTE MEDICAL IMAGING, INC."

PURCHASER: Riceland Medical Center

ABSOLUTE MEDICAL IMAGING, INC. Signature

Purchaser Signature

Print Name/Title and Date

Print Name/Title and Date

Exhibit “F”



August 16, 2023

To: Winnie-Stowell Hospital District Board of Directors
From: Kaley Smith, CEO; Coastal Gateway Health Center
Re: Fire, Security, and Access Control System for New Building

Discussion:

The new Ramtech building for the community health center needs a fire alarm system to meet Chambers County fire and safety occupancy code.

The health center reached out to three (3) vendors in the Beaumont area to secure quotes/bids for fire alarm, burglary/security (including cameras), and access control (magnetic door locks, badging systems). After further review of all the vendors pricing/bids for all three components, the recommendation is to only consider the ‘fire’ portion of each quote. The ‘security/burglary’ and ‘access control’ will be handled in a separate manner (by either other external vendors or other measures).

For example, for security/burglary, will be looking into a wireless camera/burglary system using web-based technology (such as Nest or Simplisafe). For access control, in lieu of using a badging (or key fob) system and magnetic locking system, using keypad access for designated locations.

Pricing:

<u>Company/Vendor</u>	<u>Fire</u>	<u>Security/Burglary</u>	<u>Access Control</u>	<u>Total Cost</u>
Advanced Systems/Alarm Services	\$ 9,888.00	\$ 9,895.00	\$ 10,000.00	<u>\$ 29,783.00</u>
Texas Fire and Communications	\$ 14,850.00	\$ 7,275.00	\$ 15,720.00	<u>\$ 37,845.00</u>
Front Line Security, LLC	\$ 7,479.00	\$ 3,767.00	\$ 5,327.00	<u>\$ 16,573.00</u>

Each company requires a 50% deposit prior to beginning any work. Final payment would be issued after passing final fire and safety inspection by Chambers County Fire Marshall.

Recommendation:

The recommendation is to approve **Advanced Systems/Alarm Services** as the company to install fire alarm system only (**\$9,888.00**).



August 10, 2023

To: Coastal Gateway Health Clinic
Attn: Kaley Smith
From: Wayne Duerler

Re: Revision_2, Requested break out of each system for independent purchase consideration. Separate proposals for a Burglar Alarm, CCTV Camera, Access Control Systems and a code compliant full coverage Fire Alarm System for the Coastal Gateway Health Clinic located at 2584 SH 124, Winnie, Texas 77665

Kaley I was able to lock in a couple discounts on equipment and save you a little money breaking these systems out for you. Please see the revised project proposal and pricing for four independent systems we discussed at the Coastal Gateway Health Clinic.

CCTV IP Camera System:

- 1-Tough Dog NVR (final location to be determined)
- 1-24" Flat Screen Monitor (final location to be determined)
- 1-Keyboard & Mouse
- 5-Surface Mount Back Boxes
- 4-TD Bullet Style IP low light cameras w/IR emitters and vera focal lens (outside perimeter)
- 1- TD Dome Style IP low light cameras w/IR emitters (final location to be determined)
- 5-Digital Watchdog IP Camera licenses
- 1-Dy-Tek CCTV Head-in Equipment in-line Surge Protector
- 1-Lot Installation Material, CAT-6 Wire, Labor and Hardware
- 1-Lot System programing and Customer education

Material and Installation:

Sub-\$ 7,945.00
Tax-\$ 655.46
Ttl- \$ 8,600.46

Fire Alarm System (full coverage):

- 1 -NAPCO Addressable Fire Alarm Control Panel
- 2 -Back Up Batteries
- 1 -Starlink Fire Alarm Communicator
- 1 -Document Box
- 2 -Manual Pull Stations (code coverage)
- 6 -Smoke Detectors (code coverage)
- 15-135° Heat Detectors (code coverage)
- 2 -Air Handler Shut Down Relay Modules
- 13-Ceiling/wall Mount Horn Strobes (code coverage)
- 4 -Ceiling/wall Mount Strobes (code coverage)
- 1 -Outdoor Horn Strobe

- 1 -Lot of back boxes, conduit, bar hangers, connectors and fire wire
- 3 -Fire Alarm Plan modifications & As-builts
- 1 -Permit
- 1 -Final Inspection with the Chambers County Fire Marshall

Material and Installation: **Sub-\$ 9,888.00**
Tax- \$ 815.76
Ttl-\$ 10,703.76

Monthly Fire System Monitoring: **\$ 60.00 + tax**
(Monitoring agreement and customer data base required prior to the system installation)

Burglar Alarm System:

- 1-NAPCO Control/Keypad
- 2-Wireless Door Contacts
- 2-Wireless Motion Detectors
- 2-Wireless Panic Buttons (locations to be determined)
- 1-Inside Siren
- 1-Communicator

Material and Installation: **Sub-\$ 1,950.00**
Tax-\$ 160.88
Ttl-\$ 2,110.88

Monthly Burglar Alarm System Monitoring: **\$ 39.00 + tax**
(Monitoring agreement and customer data base required prior to the system installation)

Access Control System:

- 1-Continental Super 4 Control Unit
- 1-ASA Computer Module
- 1-Network Module
- 4-Surface installed Proximity Readers
- 1-Kit of 100 Proximity Cards
- 3-Surface installed 600LB Magnetic Locks
- 1-1,200 Surface installed Magnetic Lock
- 4-Request to Exit Buttons
- 2- Request to Exit Motion Detectors
- 1-Napco Relay Module, this is required between the fire and access control systems to drop power and release the secured doors/locks in the event of a fire alarm.

Material and Installation: **Sub-\$ 10,000.00**
Tax-\$ 825.00
Ttl-\$ 10,825.00

Purchase Payment:

Purchase payment, I do require a 50% down payment upon approval of the final proposal(s) acceptance, we will invoice the remaining balance upon completion of the proposed systems installation. Final invoice balance will be due upon completion and prior to the Chamber County Fire Marshalls final acceptance and occupancy test.

Combined Monthly Fire and Burglar Alarm Monitoring Total: \$ 99.00 + tax

Annual Fire Alarm and Fire Extinguisher Inspections: \$ 150.00 + tax

Exclusions:

*Aiphone analog or IP Networkable Intercom voice & visual system
Electrical, Plumbing A/C Mechanical, Concrete, Steel, Wood or Carpenter work
Surface Installed Metal Duct or Conduit
Back filling ceilings, walls or floor damage or repairs (inside or outside)
Door or door frame repairs
Damaged or broken glass repairs or replacement
Fire Sprinkler System installation, additions, repairs or replacement
Life Safety Fire System or Gas Detection System
Low Voltage, Networking, Computer, Telephone or low voltage structured wiring
General Wire/cable Repairs*

Scope of Work:

Installation of a code compliant automatic addressable fire alarm system, and also a burglar alarm, CCTV Camera and Access Control system in areas of concern and requested coverage by the owner's representative.

This proposal of four low-voltage systems is based on independent system installations and not as a combined turn-key project, once all or selected projects are approved, I can provide you an estimate of equipment delivery and scheduled installation dates.

Special Notes:

We are experiencing a two-to-four-week delivery of equipment after the proposal approval date and down payment. Once approved we will submit our orders to our vendors. During the delivery wait time we can schedule the proposed systems prewire and installation preparations.

You may be required to have a KNOX BOX installed for the Fire Departments access into the building. This "lock box" is a surfaced mounted secured key/Fob box. You may obtain this item through the Chambers County Fire Marshalls Office.

General Qualifications:

- The proposed pricing will remain valid until November 30, 2023
- All work to be done during normal business hours Monday-Friday 8am-5pm.
- If sales taxes are not applicable a current (*) exemption or resale certificate will be required upon acceptance of this proposal.
- Fire Alarm System Equipment warranty carries a conditional three (3) warranty.
- Fire Alarm System Labor Warranty is a one (1) year conditional warranty.

- If any modifications or additions to the fire alarm/life safety system are required by the Customer, Owner, Authority having Jurisdiction or General Contractor a change order from ASAS will be submitted for approval prior for any additional work is to be performed beyond this listed scope and equipment list.
- *Acceptance of this quote is acceptance of A.S.A.S. basic qualifications.*

I appreciate this opportunity to be of service, if you have any questions or would like to move forward with one or both of these proposed projects, please call me so we may work out the logistics of the project(s).

Very respectfully,

Wayne Duerler

Wayne Duerler
Advanced Systems
O) 409-840-2077
wayne@texasalarms.com

Acceptance of Proposal: *The above pricing and conditions are satisfactory, understood and are hereby accepted. Advanced Systems is authorized to begin the work as specified.*

Signature: _____ Date: _____
(Authorized to accept proposal)

BEAUMONT – TYLER – DFW AREA

8030 Eastex Freeway
Beaumont, TX 77708

"When Quality Counts"

Security License # B-11071



Phone: (409)892-4200

Fax: (409)892-4202

www.txfireinc.com

Fire License # ACR-1839

QUOTE

Fire Alarm Security Sound Intercommunications CCTV Access Monitoring

DATE: 8/7/23

JOB:
ATTN:

Coastal Gateway Health Center
Kaley Smith

SCOPE OF WORK

Provide and install a commercial fire alarm system to meet code. System will be monitored using a wireless fire alarm communicator.

Quantity	Description			
1	Siemens Addressable Fire Alarm Control Panel			
1	Siemens Remote Annunciator			
2	Siemens Addressable Pull Stations			
9	Siemens Addressable Smoke Detectors			
14	Siemens Addressable Heat Detectors			
2	Siemens Addressable AHU Shutdown Relays			
14	Siemens Strobes			
4	Siemens Horn/Strobes			
1	Siemens Weatherproof Horn/Strobe			
1	Napco Starlink Wireless GSM Communicator			
2	Backup Batteries			
1	Document Box			
1 Lot	Plans, Permit, Test and Certification			
1 Lot	Plenum Fire Alarm Cable			
1 Lot	Labor			
		Lump Sum	\$	14,850.00
		Monthly Monitoring Fee (Tax Excluded)	\$	55.00

Notes & Clarifications

1. All conduit and 120vac is to be provided by others.
2. A down payment of 50% is due upon acceptance. Remaining balance will be due at time of completion.
3. Due to global supply chain delays, a completion date cannot be guaranteed.

Quote is Good For 30 Days.

Thank you for your time and consideration, we will follow up shortly as to the status of this quote.

Adam McIntyre

Adam McIntyre
General Manager

Quote Accepted By: _____
Date: _____

**Front Line Security, LLC
P.O. Box 7391
Beaumont, Texas 77726
(409) 861-3088**

Aug 15, 2023

Re: Fire Alarm System for Coastal Gateway

FRONT LINE SECURITY, LLC proposes to install a U.L. Listed Fire Alarm System in accordance with NFPA 72 and Local Fire Codes in Winnie as follows:

- I. The List of Fire Alarm equipment in the office area only to satisfy these requirements is as follows:**
 - A. Fire Alarm Control Panel with battery back-up**
 - B. Cellular Unit for Wireless Communication**
 - C. 9 Smoke Detectors**
 - D. 2 Manual Pull Stations**
 - E. 15 135 Degree Heat Detectors**
 - F. 12 Visuals**
 - G. 7 Audio/Visuals**
 - H. 1 A/C Shutdown Relay**
- II. The cost for installation and inspection is \$7,479.00**
 - A. Front Line Security will provide all materials needed.**
 - B. Front Line Security will provide plans and permits required.**
 - C. Front Line Security will obtain final inspection with the Winnie Fire Marshal's Office.**

**** Customer to provide 110volt dedicated circuit with lockout on breaker to Fire Control Panel.**

Installation prices subject to applicable state and local sales tax.

Thanks again for the opportunity to provide you with your fire alarm needs. If you have any question, you may reach me at the office 409-861-3088.

**Thanks again,
Clayton Davis
FRONT LINE SECURITY**

**Front Line Security, LLC
P.O. Box 7391
Beaumont, Texas 77726
(409) 861-3088**

Coastal Gateway

FRONT LINE SECURITY proposes to furnish all labor and materials necessary to install an Access Control System as follows:

- I. WIRELESS SECURITY ALARM SYSTEM**
 - A. Access Control Panel with battery back-up and Power Supply**
 - B. Access Control Fob (50 count)**
 - C. Self- contained Indoor access control keypad**
 - D. 600# Maglock**
 - E. Push Button Release (momentary)**
 - F. Push Button Request to Exit Single Gang**
 - G. Request to Exit Motion**

INSTALLATION SALES PRICE.....\$5,327.00

II. All Prices Subject to State and Local Sales Tax.

Thanks again for the opportunity to provide you with your security alarm needs. If you have any question, you may reach me at the office 409-861-3088.

**Thanks again,
Clayton Davis
FRONT LINE SECURITY**

Front Line Security, LLC
P.O. Box 7391
Beaumont, Texas 77726
(409) 861-3088

Coastal Gateway

FRONT LINE SECURITY, LLC proposes to furnish all labor and material necessary to install a Camera System as follows:

- I. 5 IP Bullet Cameras to be Super High Definition (8 megs)**
 - 1. Cameras are to be color by day.**
 - 2. Cameras to have Infrared Illumination capability of 120 feet at night able to provide camera images in total darkness. (Black & White)**
- II. 8 Channel Network Video Recorder to provide control functions: (Many more than listed here)**
 - 1. Adjustable frame rate on each channel. (1-30 fps)**
 - 2. Record Schedule on each Channel**
 - A. Continuous**
 - B. Scheduled**
 - C. Motion only**
 - 3. Send video over Internet to smart phone or home computer. NVR to have 4 Terabytes of storage.**
- III. 24" Flat Screen monitor for local viewing and setup.**
- IV. Pricing.....\$3,767.00**
(All prices subject to State & Local Taxes)
- V. Customer to supply:**
 - A. 110 VAC Circuit (not dedicated) to Control Equipment**
 - B. High Speed Internet with Static IP Address**
 - C. Router**

Thank you for the opportunity to survey your Security Camera needs. If you have any questions, please call the office (409) 861-3088

Thanks,

Clayton Davis
FRONT LINE SECURITY