

SABINE COUNTY HOSPITAL DISTRICT
BOARD OF DIRECTORS
MEETING MINUTES

February 26, 2018

The Sabine County Hospital District Board of Directors met for a Regular Meeting on February 26, 2018 at 5:30 PM in the Sabine County Hospital Board Room.

Present

Phil Yocom, President
Joe McNaughten, Secretary
Earl Willis, Board Member
Byron Starr, Board Member
Diane Powell, District Administrator
Chloe Schafer, EMS Administrator

Others Present

Jacy Daugherty, Administrative Assistant
Jerry Howell, Sabine County Hospital Administrator
Montez McNaughten, Citizen
Pat Ener, Citizen
Brandi Crawford, Citizen
Haylee Crawford, Citizen
Margaret Moore, Citizen
Tiffani Bradberry, Citizen
Chad Moody, Citizen
Pennie Ferguson, Daily News & More

- I. Mr. Yocom called the meeting to order at 5:30 p.m.
- II. Mr. McNaughten opened the meeting in prayer.
- III. Public Comments: None
- IV. Ms. Powell read Mr. Pearson's letter of resignation into the record. The letter stated, "To the Sabine County Hospital Board Member, I, Mark Pearson do hereby resign my position of Member at Large is effective immediately February 16, 2018 at 10am. I want to thank you for the privilege of allowing me to serve, it has been honorable and educational; but I must leave my position to pursue other potential possibilities. Thank you, Mark Pearson." Mr. Willis moved to accept Mr. Pearson's resignation. Mr. McNaughten seconded. Motion passed by raise of hands.

- V. Mr. Willis asked to delay discussing item five and move to item six. Discussion of item five began following item seven at approximately 5:35 p.m. Mr. Yocom informed Mr. Willis that the Sabine County Hospital District Board of Directors cannot change officers' positions at this time. Ms. Powell explained that the bylaws state that officers' positions can only be changed at the annual board meeting in May. Mr. McNaughten moved to table this agenda item. Mr. Yocom seconded. Motion passed by raise of hands.
- VI. Mr. Willis moved to declare unopposed candidate and to cancel the Election for the Board of Directors Member-At-Large Position. Mr. McNaughten seconded. Motion passed by raise of hands.
- VII. Mr. McNaughten moved to appoint Byron Starr to the Member-At-Large position on the Sabine County Hospital District Board of Directors. Mr. Willis seconded. Motion passed by raise of hands. Ms. Powell administered the oath of office and swore Mr. Starr into office.
- VIII. Mr. Willis moved to remove Mr. Pearson as a signatory on Sabine County Hospital District Accounts at Sabine State Bank and Southside Bank. Mr. McNaughten seconded. Motion passed by raise of hands.
- IX. Mr. Willis moved to accept the November and December financials and invoices and the February 5, 2018 Regular Meeting Minutes. Mr. McNaughten seconded. Motion passed by raise of hands. Mr. Yocom asked when Sabine County Hospital District would perform an audit for 2016 and 2017. Ms. Powell responded that it is scheduled for March.
- X. Mr. Howell presented the Hospital Administrator's Report. Mr. Howell stated that inpatient days for the month of January were 94 compared to 54 last year and swing bed days were 64 compared to 35. Mr. Howell stated that ER visits were down from December with 378 visits but still the second highest month in the last 4-5 years because of the flu. Mr. Howell stated that admits from the ER were 21 for the month versus 12 last year. Mr. Howell said that there were 467 outpatient visits and 907 clinic visits. Mr. Howell said that the flu continues to wane, but he wouldn't be surprised if the hospital saw a second wave of the flu. Mr. Howell stated that they had one positive case of the flu the previous week. Mr. Howell said that Michael Dickinson will begin working March 15 at the Toledo Bend Clinic. Mr. Howell stated that Sabine County Hospital will be changing/improving their indigent care program and charity program. Mr. Howell said that he would have more information on that when they get all the details worked out. Mr. Howell stated that one big thing that would change is that in the past, if a patient was considered qualified for charity in the clinics, it would not carry over to the hospital and now, it will. Mr. Howell stated that ultrasound echoes studies are now being completed at Sabine County Hospital by Dr. Hudson or one of his partners once a week. Mr. Yocom asked if the thresholds for indigent and charity care would be changed. Mr. Howell replied that the indigent would still follow state guidelines but if the patient falls outside of that threshold, uninsured discounts will be available. Mr. Howell also stated that charity care would be expanded. Mr. Yocom asked what the income thresholds were for

charity care. Mr. Howell responded that there are not any, but it relies on a sliding scale based on income, assets, cost, and other factors. Mr. Howell stated that if the patient is a part of other programs such as WIC and SNAP, they could automatically qualify. Mr. Willis moved to accept the hospital administrator's report. Mr. McNaughten seconded. Motion passed by raise of hands.

- XI. Ms. Schafer presented the EMS Administrator's Report. Ms. Schafer stated that Sabine County EMS had 128 calls for the month of January. Ms. Schafer stated that there were 21 refusals a lot of which were due to small wrecks caused by all the rain and cold and flu patients. Ms. Schafer said that Sabine County EMS only had one standby and assist for San Augustine County EMS for the month. Ms. Schafer said that response time was a little higher than last January due to more calls farther out in the county. Mr. Yocom clarified that response time only increased by 22 seconds. Ms. Schafer stated that there were 102 9-1-1 calls, 2 emergency facility transfers, 5 non-emergent transfers, and 19 medical facility transfers. Ms. Schafer said that most of the transfers went to Sabine County Hospital followed by CHI in Lufkin, Nacogdoches Memorial and Nacogdoches Medical. Ms. Schafer said that Hemphill and Sabine County Hospital had the most calls followed by the Nursing Homes, Pineland, and Pendleton. Ms. Schafer stated that Med 2 had a part go out on its generator and would hopefully be repaired later in the week. Mr. Willis asked if Pendleton had any first responders. Ms. Schafer responded that they do. Mr. Willis moved to accept the EMS Administrator's Report. Mr. McNaughten seconded. Motion passed by raise of hands.
- XII. Mr. Howell presented the unaudited financials for Preferred Hospital Leasing Hemphill, Inc. and stated that the audited financials would probably be ready in May. Mr. Howell stated that gross patient revenue was under budget as well as contractual adjustments. Mr. Howell stated that overall, they were about \$1 million short of their budget for net revenue for the year. Mr. Howell stated that expenses were about \$500,000 below budget. Mr. Howell stated that there was a slight increase in salaries and benefits due to changes in providers. Mr. Howell stated that there was a large adjustment this year because amounts of uncompensated care reported for the 1115 Waiver Program beginning in 2011 are now being audited. Mr. Howell stated that when the reports were originally sent, they were audited for the year that the uncompensated costs were incurred. Mr. Howell stated that the audit that is taking place now is based off when the revenue was generated. Mr. Howell stated that Preferred's accounting staff looked at the numbers from the beginning through 2017 and made a lump sum adjustment this year. Mr. Howell stated that the effect of that on the income statement was \$504,000. Mr. Howell stated that Andy Freeman made the decision to take the entire hit this year and record it as an amount due to a third party. Mr. Howell stated that this change caused net income on the income statement to become a negative and effected retained earnings on the balance sheet an equal amount. Mr. McNaughten moved to approve the unaudited financials for Preferred Hospital Leasing Hemphill, Inc. Mr. Willis seconded. Mr. McNaughten, Mr. Willis, and Mr. Starr voted for. Mr. Yocom voted against. Motion passed.
- XIII. Mr. Yocom asked to skip to item fourteen because County Judge Melton was now present. Item thirteen followed item fourteen. Mr. Yocom stated that, at the last meeting,

Mr. Pearson was appointed to the Sabine County Appraisal District Board and, since he resigned, someone else needed to be appointed to that position. Mr. Willis stated that he did not mind doing it. Mr. Starr moved to appoint Mr. Willis to the Sabine County Appraisal District Board. Mr. McNaughten seconded. Motion passed by raise of hands.

- XIV. Mr. Yocom stated that Judge Melton called and informed him that he had David Waxman searching for grants for the county and found a grant for the Sabine County Hospital District. Judge Melton stated this grant was for health and safety throughout the county in rural counties. Judge Melton stated that there is \$5 million set aside for rural counties in Texas alone through this grant. Judge Melton stated that the grant would range from \$150,000 to possibly \$500,000. Judge Melton stated that earlier in the day, the commissioners agreed to sign a letter of intent to pursue this grant for the hospital. Mr. Yocom moved that Sabine County Hospital participate in the grant program outlined by the County Judge and that Ms. Powell be the contact person for David Waxman. Mr. Willis seconded. Motion passed by raise of hands.
- XV. Mr. Yocom stated that in 2010 Sabine County Hospital District hired Acadian and they agreed to establish one ambulance in Sabine County in exchange for approximately \$300,000 a year. Mr. Yocom stated that the agreement was that whenever that ambulance went on a call, Acadian was supposed to send a second one in from Jasper. Mr. Yocom stated that it got to the point that 57% of the time response time was 45 minutes or longer. Mr. Yocom stated that in late 2013 it became an issue to the board and they did an analysis of the response time of Acadian. Mr. Yocom stated that the board at that time decided that Sabine County Hospital District could run an ambulance service and improve service. Mr. Yocom stated that originally, there was a truck that ran 24 hours a day, a truck that ran 16 hours a day, and a call-in truck, but after a while, the board decided they needed two 24-hour trucks and another 24-hour truck four days of the week based on call volume. Mr. Yocom stated that the board believed there was at least two people died prior to the establishment of Sabine County EMS because of the long response times. Mr. Yocom stated that Sabine County EMS has done a great job of serving the community, both financially and in the aspect of caring for the citizens of the county. Mr. Yocom moved to establish that Sabine County EMS cannot be diminished or eliminated without a unanimous, five-person vote by Sabine County Hospital District Board of Directors. Mr. Yocom stated that there was no way of knowing whether something will happen to cause a diminishment or elimination of Sabine County EMS, but if it were something serious enough, there would be no problem getting all five members of the board to vote for it. Mr. Starr stated that he agrees with the elimination part of the motion but that diminish was a broad term. Mr. Yocom clarified that what he meant by diminishment was that, at some point, the need for the part-time ambulance may go away. Mr. McNaughten stated that he did not see anything wrong with the motion that Mr. Yocom made. Mr. McNaughten seconded the motion. Mr. Willis stated that he has a problem with tying future board members' hands. Mr. Willis stated that Sabine County Hospital District also has a financial obligation to Preferred Hospital Leasing and if it came to a situation where the board needed to decide between the hospital and the ambulances, the board needed to be able to make that choice. Mr.

Yocom, Mr. McNaughten, and Mr. Starr voted for the motion. Mr. Willis abstained from voting. Motion passed.

- XVI. Ms. Schafer stated that the quote from Frazer was \$92,800 for the new chassis, updates to the inside and outside of the module, and reinforced flooring for the powerlift stretcher mounts for Med One. Ms. Powell stated that Med One is having some trouble and has been in the shop off and on for a couple of weeks. Ms. Powell stated that the chassis is the majority of the price and this is a basic remount. Ms. Powell stated that it is a 6-8 month wait to get Med One in for the remount. Mr. Yocom moved to approve the remount of Med One. Mr. McNaughten seconded. Motion passed by raise of hands.
- XVII. Ms. Powell presented the calculations for the FRO funds for the 2nd half of 2017. Mr. Yocom explained that, beginning in 2008, Sabine County Hospital District sets aside \$36,000 a year to be distributed twice a year to the First Responder Organizations associated with the Volunteer Fire Departments in Sabine County based on the amount of calls they respond to in a six-month period. Ms. Powell stated that while Shamrock Shores VFD's FRO is current, everyone they have listed as a first responder is expired so they can not submit runs for these funds according to the indemnity agreement. Mr. Willis moved to expend the FRO funds for the 2nd half of 2017. Mr. McNaughten seconded. Motion passed raise of hands.
- XVIII. Ms. Powell stated that the changes in the handbook reflect what was discussed in the meeting that put the current EMS Administrator in place. Mr. Willis stated that he needed more time to review the handbook. Mr. Willis moved to table this agenda item until the next meeting. Mr. McNaughten seconded. Motion passed by raise of hands.
- XIX. Mr. Yocom moved to allow the District Administrator and EMS Administrator to attend the EMS Alliance Conference in Conroe, TX on June 18-20, 2018. Mr. McNaughten seconded. Motion passed by raise of hands.
- XX. Mr. Yocom moved to allow the District Administrator and EMS Administrator to attend the Emergicon Compliance Conference in Port Aransas, TX on May 17-19, 2018. Mr. McNaughten seconded. Motion passed by raise of hands.
- XXI. Board Member Comments:

Mr. McNaughten asked if Ms. Powell heard from the board attorney, Alex Fuller regarding the discussion in last month's meeting. Mr. Yocom stated that he and Ms. Powell had a conference call with Alex Fuller and another attorney, Scott Chase. Mr. Yocom stated that Scott Chase did not find anything that Sabine County Hospital District was doing wrong regarding the anti-kickback statute. Mr. Yocom stated that he asked Scott Chase to send Ms. Powell a letter that stated his findings. Ms. Powell stated that she has not received a letter from him yet. Ms. Powell announced that the drawing for a place on the ballot for the Sabine County Hospital District Board of Director's election would be held on March 5 at 10:00 a.m. in the Sabine County Hospital Board Room. Mr. Yocom congratulated Mr. Starr on his appointment.

XXII. Board meeting adjourned at 6:12 p.m.

Phil Yocom, President
Sabine County Hospital District
Board of Directors

Joe McNaughten, Secretary
Sabine County Hospital District
Board of Director