

SABINE COUNTY HOSPITAL DISTRICT
BOARD OF DIRECTORS
MEETING MINUTES

May 21, 2018

The Sabine County Hospital District Board of Directors met for a Regular Meeting on May 21, 2018 at 5:30 PM in the Sabine County Hospital Board Room.

Present

Tiffani Bradberry, President
Byron Starr, Vice President
Joe McNaughten, Secretary
Earl Willis, Board Member
Pennie, Ferguson, Board Member
Diane Powell, District Administrator
Chloe Schafer, EMS Administrator

Others Present

Jacy Daugherty, Administrative Assistant
Jerry Howell, Sabine County Hospital Administrator
Jared Chanski, Preferred Management Executive Vice-President
Andy Freeman, Preferred Management CEO
Josh Tucker, Preferred Management CFO
Laura McCroskey, Citizen
Mareike Gay, Citizen
Margaret Moore, Citizen
Dr. Vera Luther, Citizen
Montez McNaughten, Citizen
Johnathan Bunton, Citizen
Anthony Long, Citizen
Jack Legind, Citizen
Deb Harkins, Citizen
Don Rodriquez, Citizen
Dave Clineman, Citizen
Terence Moore, Citizen
Melissa Moore, Citizen
Brandy Crawford, Citizen
Judge Daryl Melton, Sabine County Judge
Cecil Tatum, Sabine County Reporter

- I. Ms. Bradberry called the meeting to order at 5:30 p.m.

- II. Mr. McNaughten opened the meeting in prayer.
- III. Public Comments: Mr. Moore passed out documents to the board members. Mr. Moore stated that he was recently terminated from Sabine County EMS. Mr. Moore stated that he recently asked the board to investigate a hostile work environment that was found to be true, and his write-ups were expunged. Mr. Moore stated that he was informed that HR would be training management staff. Mr. Moore stated that he was terminated a few weeks later, and the termination letter stated that on the 27th of March he was informed that he had 30 days to take an ACLS class. Mr. Moore stated that this stipulation was never mentioned to him. Mr. Moore stated that 5 or 6 days later he sent an email to Ms. Schafer, his manager, that stated he found an ACLS class on the 8th and 9th of May. Mr. Moore stated that Ms. Schafer never responded to that email but did take him off the schedule for those days as he requested. Mr. Moore stated that on the 27th of April, 30 days after the 27th of March, he was terminated. Mr. Moore stated that Ms. Powell informed him that he had ample time to take the ACLS class. Mr. Moore stated that all 2-day ACLS classes in the area were sometime in May, so he found the nearest course in the shortest possible time. Mr. Moore stated that he completed that course. Mr. Moore stated that the night before his termination, his supervisor on shift came to him and told him he was doing an amazing job and he would be passing that up to headquarters. Mr. Moore stated the next morning after he was terminated, another supervisor was completely shocked when he told her and stated that she had just been telling everyone how great he was doing. Mr. Moore stated that he wasn't asking to get his job back but that, with the evidence from the documents he provided, he would like terminated for cause expunged from his record. Mr. Moore stated that he believes the management he had over him, again, did the wrong thing by him. Mr. Moore stated that he asks the board to review the documentation and get back to him with their findings.
- IV. Mr. Willis moved to approve the April Financials and Invoices. Mr. Starr seconded. Motion passed by raise of hands. Mr. Willis stated that he had a few things he would like to say. Mr. Willis stated that, over the last couple of years, he had been asked several times what the subsidy of Sabine County EMS is. Mr. Willis stated that he's been trying to find a way to figure the average of the subsidy. Mr. Willis stated that he is attempting to put this information in a chart based on the financials. Mr. Willis stated that he would like to bring this chart to the board every meeting. Mr. Willis stated that he is using the six-sigma method. Mr. Willis moved to approve the April 23, 2018 and May 8, 2018 Regular Meeting Minutes. Mr. McNaughten seconded. Motion passed by raise of hands.
- V. Mr. Howell presented the Hospital Administrator's Report. Mr. Howell stated that in April of this year versus April of last year, inpatient days were up 65%, swing bed days were up 65%, ER visits were down 12%, admits from the ER were up 83%, outpatient visits were up 4%, and clinic visits were down 2%. Mr. Howell stated that year-to-date, inpatient days were up 22%, swing bed days were up 38%, ER visits were up 2%, admits from the ER were up 24%, outpatient visits were down 4%, and clinic visits were down 1%. Mr. Howell stated that Britni Deal will be the hospital's new ultrasound tech replacing Aline Weaver who is retiring. Mr. Howell stated that Jena Mathews recently completed her BSN degree. Mr. Howell stated that Kathy Mechler, the Preferred Director

of Clinical Operations, completed a mock survey of the hospital to get ready for the State survey. Mr. Howell stated that the next survey will probably be sometime between August and the end of the year. Mr. Howell stated that the hospital is still dealing with water getting into the basement. Mr. Howell stated that the roofing company that is supposed to be fixing the leaks in the roof have looked at it and were supposed to be following up later in the week. Mr. Howell stated that the roof appears to also have a few air pockets and the maintenance director will be working on those. Mr. Howell stated that he anticipates a request for an IGT at the next board meeting. Mr. Howell stated that the hospital providers had performed over 200 athletic physicals for Hemphill and West Sabine and would be going to Brookeland next. Ms. Bradberry asked to clarify if Sabine County Hospital District or Preferred would be responsible for the cost of fixing things such as the roof. Mr. Howell replied that if it's under \$10,000, Preferred pays for it. Ms. Bradberry asked if it is something over \$10,000, would it then be split. Mr. Howell stated that it would be brought to the board for discussion. Mr. Howell asked Mr. Tucker to present the Preferred Hospital Leasing Hemphill, Inc., d/b/a Sabine County Hospital Audited Financials for the fiscal year ending December 31, 2017. Mr. Tucker stated that the opinion given by Eide Bailly is that the financial statements are presented in a respectful and proper manner. Mr. Tucker stated that the main thing that stands out on the balance sheet is the \$1.2 million in estimated third party payor settlements. Mr. Tucker stated that this was due to the 1115 Waiver Program and the money owed back to the State. Mr. Tucker stated that this was a result of the form used to apply for the 1115 Waiver Program being incorrect and that is the amount that is estimated they will have to pay back for the years 2013, 2014, 2015, 2016 and 2017. Mr. Tucker stated that the State has not requested this money back as they are in the process of auditing those years, but that as Preferred recognized the possible payback, they wanted to add it to the financials. Mr. Tucker stated that it is recognized as the \$1.2 million in estimated third party payor settlements on the balance sheet of the financials. Mr. Tucker stated that for the period ending December 31, 2017, the net operating loss for the hospital was \$1.2 million. Mr. Tucker stated that, minus the Sabine County Hospital District money transfer, the loss for the year was \$379,000. Mr. Tucker stated that, without the \$608,000 loss caused by the 1115 Waiver Program, the net profit would have been about \$220,000. Mr. Tucker stated that there was a typo on page 14 that he corrected. Mr. Freeman stated that, to clarify, the \$1.2 million was over a 5-year period. Mr. Freeman stated that this is going to affect a lot of hospitals in Texas who have participated in this program and the error was on the State. Mr. Chanski stated that the Excel workbook used to submit information for the 1115 Waiver program was in err. Mr. Chanski stated that rural hospitals are going to be affected the most because the err was on the swing bed and rural health clinic side of things. Mr. Chanski stated that everything was filled out and funded as it was supposed to be, but then they decided to cut funding for those two parts of the program. Mr. Willis moved to approve the Hospital Administrator's Report. Mr. McNaughten seconded. Motion passed by raise of hands.

- VI. Ms. Schafer presented the EMS Administrator's Report. Ms. Schafer stated that there were 119 total calls for the month of April which went up by 8 opposed to last April. Ms. Schafer stated that compared to last year, Sabine County EMS is only down about 25 calls and most of that was caused by the unusually low call volume in February. Ms.

Schafer stated that there were 22 refusals and 3 standby & Assists for San Augustine County EMS. Ms. Schafer stated that response time was down to 9 minutes and 18 seconds even with the 3 calls in San Augustine. Ms. Schafer stated that there were 90 9-1-1 calls, 4 emergency facility transfers, 13 nonemergency facility transfers, and 9 medical facility transfers. Ms. Schafer stated that most of the calls have been going to Sabine County Hospital and CHI Lufkin. Ms. Schafer stated that Hemphill, Sabine County Hospital, and the nursing homes have had most of the calls. Ms. Schafer stated that Sabine County EMS only had to use Med 4 while one of the other trucks was getting new tires, so all the trucks had been running well. Ms. Powell stated that she just wanted to inform the new board members that Med 1 would be going in to be remounted the first of August. Ms. Bradberry asked what it meant to standby and assist for San Augustine County EMS. Ms. Schafer stated that is when SAEMS has no available trucks for 9-1-1 calls and they call Sabine County EMS to cover their county in case they get a call. Mr. Willis stated that Sabine County EMS had been getting very good accolades throughout the county. Ms. Bradberry asked how response time was calculated. Ms. Schafer stated that everything is on a computer program and they keep track of when a call comes in, when a unit goes in route, and when the unit gets to the call location. Ms. Schafer stated that everything is reported to dispatch at the sheriff's office and they keep track of it, as well. Mr. Willis moved to approve the EMS Administrator's Report. Mr. McNaughten seconded. Motion passed by raise of hands.

- VII. Ms. Ferguson stated that this item isn't really something to take action on. Ms. Ferguson stated that it is about the importance of all of the county entities working together and having a channel of communication for any issues or problems. Ms. Ferguson stated that there are a lot of issues that could be worked out easily if the community worked together. Ms. Ferguson stated that she would like everyone to think about ways that they can move forward in a positive manner and be a part of the community because Sabine County Hospital District's role could change as the county continues to grow. Ms. Ferguson stated that she has put together a list of different entities that Sabine County Hospital District could reach out to and work with to help support this growth. Ms. Ferguson moved to table this agenda item until the next board meeting so that the other board members have time to look at the list of different organizations and how Sabine County Hospital District can work with them. Ms. Bradberry seconded. Motion passed by raise of hands.
- VIII. Ms. Powell stated that annually the District renews the insurance for vehicle liability, professional liability, general liability, the owner's policy on the Sabine County EMS office, and the renter's policy on the Sabine County EMS station. Ms. Powell stated that the total for that is \$22,173. Ms. Powell stated that the cost is up about \$1,600 compared to last year because the 2008 ambulance had been taken off of the policy and replaced with the 2017 ambulance along with a couple of claims. Mr. Willis moved to approve the renewal of vehicle and liability insurance. Mr. McNaughten seconded. Motion passed by raise of hands.
- IX. Mr. Willis stated that he asked for the policy concerning the fiduciary responsibility for board members conference to be removed because of the board makeup now and the

possibility of board members not being able to make it to conferences. Ms. Ferguson asked, if board members can call in with short notice if they are going to miss a conference because of an emergency with no punishment, why is there a need for a change in the policy. Mr. McNaughten moved to rescind the policy concerning the fiduciary responsibility for board member conferences. Mr. Willis seconded. Motion passed by raise of hands.

X. Executive Session at 6:08 p.m.

1. Discussion concerning legal action previously taken in past board meetings.

XI. Return to open meeting at 6:47 p.m.

XII. Ms. Bradberry moved to cease any action by the attorney regarding the demand letter that was sent to Preferred Hospital Leasing in March of 2018. Mr. McNaughten seconded. Motion passed by raise of hands. Ms. Bradberry stated that the board has also instructed the attorney to disregard allegations made at the last board meeting on May 8, 2018.

XIII. Board Member Comments: Mr. Willis stated he was proud to see a crowd. Ms. Bradberry agreed.

XIV. Board meeting adjourned at 6:49 p.m.

Tiffani Bradberry, President
Sabine County Hospital District
Board of Directors

Joe McNaughten, Secretary
Sabine County Hospital District
Board of Director