

SABINE COUNTY HOSPITAL DISTRICT  
BOARD OF DIRECTORS  
MEETING MINUTES

August 26, 2013

The Sabine County Hospital District Board of Directors met for a Regular Meeting on August 26, 2013 at 5:30 PM in the Sabine County Hospital Board Room 167.

**Present**

**Earl Willis, VP & Treasurer**  
**Dr. Lana Comeaux, Member**  
**Mark Pearson, Member at Large**  
**Diane Powell, Office Manager**

**Absent**

**Phil Yocom, President**  
**Joe McNaughten, Secretary**

**Others Present**

**Penny Ferguson, Sabine County Reporter**  
**Laura Simpson, Sabine County Hospital HR Director**  
**Rick Alexander, Eide Bailly Audit Firm**

- I. Vice President Mr. Willis called the meeting to order at 5.30 p.m.
- II. Mr. Willis opened the meeting with prayer.
- III. With no members of the public desiring to comment, Mr. Willis continued the meeting. No action taken.
- IV. Mr. Pearson moved to accept the consent items. Dr. Comeaux seconded. Motion carried.
- V. Mrs. Taylor is on vacation, Laura Simpson HR Director presented the Hospital Administrator report. Ms. Simpson reported the statistics as of July 2013 and YTD 2013 are as follows: inpatient census days were down 33%, swing bed days were down 23%, average length of stay was 3.1 days, E.R. visits were down 1%. Outpatient visits were up 16%, transfers were up 7%, and clinic visits were up 28%. She stated on August 15, The OIG issued a report and recommendation to the Centers for Medicare and Medicaid Services (CMS) related to certification of critical access hospitals (CAHs). Both AHA and THA have issued statements that the OIG's recommendation that CMS see legislative authority to remove and reevaluate certain CAH's special Medicare status is inappropriate and demonstrates and unfortunate lack of understanding of how health care

is delivered in rural America. If these recommendations were to be implemented, many of these facilities may be forced to close and patients could lose their access to essential medical services. Sabine County Hospital would be affected if the 35-mile distance from other hospitals requirement were enforced. We encourage you to continue to reach out to your Congressmen and Senators to tell them how important CAH's are in your state. This could potentially affect SCH's critical access hospital status, which is extremely important for financial survival. Preliminary estimates for the financial impact annually based on 2013 revenue figures that would be evidenced on SCH revenue alone by Larry Stephens only are (not taking in to consideration all of the process and system changes that would have to be made that would incur additional expense). Total is \$1,117,753 annually, which would equate to the hospital being in the red. Dr. Winslow has officially retired effective August 1, 2013. Plans are being discussed pending medical approval regarding his health condition to host a retirement function for him for the community to attend. He has requested to move from status of Active Medical Staff to Honorary Medical Staff, which was approved at the last medical staff meeting. Sabine County Hospital has begun searching for an additional doctor to join our Staff. We have received four resumes during the month of August. One candidate is in South Texas, one is in practice in West Texas, one is in NE Texas, and the third is a chief resident in Ohio but is originally from Texas. All have Texas licensure. Phone calls have been conducted with three of the five and reference checks are currently being done as well. An informal site visit was scheduled for August 23, 2013 with the NE Texas candidate. A PowerPoint slide presentation has been prepared as well as a Physician Recruitment Fact Sheet to send to potential candidates. Patient Satisfaction reports from ER callbacks made for the months of April, May, and June showed an average of 96.45% positive satisfaction in services provided. 250 patients were surveyed by telephone, out of the 250 surveyed only 9 patients had complaints. ADA conducted an inspection of the new remodeled patient rooms, one deficiency was noted with the paper towel holder extending 3 ½ inches out from the wall too far. Solutions to bring this into compliance are currently being made. A shout out to Tina Smith, Housekeeping Director, she was able to negotiate buying the hospital logo mats rather than renting them to save the hospital approximately \$2,690.24. Another shout out to the lab personnel have been covering extra shifts for months now but still providing excellent patient care due to a vacancy in the Lab. Employee Appreciation Day is coming up on September 27, 2013. Board members are invited to attend lunch furnished by the hospital. Hospital staff is currently providing education to seniors regarding Medicare Advantage vs. Traditional Medicare. Ms. Taylor spoke at two activities during August the Lion's Club and SALT. Brochures are being distributed and other activities including personal mail outs, advertising and poster distribution are in the works to help educate the community. Mr. Pearson moved to accept the hospital administrator's report. Mr. Willis seconded. Motion carried.

- VI. Ms. Simpson presented a flow chart showing how the Sabine County Hospital District's IGT Funds are allocated. She stated the funds are sent to the Texas Comptroller's Office from the Sabine County Hospital District, those funds are then sent to the Federal Government for the fund match, and then sent back to the Texas Comptroller's office; at this point, the funds are then allocated to Uncompensated Care, DSRIP, or the

Community Benefit. The funds are utilized by the Sabine County Hospital for Emergency Room and Physician Salaries, paying for Acadian Ambulance Service, the excess is used for Indigent Care. Mr. Pearson moved to accept the flow chart. Dr. Comeaux seconded. Motion carried.

- VII. Rick Alexander with Eide Bailly stated the District's total assets increased during the year with \$63,885 or a 2% increase in 2012 compared with an increase of \$639,541 or 29% in 2011. The District's total liabilities decreased during the year with a \$2881 or a 1% decrease in 2012 compared with an increase of \$210,990 or 180% in 2011 due to the purchase of the CT Scan Equipment. The District reported an operating loss of \$961,468 in 2012 and an operating loss of \$920,183 in 2011. The operating loss in 2012 increased by \$41,285 or 4% over the operating loss reported in 2011. The operating loss in 2011 decreased by \$5801 or 1% over the operating loss reported in 2010. Net non-operating revenues decreased by \$320,492 or 36% in 2012 compared to 2011 and increased by \$464,625 or 53% in 2011 compared to 2010. Mr. Alexander stated the biggest change was the increase in the amount of Cash due to the changes in the UPL program in 2012, that changed midyear 2012. The District was required to hold those funds and submit the funds in 2013 to the new IGT program. The District had capital assets of \$1,051,816 in 2012 and \$1,225,955 in 2011. The District acquired capital assets valued at \$8,000 in 2012 and \$354,608 in 2011. In 2010, the District had capital assets of \$1,155,895. The District had \$196,142 in notes payable to Sabine State Bank in 2012 and \$309,802 in 2011. The District received approximately 97.8% in 2012 and 98.4% in 2011 of its financial support from property taxes. Rick Alexander stated during 2012 and 2011, the District funded \$660,000 and \$625,000 with \$104,000 remaining as indigent care payable in 2012 and \$75,000 remaining as prepaid indigent care fees in 2011. The UPL program was terminated in 2011 and replaced with an 1115 Waiver for the state of Texas through September 30, 2016. Mr. Alexander stated that segregation of duties would be an ongoing issue with the Sabine County Hospital District due to having a one person office, however he stated that with reviewing the financial statements presented to him during the audit the Board of Directors has taken proactive measures to ensure everything is handled with two signatures on any and all checks.
- VIII. Dr. Comeaux asked that Diane Powell, Office Manager Sabine County Hospital District research the waiving of the property tax for Pineland Housing authority and add this issue to the September Agenda. Dr. Comeaux moved to table this until September. Mr. Pearson seconded. Motion carried.
- IX. Ms. Powell stated she had received the items requested from the First Responder Organizations with the exception of Pineland VFD. She stated they were waiting on the copy of their current medical director's license. She stated the funds would be distributed accordingly. Fairmount: \$3292.68, Pendleton Harbor \$4719.51, Pineland \$6420.73, Shamrock Shores \$1481.71 and Six Mile \$2085.37 for the total of \$18,000. Dr. Comeaux moved to distribute the First Responder Funds accordingly and to hold the

Pineland VFD funds until all the paperwork is received. Mr. Pearson seconded. Motion Carried.

- X. Mr. Willis moved to allow all board members to attend the Public Funds Investment Conference in November. Dr. Comeaux seconded. Motion carried.

- XI. Board Member Comments:

Mr. Willis: No Comment.  
Mr. Pearson: No Comment.  
Dr. Comeaux: No Comment.

- XII. Meeting adjourned at 6:35p.m.

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Phil Yocom, President  
Sabine County Hospital District  
Board of Directors

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Joe McNaughten, Secretary  
Sabine County Hospital District  
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