

SABINE COUNTY HOSPITAL DISTRICT  
BOARD OF DIRECTORS  
MEETING MINUTES

November 16, 2015

The Sabine County Hospital District Board of Directors met for a Regular Meeting on November 16, 2015 at 5:30 PM in the Sabine County Hospital Board Room.

**Present**

**Phil Yocom, President**  
**Earl Willis, Board Member**  
**Joe McNaughten, Secretary**  
**Mark Pearson, Member at Large**  
**Dr. Lana Comeaux, Member**  
**Gary Williams, EMS Administrator**  
**Diane Powell, District Administrator**  
**Emily Taylor, Administrative Assistant**

**Others Present**

**Jerry Howell, Sabine County Hospital Administrator**  
**Penny Ferguson, Daily News and More**  
**Bob Kusterman, Daily News and More**  
**Daniell Ebarb, Sabine County Reporter/Toledo Chronicle**  
**Montez McNaughten, Sabine County Citizen**  
**Amy Cummings, Clinic Manager Toledo Bend Family Medicine**

- I. Mr. Yocom called the meeting to order at 5:30 p.m.
- II. Mr. Mark Pearson opened the meeting with prayer.
- III. Mrs. McNaughten stated that she met a couple of ladies at Martin's Corner in Milam, who had just moved to Sabine County. One of the ladies explained that she had been living in the area for approximately three months and that she had been nervous about finding a doctor in the area. She told Mrs. McNaughten that she had gotten sick and went to Toledo Bend Clinic where she met Dr. Natalia Luraquiz. She stated she was thrilled to have such good doctors in the area. Mrs. McNaughten stated another lady stopped and told her that she had just spent time in the hospital with a serious illness and appreciated the Nurses, Doctors and Staff. Mrs. McNaughten stated the lady asked that she ask the Board to continue to allow Preferred Hospital Leasing to keep running the Hospital.

- IV. Mr. Yocom asked the Board if they had a chance to review the minutes and financials. He asked if anyone had any questions, changes or deletions to the minutes and financials. Mr. Pearson moved to accept the minutes and financials. Mr. McNaughten Seconded. Motion passed
- V. Mr. Howell stated that the hospital did host a quarterly meeting with each department and the majority of the employees attended. He stated that it is not mandatory for them to come but the majority did. He stated they talked about several different things in the meeting one was about patient feedback from several different agencies. Mr. Howell stated that he had traveled to Shawnee, Oklahoma to talk about capital equipment needs of the hospital, which they are still working on. He stated that in the meeting they also discussed the budget for next year. He stated that he had also traveled to Lufkin to talk with the Burke Center and tour their facility. He stated that the Burke Center has an administrative meeting for all the different Hospitals that contribute to their facility. Mr. Howell stated that the hospital will be working with the Burke Center by giving them a room to meet with local patients in the county. Mr. Howell stated that the dietary staff has to work while everyone else gets to enjoy employee days at the hospital. He stated that he let them choose one place to cater for the dietary staff and their choice was Hemphill BBQ. He stated that the Thanksgiving luncheon will be held November, 24, 2015 and everyone is invited to attend. He stated the Employee Christmas party would be December 10 from 3-5p.m. Mr. Pearson asked why the Lab costs were double and sometimes triple the cost of other area hospitals. Mr. Howell stated that most hospitals have an inpatient rate and outpatient rate for labs but Sabine County Hospital only has an inpatient rate. Mr. Howell states that it was an issue that is being looked at and some of the prices are going to be reduced. Mr. Yocom asked for a percentage of the decrease but Mr. Howell stated he could not answer that, however Mr. Howell feels that most of the labs are in line with surrounding hospitals. Mr. Pearson moved to accept the Hospital Administrator's report. Mr. McNaughten seconded. Motion passed.
- VI. Mr. Howell stated that the hospital would not be asking for any funding tonight for the 1115 Waiver Program. He stated that he would like to go over the 1115 Waiver program and how it works. Mr. Howell stated that some of the people in this room have been around long enough to know how the program works. However there are some in the room who do not. He stated that due to the fact that Texas did not expand Medicaid the state has created two different programs that are utilized for the funding of uninsured patients, these programs are funded by drawing down federal dollars. Mr. Howell stated that the \$65,000 a month that the District pays the Preferred Leasing to run the hospital goes up into intergovernmental transfers. He stated that the money gets sent up and matched on a federal level then sent back to Preferred Leasing. Mr. Howell stated that there are two programs under the 1115 Waiver Program; one is uncompensated care and with that program the hospital is required each year to fill out a form with their cost and the amount of uninsured care that was provided by the hospital. He stated the federal government then decides how much money will come to Texas. He stated the state will look at the report and decide how much money the hospital will receive. He stated this helps to offset the difference that Medicaid and Medicare did not pay. Mr. Howell stated that the amount of uninsured year to date is about \$1.3 million with a total bad debt in

the amount of \$1.6 million and those are the numbers that are given to the state. He stated that the IGT that was sent up in June by the Hospital District was \$428,000 and the return was \$1,032,000 with a difference of \$604,000 which is a 2.4% return. Mr. Howell stated that Preferred also pays the District approximately \$200,000.00 every year to lease the hospital. Mr. Yocom asked Mr. Howell if he was saying that the District sends up the Lease Payments that are then paid back to the Hospital District by Preferred Hospital Leasing. Mr. Howell stated that the \$780,000 that the District pays Preferred to run the hospital is the money that goes up not the \$200,000 that Preferred pays the District in Lease Payments. Mr. Howell stated the other part of the 1115 Waiver Program is the Delivery System Reform Incentive Payment is also known as DSRIP he stated that the objective is for the Hospital to set goals and meet or exceed those goals that are set. Ms. Cummings stated that the DSRIP program was an incentive program to increase the delivery of care in the Hospital. She stated the goal they chose was to increase primary care access for residents in Sabine County. Ms. Cummings stated that this goal was mainly achieved due to opening Toledo Bend Family Clinic. Ms. Cummings stated that there are 4 components to the program. She stated that they report on a Category 1, Category 2, Category 3, and Category 4 projects. Ms. Cummings stated that a Category 1 project is basically how many more people have you serviced by expanding care. She stated that the first year's base line was 1560 patients in that year. Ms. Cummings stated that the goal was to increase service by 20% more patients in 5 years. She stated the first year they increase to 3949 the next year was 6250 and the three year was 5183. She stated to date they have shown a 332% increase. Ms. Cummings stated that there are two projects in Category 3; one is patient satisfaction and the other is diabetic care with an A1C greater than 9. She stated that if you have an A1C over 9 then your diabetes is out of control. She stated that that the Category 3 project was still under Audit. Ms. Cummings stated that in February of 2013 the Hospital started a Patient care survey. She stated by the time it was time to report of this project the hospital had only been conducting the patient surveys for a short period of time and the bar was set high. She stated that they did not meet their goal due to Dr. Gulbis leaving. She stated that the number of patients being seen did not decrease, however the patient satisfaction surveys decreased due to the longer wait times and the clinic only being open part-time. Ms. Cummings stated that with the Category 4 project, there are five components; potentially preventable admissions into the Hospital, potentially preventable readmissions in the Hospital, and potentially preventable complications in the Hospital those are all state reports. She stated that reporting would be done on the length of time it took from admission into the ER to the admission into the Hospital. The Board thanked her for her presentation. No Action Taken

- VII. Mr. Howell stated that one question he is asked is; "Are there any limitation to what the Waiver Funds can be used for?" He stated the answer is no, as long as the funds are spent in Sabine County and are not being used for new renovation or improvements. Mr. Howell stated that the Gross revenue is \$11 million, Deductions to Revenue are \$4 million, Bad Debt is \$5 million, and Total Revenues are \$5,739,990. Mr. Howell stated that in the operating expenses the salaries are the largest expenses at \$3 million, then Professional fees at \$1 million, contract labor at \$167,000; with a total expenses at \$6.4 million. He stated that would make an operating income loss of \$708,633. Mr. Howell

stated that with the transfers from the Hospital District of \$578,328 the Hospital as a net loss of \$129,519. Mr. Howell stated that the answer may not answer Mr. Yocom questions from the last meeting but when the transfer from the Hospital District is received, the last amount was \$1,032,000 it goes back into the operating fund to pay for the operating expenses. He stated that all the operating expenses are appropriate expenses per Medicaid. Mr. Howell stated he would like to address another question being asked; which is the separating of the Revenues of the Clinics and the Hospital. He stated that Hospital operations are based on the clinics being a part of the operation. He stated that the only thing that was leased by Preferred from the Hospital District was the Hospital Building and the furnishings in the Hospital. Mr. Howell stated that the way Sabine County Hospital is operating is the way most critical access hospitals are operated. He stated they incorporate the clinic operation into the overall scope of the hospital. Mr. Howell stated that Medicaid has encouraged hospitals to run this way. He stated that when you start trying to see how the hospital stands alone it gets very complicated. Mr. Howell stated with the request from the Board to break out the Hospital Revenue and the Clinics Revenue separately, for an honest answer the Hospital has competition in Hemphill now, therefore corporate is not interested in breaking out the clinics and hospital. Mr. Howell stated that Mr. Yocom has had discussions with them. Mr. Yocom stated he hasn't had discussions. He stated that the District Administrator has received information from CHI and it has been passed on. Mr. Howell stated that his point is they are not willing to share internal information due to competition being in Hemphill. Mr. Pearson asked for Mr. Howell to elaborate on why the Professional Fees are \$1,000,000. Mr. Howell stated that it incorporates the physician's salaries and attendees coverage for the Emergency room. Mr. Pearson asked why it wasn't part of salaries. Mr. Howell stated that in the state of Texas a for profit Hospital could not employ a physician so there is another corporation set up that the Hospital pays to staff the Hospital. Mr. Pearson stated that he understood what Mr. Howell was saying about not wanting to give out information to competitor but what he does not accept is that they could not separate the clinics and the hospitals. Mr. Pearson stated he felt that they could separate the two. Mr. Howell stated that he could come up with a number but virtually every department in the Hospital. He stated all the departments in the hospital have expenses directly related to the clinics. Mr. Howell stated how they measure the success of the clinics is based on the number of patients seen. He stated you could pull numbers like that but then you would go in and say now you don't need as many house keeper or employees. Mr. Howell stated could it be done yes; would it give an accurate number no. Mr. Howell stated that the reimbursement is based on the number of patients seen. Mr. Pearson stated that he hears what Mr. Howell is saying but it is hard to believe. Dr. Comeaux asked Mr. Howell what the measurement stick is for the Hospital. Mr. Howell stated it was the overall operation. He stated that you do not expect to make money out of the clinic but with the overall operation without those providers you would not have a Hospital. Dr. Comeaux asked if these were the best financials we are going to receive. Dr. Comeaux stated that at the beginning it was we can't do it now it is we are not going to do it. Mr. Howell stated no what I said was from our stand point we feel with competition in Hemphill we will not provide this. He stated that he wasn't sure if he had stated it that way but our revenue generates from the clinics which is an easy figure to get but we do not want to provide this for our competitors. Dr. Comeaux asked if the revenue flow for the Hospital could be

provided to the Board. Mr. Howell stated he wasn't sure what Dr. Comeaux was asking for. Dr. Comeaux asked what the expected income for the Hospital is. Mr. Howell stated it was in the paper. Dr. Comeaux asked if this excluded the clinics. Mr. Howell stated no that included everything. Dr. Comeaux asked if there was ever an accountability on where the turn money went. Mr. Howell stated that goes into the deductions from revenue line. He stated that if it wasn't put into that line the amount would be \$5,025,353 instead of \$4,025,353. Mr. Yocom asked to verify information that all the money is spent right back in Sabine County. Mr. Howell stated yes that all the operating expenses are approved by CMS. Mr. Yocom asked if this was as close as we are going to have proof the money was spent in Sabine County. Mr. Howell responded it was. Mr. Willis moved to accept the Sabine County Hospital financials. Mr. McNaughten seconded. Mr. Willis, Mr. McNaughten, Dr. Comeaux and Mr. Pearson voted yes. Mr. Yocom Abstained. Motion Passed.

- VIII. Ms. Williams reported that Sabine County EMS had a total of 143 calls with an average response time of 9 minutes and 28 seconds. Mr. Williams stated that with 911 calls 13 went to CHI St. Luke's, 7 to Christus in Jasper, 5 were flown, 3 went to Nacogdoches Medical, 3 to Nacogdoches Memorial, 40 to Sabine County, 2 to Woodland Heights, 20 refusals and 7 to San Augustine ER. He stated with nonemergent transfers there were; 10 from Hemphill Care Center, 1 from Kingwood Pine, 2 from Mount Mariah, 2 from Nacogdoches Medical Center ER, 1 from Nacogdoches Memorial ER, 2 to Texas Children's, 2 from Sabine County Hospital ER, and 4 from Woodland Heights. Mr. Williams stated that there was also 3 Medical transports this month. He stated that with the call location where 2 at Doctors' offices, 56 at private homes, 37 at the Hospital, 20 at the nursing Homes, 1 business, 2 at the jail, 7 at Football games and 14 on the street or Highway. Mr. Williams stated that they worked many different zones this month; Bronson had 5 calls, Fairmount 3, Hemphill 25, Hospitals 35, Lufkin 2, Nursing homes 20, Pendleton 7, Pineland 7, Rosevine 3, Shamrock 9 and Six Mile 10. He stated that the different disposition types were; 17 no treatment no transport, 25 transported lights and sirens, 94 no lights or sirens, and 7 treatment no transport. He stated that most of the treatment no transports are usually not billed for but recently we have started billing car insurance in an MVA. He stated that the way the laws read it is a first come first serve basis and it pays \$100. Mr. Yocom asked if that means it knocks the first responder out of billing for that. Mr. Williams stated that he had talked to Joe Lane and Mr. Lane stated that they do not bill for this. He stated that if anyone hears that the First Responder Organizations are billing for this let him know and he will stop billing for this. Mr. Williams stated that the Mileage on the units are; Med One 74,434 miles, Med Two 55,032 miles and Med. Three 39,235 miles. Mr. Williams stated that this month was especially stressful with two of our Med units breaking down. The cause of this was the fuel injector pumps going out and being in the shop for several weeks. Mr. Pearson stated that the odds of that happening are slim and asked if the dealership gave any reason why it happened. Mr. Williams stated the dealership said it was mechanical failure. Mr. Pearson asked if it was a failure that was being seen system wide with this model. Ms. Powell stated that that on the Duramax forum there are a few that have had this same problem. She stated that the Med units have more miles on there than most people have on their 2015 model trucks. Mr. Williams stated that GM service manager at Peltier

Chevrolet has put in a request to pay for everything the EMS Service has been out for rentals, towing bills, etc. Mr. Pearson stated that he wants numbers of other trucks that have had this same problem. Mr. Pearson stated his concern was something that may have contaminated the system for them both to go down. Dr. Lana Comeaux asked where the units get gas. Mr. Williams stated that they both got fuel at Valero prior to the unit going down. Ms. Powell stated that she would be purchasing locking fuel caps to keep people from tampering with the units. Mr. Pearson would like to see the number of recalls on injector pumps for this model 2015 truck. Dr. Lana Comeaux asked if it was a possibility that vandalism took place. Mr. Pearson stated yes there is a strong possibility that vandalism took place. Mr. Pearson stated that we needed to look it to getting cameras. Ms. Powell stated that she would call Lamarco a local security company to get a price on having a wireless security camera put at the station. Mr. Yocom stated that as long as it's within Ms. Powell spending authority he believes that the board needs to give her the go ahead on purchasing the security cameras. Dr. Lana Comeaux stated absolutely go ahead. Mr. Williams stated that while the units were in the shop being fixed Frazer let them rent 2 units from them and unfortunately one did have to be carried one back on a wrecker with fuel system problems as well. Mr. Pearson stated so what you're saying is we have had 3 units go down; 2 of ours and a rental. Mr. Williams stated that the rental unit was not put in the shop, therefore we do not know for sure what is wrong with it. Mr. Pearson stated that if we have another fuel system problem he wanted the fuel analyzed and checked for everything. Mr. Pearson motioned to except the Ems Administrator's report. Mr. McNaughten seconded it. Motion passed.

IX. No Action Taken

X. Ms. Powell stated throughout the last month with all the breakdowns and trips to Houston to get rentals along with borrowing from San Augustine we really need another unit. She stated that the van that is currently med 3 isn't big enough for some of the bigger guys to work in the back. Mr. Pearson asked if it was more of a transport unit. Ms. Powell stated yes. She explained that it could be used as a backup unit for Gary and Tyler to use when there are an excess number of calls. Ms. Powell stated that a used unit was found at Frazer and all in with striping, generator everything we would be looking at \$17,390.00. Mr. Yocom asked how much a new unit would run. Ms. Powell stated around \$140,000. Frazer had two used units for sale one being a Chevrolet 4500 with a 14 foot Frazer Box which is bigger than what we currently have. Mr. Williams stated that he and Ms. Powell looked at while at Frazer picking up one of the rental units. Mr. Williams stated the cost of the unit is \$7,000. He stated that putting a new generator in it would run \$5,200. Ms. Powell stated that the unit was hooked to a computer to make sure there wasn't anything wrong with the unit. He stated that to remove the old striping is about \$720 and to restripe is \$2700 and the back chevron will cost another \$1500 so total we are looking at \$17390 all in. Mr. Willis moved to purchase the new unit. Mr. McNaughten seconded. Motion passed.

XI. Mr. Yocom moved to allow all Sabine County EMS employees receive a Yeti cup and all full time employees also receive a \$50 gift card. Mr. McNaughten second. Motion passed.

XII. Ms. Powell stated that this was put on the agenda for Mr. Willis. Mr. Willis stated he did not asked for it to be put on the agenda but for Ms. Powell to talk to Mr. Yocom and asked what he felt should be done about the situation. Ms. Powell stated that everyone had responded back to the e-mail about the public information request but Mr. Willis and it was due back to Ms. Ferguson Tuesday the 17 by 3:30. She stated that when she called Mr. Willis he questioned the legality of the request. Ms. Ferguson stated that she thought it was 4:00 that day. Ms. Powell stated it was put on the agenda to address any issue to get Ms. Ferguson her request. Mr. Yocom stated to address the response time The District had 10 working business days to get back with a response there was holiday. Dr. Lana Comeaux asked what it was about. Mr. Yocom stated the open records request. Ms. Powell stated that she put it on the agenda to get answers and that is what she thought Mr. Willis wanted her to do per their phone call. Mr. Willis stated that the only thing he had came out of the District office. Ms. Powell stated that she does not have anything from the attorney general's office. Mr. Willis stated that he didn't say she did. He stated that he doesn't understand why everyone was reading into the email all he has received was agendas and minutes out of the district office. Ms. Powell asked Mr. Willis if he has had any corresponded with the attorney general's office. Dr. Lana Comeaux asked if the e-mail was asking if the Board Members have had any correspondence with the attorney general's office. Ms. Powell stated yes. Dr. Lana Comeaux stated that she has not had any correspondence with the Attorney General's office. Mr. McNaughten stated he hasn't either and so did Mr. Yocom and Mr. Pearson. Mr. Willis stated he has had correspondence with the Attorney General's office. Ms. Ferguson asked where the response from the Attorney General is. Mr. Willis stated it was back in January when he contacted the Attorney General's Office. Mr. Yocom stated that back in the August meeting Mr. Willis stated that he did not want to approve the minutes from the July meeting because he contacted the Attorney General's office. Mr. Willis stated he said that he stated that he had not received anything back from the Attorney General's Office. Mr. McNaughten stated and he still does not have anything back. Ms. Ferguson stated that it only takes 10 days to get a response back from the Attorney General's Office. Mr. Yocom asked Mr. Willis if what he is saying is he contacted the Attorney General's but has not heard back from them. Mr. Willis stated no. He stated that the question was had he spoken with the Attorney Generals and he stated yes back when there was some money issues and he thought it was going to make a full circle back to Preferred. Mr. Yocom stated that when the statement was made in the August meeting Mr. Willis seem to be referring to the July meeting minutes. Mr. Willis stated that he has already answered the question. Mr. Pearson asked that the meeting stay respectful and peaceful. Mr. Yocom stated that what Mr. Willis is saying is he does not have anything in reference to Ms. Ferguson's request, but that he has contacted the Attorney General's Office but not any time after June 1, 2015, Mr. Willis stated correct. Mr. Yocom asked Mr. Willis if he is giving a negative response. Mr. Willis stated yes. Mr. Yocom stated that he was unclear to how it would affect the rest of the Board if Mr. Willis has something he wasn't hanging over. Mr. McNaughten Stated that the way he understands it is that Mr. Willis asked the Attorney General for their option but they have yet to respond. Mr. Yocom stated Mr. Willis is talking about back in January he contacted the Attorney General's office. Dr. Lana Comeaux stated that back in January all this was over and brought back

in March. Ms. Powell stated that what Ms. Ferguson is referring in the open record request is the July 27 Board meeting did any Board member contact the Attorney General's office about that meeting? All Board member replied they did not contact the Attorney General's office about the July 27, 2015 meeting. Ms. Powell stated that she would be contacting Ms. Ferguson and let her know no one contacted the Attorney General's office about the July Meeting. No action taken

- XIII. Ms. Ferguson stated that she did not ask to be put on the agenda. Mr. Yocom asked if she wanted to be skipped. Ms. Ferguson stated that she did not asked to be put on the agenda and did not receive a copy of the agenda until it was asked for. Ms. Ferguson stated that Mr. Willis was lying in open meetings. Mr. Willis stated that he was here to hear everyone's option. Dr. Comeaux asked what he lied about. Ms. Ferguson stated that he lied on camera about contacting the Attorney General's office about the July 27 meeting and I will show it to you. Mr. McNaughten asked who Ms. Ferguson's boss was. Ms. Ferguson's response was that it doesn't matter who my boss is, I'm not a little girl who can be bossed around. Mr. Yocom told Ms. Ferguson that he was going to have to respectfully ask her to calm down. Mr. Yocom stated that nothing else was going to take place tonight in the matter. Ms. Ferguson stated that he needs to let the people know he lied. Mr. Yocom stated that what Ms. Ferguson chooses to do with the information that she received at this meeting the Board had no control over. Ms. Ferguson stated ok. She stated that Mr. Willis lied at the meeting and it was going to affect everyone on the Board. Ms. Ferguson stated that Mr. Willis contacted the Attorney General and she wants someone to show her because the Hospital Board should have been notified that an opinion was being requested. No Action Taken.

6:46 p.m. Recess

6:51 p.m. Back in Session

- XIV. Executive session.

Sabine County EMS Ambulance Station

Sabine County Hospital District personnel matters.

- XV. No Action Taken.

- XVI. No Action Taken

- XVII. Mr. Pearson stated he would not have wanted to deal with the night mare that the EMS group had to deal with when both units went down. He stated he would like to commend the EMS Team for the effort to continue to keep the community covered.

- XVIII. Meeting adjourned at 7:27 p.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  
Board of Directors