



UG-96-2022-5925

**Notice of Regular Meeting of the Board of Directors
Chambers County Public Hospital District No. 1
5:30 P.M. August 25, 2022
OmniPoint Wellness/Community Center
Agenda**

1. **Call to Order**
 - a. Confirmation of a quorum.
 - b. Invocation.
 - c. Pledge.
 - d. Introduction of Guests.
 - e. Review and Approve Minutes of Previous Meeting – July 11, 2022, and August 4, 2022.
2. **Public Comment-Speakers must sign in to speak. There is a three (3) minute time limit. At this time, any person with business before the Board of Directors not scheduled on the agenda may speak to the Board. This is a time for the Board to receive comments from the public, but not a discussion. No response by the Board is necessary and no formal action can be taken on these items at this meeting.**
3. **Appreciation of June and July recognized employees.**
4. **Administrative Reports**
 - a. CMS Price Transparency
 - b. SHIP Grant Approval
 - c. PFIA
 - d. 2022 Texas Hospital Conference
 - e. DON Replacement
 - f. Leone Swing Bed (7/13/22)
5. **Board Committee Reports**
 - a. Finance Committee
6. **Hospital Committee Reports**
 - a. Compliance Report
 - b. Safety Committee Report
 - c. Marketing Report
7. **Operational Reports**
 - a. FQHC Executive Director's Report

Executive Session

The Board will meet in closed session pursuant to Section 161.032 of the TEXAS HEALTH AND SAFETY CODE to discuss and consider Medical Staff Reports, Rules, and Regulations, and Hospital Quality Assurance/Process Improvement Reports, Credentialing and Statistics.

Return to Open Session

8. **Discuss, Consider, and Take Action on, if necessary, Hospital Quality Assurance/Process Improvement Reports; Credentialing; and Statistics.**

Old Business

9. Discuss, Consider, and Take Action on, if necessary, CFO Candidates in-person interview.
10. Discuss and Update Status of Storage Buildings.
11. Discuss, Consider, and Take Action on, if necessary, CT Rental and Floor Preparation.

New Business

12. Discuss, Consider, and Take Action on, if necessary, Financial Statements and Statistical Reports.
 - a. Auditor review from Tommy Davis.
 - b. Informational discussion of the drawdown of our cash reserves, including detailed timeline of cash use, no vote necessary, beginning March of 2022
 - c. Remaining note payable on Legend Bank Loan
 - d. Report of cash on hand, # of cash days
 - e. Trended cash receipts for FY22
 - f. Q1 & Q2 Late 941 Payment amounts
 - g. Monthly patient count reports going back to October 2021
 - h. Report listing all unapproved items made over \$5000 for fy 22.
 - i. New Medicare Rates
13. Discuss, Consider, and Take Action on, if necessary, Proposed Budget.
 - a. Payroll #'s from 2020, 2021, and 2022 for Hospital and Clinic including employee count
 - b. List of 54 Employees that did not receive raise December 2021.
 - c. Board Budget
14. Discuss, Consider, and Take Action on, if necessary, Hiring and Pay Freeze.
15. Discuss, Consider, and Take Action on, if necessary, Proposed Tax Rate.
16. Discuss, Consider, and Take Action on, if necessary, Reopening Surgery Center at the Hospital.
17. Discuss, Consider, and Take Action on, if necessary, the implementation of PO System for accounting starting with new fiscal year, 10/1/22.
18. Discuss, Consider, and Take Action on, if necessary, Discuss new CEO Search.
19. Discuss, Consider, and Take Action on, if necessary, Employee Benefits for 2022-2023 Plan Year.

20. Discuss, Consider, and Take Action on, if necessary, Review/approval of CEO Travel to FQHC Conference August 27th.
21. Discuss, Consider, and Take Action on, if necessary, Budget Consultant Contract.
22. Consider and Take Action, if necessary, to review and approve expenses in excess of the spending policy.

Executive Session

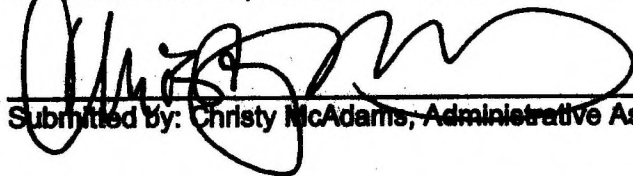
The Board will meet in closed session pursuant to Sec. 551.074 of the TEXAS GOVERNMENT CODE to discuss personnel matters, and pursuant to Sec. 551.071 of the TEXAS GOVERNMENT CODE to discuss with its attorney, either in person or by telephone, matters which require confidentiality pursuant to the attorney client privilege and, if applicable, under to Sec. 551.085 of the TEXAS GOVERNMENT CODE to discuss a proposed new service or product line.

Pursuant to Subchapter D of the Texas Open Meetings Act, this Board reserves the right to discuss in Executive (Closed) Session, such matters, and subjects as are allowed under Section 161.032 of the TEXAS HEALTH AND SAFETY CODE and/or Sections 551.0771, 551.072, 551.074 and 551.085 of the TEXAS GOVERNMENT CODE.

Return to Open Session

23. Discuss, Consider, and Take Action on, if necessary, Interim CEO Agreement
24. Discuss, Consider, and Take Action on, if necessary, Update Status on NewPort Sleep Lab Company Letter.
25. Adjournment.

The next Regular Board Meeting is scheduled for Thursday, September 22, 2022, at 5:30 pm in the OmniPoint Hospital Conference Room.


Submitted by: Christy McAdams, Administrative Assistant

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Heather H. Hawthorne, County Clerk

Recorded: 

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS FOR CHAMBERS COUNTY PUBLIC HOSPITAL DISTRICT NO. 1 HELD AT THE OMNIPOINT HEALTH WELLNESS/COMMUNITY CENTER ON AUGUST 25, 2022, ANAHUAC, CHAMBERS COUNTY TEXAS BEGINNING AT 5:30 PM.

A regular meeting of the Board of Directors of the Chambers County Public Hospital District No. 1 was conducted at OmniPoint Health Wellness/Community Center in Anahuac, Texas on Thursday, August 25, 2022, beginning at 5:30 pm with the following Directors present:

Mike Emmons, Chairperson
 Andy Legg, Vice Chairperson
 Linda Tinnerman, Secretary
 Geraldine Brown, Director
 Leslie Turner, Director

Pursuant to a Notice under the Open Meetings Act duly filed and posted a full 72 hours prior to the openings of said meeting (a copy being placed amongst the files of the district).

Also Present were Paul Aslin, Interim CEO, Christy McAdams, Administrative Assistant, Natalie Clarke, Director of Human Resources, Elissa Lofgren, Executive Director of Clinics, Malinda Albritton, Social Worker, Misty DeHoyos, Director of Radiology, Britney Strickland, Director of Medical Records, Sarina Nickel, Director of Nursing, Karin Bradford, Controller, Tommy Davis, with Durbin and Company, Tonya Pagel, Director of Clinic Nursing, Janice Jircik, Marketing and Community Center, Cari Griffin, IT, Collier Farnell, IT, Ann Newton, HR, Dr. Capili, Maria Ruiz, Registration Supervisor, Brandi Sawyer, NP, Nellie Lunsford, Business Development, Pat Fuller, Sue Hawthorne, Dr. Redman, Noe Mejia, Plant Operations, Don Harper, PA, Mandy Vercher, Call Center Supervisor, Monica O'Quinn, Site Supervisor, Rachel Ritchey, LVN, Cynthia Schribner, Employee Health, Steve Gualarte, Chris Jircik, John Lunsford, Xochitl Skibin, NP, Blanca Puga, Quality, Laura Casillas, Registration Supervisor, Gloria Roemer, Shelly Tillery, QIPP, Irene Amoako-Attah, Dr. Pierre, Nikki Jenkins, Laura Estes, Shawn Buser, and Kevin Reed with Reed & Claymon via zoom

The meeting was called to order by Chairperson Emmons, and it was determined that a quorum was present. Shawn Buser gave the invocation. Leslie Turner led the pledges.

Public Comment – Pat Fuller shared a story about a taxpayer from our district that had internal bleeding. She stated that they were transported to our hospital and then life flighted to Houston. Our hospital helped to save their life. She reminded us that even though the hospital is a business – the most important part is that we are in the business of saving lives. She believes that taxpayers are willing to pay to be a part of that.

The board reviewed the minutes for July 11, 2022. No changes needed. The board reviewed the minutes for August 4, 2022 and requested a change on page 2 – 4th paragraph. The statement “Emmons indicated that in order to reduce the upcoming budget, we should first cut salaries” will be changed to read “Emmons indicated that in order to reduce the upcoming budget, we should look at the payroll.

A motion was made by Secretary Tinnerman to approve the minutes for July 11th as presented and August 4th with the correction. Motion seconded by Director Turner. The motion carried unanimously.

Chair Emmons introduced the June Employee of the Month, Ann Newton with Human Resources. July recipient, Natalyn Royer, was mentioned but will be recognized at the next regular board meeting, since she was on vacation.

Administrative Reports - Aslin gave his Administrative Report. The organization completed CMS Pricing Transparency for our website. We received a SHIP grant for \$10,969 from the State Office of Rural Healthcare. There is a Public Funds Investment Act Training in December if the board would like to attend. The board and Paul attended the 2022 Texas Healthcare Trustees Conference in July. Sarina Nickel, DON has given her resignation and we are currently interviewing for a replacement. Leone Swing Bed has 3 patients already and we will continue to track those figures.

Board Finance Committee – Secretary Tinnerman stated that the finance committee met with Aslin and Bradford to go over financials. It was very informative and once the team gets the financials completed, we will be able to be more transparent with the public. Tinnerman reminded the board that the general ledger has not been balanced since 2020 and that is why this correction is taking so long to complete.

Hospital Committee Reports – Nothing to report for Compliance Report. Safety Committee continues to prepare for hurricane season. Marketing Report shows back to school events, Healthcare Week, and the ribbon cutting for Dr. Pierre, the new dentist.

Operational Reports –Lofgren stated that we received our Notice of Award for American Rescue Plan Act Funding for Health Centers Supplemental Funding in the amount of \$65,000. We were also awarded the PHC Grant of funding for Grant Year 2023 in the amount of \$127,250. Lofgren confirmed that 99% of these funds come back to the district. A new dental hygienist has started working at the Anahuac Clinic. COVID Vaccines are now available at all locations during all business hours for patients 6 months and up.

Executive Session:

A motion was made by Director Turner to adjourn to Executive Session at 5:54 pm and seconded by Director Brown. Motion carried unanimously.

A motion was made to exit Executive Session by Secretary Tinnerman and seconded by Director Brown at 6:01 pm.

Return to Open Session

A motion was made by Director Brown and seconded by Vice Chair Legg to approve the Hospital Quality Assurance Process Improvements Report, Statistics, and Credentialing. Motion carried unanimously.

• NEW-APPOINTMENT:

- **Alexis Pierre, DDS, Active Staff:** Credentials for Alexis Pierre, DDS, Active Staff were presented for review to the Credentials Committee. The Medical Staff Coordinator advised the members of Credentials Committee that Alexis Pierre, DDS is up to date on all certifications/license, has been queried in the National Practitioners Data Bank, Texas Board of Nursing and Office of Inspector General with no reports.
- **Hisham Bajwa, MD, Consulting Radiologist:** Credentials for Hisham Bajwa, MD, Consulting Radiologist were presented for review to the Credentials Committee. The Medical Staff

Coordinator advised the members of Credentials Committee that Hisham Bajwa, MD is up to date on all certifications/license, has been queried in the National Practitioners Data Bank, Texas Board of Nursing and Office of Inspector General with no reports.

- **RE-APPOINTMENT:**

- **Amanda Brown, RPH, Allied Health Professional:** Credentials for Amanda Brown, RPH, Allied Health Professional were presented for review to the Credentials Committee. The Medical Staff Coordinator advised the members of Credentials Committee that Amanda Brown, RPH is up to date on all certifications/license, has been queried in the National Practitioners Data Bank, Texas Board of Nursing and Office of Inspector General with no reports.
- **Thomas Weismantel, RPH, Allied Health Professional:** Credentials for Thomas Weismantel, RPH, Allied Health Professional were presented for review to the Credentials Committee. The Medical Staff Coordinator advised the members of Credentials Committee that Thomas Weismantel, RPH is up to date on all certifications/license, has been queried in the National Practitioners Data Bank, Texas Board of Nursing and Office of Inspector General with no reports.
- **Mary Kay Demello, RPH, Allied Health Professional:** Credentials for Mary Kay Demello, RPH, Allied Health Professional were presented for review to the Credentials Committee. The Medical Staff Coordinator advised the members of Credentials Committee that Mary Kay Demello, RPH is up to date on all certifications/license, has been queried in the National Practitioners Data Bank, Texas Board of Nursing and Office of Inspector General with no reports.

Old Business:

CFO Candidates – Aslin stated that the search for a new CFO began 3 ½ months ago. We began with 7 candidates and have it narrowed down to 2 by interviewing with the financial staff. Aslin asked the board if they would like to interview the candidates as well or if they would rather postpone the hiring process until the CEO is in place. Secretary Tinnerman said that we should proceed with the candidates since we have already spent time and money to get us to this point in the process. The rest of the board agreed that they would like to work with the candidates to schedule a time that they could attend our board meeting and the interview could be done during executive session. Aslin will contact the candidates with the salary range and ask them to interview at the next board meeting.

A motion was made by Director Brown to move forward with scheduling the CFO Candidates in-person interview with the board of directors. The motion was seconded by Director Turner. Motion carried unanimously.

Status of Storage Buildings – Noe Mejia, Director of Plant Operations, attended the meeting and stated that we are down to 2 storage buildings. Chair Emmons asked if medical records could be kept off site. Brittany Strickland, Director of Medical Records, stated that there are certain rules that must be followed, and she has kept in compliance. In December 2023, Strickland will be able to purge more of those records and we can possibly cancel that storage building. The organization has been fully electronic since 2016.

CT Rental and Floor Preparation – Aslin said that Misty DeHoyos, Director of Radiology and Noe Mejia, Director of Plant Operations have been working hard to get quotes and everything completed for the new CT machine. The new CT machine is preliminarily scheduled for installation on October 3rd. We will

need to rent a CT machine from September 14th – October 14th. DeHoyos received 3 bids for a rental machine and is suggesting we go with the Merry Xray GE Light Speed. Mejia is working with flooring and electrical companies to prepare for the rental and new machine. Mejia is suggesting that flooring be contracted through Forbo Flooring Systems which bid about \$10k less than the other company. The board thanked Mejia for being diligent and finding such a big savings. Flooring should take about 2-3 days to complete. Electrical will also need to be ran for the rental machine and Mejia brought the quotes from Voltmaster Electric for review.

A motion was made by Secretary Tinnerman and Seconded by Director Brown to approve the rental of the Merry Xray GE Lightspeed CT, the flooring with Forbo Flooring Systems, and the electrical services with Voltmaster Electric. Motion carried unanimously.

New Business:

Financials - Tommy Davis, auditor with Durbin and Company gave a brief account of the financials. He applauded our team for the hard work they have put into correcting the 2021 figures. We now have a more realistic picture of the numbers for 2021. Today we believe that in 2020 the organization broke even. Davis stated that the Audit will begin in the next 30 days.

The cleanup team is moving onto the Fiscal Year 2022 and Bradford believes this should move a lot quicker. Bradford stated that our cash on hand dropped from 10M to 5.9M. According to Bradford, the last interim CFO believed that in order to receive a loan for IGT funds without financial reports in place, we would need to pay down the loan on the current line of credit. Two additional payments were made in March and May by Colson, in addition to the regular note payment. Therefore, the IGT line of credit balance that is due in December is only 3.3M; however, we now do not have as much cash on hand as in March. Legg confirmed that those payments were not wasted and that it did reduce some interest from the note. Bradford stated that we should have a reasonable financial statement for 2021 by October and if we need to we can bring those back to the bank to request a line of credit. Our hope is in January 2023 to be able to begin distributing monthly financial statements. Bradford agreed that she would continue to report the cash on hand at each board meeting in the future.

It was discovered that the IRS 941 payments for 2021 were made, however, the paperwork was not filed with the payment. The finance team has taken care of Q1 and Q2 payments and paperwork with the IRS. We are currently waiting for the IRS to notify the organization whether penalties will be assessed. The board asked how much the penalty could be – Davis stated that worse case scenario is 100% of the actual payment. The finance team stood up and were congratulated on taking care of this issue. Board asked that Shelly Tillery, QIPP coordinator speak to the board in December about QIPP status.

Break taken from 7:12 – 7:22 pm.

Budget – Aslin met with the board on August 4th for a budget workshop. Steve Gularte was requested to help create a budget and Aslin added details once it was complete. Emmons stated that at the workshop the board requested Aslin to sharpen the numbers; however, the budget numbers now look higher. Aslin stated that these figures are more accurate than anything seen before. The organization has added several new services so we can expect the revenue to increase over the next 2 years. There was a request to add a board budget, and indigent care fund, and a future building fund. Aslin said that this budget is a living tool that can change whenever needed and it is meant as a tool to measure against through-out the year. Director Turner asked if everything depends on QIPP staying in place – Aslin says that is an important piece, but we also survive due to the clinic's revenue. The importance of bringing

on new services is to help boost revenue in case we eventually lose the QIPP Program. Emmons stated that there were 54 employees in 2021 that were denied raises – Bradford broke that number down for the board. 41 of the 54 employees were already at or above the salary rate scale; 11 employees had been hired in with the new salary rate scale; which left 2 employees that were not given the raise because they had not been with the company for 60 days. Legg questioned the 40% increase in staff. Bradford reviewed the numbers: 51 Employees were added for extended hours, Dayton Clinic, IT, Dentist, and quality control. 9 employees were moved from contract labor to in-house employees, 15 employees were added to expand services, and 27 employees were added due to growth. Legg stated that he now understands the reason staff was increased but if that trend continues it will not be sustainable. Bradford said that payroll is at 9.6M for FY 2022. Bradford stated that she is concerned that the board is looking at salaries and contract services as a function of revenue. Aslin agreed that cutting the budget back to the bare minimum is fine, but you still have to fight to add services for our community. Aslin mentioned our mission is to take care of our people and we are sitting on a huge opportunity due to the area's growth.

Emmons questioned Aslin and Mejia about \$40k spent last year for air conditioning. Mejia stated that when we picked up 2 of the units, they were damaged, so we sent them back. We have a \$19.5k credit with the A/C company because the units we originally ordered are discontinued. We have asked to receive quotes for 2 other units, but the company has not sent us a bid on the job. It was agreed that Mejia would go ahead and request a refund for the credit.

Employee Benefits for 2022-2023 Plan Year – Natalie Clarke spoke about her request from several insurance companies for bids. Bids were requested from Aetna, Cigna, Blue Cross Blue Shield, and United Healthcare. BC/BS is the only company to bid our project and came in at 1.7M. Allied, the company we use now, bid at 1.5M. Clarke suggested that the organization stay with Allied. Clarke gave the board some breakdowns on large claims and the amount was negotiated by Allied on our behalf. We only paid \$218k out of 1.5M worth of charges due to Allied's help, saving us 76%.

A motion was made by Director Brown and seconded by Secretary Tinnerman to approve Allied as our employee insurance company for 2022-2023 plan year. Motion carried unanimously.

Hiring and Pay Freeze – Legg stated that his concern is that we increased staff by 40% last year and that kind of increase is not sustainable for the future. Legg would like to see the budget salaries frozen at 9.6M so that no one has to be cut from the staff. Legg suggested that Aslin look at similar facilities and compare our numbers. He suspects that we will be on the heavy end of the spectrum. No Vote taken.

Implementation of PO System – Emmons said the PO System will help our purchasing department while making everyone accountable.

A motion was made to implement the PO System beginning 10/1/22 by Director Turner. Secretary Tinnerman seconded the motion. Motion carried unanimously.

Re-Opening of Surgery Center at the Hospital – Tabled.

Review of CEO Travel to FQHC Conference 8/27 – Emmons stated that the board received an email in regards to the FQHC board, Lofgren, and Aslin attending a conference out of state on August 27th. The email stated that a grant would be paying for the expenses. A question arose about what the 330 grant can pay for – Lofgren stated that she has to provide a budget and then the money gets expensed back to us. That grant also pays salaries and travel expenses. Legg questioned if the money wasn't spent

towards the travel expenses, could that money go toward the hospital. Lofgren agreed that money from the grant could go towards the Anahuac Clinic or the FQHC's education.

A motion was made by Secretary Tinnerman to allow Aslin to attend the FQHC Conference on 8/27. Motion was seconded by Director Brown. Vice Chair Legg abstained from voting. Chairperson Emmons and Director Turner voted against the motion. Aslin did not attend the FQHC Conference on 8/27.

Director Brown leaves meeting at 9:28pm.

Budget Consultant Contract – Payment of Steve Gulate for assistance with Budget.

A motion was made by Vice Chair Legg to approve the payment of the Budget Consultant Contract to Steven Gulate. Motion was seconded by Director Turner. Motion carried unanimously.

Approve Expenses over \$5,000 – One expense for the lab was reviewed for Werfen and agreed that it did not need to be approved by board since it was several items adding up to the total of \$6,492.69.

Proposed Tax Rate – Legg stated that he would like to see the tax rate dropped by a nickel. Turner stated that if there is not an increase being made, we can adopt the tax rate on Sept 22nd. Emmons agreed and asked that it be discussed at the next Board Workshop on Sept 6th.

A motion to reduce the proposed tax rate by a nickel to \$0.27869 was made by Vice Chair Legg. Secretary Tinnerman seconded that vote. Chair Emmons was against the motion. Motion carried.

Executive Session:

A motion was made by Director Turner to move in to Executive Session at 9:55 pm and seconded by Secretary Tinnerman. Motion carried unanimously.

A motion was made to exit Executive Session by Secretary Tinnerman and seconded by Director Turner at 10:45 pm. Motion carried unanimously.

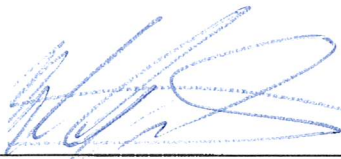
Return to Open Session

Discuss New CEO Search – A motion was made by Director Turner to begin the search for a new CEO by contacting 3 recruitment companies for bids. Motion was seconded by Vice Chair Legg. Motion carried unanimously.

Adjournment:

A motion was made by Secretary Tinnerman to adjourn meeting and seconded by Director Turner at 11:05 pm. Motion carried unanimously.

Approved this the 22nd day of September, 2022.

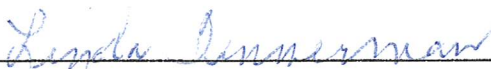


Mike Emmons, Chairperson
Board of Directors

SECRETARY'S CERTIFICATE

I, Linda Tinnerman do hereby certify that: I am the Secretary of Chambers County Public Hospital District No. 1 DBA OmniPoint Health (hereinafter the "District") that these are true and correct minutes reflecting the discussion and actions of the Board of Directors of the District at a regular or special meeting held on the date shown above and entered in the permanent records of the District; that the meeting was duly and regularly called and held in accordance with the bylaws of the District.

IN WITNESS WHEREOF I have hereunto set my hand this the 22nd day of September, 2022.



Linda Tinnerman, Secretary