CONCHO COUNTY HOSPITAL DISTRICT
MEETING MINUTES

STATE OF TEXAS
COUNTY OF CONCHO

1. **Call to Order**
The Concho County Hospital Board of Directors met in Eden, Texas at the Health and Wellness Center on September 24, 2019 at 5:40 PM.

Board of Directors:	Brent Frazier	President
	Leah Brosig	Vice President
	Eric Sanders	Secretary/Treasurer
	Julie Cox	Member
	Mary Castanuela	Member
	Richard Doane	Member
Others Present:	Brian Lady	CEO
	Priscilla Aguirre	Hospital Operations Manager
	Melanie Lozano	Finance Manager
	Lacye Crumpton, Pharm D	Pharmacist
	Agapito Torres	Public
	Arzenet Burnes	Public
	Alma Hobbs	Public

2. **Open Forum for Public Comment**
There was no comment from the public.

3. **Approval of August Minutes**
Mr. Frazier advised the Board that the discussions on the recording will be put on the minutes as closely as verbatim as can be. Ms. Brosig made a motion to approve the minutes from the August meeting. Mrs. Cox seconded the motion, motion passed 5-1 with Mrs. Castanuela voting against.

4. **Monthly Performance Improvement/QA Monitors**
Mrs. Aguirre returned to some questions asked at the previous meeting. One question was about the 25 lab tests that were cancelled. She stated that those were from observation and inpatients and they were released before the tests could be provided. She also explained that the question about Detox stating May on the report was a typo, and it should've said July. Ms. Brosig asked what the plans were for Flu shots to the community. Mrs. Aguirre stated that 3 dates have been set, but we are waiting for the flu vaccine, so the flu clinic in Paint Rock would be rescheduled.

5. **The 340B Program Explained**
Lacye Crumpton stated that the discount program was designed for uninsured or vulnerable patients. Manufacturers are required to sell drugs to covered entities at discounted pricing. The Pharmacy is not considered a covered entity, it is considered a contract pharmacy. Must be an established patient of a covered entity or the covered entity has referred you to another physician who can write the prescription but you are still really under the care of the primary physician. The pharmacy discount part of the program is for patients who do not have insurance, if you have insurance and it is disregarded and are put on the actual discount program it is a diversion and against the law. Mrs. Aguirre asked if your PCP is with Frontera and you go see a specialist doesn't the PCP own that progress note medical record for the drug itself or can they just get referred over. Mrs. Crumpton responded that they have to make the referral and the way the Macro Helix system is set up to see if drugs qualify it goes by doctor's NPI and diagnosis codes so there are prescriptions that don't qualify because they do not have the right diagnosis code on it. At this time Mr. Torres, Mrs. Burnes and Ms. Hobbs entered the meeting. Mrs. Crumpton stated that the pharmacy asks patients constantly if they have insurance to verify that patients are not taking advantage of using the discount program. The 340B discount program was set up to save the covered entities money to use to put back into a program that is needed. Frontera is a covered entity because they are a FQHC. The Hospital has a 340B program within the hospital now and when the clinic opens everything will be grouped together and started at the same time. A go between company will be used to put parameters on prescriptions so that it is known if it qualifies or does not qualify. Mr. Lady asked if most providers provide some identification for patients to identify them as discount eligible. Mrs. Crumpton stated that soon a program will be implemented where an insurance card will be given to a patient with a distinct ID that will decipher if a patient qualifies, this will leave out the guess work out of whether the patient qualifies for the 340B program. With no more questions asked, Mrs. Crumpton left the meeting. Mr. Frazier then directed to the members of the public that entered during the presentation if they had any comments. Mr. Torres asked if this was for the other meeting and Mr. Frazier responded that the Board was already in its regularly scheduled meeting. He stated that the tax rate meeting began at 5:30 with the budget meeting following and now the Board was in regular session. Mr. Torres stated that 6 o'clock was posted on the agenda. Mr. Frazier responded that no one was here for the other meetings. Mr. Torres then responded that 6 o'clock is 6 o'clock. Mr. Frazier then asked if they wanted to make a public comment. Mr. Torres stated that his understanding is when a public meeting is posted that is the time it begins not before. Mrs. Burnes was inquiring about the hospital's intention of the Park Lane Road property. Mr. Frazier stated that we can put this item on the agenda for next meeting for further discussion. Mrs. Burnes then asked if she can be placed on the agenda for the next meeting to discuss the property. It was noted to add Arzenet Burnes to the next meetings' agenda.

6. **Billing & Revenue Cycle Management**
Mrs. Aguirre stated that the Hospital has started to collect on money that had previously been held up the last 3 months. With no questions asked the Board moved on to the next agenda item.

7. **Financial Statement and Accounts Payable for August 2019**
Mrs. Lozano started by answering a question Mrs. Castanuela had asked during the previous meeting about the Payroll Deduction Health & Wellness Account. The account was researched and the Payroll Deduction Hospital AR account was being debited instead. Since the amount is a significant amount, she will ask the auditors how they want her to adjust the account. Mrs. Lozano then went on to discuss the Financial Summary report pointing out

that the inpatient cash was low for the month and there was no tax revenue. There was also a credit in the other revenue amount because Medicare recouped $17,000 from an EHR incentive payment we received 6 or 7 years ago. She stated that the operating expenses were higher this month because of the renovations to the clinic and recruiting Physical Therapy. Mrs. Castanuela asked about the $25,000 in the physician stipend account. Mrs. Lozano replied that the monthly physician stipend amount was being billed with our ER contract labor from Discovery, only 1 month had been expensed to the physician stipend account. She made the adjustment to debit the physician stipend and credit ER contract labor. This adjustment reflected the amount for the months of November to August. Mrs. Castanuela then asked what the administrative consultant fee of $46,000 was. Mrs. Lozano answered that was a result of PT recruitment expenses, and other amounts in this account are the new HR consultant company and Discovery for the assistance with the UC tool. Another question asked was the amount of $30,000 in the computer maintenance account. Mrs. Lozano explained that this account is the computer maintenance on the Centriq software, amounts are invoiced in different months and most hit towards the end of the year and total around $130,000 for the year.

8. **Approval of Policies**
The Policy Committee did not meet this month, therefore there were no policies needing approval at this time.

9. **Adoption of 2020 Budget**
Ms. Brosig made a motion to adopt the 2020 Budget as presented. Mrs. Cox seconded the motion, and it passed 6-0.

10. **Adoption of Tax Rate**
Ms. Brosig made a motion to adopt the Tax Rate of 0.2750, the same Tax Rate as last year. Mr. Sanders seconded the motion, passed 6-0.

11. **Administrator's Report**
    - Mr. Lady reported the progress of the house remodeling. He stated that the flooring, cabinets and moldings are in all sheet rock has been taped and floated and a couple more items are awaiting to be installed. Dr. Papillion's moving truck is picking her stuff up on October 10th, and she should be here a day or two after that. He then gave an update on the clinic construction and how things are coming along especially without having any Mechanical Electrical and Plumbing Plans. There were duct work problems and the AC had to be replaced. The clinic will have 4 exam rooms, 1public and 1 staff bathroom. Mr. Lady then showed the Board some samples of the flooring. There will be 4 exam tables and one of those exam tables will be for larger or non-ambulatory patients. Dr. Papillion and the midlevel will both have a small office.
    - Mr. Lady informed the Board that the flu vaccine was not available yet, so the Paint Rock flu clinic will have to be rescheduled. There are 30 vials available for Eden, and hopefully the flu vaccine will be shipped by the Menard Flu Clinic.
    - He gave the Board updates from the TORCH conference in Bastrop about the 340B program and support of rural healthcare by the Federal Programs. He explained that the Hospital is too high on the federal poverty level, but we received $7,500 for equipment and $14,000 for recruiting.
    - A physical therapist has been hired, her name is Jenny Londerholm. Mr. Lady will be working the numbers into the Cost Report Modeler to see about converting the Health

and Wellness Center to Physical Therapy. He will find ways for the public to continue working out, but having the facility clean for patients is a priority.

- Mr. Lady stated that he is looking into redesigning the 2 west most rooms in the hospital for the Swing Bed program. He had attended an event in San Angelo with the CEOs of Shannon and Community and they both said they are having trouble finding places to send patients but they require certain amenities and nobody has them. Mr. Lady then showed the board a picture of the new Billboard outside of San Angelo that is marketing the Swing Bed program. The Billboard contains a picture of two hospital nurses, JD and Olga, and a citizen of Eden, Christina. He also stated that there are 2 Billboards in Menard marketing the Retail Pharmacy and Trauma program with a 3rd coming up. The Board went into a brief recess at 6:22pm.

12. **Executive Session**
Mr. Lady asked if Mrs. Aguirre and Mrs. Lozano could stay for the Executive Session. The Board then went into executive session to discuss personnel items at 6:25pm.

13. **Action from Executive Session**
The Board came out of executive session at 6:44pm. Mr. Frazier wanted it stated in the minutes that he did start the meeting early tonight partially because he was looking at 3 Agendas and was looking at the wrong time, and he will take full responsibility if something becomes of it. There was no action from Executive Session.

14. **Adjournment**
Ms. Brosig made a motion to adjourn the meeting at 6:45pm. The motion was seconded by Mrs. Cox, with everyone in favor.

______________________ Date 10/22/19