

**MEDINA COUNTY HOSPITAL DISTRICT
FINANCE COMMITTEE MEETING
March 21, 2024
Minutes**

PRESENT: Carlton "Corky" E. Young, DVM, Chairman
Tim Hardt, Director
William "Bill" Bain, Director
Tony Johnson, Director
Mary Mangold, Director

Billie Bell, CEO
Kevin Frosch, CFO
Rebecca Deen, CNO
Ashley Lowe, COO
Louisa Cuellar, Executive Assistant/Recording Secretary

ABSENT: Judy Winkler, Director
Marc Strode, Methodist Healthcare System

GUESTS: Deborah Whitley, Partner, FORVIS
Travis Skinner, Partner, FORVIS

1. **CALL TO ORDER** Dr. Young called the meeting of the Finance Committee of the Medina County Hospital District to order at 5:00 p.m. He stated for the record that the
2. **QUORUM CHECK** Committee has five Board Committee Members present, representing a quorum.

3. **PUBLIC COMMENT:** There were no members of the public present.

4. **MINUTES** **MOTION**
A. Regular Meeting of February 26, 2024 Mr. Hardt made a motion to approve the Finance Committee Minutes of February 26, 2024, as presented in the packet. Mr. Bain seconded.

VOTE
The motion passed unanimously.

5. **AUDIT AND COST REPORT FOR FY 10/01/2022 – 09/30/2023 AS PRESENTED BY FORVIS** Ms. Whitley and Mr. Skinner of FORVIS presented the Audit and Cost Report results. A copy of the draft audit and management letter was given to the Board of Directors.
Ms. Whitley and Mr. Skinner introduced themselves to the Board members and commended the Medina Healthcare System for its strong, consistent financial performance.

Ms. Whitley began with the What is Going on in Healthcare presentation. The following are some of the challenges healthcare systems are facing: Economic, such as Wage pressures and supply chain issues continuing with inflation; the Dilution of Medicare, increasing pressure/campaigns to lure Medicare eligible participants away from traditional Medicare to managed care plans;

Supplemental Payment Programs, demand letters going out for overpayments and recoupments from older years, and some of these new programs are not necessarily good for rural facilities with lower Medicaid volumes – CHIRP & TIPPS; Nursing Facility (QIPP), Texas hospital industry is seeing disruption of nursing facilities participating with hospital districts due to other hospital districts luring facilities away offering higher share to nursing facility which may force you to lower your percentages or potentially lose facilities; Price Transparency, continued support from Washington, and State and Federal level checking compliance; and Cyber Security, healthcare facilities are the new targets – there has been a 300% increase in attacks; confirm you are insured with Cyber coverage.

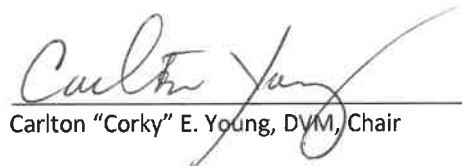
Mr. Skinner presented a quick overview of the audit. Mr. Skinner mentioned the following: Cash and investments increased \$7.5M; Gross Patient Service Revenues increased \$9.1M – OP increased \$7.4M; Net Patient Service Revenues increased \$3.1M; Total Hospital Operating Expenses increased \$3.6M, salaries, wages, and employee benefits decreased \$1.6M; Purchases services and professional fees increased \$895K; and supplies increased \$842K; Net position increased \$12,219,862 in 2023 and \$10,002,562 in 2022, with a difference of \$2.2M.

Ms. Whitley summarized that the Medina Healthcare System needs to maintain strong collections/billing and revenue cycle processes, and to be fiscally responsible with the management of cash, expense control, and good growth.

The Board members thanked the Medina Healthcare System staff members for their outstanding work. The Board expressed their appreciation to Mr. Skinner, Ms. Whitley, and the entire FORVIS team for their guidance and support. Due to time constraints, the Finance Committee elected to move the February financial report to the regular Board meeting.

6. ADJOURNMENT

There being no further business to come before the Finance Committee, the meeting was adjourned at 6:00 p.m.


Carlton "Corky" E. Young, DVM, Chair