

**MINUTES
BOARD OF DIRECTORS
MEDINA COUNTY HOSPITAL DISTRICT**

February 28, 2022

TIME AND PLACE:

The Medina County Hospital District Board of Directors met in regular session on Monday, February 28, 2022 at 6:30 p.m. at the Medina Regional Hospital Boardroom, 3100 Avenue E, Hondo, Texas.

PRESENT:

Tim Hardt, President
William "Bill" Bain, Director
Judy Winkler, Director
Tony Johnson, Secretary
Dr. Carlton "Corky" E. Young, Vice President
Zachary Windrow, MD, Director

Janice Simons, Chief Executive Officer
Kevin Frosch, Chief Financial Officer
Billie Bell, Chief Nursing Officer
Marc Strode, Methodist Healthcare System
Randi Davis, Executive Administrative Assistant

ABSENT:

Lori Krieger, Director

GUESTS:

None

**1. CALL TO ORDER
AND RECORD OF
ATTENDANCE**

Mr. Hardt called the meeting of the Medina County Hospital District Board of Directors to order at 6:35 p.m. He stated for the record that the Board of Directors has seven members with five members being present at that time and representing a quorum.

2. PUBLIC COMMENT

There were no members of the public present.

CONSENT AGENDA

**3. CONSIDER
APPROVAL OF
MINUTES**

**A. Regular session
January 24, 2022**

The Minutes from the Regular Board Meeting of January 24, 2022 were approved as presented in the Board Packet

**4. CONSIDER
APPROVAL OF CNO
REPORT**

Ms. Bell reported that hospital administration recently presented several nurses with Clinical Excellence Awards for ensuring the safe delivery of a breech baby in early February. Thanks to their quick work, both mom and baby were able to make a quick recovery.

Ms. Bell reviewed the most recent Quality Improvement Dashboard with the Board, as well as the Pharmacist Clinical Interventions graph from Hunter Pharmacy Services. Ms. Bell also reviewed the most recent COVID and flu statistics.

Finally, Ms. Bell reviewed a recent article regarding traveling nurses and the ongoing debate about salary caps. The demand for staffing has dramatically increased since the pandemic started, and hospitals are struggling to keep up with the demand while providing competitive staffing rates.

5. **CONSIDER APPROVAL OF RURAL HEALTH CLINICS REPORT**

Mr. Frosch reported that all three clinic locations saw volumes that were well above budget for the month, including telemedicine visits. Hondo reported a loss of \$31.9K for the month, Devine reported a gain of \$32.9K, and Castroville reported a loss of \$3.4K for the month. There was a total of 5,613 clinic visits for the month of January, including telemedicine appointments, which was greater than the budgeted amount of 4,209 visits. Gross revenue was 5.1% above budget. Net revenue for the period was a \$2.3K loss, and expenses were \$43.7K below budget.

6. **CONSIDER MEDICAL STAFF REPORT**

Dr. Windrow noted that the clinics have been extremely busy, with over 1,000 visits more than the budgeted levels. With COVID cases finally decreasing again, staff morale is once again improving. The phone system is much better after the upgrade, and clinic staff are receiving far less complaints about the wait time for scheduling appointments over the phone. Finally, Dr. Windrow noted that the Hondo clinic is still in need of a clinic manager, and this would be beneficial to the clinics.

MOTION

Mr. Bain made a motion to approve the Consent Agenda. Mr. Johnson seconded.

VOTE

The motion passed unanimously.

7. **CONSIDER PUBLIC CORRESPONDENCE REPORT**

Mr. Johnson presented the public correspondence report for the month of February. There were 40 total questionnaires returned from patients. There were no negative comments for the month. There was a comment regarding cash payments for services being cheaper in San Antonio, but this is due to the nature of being a critical access hospital.

MOTION

Dr. Young made a motion to approve the Public Correspondence Report as presented. Ms. Winkler seconded.

VOTE

The motion passed unanimously.

8. **CONSIDER CHIEF EXECUTIVE OFFICER'S REPORT**

Ms. Simons provided updates on several ongoing projects. The Castroville clinic construction project is still on schedule to be completed in April 2022. The interior drywall is finished, along with the storefront glass along the exterior. Corrections have been made after recent inspections. The electrical work is ongoing, as well as the exterior rock and the interior ductwork. A Grand Opening event is being scheduled for late April and details will be sent to the Board members once they become available. The new boiler project is nearing completion. The temporary units have been removed and the new units have been installed. Final tests, adjustments, inspections, and registrations are underway and will complete the project.

Ms. Simons reviewed several ongoing staffing updates. Town Hall Meetings are finally being scheduled once again for employees to hear updates within the hospital district. The new vaccine clinic space will host these events, and all Board members are invited to attend and provide input. Employees expressed deep appreciation for the recent bonus that the Board approved. Hospital administration and several directors will be attending the Methodist Center for Leadership Excellence (MCLE) event in San Antonio on April 7th. This is a great opportunity for the rural hospitals to showcase their most recent facility updates, as well as showcase employees who have gone above and beyond.

Ms. Simons discussed additional hospital updates. The 2022 Marketing Campaign is well underway. Several videos have been filmed and will be edited before being posted to the hospital's social media. These videos showcase several of the services provided by the hospital, as well as highlighting many of the specialties that are offered. The Baptist Health Foundation recently awarded a \$125,000 grant to MHS for updated imaging equipment for the Devine and Castroville clinic locations. The Baptist Foundation additionally awarded Medina County the Spirit

of Health Award in response to the county's superb response to the community during the COVID pandemic. Hospital administration is continuing to discuss services with the office of Dr. Gerken, orthopedic specialist. Hospital officials attended the Castroville Chamber Luncheon in February and have been asked to present hospital updates at the next luncheon event on March 8th at the Hillside in Castroville. Board members are welcome to attend this luncheon as well.

Ms. Simons reviewed an article about the burden that COVID-19 creates on hospital resources, highlighting the significant staffing issues the pandemic has caused. Many hospitals are understaffed and overburdened. COVID also exacerbates other medical conditions, which require more than twice the resources of non-COVID positive patients, including additional staff, more infection control measures, more supplies, more testing, and more work for clinicians and their support staff.

Finally, Ms. Simons reminded Board members about upcoming events. The TORCH Conference will be held April 19th – 21st. Board members have been registered for the event and hotel rooms have been booked for all members who expressed interest in attending the Conference. Board members are encouraged to attend the upcoming Chamber Luncheon event in Castroville, as well as the Hondo Chamber Carhartt's and Cocktails event on April 9th. May 5th will be the annual Medina Healthcare Fund fundraising event at Vista Verde Ranch, so please make plans to attend if possible.

MOTION

Dr. Windrow made a motion to approve the CEO report as presented in the Board packets. Mr. Bain seconded.

VOTE

The motion passed unanimously.

9. CONSIDER
FINANCIAL REPORT

A. Consider
approval of the
January 2022
Financial
Report

Mr. Frosch reviewed the Financial Statement Summary for the month of January. Gross Revenue was below budget for the month by 5.2% but remains 4.5% above budget YTD. Net Revenue was below budget by 5.6% for the period but is 15.6% ahead on a YTD basis. Expenses were 1.6% below budget for the month and 1.5% above budget YTD. EBIDA finished below budget for the month but is ahead of budget for the year so far.

Patient days were 70 visits ahead of budget. Outpatient visits were 462 below expected levels. Clinic visits were an astounding 1,404 visits ahead of budget, and ED visits were 127 above. Total surgeries were 18 below expected, and births were down by 3.

Mr. Frosch noted that the cash collections for the period were solid. The 340B program was \$146K below budget. This is an area of great concern for hospital administration, as many drug companies are pulling out of the program which could significantly impact the budget. There are ongoing lawsuits nationwide with this program and administration will continue to update the Board on the outcomes.

The employee benefits line was \$132K below budget, due to an atypical month with 3 pay periods rather than 2. This line item is still trending similar to the prior year level. The agency staffing line was \$68K above budget due to high agency staffing rates and open positions. Finally, the rental expenses line was \$17K above budget but this should begin to decrease in future months with the completion of the new boiler project and removal of the existing rental units. There were no changes to the report presented in the board packet.

MOTION

Dr. Young made a motion to approve the Financial Report for January 2022 as presented during the Finance Committee meeting. Mr. Johnson seconded.

VOTE

The motion passed unanimously.

10. REVIEW, CONSIDER, AND APPROVE ANNUAL PROGRAM EVALUATIONS FOR THE MEDICAL CLINICS OF CASTROVILLE, DEVINE, AND HONDO

Ms. Simons noted that this is an annual requirement from the Centers for Medicare and Medicaid Services organization. Each of the reports was compiled by Ashley Lowe and reviews the schedule, the number of visits, and other metrics by which the clinics are evaluated.

MOTION

Ms. Winkler made a motion to approve the Annual Program Evaluation for the Medical Clinic of Castroville as presented in the Board packet. Dr. Windrow seconded.

VOTE

The motion passed unanimously.

MOTION

Mr. Bain made a motion to approve the Annual Program Evaluation for the Medical Clinic of Devine as presented in the Board packet. Dr. Young seconded.

VOTE

The motion passed unanimously.

MOTION

Mr. Johnson made a motion to approve the Annual Program Evaluation for the Medical Clinic of Hondo as presented in the Board packet. Dr. Windrow seconded.

VOTE

The motion passed unanimously.

11. CONSIDER APPROVAL OF AUDIT AND COST REPORT FOR FY 10/01/2020 – 09/30/2021

Dr. Young recommended that the Board table this item until the March 28th, 2022 meeting in order to give Board members time to review the Audit reports and ask any follow-up questions.

MOTION

There was no action taken on this item.

12. REVIEW, CONSIDER AND APPROVE THE RECRUITMENT OF A FULL-TIME FP/OB PHYSICIAN

Ms. Simons discussed the need to begin recruiting a new FP/OB physician for the Castroville clinic with the expansion of the clinic itself as well as the high rate of growth on the eastern side of Medina County.

MOTION

Ms. Winkler made a motion to approve the recruitment of a full-time FP/OB physician as presented in the Board packet. Dr. Young seconded.

VOTE

The motion passed unanimously.

13. REVIEW, CONSIDER AND APPROVE BUDGET AMENDMENT REGARDING FINANCIAL IMPACT OF THE STAFF HERO BONUS IN THE TOTAL AMOUNT OF \$150,000.00

Mr. Frosch reviewed the budget amendment attachment presented in the Board packet. Under the 'Expenses' tab on the amended 2022 Income Statement, the amount added for the third special compensation payout totals \$121,080.00. An additional \$9,263.00 was added to the 'Payroll Taxes' line item to accommodate the funds from the policy as well. This totals a budget amendment of \$130,343.00 based on the pay scale presented to the Board.

MOTION

Mr. Bain made a motion to approve the budget amendment regarding the financial impact of the staff hero bonus given to employees in the total amount of \$150,000. Dr. Windrow seconded.

VOTE

The motion passed unanimously.

14. REVIEW, CONSIDER, AND APPROVE ANNUAL INFECTION CONTROL EVALUATION

Ms. Bell noted that this is an annual presentation to the Board to update members on the hospital's infection control efforts. She reviewed the attached 2022 Infection Control Risk Assessment Surveillance Plan, as well as the rubric for the different potential risk categories.

MOTION

Mr. Bain made a motion to approve the Annual Infection Control Evaluation as presented in the Board packet. Mr. Johnson seconded the motion.

VOTE

The motion passed unanimously.

15. REVIEW, CONSIDER, AND APPROVE THE SALE OF EXISTING BUILDING AT 607 30TH STREET

Ms. Simons explained that the hospital recently purchased the property located at 607 30th Street for future use for the hospital campus. The hospital district has no use for the existing structure located at the property and will be seeking bids through the hospital website as well as the local newspapers for the removal of the structure and cleanup of the surrounding property. The hospital will evaluate the bids received and choose a partner to perform the process.

MOTION

Ms. Winkler made a motion to approve the sale of the existing building located at 607 30th Street in Hondo as presented in the Board packet. Mr. Johnson seconded the motion.

VOTE

The motion passed unanimously.

16. REVIEW, CONSIDER, AND APPROVE SECOND AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH VICTORIA EMERGENCY PARTNERS

Mr. Frosch noted that due to ongoing discussions with Victoria Emergency Partners, this item may need to be evaluated at a future time. There is no action to take on this item.

MOTION

There was no action taken on this item.

17. EXECUTIVE SESSION

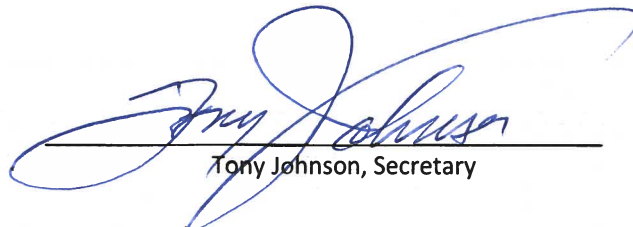
The Board of Directors of Medina Regional Hospital District did not go into Closed Session, this date of February 28, 2022.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 7:33 p.m.



Tim Hardt, President



Tony Johnson, Secretary