

**SOUTH LIMESTONE HOSPITAL DISTRICT
LIMESTONE MEDICAL CENTER
701 McCLINTIC, GROESBECK, TX 76642**

MINUTES

February 22, 2022

On this 22nd day of February, 2022 the Board of Directors of South Limestone Hospital District convened at the regular meeting place of said District. The meeting, open to the public, and notice of said Board in said District giving the date, place and subject thereof, has been posted as described by Article 6252-17, Section 3A,V.A.T.C.

MEMBERS PRESENT

Danny Hewitt
Martha Stanton
Jack Milstead
Glenda O'Neal
Arnold Gray
Jennifer Mackey
Kent Wilson

MEMBERS ABSENT

None

OTHERS PRESENT

Larry Price
Michael Williams
Debbie Brewer
Catlin Samuels
Staci Doyle
Jennifer Haynie
Misty Hutchison
Emily Jones
Samantha Bourgeois
B. C. Lee
Sunny Kelly

Adrianne Rettig
Melanie Rhodes
Melanie Richard
Yanira DeLeon
Mike Thompson
Corey Tunnell
Hope Wallace
Julie Wilson
Christa Worley
Jean Wragge
Robert York
Cathy Knouse

CALL TO ORDER, ESTABLISH QUORUM

The meeting was called to order by Mr. Danny Hewitt at 3:03 p.m. A quorum was present.

INVOCATION

Mr. Jack Milstead offered the invocation.

PLEDGE TO THE FLAG

Those present recited the Pledge of Allegiance to the United States flag.

COMMENTS FROM CONCERNED CITIZENS

There were no concerned citizens in attendance.

CORRESPONDENCE

Ms. Amy Eskew, Chief Executive Officer and President, Texas Healthcare Trustees, has written to congratulate Mrs. Martha Stanton and Mrs. Glenda O'Neal for successfully completing the renewal of their Certified Healthcare Trustee designations. Both directors are certified trustees from March 4, 2022-March 3, 2025.

CONSENT AGENDA ITEMS

The Board minutes, Executive Committee minutes, Finance Committee minutes, Accounts Receivable report, Family Medicine Center report, Infection Control report, Kosse Community Health Clinic report, Marketing report, Medical Staff minutes, Nursing Home maintenance and operations report, Nursing report, Nurse Staffing Committee report, Physician Credentialing Committee minutes, Plant Operations Report, Rettig Family Health Care report and Inservice were presented. Mr. Arnold Gray recognized and expressed his appreciation for Mrs. Leeann Freeman and her work and for planning and preparing for the annual employee recognition and awards banquet. Mr. Gray also expressed his appreciation to Mr. Robert York for his report. Motion was made by Mr. Gray, seconded by Mrs. Jennifer Mackey and unanimously carried to approve the consent agenda.

BKD, LLP AUDIT REPORT

Mrs. Christa Worley, Managing Director, BKD, LLP, distributed the 2021 audited results report for the fiscal year ended September 30, 2021. Mrs. Worley spoke briefly concerning the Hospital's financial condition, comparisons with previous years and other hospitals and what is going on in the community hospital industry.

Mrs. Worley reviewed the management letter and the management representation letter with the Board members. The report on internal controls reveals that a deficiency exists in the segregation of duties; however, it was noted that this is typical of rural hospitals similar in size. Upcoming changes in accounting standards include proposed Hospital Cost Report changes; price transparency, 340B Drug Pricing Program; Governmental Accounting Standards Board (GASB) Statement No. 87 Leases; and GASB Statement No. 96 Subscription-Based Information Technology Arrangements.

The Balance Sheets were reviewed and there was discussion concerning Hospital assets, liabilities and net position and the statement of operations. Mrs. Worley provided an overview of the Nursing Home Quality Incentive Payment Program (QIPP) Minimum Payment Amount Program (MPAP) results comparing years 2018, 2019, 2020 and 2021 with regard to resident revenue, management expenses, program income, quality incentives to managers and the net retained by the Hospital District. Third party settlements include the current year Medicare receivable in the amount of \$542,000; DY10 Final UC receivable of \$314,000; Prepaid CHIRP of \$48,224 and UC overpayment estimate of \$1,339,000 (CHJAT settlement). The current year nursing home QIPP receivable of \$11,039,000 includes prepaid Intergovernmental Transfer (IGT) of \$7,149,000 and QIPP receivable of \$3,890,000.

Graphs demonstrating operating income/loss excluding nursing home trends as a percentage of Gross Patient Service Revenue (GPSR); property tax rates – maintenance and operations 2018-2021; liquidity; days cash on hand; net days in A/R – Hospital only; Hospital patient days; discharges – routine; patient encounters – length of stay; net revenue trends; peer comparison – percent net revenue; peer comparison – percent gross revenue were reviewed.

There was general discussion concerning the industry updates and concerns. The COVID-19 challenges are ongoing and the current Provider Relief Funds (PRF) program and payouts are continuing. Supplemental payment programs are currently in a state of disruption. QIPP is safe for now and UC appears to be safe but with changes. UC payments for rural facilities are being limited to lower of DY10 benefit or actual for future years. There are hindrances in communications between state officials and CMS officials. The state is attempting to push through other programs that are not necessarily beneficial for rural hospitals including CHIRP, TIPP, RAPP.

There is a new focus on price transparency to ensure compliance. There are increased penalties for noncompliance up to \$110,000 per year. An online checklist is available to ensure compliance.

Drug vendors are pushing back in an attempt to deny discounts for the 340B Program.

The No Surprises Act became effective in January and prohibits balance billing for out-of-network providers at in-network facilities. Good faith estimates of cost should include both facility and provider charges.

On behalf of BKD, LLP, Mrs. Worley commended management for making this facility work as such a profitable entity and for being fiscally responsible with the tax funds received. Mrs. Worley indicated that the Hospital is in a good financial position moving forward.

CHIEF OF STAFF REPORT

Larry Hughes, D.O. indicated in advance of the meeting that he would not be able to attend.

CHIEF MEDICAL OFFICER REPORT

Kody Yerger, M.D. indicated in advance of the meeting that he would not be able to attend.

AUTHORIZE RESOLUTION SUPPORTING MAINTAINING OF THE LEVEL IV TRAUMA DESIGNATION

A resolution supporting the maintaining of the Level IV trauma designation was reviewed and Mrs. Stanton made the motion to adopt this resolution:

BE IT RESOLVED that the Board of Directors do hereby fully support to maintain the Level IV Trauma Designation for Limestone Medical Center. The trauma performance improvement program is under the direction of the Trauma Medical Director as delegated by the Medical Staff. The trauma service has the authority to monitor all events that occur during trauma related care.

The motion was seconded by Mr. Kent Wilson and was approved. By resolution the Board of Directors fully support action to maintain the Level IV trauma designation.

DISCUSSION AND ACTION ON NEWLY CREATED AND REQUESTED CHANGES TO POLICIES AND PROCEDURES

Facility Wide

The Water Management policy and procedure has been revised with regard to water temperature monitoring and the log sheet to read temperature measurements being obtained and documented on water testing record monthly. Maintenance and Infection Control were both recording temperatures. As this is redundant, the policy has been revised to reflect that a log indicating the temperature, date and initials of inspector and location will be maintained and reported using the monthly water testing report found in section 11 of the Water Management book.

ICU visitation has been removed from the COVID 19 Plan as it is no longer applicable.

COVID policy and procedure has been revised to remove detailed description of hospital visitation and created a new hospital wide policy for visitation. This will supersede the current visitor policy that is distributed in the patient packets when admitted to the Hospital. The revision includes the screening process, hours of operations related to entrances and it includes the reopening of the family waiting room.

Marketing/Public Relations

There are no changes.

Purchasing

There are no changes.

The members of the Board examined each policy and procedure and the motion was made by Mr. Gray to approve the revisions being recommended by the department managers for the Facility Wide policies and procedures. Additionally as there were no changes made to the Marketing/Public Relations and Purchasing policies and procedures, those existing policies and procedures are approved as written. The motion was seconded by Mr. Kent Wilson and unanimously approved.

QUALITY, RISK AND REGULATORY DISCUSSION AND ACTION

The February 9, 2022 minutes of the Quality Assurance and Performance Improvement Committee and the Risk Management/Safety Committee were presented and reviewed.

The majority of the quality improvement requests for indicator changes pertain to the new BioVigil hand hygiene monitoring system. The first step is to review the process for areas of improvement and ensure that adequate training is provided.

Ms. Wragge is requesting the addition of the Emergency Room indicator to monitor hand hygiene compliance rate utilizing the BioVigil hand hygiene monitoring system.

Ms. Misty Hutchison is requesting the addition of the Family Medicine Center indicator to monitor hand hygiene compliance rate utilizing the BioVigil hand hygiene monitoring system.

Mrs. Corey Tunnell is requesting the addition of the Infection Control indicator to assess and identify barriers to the BioVigil hand hygiene monitoring system. She is also requesting the addition of the Infection Control indicator to ensure that all staff exhibit knowledge of the BioVigil hand hygiene monitoring system

Mrs. Tami Taylor is requesting the deletion of Kosse Community Health Care indicators (1) to call patients and reschedule all no show appointments and (2) monitor referral follow up. Both indicators have met the desired results consistently for several reporting periods. A new tool has been added to monitor referral that has been very helpful. Mrs. Taylor is requesting the addition of Kosse Community Health Care indicator to monitor patient wait time in the lobby after check in is less than 20 minutes. It has been observed that patients are waiting extended times and a new monitoring process has been established. She is also requesting the addition of the indicator to monitor hand hygiene compliance rate utilizing the BioVigil hand hygiene monitoring system.

Mrs. Linda Rojas is requesting the deletion of Laboratory indicators (1) continuing education units monitoring and turnaround time monitoring. Mrs. Rojas is requesting the addition of the Laboratory indicators to monitor (1) hand hygiene compliance rate utilizing the BioVigil hand hygiene monitoring system, (2) the rejection log and (3) contacting physicians after 5:00 p.m. for critical test results.

Ms. Wragge is requesting the addition of the Medical Floor indicator to monitor hand hygiene compliance rate utilizing the BioVigil hand hygiene monitoring system.

Ms. Hope Wallace is requesting the deletion of Pharmacy indicator to monitor the Pharmacy night access log as any medications removed are not enough to consider overstocking as it was when initiated. Ms. Wallace is requesting the addition of the indicator to monitor hand hygiene compliance rate utilizing the BioVigil hand hygiene monitoring system.

Mrs. Jennifer Haynie is requesting the addition of the Radiology Department indicator to monitor hand hygiene compliance rate utilizing the BioVigil hand hygiene monitoring system.

Mrs. Allec Lincoln is requesting the addition of the Rehabilitation Services indicator to monitor hand hygiene compliance rate utilizing the BioVigil hand hygiene monitoring system.

Mrs. Michelle Mullinnix is requesting the deletion of the Respiratory Therapy indicator to monitor that all metered dose inhaler (MDI) charges are being captured. Mrs. Mullinnix is requesting the addition of the indicator to monitor hand hygiene compliance rate utilizing the BioVigil hand hygiene monitoring system.

Ms. Adrienne Rettig is requesting the addition of the Rettig Family Health Care indicator to monitor hand hygiene compliance rate utilizing the BioVigil hand hygiene monitoring system.

Mrs. Brandy Kennedy is requesting the addition of the Specialty Clinic indicator to monitor hand hygiene compliance rate utilizing the BioVigil hand hygiene monitoring system.

The motion was made by Mr. Gray to approve the quality improvement indicator changes for the Emergency Room, Family Medicine Center, Infection Control, Kosse Community Health Care, Laboratory, Medical Floor, Pharmacy, Radiology, Rehabilitation Services, Respiratory, Rettig Family Health Care and Specialty Clinic. The motion was seconded by Mrs. Mackey and unanimously approved.

COMPLIANCE OFFICER REPORT

There are no policy and procedure updates.

None of the Hospital associates are listed in the OIG Exclusion Database and none of the Hospital associates are listed with the Texas HHSC OIG.

An audit of 80 charts were reviewed for completeness and accuracy and 100% of the charts were in compliance for documentation, coding and billing. The Medical Staff was educated concerning the need to document the type of tobacco used by the patient for coding according to the highest specificity.

Compliance Risk Assessment Process-

- a. Q1- Launched Internal Audit plan, compliance monitoring plan and implement any action plans that have not already been implemented.
- b. Q2-Q4 – Conduct auditing and monitoring, implement action plans, assess action plans.
- c. Repeat cycle annually

There were no compliance complaints, investigations and remedial actions this month.

The internal process led by Mrs. Tunnell with regard to the COVID vaccine mandate has been very effective. Staff has followed the policy and procedures successfully and are in compliance with the mandate with 100% vaccinated or providing appropriate declination.

FINANCIAL REPORT

Mr. Williams presented the Financial Report for the month ending January 31, 2022. Total inpatient revenues for the month of January were \$282,340.92 and the amount budgeted was \$325,430 which is 13.24% less than budget. The prior year inpatient revenues were \$598,708.58. Swingbed revenues for the month of January were \$219,925.47 and the amount budgeted was \$321,020 which is 31.49% less than budget. The prior year Swingbed revenues were \$508,328.03. Outpatient revenues for the month of January were \$4,402,485.10 and the amount budgeted was \$4,403,214 which is 0.02% less than budget. The prior year outpatient

revenues were \$3,973,891.25. The total revenues for the month of January were \$7,342,141.95 and the amount budgeted was \$6,025,553 which is 21.85% more than budget. The prior year total revenues were \$7,081,799.02. Total revenue deductions for the month of January were \$3,395,100.16 and the amount budgeted was \$3,301,184 which is 2.84% more than budget. The prior year deductions from revenue were \$3,280,774.84. Expenses for the month of January were \$2,221,397.16 and the amount budgeted was \$2,177,787 which is 2% more than budget. The prior year expenses were \$2,168,412.06. The actual net operating profit for the month of January was \$1,725,644.63 and the amount of \$546,582 was budgeted which is 215.72% more than budget. The prior year net operating profit was \$1,632,612.12. Special items affecting the profit and loss statement include receipt of DSRIP 115 waiver net in the amount of \$41,102.53; QIPP year 5 quarter 1 in the amount of \$1,361,647.20 and QIPP year 4 adjustment in the amount of \$189,664.07. The net operating profit without the special items is \$133,230.83. A report of collections and expenses reflects that in the past twelve months collections total \$22,733,797.04 and expenses total \$25,304,166.21 and that 89.84% of Hospital expenses are covered by collections. Mr. Williams noted that the financial reports for the Rural Health Clinics are being updated to be uniform in reporting.

INVESTMENT REPORT

The South Limestone Hospital District invested funds report was presented by Mr. Michael Williams. The Hospital has a total of \$46,835,762.07 invested in texpools and certificates of deposit as of January 31, 2022. Currently the Hospital has three texpool accounts, two for the general fund and one for the ambulance. The Hospital has five certificates of deposit in terms of 12 months or less. The year-to-date interest is calculated beginning with the first day of the Hospital's fiscal year October 1. The Hospital is in compliance with its investment strategy and the Public Funds Investment Act.

LMC FOUNDATION REPORT

Mr. Price reported that the LMC Foundation members met on Monday, February 21, 2022. It was reported that after expenses the amount of \$6,626 was raised from the generator raffle. Foundation members are now looking at ways to promote the Tree of Life. There is a potential donor that is considering charitable organizations for a donation of approximately \$200,000. The anonymous donor reached out to two LMC Foundation Board members for information.

ADMINISTRATIVE REPORT

Mr. Jim Miceli, Project Superintendent, for the Azuris Dialysis, has advised that the groundbreaking ceremony for Limestone County Dialysis Center has been rescheduled for Friday, March 4, 2022 from 1:00 p.m. to 2:00 p.m. Uday M. Khosla, M.D., nephrologist, will be present for the groundbreaking and has expressed his desire to meet with Hospital providers.

Mr. Larry Price requested that Mrs. Tunnell provide information concerning the BioVigil Hand Hygiene System. Mrs. Tunnell distributed copies of the Hospital press release and circulated a BioVigil badge. The installation of the BioVigil Hand Hygiene System is expected to be completed tonight. Mrs. Tunnell recognized Mr. B. C. Lee and Mr. Robert York for their efforts to have the system installed without issue. Onsite training will begin this Thursday, February 24, 2022.

Mrs. Tunnell informed the directors that the Hospital has applied for state funding to replace two Hospital HVAC Systems. One is needed for the Medical Floor and one is needed for the Specialty Clinic Endoscopy Suite. Project pre-approval is required through the Texas Department of Agriculture Small Rural Hospital Improvement Program (SHIP) grant coordinator and the bids which were received late yesterday afternoon are only good for 30 days. Lochridge Priest has provided a project bid in the amount of \$173,647 and Brandt has submitted a bid in the amount of \$174,529. The Executive Committee will meet to review the bids in detail.

Mr. Alan Wills, Van Senior Care, LLC, recently contacted Mr. Larry Price to express interest in establishing an affiliation between South Limestone Hospital District and Van Healthcare effective May 1, 2022. Van Healthcare is a 60 room nursing facility located in Van, Texas. The facility has been certified to participate in Medicare and Medicaid programs since December 7, 1989. Up until this point in time, Van Healthcare has participated in the Quality Incentive Payment Program (QIPP) as a private entity. The Executive Committee members recommended that management pursue the affiliation with Van Healthcare and the facility will remain in QIPP. When change of ownership occurs, the Hospital will own 20 nursing homes.

Preparations for the Hospital to participate in the Sexual Assault Nurse Examiner (SANE) Program are progressing. Sissie Roark, FNP-C has received SANE certification and Mrs. Brandy Kennedy will be taking those courses in the near future. The District Attorney had reached out to the Hospital as the Hospital previously participate in the program.

Providers from Advanced Pain Care will begin seeing patients at Medical Arts Building on Tuesday, March 15, 2022. Advanced Pain Care clinics will be conducted every Tuesday.

Open enrollment for the BlueCross BlueShield employee benefits was conducted February 16-18, 2022. BlueCross BlueShield has provided a \$20,000 credit toward the premium for this year's enrollment and has indicated that it will not exceed a 12.5% cap for renewal consideration next year.

The annual employee recognition banquet was held Saturday, February 19, 2022, at 5:00 p.m., at Central Baptist Church in Thornton.

Limestone Medical Center has received a check in the amount of \$2,881.22 for the 340B program.

Limestone Medical Center has received a check from a class action suit check in the amount of \$526.12.

Heights Home Health will be moving out of the Hospital clinic building located at 621 McClintic effective March 1, 2022. Heights Home Health is consolidating this office with the Waco Office and has terminated three of the six employees from this location.

Management is hopeful of having the generator installed at Kosse Community Health Clinic this week or next week.

City of Kosse officials anticipate receiving information about the grant award for the application to expand Kosse Community Health Clinic by mid-March.

EXECUTIVE SESSION

The Board of Directors of South Limestone Hospital District did not enter into Executive Session pursuant to Section 551.074 of the Texas Government Code “Personnel Matters.”

The Board of Directors of South Limestone Hospital District did not enter into Executive Session pursuant to Section 551.085 of the Texas Government Code “Governing Board of Certain Providers of Health Care Services.”

SETTING OF NEXT REGULAR BOARD MEETING

The next regular meeting of South Limestone Hospital District Board of Directors was set for Tuesday, March 22, 2022, at 3:00 p.m. in the Hospital’s Board Room.

ADJOURN

There was no further business and the meeting adjourned at 4:17 p.m.

_____/s/
Glenda O’Neal
Secretary/Treasurer