

**Hamilton County Hospital District
Board Meeting Minutes
September 13, 2023**

Presiding: Neil Muxworthy

Board members in attendance: Neil Muxworthy, Robert Witzsche, Doug Forrest, Mike Collett, Karen Craig

Others Present: Grady Hooper, Chief Executive Officer; Melissa DeLaGarza, Chief Operating Officer; Debbie Martin, Chief Nursing Officer; Tammy Schreiber, Chief Financial Officer; Tracey Karasek, Chief Administrative Officer; Chad Reinert, Director of Information Technology; Jordyn Powers, Recording Board Secretary; Stacie Brooks, Administrative Assistant

Date and time: Wednesday, September 13, 2023, 10:00a.m., Hamilton General Hospital Board Room, 400 N Brown St, Hamilton, Texas 76531

Call to order: Muxworthy called the meeting to order. A quorum was present.

Citizen comments (limit of 3 minutes per person): There were none.

Consider and act on minutes of August 28, 2023 regular called meeting: Witzsche moved, Collett seconded approval on minutes of August 28, 2023. Motion carried.

Consider and act on Proposed 2023 Tax Rate: Forrest moved, Witzsche seconded approval on 0.100151 tax rate for 2023. Motion carried.

Consider and act on Financial Reports for July 2023: Schreiber stated we had a net loss of \$184K for the month and a YTD net income of \$615K. Billed revenue was down \$734K due to closings for the holidays and schedule block for the first Cerner testing. For July there is \$9.5 million billed revenue. We had a 31.22 collection percentage for the month (\$3.3 million collected). EMS had \$342K collected. Days in AR are 37.88. There is a \$21K increase in purchase services due to radiology positions that we had to open, as well as \$24K in recruitment to help fill the positions. We also show \$17K in maintenance due to vehicle repairs and hail damage repairs. In capital grants and gifts from HGH Foundation and EMS trauma grants there was \$46K. Cash and cash equivalents increased due to QIPP. EMS had a total YTD loss of \$47K with a monthly loss of \$39K but had an increase in gross revenue. EMS depreciation will drop due to the 4-year depreciation on some ambulances. Craig moved, Collett seconded approval on Financial Reports for July 2023. Motion carried.

Other financial items: There were none.


Consider and act on QIPP expansion with existing partners: Schreiber stated we partner with Ensign on 7 homes and they are asking us to take on approximately 8 more. Based on Advanced homes the estimated IGT would be \$5.5 million annually with earnings at \$3 million annually. There would be a profit of \$6 million after we put \$19 million on hold for IGT payments.

Melissa DeLaGarza stated HHSC (Health and Human Services Commission) is evaluating the QIPP program and wanting to change it into a pay per performance instead of reporting metrics. We may need another QIPP line of credit in the future. Grady and Tammy need approval to expand with Ensign. Witzsche moved, Forrest seconded approval for Grady Hooper and Tammy Schreiber to expand with existing QIPP partners. Motion carried.

QIPP Report: DeLaGarza reported the daily Medicare nursing home rate of \$19.63 was removed. The staffing enhancement rate increased. New federal mandate staffing for nursing homes has been announced. MDS (Minimum Data Set) will start October 1 and change how QIPP 2 metrics are calculated. The QIPP Year 6 report shows homes actively receiving payments. Performance for Q3 finished with a 92.8 performance rate.

Administrator Report: Hooper talked about the purchase of a pharmacy stating the goodwill profit is higher than what he would like to see. Tammy Schreiber created a balance sheet for the pharmacy showing the operating income, inventory price, goodwill price, and net building price. Grady Hooper and the board members had an extended discussion over the possible purchase. The board would like to see an offer of \$500K in goodwill instead of \$1.1 million. If purchased, we would have the capability to do our own compounding and offer lower cost drugs to our employees. Also, with a class C license we could offer more delivery service on the weekends. We would be able to acquire the CCM (Chronic Care Management) contract. On October 12th, the Specialty Clinic Building bids will be due with a mandatory pre-bid meeting on September 22nd. EMS may need a new station for Hico EMS due to the city absorbing the ESD (Emergency Services Department).

Adjourn: Witzsche moved, Collett seconded at 11:54am that the meeting be adjourned. Motion carried.


Neil Muxworthy, President
Hamilton County Hospital District