

GRAHAM HOSPITAL DISTRICT
BOARD OF DIRECTORS MINUTES
August 18, 2020

The Board of Directors of Graham Regional Medical Center met in the Graham Chamber of Commerce Conference Room Tuesday, August 18, at 12:00 P.M.

Board members present: Wyatt Pettus, Suzy Graham, Dr. Behr, Sylvia Overton, Barrie Strickland, and Jon Garvey

Board member absent: Terry Bishop

Members of management present: Shane Kernell, Jeff Casbeer, Sharon Hilliard, and Terri Busey

Members of management present via conference call: Karl Hittle and Curtis Rojas

Members of management absent: Jeff Clark

Others present: Mike Williams with the *Graham Leader* and Erin Freeman

Presiding Secretary: Tammy Whittenburg

1. Call to Order and Record of Attendance

President Pettus called the meeting to order at 12:00 P.M. Invocation was given by President Pettus.

2. Public Comment

There were no public comments.

3. Meeting Minutes

The Directors were asked to review the minutes of the regular meeting on July 28, 2020, for any revisions or corrections.

Action

Motion by Dr. Behr, second by Sylvia Overton to approve the regular board minutes of July 28, 2020.
Motion carried.

4. Finance Committee Report

July 2020 Financials – Jeff Casbeer

- Presented and reviewed were the Financial Highlights for July; Income and Expense Statement for the Month Ended July 31, 2020; Balance Sheet as of July 31, 2020; Statement of Sources and Uses of Cash Flow, July 2020; Scorecards for July 2020 showing Admissions, Patient Days, Observation, Surgery Procedures, Radiology Procedures, Laboratory Procedures, and Visits Statistics. Also presented were the Statistics Trended; Net Revenue to Cash Analysis; GRMC POS Cash Analysis; MD Save Tracker; FTE/AOB Analysis; Scorecards for July 2020 showing DCOH, EBIDA Margin, Debt Service Ratio, and Average Payment Period, SWB/Net Patient Revenue, Salary % Net Patient Revenue, Days of Cash on Hand, and EBIDA.

- August cash is projected to decrease by \$401K based on collections through August 11, 2020. August 2020 is the month that GRMC will begin to be responsible for all the SONT contracts.
- Development of the 2021 Budget has commenced with the first version presented at the August Finance Committee Meeting.
- GRMC has spent \$41,401 on supplies that are directly tied to the preparation of treatment of patients with COVID. In addition, there have been expenditures of \$118,748 for Salaries, \$10,029 for Purchased Services, and \$36,366 for Admin Fees that are all directly tied to COVID-19.
- GRMC nursing personnel are screening patients from 6:00 A.M. to 5:00 P.M. Monday through Friday. In the month of March, there were 12 days that were covered by screeners for a cost of \$5,578. In April GRMC spent \$24,937 on payroll for staff who were reallocated due to COVID. In May, GRMC spent \$9,561 on payroll for staff who screened patients in the lobby. In June, GRMC spent \$9,430 on payroll for staff who screened patients in the lobby. In July, GRMC spent \$9,562 on payroll for staff who screened patients.
- In the month of March, GRMC deferred 39 surgical procedures. The procedure count consisted of 17 orthopedic cases, 12 cataracts, and 10 general surgery cases. Estimated cash collections were impacted by \$18,780 for cataracts, \$94,038 for orthopedic cases, and \$11,334 for general surgery cases, for a total of \$124,152. In the month of April, GRMC deferred 23 cases. The procedure count consisted of 17 orthopedic cases and 6 general surgery cases. Estimated cash collections were impacted by \$125,304 for orthopedic cases and \$4,623 for general surgery cases, for a total of \$129,927. There were no deferrals in May or June. Elective IP surgical cases were suspended on July 17, 2020, in order to ensure that beds were available for COVID patients, per the Governor's state guidelines. This deferral lasted through July 29, 2020, and 4 cases were moved to August.
- Accelerated Payments have been received for EMS in the amount of \$88,394 and the Ortho Clinic for \$39,893. YCFC and the hospital's payments are on hold per Novitas pending further direction from CMS.
- In April GRMC received CARES grants in the amount of \$390,664.27 for GRMC, \$32,757 for EMS, \$5,575 for YCFC, and \$12,595 for the Ortho Clinic. In May, GRMC received \$3,499,887 from the Rural Relief Fund, \$293,667 for the RHC, and another \$49,461 for the RHC.
- GRMC was also paid \$84,317 from the SHIP COVID Funding.
- The Payroll Protection Act loan was received on May 4, 2020, in the amount of \$1,732,538. This is an 8-week loan to be used for payroll expenses and maintaining the same number of employees as in the prior 4 months.
- The newest concern raised by our auditors as well as TORCH is that all of these funds will need to be justified via audit that they were used to prevent, prepare for, and respond to the coronavirus. Therefore, all monies, excluding the SHIP grant, have been recorded as a payable until such time as there is confirmation of which funds GRMC will be allowed to keep.
- Curtis Rojas reviewed the Revenue Cycle charts.

Action

Motion by Barrie Strickland, second by Sylvia Overton to approve the financial statements as presented. Motion carried.

5. Action Items

a. Marketing Plan

Mr. Kernell presented the Marketing Plan. The plan includes Social Media, GRMC's Website, Newspaper and Print Ads, Referral Based Engagement, Focused Initiative on the Rural Health Clinic, Community Engagement, Internal Engagement, Looking Ahead to Service Line Campaign Opportunities, Facebook Paid Ads and Department Videos, National Theater Advertising, Radio Ads and Interviews, Signage for YCFC, and Growing the Health Fair and Healthcare Summits.

Action

Motion by Sylvia Overton, second by Jon Garvey to approve the Marketing Plan as presented. Motion carried.

6. Reports

a. Medical Chief of Staff Report

- i. Dr. Pat Martin was not in attendance.

b. CEO Report – Shane Kernell

- i. The spring TORCH conference was cancelled. We signed up for the fall TORCH conference, but it has been cancelled as well.
- ii. We are updating equipment and have renovations going on at YCFC. We are in the middle of renovations at the Wellness Center as well with C&G General Contractors. They are making great headway and should be done in a couple of weeks.
- iii. We have hired PRN screeners for the front lobby. We are getting busy in other areas and our nursing staff and OR staff are needed in their areas.
- iv. The YCFC Administrator position has been posted again. An offer was extended to someone but it did not work out.
- v. The colonoscopy scopes are in, and setup should take only a couple of days.
- vi. The full budget will be presented in September as well as the proposal for the tax rate.
- vii. The way we pay our providers through the service organization is gone effective August 1, 2020. Those contracts will be signed back to us. That means we were getting \$133,000 a month benefit. Now we have to pick up about \$85,000 a month of the \$133,000 going forward in expenses. We can look back and say we received 10 years of benefits out of it which was great. Going forward since the LPPF was formed at United Regional, that is what is replacing it. We still get a benefit currently of \$55,000 a month. They will keep one contract on it. It is not a long-term arrangement, and it is not meant to be. It is something they are doing out of the benevolence of their own heart, and we are taking advantage of it while we can.
- viii. We will be doing a comprehensive review of our medical staff bylaws. We have made some minor changes to them, but there is a need for a comprehensive review. We have changed our credentialing on our radiologists. We are now doing delegated credentialing which is a common practice, but our bylaws don't align to the modern common practice. Dr. Behr will be working with Mr. Kernell weekly. Our credentialing process has improved immensely the last three years.

7. Executive Session

President Pettus convened into Executive Session at 1:08 P.M.

Executive Session: The Board will meet in closed session pursuant to:

- a. Texas Health and Safety Code §161.032, deliberation of information from the Medical Staff regarding applications for appointment and/or reappointment to the Medical Staff and information from the Compliance Officer to consider quality assurance/performance improvement reports

Executive Session adjourned at 1:48 P.M.

8. Open Session

The Board reconvened in open session at 1:48 P.M.

Action

Motion by Suzy Graham, second by Jon Garvey to approve the Appointments, Reappointments, and Delegated Credentialing of:

NEW APPOINTMENTS

1. Provisional, Emergency Medicine
 - a. Dickey, Michael MD
2. Provisional, Allied
 - a. Benton, Terrye CRNA
 - b. Weisser, Morgan CRNA
3. Provisional, Family Medicine/Sports Medicine
 - a. Castillo, Michael MD

REAPPOINTMENTS

1. Consulting, Ophthalmology
 - a. McAdams, Rocky MD
2. Hospital Based, Emergency Medicine
 - a. Commons, Bradford MD
 - b. Dempsey, Michael MD
 - c. Diaz, Andrew MD
 - d. Johnson, Trevor MD
 - e. Jones, Timothy MD
 - f. Master, Stewart MD
 - g. Mayor, Joey MD
 - h. Pompa, Paul MD
 - i. Reyes Mercado, Luis MD
 - j. Treichler, Don MD
 - k. Walters, Kevin MD
3. Allied, CRNA
 - a. Lockmiller, Benjamin CRNA
4. Consulting, Gastroenterology
 - a. Stagg, Joshua MD
5. Consulting, Cardiology
 - a. Prasad, Amit MD
 - b. Puppala, Jagadish MD
 - c. Rios, Alvaro MD

DELEGATED CREDENTIALING

1. Schedule 1, Teleradiology
 - a. Alapati, Sindhura MD
 - b. Alexander, John MD
 - c. Arjona, Jose MD
 - d. Christie, Byron MD
 - e. Doan, John MD
 - f. Elfrink, Nathan MD
 - g. Fox, Jason MD
 - h. Griggs, Thomas MD
 - i. Jaco, John MD
 - j. La Pointe, Michael MD
 - k. Madireddi, Sunthosh MD
 - l. Myers, Charles DO
 - m. Nelson, Christopher MD
 - n. Peck, Bryan MD
 - o. Schucany, William MD
 - p. Toppins, Anthony MD
 - q. Waddell, Gary MD
 - r. Weisbruch, Gregory MD

Action

Motion by Dr. Behr, second by Barrie Strickland to approve the Quality Report as presented. Motion carried.

Action

Motion by Sylvia Overton, second by Suzy Graham to adjourn the meeting. Motion carried.

There being no further business, the meeting adjourned at 1:50 P.M.



Wyatt Pettus, President, Board of Directors



Tammy Whittenburg, Secretary, Board of Directors