

GRAHAM HOSPITAL DISTRICT
BOARD OF DIRECTORS MINUTES
November 17, 2020

The Board of Directors of Graham Regional Medical Center met via Zoom and in the Education Conference Room Tuesday, November 17, at 12:00 P.M.

Board members present: Wyatt Pettus, Suzy Graham, Sylvia Overton, and Jon Garvey

Board members via Zoom: Barrie Strickland and Dr. Behr

Board member absent: Terry Bishop

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

Members of management present via Zoom: Jeff Clark, Terri Busey, Shelly Walls, Enoc Espinoza, Pamela Harvell, and Bobby Hadderton

Others present via Zoom: Mike Williams with the *Graham Leader* and Curtis Rojas

Others present: Erin Freeman

Presiding Secretary: Tammy Whittenburg

1. Call to Order and Record of Attendance

President Pettus called the meeting to order at 12:03 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 October 27, 2020, for any revisions or corrections.

Action

Motion by Sylvia Overton, second by Suzy Graham to approve the regular board minutes of October 27, 2020. Motion carried.

4. Finance Committee Report

October 2020 Financials – Jeff Casbeer

- Presented and reviewed were the Financial Highlights for October; Income and Expense Statement for the Month Ended October 31, 2020; Balance Sheet as of October 31, 2020; Statement of Sources and Uses of Cash Flow, October 2020; Scorecards for October 2020 showing Admissions, Patient Days, Observation, Surgery Procedures, Radiology Procedures, Laboratory Procedures, and Visits Statistics. Also presented were the Statistics Trended FY 2021 and 2020; Net Revenue to Cash Analysis; GRMC POS Cash Analysis; MD Save Tracker; FTE/AOB Analysis; Scorecards for October 2020 showing DCOH, EBIDA Margin, Debt Service Ratio, Average Payment Period, SWB/Net Patient Revenue, Salary % Net Patient Revenue, Days of Cash on Hand, and EBIDA.

- Cost of drugs was higher due to spending \$85,905 on Remdesivir because of the spike in COVID.
- Tax collections will start coming in soon. That is something to look forward to.
- Inpatient surgeries were shut down for two weeks due to COVID patients. Our goal is to make as many COVID patient beds as possible. The average length of stay for a COVID patient is five days.
- November cash is projected to decrease by \$236K based on collections through November 10, 2020.
- GRMC has spent \$72,137 on supplies that are directly tied to the preparation of treatment of patients with COVID. In addition, there have been expenditures of \$168,671 for Salaries, \$28,568 for Purchased Services, and \$44,330 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 and in August, the cost was \$9,687. September screeners cost \$9,175 while October's expense was \$10,197.
- 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. The physicians and Administration are conferring every week in order to determine whether it is safe to move forward with IP surgical cases.
- Accelerated Payments have been received for EMS in the amount of \$88,394 and the Ortho Clinic for \$39,893. The Hospital's accelerated payment of \$2,501,472 was received September 15, 2020. CMS announced the new repayment terms on October 8, containing the following guidelines:
 - Repayment start time:** Repayment begins one year from the date the Accelerated and Advanced Payment (AAP) was issued. Previously, repayment began 120 days after the issuance of payment.
 - Recoupment schedule:** Once repayment begins, Medicare payments owed to providers and suppliers will be recouped at a rate of 25% for 11 months. After the 11-month period, Medicare payments will be recouped at a rate of 50% for six additional months. The withhold/recoupment rate had previously been 100%.
 - Remaining balance:** After the repayment period ends (i.e., after the 12-month grace period and 17-month repayment period), a letter for any remaining balance of the AAPs will be issued. Providers and suppliers will have 30 days from the date of the letter to repay the balance in full. If payment is not received within 30 days, interest will accrue at the rate of 4% from the date the letter was issued and will be assessed for each full 30-day period that the balance remains unpaid.
- 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 in April 2020.
- The Payroll Protection Act loan was received on May 4, 2020, in the amount of \$1,732,538. This is a 24-week loan to be used for payroll expenses and maintaining the same number of employees as in the prior 4 months. The payroll and accounting staff are currently providing documentation to BKD so that when the SBA opens up reporting, all of the records will be prepared.
- Curtis Rojas reviewed the Revenue Cycle charts.

Action

Motion by Suzy Graham, second by Sylvia Overton to approve the financial statements as presented. Motion carried.

5. Action Items

a. Incentive Compensation Plan

This item will be tabled until the January 2021 board meeting.

b. US Bank Board Resolution

GRMC has had a US Bank account tied to our clinics over the past 10 years. Each of our clinics uses Athena Health for electronic medical records. Athena uses US Bank to do all the deposit reconciliations. If you go so many days without accessing it or transferring money, it resets and you have to get new accesses and passwords. We went 60 days without accessing the account. We went back to reset our passwords, and it has 10-year-old data in it listing the old CFO from years ago. US Bank needs a resolution from the Board to unlock the account.

Action

Motion by Sylvia Overton, second by Suzy Graham to approve the US Bank Resolution presented. Motion carried.

c. Emergency Plan

Bobby Hadderton, EMS Director, presented the Emergency Operations Plan. This plan provides an organized process to initiate, manage, and recover from a variety of emergencies, both external and internal, which could confront Graham Regional Medical Center and surrounding areas. Also reviewed were the 2020 Emergency Operations Plan events and the Emergency Preparedness Plans for 2021.

Action

Motion by Barrie Strickland, second by Jon Garvey to approve the Emergency Plan as presented. Motion carried.

6. Reports

a. Medical Chief of Staff Report

- i. Dr. John Lucas was not in attendance.

b. CEO Report – Shane Kernell

- i. The Graham Public Education Foundation (GPEF) Award was given to GRMC this year for Community Partner. That is a tremendous honor for us and a testament to the work that our staff leadership has put towards our hospital in making it something to be proud of in our community. Some of the things we were cited for in the

application process were Stop the Bleed Program and the kits and the education that went along with it to schools and churches. We also participated in Student Teacher Education Program, the Back to School Sponsorship, the inclusion of the GISD student art for the health fair, National Honor Society Volunteer Hours, Career Day, Freshman Friday, and the backpack program. EMS shows up at all the athletic events free of charge and have done so for many years, and leading the charge with the COVID19 situation and educating the community. The award will be given out on January 29, 2021, at a basketball game.

- ii. We report COVID19 updates daily. We get updates from GMA, Olney Hamilton Hospital, ourselves, Urgent Care Clinic, and Joe Clark's numbers are included in ours because we do his lab tests here.
- iii. Vaccine technology from Pfizer and Moderna is coming out. There are others out there in the pipeline all in phase three development. 260 million Americans are what they established who need the vaccine for herd immunity. It will probably go to healthcare workers and first responders first.
- iv. We are working on signage for YCFC. A stone monument is what we propose with lighting. The names of the providers will be listed. We are getting bids at this time.
- v. Mr. Kernell took Dr. Michael Castillo to Breckenridge for a site visit. He spoke to the physicians about the pain procedures he does. We plan to go to Throckmorton and Jacksboro, where he will do travel clinic out of Dr. Lara Pierce's office who is now part of GMA. Faith Community Hospital has done a nonmonetary purchase of the urgent care on Elm Street and intends to operate as a rural health clinic. The clinic has been there since 2016 and has the same doctors. Dr. Lara Pierce, who left Faith Community Hospital, has joined GMA and their group which will be great for the community of Jacksboro who need primary care physicians. Dr. Vaughan will be doing travel clinic for surgery in January. We are working on the lease agreement with Dr. Pierce.

7. Executive Session

President Pettus convened into Executive Session at 12:57 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 1:41 P.M.

8. Open Session

The Board reconvened in open session at 1:41 P.M.

Action

Motion by Suzy Graham, second by Sylvia Overton to approve the Reappointments of:

1. Consultant, Neurology
 - a. Kourosh Kahkeshani, MD

2. Hospital Based, Emergency Medicine
a. Brenda Lobley, MD

Action

Motion by Barrie Strickland, second by Sylvia Overton to approve the Quality Report as presented. Motion carried.

Action

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

There being no further business, the meeting adjourned at 1:42 P.M.



Wyatt Pettus, President, Board of Directors



Tammy Whittenburg, Secretary, Board of Directors