

**Board of Directors
Muenster Hospital District
May 27, 2020
MMH Board Room**

The Board of Directors of the Muenster Hospital District met at 7 p.m., Wednesday, May 27, 2020, in regular session in the Board Room of Muenster Memorial Hospital, and via teleconference due to COVID 19. Present were board members Beverly Fuhrmann, Aaron Hess, Jon Reed, Don Richardson, Lisa Schilling (via teleconference), T.J. Walterscheid and Ronnie Weinzapfel. Also present: Brian Roland, Chief Executive Officer, and Marion Willimon, Chief Financial Officer, (via teleconference). Lisa Schilling left the call at 7:46 p.m.

President Ronnie Weinzapfel announced quorum and called the meeting to order at 7:05 p.m. Invocation was led by Weinzapfel.

There were **no public comments**.

With the cancellation of the MHD board election for 2020, incumbent **Don Richardson was sworn in** for his 4th term as a director of the Muenster Hospital District. He recited his oath of office and signed his statement of office.

The Board held its **election of officers** for 2020/2021. Hess was nominated to return as Vice President/Secretary by Fuhrmann. The motion was seconded and passed unanimously. Walterscheid nominated Weinzapfel to repeat as President. Hess seconded. Motion passed unanimously.

Outgoing director **Jon Reed** was presented a plaque of appreciation from the board for his 9 years of service to the District. Reed served from 2011-2020 (three terms).

Agenda Item 6 - Board of Directors Confidentiality Statements - was inadvertently omitted and was addressed at end of meeting.

CEO Brian Roland presented a **COVID 19 Update** to the Board.

-PPE (Protective Personal Equipment): Roland reported that the PPE is being counted twice weekly to maintain an adequate supply. MMH continues to acquire PPE to build a stockpile in the event of a second wave.

-PPP (Payroll Protection Program): Roland explained the reporting and attestation required for the program, which helps provide payroll protection during the pandemic.

-HHS (Health and Human Services) Stimulus Funds: MMH has received three rounds of this funding, all with various limitations on their use. Rigorous accounting is required for these funds and requirements for payback are not clear, so funds are being handled conservatively.

-COVID/SHIP Grant: Designated for COVID testing and PPE.

-ASPR Grant: Designated for physical plant improvements to boost infection control, PPE, training and telemedicine.

-Medicare Accelerated Payments: Medicare allowed pre-payment against future claims. \$500,000 requested; \$1.8 million received. Money being put away at this point.

Walterscheid inquired as to the audit process for these funds. Roland responded that the PPP is requiring detailed financials, and HHS, the COVID and ASPR grants are doing quarterly audits. A reserve is being held to cover any offset.

-Antibody Testing: Roland advised that Coronavirus antibody testing will be conducted for first responders the first week of June with employee testing the following week. This will be covered by grant funds.

Item 8 – **Approval of Board Minutes** from April 2020: Motion made by Reed; second by Hess; approved 7-0.

CFO Willimon began her monthly **financial report** with utilization statistics for April. Utilization was down overall. Total patient days were 121 for the month, down from 228 in March; and 2721 for the year, which is 11% lower than last year. Clinic visits were down for the month, but still maintaining a 5% increase over last year with a total of 4602 visits for the year. Other ancillary stats were also reviewed. Medicare utilization in the hospital was reported at 77% for April and 73% for the year.

The financial report for the District (Hospital, Family Health Clinic and Retail Pharmacy combined), April 2020 was presented by CFO. Total gross revenue was reported at \$557,784.57, with deductions of \$260,530.18, leaving net patient revenue of \$297,254.39 and operating revenue of \$558,790.74. After expenses, the District showed a loss of \$243,948.45 (\$355,823.51 minus tax revenue) for April. The YTD loss without tax revenue is \$1,010,048.57. No tax money was drawn in April.

Board members also reviewed individual financials for entities of the District. Hospital revenue is down; net revenue for the clinic is down; retail pharmacy is up, due to a 340-B refund last month.

Other financial indicators including patient type and financial class, revenue by payer source, collections, bad debt, AR days and cash on hand were also reviewed and questions answered.

Although the financials are sobering, it is helpful from an accounting standpoint with the grant and stimulus money coming in to have a set of clear financials showing the hospital's position with no PPP or stimulus monies thrown in, Roland stated. All the assistance funds are being kept separate for transparent accounting.

Richardson made a motion to approve April 2020 financials as presented. Walterscheid seconded. Approved 7-0.

Item 10 – Physician Credentialing: CEO Roland presented the following for review.

Reappointments:	Melissa Trubenbach, FNP-C	Ancillary (Clinic)
	Edd Advincula, M.D.	Active (Clinic)
	Charles Poteet, M.D.	Courtesy (ER)
	Ellen Walthall, M.D.	Courtesy (ER)

All for two years.

New Appointments: Lance Ells, MD; Jeffery Wood, MD; Dustin Nguyen, DO; Cynthia Long, MD; Palam Annamalia, MD, Lukas Burton, MD; Harry Parvey, MD; Almas Syed, MD; and Richard Hammer, MD. All are Concord teleradiologists, replacing providers from Aris, which discontinued operations. All are provisional – one year.

Hess made the motion to approve physician credentialing; Reed seconded, and the motion was approved 7-0.

There were no **policies or procedures** for review.

Item 12 – Discussion and Approval of Employee Insurance. Roland brought a proposal for employee insurance for the 20/21 fiscal year (July 1 renewal). Quotes were presented from United Healthcare, the hospital's current carrier, and Blue Cross Blue Shield. UHC was recommended with a 14% negotiated increase. BCBS only showed a 4% increase; however, the co-pays, deductibles and drug costs were much higher for the employees. Proposals were made for 100, 75, 50 and 25 coverage of increase by the District. Administration recommended a cost share of 50%. Roland also reported that there will be new carriers for vision and dental, that life insurance coverage would be increased to \$40K per employee at no extra cost and that supplemental plans would come with a 3-level cost option. Richardson made the motion for the District to share the cost increase at 50% with employees. Walterscheid seconded. Approved 6-0. Lisa Schilling left the teleconference prior to the vote.

Item 13 – Update/Discussion of FY 21 Budget. Roland announced that due to all the paperwork and attestation required for COVID, budget preparation had been delayed. The budget will be presented to the board in June for approval. This is typically done in April.

Item 14 – Resolution for PPP Loan – Update. As part of the massive requirements of PPP, the District had to provide additional documentation of its not-for-profit status. Although the District has always acted as a not for profit, no official documentation existed in the files. That has now been remedied and updated documentation and a resolution attesting such will be sent to the government. Motion was made by Walterscheid and seconded by Reed to approve the resolution. Approved 6-0.

Item 6 – Board Confidentiality Statements: The Board was asked to sign their Confidentiality Statements for the year. They were also advised of a new requirement mandated by HB 3834 that

requires local governmental entities provide **cyber security training** to all employees and board members. Handouts were given and the board will certify in June. Roland noted that this will allow MMH to meet minimal requirements for the year, but he feels requirements will intensify going forward.

Roland reminded members of the board meeting schedule: June 24, July 29, and August 26, 2020.

At 8:16 p.m., Fuhrmann made the motion that the board move into **closed session** pursuant to Sections 551.074 (Personnel), 551.085 (Strategic Planning) of the Texas Government Code and 161.032 (Compliance) Texas Health and Safety Code. Walterscheid seconded. Approved 6-0.

The Board of Directors of the Muenster Hospital District adjourned its closed session and returned to open session at 9:15 p.m., on a motion by Walterscheid, seconded by Reed, and approved unanimously.

There was discussion concerning the contract of the CEO. Motion made by Walterscheid to extend contract to 7/31/2022, seconded by Hess. Motion approved 6-0.

At 9:20 p.m., a final motion was made by Reed to adjourn the meeting. Motion was seconded by Richardson. Motion carried and the meeting was adjourned.

Ronnie Weinzapfel - Board Chairman

Aaron Hess - Board VP/Secretary

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