

**Board of Directors
Muenster Hospital District
July 29, 2020
MMH Board Room**

The Board of Directors of the Muenster Hospital District met at 7 p.m., Wednesday, July 29, 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, Don Richardson, Lisa Schilling and Ronnie Weinzapfel. Also present: Brian Roland, Chief Executive Officer, and Marion Willimon, Chief Financial Officer. Absent: Board Members Aaron Hess and T.J. Walterscheid.

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

There were **no public comments**.

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

-Update on Clinic Staff: No more positives or symptoms reported among the staff. Majority of staff should be back August 3. Hospital currently following current CDC recommendations for return to work, including the 10-day rule. Providers will be doing virtual visits only for their first few days back in the clinic.

-Rule Implementation/Re-Implementation: Many flexibilities are being made in rules governing hospitals, rural health clinics, pharmacy, as well as within the Texas Medical Board, due to COVID-19. Brian is concerned about the impact of the rules coming back into effect when the pandemic is over.

-Medicare Loan Forgiveness: August 1 will start the payback process unless the government extends or decides to forgive the loan entirely. COVID-related loans and grants remain in restricted funds where they are carefully managed.

-Personal Protective Equipment: Still purchasing supplies. Preparing for worst possible scenario.

-COVID Funds: Brian will be bringing a project list to the board next month. With COVID funds, you either spend the money or give it back. Some projects being considered include: isolation rooms, which will include construction of anterooms, UV lights for sterile sanitization of rooms and removal of carpeting in Administration annex and clinic.

-Payroll Protection Money: Ended with last payroll. Watching staffing.

Other discussion revolved around tightening of policies within the clinic to protect staff, the possible impact of schools opening up and the turn-around time for COVID testing. Also discussed were physician office moves with new providers coming on in August.

Item 5 – Approval of Board Minutes from June 2020: Motion made by Schilling; second by Fuhrmann; approved 4-0.

Please Note: Following the June meeting and approval of the minutes from June, a correction was made to the record.

Item 5: Paragraph 3, last line should read: *After expenses, the District showed income of \$44,541.02 (a loss minus tax revenue of \$67,334.04) for May. The YTD income was \$153,242.87 with tax money and loss of \$1,077,382.61 without. Stimulus money is still showing on balance sheet, with nothing moved from deferred revenue to the financials.*

CFO Willimon began her monthly **financial report** with utilization statistics for June and fiscal year 2020 (ended June 2020). Acute admissions and acute census days were down. Swing Bed admissions and days were up slightly. Medicare utilization in the hospital was reported at 89% for June and 75% for the year. Total patient days were 265 for the month, and 3281 for the year, which is about 5.4% lower than last year. Clinic visits were up for the month, showing a 4.31% increase over FY19 with a total of 5351 visits for the year. Other ancillary stats were also reviewed, showing Therapy visits down about 7.4%, ER visits down 6%, Radiology down slightly at 2.6%, Lab down 17% and pharmacy scripts flat at .61%.

The financial report for the District (Hospital, Family Health Clinic and Retail Pharmacy combined), June 2020, was presented by CFO. Total gross revenue was reported at \$921,958.36, with deductions of \$191,302.28, leaving net patient revenue of \$730,656.08 and operating revenue of \$989,453.36. After expenses of \$874,495.58, the District showed income of \$114,957.78 (\$3,082.72 minus tax revenue) for June. The YTD income was \$268,200.65 with tax money and \$1,074,299.89 without.

Willimon reminded board that these figures are not final, as auditors come in August and the numbers will change. No HHS monies are posted, which was applauded as a “positive”.

Board members also reviewed individual financials for entities of the District. Hospital revenue is up for June; net revenue for the clinic is way down (COVID impact); retail pharmacy is down slightly but finally showing a positive bottom line due to the reconciliation of the 340-B program. Willimon was commended for her work with that project.

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. No tax money was drawn in June. It was noted that the Payroll Protection Program had covered 6 payrolls and that we are applying for forgiveness of that loan.

Fuhrmann made a motion to approve June 2020 financials as presented. Schilling seconded. Approved 4-0.

Item 7 – Physician Credentialing: None.

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

Update on Tax Valuations for August Vote: Roland reminded the board of the review of the proposed tax rate in August and adoption of said rate in September. Roland stated that there looks to be a big (\$28M) valuation drop in the county overall this year, and that at the current tax rate that would mean a \$50K loss to the District. The current rate is 19.75 cents; a tax rate that would raise the same amount of monies as last year would be 20.60 cents; and the maximum rate without rollback is 21.43 cents. Weinzapfel inquired as to the latest date the District could approve, in order to see if the District tax rate could be impacted by HHS fund reconciliation. Roland explained that the definitions of how the HHS money could and could not be used were pretty clear at this point and he is not aware of any future changes that would impact that.

Richardson inquired if a plan was in play in the event of a future COVID lockdown? Financially, there is a cushion. Staffing would be considered dependent on census.

Approval of TCEQ pipe backflow expense: MMH was notified by the city that we would need to replace a 3-foot backflow valve, build a new hotbox and replace the concrete slab it sits on. Several quotes of varying amounts were received. An estimate of roughly \$36,014.73 was given. The work does fall under the infection control provision and will be paid by COVID funds. Richardson made the motion that the board accept the high bid by local contractors; Weinzapfel seconded. Approved unanimously.

Roland reminded members of the board meeting schedule: August 26, September 30, and October 28, 2020.

At 7:46 p.m., Schilling 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. Richardson seconded. Approved 4-0.

The Board of Directors of the Muenster Hospital District adjourned its closed session and returned to open session at 8:30 p.m., on a motion by Schilling, seconded Fuhrmann, and approved unanimously.

No action taken.

Weinzapfel made a motion to adjourn, seconded by Schilling. Approved 4-0. Meeting adjourned at 8:32 p.m.

Ronnie Weinzapfel - Board Chairman

Aaron Hess - Board VP/Secretary

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