

GRAHAM HOSPITAL DISTRICT
BOARD OF DIRECTORS MINUTES
March 23, 2023

The Board of Directors of Graham Regional Medical Center met in the Education Conference Room Thursday, March 23, 2023, at 12:00 P.M.

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

Members of management present: Shane Kernell, Terri Busey, Enoc Espinoza, Bob Lonis, Jeff Clark, Bobby Hadderton, Kayla Ellis, and Shelly Walls

Others present: Deborah Whitley with Forvis, Mike Williams with the Graham Leader, and Erin Freeman

Others present via Zoom: Curtis Rojas with Endeavor Healthcare and Alex Gross with JDMA Architects

Presiding Secretary: Tammy Whittenburg

1. Call to Order and Record of Attendance

President Pettus called the meeting to order at 12:02 P.M. Invocation was given by President Pettus.

2. Public Comment

There was no public comment

3. Meeting Minutes

The Directors were asked to review the minutes of the regular meeting on February 23, 2023, for any revisions or corrections.

Action

Motion by Terry Bishop, second by Suzy Graham, to approve the regular board minutes of February 23, 2023, as presented. Motion carried.

4. Finance Committee Report

Financials – Bob Lonis

- Presented and reviewed were the Financial Highlights for February; Income and Expense Statements for the Month Ended February 28, 2023; Balance Sheet for Month Ended February 28, 2023; Statement of Sources and Uses of Cash Flow; Key Operational Indicators FY 2022 and FY 2023; Scorecards for February 2023 showing Admissions, Patient Days, Observation, Surgery Procedures, Radiology Procedures, Laboratory Procedures, Visits Statistics, Net Revenue to Cash Analysis, GRMC POS Cash Analysis, and FTE/AOB Analysis. Also presented were the Scorecards showing DCOH, EBIDA Margin, Debt Service Ratio, Average Payment Period, SWB/Net Patient Revenue, Salary % Net Patient Revenue, Days of Cash on Hand, EBIDA, Medicare Advance Payments, Surgery Statistics from October 2022 through September 2023, and Ambulatory Surgery Services October 2022 through September 2023.
- Curtis Rojas reviewed the Revenue Cycle charts.

Action

Motion by Terry Bishop, second by Suzy Graham, to approve the financial statements as presented. Motion carried.

5. Action Items

a. FYE 2022 Audit Report

Deborah Whitley with FORVIS presented the Independent Auditor's Report and Financial Statements for Graham Hospital District d/b/a Graham Regional Medical Center for the year ended September 30, 2022, and 2021. FORVIS was created by the merger of equals between BKD and DHG. FORVIS' opinion was that the financial statements provided presented fairly, in all material respects, the financial position of the District as of September 30, 2022, and 2021, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Action

Motion by Terry Bishop, second by Suzy Graham, to approve the FYE 2022 Audit Report as presented. Motion carried.

b. Construction Project for Bid Process

Alex Gross with JDMA Architects provided a timeline of the bidding process. Plans will be available to contractors via email or in person from JDMA. A pre-bid conference will be held at GRMC on April 5. Sealed bids will be received on April 18 until 2:00 P.M. A review and ranking will be held at the board meeting on April 27. A new proforma was run to show incremental business that will be added due to the construction.

Action

Motion by Dr. Behr, second by Terry Bishop, to approve the Construction Project Bid Process as presented. Motion carried.

c. Physician Recruitment Agreement

The Medicus Firm is a firm we used in the past to recruit Drs. Kennedy and Vaughan. We need to recruit a radiologist since Dr. Samantha Castillo is leaving in August. The radiologist will work for Radiology Partners, but we will be recruited by us. They are short-staffed, so we are not sure whom we will get if it is left up to Radiology Partners. Dr. Toppins, head of Radiology Partners, stated that they use The Medicus Firm also. Our attorney, Robert Spurck, has reviewed the recruiting agreement. We pay nothing for coverage by Radiology Partners, just for the recruitment fee.

Action

Motion by Suzy Graham, second by Sylvia Overton, to approve the Physician Recruitment Agreement with The Medicus Firm as presented. Motion carried.

a. US Bank Board Resolution

We need to update our US Bank signature cards to include Robert M. Lonis, CFO, and Steve Bishop, Controller. This includes Graham Hospital District, dba Young County Family Clinic, and Graham Emergency Services Inc., dba Graham General Hospital Physicians accounts.

Action

Motion by Suzy Graham, second by Sylvia Overton, to approve the US Bank Board Resolution to update the signature cards as presented. Motion carried.

6. Reports

a. Medical Chief of Staff Report

- i. Dr. Steve Jones was not in attendance.

b. CEO Report – Shane Kernell

- i. Medicare.gov is the website CMS posts information about hospitals. We are a four-star hospital which is in the top 25 percentile. It is a hospital comparison. You enter a hospital and a radius, and it pulls up the quality measures. Not all have reports because they don't have the volume or they don't report the information. It costs money to report. We believe you can't improve anything if you don't measure it.
- ii. CAH application is in process. The paperwork has been filed. Next is to line up a survey by CMS or pay a company to do it. We have requested a quote from DNV. They are more typical in rural hospitals because JCAHO is so expensive, and DNV will come in every year and conduct a survey rather than every three years.
- iii. The TORCH conference is in three weeks. Mr. Kernell, Mr. Lonis, and Mr. Espinoza will be attending.
- iv. The earmarked funding was squashed. The State is in session. Representative Spiller has funding, and we put together a packet requesting funding for \$661,000. We will see what comes of it.
- v. Heart Attack Readiness certification by Jayco is done. We are looking at Stroke and Pediatric Certification.
- vi. The Healthcare Summit is coming up. Bobby Hadderton will be presenting information on Tornado and Community Readiness

7. Executive Session

Vice President Behr convened into Executive Session at 1:40 P.M. President Pettus had to leave at 1:33 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
- b. Texas Government Code §551.074, personnel matters

Executive Session adjourned at 2:16 P.M.

8. Open Session

The Board reconvened in open session at 2:16 P.M.

Action

Motion by Suzy Graham, second by Terry Bishop, to approve the appointments and delegated credentialing of:

A. Appointments:

- Provisional
 - Emergency Medicine
 - Akachi Azubuike, MD
 - Neurology
 - Lisa Labiche, MD

- Zachary Norman, MD
- Elizabeth North, DO

B. Delegated Credentialing

➤ Teleradiology

- Samuel Hancock, MD
- Cynthia Stearns, MD
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President Pettus was not present to vote. Motion carried with a quorum of votes.

Action

Motion by Barrie Strickland, second by Sylvia Overton, to approve the Quality Report as presented. President Pettus was not present to vote. Motion carried with a quorum of votes.

Action

Motion by Jon Garvey, second by Suzy Graham, to approve the Incentive Compensation Plan Proposed Payouts. President Pettus was not present to vote. Motion carried with a quorum of votes.

There being no further business, the meeting adjourned at 2:17 P.M.



Dr. Donald Behr, Vice President, Board of Directors



Tammy Whittenburg, Secretary, Board of Directors