

Cochran County Hospital District
Board of Directors
Meeting Minutes
September 18, 2024

Cochran Memorial Hospital
201 E Grant Ave
Morton, Texas 79346

ATTENDANCE

Board of Directors

Betty Lyon
Richard Houston
Ray O'Brien
William (Bill) Albus

Absent

John Schmidt

Hospital Administration

Kody Kitchens

Minutes Taker

Mary McKnight

Guests

Matt Patterson
Aaron Milligan
Grant Turner
Rick Perez
Jamie Perez
Stacy Kirkendall

1. Opening

- a. Quorum present
 - i. Meeting called to order 5:01 p.m.
- b. Invocation led by Bill Albus.
- c. Public Comments
 - i. No public comments.
- d. Review and Consider Approval of Previous Meeting Minutes
 - i. Motion made to approve the August 21, 2024 regular session meeting minutes as read. Motion seconded. Three (3) votes in favor of approving minutes; zero (0) votes against. Motion passed; minutes approved as read.

2. Matters for Discussion and/or Action

- a. Annual Audit, guest speaker Aaron Milligan, Durbin & Co.
 - i. Aaron Milligan presented the 2023 Audit and Governance Letter to the Board of Directors.
- b. Sliced Health Revenue Contract Management
 - i. Sliced Health is a contract management service that will help us have approximately \$100,000 from insurance underpayments and denials.
 - ii. Sliced Health is offering us a discounted service, due to facility size, that could help us lower underpayments and denials. They are also giving us an exception that will allow us to terminate our year-long contract in thirty days if we feel the need.
 - iii. Stacy Kirkendall was present at the meeting to answer board members' questions regarding the service
 - iv. Motion made to accept the Sliced Health Revenue Contract Management contract. Motion seconded. Three (3) votes in favor, zero (0) against. Motion passed; will sign Sliced Health Revenue Contract Management contract.

- c. Wildcat Ranch Energy Storage Tax Abatement Agreement
 - i. Garrett Peters, senior tax manager for K.E. Andrews, has given Kody two (2) tax abatement agreements. Kody also attended the Cochran County Commissioners Court meeting regarding this issue.
 - 1. Abatement agreement 1: Wildcat Ranch Energy Storage, 48-megawatt AC battery storage system beginning construction Q1 2025, completion Q4 2025
 - 2. Abatement agreement 2: Wildcat Ranch Energy Storage II, 55-megawatt AC battery storage system beginning construction Q1 2025, completion Q4 2025
 - ii. Information presented is for review purposes only. Kody asked permissions to contact Aaron Clements, Dickens County Attorney, or another knowledgeable attorney to help the Board of Directors negotiate these tax abatements with K.E. Andrews at a later meeting.
 - iii. Wildcat Ranch Energy Storage agrees to pay the \$1,000 non-refundable application fee and reasonable consulting and attorney fees in the negotiation and preparation of the agreements.
 - iv. All board members present were in agreement with Kody contacting an attorney to help with the negotiations.
- d. Cochran County EMS
 - i. Grant is currently working on EMS licensing, looking at Basic Life Support license right now as it is easier and quicker to get activated. We did find out we cannot use the city's license until ours is active. Once we have that license, we will add the higher ratings as we hire paramedics to work the service.
 - ii. Grant, Kody, and Maggie met with Greg Callaham from Durbin & Co. about Cost Based Reimbursement for additional payments from Medicare for hospital EMS services. This is a fairly unknown program with only hospitals in Tahoka and Hamilton using it. Using this program and figures from the last 10 months, Mr. Callaham estimated payments for EMS could have increased over \$100,000. In order to enroll in this service, the hospital will have to outright own the service. Kody is seeking permission to see what needs to be done in order for the hospital to outright own the EMS service and the Board of Directors will need to be willing to purchase and own the service. Board members present were in agreement with Kody seeing what needed to be done for the hospital to purchase the service.
 - iii. Rick Perez, licensed paramedic has offered his services to manage the EMS service. Mr. Perez introduced himself to the board and answered board members' questions.

3. Reports

a. Financials

i. Operating Account

1. Balance dropped from \$1,497,911.59 to \$555,181.87 due to a payment of \$704,753.00 on August 28, 2024 to the State Comptroller for UC/IGT payment. We are expecting to receive this years UC/IGT payment of \$1,770,000 by September 30, 2024.
2. If needed, we do have a large CD maturing September 24, 2024. We have ten (10) days after it matures to make any decisions without penalty. This gives us a back-up plan in the event the payment is not deposited by September 30th.
3. When the UC/IGT deposit is made, we will have a little more than \$9,000,000 cash on hand, which in an increase of approximately \$1.7 million from the previous year.
4. Interest rates are anticipated to decrease, but with current investments our daily accrual is currently \$792.40.

ii. Fraudulent Checks

1. Haven't anymore fraudulent checks but we have had some automatic drafts come out, one for \$3100. Positive Pay caught it and were able to decline it.

iii. Uncompensated Care Funds

1. In the past charity and indigent care patients have not been reported correctly, which is why we are having to pay back \$705,000, however, within the next thirty days we will be receiving a payment of \$1,771,524, making our uncompensated care \$1,065,572.

iv. Line items discussed

1. Inquiry made about four (4) voided checks
 - a. Kody will have to check with Maggie.

b. Administrator's Report

- i. Ongoing issue with insects and spiders in facility and a roach infestation in dietary department. Terminix has been on-site many times to combat the issue, without success. Contact with Terminix has been terminated, will be signing a new contract with Ecolab.
- ii. Grant Turner's job description has been updated from CNO to CNO/COO.
 1. This gives Grant the authority to supervise all hospital departments and no longer limits him to nursing only.
 2. This also gives Grant the authority to make management decisions if Kody is unavailable.
 3. Allows Grant to legally supervise the EMS service as needed.
 4. Board member packets include Grant's new job description.

4. Personnel

- a. No new business

5. Open Forum

- i. No new business

6. Adjournment

- a. Motion made to adjourn. Motion seconded. Three (3) votes in favor; zero (0) oppose. Motion carried.
 - i. Meeting adjourned 6:33 p.m.

Cochran Memorial Hospital CEO

Date

Cochran Memorial Hospital President, Board of Directors

Date