Cochran County Hospital District
Board of Directors
Meeting Minutes
September 17, 2025

Cochran Memorial Hospital
201 E Grant Ave
Morton, Texas 79346

ATTENDANCE

<u>Board of Directors</u>
Betty Lyon
John Schmidt
Ray O'Brien
William (Bill) Albus
Matt Patterson

<u>Hospital Administration</u>
Kody Kitchens CEO
Grant Turner COO, CNO

<u>Guests</u>
Maggie Ramon

<u>Minutes Taker</u>
Mary McKnight

1. **Opening**
    a. Quorum present
        i. Meeting called to order 5:02 p.m.
    b. Invocation led by John Schmidt.
    c. Public Comments
        i. None
    d. Review and Consider Approval of Previous Meeting Minutes
        i. John Schmidt requested the word "ork" on page 2, paragraph f, subparagraph i be corrected to "work".
        ii. Motion made to approve the August 20, 2025; regular session meeting minutes with above correction. Motion seconded. Four (4) votes in favor of approving minutes; zero (0) votes against. Motion passed; minutes approved as corrected.
2. **Matters for Discussion and/or Action**
    a. No new business
3. **Reports**
    a. Senior Citizen Financial Report
        i. Monthly financial report for the Senior Citizens Center was reviewed.
        ii. Improvement in the Senior Citizens Center's finances is reported.
    b. Cochran Foundation Meals Report
        i. The Dietary Department cooked 689 meals in August.
        ii. Still maintaining $5.00 or under per plate.
        iii. Mary McKnight is compiling a report to show plate prices for the next board meeting.
    c. Clinic
        i. ERs for August were up 10 from July, still within the average of 35 to 50 per month.
        ii. Transfers were up
        iii. Clinic was busier as well, up by 10
        iv. Inquiry as to the meaning of AMA. Against Medical Advice: discharge status used when a patient leaves without being discharged by the provider.

d. EMS
    i. Call numbers are about the same.
    ii. Beginning to get checks coming in from Emergicon.
e. Financials
    i. Total bank balance \$978,000, there was actually \$3 million plus in the bank at the end of August, but on September 2nd we made the \$2.5 million payment.
    ii. We do have about \$5.5 million in CDs and are expecting a \$5.5 million payment at the end of September. We will need to place some of that payment into the Operating Fund to get us through the end of the year.
    iii. Looking at Medicare payment trends in April 2025 we received \$29,000; May 2025 was \$12,000; June 2025 was \$45,000; July 2025 was \$23,000. Looking back at previous years, those should be closer to \$40,000 and all of these are under that, except for the month of June. After speaking with our CFO, the conclusion was when we owed \$408,000 to Novitas, which is part of Medicare, we didn't make the payment for about three months, and they started recouping that money. That's why when we wrote the check for the payment it was only \$380,000; they had already taken some of that \$408,000 from us. In August we made \$141,000, and that because when they got the check they went back to paying us some of this money, they owed us. It is unknown right how much of the money they took from us went to that \$408,000, we are trying to track it, but it is complicated to track. Clinic number is \$10,000 to \$15,000 more than normal, that was for Medicare patients in the clinic for that month. Total amount we received from all payers was \$193,000.
    iv. CDs
        i. The feds dropped the interest rate by a quarter today.
        ii. Currently have six CDs, they all come due around the same time, end of next month/first of new year.
        iii. Recommendation made to place the money in two or three CDs at the highest rate we can get.
    v. Check Registry
        i. Line 14: Quarterly generator servicing.
        ii. Line 44: Half-payment for new floors, expected to start in the next couple of weeks.
        iii. Line 76: The Local CFO: Employee retention tax service for filing the paperwork.
        iv. Line 84: Texas HHC payment we make towards the amount we have to make to Medicare; we have one more payment left.
        v. Blue Cross Blue Shield: Employee insurance
        vi. Line 90: Oxygen for facility and EMS. The drop-down in the emergency room has two flow meters, one was mistakenly left partially on.

f. Administrator's Report
   i. Grant and Kody attended a conference in Austin September 8^{th} -11^{th}. During the Conference Governor Abbott signed House Bill 18 and House Bill 3000.
      a. House Bill 18 is designed to disperse money to help rural hospital bridge the gap between what we are paid for services compared to the higher payments received for larger city hospitals. After reviewing HB 18, it doesn't appear it will be relevant to our facility as pertains largely to services our hospital does not offer.
      b. HB 3000 will let us buy new ambulances but will not let us buy equipment we need nor hire staff we need.
      c. Big Beautiful Bill
         i. Texas to receive $500 million annually to go just to rural hospital. Money will be sent to the Health and Human Services Commission who will disperse how they feel it should be dispersed. Governors in each state have to submit a plan on how to use that money; there should be a lot of those funds that will help our facility.
   ii. Robert Garza has agreed to step down as EMS director, but will continue to work as a contract paramedic. Vance Laymon and Scotty Reed have been hired as the new co-directors, they will be contract employees, not hospital employees.
   iii. New flooring should be installed before the October 2025 Board of Directors meeting.

4. Personnel
   a. No new business

5. Open Forum
   a. No new business

6. Adjournment
   a. Motion made to adjourn. Motion seconded. Four (4) votes in favor; zero (0) opposed. Motion carried.
      i. Meeting adjourned 6:07 p.m.

______________________________ ____________________

Cochran Memorial Hospital CEO — Date

______________________________ ____________________

Cochran Memorial Hospital President, Board of Directors — Date