

HUNT MEMORIAL HOSPITAL DISTRICT
BOARD OF DIRECTORS
February 22, 2022

The Hunt Memorial Hospital District Board of Directors conducted a meeting on Tuesday, February 22, 2022 at 5:30 p.m. at Hunt Regional Emergency Medical Center - Commerce, Outpatient Lobby, 2800 Highway, Commerce, Texas.

Dr. Pierce, Chairman, called the meeting to order.

ROLL CALL:

Mrs. Sarah Alderman
Mrs. Deborah Clack
Mrs. Leslie Killgore (Absent)
Mr. John C. Nelson, Jr.
Mrs. Janet Peek
Dr. Scott Pierce
Mr. Michael Taylor
Mrs. Julia Wensel

comprising a quorum of the Board; also,

Mr. Steven Lee Boles, Jr., President/CEO
Mr. Reese Hurley, MSN-Adm., RN, Vice President/CNO
Mr. John Heatherly, Vice President Operations/Support Services
Mr. James Robertson, Vice President/CFO
Robert Deuell, M.D., Vice President of Medical Staff Affairs
Thomas Selvaggi, MD, Hunt Regional Medical Partners Family Practice-Live Oak
Mr. Stuart O'Neil, General Counsel
Mr. Wyman Williams, City of Commerce Mayor
Mr. Sam Walker, Texas A&M University
Ms. Sue Nixon, Office Mgr., HRMP Family Practice at Live Oak and Leonard
Mr. Brian Weber, PA-C, HRMP Family Practice-Live Oak
Mr. Lawrence Young, PA-C, HRMP Family Practice- Live Oak
Mr. Tim Roberts, Robins & Morton
Mr. Josh Whittle, Robins & Morton
Mr. Chris Janning, Hilltop Securities
Ms. Lindsay Evans, Hilltop Securities
Ms. Kim Saenz, Emergency Medical Center-Commerce & Quinlan Asst. Dir.
Mr. Jeffrey Constantino, Facilities Management Director
Mr. Ryan Madewell, Assistant Facilities Management Director
Mr. Pete Harrell, Projects Manager
Ms. Lisa Hill, Foundation Development Marketing Communications Director
Ms. Brandi Isham, Quality/Coordinated Care/Medical Staff Services Director
Ms. Rose Hayden, Development & Communications Assistant Director
Ms. Stacey Lane, Human Resources Director

Mr. Chad Martin, Hunt Regional Medical Partners Director
Ms. Jamie Morgan, Controller
Ms. Mary Pattberg, Decision Support Director

Welcoming Remarks	Dr. Pierce called the meeting to order and welcomed everyone to Commerce.
Public Notice of Meeting	The order of the Public Notice of Meeting was changed as follows.
Approval of Minutes	Mrs. Peek moved, seconded by Mr. Nelson, to approve the January 25, 2022 minutes as presented. The motion carried unanimously.
Medical Staff Report	Dr. Deuell reported the COVID positive admissions are declining and staffing is improving. A second Gastroenterologist was interviewed over the weekend and will be available in 2023.
Citizens to Be Heard	There were no citizens to be heard on non-agenda items.
Public Testimony	There were no members of the public present to address the Board of Directors regarding any item on the agenda before or during the Board's consideration of said items.
Recess for Facility Tour	A recess was called so those present could tour the facility.
Back In Session	Dr. Pierce called the meeting back in session.
Unfinished Business	Dr. Pierce reported discussion on the "Fifth and/or Sixth Floor Project Consideration" will be discussed later in the meeting and the "Royse City Project" will be discussed in Executive Session.
New Business Expansion Report	Mr. Roberts introduced himself and reported Mr. Taylor toured the construction site this past week and Mrs. Peek is planning to tour the site next week. He reported on the progress to date including the completion of the drywalls, prime and first coat paint on the walls, hard ceilings are in and the majority of those should be painted by the end of this week, flooring is going in, and concrete for the sidewalks should be poured next week.

The automatic doors are in and the windows should be installed within the next few days. The central utility plant upgrades are ongoing and the 100% inspection is expected in the next three weeks. The project is going well with 130 men on site working six days a week to get the project back on schedule due to recent illnesses during the holidays. Mr. Taylor expressed his appreciation of the cleanliness of the project and was impressed with all the lines and pipes in the ceilings.

**Consent
Agenda**

Dr. Pierce inquired as to the use of the Mindray Portable for Hunt Regional Emergency Medical Center at Quinlan and Mr. Hurley reported the portable units are for use on patients in the overflow area in the triage space and these units will travel with patients when being transported to CT and radiology so patients may be monitored during their procedures. Dr. Pierce inquired as to the utility of a Sonosite Bedside Ultrasound Machine for Hunt Regional Emergency Medical Center at Commerce for \$54,000 and it was reported ER physicians requested to have standardized equipment in each of the Emergency Rooms. The one currently in Commerce is dated and the wand being used is on loan. Following discussion on utilization, costs and comments from Mr. Young in favor of using the equipment, Dr. Pierce requested the item be pulled from the consent agenda and to reconsider it next month to allow the Emergency Medicine Department physicians an opportunity to discuss further. Following discussion, Mr. Taylor moved, seconded by Mrs. Peek, to approve the following consent agenda items as presented and recommended:

To approve the recommendations for appointments, requests to change staff status, a request for additional clinical privileges, reappointments, requests to change staff category at time of reappointment, and resignations for the Hunt Regional Medical Center Medical Staff and the Allied Health Professional Staff upon recommendation of the Board Credentials Review Committee.

To approve \$136,173 for the purchase of a GE Healthcare Ultrasound Scanner for Hunt Regional Medical Center Diagnostic Imaging Department upon recommendation of the Facilities Planning Committee and the Finance/Budget Committee.

To approve \$20,072.16 for the purchase of a Mindray Portable Monitor for Hunt Regional Emergency Medical Center at Quinlan upon recommendation of the Facilities Planning Committee and the Finance/Budget Committee.

To approve \$53,700 for the purchase of a Sonosite Bedside Ultrasound machine for the Hunt Regional Medical Center ICU upon recommendation of the Facilities Planning Committee and the Finance/Budget Committee.

To approve Resolution No. 338, a resolution authorizing District positions of Chief Executive Officer, Chief Financial Officer and Controller as bank relationship administrators to conduct traditional activities at banks/investment brokerages currently active upon recommendation of the Finance/Budget Committee.

To approve a Hunt Regional Medical Partners Physician Employment Agreement upon recommendation of the Finance/Budget Committee and the Executive Compliance Committee.

To approve the Hunt Regional Medical Center 2021 Annual Quality, Safety and Risk Report upon recommendation of the Quality Council.

To approve the Hunt Regional Medical Center 2022 Performance Improvement Plan upon recommendation of the Quality Council.

ACTION ITEMS
TIRZ Appoint-
ment

Mr. Taylor reported the City of Greenville created a Tax Increment Reinvestment Zone (TIRZ) to improve property taxes by assisting developers with infrastructure costs and providing a rebate over a specific period of time. Dr. Pierce reported the TIRZ Board is comprised of eight members and Dr. Barr served for many years as the hospital board representative. Following discussion, Mr. Taylor volunteered to serve as the Hospital District representative on the TIRZ Board with no opposition voiced. The next TIRZ Board meeting is March 8, 2022.

**2022-2023
Tobacco
Settlement
Grant Fund
Awards**

Mr. Nelson, Chairman of the Tobacco Settlement Grant Fund Committee, reported the committee met and reviewed submitted applications and is recommending the disbursement of \$159,000 to the following recipients: Boys & Girls Club of Northeast Texas; Bras for the Cause; Bread of Life Community Services; Commerce Food Pantry, Inc.; Drug Free Greenville; Greenville Golden K Kiwanis; Hunt County Shared Ministries; HMHD Charitable Health Foundations; Hunt Regional Home Care; Northeast Texas Children's Museum; Senior Center Resources and Public Transit, Inc. and Women In Need, Inc. Following review, Mr. Nelson moved, seconded by Mrs. Wensel, to approve the disbursements as recommended. The motion carried unanimously.

**Cancellation
Of May 7, 2022
Board Election**

Mr. O'Neil reported currently there are no contested races in the May 7, 2022 Board of Directors' election and because the election may not be cancelled prior to February 25, 2022, Mr. O'Neil recommended the Board vote to cancel the election tonight to be effective February 25, 2022 so the Board will not have to conduct a special meeting to cancel the election. One position remains open in Precinct 2 that will need to be filled following the May 7 election. Following discussion, Mr. Taylor moved, seconded by Mrs. Wensel, to cancel the Hunt Memorial Hospital Board of Directors election effective February 25, 2022. The motion carried unanimously.

**Financial
Statements**

Ms. Morgan presented the January 2022 financial statements and statistical data. Following the review, Mr. Taylor moved, seconded by Mrs. Peek, to accept the January 2022 financial statements, subject to audit. The motion carried unanimously.

**Commerce
Urgent Care
Construction
Options**

Mr. Boles discussed the addition of an Urgent Care on campus of Hunt Regional Emergency Medical Center at Commerce and reviewed potential areas for the service. It was decided after reviewing with the architects and board members that utilizing the space within the Emergency Room would not be the best option for an Urgent Care Center. The option to develop an Urgent Care Center in the 2,500 square foot shell by transitioning some of the Live Oak providers to staff the service is being considered. The cost to finish out the space is estimated at \$600,000 space finish and the contract between the hospital and the TeamHealth providers will need to be negotiated as the Urgent Care Center will impact the Emergency Department volume. He reported having a provider

based Urgent Care Center and having Live Oak as a provider based rural health clinic, we will become eligible for 340B pricing by providing rebates on drugs which will generate approximately \$300,000 to \$400,000 additional net revenue to Commerce. Following discussion and favorable comments from Mr. Weber, Mr. Young and Dr. Selvaggi regarding the development of an Urgent Care Center at Hunt Regional Emergency Medical Center at Commerce, Mrs. Peek moved, seconded by Mrs. Alderman, to authorize the Chief Executive Officer to move forward with the development of an Urgent Care Center in the shell space as discussed and to begin working with an architect to draw up the plans for the Board to consider. The motion carried unanimously.

**Fifth and
Sixth Floor
Projects**

Mr. Boles reported pursuant to the January 25, 2022 Board meeting and the presentation from Robins & Morton regarding bed expansion options, it is being recommended to immediately use the 11 beds on the fifth floor as soon as the OB patients are relocated over to the new OB expansion at a cost of approximately \$50,000 and then begin the process to renovate the sixth floor for 20 additional beds at a cost of \$5million plus equipment needs which will take approximately one year to construct. Once the sixth floor is complete renovation of the fifth floor may begin. Following discussion regarding the transition of staff off of the sixth floor and relocating the board meeting room, Mrs. Clack moved, seconded by Mrs. Wensel, to move forward with preparing the fifth floor to be occupied and the sixth floor to be announced as we progress retrofitting at a cost of \$7million. The motion carried unanimously.

DISCUSSION ITEMS

**Strategic
Initiatives**

There were no strategic initiatives.

**Chairman's
Report**

Dr. Pierce reported the THA Annual Conference postponed from earlier this month, has been rescheduled to March 21 and 22 in Houston. Since March 22 is our next Board meeting, Board members will be registered to attend the virtual conference which will be online. The THT Conference will be July 28-30, 2022 in Fort Worth.

**President/CEO
Report**

Mr. Boles reported the following:
Operations ~ COVID patients and testing have declined and staffing has improved. Ms. Lane reported on the

CMS COVID mandate compliance noting our employees and physicians are compliant but there are five contractors of which four are State employees who will be demobilizing within the next two weeks.

Physician Recruitment ~ a GI candidate has interviewed over the weekend and is doing his residency in Galveston. Both he and his wife are from Dallas.

An agreement was successfully negotiated with Lam Vascular for call coverage and they are expanding providers in their Greenville practice.

**Marketing
Update**

Ms. Hill reported we will be doing an image campaign and will need a good assessment of what the public thinks our image is. She reported over the past 30 years several companies have surveyed our community on our image and she is proposing to utilize NRC Health that currently does our patient satisfaction surveys. The survey will take approximately six weeks to complete and the findings will be available about two months from the initiation of the survey. These findings will help us determine what organizational changes, if any, are needed and what our marketing message should be in order to attract new patients. Dr. Pierce shared a lifesaving story involving a Dallas physician not on staff who drove to Greenville to do an emergency surgery to save a patient's life and requested the story be shared with the newspaper and Ms. Hill reported they are working on the story.

**Quality
Performance
Report**

Ms. Isham presented the Hunt Regional Healthcare 2021 Annual Quality, Safety and Risk Report and outlined the following: performance improvement projects; value based purchasing resulted unfavorably with a \$318,100 penalty; the Quality Council in 2020-2021 completed a Proactive Risk Assessment on Pandemic Planning as a safety and quality priority; a risk management summary of events with outcome severity scores and locations; Joint Commission accreditation/deemed status; 2022 quality initiatives, 2021 Environment of Care Plans Effectiveness Evaluation on the seven management plans ~ safety, security, hazardous materials, emergency preparedness, fire prevention and life safety, medical equipment, and utilities and the 2022 Environment of Care/Safety Focus areas outlining the safety opportunities for improvement in 2022. Following the presentation, the Board accepted the report.

**Compliance
Report**

Mr. Heatherly presented the Fourth Quarter Compliance Report (October through December 2021): 79 employees completed compliance training; 119 sanction checks were completed prior to start dates and were negative; there were no investigations/hotline reports; there were 12 exit interviews in October with no compliance concerns to report, no exit interviews in November and 11 exit interviews in December with two answering yes to compliance concerns that were found to be Human Resource issues; and there were no physician compensation agreements approved. Following the overview, the report was accepted.

**Revenue
Bonds To
Support
Projects**

Mr. Janning discussed our existing General Obligation debt service with the issuance of \$20 million in Revenue Bonds, the District's capacity at the current tax rate, and the issuance of \$50 million in General Obligation Bonds with no tax rate increase. He reported legislature passed Senate Bill 19 which requires any financial commercial or investment bank going to do business with any State of Texas local government and the fee to be earned is \$100,000 or more, that firm must sign an affidavit that they do not discriminate against the oil industry or the firearms industry. Three prominent firms are not doing business in Texas and JP Morgan Chase is one of them. Thus, the hospital will need to select another firm but doing so will increase the timeline up to 60 additional days to obtain approval. Following review and discussion it was noted the revenue bonds are to fund the Royse City Medical Office Building and Emergency Room and renovations of the fifth and sixth floor as discussed earlier by Mr. Boles. Mr. Taylor recommended Mr. Janning work with bond counsel to provide a reimbursement policy for our legal counsel to review.

**Introduction
Of CFO**

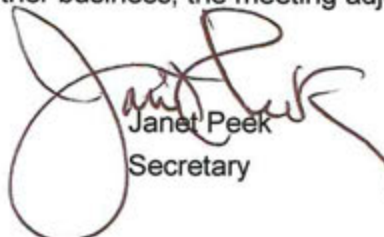
Mr. Boles introduced and welcomed James "Jimmy" Robertson as the new Chief Financial Officer from Yuma, Arizona.

**Executive
Session**

An Executive Session was held under Texas Government Code §551.071 and §551.072. Following the Executive Session, there was no action taken.

Adjournment

There being no further business, the meeting adjourned at 8:38 p.m.


Janet Peek
Secretary