HASKELL COUNTY HOSPITAL DISTRICT BOARD MEETING MINUTES
NOVEMBER 29, 2022

Haskell County Hospital District Board held its regularly scheduled monthly meeting on November 29, 2022, at 6:00PM in the Haskell Hospital Education Building, 2 North Avenue N, Haskell, Texas, per the Open Meetings Act. Attending: President Robbie Peiser; Vice-President Tom Long; Member Reida Penman, Secretary Jerry Cannon; Member Amy Martin; Member Elna Camacho (Jenny Goudeau Camacho), CEO Michelle Stevens; COO Mary Belle Olson; CFO Elizabeth Miller; Controller Crystal Molina; ACNO Meghan Shelton; Clinics Manager Sydney Saucedo; Internal Business office Manager Kris Mitchell; Sentex Consultant Chasity Werner; Hospital Attorney Robert Spurk; Patient Relations Nurse Carla Long RN, Tax Appraisal Office Staff Wanda Hester, and Jamie Ferguson. General Public: Haskell Star/Stamford Star Reporter Dusty Garison; former employee Charlotte Johnson; former employee Karen Isabell; former Administrator Fran McCowan; and former board member Jan Gannaway. Absent: CNO Tammy Mason.

Invited Guest speakers: Cerner account manager Robin Belzer; Tax Office Staff Wanda Hester and Jamie Ferguson.

President Robbie Peiser called the meeting to order at 6:00PM.- Quorum certified as present

1. Reviewed Minutes: November 2, 2022, Board meeting – Accepted and approved as presented.
2. Public Comment: (Limited to 2 minutes per person)
   A. Former employee Charlotte Johnson: Charlotte Johnson stated, "I know this Board has a huge responsibility and we are not disgruntled, we have no vendetta, we are not mad, or against a new hospital. I know we need a new hospital, but we think we need to wait until the hospital is in a better financial state." Mrs. Johnson continued, "We built an new ER that was a waste of money. We bought a new MRI that was a waste of money, and what about a lab for Dr. Cadenhead to use for his clinic patients. Dr. Cadenhead has been a huge contributor to this hospital's success. Are we going to leave him without a lab for his clinic patients? Like I said we are not against a new hospital. We are concerned citizens who think we need to wait for a better financial situation before we build a new hospital.

   B. Former Administrator Fran McCowan: Fran McCowan passed out a two-page handout and stated, "You all know I am a spread sheet kind of person." (See attachment).

   Ms. McCowan said, "I am concerned that the hospital is showing a loss of 1.5 million dollars for the last 2 years, and the average daily census has stayed basically the same over the last 5 years. I looked back and the Accounts payable are over $1 Million more than a couple of years ago as you can see on the handout. I don't see how anyone could what to build a new facility until the financial situation is in a better state."

   She continued, "I know what the architects and everyone have said about being up to code, but the current facility is grandfathered in at the standards that were in place at that time. Cash on hand has decreased from 3.7 million in 2019 to 1.1 Million on 9/20/22 – With $800,000 of that tied up in CD collateral as of 9/30/2022. Total expenses are up $4.5 Million with revenue only increasing about $1 Million. The hospital has had to get a line of credit to help with the everyday operating expenses so I can't see where anyone would want to build a new facility in that situation." Mrs. McCowan stated she had looked up several articles about the plight of rural hospitals in 2022 and gave the statistics as 50% or rural hospitals remaining open were at risk of closing, and 12% of those in risk of immediate closing.

   Fran McCowan ended this presentation with, "This debt will have to be paid by the taxpayers whether the hospital remains solvent or not. It is my understanding that is what happened in Stamford. We don't want to be like Stamford. A $20-$25 Million bond will cost the tax payers and additional 25-30 cents per 100 valuation on their tax bases, so basically everyone's property tax will double for the next 30 years. For those on a fixed income that can be devastating. It is the combination of all those things together that has me wondering how a new hospital could even be considered right now. I know revenue can increase with new services, but most people go where their primary care doctors are located so it seems it would be better to get more providers to generate revenue. I am wondering if you should have some public meetings to get the communities opinion on this before you spend the money to get whoever you want to help with the bond election process.

C. Former employee Karen Isabell: Karen Isabell said, "I just want to echo everything that Charlotte Johnson said. We just want our hospital to be here for a long time.

D. Former Board Member Jan Gannaway: Mrs. Jan Gannaway stated, "Like Charlotte Johnson said, 'We are not the enemy.' We may disagree with you, but we are not the enemy. Haskell faces three lawsuits right now. If we lose it will take more money to build back up which will be more outstanding debt. We believe we should wait to build a new hospital till a later date.

3. Bond Election Discussion from Paul Leonard: – Tabled to a later date as he was not ready - per CEO Stevens.

4. Cerner Presentation from Robin Belzer: Mr. Belzer stated that for the last 9 months he has been the lead Account Executive for the Haskell Memorial Hospital, which in effect means he is the gateway to the Mother Ship. He stated he has enjoyed working with our CEO, COO, CFO, and CNO, and that they all have direct access to him. He likes to meet every year with the boards of the hospitals that he is the lead Cerner Executive for. Mr. Belzer also stated that Cerner had been purchased by Oracle and that they were still working out the problems that occur when a company is obtained by another company, but good progress is being made. He added that the name will probably change to Oracle Health in the future and that Haskell Hospital will not have to deal with anything any differently than they already do. The lack of workers during and post COVID affected Cerner considerably. He stated they have worked with outside companies to meet that need and things are improving. With the merger with Oracle, they have gained a great deal of new help but training and replacing the temporary employees will take until the end of January 2023. Tom Long said, "You cannot blame it on COVID as everyone, including us, had to deal with that. Mr. Bezels replied, "I realize you all were affect an even greater amount especially in the patient care area, but, Yes I can. The older workers that were sent home to work decided to retire and not come back, while the younger workers got a taste of working from home and they liked it and when we told them we needed them to come back to the office they got other jobs working from home and did not come back.

   Mr. Robin Belzer assured the board he was aware of the issues that the hospital has had with Cerner, and he is very close to getting approval for a user educational program, "Learning Journey," for Haskell Hospital at no cost. It can be used for new hires, to bring staff up to best user practices, and can also be used for required training every 10-12 Months to keep staff using best practice standards. Mr. Belzer has helped the hospital with bill reductions and seeing that bugs are fixed. Tom Long asked about the numbers of the outstanding Cerner work requests that had been presented at previous meetings. CFO Miller stated the number of outstanding work requests with Cerner has dropped significantly and the administration all stated that they were pleased with the efforts, work, and improvements that Mr. Belzer has implemented.

   Chasity Werner our Sentex Consultant stated, "We are finding things that the previous billing company did not do correctly which is not Cerner's fault. We are fixing those and as a result our account receivables have increased the last two month consistently and I am very excited about that. Some bills for patient services were not being billed out because the system was not integrated correctly by the previous billing company to allow that to happen.

   Mr. Belzer stated he was invested and taking full ownership of the Haskell Hospital Account. He realized that part of the fault was Cerner's for Bad Building, Bad Training, and going live in a pandemic, and that Haskell also had part of the fault due to people being unable to attend training sessions. Robbie Peiser talked about the different facilities that he has been in over the last year due to family health issues, and he said that all of them had the same issues with difficulty just getting to the place in the system they needed to be to do their jobs correctly. Mr. Peiser asked what could be done about that issue. Mr. Bezel stated they fixed a problem with a provider's system that very day to simplify the process and remove extra things they didn't need, and they were very pleased. He added that he would be put together a get well plan for the Cerner/Haskell issues and would come back in January to help the nursing and ancillary departments in the same way. Mr. Bezel stated that Dr. Fleming came with him this time to help the providers and that she would be back as well. His goals for the future with Haskell include:

A. Reducing the stress for every end user and expects to have that turned around in just a few months.
B. "Learning Journey" cost free approval and installed to help everyone, except housekeeping and dietary departments, and recertification program every 10 to 12 months to keep best practice standards high by the end of March 2023. Tom Long stated, "With all the problems we have had with Cerner getting this free program should be a given." Mr. Belzer stated, "I don't disagree with you, but I still have to go through a process which is even more involved since Oracle bought out Cerner.
C. Strict Governance Standards – Do an analysis and get demos from other facilities to help Haskell then negotiate on bills.

Tom Long asked, "Who was the manager of Haskell's Account before You Mr. Belzer?" Mr. Belzer stated it was Tracy Parker. Tom Long asked, "Why didn't she pick up on this things?" Mr. Belzer answered, " I cannot answer that except to say that I ask a lot of questions and make a point to come in quarterly and find the painful spots the users and the hospital are experiencing." He continues, "I have known Tracy for 20 years and she is good at what she does, but we have different managerial styles. I ask a lot of questions. It usually takes 12-24 months after going live for the dust to settle and leadership to visualize problems. I tend to be more aggressive. I have worked in nearly every area of the Cerner company, and I bring that experience to my job.

CFO Miller stated, "What I have noticed is that with the original training users cannot absorb more than just learning how to use the system. In 6 months to a year, they have learned the system, but now need to learn things to make the system work better for them, and how to use it to do their jobs more efficiently. I would recommend that you do an initial training and then follow up with another training 6-12 months later.

Mr. Belzer stated he was very encouraged and felt things would clean up quickly now.
Kris Mitchell stated that Dr. Fleming and Brenda with Cerner had made a real difference for the good.

5. CEO Patient Census Report: CEO Stevens presented the Census Report for October 2022. Admissions down from September 2022 due to Advantage Plans paying for Observations but not paying for admissions. Inpatient days up from September 2022. Average daily census up from September 2022, and discharge days and lengths of stay both also up. Observation admissions, Observation patient days, Observation average census, Observation discharge days, and Observation length of stays were all increased in October 2022. Swingbed Admissions, Swingbed Inpatient days, Swingbed daily census, Swingbed Dismissals, Swingbed discharge days, and Swingbed lengths of stay all slightly decreased from September of 2022. CEO stated the Walk-in-Clinic visits were down due to Jeanne Cason being out for two weeks and the RHC visit numbers were increased for that same time period.

6. CFO Presented Financials Report: CFO Miller presented the financials report for October 2022. She stated that GAP principles were used throughout the financial process as always. CFO Miller reviewed the budget, the employee census, the accounts payable numbers, accounts receivable numbers, and the owed to Haskell amounts from the Stamford Clinic, the check register, and she reminded everyone that the cost report settlement was coming up soon and she did not know if it would be a receivable or a payable cost report. CFO Miller also informed the board that the Hospital would be receiving a 2.3-million-dollar Employee Retention Tax Credit, but that this would be issued by the IRS, and it was not known when this would happen, and it was not known if we would need to pay on the Cost Report Settlement or if we would receive money back.

Chasity Werner from Senex again said how pleased she was that revenue was up for the last two months, and she expressed this boded well for getting the hospital up to best practice standards quicker than was thought.

Jerry Cannon Board Secretary moved to accept the financials as presented. Reida Penman seconded the motion and the motion passed.

7. Old Business:
   A. Review, and approve FSB MRI Loan option to convert from CD to partial/full equipment secured loan. CFO presented offer from FSB to convert MRI loan from CD secured, (to help cash flow), to partial or full equipment secured. interest rate would increase, and cost of MRI appraisal would need to be paid. The

Board discussed these options and decided to gather more information of the interest rate increase and the cost of the MRI appraisal before moving forward on this item.

8. New Business:
   A. Review and approve Haskell County Appraisal District Interlocal Agreement: Jamie Ferguson with the Haskell County Appraisal District presented the Interlocal Agreement for approval. Mrs. Ferguson explained that this had to do with cleaning up properties with tax leans and/or Weed leans in order to sell them and get them back on the tax rolls. The Tax Appraisal District is working with the Reboot Texas Weed Program to help clean up these properties to make them sellable and get them back on the tax roll. The Weed lean requires three years before it can be addressed, and the Tax lean requires 5 years in arears before it can be addressed. Reboot Texas will man these funds and the funds will remain in the city and county of origin. Tom Long moved to approve the interlocal agreement as presented. Jenny Camacho seconded the motion and the motion carried.

   B. The Christmas bonus and Expense Budget was reviewed again with the Board. No questions arose. No need to approve as this was in the yearly budget recently approved by the Board.
   C. Review and approve new Policies and Procedures: None to review.
   D. Review and approve medical staff credentials: None to review.

9. CNO Report: CNO Absent. No report given.
10. COO Report:
   A. Departmental Updates:
   ACNO stated no update.
   Clinics Manager stated no update.

   B. MRI update given by COO Olson. 34 total MRIs performed in November.
   Tom Long asked what we were doing to see that physicians in the neighboring areas were aware of our MRI capabilities. COO stated that Marketing had made a trip to the area physicians recently to make them aware of this and that they had seen results from her efforts. Marketing to go again soon to other physician offices to continue to increase awareness.
11. CEO presented Facility Construction Update: CEO pointed out the letter and resume from Robbie Dewberry, the man the hospital is looking into to be construction manager for the possible new hospital build. She also pointed out the Parkhill architect drawing of the potential new facility organization.

President Robbie Peiser adjourned Regular Session at 7:51PM.
Executive Session to follow.

Carla Long RN — 2/1/23
Notes taken/typed by — Date

Robbie Peiser — 3-28-23
Board Secretary — Date

Robbie Peiser — 3-28-23
Board President — Date

[signature] — 3-28-23
CEO — Date