

**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE
WINNIE-STOWELL HOSPITAL DISTRICT**

The meeting of the Board of Directors of the Winnie-Stowell Hospital District (“District”) was noticed and filed pursuant to the Texas Open Meetings Act a full 72 hours prior to the opening of said meeting for 5:30 p.m. on the 29th day of January 2015, at the Winnie Community Hospital-Conference Room, Broadway, Winnie Texas (a copy of said Notice being placed amongst the files of the District).

The roll was called of the members of the Board, to wit:

Elroy Henry, Chair
Jeff Rollo, Vice-Chair
Sharon Burgess, Director
Ed Murrell, Director
Raul Espinosa, Director

All said Board members were present. In addition, to the above named Board members, also present at the meeting was: Sherrie Norris, District Administrator; Hubert Oxford, IV, District Attorney; Mary Ellen Robertson, District CPA; and a number of interested citizens listed on **Exhibit “A”**.

At approximately 5:36 p.m., a quorum was established and Chairman Henry made introductions which were followed by a request for public comment. There being no public comment, Chairman Henry asked the Board to consider and take action on Agenda Item No. 3, to review and approve payment of invoices. Three invoices were presented to the Board for payment. The first was the final invoice for Hursch Blackwell for 2014. The second potential invoice was for liability and windstorm insurance for the new facility located on Highway 124. According to Chairman Henry, he sought bids from a number of local agents but because of questions regarding the use of the facility and the type of facility located on this property, he received one bid from Farmers insurance for \$3,728.00 that was liability insurance only.

However, a second bid was submitted by J.S. Edwards and Sherlock for \$3,533.93 liability insurance and \$2,715.00 for windstorm. This policy was based on the facility having a value of \$210,000.00 and was approved by Prosperity Bank. Lastly, there was an invoice of \$100.00 for security to attend the meeting that needed to be approved. **See Exhibit "B"**. Following a discussion on the insurance policy, Director Espinoza made a motion to pay the Hursch Blackwell invoice; to accept the bid and pay the invoice for J.S. Edwards & Sherlock in the amount of \$5,768.93, and pay \$100.00 for security to attend the meeting. This motion was seconded by Director Burgess with a unanimous consent of all Board members.

The Board then moved to Agenda Item No. 4, discuss and take action, if necessary, on approving loan from Prosperity Bank for funding the acquisition of property owned by Chambers County Public Hospital District No. 1 located at Highway 124. Chairman Henry was proud to announce that the loan for the property was approved as the appraisal came back at \$510,000.00. Because of this, the Board would be able to close on the property the next day with terms set forth in **Exhibit "C"**. That is, the District was to pay \$80,000.00 or 20% of the sales price in cash and borrow the remaining \$320,000.00 would be for ten (10) years with forty (40) quarterly payments estimated to be roughly \$10,000.00 per quarter. Director Murrell made a motion to authorize the closing of the transactions with the District paying \$80,000.00 or 20% of the sales price in cash and borrow the remaining \$320,000.00 from Prosperity Bank for ten (10) years with forty (40) quarterly payments. This motion was seconded by Director Burgess with a unanimous consent of all Board members.

Next, the Board addressed Agenda Item No. 5, to discuss and take action; if necessary, on approving travel expenses and approving \$1,500.00 to contribute to Chambers County Day to show the District's interest and support. According to Administrator Norris, as she reported at

the Regular Meeting in January 2015, she recommended that the District sponsor the Chambers County Day scheduled to be in Austin Texas on February 10th and 11th, 2014 and the sponsorship level be the same as the Chambers County Public Hospital District No. 1 in the amount of \$1,500.00. A motion was made by Director Burgess and seconded by Director Espinoza to sponsor Chambers County Day in Austin, Texas on February 10th and 11th, 2014 in the amount of \$1,500.00. This motion and second were unanimously approved by all Board members.

Administrator Norris was then asked by Chairman Henry to discuss Agenda Item No. 6, to discuss and take action, if necessary, on final approval of invoice for the creation of website for the Winnie-Stowell Hospital District. Administrator Norris presented the Board with a bid by Lisa Stramecki for the construction of the website to launch the website and host it for a year in the amount of \$750.00 or for Ms. Stramecki to launch the website; host the website; and provide images for the website for \$1,000.00. After some discussion on which alternative to choose, the Board agreed it would be best to go with the \$1,000.00 option and to utilizing Mrs. Stramecki to update the website as needed. A copy of the proposal is set forth as **Exhibit "D"**. A motion was made by Director Rollo and seconded by Director Burgess to retain Lisa Stramecki to launch, host, and provide images for the WSHD's website for \$1,000.00 as described in **Exhibit "D"**. This motion and second were unanimously approved by all Board members.

The Board was then asked to discuss Agenda Items Nos. 7 and 8 together. Agenda Item No. 7 was to discuss and take action, if necessary, on approving job application for positions with the District and Agenda Item No. 8 was to discuss and take action, if necessary, on publicizing the proposed Indigent Health Care Coordinator's Job Description. To further explain the purpose of these agenda items, Chairman Henry asked Attorney Oxford to present the agenda

items. According to Attorney Oxford, it was his opinion and the opinion of staff that now is the time to turn the District's attention to improving the District's Indigent Care Assistance Program ("ICAP") as the District was presently serving twenty-two (22) District citizens on the program (i.e., "Clients"). Attorney Oxford recognized that this number was low but he also spent a considerable amount of time reminding the Board of its history and the maze of issues that have faced the Board since January 2013. Since its inception in May 2004, the District has routinely served between fifteen (15) and twenty (20) indigent clients at any one time. However, in January 2014 when this group of Board members has been serving, the Board has worked tirelessly to lay a foundation that would keep the Winnie Community Hospital open and allow it to provide better services to the District's indigent by doing the following:

- Keep the hospital open and participated in the Frontier bankruptcy matter regarding the Winnie Community Hospital.
- At the same time, this Board, and its staff and lawyer, defended and ultimately defeated an attempt to by the Chambers County Public Hospital District No. 1 to establish a Federally Qualified Health Clinic on property it acquired inside the WSHD.
- Also, the Board was given the opportunity to acquire nursing homes and participate in the State Nursing Home UPL program which to a considerable amount of resources to get educated on the program and to go about the process of acquiring thirteen (13) nursing facilities. As a result, the District will see a substantial increase in revenue that can be used to provide better healthcare to the indigent of the District and the citizens inside of the District.
- And ultimately, the Board assisted the new owner of the Winnie Community Hospital with a number of issues at the hospital and provided Intergovernmental Transfer Funds so

that the Hospital could start participating in the Uncompensated Care Program. In addition, the District worked with the new owner to identify capital construction needs and program needs at the Hospital and agreed to fund four projects that will provide immediate assistance to the District's indigent.

Therefore, because of the foundation that had been laid, Attorney Oxford and staff recommended that the District hire an Indigent Care Director whose job it would be: 1) to develop the District's ICAP; 2) to increase enrollment into the program; and 3) to work with the Hospital to evaluate the indigent poverty level discussed below and to work on reporting to the WSHD each month of indigent care numbers and services rendered to the District's indigent clients. Oxford reported that he had received and revised a job description for the position as well as an application used by the County from the County's Indigent Care Coordinator who provided much insight into the job and the program.

In addition, it was reported that Attorney Oxford has been working with the state coordinator of indigent services, Connie Berry, who works for the State Department of Health Services to seek her advice on the role of the Indigent Care Director and issues with the District's existing policy statement adopted by the Board for its ICAP program. In so doing, Attorney Oxford explained the current program adopted by the District well before January 2013 allows participation in the program if a citizen is at 150% of poverty level as opposed to the statewide minimum of 21% poverty level. Consequently, it should be easier for the District's citizens to qualify for the District's program especially given that the census numbers reflect potentially between 600 and 900 citizens residing in the District who would satisfy the 150% of poverty level.

With this said, Attorney Oxford cautioned the Board that once an Indigent Care Director was hired, this person would have to work with the Hospital to review this qualifying percentage of poverty rate established by the District and the scope of services provided to make sure the Hospital could provide the minimal amount of services required in its contract with the WSHD and Chapter 61 of the Texas Health and Safety Code (i.e., Indigent Health Care Act).


In addition, Attorney Oxford explained to the Board that the budget line item for \$30,000.00 was to cover the cost of prescriptions, lab work, and retaining Jessica Langowski with the Chambers County Indigent Care Department to administer the program on behalf of the WSHD. This line item amount is not the amount the WSHD spends on Indigent Care as that amount is paid directly to the Hospital pursuant to the Indigent Care Agreement.

Lastly, Attorney Oxford explained to the Board that the District was working with the Winnie Community Hospital on revising the existing Indigent Care Agreement in order to provide more accountability to the District for the Hospital's treatment of the District's indigent. Specifically, Oxford advised that the two parties have agreed, in principle, that the District should receive daily or monthly tabulations on the indigent served; the services provided to the indigent; and the value of these services. Moreover, these numbers and any issues with the ICAP would be discussed at the District's Board's meeting.

Following Attorney Oxford's presentation, the Board agreed with the advice to approve an application that was modelled off of the Chambers' County application and approved the need for an Indigent Care Director. In so doing, the Board spent a considerable amount of time reviewing the proposed job description and the job description that would be posted in the Hometown Press and the Neighborhood net. The final changes to this application and these job descriptions can be found in **Exhibit "E"**. Director Burgess then made a motion to: 1) approve

the position of an Indigent Care Director for the District; 2) approve the job description for the Indigent Care Director; and 3) approve the posting of the agreed upon abbreviated job description with the Neighborhood Net and the Hometown Press for two consecutive weeks. This motion was seconded by Director Rollo, with the unanimous consent of all Board members.

There being no further business, a motion was made by Director Murrell and was seconded by Director Espinoza, with the unanimous consent of all Board members to adjourn at 7:01 p.m.



Elroy Henry, Chairman



Jeff Rollo, Vice-Chairman