

North Sunflower Medical Center
Board of Trustees
Regular Meeting Minutes
23 October 2019

BE IT REMEMBERED the Chairman and the Board of Trustees of North Sunflower Medical Center, Ruleville, Sunflower County, Mississippi, met in their Regular Meeting on Wednesday, 23 October 2019, when and where the following were present:

Billy Joe Waldrup, Chairman and Trustee; H.T. Miller, III, Vice Chairman and Trustee; Bobbie Bounds Allen, Secretary and Trustee; Phil McNeer, Trustee; Willie Burton, Trustee; Billy Marlow, Executive Director and Administrator; Sam Miller, Executive Vice President; Rodney Clark, COO; Joanie Perkins, CCO; Daniel Ceja, Interim CFO; Arie Chandler, Administrative Assistant; Sandra Britt, Administrative Assistant; Lawson Holladay, Esquire

The meeting of the Hospice of North Sunflower Medical Center was conducted prior to the calling to order the meeting of the Board of Trustees.

Mr. Waldrup called the meeting to order at noon and asked Mrs. Allen to open the meeting with a word of prayer. The minutes of the 25 September 2019 Regular Board Meeting were approved as distributed by motion offered by Mr. Miller and seconded by Mr. Burton and unanimously approved.

There was no unfinished business to bring before the Board for consideration.

The First order of New Business was to discuss updating the signature cards at Planters Bank & Trust Company in Ruleville in order to add Daniel Ceja, Interim CFO, as an authorized signatory and to keep bank accounts for NSMC current. The following Resolution was made:

WHEREAS, the Board of Trustees of North Sunflower Medical Center desires to meet the requirements of keeping bank accounts for NSMC current by updating signature cards at Planters Bank & Trust to be used solely for the business of North Sunflower Medical Center;

WHEREAS, all listed accounts below shall be maintained as in the past;

NOW THEREFORE, IT IS RESOLVED that the signature cards at Planters Bank & Trust shall require two signatures for all accounts and the following people shall be authorized to sign checks and approve the transfer of funds: Billy Marlow, Executive Director and Administrator; Sam Miller, Executive Vice President; Rodney Clark, COO; Daniel Ceja, Interim CFO; Jennifer Baughman, Accounting Manager; and Sandra Britt, Administrative Assistant. The accounts that this resolution affects are:

Beacon Wellness Center	4901000372
Wellness Center Reserve	4900378562
Payroll	4900000027

General Account & Rural Health Clinic	4900000965
Funded Depreciation	4900370882
North Sunflower Medical Center Pharmacy	4901001446
Sunflower Eye Station	4900378547
Diagnostic Center	4900378695
Sunflower Dental Clinic	4901000042
DME	4900121447
Hospice of North Sunflower	4901001131
Simply Sunflower	4901001297
TRINA Health	4901001834

BE IT FURTHER RESOLVED that the Walter B. Crook Nursing Facility Account 4900112909 be limited to the following two people to have authority to sign for this account will be Charlotte Sherwood and Jennifer Baughman, Accounting Manager.

Maker: Mr. Willie Burton

Seconders: Mr. H.T. Miller, III

Resolution Unanimously Adopted

The second order of new business was to review the re-appointment applications of two Allied Health Professionals. The applications and Data Bank queries of Jodi Barnett, NP (Full Time Provider Sunflower Rural Health Clinic/Sunflower Diagnostic Center) and Jess Hodnett, NP (PRN Provider at the Sunflower Rural Health Clinic) were carefully reviewed and the following motion was made:

MOTION: I move to accept the re-appointment applications for Jodi Barnett, NP and Jess Hodnett, NP, and that they be approved for a two year term ending 31 October 2021.

Maker: Mr. Phil McNeer

Seconders: Mr. Willie Burton

Motion Unanimously Adopted

The Board next reviewed the legal Compliance Questionnaire that was included in the Board packets. After discussion, the Board agreed the questionnaire was correctly marked, the following motion was made, and the document was signed by Mr. Billy Joe Waldrup as Chairman and by Mr. Billy Marlow, Administrator. Arie Chandler will now send the original copy to the Auditors for their files prior to performing our audit.

MOTION: I move to approve the Legal Compliance Questionnaire as marked and that it be distributed to the Auditors.

Maker: Mr. H.T. Miller, III

Seconders: Mrs. Bobbie Allen

Motion Unanimously Adopted

Next the Board discussed giving employees an incentive for the 2020 fiscal year provided the following goals and objectives are met: must have a hire date of earlier than September 1 of the payment year; reach the established goals for their department and the facility as a whole; meet Physician and patient satisfaction goals and objectives; contribute to the Foundation each pay period; and the facility maintains a certain level of cash. The incentives will be given as follows: full time employees receive 60 hours of pay; key Administrative employees receive 80 hours of pay; and the incentive for part time employees who meet established goals and objectives will be pro-rated according to their rate of pay and the amount of contributions to the Foundation. Mr. Marlow stated

that he is going to review the goals and objectives to determine if any changes need to be made. If changes are made, he will bring them before the Board for approval at the November meeting. The Board determined that the incentive should be given just before Thanksgiving to help employees with taking care of their Christmas needs.

MOTION: I move to approve that the Incentive discussed in detail be implemented for the 2020 Fiscal Year that will allow full time employees to receive (60) hours of pay; key Administrative employees to receive (80) hours of pay; and that the part time employees incentive be pro-rated based on the rate of their pay not to exceed (60) hours provided all employees meet the requirements and goals set forth by Administration and contribute to the Foundation each pay period. I further move that Billy Marlow have the authority to review the goals and objectives, make any necessary changes, and report changes to the Board at the November meeting.

Maker: Mr. H.T. Miller, III

Seconded: Mr. Willie Burton

Motion Unanimously Adopted

Mr. Marlow began the financial report by stating that every department had to have year-end inventory and contractual adjustments made per the Auditors. There was a \$1.5 Million true-up from co-pays and bad debt that caused us to show a loss of \$485,000 for the month. We are now on the right track and will start fresh in the new year with Swing bed and Acute Care rates set at the correct amount.

Mr. Marlow added that we now have an in-house collections department and are no longer paying a third party vendor to collect bad debt. Christopher Alexander was hired three weeks ago as a full time employee with eight years of experience collecting for Tower Loans. Christopher has already collected a good deal of money in just the few weeks he's been employed.

At this time, Daniel Ceja, Interim CFO, presented the financial information for September as attached to the minutes. The entire facility has a cash balance of \$16.9 Million, total assets of \$48.5 Million, and a total liabilities and fund balance of \$48.5 Million. The Hospital's Gross Revenue was \$7.4 Million for the month and \$91.5 Million year to date. The Hospital had a Net Loss of (\$485,656.00) for the month due to write offs and adjustments and a Year to Date Net Income of \$24,727.00. Hospice had a Net loss of (\$29,051.00) for the month due to a \$67,000 penalty from Medicare from events that occurred in 2017 and a Year to Date Income of \$248,460.00. Sunflower Diagnostic Center had a Net Loss of (\$66,932.00) for the month due to depreciation expense and a Year to Date Net Income of \$57,825.00. Sunflower Eye Station had a Net loss of (\$832.00) for the month. Simply Sunflower had a Net Loss of (\$29,871.00) for the month due to inventory adjustments and a Year to Date Net Loss of (\$28,889.00). Sunflower DME had a Net Income of \$14,114.00 for the month and a Year to Date Net Income of \$467,999.00. NSMC Pharmacy had a Net Loss of (\$43,658.00) for the month due to contractual adjustments and a Year to Date Net Income of \$326,510.00. The Rural Health Clinic had a Net Income of \$97,245.00 for the month and a Year to Date Net Income of \$1,268,405.00. NSMC as a whole showed a Net Loss of (\$645,001.00) for the month and a Year to Date Income of \$1,009,656.00.

The Administrative report was given as follows:

Joanie Perkins reported that NSMC's Senior Care Unit has \$50,000 in Medicaid bad debt from 2008 due to Medicaid not giving the Unit a provider number that would allow us to bill for Medicaid patients. We plan to settle with CMS on October 29th asking for \$50,000 and a statement to move forward. Mitchell Day is the Attorney representing us in this case.

Rodney Clark, COO, gave the Quality Assurance Report as follows:

Year-end reviews are in the process of being done. Average length of stay for the year was 3.31, MORA requirements were met, and Swing bed peer reviews done with no issues. QI material is being reviewed and if any changes are made they will be brought before the Board for approval.

At this time Mr. Waldrup asked The Board their thoughts on changing the November meeting date or leaving it on its regularly scheduled date of Wednesday, November 27th. After discussion the Board decided to leave the November meeting scheduled as is and will discuss the December meeting date during the November meeting.

Upon Motion made by Mr. Phil McNeer and seconded by Ms. Bobbie Allen, the Board adjourned at 12:55 P.M., subject to the call of the Chairman.

Billy Joe Waldrup, Chairman

Bobbie Bounds Allen, Secretary