

North Sunflower Medical Center
Board of Trustees
Regular Meeting Minutes
27 November 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, 27 November 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; Daniel Ceja, Interim CFO; Arie Chandler, Administrative Assistant; Sandra Britt, Administrative Assistant

Absent: Lawson Holladay, Esquire

Guests: Johnny McWilliams, Esquire; Todd Jeffreys, Esquire

Mr. Waldrup called the meeting to order at noon and asked Mr. Burton to open the meeting with a word of prayer. The minutes of the 23 October 2019 Regular Board Meeting were approved as distributed by motion offered by Mrs. Allen and seconded by Mr. Miller and unanimously approved.

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

The first order of business was as follows:

On motion of Mr. Willie Burton, seconded by Mr. Phil McNeer, and unanimously approved, the Board voted to enter closed session to discuss the need for executive session. The Board was thereafter declared in closed session.

On motion of Mr. Willie Burton, seconded by Mr. Phil McNeer, and unanimously approved, the Board moved to enter executive session to discuss possible litigation. The Board thereafter convened in executive session, there being present in addition to the Board of Trustees, John H. McWilliams of Townsend, McWilliams & Holladay, LLP, Attorney for the Board; Todd Jeffreys, Attorney with Povall & Jeffreys, P.A.; Billy Marlow, Executive Director and Administrator; Sam Miller, Executive Vice President; Rodney Clark, COO; Daniel Ceja, Interim CFO; Arie Chandler, Administrative Assistant; and Sandra Britt, Administrative Assistant. The Board thereafter discussed possible litigation. No official action was taken during the executive session.

On motion of Mrs. Bobbie Allen, seconded by Mr. Phil McNeer, and unanimously approved, the Board voted to exit executive session, and thereafter convened in open and regular session. Mr. Todd Jeffreys exited the meeting at this time and the following motion was made:

On motion of Mr. Phil McNeer, seconded by Mrs. Bobbie Allen, and unanimously approved, the Board authorized entry of a contract with Barrett Law Group P.A. for representation in class action litigation related to anticompetitive conduct of generic drug manufacturers, and further authorized NSMC to act as a named plaintiff and class representative in such litigation, with fees and expenses to be paid only on a contingency basis upon recovery and approval by the Court in which such litigation is pending. The Administrator is authorized to execute such contract on behalf of NSMC in the form attached hereto.

The next order of New Business was to review and adopt the Service Areas Resolution that outlines both the hospital and the Sunflower Rural Health Clinic's primary and secondary service areas.

On motion of Mr. Phil McNeer, seconded by Mr. Willie Burton, and unanimously approved, the following resolution was adopted:

WHEREAS, that this Board of Trustees has learned that the service areas of North Sunflower Medical Center ("NSMC") and Sunflower RHC have never been formally defined by the Board and, therefore, has determined that the current service areas of both the hospital and Sunflower RHC need to be delineated by Board resolution;

WHEREAS, the consensus of the Trustees was and is that, until the establishment of and certification of Sunflower RHC as a rural health clinic was accomplished, the service areas of NSMC and Sunflower RHC were generally Sunflower County as their primary service areas and all adjoining counties as their secondary service areas;

WHEREAS, upon the establishment and certification of Sunflower RHC as rural health clinic, it was anticipated that the expectation and mission of Sunflower RHC (as proved by subsequent experience) was to serve as an Outreach Program principally to the mid-Delta region of Mississippi, but also to other citizens thereof in order to facilitate access to healthcare by knocking down practical barriers to access by keeping Sunflower RHC open on weekends and after hours, namely by operating from eight a.m. to midnight 7 days a week, to allow working people the opportunity to avoid having to take off work in order to receive medical care and for indigent citizens without automotive transportation to be able to obtain a ride to the Clinic from friends or relatives who could take them to the Clinic after their working hours; and

WHEREAS, upon the establishment of the Dental and School Outreach Programs of Sunflower RHC, the service areas of Sunflower RHC for those two Outreach Programs grew and changed and were in need of being redefined to reflect the areas in which such Outreach Programs were actually serving a significant number of patients residing in those outlying communities.

NOW, THEREFORE, the Board of Trustees of North Sunflower Medical Center does hereby resolve that the current primary service areas of NSMC and Sunflower Rural Health Clinic are Sunflower County and all adjacent counties and that their secondary service areas extend from Bolivar and Washington counties to the West, to Leflore and Grenada counties to the East, to Coahoma, Panola, and Tallahatchie counties to the North and to Humphreys county to the South from which statistically significant numbers of patients come to Ruleville to receive medical care.

BE IT FURTHER RESOLVED, that, as a result of the explosive growth of the Sunflower RHC Dental and School Outreach Programs as reported to the Board during 2013-2016, the Outreach Programs' experiential reach expanded rapidly and the Board recognized and tacitly agreed to the expansion of the service areas of those two Outreach Programs to include the areas recited below and now confirm and ratify their informal approval of such service areas' expansion and hereby resolve that, from and after 2013, the secondary service areas of those Outreach Programs include all of the counties in Mississippi in which the RHC has contracted with nursing homes or HeadStart programs and schools to provide the services of those Outreach Programs of Sunflower RHC which involve the care of statistically significant numbers of patients.

The next item of New Business was to review the Initial Credentialing application for Meredith James, FNP-BC. Meredith will be working as a full time Provider at the Sunflower Rural Health Clinic. The applicants' education and training, professional references, employment history, and license was verified, and a queries were done on the National Practitioner Data Bank and the OIG showing no exclusions or reports. Meredith's initial term will be for a period of one year at which time she will be permitted to apply for a two-year term. The application and additional information was carefully reviewed and after discussion the following motion was made:

MOTION: I move to approve the initial application of Meredith James, FNP-BC, and that she be given initial privileges to provide care within her scope of practice as a Family Nurse Practitioner at the Sunflower Rural Health Clinic for a period of one year ending 30 November 2020 and at that time be permitted to apply for a two-year term.

Maker: Mr. H.T. Miller, III Second: Mrs. Bobbie Allen Motion Unanimously Adopted

The next order of New Business was to review the Re-appointment application for one Physician and one Allied Health Professional for a two year term. The applications and Data Bank queries of Brent Smith, M.D. and Megan Flint, FNP were reviewed. Dr. Brent Smith will continue to serve as an Active member of the Medical Staff, provide ER coverage and work as the Acute Care Medical Director with full admitting privileges. Mrs. Flint will continue to work as a Family Nurse Practitioner at the Sunflower Rural Health Clinic on an as needed basis. After careful review and discussion the following motion was made:

MOTION: I move to accept the re-credentialing applications for Brent Smith, M.D. and Megan Flint, FNP-BC and that they be approved for a two year term ending 30 November 2021.

Maker: Mr. H.T. Miller, III Second: Mr. Phil McNeer Motion Unanimously Adopted

The last order of New Business was to discuss the December Board meeting date. Mr. Waldrup polled the Board regarding the date. It was his recommendation that the Board move the meeting to Thursday, December 19 due to the regularly scheduled meeting falling on Christmas day. After discussion, the Board was in complete agreement to move the board meeting to Thursday, December 19th at noon.

MOTION: I move that the Board of Trustees regular December meeting be held on Thursday, December 19, 2019 at noon due to the Christmas holidays.

Maker: H.T. Miller, III Second: Mr. Willie Burton Motion Unanimously Adopted

At this time, Daniel Ceja presented the financial information for October as attached to the minutes. The entire facility has a cash balance of \$18.4 Million, total assets of \$49.6 Million, and a total liabilities and fund balance of \$49.6 Million. The Hospital's Gross Revenue was \$8.2 Million and Net Income was 81,010 for the month. Hospice had a Net income of \$33,924; Sunflower Diagnostic Center had a Net income of \$33,298; Simply Sunflower had a Net Income of \$7,787; Sunflower DME had a Net Income of \$35,959; NSMC Pharmacy had a Net Income of \$37,512; the Rural Health Clinic had a Net Income of \$91,716; and NSMC as a whole showed a Net Income of \$225,832 for the month. Mr. Marlow reported that this was a good month and that a Medicare payable was booked. It was also reported that the NSMC employees received their incentive checks this week and more money was paid out than was accrued for. This will be adjusted for the FY20 incentives.

For the Administrative report, Mr. Marlow announced that NSMC's annual Christmas Party will be held on Friday, December 6th from 7 P.M. to 11 P.M. at the DME building. All Board members are invited to attend.

Rodney Clark presented the Board with a copy of Fiscal Year 2019 HCAHPS Scores. NSMC scored at or above the 90th percentile in most categories. In three categories NSMC scored above the 75th percentile. Mr. Clark reported that CMS deducts points from our scores because the surveys are conducted by telephone. A copy of the HCAHPS scores is attached to these minutes.

With there being no further business to discuss, the Board adjourned at 1:02 P.M., subject to the call of the Chairman.

Billy Joe Waldrup, Chairman

Bobbie Bounds Allen, Secretary

CONTINGENCY FEE AGREEMENT IN CLASS ACTIONS

This agreement ("Agreement") is made between North Sunflower Medical Center ("North Sunflower" or "Clients") and Barrett Law Group, P.A., a law firm whose address is 404 Court Square, P.O. Box 927, Lexington, Mississippi 39095, and Povall & Jeffreys, P.A., a law firm whose address is P.O. Box 1199, Cleveland, Mississippi 38732 ("Attorneys").

In consideration of the mutual promises contained here, NORTH SUNFLOWER and Attorneys agree as follows:

I. PURPOSE OF REPRESENTATION

1.1 NORTH SUNFLOWER may be entitled to legal recovery as a result of the anticompetitive conduct of **generic drug manufacturers**: Actavis Holdco US, Inc. Actavis Pharma Inc.; Akorn, Inc.; Amneal Pharmaceuticals, Inc.; Apotex Corp, INC.; Aurobindo Pharma USA, Inc.; Breckenridge Pharmaceutical, Inc.; Camber Pharmaceuticals, Inc.; Citron Pharma, LLC, Dr. Reddy's Laboratories, Inc.; Endo International PLC, Fougera, Inc.; G&W Laboratories, Inc.; Generics Bidco I, LLC; Glenmark Pharmaceuticals, Inc.; Greenstone LLC, Heritage Pharmaceuticals Inc.; Impax Laboratories, LLC; Lannett Company, Inc.; Lupin Pharmaceuticals, Inc.; Morton Grove Pharmaceuticals, Inc.; Mayne; Mylan Inc.; Mylan, N.V.; Mylan Pharmaceuticals, Inc.; Oceanside Pharmaceuticals, Inc.; Par Pharmaceutical, Inc. Par Pharmaceutical Companies, Inc.; Perrigo New York Inc.; Sandoz, Inc. Sun Pharmaceutical Industries, Inc.; Taro Pharmaceutical Industries LTD.; Taro Pharmaceuticals USA, Inc.; Teva Pharmaceuticals USA, Inc.; Upsher-Smith Laboratories Inc.; Valeant Pharmaceuticals Intl., Inc.; Valeant Pharmaceuticals North America LLC; Versapharm, Inc. Wockhardt USA LLC; West-Ward Pharmaceuticals Corp.; Zydus Pharmaceuticals (USA), Inc.; **and generic drug distributors**: AmerisourceBergen Drug Corp.; Cardinal Health Inc.; McKesson Corporation; Red Oak Sourcing, Morris & Dickson; and Walgreens Boots Alliance Inc.; **as well as several individuals**.

1.2 This case involves collusion concerning the prices of generic drugs in violation of the federal Sherman Act and state antitrust and unfair trade practices statutes (the "Clients' claim"). NORTH SUNFLOWER desires that Attorneys file a lawsuit to assert claims against the aforementioned parties or other responsible parties on behalf of it and all others similarly situated. (the "Lawsuit").

II. THE DUTIES OF THE ATTORNEYS

2.1 Attorneys will represent NORTH SUNFLOWER in connection with the Clients' claims and in connection with the Lawsuit, if one is filed (the "Legal Services"). In the course of performing the Legal Services, Attorneys will inform NORTH SUNFLOWER of all-important developments. NORTH SUNFLOWER agrees that Attorneys will make NORTH SUNFLOWER a named plaintiff in the Lawsuit, if one is filed, and will make claims on its behalf and on behalf of others similarly situated (the "Class"). In a class action in which NORTH SUNFLOWER is a class representative and Attorneys act as class counsel, Attorneys will, in addition to representing NORTH SUNFLOWER, represent the other class representatives and all of the other members of the class. In a class action, NORTH SUNFLOWER and other plaintiffs sue the defendant(s) asserting NORTH SUNFLOWER claims as well as those of all other persons or entities who were

Duties of Class Representatives

1. A class representative represents the interests of all members of the class in litigation to recover money damages or injunctive relief for the class.
2. A class representative has claims which are typical of those of the class, and thus involve common issues of law or of fact. For example, as a class representative, your claims against the defendants are typical of the class claims against them, because each class member incurred damage or injuries as a result of a common event.
3. A class representative always considers the interests of the class just as the class representative would consider his or her own interests.
4. A class representative participates actively in the lawsuit, such as by testifying at deposition and trial, answering written interrogatories, and by keeping generally aware of the status and progress of the lawsuit.
5. A class representative recognizes and accepts that any resolution of the lawsuit, such as by settlement or dismissal, is subject to court approval, and must be in the best interests of the class as a whole.
6. A class representative accepts the possibility that, in the event the case is lost, and judicially determined to be frivolous, the court may assess certain of defendants' costs of litigation against the class representatives.
7. A class representative is not required to be particularly sophisticated or knowledgeable with respect to the subject of the lawsuit. However, the class representative should be interested, on a continuous basis, in the progress of the lawsuit, and must make every effort to provide class counsel and the court with all relevant facts of which the class representative is aware.
8. A class representative volunteers to represent many other people with similar claims and damages, because the class representative believes that it is important that all benefit from the lawsuit equally, because a class lawsuit will save time, money, and effort, and thus will benefit all parties, and the court, and because the class action is an important tool to assure compliance with the law, applicable standards and duties of care, and to ensure just compensation to all those similarly situated.

The undersigned, as representative of and on behalf of North Sunflower Medical Center has reviewed, understands and acknowledges the duties of a class representative in the litigation against the manufacturers and distributors of opioids in the United States.

Dated: 11/27/2019

North Sunflower Medical Center
Client

By Billy Marlow
(Its Authorized Representative)

CMS HCAHPS National Comparison

North Sunflower Medical Center

CMS HCAHPS Inpatient

10/01/18 thru 09/30/19

Hospital Sample Size: 39

Percent of patients who reported that their nurses "Always" communicated well. (average the percentages represented by the '4 - Always' responses)

Percent of patients who reported that their doctors "Always" communicated well. (average the percentages represented by the '4 - Always' responses)

Percent of patients who reported that they "Always" received help as soon as they wanted. (average the percentages represented by the '4 - Always' responses)

Percent of patients who reported that their pain was "Always" well controlled. (average the percentages represented by the '4 - Always' responses)

Percent of patients who reported that staff "Always" explained about medicines before giving it to them. (average the percentages represented by the '4 - Always' responses)

Percent of patients who reported that their room and bathroom were "Always" clean. (percentage represented by the '4 - Always' responses)

Percent of patients who reported that the area around their room was "Always" quiet at night. (percentage represented by the '4 - Always' responses)

Percent of patients at each hospital who reported that YES, they were given information about what to do during their recovery at home. (percentages represented by the '1 - Yes' responses)

Percent of patients who gave their hospital a rating of 9 or 10 on a scale from 0 (lowest) to 10 (highest). (sum the percentages represented by the '9 and 10' responses)

Percent of patients who reported YES, they would definitely recommend the hospital. (percentages represented by the '4 - Definitely Yes' responses)

Percent of patients who responded as '4 - Strongly Agree' to Transitional Questions

July 2015 - June 2016 Publicly Reported Percentages

50th	75th	90th	Publicly Reported Percentages
80%	84%	87%	87.03%
82%	85%	89%	88.58%
67%	74%	82%	85.74%
71%	74%	79%	76.30%
64%	69%	75%	87.19%
74%	80%	85%	89.51%
62%	69%	76%	78.58%
88%	90%	92%	89.60%
73%	78%	84%	84.49%
73%	79%	84%	84.74%
52%	56%	61%	63.04%

Percentile Rankings

Red: < National Avg

Yellow: At or Above 50th and Up to 75th

Green: At or Above 90th

*www.hospitalcompare.hhs.gov