

North Sunflower Medical Center
Board of Trustees
Regular Meeting Minutes
24 January 2024

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, 24 January 2024, 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 via Zoom; Daniel Ceja, CEO; Sam Miller, COO; Rodney Clark, CAO; Sarah Toole, Accounting Director; Lindsay Williams, Administrative Assistant; Lawson Holladay, Esquire; Brooks Rizzo, RHC Clinic Director

Guest: Morgan McNeer; Collier Graham, Esquire

Mr. Waldrup called the meeting of the Board of Trustees to order at noon and asked Phil McNeer to open the meeting with a word of prayer. The minutes of the 20 December 2023 Regular Board Meeting were approved as distributed by motion offered by Willie Burton, seconded by H.T. Miller, III, and unanimously approved. The minutes of the 10 January 2024 Special Board Meeting were approved as distributed by motion offered by Bobbie Bounds Allen, seconded by H.T. Miller, III, and unanimously approved.

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

The first order of New Business was the election of Board officers. After discussion, the following motion was made:

MOTION: I move that the Officers of the Board of Trustees for the 2024 year remain the same with no changes. Chairman: Billy Joe Waldrup; Vice-Chairman: H.T. Miller III; Secretary: Bobbie Bounds Allen.

Maker: H.T. Miller, III

Seconded: Phil McNeer

Motion Unanimously Approved

On motion of H.T. Miller, III, seconded by Phil McNeer, and unanimously approved, the Board voted to consider going into executive session to discuss litigation.

On motion of H.T. Miller, III, seconded by Phil McNeer, and unanimously approved, the Board moved to enter executive session to discuss litigation.

On motion of H.T. Miller, III, seconded by Willie Burton, and unanimously approved, the Board voted to exit executive session, and thereafter convened in open and regular session.

The next order of discussion was to authorize North Sunflower Medical Center to approve the Indemnification of Mr. Billy Marlow in the settlement of the Qui Tam case in the amount of \$1,833,333.33. After discussion, the following motion was made after discussion:

MOTION: To approve the Resolution on Indemnification of Mr. Billy Marlow in the settlement of the Qui Tam case for the settlement amount of \$1,833,333.33. A copy of the Resolution is attached here to and made a part here to.

Maker: H.T. Miller, III

Seconded by: Phil McNeer

Motion Unanimously Approved

The next order of New Business was to review the renewal quote for the Directors and Officers and Employment Practices Liability insurance policy presented by Hub International and Tollison Insurance Agency. Ironshore Specialty Insurance Company, Incumbent Carrier, provided the only quote. The renewal premium increased to \$60,647.71 from the prior year's premium of \$42,039.00. There is a \$2Million separate limit between the D&O and EPL coverage. Lawson Holladay, Esquire reviewed with the board the options that were presented and after discussion, the following motion was made:

MOTION: I move to approve the D&O renewal quote from Ironshore Specialty Insurance Company in the amount of \$60,647.71. I further move that the premium be paid monthly.

Maker: Phil McNeer

Secunder: H.T. Miller, III

Motion Unanimously Adopted

Sarah Toole presented the financial information for December as follows. The entire facility had a cash balance of \$5.6 Million; total assets of \$44 Million, and a total liabilities and fund balance of \$44 Million. The Hospital's Gross Revenue was \$8 Million for the month and \$26 Million Year to Date. The Hospital had a Net Loss of (\$159,614.00) for the month and a Year to Date Net Loss of (\$633,636.00). Haire Drug Center, LLC had a Net Income of \$62,386 for the month and a Year to Date Net Income of \$264,006. Hospice had a Net Loss of (\$24,060) for the month and a Year to Date Net Loss of (\$17,137). Simply Sunflower had a Net Income of \$4,495 for the month and a Year to Date Net Income of \$18,665. Sunflower DME had a Net Income of \$98,817 for the month and a Year to Date Net Income of \$164,641. NSMC Pharmacy had a Net Income of \$48,469 for the month and a Year to Date Net Income of \$318,564. The Rural Health Clinic had a Net Income of \$152,578 for the month and a Year to Date Net Income of \$144,615. NSMC as a whole showed a Net Income of \$30,493 for the month and a Year to Date Net Income of \$115,104.

The Administrative report was given by Daniel Ceja as follows:

Daniel informed the board that he should be receiving the amended Cost Report soon with the return of \$800,000. We should also be receiving the ERC money soon.

He stated that the Greenwood project is in full swing. We recently got approval by the city to do more work. There is no definitive date of opening but things are moving forward.

He informed the board that last week during the icy conditions him, Rodney, Sam and others spent several hours taking NSMC employees to and from work for the hospital to stay in essential operating conditions.

He stated that the hospital is currently full, and he has high hopes that it will stay that way. During the month of December, the census was low but there were also 3 Physicians gone.

He updated the board on the NSMC employee Health Insurance. The Hospital will absorb approximated a half million dollars a year to keep the premium the same for employees.

Rodney Clark presented the Quality Assurance Report as follows:

He stated 1589 tested for Covid, 163 positive for Covid (positivity rate (10.30%), 4 positive employees, 8 in-patients, 5 days ALS, 2 admitted to SwingBed, 1 Expired. There were 0 medication errors with 1 adverse drug event, 3 patient falls with no injuries, and 2 employee falls.

Brooks Rizzo presented the Rural Health Clinic Report as follows:

She stated that the clinic saw 5,175 patients in December. For 2023 the clinic saw 51,088 patients total. The average daily walk in was 175 patients. Flu is at a 26% positivity rate.

Upon Motion made by Bobbie Bounds Allen, and seconded by H.T. Miller, III the Board adjourned at 1:07 P.M., subject to the call of the Chairman.

Billy Joe Waldrup, Chairman

Bobbie Bounds Allen, Secretary