

**BOARD OF COMMISSIONERS
MEETING MINUTES
MARCH 25, 2021**

The Board of Commissioners of Franklin Foundation Hospital, Hospital Service District No. 1, St. Mary Parish, met in regular session at 6:00 p.m., March 25, 2021.

MEMBERS PRESENT

Allen Randle, Sr., Chairman
Eugene Foulcard
Don T. Caffery, Jr.
Dr. Roland Degeyter
Robert Judice, Jr.
Robert Allain, II
Didi Battle

ALSO PRESENT

Stephanie Guidry, CEO
Ron Bailey, CFO
Michelle Skillings, CNO
Joyce Andrico, Risk Manager
Collette Vaccarella, Director of Business
Office & Co-Director of Physician Services
Kevin Romero, Director of Marketing/Business
Dev./Co-Director of Physician Services
Sharon Procell, Executive Assistant

Conference Call

Lanzi Meyers, Legal Counsel
Don Smithburg, VP, CHC
Russell Cremaldi, Legal Counsel

GUEST

Daniel Landry, Facility Director

I. CALL TO ORDER

With a quorum, the meeting was called to order by the Board Chairman, Mr. Allen Randle, Sr. at 6:00 p.m.

II. INVOCATION

Mr. Allen Randle, Sr. opened the meeting with a prayer.

III. PLEDGE OF ALLEGIANCE

Members recited the "Pledge of Allegiance".

IV. PUBLIC COMMENT

NONE

V. OLD BUSINESS

A. Approval of Minutes – February 25, 2021

Mr. Eugene Foulcard moved to approve the minutes of the Board of Commissioners meeting held February 25, 2021 with Mr. Don T. Caffery, Jr. seconding the motion. The motion carried unanimously.

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VI. MEDICAL STAFF REPORT

A. Credentials & Medical Executive Reports

Ms. Joyce Andrico reported on behalf of Dr. Kennan Buechter, the recommendations of the Medical Executive Committee (the "MEC") to the Governing Board related to Credentialing and Privileging as follows:

Initial Appointment:

- **A.J. Klohn, CRNA – Advance Practice Professional**

Reappointments:

- **Dr. Jaime Boudreaux – Consulting – Radiology**
- **Dr. Carl Stirling – Affiliate – General Surgery**
- **Dr. Kennan Buechter – Active – General Surgery**
- **Dr. Moses Kitakule – Consulting – Pulmonary Medicine**

Mr. Don T. Caffery, Jr. moved to approve the initial appointment of A.J. Klohn, CRNA – Advance Practice Professional and reappointments of Dr. Jaime Boudreaux – Consulting – Radiology, Dr. Carl Stirling – Affiliate – General Surgery, Dr. Kennan Buechter – Active – General Surgery and Dr. Moses Kitakule – Consulting – Pulmonary Medicine with Mr. Robert Judice, Jr. seconding the motion. The motion carried unanimously.

VII. NEW BUSINESS

A. Discuss and Approve:

1. Certification of Emergency under Louisiana Public Bid Law for COVID-19 Purposes – Ms. Stephanie Guidry

Ms. Stephanie Guidry stated this certification came to board last month for approval, but we failed to post the certification within a timely manner to the Banner-Tribune; we have ten (10) days to post. She requested that the Board approve the Certification of Emergency under Louisiana Public Bid Law for COVID-19 Purposes.

Mr. Eugene Foulcard made the motion to approve the Certification of Emergency under Louisiana Public Bid Law for COVID-19 Purposes with Mr. Robert Judice, Jr. seconding the motion. The motion carried unanimously.

2. Resolution authorizing CEO to enter into contracts on behalf of the Board of Commissioners of Hospital Service District No. 1 d/b/a Franklin Foundation Hospital which are in furtherance of the Urgent Care project, not to exceed \$100,000 (One Hundred Thousand and 00/000) – Ms. Stephanie Guidry

Ms. Guidry stated this resolution would give her required authority to enter into contracts on behalf of the Hospital that are in furtherance of the Urgent Care project, not to exceed \$100,000 (One Hundred Thousand and 00/000). Ms. Guidry requested the Board approve the resolution.

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Mr. Eugene Foulcard made a motion to approve the Resolution authorizing the CEO to enter into contracts on behalf of the Board of Commissioners of Hospital Service District No. 1 d/b/a Franklin Foundation Hospital which are in furtherance of the Urgent Care project, not to exceed \$100,000 (One Hundred Thousand and 00/000) with Mr. Don T. Caffery, Jr. seconding the motion. The motion carried unanimously.

3. Mr. Bart Folsie, Consultant Contract – Ms. Stephanie Guidry

Ms. Guidry stated this is a consultant service agreement with Mr. Bart Folsie. She noted that the scope of his contract will be to assist with the development and planning of the Urgent Care Center, including review of construction plans, providing a business plan, policies and procedures, start-up and business office functions including assistance with interviewing and hiring of staff. She stated that the compensation will be \$150.00 (One Hundred and Fifty Dollars) per hour. She noted his contract was reviewed and modified as needed by Ms. Lanzi Meyers of the Gachassin Law Firm. Ms. Guidry requested that Board approve Mr. Bart Folsie's Consultant Contract.

Ms. Didi Battle made a motion to approve the consultant contract with Mr. Bart Folsie with Mr. Eugene Foulcard seconding the motion. The motion carried unanimously.

4. Approve Banking Change – Mr. Ron Bailey

Mr. Ron Bailey noted that the banking change was discussed with the Board last month. He stated that we interviewed both Hancock Whitney and Regions Bank. He made a recommendation to go with Hancock Whitney Bank; he stated that their proposition would be better for the Hospital. He explained that overall, their financial proposal was better and they have experience in dealing with city/public funds and government funds. He requested that the Board approve Hancock Whitney Bank for the bank change.

Mr. Eugene Foulcard made the motion to approve the selection of Hancock Whitney Bank with Dr. Roland Degeyer seconding the motion. The motion carried unanimously.

5. Status of Audit & Cost Report – Mr. Ron Bailey

Mr. Bailey updated the Board on the status of the FY 2020 audit and cost report preparation. He noted that when he reported last month the intention was to have the audit and cost report completed by this meeting. He stated the Hospital auditor had contacted Rev. Randle and Mayor Foulcard stating the Audit Report probably would be delayed due to COVID-19. The auditors have filed for an extension with the Legislature Auditors for 90 (ninety) days extension. Mr. Bailey reported that, if all goes according to plan, we should be able to present next month. He also noted that CMS had granted a blanket extension for submitting cost reports. He also reported that the Cost Report was in draft form and was sent to HRP, CHC's cost report resource, for their review and comments.

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6. Facility Update – Mr. Daniel Landry, Facility Director

Mr. Daniel Landry reported the Hospital completed the conversion of six (6) negative pressure rooms for use in treating patients with COVID-19. He explained that when negative pressure rooms are used, air is removed by the exhaust fans. He advised that as a result of using the negative pressure rooms, the conditioned air was being used at a faster rate than the Hospital's HVAC system could replenish it. He also stated that the resulting air flow was not pre-conditioned and that unconditioned air in a healthcare setting may contribute to several issues. He advised that the situation would be much worse in the heat of summer. Mr. Landry reported that he reached out to Trane, Inc., the Hospital's contracted HVAC vendor, to review our system and make recommendations on how we might mitigate these risks. Trane recommended the installation of a new makeup air unit to provide conditioned air to replenish what is lost using negative pressure rooms. This addition would allow us to turn the exhaust fans off and on as needed and that the new unit will only respond to the demand for conditioned air as needed.

Mr. Landry moved on to discuss the Hospital's generator issues. He explained that back in late December 2020 a routine generator test was done at which time the generator failed the test. He stated that while the Hospital's generator was being evaluated by its contractor, the Hospital rented a backup generator to use during that time. He reported that, overall, it turned out that the Hospital generator was not the problem. After a thorough review it was found that there was a loose connection on an air condition disconnect in one of the chillers. Mr. Landry stated that a new one has been ordered and will be installed next Friday, April 2, 2021. Once installed, he will do another test to make sure all goes well.

7. Update on Annual Pension Plan Contribution – Mr. Ron Bailey

Mr. Bailey reported that the Hospital made the calendar year 2020 pension contribution. He noted that the contribution, as required by the plan, represents two percent (2.00%) of covered compensation as defined by the plan. He stated that a contribution of \$277,098 was made on March 24, 2021.

8. Board Annual Self-Evaluation – Mr. Don Smithburg

Deferred

B. Discuss and Approve Capital Requests

1. Trane New Makeup Air Unit

Mr. Bailey discussed that this request is for the purchase and rooftop installation of one 10-ton makeup air unit. He stated that the project was to provide pre-conditioned outside air to replace the air getting exhausted when patient rooms are utilized for COVID patients (when utilized as negative pressure rooms) as discussed earlier in the meeting by Mr. Landry. The total purchase price \$166,621. He reported this cost includes the air handling unit, mechanical and electrical installation, fire alarm integration and air balancing after installation. He stated this project was not included in the approved FY 2021 capital budget. He noted the funding will come from the

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CARES ACT stimulus funds subject to the terms of use of the stimulus funds. Mr. Bailey requested that the Board approve the Trane New Makeup Air Unit.

Mr. Robert Allain, II made a motion to approve the Trane New Makeup Air Unit with Dr. Roland Degeyter seconding the motion. The motion carried unanimously.

2. Vital Sign Monitors

Ms. Michelle Skillings, Chief Nursing Officer, discussed the request for the purchase of 15 (fifteen) Philips VS30 Vital Signs Monitors with roll stands. She stated these are upgraded monitors that are better able to monitor patients with COVID-19 and other respiratory illnesses. She reported the Hospital's current monitors do not have end-tidal CO2 capability as these do. Mr. Bailey stated a total of eleven (11) monitors were included in the approved capital budget that covered FY 2021 to FY 2023; the total capital budget amount was for \$43,453. The total purchases price for the new request was \$68,747. He noted the funding will come from the CARES ACT stimulus funds subject to the terms of use of the stimulus funds. Ms. Skillings requested that the Board approve the request to purchase Vital Signs Monitors.

Mr. Robert Allain, II made a motion to approve the Vital Signs Monitors with Dr. Roland Degeyter seconding the motion. The motion carried unanimously.

VIII. FINANCE REPORT

A. February 2021 Financial Report

Mr. Bailey presented the Financial Report for February 2021, the fifth month of FY 2021. He reported that the Hospital recorded revenues in excess of expenses in the amount of \$105,260 for the month compared to budget of \$110,331.

Mr. Bailey stated that February 2021 results reflect lower volumes in some patient services compared to budget as well as compared to a very busy January. He noted February was a short month that included the Mardi Gras holiday.

Mr. Bailey discussed the February 2021 operating statement noting total patient revenue of \$3,268,031 was under budget for the month. He stated the February's total revenue was down approximately (14%) compared to January 2021.

Mr. Bailey noted that total deductions from revenue were (\$218,605) under budget for the month. He discussed Medicare and Medicaid Adjustments were (\$338,324) under budget for the month. He explained that while lower Hospital Medicare and Medicaid revenues are due in part to lower total revenues for the month, the decline can also be partially attributed to the pattern discussed in January 2021 where patient volumes and revenues shifted from Medicare and Medicaid to Commercial (that includes Blue Cross and Medicare Advantage). He stated that pattern continued in February 2021 but to a lesser degree. He noted that included in Medicaid adjustments is a reduction of (\$194,194) for FY 2021 budgeted Physician Rate Enhancement Funds ("PREP") UPL program. In addition, other adjustments were \$64,413 over budget for February. He

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reported the increase is primarily due to the pattern, just discussed, of the shift toward commercial revenues and the resulting accounts receivable. These patterns were discussed in January 2021 when Other Adjustments were approximately 40.00% over budget. In addition, combined clinic commercial payor contractual adjustments were \$40,000 over budget in February.

Mr. Bailey discussed the balance sheet for February 2021 noting a decrease in cash of \$115,423 from the prior month. He noted that included in February's operating cash was \$614,260 of physician UPL and \$192,279 of tax millage receipts. He reported in addition, operating cash in February includes \$131,482 of reimbursement from restricted cash for costs incurred on the Wellness Center Project.

Mr. Bailey noted a slight increase in gross patient accounts receivable for the month. He also noted that gross days in A/R were 43.6 for the month which was down (2.2) days from the prior month. Also, the net days in A/R for the month were 47.9, which was down 7.0 days from the prior month.

Mr. Bailey discussed other receivables noting an increase of \$936,803 in the current month due to accruing the current month's budgeted physician UPL, rural UPL and FMCG revenues. Also adding to the increase was the net physician UPL transaction of \$314,132.

Mr. Bailey reported accounts payable increased by \$239,812 compared to January primarily due to \$196,000 of capital asset costs and \$23,100 of contract staffing costs that were accrued at February month-end and paid in March.

Mr. Bailey noted days cash on hand in February were 135.0 days compared to 139.5 days of cash at the end of the prior month.

Mr. Eugene Foulcard made a motion to approve the January 2021 Financial Report with Dr. Roland Degeyter seconding the motion. The motion carried unanimously.

IX. QUALITY COMMITTEE REPORT

A. Organizational Quality Data – Ms. Joyce Andrico, Director of Quality

Ms. Joyce Andrico gave a presentation of Quality Data.
(see attached presentation for details)

X. MANAGEMENT REPORT

A. Administration Report – Ms. Stephanie Guidry, CEO

- Continue with weekly calls with Governor's Office to report COVID admission and vaccine plans
- Weekly calls with the LDH and Region 3 working on the vaccine disbursement
- The Hospital will end vaccine clinics mid-April and continue with second doses through mid-May

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- Board meeting with Rural Hospital Coalition
- MOB Suite C completion will be Mid-April
- Lab submitted action plan to Joint Commission
- Hired a new case manager – Ms. Sharla Sheen
- Made presentations about the Wellness Center to Teche Talk, Voice of the Coast/KWBJ TV 22, Franklin Rotary, St. Mary Parish Council Meeting, City of Franklin Council Meeting, and at the Chamber Chat
- Dr. Patricio Lucio – will be here July 1st
- Had phone interviewed with Dr. Yanick Ekortarh, (2nd year resident) and Charles Perez, DO (2nd year resident) for Family Medicine
- Had facility tour for Family Medicine with Maria North, DO (3rd year resident) and Dr. Taylor Phillipi (1st year resident)
- See CEO report for details

B. Nursing Report – Ms. Michelle Skillings, CNO

- Employee COVID-19 vaccines currently at 64%
- Community COVID-19 vaccines given 4527; this includes 1st and 2nd dose
- St. Mary Parish is at 6.2 positivity rate
- ED prepared a Transfer Log from October 2020 through February 2021
- Med/Surg in need of 3 full time RNs and 3 PRN nurses
- A new process is in place that approval is required from the Administration On-Call before a surgery transfer occurs dealing with Ortho cases
- Respiratory and Physical Therapy are very busy
- NRC Health and the Hospital continue to work on the consumer reports
- See CNO report for details

C. Clinic Report – Ms. Collette Vaccarella

Ms. Vaccarella discussed the clinic report for February noting an increase in clinic accounts receivable compared to prior month. She discussed clinic visit activity for the month of February 2021 as compared to February 2020 noting that February 2021 clinic visits were up by one (1) visit the prior year. Mr. Bailey presented the consolidated clinic cost center income statement noting that the clinics posted a consolidated loss for the month. Mr. Bailey also discussed the Hospital activity generated by the clinic physicians.

D. Marketing Report – Mr. Kevin Romero, Director of Marketing/Business Development and Co-Director of Physician Services

- Heart Month – Live Life with All Your Heart – featuring Dr. Brent Rochon, Cardiologist
- Moving Forward, CNO – Ms. Michelle Skillings, Chief Nurse Officer, Infection Control Preventionist
- COVID-19 Vaccine – Getting the COVID Vaccine is Important!
- COVID-19 Schedule your appointment information

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- Colorectal Awareness – The Bottom Line – featuring Dr. Kennan Buechter
- Doctor’s Day – March 30, 2021 – “With Ongoing Gratitude”
- See presentation for details

E. CHC Management Report - Mr. Don Smithburg, CHC Sr. VP Hospital Operations
See the CHC Board report for details.

Mr. Robert Judice, Jr. made a motion to accept the Management Reports with Dr. Roland Degeyter seconding the motion. The motion carried unanimously.

XI. EXECUTIVE SESSION

Mr. Eugene Foulcard made a motion to move into Executive Session at 7:12 p.m. with Mr. Robert Allain, II seconding the motion. The motion carried unanimously.

- A. Strategic Planning**
- B. Consideration of Compensation for Key Personnel**

With no further business to discuss in Executive Session, a motion was made by Mr. Robert Allain, II and seconded by Mr. Eugene Foulcard to exit Executive Session at 7:52 p.m. The motion carried unanimously.

XII. ACTION(S) TAKEN

- A. Selection of Architect for Urgent Care**

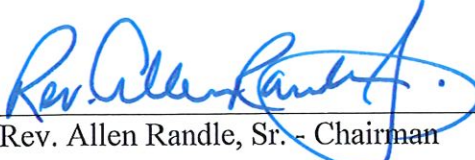
Mr. Robert Allain made motion to approve Grace Hebert Curtis Architect (GHC) for Urgent Care with Mr. Eugene Foulcard seconding the motion. The motion carried unanimously.

- B. Compensation of Key Personnel**

Mr. Eugene Foulcard made motion to approve the Compensation of Key Personnel, Ms. Stephanie Guidry, CEO with a 15% (fifteen percent) increase with Mr. Don T. Caffery, Jr. seconding the motion. The motion carried unanimously.

XIII. ADJOURN

With no further business to discuss, Dr. Roland Degeyter moved with Mr. Eugene Foulcard seconding the motion to adjourn at 7:55 p.m. The motion carried unanimously.


Rev. Allen Randle, Sr. - Chairman


Stephanie A. Guidry, CEO