

**BOARD OF COMMISSIONERS
MEETING MINUTES
AUGUST 26, 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., August 26, 2021.

MEMBERS PRESENT

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

ALSO PRESENT

Stephanie Guidry, CEO
Ron Bailey, CFO
Michelle Skillings, CNO
Bart Folse, Chief Development Officer
Sharon Procell, Executive Assistant

ABSENTConference Call

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

GUEST

Tracy Dickerson, VP Corporate Recruitment w/CHC
Brandy Charles, RN (House Supervisor)

I. CALL TO ORDER

With a quorum present, 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 – July 29, 2021**

Mr. Don T. Caffery, Jr. moved to approve the minutes of the Board of Commissioners meeting held on July 29, 2021, with Mr. Robert Allain, II seconding the motion. The motion carried unanimously.

VI. MEDICAL STAFF REPORT**A. Credentials & Medical Executive Reports**

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Ms. Stephanie Guidry 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:

- **Patricio Lucio, MD – Active – Internal Medicine**
- **Crystal Jeansonne, NP – Advance Practice Professional (Dr. Rochon/Cardio)**

Reappointment:

- **Gilbert Pellerin, MD – Courtesy – OB/GYN Medicine**

Ms. Guidry requested that the Board approve the Initial's and the Reappointment.

Ms. Didi Battle moved to approve the Initial appointments of Dr. Patricio Lucio – Active – Internal Medicine, Crystal Jeansonne, NP – Advance Practice Professional and the Reappointment of Dr. Gilbert Pellerin – Courtesy – OB/GYN Medicine with Mr. Don T. Caffery, Jr. seconding the motion. The motion carried unanimously.

Ms. Guidry reported that MEC accepted the resignations of Brandy Molbert, NP – Advance Practice Professional and that of Dr. Haroon Iqbal – Consulting – Emergency Medicine.

Ms. Guidry stated that MEC accepted the changes from Virtual Radiology Telemedicine to reappoint the following:

- **Dean Batten, MD - Consulting – VRad**
- **Michael Cooney, MD – Consulting – VRad**
- **Neil Staib, MD – Consulting – VRad**
- **Adam Hecht, MD – Consulting - VRad**

MEC accepted the changes from Ochsner Telemedicine to appoint the following:

- **Brian Lempa, MD – Consulting – Psychiatry**

B. Approve the ENT Core Privileges

Ms. Guidry reported that the MEC approved the ENT Core Privileges. She reported that normally, the delineation of privileges would be a laundry list but as most all the other hospitals have gone to core privileging, now the laundry list is a thing of the past. Ms. Guidry requested that the Board approve the ENT Core Privileges.

Mr. Robert Allain, II made motion to approve the ENT Core Privileges with Mr. Eugene Foulcard seconding the motion. The motion carried unanimously.

C. Approve the List of Policies & Procedures

Ms. Guidry reported that the MEC approved all the policies and procedures that are listed on page 15 of your board pack. She stated that most are the ones in the Infection Control binder; these are due for annual review/approval. She briefly went over a couple of the new policies (Self-reporting Allegations of Abuse/Neglect of Patients in the Hospital, Employee COVID-19 Vaccination, Employee Health

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COVID-19 Testing and Case Management, and the Responsibilities of Infection Preventionist). Ms. Guidry requested that the Board approve the List of Policies and Procedures. (see the attached list for details)

Ms. Didi Battle made motion to approve the List of Policies and Procedures as stated on page 15 of the Board pack with Mr. Don T. Caffery, Jr. seconding the motion. The motion carried unanimously.

VII. NEW BUSINESS

A. Discuss

1. "RECRUITING: All Hands on Deck" – presentation by Ms. Tracy Dickerson w/CHC

Ms. Tracy Dickerson discussed the "Pandemic's Effect on Employment Market". Following are some highlights discussed:

- ✓ Healthcare workforce facts
- ✓ Why is there a Shortage of Nurses?
- ✓ Workers are not Returning
- ✓ National Travel Nursing Demand
- ✓ FFH – RN Supply & Demand
- ✓ Recruiting is Everyone's job!
- ✓ Recruitment Ideas
- ✓ Focus on Retention
- ✓ Recruitment Best Practices

2. COVID-19 Update

Ms. Guidry reported the Hospital had to transfer eight (8) COVID-19 patients to other facilities. This was due to the hospital struggling with staffing of a Respiratory therapist and nursing staff; there are not enough staff to cover shifts. After coordinating with Ms. Kim Beetz, Region 3 Director, the decision was made to transfer these patients out to other facilities. Ms. Guidry stated this was a very difficult decision to make.

Ms. Guidry reported the Hospital is still screening everybody that comes into the facility. She commended all the staff; they all have worked very hard especially when dealing with a lot of COVID-19 deaths and working short staffed. She briefly discussed the booster vaccine.

3. PPP Loan Update/Forgiveness

Mr. Ron Bailey reported that in May 2020 the Hospital received \$2,588,000.00 of Paycheck Protection Loan funds through the Small Business Administration. Under the Loan's terms, the funds were to be used primarily for salaries and employee benefits expenses. Applicants who received funding could apply for loan forgiveness. The Hospital submitted its application for loan forgiveness in late July 2021. The loan forgiveness was approved by the SBA on August 10, 2021. Mr. Bailey stated that the impact of the loan forgiveness would appear in the

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August 2021 income statement and balance sheet. The result would be an increase to non-operating income.

4. Status of Capital Outlay Funds

Ms. Guidry reported that the Hospital completed a Cooperative Endeavor Agreement (“CEA”) with the State for Capital Outlay funds of \$5,374,795.00. The Hospital also has one million (\$1M) dollars that went to the Bond Commission and was approved. Mr. Robert Allain, II stated that the Hospital has another one million (\$1M) dollars priority 5; this is a non-cash line of credit that will go next year. Ms. Guidry noted this will be a total of \$6,374,795.00 for the Wellness Center.

5. Approve Resolution that Stephanie Guidry, CEO, is authorized, empowered, and directed, for and on behalf of the Board of Commissioners, to execute Cooperative Endeavor Agreement(s) between the Louisiana Department of Health and Franklin Foundation Hospital as it pertains to COVID-19 relief efforts.

Ms. Guidry stated this resolution is authorizing her to execute a CEA pertaining to COVID-19 relief efforts that would provide emergency staffing through the Louisiana Department of Health. The state requires a Board resolution as authority to apply for the assistance. She reported the hospital did send in an application for assistance but was denied due to the application being received late. However, the state did advise her to send the application anyway. Ms. Guidry requested that the Board approve the Resolution.

Mr. Robert Allain, II made motion to approve Resolution authorizing Stephanie Guidry, CEO, is authorized, empowered, and directed, for and on behalf of the Board of Commissioners, to execute Cooperative Endeavor Agreement(s) between the Louisiana Department of Health and Franklin Foundation Hospital as it pertains to COVID-19 relief efforts with Mr. Eugene Foulcard seconding the motion. The motion carried unanimously.

6. DonahueFavret Contractors, Inc. Contract

Ms. Guidry stated the Hospital has an executed contract with DonahueFavret Contractors to complete the project for the Wellness Center at a cost of \$19,072,800.

7. Status of CAT Scan Tube

Ms. Guidry stated we thought the CAT Scanner tube was going out. The cost to replace the tube would be \$125,000.00. Our current scanner was bought in 2019. She stated the rep came out and got it up running. She noted we do not know when this will go out again. Ms. Guidry requested that the Board approve the replacement CAT Scan Tube at \$125,000.00 when or if we do need to replace it.

Mr. Robert Allain, II made motion to approve the CAT Scan Tube at \$125,000.00 with Mr. Robert Judice, Jr. seconding the motion. The motion carried unanimously.

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B. Discuss and Approve Capital Requests

**1. Siemens Chemistry/Immunoassay System
*DEFERRED***

2. B. Braun Infusomat Wireless Pumps

Ms. Michelle Skillings reported this request is to purchase forty (40) B. Braun Infusomat Space wireless IV pumps and kits. She noted that last month the Board approve ten (10) of these pumps, which will give the facility a total of fifty (50) pumps. She stated due to the current COVID-19 patient surge, there has been a significant increase in COVID patients during multiple IV infusions. She reported the current volume of functioning IV pumps is not adequate to meet the demands of the current COVID-19 inpatient volume and acuity, nor the increase in COVID-19 Monoclonal Infusion Therapy patient volumes necessitating the need to purchase these new infusion pumps at this time. She stated this purchase was not included in the FY 2021 approved capital budget. She noted that the funding will come from the CARES ACT stimulus funds subject to the terms of use to the terms of use of the stimulus funds. The purchase price is \$93,500. Ms. Skillings requested that the Board approve the forty (40) B. Braun Infusomat Wireless Pumps.

Dr. Roland Degeyer made a motion to approve the purchase of forty (40) B. Braun Infusomat Wireless Pumps with Mr. Don T. Caffery, Jr. seconding the motion. The motion carried unanimously.

VIII. FINANCE REPORT

A. July 2021 Financial Report

Mr. Ron Bailey presented the Financial Report for July 2021, the tenth month of the Fiscal Year ("FY") 2021. He reported that the Hospital recorded revenues in excess of expenses in the amount of \$1,094,772 for the month compared to budget of \$110,331.

Mr. Bailey discussed the July 2021 operating statement noting total patient revenue of \$4,060,451 which was over budget for the month. He stated in comparison, May 2019 was the last month where gross revenue exceeded \$4.0 million.

Mr. Bailey reported briefly on the components of patient revenue, Total Inpatient Revenue was 15.88% over budget while Inpatient Acute Revenue was 41.02% over budget for the month. He stated the Hospital had 44 acute inpatient admissions for the month which were approximately 22.00% over budget. There were 258 acute patient days in July that resulted in an average daily census of 8.3 patients, both of which were approximately 90.00% over budget. The average length of stay was 5.9 days which was approximately 55.00% over the month's budget. He noted this month's case mix index (the "CMI") for all patients was 1.41 while Medicare case mix index was 1.96.

Mr. Bailey discussed total deductions from revenue that were 12.84% over budget for the month. He reported that Medicare and Medicaid Adjustments were over budget due primarily due to Hospital Medicaid contractual adjustments over budget. He noted that

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this variance is due to a combination of increased cash receipts in July combined with an overall increase in the Medicaid contractual adjustments rate, as a percentage of those cash receipts, compared to June. The increase in Medicaid contractual adjustments was offset somewhat by a decline in Medicare Contractual adjustments to budget for July.

Mr. Bailey reported other adjustments were over budget for the month. These adjustments include Blue Cross, Commercial and Medicare Advantage adjustments. He stated the increase in July is due in part to revenues that were approximately 42.00% over budget for the month combined with higher accounts receivable balances that result in a higher estimated adjustment for the month.

Mr. Bailey discussed non-operating income that was over budget by \$780,962. He noted that included in July's total was \$300,000 of cash received from a line-item appropriation under Act 45 of the 2020 Second Extraordinary Legislative Session. He explained the purpose of the funding was to reimburse the Hospital for amounts expended to prepare the building site for construction of the Wellness Center. To obtain the funding the Hospital signed a CEA with the Louisiana Department of the Treasury and the State of Louisiana. He noted this was classified as restricted assets for the Wellness Center.

Mr. Bailey noted that also included in July's total was \$138,000 of funds received under a new Physician Loan Forgiveness Program that resulted from efforts by the Governor and the Rural Hospital Coalition. Under the program, rural hospitals were awarded a total of \$9.208 million to be used to support recruitment and retention of physicians and dentists in rural communities. He stated each rural hospital is to receive approximately \$184,000 in total. He noted that the amount received in July represents approximately 75% of that total. In addition, the Hospital recorded as estimated \$141,957 that represents the remainder of approximately \$305,000 awarded by the Governor's Office to each rural hospital for FY 2021 to be used to purchase capital assets. He reported as the program designates how the funds are to be used, distributions under the program will be classified as Board-restricted assets. He reported also included is approximately \$413,200 representing the current month's accrual of the revised total to be received under the Full Medicaid Capacity Grant program.

Mr. Bailey discussed the balance sheet for July 2021 noting that operating cash increased by \$2,416,600 from the prior month. He noted this increase is due to several cash receipts including \$4,996,761 that represented funding under the rural UPL program (formerly "DSH"), the FMCG program, the Governor's FY 2021 capital allocation and an amount under the new Physician Loan Forgiveness Program. Of the total received, \$1,954,800 remained in operating cash as it represented the recovery of the FMCG program IGT made from operating cash in June 2021. He reported in addition, \$653,349 of the total remained in operating cash as it represented the FYTD July 2021 receivable under the rural UPL program. The remaining \$2,388,572 of the total received was reclassified as restricted funds and included the \$138,000 of loan forgiveness program funding, \$141,957 of the Governor's FY 2021 capital allocation and \$2,108,615 under the FMCG program.

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Mr. Bailey noted that also included in operating cash for July were \$367,131 received from filing the FY 2020 Medicare cost report, \$211,606 of reimbursement from restricted funds, \$184,155 of funds transferred from the Medicare Accelerated and Advance Payment (“MAAP”) funding (restricted cash) and \$104,387 representing partial settlement of FY 2019 and FY 2015 Medicaid MCO cost report.

Mr. Bailey reported other receivables decreased by (\$3,945,603) in July compared to the prior month. He explained the decrease is due to recording the FMCG funds. The Hospital recorded a reduction of (\$4,063,435) to the FMCG receivable (\$1,954,800 that represented the recovery of the IGT and \$2,108,615 representing part of the remaining funding). In addition, rural UPL receivables decreased by (\$653,349) that was part of the \$4.497 million total receipt. These reductions were partially offset by the accrual of the current month’s physician’s UPL, rural UPL and the FMCG grant funding that were a combined \$802,229.

Mr. Bailey then discussed that the balance in CARES ACT and Other COVID-19 Related Funding (the “CARES ACT funds”) decreased by (\$187,141) compared to prior month. He explained the decrease is primarily due to the current month’s repayment of the total \$2,400,965 of funding received in April 2020 under the Medicare Accelerated and Advance Payments Program (“MAAP”)

Mr. Bailey noted days cash on hand in July were 129.4 days compared to 98.1 days of cash at the end of the prior month.

Mr. Eugene Foulcard made a motion to approve the July 2021 Financial Report with Ms. Didi Battle seconding the motion. The motion carried unanimously.

B. Reimbursement Requests from Restricted Funds

Mr. Bailey discussed Reimbursement Request #7 for the Wellness Center project. The funds for the Wellness Center project are Board-restricted to that purpose and as such require Board approval to transfer funds to the operating account. Mr. Bailey stated that the current request totals \$64,405.00. Mr. Bailey requested that the Board approve the reimbursement request.

Mr. Robert Allain, II made a motion to approve the reimbursement requests from restricted funds of \$64,405.00 with Mr. Don T. Caffery, Jr. seconding the motion. The motion carried unanimously.

IX. QUALITY COMMITTEE REPORT

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

X. MANAGEMENT REPORTS

A. Administration Report – Ms. Stephanie Guidry, CEO

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- Hazard Pay
- Sign-on Bonus offered for Respiratory Therapist at \$25,000
- Sign-on Bonus offered for Nursing at \$9,000
- Free meals are offered to all the employees
- Lagniappe Committee – working on some ideals for employees to show appreciation
- Specialty providers with Thibodaux Regional still in the process of getting credentialed
- Wellness Center and Urgent Care – both pads completed
- Cooperative Endeavor Agreement is approved
- Employee Benefits renewal
- Hurricane “Ida” – planning stage – conference call this Saturday
- See CEO report for details

B. Nursing Report – Ms. Michelle Skillings, CNO

- COVID-19 positivity rate at 14.6% for St. Mary Parish
- Most days the hospital is 100% COVID
- FFH mask wearing is being continued along with screeners
- Highest death rate for the hospital
- Monoclonal infusion – SDS and ER (27 ED, 176 SDS, 3 scheduled); all has been going well
- See CNO report for details

C. Clinic Report – Ms. Collette Vaccarella

Mr. Bart Folsie discussed the clinic report for July noting an increase in clinic accounts receivable compared to the prior month. He discussed clinic visits for July up from 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. Bart Folsie, Chief Development Officer

Mr. Folsie reported highlighted areas of social media, Advertising Campaigns, and Community Engagement. He explained his Business Development Plan along with a Market Update. (see attached for details).

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

Mr. Eugene Foulcard made a motion to accept the Management Reports with Ms. Didi Battle seconding the motion. The motion carried unanimously.

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XI. EXECUTIVE SESSION

A. Strategic Planning

XII. ACTION(S) TAKEN

A. Incentive Compensation for Personnel
DEFERRED

XIII. ADJOURN

With no further business to discuss, Ms. Didi Battle 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