

April 4, 2016

The regular meeting of the Board of Texas County Commissioners was called to order by Jack Strain, Chairman. Richard Bryan and Ted Keeling, members and Wendy Johnson, County Clerk were present. April Coble with Guymon Daily Herald and Harold Tyson, Marsha Strong, Bill Patrick, Raymond Holbert, Dean McFadden and Grant Wadley were also present.

The agenda was filed on April 1, 2016 at 10:00 a.m. in compliance with the Open Meeting Act.

Tyson gave update on the Emergency Management.

Strain verified we were in compliance with the Open Meeting Act with all board members present.

Motion by Keeling, second by Bryan to approve blanket purchase orders for payment.

GENERAL GOVERNMENT: 164423, State Line Electric Inc., \$1,500.00.

DISTRICT #1: 164422, Prairiefire Coffee Roasters, \$200.00.

DISTRICT #2: 164420, Wirtz Lumber & Supply Inc., \$600.00; 164421, Yellowhouse Machinery Co., \$14,999.00.

COMMISSIONERS GRANT: 164418, Larry L Moon, \$300.00; 164419, Lumber Mart, \$1,000.00.

60% SHERIFF SALES: 164426, Golden Light Equipment Co., \$450.00; 164427, SPC Office Products, \$1,000.00.

JUVENILE: 164425, Texas Co. Reg Juvenile Detention CTR., \$4,000.00.

HEALTH MILL LEVY: 164424, Kayla N McCarter, \$3,000.00.

Aye: Keeling, Bryan, Strain. Nay: none.

Motion by Keeling, second by Bryan to approve the following claims and purchase orders for payment.

GENERAL: 163958, 1633, **\$182.57**, Ameripride Linen & Apparel Services, supplies; 164215, 1634, **\$30.68**, Judyth Campbell, postage; 160071, 1635, **\$211.00**, CLC Enterprise LLC, yearly inspection; 164209, 1636, **\$314.00**, Guymon Veterinary Clinic, surgery on K-9; 164382, 1637, **\$109.08**, Debby Kneeland, use of personal vehicle; 163423, 1638, **\$47.98**, Kwik Kar Lube & Tune LLC, maintenance & repairs; 163790, 1639, **\$115.00**, Mathis Oil Co. Inc., services; 163961, 1640, **\$207.03**, Mayfield Paper Company, supplies; 164208, 1641, **\$378.06**, Mayfield Paper Company, toner; 164378, 1642, **\$57.78**, Karen McGrew, use of personal vehicle; 162621, 1643, **\$126.23**, Miller Paper & Packaging Co., supplies; 164354, 1644, **\$5,200.00**, Landmark GSI, fulfillment of CAMA contract; 164355, 1645, **\$5,193.00**, Landmark GSI, supplies; 164352, 1646, **\$270.39**, OESC, unemployment; 164299, 1647, **\$2,770.91**, OESC, unemployment; 164383, 1648, **\$8.10**, Lacey Ortiz, use of personal vehicle; 162385, 1649, **\$1,178.12**, Otis Elevator Company, maintenance contract; 164207, 1650, **\$196.53**, PTCI Inc., phone & internet service; 160279, 1651, **\$125.00**, Southern Office Supply Inc., service contract; 163957, 1652, **\$13.98**, SPC Office Products, supplies; 164381, 1653, **\$186.66**, SPC Office Products, toner; 163776, 1654, **\$152.19**, SPC Office Products, supplies; 163565, 1655, **\$280.00**, TM Consulting

Inc., hardware leasing fee; 163562, 1656, **\$1,194.00**, TM Consulting Inc., monthly maintenance; 164298, 1657, **\$75.00**, Tri-County Electric Coop Inc., charity; 164293, 1658, **\$134.97**, Tri-County Electric Coop Inc., electric service; 164216, 1659, **\$290.78**, Tri-County Electric Coop Inc., electric bill; 163132, 1660, **\$25.98**, Wirtz Lumber & Supply Inc., supplies; 163963, 1661, **\$95.32**, Wirtz Lumber & Supply Inc., supplies.

DISTRICT #1: 164179, 1800, **\$94.00**, Tower Hotel, room; 164196, 1801, **\$1,887.10**, Clingan Tires Inc., retreads; 163598, 1802, **\$366.29**, City of Hooker, monthly utilities; 164161, 1803, **\$356.04**, Guymon Tire & Auto, tires & state tire fee; 163746, 1804, **\$3,608.23**, Hooker Hardware & Auto LLC, supplies; 164205, 1805, **\$423.45**, Hooker Hardware & Auto LLC, supplies; 163505, 1806, **\$371.46**, Teddy P Keeling, travel; 164206, 1807, **\$489.28**, Kost Truck Supply Inc., parts; 164294, 1808, **\$1,906.58**, OESC, unemployment.

DISTRICT #2: 164295, 1809, **\$1,906.71**, OESC, unemployment.

DISTRICT #3: 163134, 1810, **\$532.00**, Baber Supply Inc., parts & supplies; 164296, 1811, **\$1,896.72**, OESC, unemployment; 164389, 1812, **\$843.97**, Tri-County Electric Coop Inc., electric; 163499, 1813, **\$1,210.03**, Unifirst Corporation, uniforms & supplies.

JUVENILE DETENTION: 164123, 313, **\$1,015.00**, American Fire Sprinkler Corp., annual fire alarm inspection; 164129, 314, **\$87.00**, Bricktown Hotel & Convention Center, lodging; 164292, 315, **\$147.50**, Cojo Industrial Sales, inspection & supplies; 164357, 316, **\$562.32**, OESC, unemployment; 164384, 317, **\$10.95**, Oklahoma Dept of Human Services, annual assessment meal count.

COUNTY CLERK LIEN FEE: 164300, 65, **\$6.90**, OESC, unemployment; 163955, 66, **\$120.10**, Prairiefire Coffee Roasters, supplies.

SHERIFF FEE CASH ACCOUNT: 164375, 219, **\$635.05**, OESC, unemployment.

SHERIFF SPECIAL: 164388, 29, **\$500.00**, Goodwell Booster Club, sponsorship fee for drug awareness; 163595, 30, **\$796.38**, Stole Telecom, supplies; 164195, 31, **\$106.43**, Tri-County Electric Coop Inc., electric.

SHERIFF COMMISSARY FUND: 164374, 80, **\$31.35**, OESC, unemployment.

HEALTH MILL LEVY: 163664, 308, **\$312.50**, Main Street Guymon, healthy moments community events; 163635, 309, **\$503.10**, Kayla N McCarter, travel-TSET; 161845, 310, **\$150.00**, Northwest Shredders LLC, shredding; 164377, 311, **\$291.95**, PTCI Inc., phone service; 163114, 312, **\$54.99**, PTCI Inc., phone service for Boise City WIC; 162216, 313, **\$243.84**, Sparks Electric Inc., repairs & service; 163277, 314, **\$60.00**, SPC Office Products, supplies; 164190, 315, **\$124.96**, Waynes Lock & Key, service call.

SALES TAX JAIL: 164385, 587, **\$53.37**, Matt Boley, reimbursement on shipping; 163780, 588, **\$370.00**, Carters, groceries; 164118, 589, **\$327.20**, Golden Light Equipment Co., maintenance; 164376, 590, **\$1,743.18**, OESC, unemployment; 164211, 591, **\$70.00**, TLC Pest Solutions LLC, pest control; 164194, 592, **\$2,868.98**, Tri-County Electric Coop Inc., electric; 163770, 593, **\$612.05**, United Discount Drug, medical; 164111, 594, **\$1,091.54**, US Foodservice, supplies; 164163, 595, **\$300.00**, VIP Security & Surveillance, electronic maintenance; 163789, 596, **\$127.56**, Wirtz Lumber & Supply Inc., supplies.

COMMISSIONER GRANT: 164088, 17, **\$721.31**, S&S Textiles, first aid kits; 164067,

18, **\$3,902.00**, Steves Electric Service LLC, replace lights.

COURT CLERK: 164313, 124, **\$382.40**, OESC, unemployment.

Aye: Keeling, Bryan, Strain. Nay: none.

Dondie Rodgers joined the meeting.

Motion by Keeling, second by Bryan to approve the minutes of the previous meeting as written. Aye: Keeling, Bryan, Strain. Nay: none.

Matt Boley joined the meeting.

Motion by Keeling, second by Strain to approve the following Transfer of Appropriations: General; \$883.63 from 1-1600-1130 Part Time to 1-1600-1310, Travel and Revaluation; \$2,001.00 from 1-1700-1250 Workers Compensation to 1-1700-2999 Maintenance and Operations and \$5,000.00 from 1-1700-1110 Full Time Salaries to 1-1700-1310 Travel and Sheriff Cash Fee; \$4,500.00 from 1M-6800-2999 Maintenance and Operations to 1M-6800-2999-2185. Aye: Keeling, Bryan, Strain. Nay: none.

Mike Boring, District Attorney and Craig Barnes joined the meeting.

Motion by Keeling, second by Bryan to approve the appointment of Nathan Byers as temporary part time data entry clerk for Judyth Campbell, Assessor. Aye: Keeling, Bryan, Strain. Nay: none.

Raymond Holbert presented the commissioners with the finances of the hospital.

Raymond Holbert: This is just an explanation of the actual AP that we are currently dealing with and explanations behind each one and what they are overdue. In order for us to maintain basic services and to get us through until we can basically just to provide the basic services, such as lab work stuff like this, I'm requesting \$634,000.00. There's an explanation on each one of those on what they actually do. I'll be glad to answer any questions as far as what they are in reference to and what they do. 3M coding software they cut us off and we are no longer allowed to code things, which means we are no longer allowed to bill and receive money in, so it's a necessity. All those things that are on there that add up, those are necessities for us to be able to operate. Tuesday we will have a special meeting and we encourage all you County Commissioners to be there. We will be discussing the future plans of Memorial Hospital. We have some additional information in regards to the critical access part of the hospital and some others, and we will be presumably making a decision on a plan on how to move forward in the future. Our issue is, how do we bridge the gap between where we are currently at Memorial Hospital and what we will be in the future, how we get there? This money will allow us to provide the services and continue on. It's all AP, it's something that's already there. Ted Keeling: All these are due 3/30 and 3/31? Richard Bryan: So basically they're cutting off their service? Ok. Jack Strain: When are they doing that? Holbert: We have paid some of the ones that we have, but yes, they have cut off service. Bill Patrick: We either pay or don't release the test results. Strain: On the emergency status solution, it says due 3/31 or pull the coverage. Did they pull it? Patrick: They want to. Holbert: We sent them a check and they are basically holding on to it. If we don't follow through with it, then yes, it will default. Strain: Questions? Dean McFadden: I just want to know, are they afraid we're going to hit bankrupt? I understand they're in it to make money, I understand that, but do they understand this is a county hospital? Holbert: We are

diligently working with them and trying to call them and make payment arrangements the best that we can. A couple of them, which is why it's reduced from \$677,000.00 to \$634,000.00, were able to call and give us a little bit of lee way but most of them are not. Most of them that I have called have said they have gone as far as they're going to go with us. We have our interim CEO diligently working on trying to talk to these people. I've had Dondie and Michelle, all of them calling and seeing if we can do anything trying to relieve it as much as we can and unfortunately these are ones that have said this is as far as we are going to allow you to go. Bryan: I know they're not going to be left out there with no money. They should understand that. It is a county hospital, we can't take bankruptcy. It's not that I want to. I'm not saying that, but in order to get out of a hole, sometimes you have to dig your hole a little deeper to get out. Holbert: I wish I had an answer for you Dickie. (Richard Bryan) I don't. I just know that those are the things that are due immediately. Keeling: Buddy (Raymond Holbert) do you think they would be willing to give you a few more days till you all have your next meeting, so we can look at where you are headed and what you are working on? Holbert: I don't think that they care. Keeling: For us as a board to look at what we are looking at doing as far as later down the road and where we want to invest, that's just me. These are our bills and we will pay them sooner or later we will pay them.

Holbert: If we are not able to move forward and take care of the deals we will have to call for an emergency meeting today, and we will have to make some decisions because the hospital can't operate safely and take care of their people if we don't have the proper stuff in there. If it was a matter of not being able to bill for a couple of days, that would be one thing. If you don't have your lab and you don't have your things that you can take care of your patients with, they can't wait two or three days until we decide what we are going to do. We either have to do it or basically suspend services.

Bryan: Are there actual products that you are out of right now? Holbert: They are actually holding stuff and not releasing it until we pay. Bryan: So, if you have it in the hospital you can't use it because they say you can't touch it? Holbert: No, I'm talking about actual results and stuff like that. Bryan: Ok. Holbert: Tuesday evening we will have an executive session to discuss the litigation we face on some of this stuff. We encourage you to be there so you can be part of that, so you can hear where we are on that and the solutions that we are going to try to work through to be able to take care of it. Strain: Let me tell you what we have kind of discussed and kicked around. I think we are in agreement as far as the fact that we want to know what this \$634,000.00 is going to and where are we going to be in 30 days, where are we going to be in 6 months, and where we will be in a year? We would like to be able to sit down with you all and visit with our District Attorney, Mr. Boring. He told me that we can continue this part of our agenda as far as the presentation by Memorial Hospital and approve this financial assistance. We can continue that tomorrow night so the three of us can actually meet with you all as an entire board and make a decision. Now, after the question that Dickie (Richard Bryan) just asked you a minute ago about what happens if we wait a couple days, if we continue this tomorrow night, where we can actually sit down and visit about what's going to happen and what you all as a board feel like this will allow you to do. That's what we want to know. I don't want that hospital to be basically shut down from noon today until 10:00 Wednesday morning. I don't want to see that happen. I want to know if you think that will be the case, or will we be able to continue operations? Buddy, this is strictly me. I don't see that we have a choice. If we are going to keep the doors open, I don't see that we have a choice but we would like to know what you all feel like this is going to do. Is this going to keep you in operation until hopefully some things turn around? I'm doing all the

talking. Keeling: You are saying the exact same thing that I've been thinking Jack, and the main thing is, it is our debt. We are going to pay it. We're going to do whatever we can to keep the hospital going, but we need time to get with you guys and see where we are headed and what our future plans are for us to continue to pay bills then turn around next month and come up with it again. We need something definite to show what's going to happen in the future with which direction we are going and to justify and keep putting money into it. If we are not going to get better, we can't do that. There's got to be change down the road. There's got to be a way to turn this around. I think the Board is working on things and tomorrow night will give us a chance to visit with you guys a little more open and see what you're doing and where you're going. We're going to do everything we can to take care of this hospital. Believe me, it's just like the sales tax. None of us wanted to go that direction and the truth of the matter is the hospitals that are surviving, the county hospitals that are making it, have support. Sales tax didn't pass but we decided we're still going to try to keep the hospital to service this community, this county. At what ability are we going to be able to service it? That's something that you guys can make do. We may have to change direction and can make do. I think you guys as a team are working hard. I've seen everything Buddy's done and I really appreciate what he's done and what the rest of you guys have done. I have faith that you guys have a different direction to go and you've had time to work on that and tomorrow night gives us a good time to sit down and visit about it, where we all can speak and determine which way we're going to go. Bryan: OK, we're paying the balances off on all of these? If we pay these balances, they are all going to fire back up and come back on board? Holbert: That is correct. The things that are on there are necessity stuff. They are things that we have to have to continue to operate. Strain: When you called me the other day Buddy, you asked me if the money was there. Yes the money is there and it's public record, and if I don't tell these people how much is there, they are going to ask, so in the unencumbered balance of the sales tax money, there is \$1.6 million. So, is the money there? Yes. The only thing that we want to know is the old proverbial "we're not pouring sand down a rat hole". Will the money be there if we needed the same amount 30 days from now? I don't know because I don't know whether you all were here to hear the presentation from Guymon Fire Chief. They have got a truck that went down the other day and we got a couple of other trucks that are not in good shape, so all I'm saying is, is the money there? Yes it is! I'm not about to sit here on \$1.6 million and let that hospital lock the doors. That's not going to happen. The only thing we want to know, if we do continue this until tomorrow night, until we can sit down as two boards and actually make a decision, where normally we're just there to listen, that's all we can do, we can continue this portion of the meeting until tomorrow night. We can actually sit down and say ok, we like what you're saying, we will get you the check for \$634,000.00 Wednesday morning. Can the hospital sustain 48 hours? Holbert: I can't answer that, to be honest with you. I'd have to talk to Michelle and actually find out where we are at. Strain: What I'm getting at here is, if in order to keep those hospital doors open you need \$135,000.00 today. I'm not against giving you \$135,000.00 today. Tomorrow evening I'm going to look at that other half million. Is that fair? Holbert: Very fair. Bryan: I was trying to get to that point, I was fixing to say that. If we could get to that point, then we could have a longer discussion, then maybe we can get a little bit more out. I still want to be able to do that. Holbert: Very fair, thank you! Strain: Bill you want the same answers we do, I know that, and Craig and Grant, you all are in the same boat we are in! We want to know what's going on. Bill Patrick: We need time where we can brainstorm with the Board of County Commissioners. I would like the County Commissioners request that the Excise Board be there

also, so they get the same information that you're going to get presented, and the same decisions so we don't have that loss of intensity. There are issues that have to be resolved and we have got to be a team when we do this. It's not just us that it affects, it affects everybody in the county. They need to be involved in this discussion as well. I don't know if they are willing. If we can schedule extra special meetings so we can get them involved, then we got to get them involved in this decision and brainstorming and planning if at all possible. Mike Boring: At some point they need to be involved, I don't know if tomorrow night is the time. Strain: I don't know if we could get them there on that short of notice or not. Boring: They have agenda problems as well. Strain: They could come and listen if they wanted to, but as far as them being able to make a decision, they couldn't. Boring: With the Open Meeting Act under Section 304 Sub 6 – you can continue to reconvene this until tomorrow night, that's not a problem at all. Holbert: I think your willingness to get us some funds to make sure that we can keep most services available to the community is very generous, and I appreciate that! Strain: I think we have to. We have to do that! We want to keep that Doctor coverage in the emergency room. The one thing that we had talked about and we will visit more about it tomorrow night, is you guys have requested in making some sort of business plan for that hospital for short term and long term. I know that costs money. NWTH to me needs to weigh in on something here. There's no doubt in my mind that NWTH has a short term and long term plan. They can tell you what the plan is for that place, six months, a year, five years, and maybe 10 years from now, and will that cost money, yes. But I think as a Board of County Commissioners and where we are headed, that we would probably be willing to foot that bill also. Boring: Make it a requirement to the Board. Strain: That will be part of what we are going to talk about tomorrow night. That is part of what we want to talk about! Patrick: You know Jack, we have asked Mark Crawford if you can make a long term plan, and he basically says with the way health care is right now, nobody could make a long term plan because it changes so quickly. Bryan: I imagine you could make a plan with walls on this side and try to get somewhere in between that. But I'm guaranteeing you that NWTH in Amarillo has a plan somewhere, even if they're running between this age and that age. Somewhere in between there, they've got a plan. Strain: And it has to be changed. I'm sure with health care, on a monthly if not weekly or daily basis. Patrick: It's a complex issue and if you want to boil it down to the simplest fact, is the Out Go greater than the income, that's it. It's real simple unless we have additional income, we stay on that trim line. So we've got to find a way to balance that. Whatever we've got to reduce so that we can flatten that out, is what's going to have to happen. I'm sure we'll talk about that tomorrow night. That makes it real simple. Each individual department there are different percentages and we can get through those and find out which ones are going to be required to go, but for the short term, you want a short term plan, we need to pay these bills that limit us to be able to offer those services. Help us with that while we work through some of these other issues, and while we are working concurrently long term, short term plan, what we're going to do. In order to present that we need NWTH and some of these other reports that we have coming in, their analysis of some of our options. We have got those things now. Boring: One thing I would urge the Commissioners not to lose sight of and I know the hospital staff is not, If somebody comes out there as a patient and they need some of these services, that they can reasonably expect the hospital to provide them and we're not able to provide for them today or tomorrow, I think that it exposes the county to some rather significant liabilities in not getting these things covered. Strain: That's kind of what I was asking as far as being able to continue business as usual. Boring: There is that liability issue, and I can tell you

there are facilitators out there that specialize in going to places and developing long range plans and short range plans. They cost money but there are people out there that specialize in that as well. Strain: We visited the other day, that's something that we as County Commissioners can talk more about tomorrow night. Holbert: I want to clarify this \$185,000.00 will get us to where there is no loss of services. Bryan: None of these will reinstate unless they are paid in full? Holbert: That is correct. Bryan: Alright.

Motion by Keeling, second by Bryan to approve the assistance of \$225,000.00 for Memorial Hospital of Texas County. Aye: Keeling, Bryan, Strain. Nay: none.

40% SALES TAX: 164411, 7, **\$225,000.00**, Memorial Hospital of Texas County, assistance for hospital.

Motion by Bryan, second by Keeling to reconvene at the Hospital Board Meeting set at 6:00 p.m. Tuesday April 5, 2016 in the Memorial Hospital of Texas County Board Room. Aye: Keeling, Bryan, Strain. Nay: none.

Jack Strain, Chairman called meeting to order to continue the agenda item that from the April 4, 2016 meeting. It is 6:00 pm April 5, 2016 at the Board of Control Meeting in the Memorial Hospital of Texas County board room.

Recess to Executive Session at 6:10 pm.

Reconvene from Executive Session at 6:48 pm.

Mark Crawford, CEO and Gene Winters, Chief Financial Officer for Northwest Texas Hospital. What we are going to present to you today in the operating analysis based on our own assessment as well as EKD based on the meeting you had a few weeks ago based on the audit finding based on several years and we both tag teamed the numbers in to make sure we were in the ball-park and true and accurate. So if you go back over this initial engagement since the operation of the management side of the house came on board September 2014 we brought in a few things. This is just kind of a reflection on what's been and if you look back over that period of time as follows: Improved billing/collections - \$565K impact. Reduced cost - \$420K impact. Allowed more than an additional year of minimal taxpayer financial support. Constraints – No reduction in services, No reduction in staff, Difficulty recruiting primary care and specialist and No increase in public sector support.

So we have four options for the board to consider today and for you all to understand:

Option #1- Maintain status quo as Prospective Payment System (PPS) Hospital which means structure and infrastructure with the addition of 304 (B) Designation and add the Swing Beds. There is a transition of about 9 months for this. None of these are immediate cash flow items. Maintain current state of operations including: Emergency Room, Labor & Delivery, Inpatient/Observation beds, Existing clinics and 340(B) impact: Positive \$400K. This is a pharmaceutical program. Will receive one additional payment for Meaningful Use: \$170K. Swing Beds impact \$350K. Will require significant financial support of taxpayers - \$2.5M annually. This plan required financial support from taxpayers. When a one percent sales tax increases for Texas County was placed on the ballot last month, the measure lost by roughly 300 votes in a close and

contentious race

Bill Patrick asks if there was any way to expedite it.

Mark Crawford replied no, there really is not.

Option #2 - Convert hospital to Critical Access Hospital (CAH) it's a funding mechanism is all it is, so you just continue to do what you do and add 340 (B) Designation and Swing Beds. I'm going to talk about a lot of ups and downs.

Inpatient Financial Impact - \$109K negative impact of conversion – Assumes extension of low volume payment enhancement set to expire on 9/30/17, If not extended, This is only going to be for the next year or two, due to the way health care changes, and it changes very quickly. The impact will equal a positive of \$168K. Outpatient - \$188K positive impact of conversion. Emergency Room – Pickup of ER Physician Reimbursement with equal \$92K positive impact.

Richard Bryan: ask if he could give the simple man's definition of a Critical Access Hospital.

Mark Crawford: So basically you're giving up your sole provider status and you will be a cost base reimbursed hospital, but you can take care of patients like you always have. It's like paying your taxes, if you pay a lot of money in and you pay too much, you get money back and if you don't pay enough, you are going to owe at the end of the year.

The designation and reimbursements through the CAH program are offered to rural, low-volume hospitals.

Richard Bryan: Ok that is a good problem to have. Thank You!

Swing Beds – 3 ADC \$413K positive and 5 ADC \$720 positive. SHOPP Effect – CAH do not have to pay into SHOPP program (cash flow), SHOPP Payments are subject to maximum Upper Payment Limit, Positive impact \$538K Cannot convert until July 1, 2016 or must repay April Meaningful Use payment, 340 (B) - \$400k positive impact

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Jack Strain: OK now you are talking about converting to Critical Access. From what I understand, there is not a China Man's chance it can be done by July 1 anyway.

Gene Winters: No you will keep billing and taking in payment, just like always and you will get an enhanced reimbursement and you go back and they will cut you a little check to catch up.

Jack Strain: The reason I was asking that is because I visited with the County Commissioners in Ellis County and Shaddock and they put me in touch with a gentleman named Mike Trostill, he is the one that is doing all of the leg work for the Critical Access for Newman Memorial and he told me that best case scenario, you're looking at about 6 months. Worst case scenario, a year to get the designation.

Gene Winters: To get the application in, yes it could take 4, 5 or 6 months, because it is always



retroactive back to the date you apply.

Bill Patrick: The percentage of patients we see that are Medicaid reimbursement, we receive at 101% is fairly small, is it not? In relation to the other, so is there a negative on what we are able to do. Our problem is that significant number of uninsured that we continue to have to fund.

Gene Winters: Absolutely! This is going to impact everything. It's going to help with your Medicare and Medicaid population, and it's a positive impact. If you are wanting to rent out space in the hospital, you have to carve that out of your cost, and you don't get that back as part of the cost.

Total Financial Impact – Low \$1.52M, High \$1.83M. Will still require significant financial support of taxpayers - \$900K - \$1.2M annually plus cost increases.

Mike Boring: Do you think it's a more secure environment for the hospital under this designation?

Mark Crawford: Yes because we have the big dogs as lobbyists in Congress and they constantly fight for the rural hospitals. If you're going to cut, you want to cut the big dollars. There is always talk about doing away with Critical Access, but they have been talking about that for 10-15 years now. The bottom line is that it still needs subsidy and support.

Richard Bryan: Does it give us the ability to grow out of the negative situation?

Mark Crawford: Yes both option #1 and option #2. What is not here is the requirement to recruit providers that actually support the hospital. The biggest problem with this market is that you don't have primary care physicians supporting your resources. It is not "just so everybody is clear what was in the paper" true about putting people in the hospital. It's about utilization ancillary services, it's about the services that you provide, and it's not about putting people in the hospital with all the other things that would pretty much diminish the need for inpatient care, it's all the outpatient side of the business where you pay the bills in hospitals. So we need to be a partner with this community, we need enough doctors. Both of these for instance, we need to try and find three family medicine doctors.

### Option #3 - Convert Hospital to Outpatient Center

Actions: Convert ER to Urgent Care that is open 7 am to 7 pm, Close all Inpatient Beds, Consolidate Clinics and move them to the Hospital to reduce overhead. Offer limited OP Diagnostics such as Radiology (CT/MRI) Lab and others. The Impact: All emergent ambulance runs go out of County and will increase the costs to Fire and EMS. Increase ambulance times and treatment delays that will increase mortality and complications, Reduction of Employed staff by 50% plus and that will have a financial impact to the community. Increased travel and costs by citizens to seek medical care. Reduction of local treatment options by physicians. This will still require annual community support of \$500K due to high amount of uninsured and bad debt plus cost increases.

Richard Bryan: That's going to be an actual cost that we are going to pay out, not the community?

Mark Crawford: How ever it gets paid, that is the cost.

Option #4 - Close the Hospital. Pay off any accounts payable, liquidate any assets and pay off any remaining debt of the hospital and have no service available. The impact would be the same as Option #3.

Jack Strain: Regardless of which option is chosen, the county would still be liable for the \$1.7 million in debt through accounts payable that the hospital currently owes.

Richard Bryan: So we are back to the same situation as we would be with #3 with the Fire and EMS?

Craig Barnes: Will the accounts payable just sitting there be used against the hospital by opponents?

Jack Strain: I think you've got more positive now than you had and the fact that you did change CEOs, you do have a valid plan in changing the way this hospital operates. That's the biggest thing that I think most people wanted to see was something in the change of day to day operations.

Ted Keeling: Some voters believe the county commissioners will not let the hospital close. We would do everything that we can to keep the hospital open, but our resources are limited. If we can find a way to get the numbers to bridge this gap, and the citizens realize you don't miss something until it's gone. When you have a family member and you have to load up and drive, you're going to realize the need for this hospital.

Other Issues would be a 25% Oklahoma Medicaid Reduction. An expected impact unless changed will be a negative \$300K. Payables up to date. Most people don't realize how fragile rural hospitals are these days across the state.

Mark Crawford: Because we are not sure how profitable this is, I think it is going to be very unfavorable across the state. But the state is going to try to go across the board 24% cut in Medicaid. Even if you chose Option #1 or Option #2 or even #3, it would be a negative impact of about \$300K if they do this. This puts about 30 hospitals across the state in jeopardy though. So I don't think most people realize how fragile rural health care is across the state.

Bill Patrick: I don't think the citizens of Guymon understand how critical it is.

Mark Crawford: Well we don't know if this is going to happen because it changes day to day and year to year.

The negative cash position we would need is \$1.7M plus any outstanding payables to bring all

the payables up to date. There is about \$200K to \$300K that is current flowing in and of course payroll and other staff would probably cost around \$2 - \$5 million.

Raymond Holbert: Where the Commissioners stand with the policies that we have out there and what kind of option do you see having that you can help us with, to help us make a decision with?

Jack Strain: My thought is because we haven't had a chance to sit down and look at it. Option #2, I like the way the thing looks. It says here at the end, that it will require significant support of the tax payers. Diana I am going to impose upon you and Bill a little bit. Both of you were on that tax committee, do you think that we could go back in here and do .45 and not try to do the one cent where we are at 9.95? And I have listened to several people and I know you all are going to disagree with me, I'm just telling you what I have heard. They are saying that I haven't heard a plan that the hospital isn't making a plan different than it has been for the last several years to get out of debt and try to take care of our employees and hire more doctors, and we have tried to recruit doctors but their biggest complaint was that they didn't see the hospital change the direction of what they have been doing over the last several years, from back when we had over \$5M in CD's, and now we are a couple of million in the hole. So there was some talk to me about, had I seen something different that I thought might work. I would have definitely voted for it but the way it was, I didn't think there was going to be a change in the hospital. So my question is, do you think there is a chance if we turned around and redid this? June would be a little quick now, but we could do it during the general election in November and propose the .45. Wendy, I'm going to ask you, the .40 that we get now in the 3X money is somewhere around \$60,000.00, am I right? Wendy: Yes pretty close on average. Well sometimes it is \$55 and sometimes it is \$70. But it's somewhere around \$60-\$65? So at .40 we are generating about \$720,000.00 per year and at .45 we are going to generate about \$810,000.00 per year just as an estimate. So if we could pass the .45 at the \$810,000.00, then with the amount of money that we had talked about on these AG opinions that we got were what we have to do, like it or not, we were looking at somewhere around another half million dollars, so there we are looking at 1.3. If you think there is a chance that we can put this back up in front of the voters and pass it at .45 Diana Brown: I heard the same comments that were told to you. That they wanted to see a plan. I also talked to people that were confused, they read the headlines, the banner on the top of the newspaper that said a vote no is not against the hospital but the ones that voted no, did not read the paper. I talked to a lot of people that didn't show up to vote because they thought it would pass.

Jack Strain: If we push this thing off until July it will give us more time to get these numbers out to the people. The question is, can we survive till then? I understand that is a big question. We had some reservations about trying to do it as quick as we did the last time. We ask, why don't we wait and do it in June? You said, oh no we can get it sold. We said we can pass a resolution a lot faster than you can sell it, so we passed the resolution. That's kind of my question.

Bill Patrick: Yes, we lost by 300 votes and we did not do a great job of marketing it properly. We had great support from the hospital staff but we didn't have that detailed plan for the community. We know what we did wrong and don't think we have quite the opposition that we did. None of

us like taxes.

Richard Bryan: We can do a special election, but it would cost us money to do the special election. So if somebody could evaluate, if they think that putting it on its own question rather than have it intermingle with a bunch of other things, is that better or worse? That's one of the other things that they talked about when they said, well we want to get it on this one when we were having the property tax and they were hoping that it would offset each other, and they said we will get rid of this so they will put this one on.

Bill Patrick: That didn't work, plus we didn't sell it enough. I think there are experts out there that could come in and help us with that market plan and advertising plan, so that the community is fully informed, because not everybody knows where we are at.

Jack Strain: And these numbers we talked about tonight, the \$1.7M in accounts payable, is something that KKBS and Guymon Daily Herald are going to make sure that the money is there and did we tell the public before? No, we didn't tell them that we need this assistance, because we are \$1.5M in the hole. We put the plus signs out there to them to what we are going to do if this passes, but I don't think we pushed the down side of this deal enough to make people sit up and think there is a problem.

Bill Patrick: We didn't want to go negative because we thought a positive message would make them more susceptible to vote.

Jack Strain: But a lot of the people that were not involved in it did not know and that is where I am at as far as my opinion on this deal. I would love to see us go Critical Access because I am well aware of the small hospitals close to us that have done that, and they are in the black and they have money put back.

Raymond Holbert: Can we bridge the gap 9 months to a year or whatever it takes to get there?

Jack Strain: That I don't know. We are looking at now, we have \$1.6M and we do this other \$409K to bring it to the \$634K you talked about, we are looking at \$972K we have at least another \$172K coming off of that we know of. We are looking at about \$800K that is left. Plus the City of Guymon needs another fire truck, so we are looking at another \$130K to \$140K out of that so can we bridge it? I don't know but these people can tell us how much they think that we will have to bridge by the money that is out there that is still coming in. Can we do this \$600K a couple of more times? No, there is no way but if we had to come up with \$200K to help with payroll could we do that once or twice? Maybe, because this deal is replenishing at the rate of about \$60K a month, but it is going to take us ten and a half months to recoup this \$634K.

Raymond Holbert: That's ok. I just want the information before we make a decision on this. Whatever decision we make, I don't want to make it and then two weeks from now say we can't do this.

Mike Boring: Let me ask you this, before we didn't publicize the accounts payable and now it's

out there for people that opposed it before?

The Memorial Hospital of Texas County Board of Control votes to move forward with Option #2.

Motion by Bryan, second by Keeling to approve the assistance of \$450,000.00 by the County out of the Sales Tax Fund and will write the check tomorrow morning. Aye: Bryan, Keeling, Strain. Nay: none.

Motion by Bryan, second by Keeling to adjourn the meeting. Aye: Keeling, Bryan, Strain. Nay: none.

The recording of this meeting will be available in the County Clerk's Office for anyone that would like to have it.

40% SALES TAX: 164454, 8, **\$450,000.00**, Memorial Hospital Of Texas County, assistance to hospital.

Motion by Keeling, second by Bryan to approve OMES Form 3, Claim against the Ad Valorem Reimbursement Fund, per 62 O.S. Supp. 1993, Section 193 for loss of revenue due to exemption of new or expanded manufacturing facilities in 2014 for 2015 tax year in the amount of \$1,555,549.00. Aye: Keeling, Bryan, Strain. Nay: none.

Motion by Bryan, second by Keeling to approve the following officer's reports for the month of March subject to audit: Judyth Campbell, Assessor - \$172.00, Matt Boley, Sheriff - \$3,142.60, Commissioners 911 - \$10,066.49, Wendy Johnson, County Clerk - \$21,264.78, Juvenile Detention - \$30,554.62. Aye: Strain, Keeling, Bryan. Nay: none.

There was one charity requests to be approved.

Adjourn.

I, Wendy Johnson, the duly appointed and qualified County Clerk in and for Texas County, Oklahoma, do certify the above is a true and complete statement of the proceedings of the Board of County Commissioners held in the office on April 4, 2016.

s/ Wendy Johnson

Wendy Johnson, County Clerk

s/ Jack Strain

Jack Strain, Chairman

s/ Richard Bryan

Richard Bryan, Member

s/ Ted Keeling

Ted Keeling, Member

