

MINUTES

The quarterly meeting of The Medical Center Hospital Authority Board of Trustees was held on Wednesday, January 26, 2022, via WebEx due to the COVID-19 pandemic.

Members Present: Susan McWhirter, M.D., Chair, Alpna Arora, Max Brabson, Jr., Mike Burns, Brenda DeRamus, John Hargrove, Rick McKnight

Others Present: Laura Drew, Allen Holladay, Rodney Mahone, Andrew Rothschild

I. Approval of October Quarterly Minutes

On motion by Mr. Hargrove, seconded by Mr. McKnight, the minutes of the October 27, 2021 meeting were approved as submitted.

II. Review of Operations and Approval of Financial Statements Period Ending December 31, 2021

A. The Medical Center Hospital Authority

Total income for year-to-date December 31, 2021 was \$140,615 versus prior year of \$275,021. The difference from prior year is due to no rental income from Azalea Trace. Total expenses were \$168,492 versus prior year of \$109,678. Net income was (\$27,877) versus prior year of \$165,343. Total assets were \$5.4 million and unrestricted net assets were \$5.1 million. The project utilizing the \$331,000 received from the widening of Talbotton Road will begin in the near future.

B. Spring Harbor

Operating income for year-to-date December 31, 2021 was \$371,000 versus the budget of \$423,000. Total occupancy was 78% versus the target of 82%. Independent living was 176 versus the target of 178. Health care occupancy was 56.1% versus the target of 65% but is trending upward. Health care is below target due to COVID. Revenue was \$7.9 million which was \$19,000 above budget. Revenue was assisted by recognized revenue from terminated entrance fees and the receipt of the HRSA phase 4 distribution of COVID funds of \$310,000. Operating expenses were \$72,000 above budget. Operating expenses were above budget due to the unbudgeted contracted Health Care Administrator and higher dining service contract labor.

C. Piedmont Columbus Regional

There were month ending December 31, 2021 earnings after regional allocations of \$12 million versus the budget of \$8.4 million. There were year-to-date December 31, 2021 earnings after regional allocations of \$52.8 million versus the budget of \$37.3 million. Most

volume indicators were above budget. The Pediatric ED and surgical cases were below budget mainly due to COVID.

On motion by Mr. McKnight, seconded by Mr. Hargrove, the board adopted the financial/operations report for Spring Harbor and Piedmont Columbus Regional, and the financial statements for The Medical Center Hospital Authority for year-to-date ending December 31, 2021, as presented by Mr. Holladay and discussed.

III. Muscogee County Indigent Care Program Update

Year-to-date December 31, 2021, total utilization was \$12.1 million. Payments received were \$11.9 million. Year-to-date utilization was 50.96% versus the target utilization of 50%.

IV. Piedmont Commitment Update as of June 30, 2021

The covenants and obligations compliance check list was reviewed. Should the property tax issue at Spring Harbor require payment of any amount by Columbus Regional Healthcare System, the payment required would come from the capital funds. Piedmont Columbus Regional Midtown is positioned as a Regional Clinical Hub for Piedmont Healthcare. Strategic expansion for the Columbus hub has been placed on hold due to the COVID pandemic.

Attention was called to the capital commitments and expenditures for March 1, 2018 through June 30, 2021. The total capital expenditures committed over the first eight years is \$250 million minimum. The total committed through June 30, 2021 was \$62.6 million. Due to the pandemic, the capital allocations have not been spent the past two years. The ICU expansion at Midtown and the Children's Hospital relocation to the West campus are two projects that will begin in the near future once approval by Piedmont Healthcare is obtained.

The Piedmont Healthcare audited financials as of year end June 30, 2021 and 2020 were reviewed. A clean opinion was issued by the auditors. There were some bonds that were refinanced during the year. The Columbus Regional \$10 million line of credit with BBVA matured on August 31, 2019 and was not extended. The Piedmont Healthcare pension plan was merged into the Columbus Regional defined-benefit pension plan and formed the consolidated plan effective December 2019.

V. Spring Harbor Update

Mrs. Drew reported the nursing home administrator, Kelsea Garrett, completed her training and will sit for the exam next week. Once she has passed the exam and received her license, we will terminate the contract with the interim nursing home administrator.

Spring Harbor is doing well with COVID. There were zero residents and zero employees with COVID positive as of two days ago.

There has been some turnover in the health care staff recently. The director of nursing and one manager on the clinical side resigned. Interviews for these positions are underway. The State survey was held recently and went well. There were no findings in dietary. Forefront, the new dietary company, has hired for all positions except the general manager. Good feedback on dining services has been received from the residents.

VI. Medical Staff Update

There were no extraordinary items from Midtown or Northside. The medical staffs at both Midtown and Northside adopted new bylaws.

VII. Selection of New Board Member

Mr. Rodney Mahone was unanimously selected to fill the unexpired term of Michael Gorum, M.D. as a member of The Medical Center Hospital Authority Board of Trustees. This term is effective December 31, 2021, and expires December 31, 2022, or until his successor is elected, whichever last occurs. On motion by Mr. Hargrove, seconded by Mr. McKnight.

VIII. Report from Chairman

There was no report from the Chairman.

IX. Report from Piedmont Columbus Regional

The number of COVID positive patients in the hospitals has increased again. With the Omicron variant, there are less patients intubated and the symptoms are less severe.

The ten bed expansion to the Northside emergency department is progressing. The expansion will open on February 14, 2022.

X. Other

There were no other items for discussion.

XI. Executive Session

On motion by Mr. McKnight, seconded by Mr. Hargrove, the Authority, on advice of legal counsel, then went into executive session, closed to the public, to discuss matters described below pursuant to exemption from the Open Meetings Act set forth at O.C.G.A. §50-14-3(a)(6)(C) which permits closure of any meeting of the governing authority of a public hospital in which the granting, restriction or revocation of medical staff privileges is discussed; pursuant to the exemption from the Open Meetings Act set forth at O.C.G.A. §50-14-2 which permits closure of any meeting to consult with legal counsel pertaining to pending litigation brought by or against an "agency"; and also pursuant to the exemption from the Open Meetings Act set forth

in the Georgia Hospital Authorities Law §50-31-75.2 which permits closure in executive session to allow discussion of a potentially commercially valuable proposal or strategy that may be of “competitive advantage” in the operations of the Authority or its medical facilities that has not been made public. The members voting to go into executive session were all those who were initially present, being Susan McWhirter, M.D., Chairman, Alpna Arora, Max Brabson, Jr., Mike Burns, Brenda DeRamus, John Hargrove, and Rick McKnight.

Chair

Assistant Secretary