

MINUTES OF MEETING
OF THE
HOSPITAL AUTHORITY OF COLUMBUS, GEORGIA
January 25, 2022

A regularly scheduled meeting of the Hospital Authority of Columbus, Georgia (HAC) was held at 11:00 a.m. on Tuesday, January 25, 2022. The meeting was held by conference Zoom call due to the COVID-19 Pandemic. A notice was emailed to each member. A copy of the notice was posted more than 24 hours before the meeting on the door of the building in which the meeting was held on Monday, January 24, 2022.

Participating in the conference call meeting were Chairman Ernie Smallman, Vice Chairman Sarah Lang, Warner Kennon, Betty Tatum, Jennings Chester, Dr. John Kingsbury and Mike Welch. Cynthia Jordan was excused.

Britt Hayes, Interim Acting CEO and Rick Alibozek, CFO and Kenneth M. Henson, Jr., Secretary/Attorney participated in the conference call meeting.

INVOCATION AND WELCOME

Kenneth M. Henson, Jr. called the meeting to order as requested by Chairman Ernie Smallman who was delayed with Mike Welch. He welcomed everyone to the meeting. Britt Hayes gave an invocation.

DETERMINATION OF QUORUM

It was determined during the meeting that there was a quorum.

MINUTES

The Board Minutes from the October 26, 2021 Board Meeting were reviewed and on motion made by Mike Welch and seconded by Dr. John Kingsbury the October 26, 2021 Minutes were unanimously approved by the Board.

BOARD BUSINESS

Kenneth M. Henson, Jr. reported that after the October 26, 2021 meeting it was determined that Frank Morast would be unable to return work as CEO of the HAC. He reported that the Executive Committee met after determining that Frank could no longer serve as CEO and that the Executive Committee appointed Britt Hayes as acting and interim CEO.

KMH.S.

On motion by Dr. John Kingsbury and seconded by Mike Welch, the next meeting will be held on Tuesday, March 1, 2022 at 11:00 am instead of February 22, 2022 because Britt Hayes has a state nursing home association meeting to attend.

PRESIDENT'S REPORT

Britt Hayes gave the President's report.

Insurance Renewals: The worker's compensation claims last year were only \$8,500. As a result, there has been an 8% reduction in the worker's compensation premium. Last year, they had an extraordinary increase in healthcare claims. Anthem was proposing a 40% increase in premium. While Anthem ultimately agreed to a 35% reduction, Britt went out into the market to find better coverage. He was able to find a referenced-based pricing model plan offered by Next Impact that was a 15% increase over FY2021 and a plan with Cigna that would cost employees \$80-\$100 more than the Next Impact plan. Most employees have renewed their coverage and he has heard no complaints about the changes.

Surveys: On November 18, 2021, the surveyor showed up for an annual survey at Ridgecrest. There were only two minor violations. One involved an employee not wearing a hair net and another resulted from a chart which originally indicated "Full Code" which had been changed after admission and this change "Do Not Resuscitate" was not shown in one of the charts. A simple correction plan was filed in regard to both violations.

Respite Care Contract: Britt Hayes and Rick Alibozek solicited additional proposals for respite care. Respite Care is short term care with a five-day maximum for Hospice patients. The new companies will pay 90% of the fee schedule reimbursement rate for these five days. Two companies have agreed to enter into respite care contract with the HAC.

New Administrators: With Britt Hayes moving into an Interim Acting CEO role, there was a need for an additional administrator. Recently, Dean Tovey, a current employee for 9 years, completed the administrator's course and obtained a certificate. He was formerly a respiratory therapist, and this background is different from Britt's background in finance. They are looking forward to working with Mr. Tovey as the new administrator of Orchard View.

Britt Hayes

Todd West has been the administrator of Muscogee Manor for several years. He has recently had several significant health issues and has not been able to work. Britt has hired David Askew who was the Administrator of a home in Dawson, GA to be the interim Administrator at Muscogee Manor.

In the event of an emergency at any of the facilities, Britt will be able to be the administrator of record so that they can continue to offer care.

Administrator Preceptor License: Frank previously had an Administrator Preceptor License which allowed him to teach new administrators. Because he is no longer employed and unable to perform this function, Britt took the initiative to obtain an Administrator Preceptor License. He is now certified and can teach and train new administrators who can then be certified.

Bus Route Request: Some of the employees at Orchard View and Ridgecrest need public transportation. There are residents whose families need to take public transportation to get to visit their relatives. Britt has requested that the City of Columbus place at least one bus stop on Williams Road at the entrance to Orchard View and Ridgecrest. Unfortunately, the City is understaffed and currently only operating a weekend schedule. The City agreed that these stops need to be added. Britt will reconnect with the City when their staffing improves.

New Wound Care Physician: The wound care specialist for the HAC was advising employees not to take vaccine. He was undermining Britt's authority and request that all employees take the vaccine to protect not only themselves but to protect their residents with whom they are working. They were having other issues with the wound care specialist and Britt has hired a new wound care specialist, Dr. Patrick Frost. He started December 1, 2021, and Britt has already noticed the improvement at wound care at the HAC facilities.

New Chemical Provider: The HAC has experienced a problem getting chemicals for the laundry machines. This has been a problem for others and Ecolab company had one of their employees remove product from Orchard View. This was product that was needed to operate the machines. As a result of this problem, Britt decided to reprice the chemicals used for cleaning at the HAC. Once he got pricing from Osceola Supply, he decided to use them to provide chemicals. Most of their products are 40% less and they are able to get them on a more regular basis.

KNH 5

DPH COVID-19 Steering Committee Appointment: Britt Hayes reported that he had participated in a DPH COVID-19 meeting by conference call. As a result of his questions and interests, DPH has appointed him to their Steering Committee on issues affecting nursing homes. Rick Alibozek has been appointed to serve on the Georgia Healthcare Association Reimbursement Committee. Faith Scott, HAC's Director of Clinical Reimbursement has also been appointed to serve on the Georgia Healthcare Association Quality Committee. Ms. Scott has also been accepted into the Georgia Leader Program and will be delivering her Capstone presentation at this year's GHCA Winter Convention to over 1,000 professionals. Britt reported that it was important for the HAC staff to be involved on these state boards to become aware of issues and problems sometimes before they happen.

Orchard View Dementia Memory Care: Orchard View has only nine residents in their memory care wing that is locked down. Britt decided it was more efficient to consolidate these residents at Muscogee Manor. This will allow Orchard View to focus more on rehab. Rehab produces more income and profit than memory care and it is more efficient to operate the memory care at one facility when the census is low.

COVID-19 Report: The COVID-19 report was not as good as in October 2021. Delta came and did not present any new issues or many new cases. Omicron had a dramatic effect.

Covid activity within our facilities continues to materialize. Since Christmas, we have had 8 positive residents and 85 positive staff members, Company-wide.

DPH showed that Muscogee County's Positivity Rate has escalated the last month and stands at 39.0% for the last two weeks (9.2 at last Board meeting). Georgia's positivity rate is 30.6% for the last two weeks (5.7 at last Board meeting).

Per federal directives, we now use the County's TRANSMISSION rate from the CDC to assess the frequency that we must test our staff. Muscogee County currently is in the RED. The following chart shows routine testing protocols based on color.

High (Red)	Twice a week
Substantial (Orange)	Twice a week
Moderate (Yellow)	Once a week

Low (Blue)

Not recommended

Note: Vaccinated staff still do not need to be routinely tested.

The Level of Community Transmission map is only shown in colors, there are no corresponding percentages/numbers shown. This map dictates that Orchard View, Ridgecrest and Muscogee Manor continue mass testing **TWICE** weekly at this time.

We have administered over 1,000 Covid-19 vaccine doses to staff and residents Company-wide. CDC and DPH directives still are allowing vaccinated staff to not participate in routine testing efforts in nursing homes nation-wide in effort to further incentivize staff to receive vaccines. We have received supplemental shipments of Moderna vaccines and are administering boosters weekly. We partnered with state DPH and have completed in-house clinics for Pfizer boosters for our residents and staff.

DHHS has continued supplying antigen 'quick swab' tests, but quantities have ebbed and flowed in relation to the number of cases that we are reporting through the National Safety Healthcare Network (NHSN). The organization estimates the number of staff for your facility and the corresponding County Positivity Rate. We have received supplemental PCR Molecular testing kits from our vendor and have them available if needed.

On Thursday, November 4th, President Biden in conjunction with CMS delivered a plan that would require all healthcare personnel to be vaccinated. On January 13th, the US Supreme Court decided to allow the CMS vaccine mandate to move forward for all states (except TX) for which there was an injunction. Those entities must strive to have staff fully vaccinated by March 15th. We are moving forward to meet this goal.

Britt reported they are now looking at ways to implement mandatory vaccination requirements. The medical exemptions are easy to identify. Unfortunately, the religious exemptions are not as easy, and he has consulted with another law firm to get additional information.

Britt reported that they are making extra efforts to ensure that all their employees feel valued and appreciated. He was sending thank you notes to employees on their anniversaries of service at HAC, birthdays and on other special occasions. He has also implemented gift cards as rewards for employees.

KWHS,

Annual Holiday BBQ: Britt reported that the Annual Holiday. BBQ was not one big even this past year but was spread out over several days at several facilities. While it was not a one big event, it was successful, and all the employees and residents enjoyed themselves.

CFO REPORT

A copy of the Statistical Report and Financial Report was emailed to each Board Member. Retention of employees is really important. He and Britt are focused on trying to keep employees because it is so much less expensive. The census has not dropped but has increase slightly since the last meeting. He anticipates that the census in the future will very slowly increase as COVID-19 becomes more of an endemic as opposed to a pandemic. He is also focusing on Medicare because it produces 20% profit. Medicaid results in a 3% loss. The State of Georgia is doing a much better job at increasing the rate over the last two years. The rate increases the last two years have been the highest in the last 20 years. Hopefully, this will continue.

Overall, the HAC remains financially sound with \$28,000,000 in cash as of December 31, 2021. Finally, collections are doing better and this will help with revenue.

STATISCAL REPORT

Attached to these Minutes is the FY 2020 YTD Statistical Report Year Ended June 30, 2022.

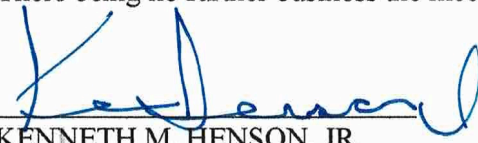
FINANCIAL REPORT

Attached to these Minutes is the Hospital Authority of Columbus Consolidated Summary Report Month Ended December 31, 2021.

NEXT MEETING

The next meeting will be Tuesday, March 1, 2022.

There being no further business the meeting was adjourned.


KENNETH M. HENSON, JR.
Secretary


ERNEST SMALLMAN, IV.
Chairman

HOSPITAL AUTHORITY OF COLUMBUS
 FY 2022 YTD Statistical Report
 Year Ended June 30, 2022

	June	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct	Sept	August	July	Average	Prior Year
Orchard View														
% Occupancy	59.71%	60.42%	61.23%	60.50%	57.58%	56.18%	59.27%	64.00%						64.00%
Medicaid%	76.50%	75.83%	79.85%	79.37%	81.74%	77.75%	78.51%	75.65%						75.65%
Medicare%	7.16%	8.94%	6.22%	5.49%	5.04%	6.11%	6.11%	12.81%						12.81%
Private %	7.27%	5.93%	4.24%	5.56%	5.04%	13.55%	6.93%	8.15%						8.15%
Hospice %	8.54%	7.72%	8.40%	7.85%	7.42%	5.11%	7.51%	2.52%						2.52%
ADV %	0.53%	1.57%	1.29%	1.96%	0.31%	0.00%	0.94%	0.87%						0.87%
Daily Medicare and ADV Census	9.20	12.70	9.19	8.74	6.67	4.03	8.42	17.15						17.15
Employment (Full Time Equivalents)	213.60	203.14	199.32	202.60	196.53	206.05	203.54	213.49						213.49
Ridgecrest														
% Occupancy	26.08%	22.38%	23.27%	20.24%	24.04%	21.39%	22.90%	27.70%						27.70%
Medicaid%	30.78%	31.03%	25.58%	20.78%	11.66%	11.13%	21.83%	42.66%						42.66%
Medicare%	38.73%	35.46%	45.38%	43.93%	52.72%	66.61%	47.14%	33.67%						33.67%
Private %	22.53%	26.60%	23.76%	18.04%	18.37%	12.39%	20.28%	2.56%						2.56%
Hospice %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.24%						0.24%
ADV %	7.96%	6.91%	5.28%	17.25%	17.25%	9.87%	10.75%	4.21%						4.21%
Daily Medicare and ADV Census	10.22	7.97	9.90	10.40	14.13	13.74	11.06	6.55						6.55
Employment (Full Time Equivalents)	31.50	30.49	31.74	33.11	33.69	36.31	32.81	38.02						38.02
Muscogee Manor														
% Occupancy	64.46%	62.57%	62.96%	60.84%	62.66%	64.99%	63.08%	64.12%						64.12%
Medicaid%	85.05%	90.13%	92.13%	98.90%	95.28%	93.87%	92.56%	83.56%						83.56%
Medicare%	7.95%	5.42%	3.62%	1.13%	2.15%	2.66%	3.82%	12.02%						12.02%
Private %	2.77%	2.13%	1.12%	-1.22%	0.76%	2.22%	1.30%	1.05%						1.05%
Hospice %	2.62%	1.79%	0.93%	1.68%	1.15%	0.91%	1.51%	2.00%						2.00%
ADV %	1.61%	0.53%	2.20%	-0.48%	0.67%	0.35%	0.81%	1.37%						1.37%
Daily Medicare and ADV Census	10.48	6.34	6.22	0.67	3.00	3.33	5.01	14.87						14.87
Employment (Full Time Equivalents)	128.58	121.20	112.24	118.85	108.29	109.71	116.48	133.23						133.23
Muscogee Home Health														
Employment (Full Time Equivalents)	8.32	7.68												

*Jan 25
minutes*

HOSPITAL AUTHORITY OF COLUMBUS
CONSOLIDATED SUMMARY REPORT
MONTH ENDED DECEMBER 31, 2021

	Orchard View	Home Office	Ridgecrest	Muscogee Manor	Total Nursing Home	Cobles PCH	Muscogee Home Health	River Mill	Consolidated
BALANCE SHEET									
Cash	\$ 6,657,636	\$ -	\$ 7,929,084	\$ 10,156,794	\$ 24,743,514	\$ 1,156	\$ 48,943	\$ 3,326,259	\$ 28,119,872
Other Current Assets	2,128,720	-	761,903	1,900,718	4,791,341	1,234	173,006	-	4,965,581
Intercompany Balances	21,567,879	-	1,996,016	(13,844,498)	9,719,397	(6,368,342)	(1,980,736)	(1,370,319)	-
Noncurrent Assets	35,624,261	-	37,691,105	7,819,339	81,134,705	161,683	158,979	564,920	82,020,287
Total Assets	\$ 65,978,496	\$ -	\$ 48,378,108	\$ 6,032,353	\$ 120,388,957	\$ (6,204,269)	\$ (1,599,808)	\$ 2,520,860	\$ 115,105,740
Current Liabilities	\$ 1,799,729	\$ -	\$ 778,936	\$ 850,005	\$ 3,428,670	\$ 1,138	\$ 64,448	\$ -	\$ 3,494,256
Non-current Liabilities (excluding bonds)	9,681,474	-	4,073,020	5,937,582	19,692,076	360,100	624,516	-	20,676,692
Bonds Payable	25,295,107	-	30,490,061	-	55,785,168	-	-	-	55,785,168
Total Liabilities	36,776,310	-	35,342,017	6,787,587	78,905,914	361,238	688,964	-	79,956,116
Fund Balance	29,202,186	-	13,036,091	(755,234)	41,483,043	(6,565,507)	(2,288,772)	2,520,860	35,149,624
Total Liabilities and Fund Balance	\$ 65,978,496	\$ -	\$ 48,378,108	\$ 6,032,353	\$ 120,388,957	\$ (6,204,269)	\$ (1,599,808)	\$ 2,520,860	\$ 115,105,740
INCOME STATEMENT									
Revenue	\$ 1,085,746	\$ 41,195	\$ 304,467	\$ 1,056,290	\$ 2,487,698	\$ 100	\$ 61,575	\$ -	\$ 2,549,373
Operating Expenses	1,284,849	134,179	341,333	1,138,909	2,899,270	3,994	81,222	69	2,984,555
Net Profit (Loss) before Noncash expense	(199,103)	(92,984)	(36,866)	(82,619)	(411,572)	(3,894)	(19,647)	(69)	(435,182)
Provision for Bad debts	(5,272)	-	262	(6,462)	(11,472)	-	-	-	(11,472)
Interest expense	(64,252)	-	(82,826)	-	(147,078)	-	-	-	(147,078)
Depreciation and Amortization	(86,081)	-	(95,375)	(10,429)	(191,885)	(377)	-	-	(192,262)
Current Month Income (loss)	\$ (354,708)	\$ (92,984)	\$ (214,805)	\$ (99,510)	\$ (762,007)	\$ (4,271)	\$ (19,647)	\$ (69)	\$ (785,984)
YTD Income (loss)	\$ (1,230,606)	\$ (733,230)	\$ (1,221,402)	\$ (296,238)	\$ (3,483,476)	\$ (21,611)	\$ (158,042)	\$ 1,633,931	\$ (2,029,198)