

BOARD MINUTES
OF THE
HOSPITAL AUTHORITY OF COLUMBUS, GEORGIA

January 31, 2023

A regularly scheduled meeting of the Board of the Hospital Authority of Columbus, Georgia (HAC) was held at 11:00 AM on Tuesday, January 31, 2023. The meeting was held in the conference room at Orchard View on Whitesville Road in Columbus, Georgia, and by Zoom video conference. A notice was emailed to each member of the Board prior to the meeting. 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.

Present at the meeting were Chairman Ernie Smallman, Vice Chairman Sarah Lang, members Mike Welch, Warner Kennon, Jr., Betty Tatum, and Dr. John Kingsbury. Members Jennings Chester and Cynthia Jordan were excused.

Britt Hayes, CEO, Rick Alibozek, CFO, Jack P. Schley, Secretary/Attorney, and Kenneth M. Henson, Jr., former Secretary/Attorney, were also present at the meeting.

INVOCATION AND WELCOME

Chairman Ernie Smallman called the meeting to order and welcomed everyone to the meeting. Britt Hayes opened the meeting with a prayer.

DETERMINATION OF QUORUM

It was determined by Ernie Smallman that there was a quorum.

REVIEW OF MINUTES

The Board Minutes from the October 25, 2022, Board meeting were reviewed and Sarah Lang moved for their approval. Mike Welch seconded the motion and the October 25, 2022 Minutes were unanimously approved by the Board.

BOARD BUSINESS

Jack Schley called on Ken Henson to deliver a report. Ken reported that he joined the Board as its Secretary/Attorney in 1979, and after more than 40 years of service he was resigning from the Board. Ken stated that during his tenure the Board evolved from being staffed by only white males, to now include females and African-Americans, which is a more accurate representation of the community served by HAC. Ken charged the Board to maintain that diversity in the future. Ken reported further that he would continue to advocate for HAC through his work with the Dragon Fly Trials in Columbus. Ken recommended that HAC have its property in Bibb City near the River Mill Event Center, which includes the ruins and façade of the former Bibb Mill, evaluated and appraised. Portions of the property are either previously used as land-fills or currently constitute brownfields, which limit the use of the property. The façade of the Mill is of historical interest, and an evaluation will determine if the façade can be stabilized, or needs to be demolished, and the costs of each option. Britt informed the Board the façade is not protected by any historical designation which would prevent its demolition. Ken recommended that a thirty foot easement be granted by HAC through the property to allow the River Walk to be connected to the Dragon Fly Trail so the trail network may pass through Bibb City.

Following his report, Ken asked for a motion to elect Jack P. Schley to fill the position of Secretary/Attorney created by Ken's resignation. The motion was made by Mike Welch and seconded by Dr. John Kingsbury. Jack P. Schley was elected as Secretary/Attorney by a unanimous vote of the Board.

The Board members thanked Ken for his years of service to HAC.

Jack Schley continued the report of Board business by announcing an employment agreement had been reached between the Executive Committee and Britt for his position as CEO.

Britt was excused from the meeting while the agreement was discussed by the Board. Following a discussion of the terms of the agreement, Betty Tatum moved for the agreement to be approved by the Board, and Mike Welch seconded the motion. The employment agreement was unanimously accepted and approved by the Board. Mike Welch moved for Britt to be granted a Thirty Thousand Dollar (\$30,000.00) signing bonus, which was seconded by Betty Tatum. After a Board discussion and comments by the Executive Committee, the bonus was unanimously approved by the Board.

Jack reported further that City Council nominated Betty Tatum and Cynthia Jordan to succeed themselves by renewing their terms on the Board. Mike Welch moved to accept the nominations, and the motion was seconded by Sarah Lang. Betty Tatum and Cynthia Jordan's respective terms were renewed by unanimous consent of the Board. Jack requested names to nominate for the remaining seat on the Board, and the Board discussed several names as potential nominees. An email will be circulated to the Board members to discuss potential nominees.

PRESIDENT'S REPORT

Britt Hayes gave the President's report:

Insurance Renewals: Britt reported that HAC's worker's compensation Mod rate was lowered to .76 which is significantly lower than the rates in 2021 and 2022 generating a \$53,000 savings to HAC for this year's premiums. Britt credited the risk assessment team and HAC's department heads who cooperated with the risk assessment team in getting the rate lowered. Rick credited the limited return to work policy which permits staff members to return to work in a limited capacity following an incident, and the staff using that policy as a contributing factor to the lower rate. Britt reported that the car wash gift cards, pet insurance, and shoe allowance were very well received by the staff as motivators during open enrollment for healthcare. Open enrollment included two providers, Cigna and a reference-based pricing model for healthcare

insurance. Britt and Rick reported that the industry is switching to this referenced-based type of policy due to increased costs of supplemental coverage for family members of staff. Reference based pricing lowers costs for HAC and staff, and allows policies to be tailored to the staff member's needs and operates like a health savings account. Staff members using this policy in recent months reported to Britt there were significantly lower out-of-pocket costs for their medical treatment under the new policy.

Britt reported that in a recent survey of Ridgecrest no deficiencies were cited.

New Contracts: Britt reported new partnerships through our therapy company which creates a relationship for HAC with NYU, WKY, and Tuskegee University to help with staffing shortages/vacancies for HAC's therapy staff. Britt also reported the current medical supply distributor for HAC was underperforming. Britt wants a distributor that will work with HAC beyond just filling orders by making recommendations to HAC for improving its services. Britt found such a distributor, McKesson, which will become HAC's medical supply distributor on February 1, 2023.

Employees: Britt reported that Kyle Fisetto is an occupational therapist and is doing well in his training to become an administrator for HAC. HAC is hosting an Employee of the Year Celebration for all facilities with cash, time-off, and special nametag badges for the winners. The winners will be chosen from the pool of Employee of the Month winners, which are based on nominations. With the change in television network providers at Orchard View, some of the TVs in Orchard View became obsolete and were of minimal re-sell value, so the TVs were given away to staff members based on their performance, and this was well-received by the staff. Britt reported the Holiday BBQ was well attended by staff and residents and was a big success. Britt reported that marketing materials are being provided through AHCA's "Careers in Caring Initiative" which

provides recruiting materials for sourcing caregivers. Britt mentioned a staffing mandate is under consideration by the Biden Administration which would impose staffing requirements on nursing homes, during a national nurse and staffing shortage, and impose penalties of noncompliance with the mandate. A letter writing campaign is underway in opposition to the mandates and HAC has participated in the campaign. Britt and Rick announced the new HR Personnel Handbook has been finalized and reviewed by HAC's labor attorney at Hall Booth Smith, and copies of the updated Handbook were shared with the Board. The Board commended Britt and Rick on the revisions.

Point Click Care: Britt called on Rick to present Point Click Care. Rick reported this is a new software that combines clinical and accounting programs for HAC, and will replace all the former programs in use. Training on the Point Click Care system has begun and it will be officially launched March 1, 2023. Rick reported the new program has software that documents everything, which is important in the event of a lawsuit against HAC.

Credit Card Resolution: Britt and Rick presented a Synovus form Borrowing Resolution for increasing HAC's credit card limit above \$25,000. Britt and Rick reported that the current limit is sometimes reached during regular business, and an increase would allow various savings opportunities to be utilized. After discussion by the Board, Britt and Rick asked that the limit be increased to \$75,000.00. Betty Tatum moved for the limit to be increased as requested, and Mike Welch second the motion. The Borrowing Resolution increasing the credit card limit to \$75,000 was unanimously approved by the Board. Ernie Smallman and Mike Welch signed the Resolution on behalf of the Board.

Medicaid Adjustment and Upper Payment Limit: Britt reported that this year's Upper Payment Limit payment will be lower this year, due to low occupancy at Ridgecrest.

COVID-19 Update: Reported by Britt: The federal government has extended the Public Health Emergency (PHE) to May 11, 2023.

Covid activity within our facilities during the holidays has risen, as has the state and U.S. Since our last Board meeting, 62 residents and 53 staff members have tested positive. The new Omicron subvariant called XBB.1.5 appears to be the most transmissible strain of the virus so far. The good news is that is Omicron and its subvariants are less likely than their predecessors to cause severe disease, hospitalizations and deaths. Lengths of hospital stays, ICU admittance, and death have been lower than during previous pandemic peaks.

DPH showed that Muscogee County’s Positivity Rate began rising, after a low of 4.6% on November 9th the rate topped out at 25.9% on January 11th. The rate has dissipated the last two weeks and now stands at 16.3% for the last two weeks (6.2% at last Board meeting). Georgia’s positivity rate is 12.5% for the last two weeks (5.5% at last Board meeting).

Per federal directives, the County’s Community Transmission rate from the CDC now shows masking/source control protocols based on color frequency (also affected by the cases in each facility). The Community Transmission rate map shows Muscogee County as an **RED** county, or ‘high’ level of transmission. This map indicates that our facilities must adhere to the infection control below:

- | | |
|----------------------|------------------------------------|
| High (Red) | All must wear masks |
| Substantial (Orange) | Masks in resident areas |
| Moderate (Yellow) | Masks during resident interactions |
| Low (Blue) | Masks optional |

We have administered over 1,000 Covid-19 vaccine doses to staff and residents Company-wide. We currently have Moderna vaccines to be administered in-house. We offer them weekly to those residents and staff who want them. We have also procured the new Moderna bi-valent boosters and are offering them weekly to residents and staff.

The percentage of skilled nursing residents in the U.S. that have received the most up to date booster is 47%. HAC residents are at 71%. Of note, there has been some indication that the Pfizer bivalent vaccine could possibly cause a stroke in the first 21 days after receiving the vaccine for adults over 65 years of age. Studies are on-going to determine the effects.

DHHS has continued supplying antigen 'quick swab' tests.

GHCA Winter Convention: Britt reported that he and Rick will attend the GHCA Winter Convention February 19-23 this year.

CFO'S REPORT

Rick Alibozek presented the Financial and Statistical Reports.

Statistical Report: Attached to these Minutes is the FY 2023 YTD Statistical Report.

Financial Report: Attached to these Minutes is the Hospital Authority of Columbus YTD Consolidated Income Statement through December 31, 2022.

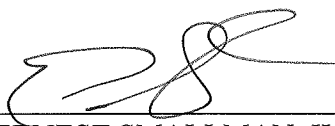
NEXT MEETING

The next meeting will be Tuesday, February 28, 2023.

There being no further business the meeting was adjourned.



JACK P. SCHLEY
Secretary/Attorney



ERNEST SMALLMAN, IV
Chairman

**HOSPITAL AUTHORITY OF COLUMBUS
CONSOLIDATED SUMMARY REPORT
MONTH ENDED DECEMBER 31, 2022**

	Orchard View	Home Office	Ridgecrest	Muscogee Manor	Total Nursing Home	Cobis PCH	Muscogee Home Health	River Mill	Consolidated
BALANCE SHEET									
Cash	\$ 5,402,594	\$ -	\$ 7,916,021	\$ 10,069,155	\$ 23,387,770	\$ 3,156	\$ 8,670	\$ 2,867,004	\$ 26,266,600
Other Current Assets	2,590,559	-	446,518	2,294,719	5,331,796	1,649	31,154	-	5,364,599
Intercompany Balances	20,443,945	-	1,515,970	(12,327,687)	9,632,228	(6,386,177)	(2,325,733)	(920,318)	-
Noncurrent Assets	33,502,051	-	35,649,615	7,183,061	76,334,727	157,159	83,642	564,920	77,140,448
Total Assets	\$ 61,939,149	\$ -	\$ 45,528,124	\$ 7,219,248	\$ 114,686,521	\$ (6,224,213)	\$ (2,202,267)	\$ 2,511,606	\$ 108,771,647
Current Liabilities	\$ 1,285,176	\$ -	\$ 573,210	\$ 670,603	\$ 2,528,989	\$ -	\$ 18,358	\$ -	\$ 2,547,347
Non-current Liabilities (excluding bonds)	7,463,067	-	3,196,985	4,648,579	15,308,631	360,100	450,668	-	16,119,399
Bonds Payable	23,707,045	-	29,744,344	-	53,451,389	-	-	-	53,451,389
Total Liabilities	32,455,288	-	33,514,539	5,319,182	71,289,009	360,100	469,026	-	72,118,135
Fund Balance	29,483,861	-	12,013,585	1,900,066	43,397,512	(6,584,313)	(2,671,293)	2,511,606	36,653,512
Total Liabilities and Fund Balance	\$ 61,939,149	\$ -	\$ 45,528,124	\$ 7,219,248	\$ 114,686,521	\$ (6,224,213)	\$ (2,202,267)	\$ 2,511,606	\$ 108,771,647
INCOME STATEMENT									
Revenue	\$ 2,221,825	\$ 39,333	\$ 124,963	\$ 1,801,652	\$ 4,187,773	\$ 2,000	\$ -	\$ -	\$ 4,189,773
Operating Expenses	1,222,448	143,060	348,032	1,099,043	2,812,583	504	3,738	71	2,816,896
Net Profit (Loss) before Noncash expense	999,377	(103,727)	(223,069)	702,609	1,375,190	1,496	(3,738)	(71)	1,372,877
Provision for Bad debts	1,027	-	(791)	(7,329)	(7,093)	-	-	-	(7,093)
Interest expense	(60,062)	-	(81,232)	-	(141,294)	-	-	-	(141,294)
Depreciation and Amortization	(85,892)	-	(95,349)	(9,508)	(190,749)	(377)	-	-	(191,126)
Current Month Income (loss)	\$ 854,450	\$ (103,727)	\$ (400,441)	\$ 685,772	\$ 1,036,054	\$ 1,119	\$ (3,738)	\$ (71)	\$ 1,033,364
YTD Income (loss)	\$ 887,027	\$ (930,001)	\$ (1,380,518)	\$ 562,114	\$ (861,378)	\$ (2,896)	\$ (80,135)	\$ (1,045)	\$ (945,454)
Monthly Net Income (loss)	\$ 854,450	\$ (103,727)	\$ (400,441)	\$ 685,772	\$ 1,036,054	\$ 1,119	\$ (3,738)	\$ (71)	\$ 1,033,364
Add: Depreciation	85,892	-	95,349	9,508	190,749	377	-	-	191,126
Add: Interest Expense	60,062	-	81,232	-	141,294	-	-	-	141,294
Less: Monthly bond payment	(197,445)	-	(144,554)	-	(341,999)	-	-	-	(341,999)
Less: Property & Equipment Additions	-	-	-	(6,707)	(6,707)	-	-	-	(6,707)
Net Cash Flow	\$ 802,959	\$ (103,727)	\$ (368,414)	\$ 688,573	\$ 1,019,391	\$ 1,496	\$ (3,738)	\$ (71)	\$ 1,017,078

HOSPITAL AUTHORITY OF COLUMBUS
FY 2023 YTD Statistical Report

	June	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct	Sept	August	July	Average	Prior Year
Orchard View														
% Occupancy	62.18%	64.08%	68.05%	66.07%	63.32%	62.63%	64.39%	60.27%						
Medicaid%	64.59%	66.11%	65.32%	68.95%	72.98%	72.98%	68.48%	76.76%						
Medicare%	10.61%	12.02%	12.82%	10.42%	4.99%	8.65%	9.92%	6.94%						
Private %	12.76%	11.11%	11.42%	10.19%	11.08%	6.77%	10.56%	7.19%						
Hospice %	10.48%	9.13%	7.70%	7.24%	8.02%	8.34%	8.49%	7.66%						
ADV %	1.56%	1.64%	2.74%	3.20%	3.01%	3.26%	2.57%	1.45%						
Daily Medicare and ADV Census	15.13	17.50	21.16	18.00	10.13	14.90	16.14	10.19						
Employment (Full Time Equivalents)	177.36	168.76	171.00	183.37	182.03	190.35	178.81	195.23						
Ridgcrest														
% Occupancy	27.73%	24.72%	29.38%	26.23%	26.73%	24.42%	26.54%	23.59%						
Medicaid%	44.60%	48.96%	36.34%	34.95%	26.72%	29.09%	36.78%	24.48%						
Medicare%	16.07%	18.30%	32.55%	23.75%	23.28%	25.00%	23.16%	40.93%						
Private %	28.39%	22.47%	16.60%	23.90%	31.61%	37.74%	26.79%	24.27%						
Hospice %	4.29%	4.82%	7.32%	9.08%	8.91%	6.76%	6.86%	1.82%						
ADV %	6.65%	5.46%	7.19%	8.32%	9.48%	1.47%	6.42%	8.50%						
Daily Medicare and ADV Census	5.29	4.93	9.80	7.06	7.36	5.42	6.64	9.70						
Employment (Full Time Equivalents)	36.65	32.35	32.16	31.72	28.75	30.21	31.97	32.24						
Muscogee Manor														
% Occupancy	53.18%	54.52%	56.20%	57.50%	55.89%	55.00%	55.38%	59.69%						
Medicaid%	90.96%	90.74%	88.67%	84.65%	88.43%	89.47%	88.82%	90.85%						
Medicare%	0.34%	1.97%	3.13%	4.53%	2.65%	0.60%	2.20%	4.29%						
Private %	2.63%	1.87%	1.00%	0.98%	1.27%	1.47%	1.54%	0.87%						
Hospice %	5.97%	4.99%	5.42%	5.97%	6.83%	7.03%	6.04%	3.06%						
ADV %	0.09%	0.44%	1.78%	3.87%	0.82%	1.43%	1.41%	0.95%						
Daily Medicare and ADV Census	0.45	2.57	5.42	9.47	3.80	2.20	3.99	5.55						
Employment (Full Time Equivalents)	132.62	127.04	130.04	130.77	125.51	121.46	127.91	114.82						
Muscogee Home Health														
Employment (Full Time Equivalents)	-	-	-	1.18	2.35	3.21	1.12	6.84						

HOSPITAL AUTHORITY OF COLUMBUS
12 MONTH MOVING STATISTICAL REPORT

	Dec-22	Nov-22	Oct-22	Sep-22	Aug-22	Jul-22	Jun-22	May-22	Apr-22	Mar-22	Feb-22	Jan-22	Dec-21	13 Mth Average	Prior Year Avg
Orchard View															
% Occupancy	62.18%	64.08%	66.05%	66.07%	63.32%	62.63%	63.13%	63.10%	61.98%	59.23%	59.88%	60.32%	59.71%	62.59%	60.03%
Medicare%	64.59%	66.11%	68.32%	68.95%	72.90%	71.98%	71.67%	75.46%	74.78%	78.27%	76.14%	75.80%	76.50%	72.11%	77.27%
Private %	10.61%	12.02%	12.82%	10.42%	4.95%	8.65%	10.48%	8.56%	6.13%	5.42%	8.20%	7.81%	7.16%	8.71%	6.72%
Hospice %	12.76%	11.11%	11.42%	10.19%	11.06%	6.77%	8.00%	6.77%	7.53%	7.19%	5.96%	9.20%	7.27%	8.87%	7.23%
ADY %	10.48%	9.13%	7.70%	7.24%	8.02%	8.34%	7.76%	7.87%	8.79%	7.22%	7.46%	7.75%	8.54%	8.18%	7.43%
Daily Medicare and ADV Census	15.13	17.50	21.16	18.00	10.13	14.90	15.66	12.49	2.77%	1.90%	2.24%	1.44%	0.53%	2.13%	1.34%
Employment (Full Time Equivalents)	177.36	168.76	171.00	183.37	182.03	190.35	190.42	175.69	178.05	180.66	190.72	205.95	213.60	185.23	195.84
Ridgcrest															
% Occupancy	27.73%	24.72%	29.38%	26.23%	26.73%	24.42%	25.91%	24.62%	25.16%	23.20%	25.06%	21.74%	26.08%	25.46%	23.45%
Medicare%	44.60%	48.65%	36.34%	34.95%	26.72%	29.09%	34.04%	33.85%	17.03%	19.67%	32.35%	35.69%	30.78%	31.87%	25.48%
Private %	16.07%	18.50%	33.55%	23.75%	23.18%	25.00%	31.55%	35.37%	45.43%	44.54%	21.72%	29.51%	38.73%	29.69%	46.27%
Hospice %	28.35%	22.47%	16.60%	23.80%	31.61%	37.74%	35.17%	21.37%	29.02%	26.32%	31.07%	25.97%	22.53%	27.19%	23.05%
ADY %	4.25%	4.82%	7.32%	3.68%	8.31%	6.76%	4.59%	4.84%	4.73%	5.15%	4.49%	0.00%	0.00%	4.86%	1.68%
Daily Medicare and ADV Census	5.29	4.93	9.80	7.06	9.48%	1.42%	4.59%	3.79%	3.79%	4.14%	11.77%	8.85%	7.95%	6.46%	8.52%
Employment (Full Time Equivalents)	36.65	32.35	32.16	31.72	28.75	30.21	34.86	32.05	31.64	29.02	28.53	34.14	31.50	31.80	32.59
Muscogee Manor															
% Occupancy	53.16%	54.52%	56.20%	57.50%	55.85%	55.00%	54.68%	53.14%	54.76%	54.39%	60.06%	60.76%	64.46%	56.50%	60.17%
Medicare%	90.96%	90.74%	88.67%	84.65%	88.43%	89.47%	91.10%	89.50%	91.30%	84.95%	89.40%	88.54%	85.05%	88.68%	91.10%
Private %	0.34%	1.97%	3.13%	4.53%	2.65%	0.60%	3.05%	3.50%	3.70%	6.60%	6.44%	5.26%	7.95%	3.83%	4.33%
Hospice %	2.63%	1.87%	1.00%	0.98%	1.27%	1.47%	0.78%	1.24%	-2.83%	1.88%	-0.87%	2.47%	2.77%	1.13%	0.73%
ADY %	5.97%	4.95%	5.42%	5.97%	6.83%	7.03%	4.57%	5.36%	4.91%	4.90%	4.83%	3.12%	2.62%	5.12%	2.90%
Daily Medicare and ADV Census	0.45	2.57	5.42	9.47	3.80	2.20	3.80	4.07	7.10	8.77	6.78	6.06	10.48	5.46	5.64
Employment (Full Time Equivalents)	132.62	137.04	130.04	130.77	125.51	121.46	114.53	112.00	111.76	113.47	110.77	116.43	128.58	121.15	114.46
Muscogee Home Health															
Employment (Full Time Equivalents)	-	-	-	1.18	2.95	3.21	3.62	4.30	4.87	5.17	6.23	7.22	8.32	-	7.07