

BOARD MINUTES
OF THE
HOSPITAL AUTHORITY OF COLUMBUS, GEORGIA
June 27, 2023

A regularly scheduled meeting of the Board of the Hospital Authority of Columbus, Georgia (HAC) was held at 11:00 AM on Tuesday, June 27, 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, members Dr. John Kingsbury, Warner Kennon, Jr., Cynthia Jordan, and Chuck Hecht. Members Betty Tatum, Mike Welch, and Sarah Lang were excused. Member Jennings Chester was unexcused.

Britt Hayes, CEO, Rick Alibozek, CFO, and Jack P. Schley, 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 opened the meeting with a prayer.

DETERMINATION OF QUORUM

It was determined by Ernie that a quorum was present.

REVIEW OF MINUTES

The Minutes for the May 30, 2023 Board meeting were reviewed. Warner moved for their approval and Chuck seconded the motion. The May 2023 Board Minutes were unanimously approved.

BOARD BUSINESS

Jack reminded the Board members to submit names for nominations to fill the seat of Jennings Chester. Britt and Dr. Kingsbury requested clarification whether city employees were eligible to serve on the Board. Jack stated he would ask the City Attorney.

PRESIDENT'S REPORT

Britt Hayes gave the President's report:

BRONZE Quality Award Winners: Britt reported that ALL three of HAC's facilities were awarded the Bronze National Quality Award by the American Healthcare Association and the National Center of Assisted Living. Only 17 facilities in Georgia received the award and three belong to HAC. Britt emphasized the significance of the award as an indication of HAC's work to improve quality of care in all of its facilities. Britt posted a plaque of the award on the wall of the conference room, and indicated the emblem would be featured on all of HAC's marketing materials. According to Britt the award will also influence quality incentive payments received by HAC. The next level of distinction is Silver, which Britt says is being pursued. The Board congratulated Britt and Rick on the distinction and Chuck recommended that City Council be informed of the recognition.

GL/PL Insurance Renewal: Britt reported that HAC's insurance premiums have been reduced by 4%. Rick stated this reduction equates to a current cost per bed of \$1,500 for liability insurance.

New Initiatives: Britt reported that his efforts are continuing to outsource MDS services to a third-party consultant, and that he is in contact with Polaris as a potential consultant. According to Britt, Polaris' services would cost about \$65,000 which is half the cost of a full-time staff member hired to perform the same work, and by outsourcing the work it opens more time for existing staff

to focus on other tasks. During his calls with the representatives for Polaris, Britt reported that his impression was that the individuals from Polaris were informed and professional. Rick indicated that he called other facilities seeking a reference for Polaris and he spoke with an administrative assistant/nurse at a facility that uses Polaris who praised Polaris, its services, and indicated she was pleasantly surprised by the results of switching to Polaris.

Job Fairs: Britt reported that a recent survey indicates that 85% of nursing homes in the U.S. are experiencing moderate to severe staffing shortages. HAC's job fairs have been aimed at addressing staffing shortages, with mixed results. The next job fair is in partnership with Goodwill which will assist with the application process. NAT certification classes are being conducted at Muscogee Manor, and HAC is paying participants to go through the course. Britt hopes by training young people for their positions at HAC it will create dedicated staff who stay with HAC. He is moving to open a second NAT class to be created at Orchard View. To further address staffing issues, Britt reported that the SWOT analysis results indicated 60% of those surveyed were most concerned with salary increases and 30% with flexible work schedules. Britt anticipates that the new 12-hour shift schedules will address both of these concerns. Rick reported the switch to 12-hour shifts increased staff income by 11%. Britt indicated that HAC was the last nursing home provider in Columbus to switch to 12-hours shifts. The switch occurred recently and it is too early to determine the results, but Britt will share the results with the Board once they are known.

CON Review: Britt and Rick attended the GHCA Summer Convention recently where there was a panel discussion about Certificate of Need requirements. Members of the panel were from the Georgia legislature who indicated a committee is currently reviewing the Certificate of Need requirements, which were enacted in 1974. Britt reported that his long-term plan for HAC is to build a new facility in south Columbus and eventually sell the remaining beds and facility at

Muscogee Manor. Muscogee Manor is dated and it is difficult to attract staff and residents to that facility, and Britt wants HAC to have a presence in south Columbus to better serve the residents of that part of town. According to Britt, if the Certificate of Need requirements are removed, it could impact the marketability of Muscogee Manor. Selling Muscogee Manor would also have benefits for decreasing HAC's debt tied to its other facilities. Chuck commented that Certificate of Need requirements were removed in Texas, and enough issues followed that the requirements were reinstated. Following further discussion, the opinion of the Board was that Certificate of Need requirements may be modified, but the legislature is not likely to remove them completely. Ernie commended Britt and Rick for attending the conference, showing HAC's presence there, and staying up-to-date on legislative developments that impact HAC. At a separate Direct Supply conference, Britt reported he visited a new technology exhibit where he found new devices that would sync with Point Click Care's program to save time by eliminating paper reports of test results. Britt commented on the improvements so far due to Point Click Care and the efficiency it offers by eliminating paper reports and manual entry. Britt reported that last Friday around 8:30 PM a member of the maintenance staff received a notification on his phone that a resident's television was not working, and he was able to respond to fix it so the resident would be able to watch television over the weekend. Britt indicated the maintenance staff would not have been able to respond that quickly under the former system of paper work orders.

COVID-19 Update: Britt reported this should be his last COVID-19 update as the Public Health Emergency ended on May 11, 2023 and the vaccine mandates for nursing home staff will end August 5, 2023. Britt indicated the surveyors have indicated they will not report noncompliance with the mandate before the August termination date, so the mandate is effectively ended. Britt anticipates this could have a beneficial impact on staffing issues. Britt also reported

that the new Pfizer booster is available through the Department of Public Health, and the new booster does not need to be frozen which should increase the shelf-life of the doses. Recently, all facilities held vaccine clinics to administer the latest Covid-19 boosters to those over 65-years of age. 137 doses were administered of both Pfizer and Moderna. Johnson & Johnson doses are no longer allowed in the United States.

UPL Payments: Rick reported that the second UPL payment of \$2.4 million as received, making the total payments received for the year \$4.8 million.

Quality Payments based on Improvements: Britt reported that the State reviewed HAC's quality improvements between 2021 and 2022 and awarded about \$300,000 to HAC for improvements made at Orchard View and Muscogee Manor. According to Britt, Ridgecrest did not have enough beds to qualify. Britt indicated further that there is more room for improvement and all facilities are working to complete those improvements.

Year End Audit: Rick reported the annual audit will begin at the end of July. The results will be presented to the Board during the October meeting and shared with City Council in December.

CFO'S REPORT

Rick Alibozek presented the Financial and Statistical Reports.

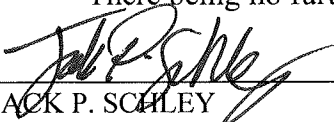
Statistical Report: Attached to these Minutes is the FY 2023 YTD Statistical Report.

Financial Report: Attached to these Minutes is the Hospital Authority of Columbus YTD Consolidated Income Statement through May 31, 2023.

NEXT MEETING

The next meeting will be Tuesday, July 25, 2023.

There being no further business the meeting was adjourned.



JACK P. SCHLEY
Secretary/Attorney



ERNEST SMALLMAN, IV
Chairman

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	64.92%	64.70%	66.10%	64.98%	63.37%	63.37%	62.18%	64.08%	68.05%	66.07%	63.32%	62.63%	64.58%	60.27%
Medicaid%	67.40%	66.28%	71.79%	63.04%	64.70%	64.70%	64.59%	66.11%	65.32%	68.95%	72.90%	72.98%	67.64%	76.76%
Medicare%	9.09%	10.10%	13.03%	12.81%	9.52%	10.61%	12.82%	12.02%	12.82%	4.99%	4.99%	8.65%	10.37%	6.94%
Private %	13.71%	12.83%	12.71%	16.02%	13.77%	12.76%	11.42%	11.11%	11.42%	10.19%	11.08%	6.77%	12.03%	7.19%
Hospice %	5.86%	5.87%	0.00%	6.54%	9.65%	10.48%	9.13%	7.70%	7.70%	7.24%	8.02%	8.34%	7.17%	7.66%
ADV %	3.93%	4.92%	2.46%	1.59%	2.37%	1.56%	1.64%	2.74%	2.74%	3.20%	3.01%	3.26%	2.79%	1.45%
Daily Medicare and ADV Census	16.90	19.44	20.49	18.71	15.06	15.13	17.50	17.50	21.16	18.00	10.13	14.90	17.04	10.19
Employment (Full Time Equivalents)	163.52	166.73	166.53	169.20	180.11	177.36	168.76	171.00	183.37	182.03	190.35	174.45	195.23	
Ridgecrest														
% Occupancy	29.95%	29.52%	28.99%	31.12%	29.95%	29.95%	27.73%	24.72%	29.38%	26.23%	26.73%	24.42%	28.07%	23.59%
Medicaid%	52.56%	45.70%	49.14%	34.15%	44.10%	44.10%	44.60%	48.96%	36.34%	34.95%	26.72%	29.09%	40.57%	24.48%
Medicare%	16.28%	23.12%	19.21%	22.13%	22.18%	16.07%	18.30%	18.30%	32.55%	23.75%	23.28%	25.00%	21.99%	40.93%
Private %	23.21%	21.37%	24.24%	24.86%	23.85%	28.39%	28.39%	22.47%	16.60%	23.90%	31.61%	37.74%	25.29%	24.27%
Hospice %	2.05%	4.03%	0.00%	3.83%	3.97%	4.29%	4.82%	7.32%	7.32%	9.08%	8.91%	6.76%	5.01%	1.82%
ADV %	5.90%	5.78%	7.42%	15.03%	5.90%	6.65%	5.46%	5.46%	7.19%	8.32%	9.48%	1.42%	7.14%	8.50%
Daily Medicare and ADV Census	5.58	7.16	6.49	9.72	7.06	5.29	4.93	9.80	9.80	7.06	7.36	5.42	6.90	9.70
Employment (Full Time Equivalents)	34.91	34.29	34.43	35.01	36.89	36.65	32.35	32.16	31.72	28.75	30.21	33.40	32.24	
Muscogee Manor														
% Occupancy	52.19%	53.25%	53.80%	55.10%	53.83%	53.18%	53.18%	54.52%	56.20%	57.50%	55.89%	55.00%	54.59%	59.69%
Medicaid%	89.25%	89.40%	96.02%	92.03%	88.17%	90.96%	90.96%	90.74%	88.67%	84.65%	88.43%	89.47%	89.80%	90.85%
Medicare%	2.14%	1.66%	1.62%	1.32%	1.13%	0.34%	0.34%	1.97%	3.13%	4.53%	2.65%	0.60%	1.92%	4.29%
Private %	2.59%	2.87%	2.36%	-0.10%	2.84%	2.63%	1.87%	1.87%	1.00%	0.98%	1.27%	1.47%	1.80%	0.87%
Hospice %	6.02%	6.07%	0.00%	6.28%	6.85%	5.97%	4.99%	5.42%	5.42%	5.97%	6.85%	7.03%	5.58%	3.06%
ADV %	0.00%	0.00%	0.00%	0.46%	1.01%	0.09%	0.44%	0.44%	1.78%	3.87%	0.82%	1.43%	0.90%	0.93%
Daily Medicare and ADV Census	2.19	1.73	1.71	1.93	2.25	0.45	2.57	5.42	5.42	9.47	3.80	2.20	3.07	5.55
Employment (Full Time Equivalents)	114.88	116.09	117.23	125.47	130.44	132.62	127.04	130.04	130.77	125.51	121.46	124.69	114.82	
Muscogee Home Health														
Employment (Full Time Equivalents)							1.18	2.35	3.21	2.25	6.84			

HOSPITAL AUTHORITY OF COLUMBUS
CONSOLIDATED SUMMARY REPORT
MONTH ENDED MAY 31, 2023

	Orchard View	Home Office	Ridgecrest	Muscogee Manor	Total Nursing Home	Cobb's PCH	Muscogee Home Health	River Mill	Consolidated
BALANCE SHEET									
Cash	\$ 4,717,582	\$ -	\$ 7,719,032	\$ 8,544,727	\$ 20,981,341	\$ 8,265	\$ (189)	\$ 2,862,651	\$ 23,852,068
Other Current Assets	2,675,727	-	500,350	2,217,883	5,393,960	2,018	28,040	-	5,424,018
Intercompany Balances	19,316,619	-	687,667	(10,382,964)	9,621,322	(6,386,177)	(2,314,827)	(920,318)	-
Noncurrent Assets	34,536,667	-	35,561,340	7,252,023	77,350,030	155,275	83,642	564,920	78,153,867
Total Assets	\$ 61,246,595	\$ -	\$ 44,468,389	\$ 7,631,669	\$ 113,346,653	\$ (6,220,619)	\$ (2,203,334)	\$ 2,507,253	\$ 107,429,953
Current Liabilities	\$ 1,432,268	\$ -	\$ 619,179	\$ 629,565	\$ 2,681,012	\$ -	\$ 18,502	\$ -	\$ 2,699,514
Non-current Liabilities (excluding bonds)	7,463,067	-	3,196,985	4,648,579	15,308,631	360,100	450,568	-	16,119,399
Bonds Payable	23,607,169	-	29,729,471	-	53,336,640	-	-	-	53,336,640
Total Liabilities	32,502,504	-	33,545,635	5,278,144	71,326,283	360,100	469,170	-	72,155,553
Fund Balance	28,744,091	-	10,922,754	2,353,525	42,020,370	(6,580,719)	(2,672,504)	2,507,253	35,274,400
Total Liabilities and Fund Balance	\$ 61,246,595	\$ -	\$ 44,468,389	\$ 7,631,669	\$ 113,346,653	\$ (6,220,619)	\$ (2,203,334)	\$ 2,507,253	\$ 107,429,953
INCOME STATEMENT									
Revenue	\$ 1,301,105	\$ 39,333	\$ 299,341	\$ 1,095,421	\$ 2,735,200	\$ 1,000	\$ -	\$ -	\$ 2,736,200
Operating Expenses	1,182,578	134,639	340,317	932,967	2,590,501	504	947	71	2,592,023
Net Profit (Loss) before Noncash expense	118,527	(95,306)	(40,976)	162,454	144,699	496	(947)	(71)	144,177
Provision for Bad debts	-	-	-	-	-	-	-	-	-
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)	\$ (27,427)	\$ (95,306)	\$ (217,557)	\$ 152,946	\$ (187,344)	\$ 119	\$ (947)	\$ (71)	\$ (188,243)
YTD Income (loss)	\$ 845,072	\$ (1,627,689)	\$ (2,471,350)	\$ 1,008,543	\$ (2,245,424)	\$ 699	\$ (81,347)	\$ (5,400)	\$ (2,331,472)
YTD Net Income (loss)	\$ (27,427)	\$ (95,306)	\$ (217,557)	\$ 152,946	\$ (187,344)	\$ 119	\$ (947)	\$ (71)	\$ (188,243)
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	-	-	-	(47,902)	(47,902)	-	-	-	(47,902.00)
Net Cash Flow	\$ (78,918)	\$ (95,306)	\$ (185,550)	\$ 114,552	\$ (245,202)	\$ 496	\$ (947)	\$ (71)	\$ (245,724)