

## MINUTES

The quarterly meeting of The Medical Center Hospital Authority Board of Trustees was held on Wednesday, April 22, 2020, at 5:00 p.m. via conference call due to the COVID-19 restrictions.

Members Present: Michael Gorum, M.D., Max Brabson, Mike Burns, James E. W. Crosse, M.D., John Hargrove, T. Fredrick McKnight, Susan McWhirter, M.D.

Member Excused: Dr. Carole Rutland

Member Absent: Robert Wright, O.D.

Others Present: Laura Drew, Scott Hill, Allen Holladay, Andrew Rothschild, Bill Tustin

### I. Approval of January Quarterly Minutes

On motion by Dr. McWhirter, seconded by Mr. Hargrove, the minutes of the January 22, 2020 meeting were approved as submitted.

### II. Approval of Audit Engagement Letter

The audit letter submitted by Dixon Hughes Goodman was reviewed. The firm will audit the financial statements of the Authority and Spring Harbor and present the results to the Hospital Authority Board. The fee for the audit is \$57,500 for the Spring Harbor audit and \$15,500 for the Authority audit.

On motion by Dr. McWhirter, seconded by Mr. Hargrove, the board unanimously approved the engagement of Dixon Hughes Goodman to perform the audit of the Authority and Spring Harbor as presented by Mr. Holladay and discussed.

### III. Review of Operations and Approval of Financial Statements Period Ending March 31, 2020

#### A. The Medical Center Hospital Authority

Total income was \$429,950 and total operating expenses were \$184,864. Net income was \$245,087. Total assets were \$5.2 million.

#### B. Spring Harbor

Operating income year-to-date March 31, 2020 was \$755,000 versus the budget of \$1.1 million and prior year \$1.1 million. Independent living occupancy was 185 versus the budget of 189. Healthcare occupancy was 74.5% versus the target of 89%. Revenue was \$11.8 million which was \$850,000 below target. Total operating expenses were \$11.1 million versus the budget of \$11.6 million.

**C. Piedmont Columbus Regional**

Piedmont Columbus Regional was experiencing a good year up to the month of March. Earnings before allocations for the month of March were (\$1.9 million) on a budget of \$2.7 million. Midtown and Northside made budget. There was a system-wide loss of \$40 million due to the COVID-19 pandemic. The prediction is for the Piedmont system to lose \$23 to \$28 million a week during the pandemic. Expense reduction for the remainder of fiscal year 2020 will be evaluated. Surgical cases have been reduced at all hospitals to conserve PPE for COVID patients.

On motion by Dr. McWhirter, seconded by Mr. Hargrove, the board adopted the financial/operations report for Piedmont Columbus Regional and Spring Harbor, and the financial statements for The Medical Center Hospital Authority for year-to-date ending March 31, 2020, as presented by Mr. Holladay and discussed.

**IV. Review of Spring Harbor FY 2021 Budget**

The Spring Harbor operating and capital budgets for fiscal year 2021 were presented and discussed. The operating budget includes changes in amortization of the 4% processing fee for new residents which is a part of the entrance fees. Expenses are projected to increase modestly due to the refurbishment of units as people move out. The capital budget for Spring Harbor was reviewed. The total amount for capital items was \$1,929,060.

On motion by Dr. McWhirter, seconded by Mr. Hargrove, the Board adopted the operating and capital budgets for Spring Harbor as presented by Mr. Holladay and discussed.

**V. Muscogee County Indigent Care Program Update**

Total utilization year-to-date March 31, 2020 was \$26.9 million versus \$25.6 million prior year. Payments received were \$13.4 million versus \$13.7 million prior year. Year-to-date utilization is 50.24% versus 46.42% prior year.

**VI. Indigent Care Trust Fund Update**

There was nothing new to report.

**VII. Spring Harbor Update**

A new health care administrator has been hired. Residents are sheltering in place due to COVID-19. Meals are being delivered to them. Mr. Ramsey is doing a very good job with the residents. The food vendor for Spring Harbor is being changed. The new vendor will be Unidine effective July 1, 2020. Sodexo is being replaced due to performance issues.

**VIII. Medical Staff Update**

There were no extraordinary items for Midtown or Northside.

**IX. Replacement of Board Member**

Dr. Carole Rutland will need to step down from the board. Brenda Deramus was suggested by Warren Steele as a replacement and has agreed to serve. She was a teacher, assistant principal and principal in the Muscogee County School District. Mrs. Deramus' name will be submitted to City Council along with two other names for Dr. Rutland's position.

**X. Report from Chairman**

There was no report from the Chairman.

**XI. Report from Piedmont Columbus Regional**

Surgical cases began again at Northside today with 24 cases performed. There are no COVID patients at Northside.

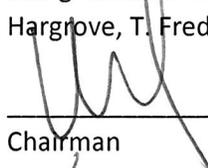
Surgical cases at Midtown will begin again in two weeks. Pre-procedure testing for COVID-19 is being performed within 24 hours of the scheduled surgery. Only one person has declined having surgery which was because they did not want to have the swab performed. We will continue to have COVID cases going forward. The 10<sup>th</sup> floor has been segregated for COVID patients and will remain as such for a time.

Piedmont Healthcare created a predictive model and applied daily experience to the model. The model predicted a surge in positive patients to be April 24 to April 27 for the system. Columbus was two to three weeks behind the system on seeing positive patients. We are tracking patients under investigation (PUI), positive patients and ICU beds. Capacity was created for the predicted volume. Last Friday the model showed the surge for Georgia would be May 1, but was changed to April 15. We are well below where the model predicted we would be. It is time to get back to work. We will need to determine how to care for COVID patients and the remainder of the population as we will have positive patients for a while. The 10<sup>th</sup> floor can be all ICU if needed due to the addition of negative pressure and medical air. The staff and physicians have been accepting of the changes that had to be made. Adequate testing is available at both hospitals at this time. The Piedmont Healthcare supply chain has done a nice job system-wide of acquiring testing reagents and PPE.

**XII. Other**

There were no other items for discussion.

On motion by Dr. McWhirter, seconded by Mr. Hargrove, the Authority, on advice of legal counsel, then went into executive session, closed to the public, to discuss the matters described below pursuant to the 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 operation 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 Michael Gorum, M.D., Chairman, Max Brabson, Jr., Mike Burns, James E. W. Crosse, M.D., John Hargrove, T. Fredrick McKnight and Susan McWhirter, M.D.



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Chairman



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Assistant Secretary