

MINUTES

The quarterly meeting of The Medical Center Hospital Authority Board of Trustees was held on Wednesday, January 22, 2020, at 5:00 p.m. in the Piedmont Columbus Regional Midtown boardroom.

Members Present: Michael Gorum, M.D., Mike Burns, John Hargrove, T. Fredrick McKnight, Susan McWhirter, M.D., Robert Wright, O.D.

Member Excused: James E. W. Crosse, M.D.

Member Absent: Dr. Carole Rutland

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

I. Approval of October Minutes

On motion by Mr. McKnight, seconded by Mr. Hargrove, the minutes of the October 16, 2019 meeting were approved as submitted.

II. Review of Operations and Approval of Financial Statements Period Ending December 31, 2019

A. The Medical Center Hospital Authority

Total income was \$292,756 and total operating expenses were \$123,715. Net income was \$169,041. Total assets were \$5.1 million.

B. Spring Harbor

Operating income year-to-date December 31, 2019 was \$469,000 versus the budget of \$654,000 and prior year of \$797,000. Independent living occupancy was 182 versus the budget of 189. Healthcare occupancy was 76.5% and total occupancy was 87%. Revenue was \$7.9 million which was below budget \$503,000. Total operating expenses were \$7.5 million versus the budget of \$7.8 million. Spring Harbor has experienced food services issues with Sodexo. The issues are being addressed and may lead to a change in contract.

C. Piedmont Columbus Regional

Earnings before allocations for the month of December were \$6.7 million on a budget of \$6.8 million and earnings before allocations for year-to-date through December were \$24.7 million on a budget of \$32.7 million. The earnings were affected mostly by legacy accounts receivable. Volumes were above budget. Northside hospital is averaging 85 patients per day in the emergency department.

On motion by Mr. Hargrove, seconded by Mr. Burns, 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 December 31, 2019, as presented by Mr. Holladay and discussed.

III. Muscogee County Indigent Care Program Update

Total utilization year-to-date December 31, 2019 was \$16.6 million. Payments received \$11.9 million. Year-to-date utilization is 28.4% versus 25.9% prior year. The target is to be at 50% utilization.

IV. Indigent Care Trust Fund Update

There was nothing new to report.

V. Spring Harbor Update

A master facility plan is under development for Spring Harbor. The goal is to keep Spring Harbor relevant to attract younger residents. The facility is thirteen years old. Refurbishment of various areas is being performed. Marketing is performing well with recruiting new residents. The master facility plan will be a five-year road map on where we want Spring Harbor to go. The revision of the fee structure is being discussed. The new executive director is meshing well with the residents and brings a new perspective. The new facilities opening in the area will be competition but will not have the same amenities and health care choices.

VI. Medical Staff Update

There were no extraordinary items for Midtown or Northside.

A focus has been placed on the Piedmont promise packages which were developed to improve quality throughout the system. There will be an update to Epic in February. Changes to the Bylaws and Rules and Regulations concerning delinquent medical records are in the approval process for both hospitals.

VII. Selection of Board Member

- a. Mr. Mike Burns was elected to succeed himself as a member of The Medical Center Hospital Authority Board of Trustees for a new five-year term effective December 31, 2019 and expiring December 31, 2024 or until his successor is elected, whichever last occurs. On motion by Dr. McWhirter, seconded by Mr. Hargrove, the board unanimously approved the election of Mr. Burns to succeed himself as a member of the Board of Trustees.
- b. Mr. Max Brabson, Jr. was unanimously selected to replace Mrs. Rebecca Rumer as a member of The Medical Center Hospital Authority Board of Trustees on motion by Dr. McWhirter, seconded by Mr. Hargrove. This term is effective December 31, 2019 and expires on December 21, 2024 or until his successor is elected, whichever last occurs.

VIII. Nominating Committee Report

On motion by Dr. McWhirter, seconded by Mr. Hargrove, the board unanimously approved the recommendation from the Nominating Committee for the election of Mr. McKnight to replace

Mrs. Rebecca Rumer as Treasurer of the Board of Trustees for the year beginning January 1, 2020, as presented by Dr. McWhirter.

IX. Report from Chairman

There was no report from the Chairman.

X. Report from Piedmont Columbus Regional

St. Francis and Emory Healthcare announced a joint venture of the two entities. Emory will have 51% ownership and LifePoint 49% in the joint venture. St. Francis will remain for profit. A reveal of the new brand and a new structural heart device program is scheduled for February 12. Piedmont Columbus Regional will remain focused on us and putting our patients first.

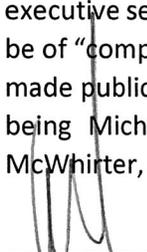
For both hospitals combined, there were over 10,000 emergency department visits in December.

Mr. Hill and Mr. Holladay had a meeting with representatives of Martin Army Community Hospital (MACH) two weeks ago. At the meeting, it was stated that MACH and the hospital at West Point have been removed from the list for realignment and MACH will function as it is today.

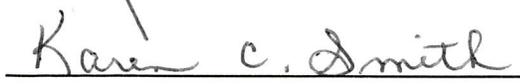
XI. Other

There were no other items for discussion

On motion by Dr. McWhirter, seconded by Mr. McKnight, 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 and "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, Mike Burns, John Hargrove, T. Fredrick McKnight, Susan McWhirter, M.D., and Robert Wright, O.D.



Chairman



Assistant Secretary