

ATTENDANCE

Board of Directors

Betty Lyon
John Schmidt
Ray O'Brien (late)
William (Bill) Albus
Matt Patterson (late)

Absent

Hospital Administration

Kody Kitchens CEO
Grant Turner COO, CNO

Guests

Maggie Ramon
Vance Laymon

Minutes Taker

Mary McKnight

1. Opening

- a. Quorum present
 - i. Present: Betty Lyon, John Schmidt, Bill Albus
 - ii. Meeting called to order 5:00 p.m.
- b. Invocation led by John Schmidt.
- c. Public Comments
 - i. None
- d. Review and Consider Approval of Previous Meeting Minutes
 - i. Motion made to approve the October 15, 2025; regular session meeting minutes as read. Motion seconded. Two (2) votes in favor of approving minutes; zero (0) votes against. Motion passed; minutes approved as read.

2. Matters for Discussion and/or Action

- a. Meals on Wheels Report
 - i. 752 meals served in October
 - ii. New policy in place requiring person picking up trays to count trays being sent, log number in log book and sign as a way to verify the number of trays sent out.
- b. Senior Citizens Center Financial Report
 - i. Monthly financial report and bank records for the Senior Citizens Center reviewed.
 - ii. Improvement in the Senior Citizens Center's finances is reported, they are doing better and are showing a profit now. More people are eating at the center.
- c. Senior Citizens Center Contract
 - i. Current contract expires November 30, 2025.
 - ii. Dolle Barker had approached Kody about hospital increasing its monthly donation from \$1,000 to \$2,000; originally this was going to be used to help purchase health insurance for the employees of the Senior Citizens Center, but since then an older issue was discovered regarding that needs to be paid and the money would go to helping pay it.

- iii. Discussion was held regarding the contract and finances.
- iv. Motion made to donate \$1,000 a month for a term of six (6) months to the Cochran County Senior Citizens Center beginning December 2025. Motion seconded. Two (2) votes in favor; zero (0) against. Motion passed; Cochran Memorial Hospital will donate \$1,000 a month for a term of six (6) months beginning December 2025. Kody Kitchens will sign the new contract.
- d. Re-certification of 2025 Tax Roll
 - i. The 2025 Tax Roll is \$2,500,697.80.
 - ii. Amount payable is \$50,013.96 which has already been paid.
 - iii. Levy total paperwork showing agreed rate and total taxable value presented, amounts correct.
 - iv. Motion made to approve the re-certification of the 2025 Tax Roll as presented. Motion seconded. Two (2) votes in favor; zero (0) against. Motion passed. The re-certification of the 2025 Tax Roll is approved as presented. Paperwork signed.
- e. Lease Agreement for EMS Building
 - i. Lease Agreement presented to Board for the EMS Building. Agreement is same as previous year.
 - ii. John Schmidt pointed out a discrepancy between the property listed in the paperwork and highlighted on the map. Bill Albus stated on Exhibit A of the Agreement the number 1 building needs to be removed as we are using the number 2 building. The discrepancy shows we are leasing the Morton Volunteer Fire Department building, not the EMS building. Discussion was held and it was determined there should be two (2) lots we are leasing, which should be the EMS building and the “cinder block lot” but the incorrect one is shown and needs to be corrected before it is signed.
 - iii. Motion was made to accept the Lease Agreement for the EMS building pending corrections to show the correct lots by the City of Morton. Motion seconded. Two (2) votes in favor; zero (0) against. Motion passed. Lease Agreement for the EMS building was accepted pending corrections to be made by the City of Morton. Kody will request the corrections.
- f. Purchase of Property for EMS Station
 - i. Cochran Memorial Hospital was made an offer to purchase two (2) lots for the purpose of building an EMS Station for the assessed value on the tax roll for the lots. Discussion was held regarding the purchase.
 - ii. Motion was made to grant the authority for Cochran Memorial Hospital to purchase the two (2) lots for the purpose of building an EMS Station at the assessed value on the tax roll. Motion was seconded. Two (2) votes in favor; zero (0) against. Motion carried. Permission is granted for Cochran Memorial Hospital to purchase the two (2) lots at assessed value on the tax roll for the purpose of building an EMS Station.

- g. Cochran County Appraisal District Board Members
 - i. Matt Patterson joined the meeting.
 - ii. Cochran Memorial Hospital has two hundred and twenty-two (222) votes for the Cochran County Appraisal District Board Member candidates.
 - iii. Motion made to accept the currently sitting Board of Director members of the Cochran County Appraisal District for the new term and divide Cochran Memorial Hospital's votes evenly amongst them. Motion seconded. Three (3) votes in favor; zero (0) against. Motion approved. Cochran Memorial Hospital will divide its two hundred and twenty-two (222) votes amongst the members of the currently sitting Cochran County Appraisal District's Board of Directors.

3. Reports

- a. Clinic
 - i. ER numbers show slight increase
 - ii. Clinic numbers are up 30 visits for October
- b. EMS
 - i. As of the end of October there have been a total of 250 calls for 2025. The year-end total for 2024 was 266 calls. It is expected we will exceed last year's numbers by the end of 2025.
 - ii. Vance Laymon, the new EMS director, has brought on seven paramedics and advanced-EMTs.
 - iii. EMS is staff with at least advanced life support capabilities at all times.
 - i. Intermediates are scheduled on weekends
 - ii. Paramedics scheduled throughout the week.
 - iii. Schedule is covered through the end of the year. Staff is well-seasoned, majority work for Lamesa full-time.
 - iv. Units are being set up the same as Lamesa's units to lower risk of med errors.
 - v. Looking at going with a different medical director, Dr. Key, who is medical director for Lamesa, as he is already familiar with 90% of the people and he is willing to cover the staff here at the same cost we are currently paying SPEMS, which is \$2,500 a year.
 - vi. Vance reported he is working on House Bill 3000, expecting the full amount of \$500,00. He said he should be able to get a new basic truck with everything we need for \$388,000 which will leave funds to get new equipment. There are also grants available to help with the cost of some of the equipment.
 - vii. No-transportations were discussed, those typically being patients who refuse treatment, car wrecks with no injuries and lift-assist calls.
 - viii. Stacy Kirkendall gave Kody a billing sheet for Emergicon. Emergicon credentialed our insurance but did so using the hospital's National Provider Identifier (NPI) Number instead of the EMS NPI number. \$769 went to Emergicon's bank account that was not for EMS patients, they were clinic patients. This was due to them using the wrong NPI number. That has since been fixed, but we have not received payment from Emergicon for those yet.

c. Financials

i. CDs

- i. Two (2) CDs matured November 1st.
 - a. Account 1075 in the amount of \$498,866.18
 - b. Account 1260 in the amount of \$939,802.97
 - c. Account 1075 was cashed in and \$238,669.15 was placed in to the Operating Account. The remaining \$260,197.03 was added to the amount of Account 1260 bringing its value to \$1.2 million.
 - d. Account 1260 was renewed at 3.64% for 8 months.
 - e. One CD matures tonight at midnight with a value of \$1,818,206.93.

ii. Kody presented letter from the Meyers and Stauffer, the attorneys that audit our Uncompensated Care. We will have to repay another \$55,405 from the September 2021 through October 2022 Cost Report. Shonna Cannaday anticipated this. Have not paid yet, waiting on demand letter.

iii. Already received a \$56,000 tax payment for October.

iv.

v. Check Registry

- i. Line 13: X-Ray Machine certification/maintenance
- ii. Line 22: October premium employee insurance
- iii. Line 39: Ben's monthly fee and software purchases
- iv. Line 61: Past due balances employee insurance
- v. Line 79: November payment employee insurance
- vi. Line 97: December payment employee insurance
- vii. Line 107: Lab supplies
- viii. Line 112: Painting in the Emergency Room.
- ix. Line 114: Repair of back-flow valve
- x. Line 48 Alpine Power Wash: Hood cleaning in kitchen
- xi. Line 69: Coder for inpatient and emergency room charts.

d. Administrator's Report

i. HB 103

- i. Letter from Reed & Claymon attorney presented.
- ii. House Bill 103 requires the Texas Comptroller to develop and maintain a database of current and historical information regarding taxes imposed and bond issues by each taxing unit in the state. All taxing units, including the hospital, is required to submit this information to the Comptroller on an annual basis. Goes into effect January 1, 2026 and the new system is not yet accessible.
- iii. Dixie Mendoza is pulling the data going back to 2015, she already has this information available. We do not have any bonds.
- iv. There are no benefits or funds associated with this bill to help gather and submit this data or help with upgrades that may be needed. If we don't report this information, we lose state funding.

- ii. Rebate Model Pilot Program
 - i. Paper provided that explains the changes to the 340B program.
 - ii. Negatively effects on the 340B Drug Pricing Program for rural hospitals and rural pharmacies.
 - iii. The Health Resources and Services Administration stated the pilot is intended to “test a rebate model alternative in the 340B program and information the development of a process for approving future models consistent with the 340B statute and the Administration’s goals.”
 - iv. Food King Pharmacy will not stay here without the 340B program.
 - v. Under the Pilot Program, we will no longer get the discount at the time of purchase. Now the medication has to be purchased at retail price upfront and the way we get compensated for it is we have go through a company called Beacon and after the medicine is paid for, we have to submit the data to Beacon, who has forty-five (45) days to send the information to the manufacturer. The manufacturer then has ten (10) days to pay us the difference between the retail price and the 340B price.
 - vi. Unsure how we will be able to track this information or what we do or where we report it to if the manufacturer doesn’t pay us within those ten (10) days.
 - vii. Goes into effect January 1, 2026
 - viii. Beacon is supposed to take all the entities in the United States and run this data, and it is not up and running yet.
 - ix. Food King Pharmacy will get paid the same, the hospital will be taking the loss of the medications.
- iii. EMS Training
 - i. David Shaw from Whiteface used to be a firefighter and EMT in Lovington, New Mexico a few years back. He has inquired about the hospital helping him get his EMS license back and working for our service. The estimated cost is \$1,500 to \$2,000.
 - ii. The hope is helping David Shaw with this will help motivate others in our community to work with our EMS service.
 - iii. Discussion was held regarding paying for his training in exchange for his service.
 - iv. Each board member voiced their individual approval of the hospital helping pay for David Shaw’s training.
- iv. Remodel
 - i. New flooring, cabinets and countertops have been completed.
 - ii. Kody will begin working on the reimbursement of the \$100,000 from the CIP Grant received.
- v. Insurance
 - i. Gallagher, our current insurance broker, sent us a quote on our insurance, Blue Cross Blue Shield, for next year, it will increase by 20%, increasing our annual cost by over \$100,000.

- ii. Kody has been speaking with another broker, Jeff Fowler, and have found a new plan through Baylor Scott and White, which is First Care. The only persons he found that doesn't take First Care were some Texas Tech physicians.
- iii. Kody has also spoken with other places and people who have this plan and has gotten good feedback on it.
- iv. Employee rates for dependents go down \$100 per pay period; families go down \$200.

4. Personnel

- a. No new business

5. Open Forum

6. Adjournment

- a. Motion made to adjourn. Motion seconded. Four (4) votes in favor; zero (0) opposed. Motion carried.
 - i. Meeting adjourned 6:20 p.m.

Cochran Memorial Hospital CEO

Date

Cochran Memorial Hospital President, Board of Directors

Date