

ATTENDANCE

Board of Directors

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

Absent

John Schmidt

Hospital Administration

Kody Kitchens CEO
Grant Turner COO, CNO

Guests

Maggie Ramon

Minutes Taker

Mary McKnight

1. Opening

- a. Quorum present
 - i. Meeting called to order 5:02 p.m.
- b. Invocation led by Matt Patterson
- c. Public Comments
 - i. None
- d. Review and Consider Approval of Previous Meeting Minutes
 - i. Motion made and seconded to approve the December 17, 2025, regular session meeting minutes as read. Three (3) votes in favor of approving minutes; zero (0) votes against. Motion carried.

2. Matters for Discussion and/or Action

- a. Designation of CMH Board Member to Frontier Ambulance Corporation
 - i. Motion made and seconded to reappoint John Schmidt as the CMH Board of Directors representative to the Frontier Ambulance Corporation Board of Directors.
 - ii. Three (3) votes in favor; zero (0) votes against. Motion carried.
- b. Consideration and Possible Ratification of Settlement Agreement with Quadax
 - i. Quadex was charging us \$18,941 a year for a service we have not used in years. Kody contacted Ann Manning, the hospital attorney, and she sent a letter to Quadex, who offered us a settlement of 30% difference, which saves us \$5,681.84 and would get us out of the contract. It would be one (1) lump sum payment.
 - ii. Ray requested Kody ask Quadex for a termination confirmation letter.
 - iii. Motion made and seconded to ratify the settlement agreement with Quadex, contingent upon receipt of written acknowledgement confirming that the contract is settled and no further services, fees, or obligations remain. Motion carried.
- c. Annual CEO Performance Evaluation
 - i. Motion made and seconded to discuss this item in Executive Session after all other open business has been concluded.
 - ii. Three (3) votes in favor; zero (0) against. Motion carried.

3. Reports

- a. Meals on Wheels Report
 - i. 679 meals served in December
- b. Senior Citizens Center Financial Report
 - i. Ray O'Brien asked Mary McKnight if she would be willing to talk with Lexi at Senior Citizens to see if there were ways to help lower their food costs. Mary agreed.
- c. Clinic/ER
 - i. 2,572 total patients seen in the Rural Health Clinic in 2025
 - ii. Significant increase in ER visits in 2025
- d. EMS
 - i. Handout provided showing 2025 totals by each month of 2025
- e. Financials
 - i. ATLAS Program
 - i. On last month's financial sheet we made an Intergovernmental Transfer (IGT) of \$46,990 for the ATLAS program. We were expecting a payment of \$97,261 in return within the next thirty (30) to forty-five (45) days.
 - ii. On December 18, 2025 the Texas Health and Human Service Commission issued an official statement that the ATLAS program will be terminated immediately. The \$46,990 payment we submitted was returned to us, we will not be receiving the \$97,261 payment.
 - ii. UC Program
 - i. Received our UC program DY15 IGT Notification-Advance Payment.
 - ii. This is one of the programs we have worked on with Shonna Cannaday to recoup past Charity Care Payments. We will be required to send an IGT in the amount of \$621,395.59 to the Texas Comptroller's Office (Tex Net). We can expect a payment of \$1,546,914.59 within thirty (30) to forty-five (45) days of the IGT being sent. This is the first of two (2) payments. The second payment will be around July or August 2026.
 - iii. Payroll
 - i. The second payroll amount on the December financial sheet shows \$149,426.98. This is approximately \$30,000 more than normal due to it including buyback for vacation days.
 - ii. Christmas bonus is listed in the amount of \$55,339.04, which was \$4,660.96 under the budgeted amount.
 - iv. CDs
 - i. No new business
 - v. Check Registry
 - i. Line 57 MJD Performance: EMS oil change
 - ii. Line 14 Warren: Normal pay
 - iii. Line 31 Appraisal District : Second quarter assessment
 - iv. Line 72 Primo Brands: Bottled Water Company
 - v. Line 5 Fisher Scientific: Lab supplies
 - vi. Line 44 Baylor Scott and White: New employee insurance

- f. Administrator's Report
 - i. The 340B Pilot Program that was to go into effect January 1, 2026 has been put on hold.
 - i. The 340B Pilot Program that was due to expire December 31, 2025 is still in effect.
 - ii. The Wolters Kluwer Interface is in the process of being installed. Grant and Kody have several meetings and training through the rest of January and into February.
 - iii. HB3000 is the grant for the new ambulance. Judge Henry submitted the application for us. Grant and Kody attended a Zoom training on January 21, 2026 to learn out the funds can be spent.
 - iv. The on-site audit is currently being conducted.

4. Personnel

- a. No new business

5. Open Forum

- a. No new business

6. Executive Session

- a. Motion made to move into Executive Session, motion seconded.
- b. Three (3) votes in favor; zero (0) against. Motion carried.
- c. Executive Session entered 6:10 pm.
- d. Executive Session exited 6:30 pm.
 - i. No action taken

7. Adjournment

- a. Motion made to adjourn. Motion seconded. Three (3) votes in favor; zero (0) opposed. Motion carried.
 - i. Meeting adjourned 6:55 p.m.

Cochran Memorial Hospital CEO

Date

Cochran Memorial Hospital President, Board of Directors

Date