

Cochran County Hospital District
Board of Directors
Meeting Minutes
May 20, 2026

Cochran Memorial Hospital
201 E Grant Ave
Morton, Texas 79346

ATTENDANCE

Board of Directors

Betty Lyon
John Schmidt
William (Bill) Albus

Hospital Administration

Kody Kitchens CEO
Grant Turner CNO/COO

Absent

Matt Patterson

Guests

Maggie Ramon

Minutes Taker

Mary McKnight

1. Opening

- a. Quorum present
 - i. Meeting called to order 5:01 p.m.
- b. Invocation led by Bill Albus
- c. Public Comments
 - i. None
- d. Review and Consider Approval of Previous Meeting Minutes
 - i. Motion made and seconded to approve the April 17, 2026, regular session meeting minutes as read. Two (2) votes in favor; zero (0) votes against. Motion carried.

2. Matters for Discussion and/or Action

- a. Meals on Wheels
 - i. 758 meals prepared
 - ii. Reimbursed \$4,790.00
 - i. Amount includes \$1,000 for non-consumables
- b. Senior Citizen Financial Report
 - i. A motion was made to approve the renewal of Cochran Memorial Hospital's contract with the Cochran County Senior Center for a monthly donation of \$1,000.00 to the Senior Center, effective upon expiration of the current contract. The renewed contract term will be extended from six (6) months to one (1) year and will expire on June 1, 2027. The motion was seconded. Two (2) votes in favor; zero against. Motion carried.

- c. Upcoming Board of Directors election for Precinct 1, Precinct 3, and At-Large positions
 - i. Ray O'Brien's written letter of resignation from the Board of Directors due to health reasons was presented to the board members present.
 - i. Board members and administration expressed appreciation for Ray's years of service on the Board of Directors.
 - ii. A motion was made, with regret, to accept Ray O'Brien's written resignation from the Cochran Memorial Hospital District Board of Directors. The motion was seconded. Two (2) votes in favor; zero (0) against. The motion carried. The Precinct 3 seat on the Board of Directors is now vacant.
 - iii. Following adjournment, members of the Board of Directors and administration will present Ray O'Brien with a plaque in recognition of his many years of dedicated service on the Board of Directors.
 - ii. Precinct 3 Seat
 - i. Dana Heflin has filed paperwork for the upcoming election
 - ii. Discussion was held regarding offering to appoint Dana Heflin to the Precinct 3 seat to fulfill Ray O'Brien's term. An invitation is to be extended to Dana to attend the June 17, 2026, to discuss the matter with her.
 - iii. Precinct 1 Seat
 - i. John Schmidt announced he will not be running for re-election for the Precinct 1 Seat.
 - ii. Alexandra Arellano has filed to run for the seat.
 - iv. At-Large Seat
 - i. Bill Albus will be running for re-election.
- d. Grow Program from Sliced Health
 - i. Sliced Health currently assists the hospital with billing denials, contract review, and underpayment issues involving insurance companies. The hospital also stores contracts in Sliced Health for reference and tracking purposes.
 - ii. Kody presented information regarding Sliced Health's Grow Program, an AI-supported program designed to review documents and contracts and provide simplified, easy-to-understand summaries. It was noted that while free AI programs may offer similar summary functions, they may not meet the hospital's security and confidentiality needs. The Grow Program is a secure platform with access limited to authorized users.
 - i. The program will assist with managing insurance contracts, vendor contracts, credentialing, contract expiration dates, renewal dates, changes, and related contract tracking.
 - ii. The hospital has the opportunity to participate in a ninety (90) day trial of the Grow Program. Kody requested Board authorization to begin the trial.

- iii. Board members discussed the potential benefits of the program and agreed it may be a useful tool. By consensus, authorization was granted to initiate the ninety (90) day trial. The matter will be revisited prior to expiration of the trial period.

3. Reports

a. Clinical

- i. ER
 - i. No real changes in ER visits
- ii. RHC
 - i. Visits decreased by forty-two (42) in April
- iii. EMS
 - i. Averaging fifteen (15) to twenty (20) calls per month
 - ii. Auto-loader has been purchased, but has not been installed yet, we are on the list for installation, expected to be completed in the next 2 weeks.
 - iii. HB 3000
 - a. Approved for \$500,000 for new truck and equipment. Kody reviewed the contract with Judge Henry. Both parties are working on drawing up an interlocal agreement with Cochran County saying the county is responsible for the \$500,000 and we are responsible for maintaining the truck, insurance, completing all the reports and staying in compliance with terms.

b. Financials

- i. CDs
 - i. We have close to \$5,000,000 in CDs maturing in the next couple of weeks.
 - ii. Exact total is unknown how much we will have to pay back on uncompensated care, but we do not want to leave that money uninvested when it can be earning interest. Early access to CD funds may result in penalties.
 - iii. Kody plans to speak with City Bank Wealth Management before the CDs mature to discuss options.
- ii. General Information
 - i. Received Cost Report funds totaling \$182,800.41 on April 1, 2026
 - ii. Received annual Tobacco Settlement funds totaling \$48,641.17 on April 30, 2026
- iii. Check Registry
 - i. Inquiry was made regarding Blue & Company, they were formerly Durbin & Company

- ii. Inquiry was made regarding who completed the electrical work for the Food King Pharmacy's air conditioner: K-Bar did the electrical work.
 - iii. Line 16 SPECO: donation
 - iv. Line 68: All American Publishing: Morton FFA sponsorship
- c. Administrator's Report
 - i. Location of sewer leak was found and repairs have been completed.
 - ii. Kody and Grant attended an unemployment hearing via Zoom on May 18, 2026. The claimant did not appear for the hearing. No unemployment payment liability is currently anticipated.
 - iii. Kody will attend the Texas Hospital Association/Texas Healthcare Trustees Conference June 4–6, 2026, to remain current on applicable rules and regulations, especially with two new board members expected to join the Board.
 - iv. State vaccine survey in clinic, no deficiencies/violations cited.
 - v. TruBridge was acquired by IKS Health, an India based company. No changes are expected for the hospital in the short term. Kody and Grant are looking at other EHR systems, however, there are very limited options, and we may have no choice but to continue with IKS Health. Our contract does not expire until August 2027, so we do have a little time.
 - vi. The Intergovernmental Payment for ATLAS was submitted May 1, 2026, in the amount of \$128,673.86. The funds are expected to be held until October or November, after which the hospital is anticipated to receive \$266,366.09.
 - vii. The hospital was awarded the Financial Stabilization Grant in the amount of \$325,796. These grant funds are intended to create and support a community outreach program focused on helping patients manage medications, monitor blood pressure, blood sugars, track weight and address health concerns before they become severe enough to require a visit to the emergency room. We plan to use a portion of the grant funds to purchase a vehicle for outreach visits.
 - viii. Front door glass has been repaired; total cost was \$1,400.
 - ix. Kody is looking into a grant to replace the entire front door.
 - x. Big Beautiful Bill
 - i. Initiative One: we will miss the deadline
 - ii. Initiative Six is a grant with a \$200,000 minimum, \$2,000,000 maximum award. Proposed use of funds would include replacing lab equipment, wheelchairs, and other needed equipment, as well as installing a fire suppression system in the basement so the area could be used for storage. The amount awarded cannot exceed twenty-five percent (25%) of the total appraised real property value of the

facility. The facility has not been appraised in approximately fifty (50) years, as the hospital does not pay property taxes. If an appraisal cannot be completed by June 1, 2026, the hospital will not qualify for Initiative Six.

- iii. Kody reported that a Commercial and Government Entity (CAGE) number is required to apply. The hospital was not previously issued a CAGE number, and the process to obtain one is expected to take approximately three (3) weeks. Due to the processing time, the submission deadline is expected to pass before the number can be obtained.
- xi. Kody is applying for a Capital Improvement Grant. This is the grant we used last year to fix the main hallway floors, Emergency Room floors and desks as well as the Nurses' Station floor and desk. This time the funds, if awarded, will be used to fix the floors in the lab and to resurface the parking lot. It has also been mentioned that the handicap parking spot in the front of the facility needs repaired.
- xii. Discussion held regarding 340B Program. No action was taken.

4. Personnel

- a. No new business

5. Open Forum

- a. Grant has hired an agency nurse to cover nights.
- b. An inquiry was made regarding the status of the property purchased by the facility for the future location of an EMS station. Bill reported that planning for the property remains ongoing.

6. Adjournment

- a. Motion made to adjourn. Motion seconded. Two (2) votes in favor; zero (0) opposed. Motion carried.
 - i. Meeting adjourned 6:32 p.m.

Cochran Memorial Hospital CEO

Date

Cochran Memorial Hospital President, Board of Directors

Date