SOMERVELL COUNTY HOSPITAL DISTRICT

D/B/A GLEN ROSE MEDICAL CENTER

REGULAR BOARD MEETING

TUESDAY, JUNE 30, 2026 AT NOON

HOSPITAL BOARD ROOM

MINUTES

I. **The meeting was called to order at 12:00 pm.**

II. **Five (5) members were present at the start of the meeting (creating a quorum). Margaret Drake and Dr Vacek arrived late to the meeting. Dr Vacek arrived at 12:02 pm during the presentation of Item V and Margaret Drake arrived at 12:07 during the presentation of Item VII. All seven (7) members were present for the remainder of the meeting.**

III. **Pledge of Allegiance**

IV. **Public Comments – None.**

V. Introduction of the Service Excellence Council
The Service Excellence Council consists of 10 members from different departments in the hospital and clinic. There is a representative from the Administration Team with the rest of the Council consisting of a mixture of management and front-line staff. Overall direction will come from the Administration Team and the Board. We had an initial meeting with them and the Administration Team to establish initial expectations. They will now set their own meeting schedule and items to address. In the future they will be presenting to the Board to bring everyone up to date on their projects.

VI. Discuss and if necessary, take action on Amending/Approval of minutes from previous board meetings.
   a. May 26, 2026
   Mary Collier moved to approve the minutes from previous board meetings. Dr Vacek seconded (2nd) the motion. The motion carried 6-0.

VII. CFO Report
   a. Year-to-Date Financial Report
   For the month of May our total patient revenue was $9.790M. After expenses the monthly revenue is $28K. As stated before, our contractual model needed work. It is better but will change as we add historical data to the new Meditech EHR system. Year to date we are at a $1.9M loss due to the write-offs we posted in the past fiscal year. Our overall collections are increasing each month. We had $1.7M

in collections last month and this month we collected \$1.8M. Our collections are \$1M more than last year. The Year-to-Date loss is due to paying for the 2 EHR systems and other unexpected expenses throughout the year.
We are anticipating the removal of some items from our budget next year so we should be in a better position.
Our CEO discussed the following:
We are going from a full CPSI EHR system to a streamlined CPSI Legacy EHR system that will cost us around \$4K per month as opposed to the full system at \$40K per month. It is a year-to-year agreement for the Legacy system, and we will re-evaluate after the first year as to weather we will need to keep it longer or not.
We are required to maintain the data for 7 years in some aspect. If we choose to move to an archived data retention we will have to pay a one-time fee. However, this is more difficult to access the data than through the Legacy system.
Cash reserves will be tight until the end of the year. We have talked to the bank about renewing the Line of Credit we had for the Meditech build and will have more on that later.
Operationally we are improving. The \$700K we had to pay back hit us hard. Fortunately, we only have 2 payments left.
We are going to be reviewing salaries across the board to make sure we are aligned with the market. He has asked Laurie Breedlove for CHC to do an evaluation of all staff including the physicians for this purpose.

VIII. CEO Report –

a. Roger E. Marks Foundation (REM)
July 18th there is a concert at the amphitheater from 6-10. Tickets are still available and are priced based on where you would like to sit.
July 16th there will be a promo for the concert with The Ranch promoting the event. It is going to be at Los Primos from 4-6

b. Community Needs Assessment
This was discussed earlier during the introduction of the Service Excellence Council. We are looking to have a strategic planning session with the Admin Team, Board and Service Excellence Council in the near future.

c. Physician Recruitment
Dr Boswell visited again last week looking for housing. It is looking like she will start by the first of the year if not a little sooner.

d. High Five Award
The award went to Laura Mendoza in Registration. Congratulations Laura!

e. CIGNA
We have a new contract with CIGNA after our negotiations. We didn't get everything we wanted but we did receive the major changes we needed to correct. Our ER visits and out-patient surgery are at much better rates

f. CIGNA Health Spring
This actually is not part of CIGNA Insurance. Our clinics are in network with them, but our hospital is not. Today they are having a meeting to decide if the hospital will be in network. If we are not able to be in network on the hospital side we will terminate the clinic side as well

g. 4th of July Parade
We have a float if anyone wants to ride. We are meeting in the High School parking lot at 8:30am or 9:00 am

h. Amazon Data Center
Had a meeting a week ago Thursday with the Lions Club, Vistra and the attorney for Amazon. We discussed the tax rate depreciation and implications to the hospital around the additional people in the community. They stated that during the next 5 years we could have an additional 4-6 thousand people in this area. We will have further discussions at a later date. They will potentially start site prep in August. It was a good visit. More to come.

i. Dr Borgfeld
He has officially retired. Dr Bates will be taking his place. She was previously our night coverage for the hospitalists. We are currently working with Concord for our tele nocturnist coverage.

j. Grants
This is currently consuming the majority of our time. We currently have $17.3M in grant money we are waiting to hear about. Actually, it is now more like $14M as we did receive the grant 1A for diabetic care, which could be $3.5M over the next 5 years. We are currently working through the budget pieces. This would allow us to open a Wound Care and Diabetic Clinic, change the downstairs clinic door to a sliding door and possibly purchase a wheelchair accessible van to transport patients. The first year will be the full $750K and we should receive it by the end of the year. We are just waiting for instructions for the budget. With this we are also looking at expanding our services to a Nutritionist and Social Worker to help with the diabetic needs of our patients. They will also be out in the community, at the food bank and senior center, to assist with diabetes care. We are in the process of clarifying 1B with works in conjunction with 1A. This will help us hire a full-time endocrinologist and nephrologist to work in the clinic. The grant would cover the first 5 years and then the practice should sustain itself. Might also help with insulin pumps for our diabetic patients
Next month we should hear more on the remaining $14M.
One of the grants in for remodeling rooms 100 and 101 in Med Surg to ICU capable rooms. This grant also includes 2 new generators to have full backup and possibly sell power back to the grid.

k. TORCH
TORCH gave United Insurance notice of dropping them. They are hoping for a better contract. We are currently with United as our Insurance provider. We are a part of CIN so this should help us if needed because they have better pricing. They are also in the process of negotiating with BCBS.

IX. Discuss and if necessary, take action on Request for Proposal {RFP} for Med Surg Patient Room Bathroom Remodel.
We could possibly get this done with a grant. If we don't get the grant then we can go with the Summitt bid to remodel room 102 and 103's bathroom. The bid was $58,154. The

CEO recommended that Joe Sillivent, Engineering Director, review the bid and come back to the board with recommendations.
A motion was made by Joe Cathey that we accept the recommendation of the CEO as stated. Margaret Drake seconded (2nd) the motion. The motion carried 7-0.

X. Adjourn
A motion was made to adjourn the meeting by Dr. Vacek and seconded (2nd) by Max Bly. The motion carried 7-0. The meeting was adjourned at 12:37 pm.

ALL VISITORS MUST CHECK IN AT THE RECEPTION DESK LOCATED AT THE FRONT ENTERENCE OF THE HOSPITAL FOR A VISITORS PASS AND DIRECTIONS TO THE BOARD ROOM. THIS BUILDING IS WHEELCHAIR ACCESSIBLE, AND REQUESTS FOR SIGN LANGUAGE INTERPRETATION OR OTHER SPECIAL SERVICES MUST BE MADE 48 HOURS AHEAD OF THE MEETING. TO MAKE ARRANGEMENTS, CALL MICHAEL HONEA 254-897-1471 OR (TDD) 1-800-RELAY-TX (1-800-735-2989)

Ron Hankins, President

Joe Cathey, Vice President

Max Bly

Margaret Drake

Dr. Steven Vacek

Mary Collier

Tracy Byers