

OakBend Medical Center
Finance Committee Meeting
July 19, 2021

The Finance Committee of OakBend Medical Center met on July 19, 2021. The meeting was called to order at 5:01 p.m. via Zoom by phone (+1-346-248-7799) or through the following web link <https://us02web.zoom.us/j/85795091705?pwd=RkZOa05OUTNSekxiaFd0TVZBcGdJUT09> meeting number (access code) is 857 9509 1705 by Tom Crayton.

Those in Attendance

Tom Crayton
Tom Petrosewicz
Adam Pisani
Jon Anderson
Larry Pittman
May Tape-Consulting Member
Joe Freudenberger, Consulting Member
Jeff Hammel, CFO
Ashley Bellew-Executive Assistant

Members Absent

Barry Beard-Consulting Member

Approval of Minutes

Adam Pisani moved to approve the minutes of June 21, 2021 Finance Committee meeting as revised correcting the name from Larry Willman to Larry Pittman, Jon Anderson seconded and the Committee voted unanimously for approval.

Financial Report for June 2021

Mr. Hammel reviewed the financials for June 2021 including the: balance sheet, income statement, key volume and performance metrics, consolidated bridge for June 2020 vs 2021 YTD comparison and government funding for COVID relief

Tom Petrosewicz made a motion to approve the financials for June 2021, Jon Anderson seconded. The committee voted unanimously to approve.

Mr. Hammel gave an update relative to the QIPP nursing home program and noted QIPP year 4 is currently underway and QIPP year 5 is scheduled to begin September 1, 2021. We currently have enrolled 22 homes in the program for QIPP year 5 including SPJST homes 1 and 3. The first of two IGT payments of \$9,500,000 was paid in June 2021 with the 2nd payment due December 2021.

Convene Closed Session

The Finance Committee entered into Closed Session 5:28 p.m. pursuant to Section 551.085, Texas Government Code for deliberations by Governing Board of Certain Providers of Health Care Services.

Reconvene in Open Session

The Finance Committee reconvened in Open Session at 5:34 p.m.

The updates on the outpatient surgery centers and managed care matters were for information only and required no action.

Mr. Petrosewicz requested updates relative to the status of our loan covenants, bond refinancing and concerns or foreseen challenges for the second half of 2021. Mr. Hammel noted the loan covenants are in good standings. He explained he has met with multiple banks regarding refinancing the bonds and will be ready to move forward soon following review of the June financials. He also explained the greatest cause for concern for Q3 and Q4 is related to the Medicaid program 1115 Waiver extension which is subject to termination pending governmental changes.

Adjournment

There being no further business to come before the Finance Committee, Mr. Crayton adjourned the meeting at 5:37 p.m.

Tom Crayton