

**AMARILLO HOSPITAL DISTRICT
BOARD OF MANAGERS
JANUARY 27, 1998**

<u>Members</u>	<u>Present</u>
Ms. Lilia Escajeda, Chairman	Yes
Mr. Steve Walton, Chairman Pro Tem	Yes
Mr. Rick Jones, Secretary	No
Dr. Ron Fortner	Yes
Mr. John Irwin	Yes
Mr. Lin Rodgers	Yes
Mrs. Paula Toland	Yes

Also Present

Mr. Dean Frigo	Director of Finance - City of Amarillo
Mr. Merrill Nunn	City Attorney - City of Amarillo
Mrs. Debra Nuñez	Administrative Assistant - City of Amarillo
Ms. Debbie Close	Recording Secretary - City of Amarillo

Media Present

Megan Clark	Amarillo Globe News
-------------	---------------------

ITEM 1: Ms. Escajeda called the meeting to order at 7:30 a.m. at City Hall, 509 East 7th Street, Third Floor, Room 306, and welcomed those in attendance.

ITEM 2: Ms. Escajeda presented the Minutes of December 3, 1997. Motion was made by Mr. Walton, seconded by Dr. Fortner, and unanimously carried, to approve the Minutes.

ITEM 3: Ms. Escajeda asked Mr. Frigo to review the quarterly financial statements with the Board. Mr. Frigo gave an overview of the financial statements through December 31, 1997 and reported net income of \$2,924,804. The net income figure includes approximately \$2 million in unrealized portfolio gains.

ITEM 4: Ms. Escajeda asked Mr. Irwin to present the quarterly investment report. Mr. Irwin stated he had reviewed the Investment Portfolio for the quarter ending December 31, 1997. Mr. Irwin reported the purchase of a security which matured beyond the 30 year limit required by the Policy which has been subsequently sold. The Money Manager was asked to liquidate the security and a net gain of \$23,169 was recorded.

ITEM 5: Mr. Frigo presented the proposal by Carlson Price Fass & Co., Inc. for the recovery of the Medicare bad debts write-offs. Mr. Frigo stated the log for FYE 9/30/95 was inaccurate and in order to recover any bad debts, the Hospital District must submit an accurate log of inpatient and outpatient bad debts to Blue Cross. An accurate log can be produced by matching computer tapes of Provider Statistical and Reimbursement Report from Blue Cross and the hospital bad debt list. The amount of bad debts estimated to claim is \$350,000 for 1995 and \$250,000 for 1996. The

estimated cost to recover the bad debts is not expected to exceed \$30,000. Mr. Frigo's recommendation to the Board is to reopen the 1995 Medicare Cost Report and try the computer matching of the Medicare Provider Statistical and Reimbursement Report and the hospital bad debt list. If the computer matching is unsuccessful there is an alternative to manually produce a new log. The log for fiscal year 1996 will also be corrected at the same time. Mr. Rogers moved that the Board accept Mr. Frigo's recommendation to try matching the computer tapes to produce an accurate log and Mr. Irwin seconded. The motion carried unanimously.

ITEM 6: Ms. Escajeda asked Mr. Frigo to inform the Board of the past due health claim for an employee of Northwest Texas Healthcare System. Mr. Frigo stated there was an agreement between Universal Health Services and Amarillo Hospital District for AHD to be responsible for charges incurred beyond the sale date of May 7, 1996 up to June 30, 1996. This health claim was incurred during that period and was submitted timely for payment but has not been paid. Mr. Walton moved the Board authorize the payment for past due billings according to the terms of the insurance policy. Mr. Rogers seconded the motion and the motion carried unanimously.

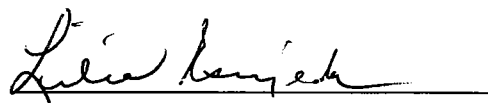
ITEM 7: Ms. Escajeda stated that the Retirement Plan for Employees of Northwest Texas Healthcare System is still in the review process with the IRS. Mr. Frigo added the review of the Retirement Plan by the IRS has been transferred from the St. Louis office to the Dallas office and feels the IRS is very close to issuing a determination letter. Ms. Escajeda stated as soon as the determination letter is received the employees of Northwest Texas Healthcare System will be informed.

ITEM 8: The Board convened into Executive Session to discuss pending litigation at 7:55 a.m. The Board reconvened into open session at 8:15 a.m.

The Chairman opened the floor for additional comments from the Board or the audience. Mrs. Debra Nuñez, current half-time Administrative Assistant for the Amarillo Hospital District, announced her resignation effective February 11, 1998.

Mrs. Paula Toland expressed her concern with monitoring services for indigent patients. Mrs. Toland stated that it was the Board's duty to see that the indigent population is being served. Mrs. Toland recommended that the Indigent Care Committee should work to obtain information from Universal Health Services concerning their quality standards.

ITEM 9: There being no further business, the meeting adjourned at 8:29 a.m.


Lilia Escajeda, Chairman