

**AMARILLO HOSPITAL DISTRICT  
REGULAR MEETING OF BOARD OF MANAGERS  
AMARILLO CITY HALL  
COMMISSION CHAMBERS  
MINUTES  
OCTOBER 28, 2003  
7:30 A.M.**

Members

Mr. Ernie Boyd, Chair  
Mr. Dave Taylor, Vice-Chair  
Ms. Karen O'Hara, Secretary  
Ms. Nancy Seliger  
Dr. Constantine Saadeh  
Mr. Sam Spradlin  
Mr. John Turner

Present

Yes  
Yes  
No  
Yes  
Yes  
Yes  
Yes

Also Present

Mr. Marcus Norris	City Attorney, City of Amarillo
Mr. Dean Frigo	Finance Director, City of Amarillo
Ms. Claudia Blackburn	Public Health Director, City of Amarillo
Ms. Debbie Close	Recording Secretary, City of Amarillo
Mr. Moody Chisholm	NWTHS CEO/Managing Director
Ms. Dorinda Bates	Coalition of Health Services and Acting Director for the Health Access Clearinghouse

**ITEM I:** Mr. Boyd called the meeting to order at 7:33 a.m. at City Hall, 509 East 7<sup>th</sup> Street, Third Floor, Commission Chambers, and welcomed those in attendance.

**ITEM II:** Mr. Boyd presented the Minutes of the July 29, 2003 meeting. Motion for approval was made by Mr. Spradlin, seconded by Mr. Taylor and unanimously carried.

**ITEM III:** Consider Actuarial Proposal from John Crider. Mr. Frigo said that Mr. Crider has been working under his 1998 rate schedule. He hasn't changed his rates since he started working for the Amarillo Hospital District. Mr. Frigo explained that the rate Mr. Crider is proposing would increase it to current levels. Mr. Frigo stated that in 1998 he charged \$9,800 for the Evaluation. He is now asking for \$10,826. He does do the Actuarial Evaluation of the Pension Plan and calculates AHD's contribution on an annual basis. Mr. Frigo recommended approval. Motion to accept the Actuarial Proposal by Mr. Crider was made by Ms. Seliger, seconded by Mr. Turner and unanimously carried.

**ITEM IV:** Consider request to terminate the Contract with Area Agency on Aging Effective 12-31-03. Ms. Dorinda Bates recommended to the Board that the contract with Area Agency on Aging be terminated as of December 31, 2003. Ms. Bates explained that she had met with both Area Agency of Aging and United Way of Amarillo and Canyon to verify that their clients would continue to be served. Both agencies have indicated that the clients would continue to be served. United Way requested that their funding continue through September 30, 2004. Motion to change Area Agency on Aging contract from an ending date of September 30, 2004 to

December 31, 2003 was made by Ms. Seliger, seconded by Mr. Spradlin and unanimously carried.

**ITEM V:** Review and Consider Clarification of Indigent Care Issues. Mr. Chisholm discussed with the Board some issues related to clarification of our contract. Mr. Chisholm said that they have worked very hard and have had a great working relationship with the Amarillo Hospital District Board members and Indigent Care Committee to make sure they took the right approach in addressing many issues in their contract that have never been clear. Mr. Chisholm said that the burden of proof of residence was one of the areas that they wanted to clarify. Also, he said that the medically necessary level of care brings us in line of coverage that is at the same level as standard community benefits. Mr. Chisholm explained that they have not done that, they have provided coverage that far exceeds standard community benefits, so they are trying to bring themselves in line there. He said they have put some limits on some of the coverage that include pharmaceuticals. Mr. Chisholm said they also worked very hard to make sure that they had an approach that would be respectful to their patients and would also give them some responsibility so that they don't have excessive drug prescriptions used by patients without any responsibility. Mr. Turner said that the Board appreciates the up-front nature in which Northwest has approached this issue. Motion for approval that we accept the recommendation from the Indigent Care Committee as it pertains to the August 29, 2003 letter from Northwest with exception of the first bullet point under other that relates to insurance which states "Patients who have commercial insurance available through their employer would be required to provide insurance for themselves/family as their primary prayer. If the patient obtains services at the Wyatt Clinic, NWTHS, or NWT Surgery Center, we will absorb their insurance deductible or coinsurance through the Wyatt Indigent Program as secondary payer. Those who can provide evidence that their employer-imposed premiums exceed 20% of their net income will be covered by the Wyatt Indigent Program, and not required to accept their employer's insurance plan" was made by Ms. Seliger, seconded by Mr. Turner and unanimously carried. Mr. Boyd asked Mr. Norris to start the process of looking into the Attorney General's opinion on the above. Mr. Norris said they would start drafting it.

**ITEM VI:** Consider Letter Agreement with NWTHS regarding access to and quality of care indicators. Ms. Blackburn said that for the last several months staff from the City Liaison with the Hospital District has worked with staff from Northwest. She said that under the guidance of the Indigent Care Committee they have come up with a list of indicators that will show us over time how we're doing in terms of access to healthcare for indigent clients, and quality of care when they are enrolled in the Amarillo Hospital District. Ms. Blackburn presented a letter agreement which has a list of indicators in it that both parties have agreed upon. There is also an attachment that shows what data exists on those indicators already. Ms. Blackburn explained that NWTHS has agreed to collect additional data annually and report it when they do their other annual report to the Board. Motion for approval of the recommendation from the Indigent Care Committee as to the Letter Agreement with NWTHS dated October 21, 2003, was made by Ms. Seliger, seconded by Mr. Spradlin and unanimously carried.

**ITEM VII:** Presentation of Quarterly Financial Statements. Mr. Boyd asked Mr. Frigo to review the Quarterly Financial Statements with the Board. Mr. Frigo gave an overview of the AHD preliminary financial statements for the end of the fiscal year September 30, 2003. Mr. Frigo reported that the AHD has total assets of \$235.5 million, current liabilities in the amount of \$3.2 million and long-term liabilities of \$1.2 million. Mr. Frigo explained that included in the

accrued liabilities is \$1.7 million for the payment to UHS for the District's portion of the Children's Hospital Wing. Mr. Frigo reported that the AHD had total revenue of \$9.5 million and total expenses of \$12.2 million, for a net loss of \$2.7 million. He said without the unrealized investment loss, the District has net income of approximately \$5.9 million. Mr. Frigo also reviewed the budget versus actual report at September 30, 2003. Mr. Frigo stated that actual interest income of \$17.9 million exceeded the budget of \$12.6 million. Mr. Frigo reviewed expenditures with actual expenditures in the amount of \$12.4 compared to the original budget of \$13.2 million.

**ITEM VIII:** Quarterly Investment Report from Investment Officer. Mr. Taylor reported that for the quarter ending September 30, 2003, as the memo to the Board states, the Investment Portfolio was in compliance with state law and the AHD's Investment Policy.

**ITEM IX:** Committee Reports. Mr. Boyd asked if there were any Committee Reports. There were no further committee reports at this time.

**ITEM X:** Election of Board Officers. Mr. Boyd presented a slate of officer nominees for the 2004 fiscal year. Mr. Spradlin made the recommendation that the current slate of Officers are recommended to continue on for the following year: Chairman would be Ernie Boyd, Vice-Chairman would be Dave Taylor; Secretary would be Karen O'Hara; and Investment Officer would be Dave Taylor. Motion for approval of the new slate of officers was made by Mr. Spradlin, that they accept those recommendations, seconded by Mr. Turner and unanimously carried.

**ITEM XI:** Executive Session to Discuss Pending Litigation. Mr. Norris said there was no pending litigation that needed to be discussed in Executive Session.

**ITEM XII:** Public Comments. There were no public comments.

**ITEM XIII:** There being no further business, Mr. Boyd made the motion for adjournment at 8:05 a.m. This meeting was recorded and all comments are on file in the City Finance Department.

  
Ernie Boyd, Chair

  
Karen O'Hara, Secretary