

**MINUTES OF MEETING OF BOARD OF TRUSTEES AND BOARD OF  
TRUSTEES EXECUTIVE COMMITTEE OF  
TALLAHATCHIE GENERAL HOSPITAL**

**September 27, 2016**

On this date at the hour of 11:30 a.m., the Board of Trustees and Board of Trustees Executive Committee met in regular session in the hospital training room with the following trustees and personnel, to wit:

David Hargett, Trustee District One  
Ike Sayle, Trustee District Two  
Gerry Speir, Trustee District Three  
Morris Murphey, Trustee District Four  
Willie Lockett, Trustee District Five  
Jim Blackwood, Administrator  
Buddy McRae, Chief Operating Officer  
Joey Brunson, Chief Financial Officer

Trustee Speir opened the meeting with prayer.

The minutes of the August 23, 2016, meeting were presented. A motion was made by Trustee Murphey to approve the minutes from the last meeting. The motion was seconded by Trustee Hargett with all Trustees voting "Aye" in favor of the motion.

Mr. Brunson gave the Board copies of the statistics for the providers showing their production in the hospital and the clinic for the month of August 2016. The Board reviewed the statistics and questions were asked and answered.

Mr. Brunson presented the report of the Finance Committee for August 2016 financials. Questions were asked and answered about the statements. A motion was made by Trustee Sayle to approve the summary report of the Finance Committee. The motion was seconded by Trustee Hargett with all Trustees voting "Aye" in favor of the motion.

Mr. Blackwood circulated the Administrator's comments, a copy of which appears as Exhibit 1 hereto and is incorporated herein by reference. Questions were asked and answered concerning the Administrator's comments.

Mr. Blackwood reported to the Board that he had extended an offer to the owners to purchase the equipment and building of the Tutwiler Clinic. Mr. Blackwood requested that the Board ratify the offer that has been extended to the Tutwiler Clinic. A motion was made by Trustee Lockett to ratify the offer that has been extended to the Tutwiler Clinic. The motion was seconded by Trustee Sayle with all Trustees voting "Aye" in favor of the motion.

Mr. Blackwood reported to the Board that we have to have a Board resolution authorizing TGH to contract with the Division of Medicaid for the Tutwiler Clinic. A copy of the resolution is attached hereto as Exhibit 2. A motion was made by Trustee Sayle authorizing the resolution. The motion was seconded by Trustee Hargett with all Trustees voting "Aye" in favor of the motion.

Mr. Hargett made a motion that the Board enter into executive session to discuss strategic planning. The motion was seconded by Trustee Sayle. The Board then entered into executive session to discuss strategic planning. Upon conclusion of that discussion, Trustee Sayle made a motion that the Board exit executive session. The motion was seconded by Trustee Hargett and the Board then adjourned executive session and resumed the general meeting.

The Board entered executive session to discuss outstanding legal matters. Upon conclusion of that discussion, the Board adjourned executive session and resumed the general meeting.

Mr. Blackwood reported to the Board that he would like to pursue securing the two IOP clinics from Quitman County Hospital, one in Marks and one in Batesville. A motion was made by Trustee Lockett authorizing Mr. Blackwood to secure the IOP locations from Quitman County Hospital. The motion was seconded by Trustee Sayle with all Trustees voting "Aye" in favor of the motion.

Mr. Blackwood presented the Quality Report and HCAHPS Report for August 2016. Questions were asked and answered concerning the quality metrics for the month.

Lisa Smiley appeared and presented the following policies to the Board on behalf of the Pharmacy Department: a) 340B Pharmacy Compliance Plan, b) 340B Hospital Administered Drugs Covered Entity Procedure, c) 340B Hospital Administered Drug Auditing Guide, d) 340B Contract Pharmacy Policy, e) 340B Contract Pharmacy Procedure, and f) 340B Contract Pharmacy Auditing Guide, g) 340B Hospital Administered Drugs Covered Entity Policy. After a review of these policies, a motion was made by Trustee Sayle to approve these policies. The motion was seconded by Trustee Hargett with all Trustees voting "Aye" in favor of the motion.

Further, Lisa Smiley presented a new Respiratory Therapy policy to the Board entitled Cleaning Pulse Oximeter and Reusable SpO2 Sensors. A motion was made by Trustee Hargett to approve this policy. The motion was seconded by Trustee Sayle with all Trustees voting "Aye" in favor of the motion.

Also, Lisa Smiley presented another new Respiratory Therapy policy to the Board entitled How to Use Cidex – OPA Solution. A motion was made by Trustee Hargett to approve this policy. The motion was seconded by Trustee Lockett with all Trustees voting "Aye" in favor of the motion.

Mr. Blackwood presented the Legal Compliance Questionnaire for review and approval. After review, a motion was made by Trustee Hargett, seconded by Trustee Murphey, with all voting "Aye" to approve the Legal Compliance Questionnaire. A copy of the Legal Compliance Questionnaire is attached hereto as Exhibit 3.

Mr. Blackwood presented the Medical Staff By-Laws for review and approval. After review, a motion was made by Trustee Sayle, seconded by Trustee Hargett, with all voting "Aye" to approve the Medical Staff By-Laws.

Mr. Blackwood presented the Hospital By-Laws for review and approval. After review, a motion was made by Trustee Hargett, seconded by Trustee Sayle, with all voting "Aye" to approve the Hospital By-Laws.

Mr. Blackwood presented the Employee Handbook for review and approval. After review, a motion was made by Trustee Murphey, seconded by Trustee Lockett, with all voting "Aye" to approve the Employee Handbook.

Mr. Blackwood presented the Rural Health Clinic Manual for review and approval. After review, a motion was made by Trustee Lockett, seconded by Trustee Sayle, with all voting "Aye" to approve the Rural Health Clinic Manual.

Mr. Blackwood presented the Facilities Policies and Procedures for review and approval. After review, a motion was made by Trustee Hargett, seconded by Trustee Murphey, with all voting "Aye" to approve Facility Policies and Procedures.

Mr. Blackwood stated that it was time to elect officers for Fiscal Year 2016. Trustee Sayle moved that the president stand for re-election for Fiscal Year 2016. The motion was seconded by Trustee Hargett, with all Trustees voting "Aye" in favor of the motion. Trustee Hargett moved that the secretary stand for re-election for Fiscal Year 2016. Trustee Murphey seconded the motion with all Trustees voting "Aye" in favor of the motion.

Mr. Blackwood then presented to the Board the matter of the proposed purchase of the old Napa Store Building. Trustee Hargett announced that he would abstain from voting. Trustee Speir announced that he would not participate in discussion and would abstain from voting, and then left the room. Mr. Blackwood reported to the Board that we have extended an offer of \$65,000 to Mr. Claude Hargett for the purchase of the Old Napa Store Building. Mr. Blackwood reported that we will be able to access this property from the hospital campus and this is a good strategic move which meets the need for space for our maintenance department. Mr. Blackwood requested that the Board approve the purchase of the NAPA building for \$65,000 for the hospital to use as a maintenance shop. A motion was made by Trustee Lockett to approve this purchase. Trustee Murphey seconded the motion with all Trustees voting "Aye" in favor of the motion. Trustee Hargett abstained from voting.

There being no further matters for discussion, the Board adjourned.

## **Administrator's Comments – Meeting of September 27, 2016**

**Nursing Home** – We have 96 beds currently occupied, with two beds open on the general care side. We do not currently have any candidates for those beds. We have had several candidates for the special care side, but there are no beds currently available on that side of the nursing home. Our marketers and hospital staff continue to search for acceptable candidates.

**Nurses Station Renovation** – We have paid the final retainage on this renovation. This project is now complete.

**New Cardiology Service** – We are scheduled to begin our new cardiology service on October 3, 2016. We have not yet actively marketed this service in order to work out any workflow issues in the first few weeks. We will commence marketing in the very near future. We have completed some minor renovations in the clinic space to make room for this service.

**Changes in Nursing Home Processes** – Our new nursing home administrator, Jan Maddux, started work in late August. Since then she has implemented several personnel changes including moving an RN into the case mix department. She is also in the process of re-purposing several unutilized or under-utilized areas including closets, a storage room, and offices. She is also working on simplifying and organizing the medical records in the nursing home.

**New Physician Recruitment** – I have extended an offer to Dr. Cornelius Mayfield to become an employed physician with TGH. In my conversations with Dr. Mayfield, he indicated the compensation package that we put together for him was acceptable. However, I have not yet received the return letter of intent with his signature. Once I receive the letter of intent, we will have counsel prepare a formal contract, which we will present to you for your approval.

**Nursing Home UPL** – We have received word that the Nursing Home UPL will not be paid until October; however, the income will be accrued and

reported in our current fiscal year. We do not yet know the exact dollar amount to be paid.

**Clinic on West Side of County** – We have extended our offer to acquire the Tutwiler Clinic. I will discuss the details of this transaction at the meeting.

**Acquisition of New Maintenance Space** – With our growth over the last few years, our maintenance department has outgrown its space. We have been presented with the opportunity to purchase the old Napa Store location on Highway 35. The property joins the hospital property on the west side. As this building was formerly a parts store, it is ideal for the relocation of our maintenance shop. We have extended an offer of \$65,000 to the owner for the 7,000 square foot building, subject to Board approval. We will ask you to consider approval of this acquisition at the meeting.

**New IOP Locations** – I have been approached by a neighboring hospital about assuming operation of its two existing IOP programs. I will discuss this possibility in more detail at the meeting.

**HPIC Insurance Renewal** – We have received our renewal insurance quotes from HPIC. The premium amount is slightly less than what we paid last year at \$256,076 compared to \$257,952 in 2015. However, our return on equity increased significantly from \$78,889 in 2015 to \$120,026 for 2016. As in years past, this payment will be applied to this year's premium.

**Lake Completion** – Rance Moring and Jim Kennedy with York Woods have generously donated the labor, fuel, and equipment to complete the lake to the west of the Wellness Center. Once complete, this will be a beautiful addition to our campus.

**Master Planning** – As you authorized me to do earlier this year, I have met with Marty Hardy, the architect who designed our new nurses station, about preparing a master plan and preliminary drawings for a potential expansion of both the hospital and nursing home. I hope to receive some

initial drawings and preliminary budget numbers by our November meeting.

**Year-End Policy and Compliance Issues** – As we are now in the last month of our fiscal year, it is time for us to complete our year-end policy and compliance review. It is also time for us to elect officers for the next term. Accordingly, we anticipate the meeting may run slightly longer than usual.

**Legal Matters:**

**The Estate of William Brewer, Sr.** – We have received written discovery requests from the Plaintiff, which we are in the process of answering.

**Board of Directors Resolution Form  
Section C - 2**

Required for non-individual applicants only and must be an original, notarized form.



**For non-individual applicants, this form must only be filled out once and submitted with the application for the group/payee number.**

State of Mississippi

County of Tallahatchie

On the 27th day of September, 2016 at a meeting of the Board of Directors of Tallahatchie General Hospital, held in the City of Charleston, in Tallahatchie County, with a quorum of the directors present, the following business was conducted:

It was duly moved and seconded that the following resolution be adopted:  
Be it resolved that the Board of Directors does hereby authorize

Jim Blackwood or Buddy McRae

and his/her successors in office to negotiate, on terms and conditions that he/she may deem advisable, a contract or contracts with the Mississippi Medicaid agency and to execute said contract or contracts, and further we do hereby give him/her the power and authority to do all things necessary to implement, maintain, amend, or renew said contract.

The above resolution was passed by a majority of those present and voting in accordance with the bylaws.

I certify that the above constitutes a true and correct copy of a part of the minutes of a meeting of the Board of Directors of Tallahatchie General Hospital

Held on the 27th day of September, 2016

  
Signature of Board Member

Subscribed and sworn before me, Billie D. Lawrence, a Notary Public for the County of Tallahatchie, on the 27th day of September, 2016

**Notary Stamp/Seal**

**Notary County Of** Tallahatchie

**State Of** Mississippi

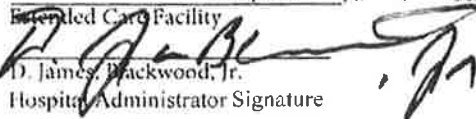


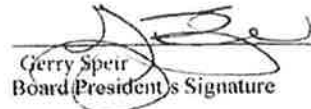
Tallahatchie General Hospital and Extended Care Facility

(Name of Hospital)

CERTIFICATION TO MISSISSIPPI COMMUNITY HOSPITAL COMPLIANCE QUESTIONNAIRE YEAR  
ENDED SEPTEMBER 30, 2016

We have reviewed all questions and responses as contained in the Hospital Compliance Questionnaire for  
Tallahatchie General Hospital and Extended Care Facility, and to the best of our knowledge and belief, all responses are accurate.

  
D. James Backwood, Jr.  
Hospital Administrator Signature

  
Gerry Speir  
Board President's Signature

September 27, 2016  
Date

September 27, 2016  
Date

Minutes Book Reference  
Meeting of September 27, 2016 (Date)

(Minute book references are to be entered when questionnaire is accepted by Board.)

## MISSISSIPPI COMMUNITY HOSPITAL COMPLIANCE QUESTIONNAIRE

1. Name and address of hospital:  
Tallahatchie General Hospital and Extended Care Facility  
Post Office Box 230  
Charleston, Mississippi 38921
2. Names, addresses, and telephone numbers of officials (include Board Members, Administrator, Assistant Administrator, and Attorney). Attach sheet.
3. Period of time covered by this questionnaire:  
From: October 1, 2016 To: September 30, 2017

Tallahatchie General Hospital and Extended Care Facility

(Name of Hospital)

Compliance Questionnaire

YES    NO    N/A

GENERAL

- |     |   |              |               |               |
|-----|---|--------------|---------------|---------------|
| 1.  | Have actions of the Board of Trustees followed the procedures of the open meetings act Section 25-41-3 and Section 25-41-7 on matters in executive session?   | <u>  x  </u> | <u>      </u> | <u>      </u> |
| 2.  | Have actions of the Hospital Board been approved in its official minutes?   | <u>  x  </u> | <u>      </u> | <u>      </u> |
| 3.  | Have the actions of the Hospital Board followed the exemptions set forth in Section 25-61-9, 25-61-11 and 25-61-12 regarding commercial and financial information of a proprietary nature, federal statutory law and records related to business development? | <u>  x  </u> | <u>      </u> | <u>      </u> |
| 4.  | Has each member of the board of trustees continued to meet the qualification of Section 41-13-29?   | <u>  x  </u> | <u>      </u> | <u>      </u> |
| 5.  | Has the Hospital adopted a policy on officers or employees receiving compensation for outside employment in addition to receiving a salary for full-time hospital employment? (Meeting of <u>  01/22/1985  </u> )   | <u>  x  </u> | <u>      </u> | <u>      </u> |
| 6.  | Has the Hospital Board of Trustees adopted a policy on recruiting and financially assisting physicians and other health care practitioners in locating in the service area of the Hospital? (Meeting of <u>  01/22/1985  </u> )                               | <u>  x  </u> | <u>      </u> | <u>      </u> |
| 7.  | Has the Hospital Board of Trustees cited statutory authority on charitable contributions which is reflected in its official minutes?  | <u>  x  </u> | <u>      </u> | <u>      </u> |
| 8.  | Has the Hospital Board of Trustees adopted a policy on paying membership dues to organizations related to hospital business which is reflected in its official minutes? (Meeting of <u>  01/22/1985  </u> )   | <u>  x  </u> | <u>      </u> | <u>      </u> |
| 9.  | Has the Hospital Board of Trustees adopted a policy that prohibits filling prescriptions for employees free of charge? (Meeting of <u>  01/22/1985  </u> )  | <u>  x  </u> | <u>      </u> | <u>      </u> |
| 10. | Has the Hospital Board of Trustees adopted a policy that prohibits its individual members from receiving compensation other than that allowed by statutory authority? (Meeting of <u>  01/22/1985  </u> )   | <u>  x  </u> | <u>      </u> | <u>      </u> |
| 11. | Has the Hospital Board of Trustees adopted a policy on <u>insurance coverage</u> for all employees? (Meeting of <u>  01/22/1985  </u> )   | <u>  x  </u> | <u>      </u> | <u>      </u> |

Tallahatchie General Hospital and Extended Care Facility

(Name of Hospital)

Compliance Questionnaire

		<u>YES</u>	<u>NO</u>	<u>N/A</u>
12.	Has the Hospital Board of Trustees adopted a policy on education benefits for all employees? (Meeting of <u>01/22/1985</u> )	<u>x</u>	<u>      </u>	<u>      </u>
13.	Has the Hospital Board of Trustees adopted a policy describing limitation on the use of Hospital personnel for non-hospital matters during normal work hours? (Meeting of <u>01/22/1985</u> )	<u>x</u>	<u>      </u>	<u>      </u>
14.	Has the Hospital Board of Trustees adopted a policy on the use of hospital telephones for personal use? (Meeting of <u>01/22/1985</u> )	<u>x</u>	<u>      </u>	<u>      </u>
15.	Has the Hospital Board of Trustees adopted procedural policy on disposal of surplus property? (Meeting of <u>01/22/1985</u> )	<u>x</u>	<u>      </u>	<u>      </u>
16.	Has the Hospital Board of Trustees adopted a policy on expenditures for public relations and advertising? (Meeting of <u>01/22/1985</u> )	<u>x</u>	<u>      </u>	<u>      </u>
17.	Has the Hospital Board of Trustees adopted a policy on payment of invoices within the period of time discounts are allowed? (Meeting of <u>01/22/1985</u> )	<u>x</u>	<u>      </u>	<u>      </u>
18.	Has the Hospital adopted a policy prohibiting payment of employee's bonuses or compensation in addition to established employee benefits, <b>statutory incentive programs, and regular compensation?</b> (Meeting of <u>01/22/1985</u> )	<u>x</u>	<u>      </u>	<u>      </u>
19.	Have the Hospital Board Members and officials been properly bonded in accordance with the population requirements under the provisions of Section 41-13-29? (Meeting of <u>01/22/1985</u> )	<u>x</u>	<u>      </u>	<u>      </u>
20.	Has the Hospital adopted a policy prohibiting making payroll advances to employees? (Meeting of <u>01/22/1985</u> )	<u>x</u>	<u>      </u>	<u>      </u>
21.	Has the Hospital adopted a policy prohibiting the purchase of alcoholic beverages with public funds other than for medical purposes? (Meeting of <u>01/22/1985</u> )	<u>x</u>	<u>      </u>	<u>      </u>
22.	Has the Hospital provided the required information in accordance with Section 27-104-155 to its owner for the creation of a transparent and accountable website?	<u>x</u>	<u>      </u>	<u>      </u>

Tallahatchie General Hospital and Extended Care Facility

(Name of Hospital)

Compliance Questionnaire

	<u>YES</u>	<u>NO</u>	<u>N/A</u>
23. Does the Hospital allow public access to records under provisions of Section 25-61-5?	<u>x</u>	<u>      </u>	<u>      </u>
24. Has the Hospital Board of Trustees complied with the nepotism law? (Meeting of <u>01/22/1985</u> )	<u>x</u>	<u>      </u>	<u>      </u>
25. Were payments to Hospital officers and employees as an expense allowance supported by proper documentation?	<u>x</u>	<u>      </u>	<u>      </u>
26. Are vehicles owned or leased by the Hospital properly marked as required by Section 25-1-87?	<u>x</u>	<u>      </u>	<u>      </u>
27. On or before the first Monday in September, has the Board of Trustees adopted, entered on its minutes, and filed with the owner or owners a proposed budget for ensuing fiscal year? (Section 41-13-47)	<u>x</u>	<u>      </u>	<u>      </u>
28. On or before the first Monday in March, has the Board of Trustees adopted, entered on its minutes, and filed with the owner or owners a full fiscal year report containing a complete and correct accounting of all funds received and expended for hospital purposes? (Section 41-13-47)	<u>x</u>	<u>      </u>	<u>      </u>
29. Has the Hospital avoided purchasing items from or entering into contracts with members of its Board of Trustees or businesses in which such members have a financial or ownership interest? (Section 25-4-105)	<u>x</u>	<u>      </u>	<u>      </u>
30. Has the Hospital avoided purchasing items from or entering into contracts with any hospital employees or a business in which they have an interest unless allowed under Section 25-4-105(4)?	<u>x</u>	<u>      </u>	<u>      </u>
31. Has the Hospital provided the required disclosures as required by a defined benefit retirement plan in accordance with Section 41-13-49 and 41-13-51?	<u>x</u>	<u>      </u>	<u>      </u>

TRAVEL

1. Has the Hospital complied with Sections 41-7-140, 41-13-29 and 41-13-35 regarding travel?	<u>x</u>	<u>      </u>	<u>      </u>
2. Has the Hospital adopted a policy on paying employees actual expenses for official travel while engaged in hospital business or in attending recognized educational or professional meetings? (Meeting of <u>01/22/1985</u> )	<u>x</u>	<u>      </u>	<u>      </u>

Tallahatchie General Hospital and Extended Care Facility

(Name of Hospital)  
Compliance Questionnaire

		<u>YES</u>	<u>NO</u>	<u>N/A</u>
3.	Have the Hospital officers and employees used, as a minimum, the travel vouchers prescribed by the MS State Dep't of Finance & Administration for reimbursement of official travel?	<u>x</u>	_____	_____
4.	Have the Hospital Board of Trustees adopted a policy requiring that paid receipts be attached to vouchers for travel reimbursement? (Meeting of <u>01/22/1985</u> )	<u>x</u>	_____	_____
<u>PURCHASING</u>				
1.	Has the Hospital refrained from purchasing personal items for employee use?	<u>x</u>	_____	_____
2.	Has the Hospital adopted a policy prohibiting split purchases in order to avoid advertising for bids?	<u>x</u>	_____	_____
3.	Has the Board adopted a policy requiring acknowledgment of receipt of good purchased?	<u>x</u>	_____	_____
4.	Are at least two competitive written bids obtained for purchases of more than \$5,000 but not more than \$50,000? (Section 31-7-13)	<u>x</u>	_____	_____
5.	Did the Board of Trustees follow proper procedures in advertising for purchases of more than \$50,000? (Section 31-7-13)	<u>x</u>	_____	_____
6.	Did the Board of Trustees follow proper procedures for opening of bids?	<u>x</u>	_____	_____
7.	Is a bid file maintained by Hospital personnel as required by Section 31-7-13?	<u>x</u>	_____	_____
8.	Did the Board of Trustees justify on the minutes any purchases made other than lowest bid? (Section 31-7-13)	<u>x</u>	_____	_____
9.	Did the Board of Trustees place on the minutes and justify all emergency purchases? (Section 31-7-13)	<u>x</u>	_____	_____
10.	Has the Hospital generally complied with the Public Purchase Law? (Section 31-7-1, et al.)	<u>x</u>	_____	_____

Board of Trustees  
Tallahatchie General Hospital and ECF

Gerry Speir, Chairman (District Three)  
52 South Square Street  
Charleston, Mississippi 38921  
662-647-8777 – work  
662-515-5830 - mobile

Isaac Sayle (District Two)  
3607 Mississippi Highway 35 North  
Charleston, Mississippi 38921  
662-647-1425 - mobile

Willie Lockett (District Five)  
Post Office Box 512  
Webb, Mississippi 38966  
662-392-7966

Morris Murphey (District Four)  
8 Tippo Creek Road  
Tippo, Mississippi 38962  
662-647-7029 - mobile

David Hargett (District One)  
2 Hargett Drive  
Charleston, Mississippi 38921-9731  
(662) 647-3359 – home  
(662) 647-1609 - mobile