

TRMC Board of Managers

Meeting Minutes

June 30, 2025

The Titus County Hospital District Board of Managers met for a regularly scheduled meeting on Monday, June 30, 2025, at 5:30PM in the Williams Conference Room on the 3rd floor of Titus Regional Medical Center in Mount Pleasant, TX.

ATTENDEES: Don Lowry, Tony Rundles, Trent Abbott, Steve Courreges, Patricia Boeckmann (CEO), Dr. Milan Sekulic (TRMG President), Dr. William Hooks (CMO), and Dr. James Bove (COS)

ADMINISTRATION: Kathy Griffis (COO/CNO), Andy Fortenberry (CFO), Tracie Smith (Sr Director Marketing)

VISITORS: Shandra VanReenen (Customer Experience Manager)

ABSENTEES: Kevin Rose, Ricky Baker, Rob Holliday, and Jeff Drummond

CALL TO ORDER: Don Lowry called the meeting to order at 5:37PM.

Opening prayer was officiated by Tony Rundles. The Pledge of Allegiance was led by Andy Fortenberry.

CONSENT AGENDA

- I. Approval of Minutes of TCHD Regular Board Meeting – 5/21/25
- II. Approval of Finance Committee Recommendation of Minutes of the TCHD Board Finance Committee Meeting – 5/21/25
- III. Discussion, Consideration, and Action Regarding Recommendation of MEC for Medical Staff Privileges including approval of Gastroenterology and Hyperbaric Oxygen Therapy, Nurse Practitioner Delineation of Privileges
- IV. Executive reports – current month
- V. TRMC Finance Report
 - a. Presentation of Financial Report as of May 31, 2025
 - b. Discussion, Consideration, and Approval of Finance Committee Recommendation to Approve May 2025 Financial Reports
- VI. Human Resources Report
- VII. Patient Experience – QAPI current month

👉 Don Lowry asked for a **motion** to approve the Consent Agenda listed above.

👉 **Motion:** A **motion** was made by Steve Courreges and seconded by Tony Rundles to approve the listed Consent Agenda items. The motion carried with a unanimous vote.

❖ RECOGNITION AND APPRECIATION OF TRMC TEAM MEMBERS

- Shandra VanReenen was recognized for her work during hospital week and was recognized for her award, Heart of Compassion at Town Hall.
- Dr. Saud Khan and Martina Ramirez was recognized for her work with AHA and received letter of recognition signed by Don Lowry and Tony Rundles.
- Christina Graham was recognized for her work with ADA and received letter of recognition signed by Don Lowry and Tony Rundles.

❖ UPCOMING AND PAST EVENTS/MARKETING UPDATES

- Upcoming Events
 - Coffee Chat – 7/02
 - Talco Fireworks Event – 7/04
 - Chamber Leadership Class – Healthcare Day – 7/11
 - Coffee Chat – 7/16
 - Coffee Chat – 8/06
 - Lunch and Learn – 8/13
 - Coffee Chat – 8/20
 - TRMC Tiger Tailgate Party – 8/29
 - Chamber Breakfast - TBD
- Past Events
 - Pilgrims Community Health Fair
 - Kid Safe Saturday
 - Foundation Gala made \$112k total net. Kathy will bring plan for Pediatric Unit to next Board meeting to present.

❖ NEW BUSINESS

- Board Education
 - Legislative updates – HB 18
 - Rural Health Stabilization and Innovation Act, House Bill passed
 - Estimated benefit \$330K/year with possible \$1M special project approval grant.
 - Available amounts depend on funding
 - HHSC and SORHF to develop strategic plan for rural health

❖ FINANCIAL HIGHLIGHTS

- Revenue Sources FY 2023- FY25 YTD
 - Andy presented revenue updates. We have 39 days cash on hand. The four revenue streams are: Patient revenue, Supplemental revenue (UCC/DSH), Other revenue, and non-operating revenue. Net patient revenue has increased \$4.59MM from May 2024. UC/DSH has increased \$1.44MM from prior year due to improved application submission process. Other revenue has increased \$1.5MM predominantly due to improved 340B revenues. Property tax receipts percentage of total revenue has remained consistent with prior years.
- Final 2025 DSH and UC Cap
 - TRMC received HHSC email on 4/15/2025 reporting DSH and UC final (pre-haircut) net payments for FY 2025 -\$8.161MM. (\$1.679MM + \$6.481MM)
 - On 6/12/2025, TRMC received notice of FINAL DSH net payment of \$1.638MM, \$1.135MM greater than budget.
 - HHSC will issue final UC net payment amounts in July.
 - The net payment increases will result in an additional \$2.0MM for FY 2025.

- 340B Program
 - Presentation of the last thirteen-month trend, August 2023 through May 2025. FYTD 25 actual Net revenue was \$763k with FYTD25 budget at \$539k. FYTD24 being \$142k. Are ahead 3 different stages Walgreens, Thurman's Pro Med Pharmacy, and Medical Center Family Pharmacy.
- Spend Management
 - Improving analytics between GPO and TRMC
 - Nutrition, identified some changes and can save \$6.5k a month with changing suppliers and ordering method. Projected monthly savings of \$3500 and improved monthly rebates \$3000.
 - Health Plan- Prescription Optimization Program with a projected annual savings of \$125K and Favorable medical claim trending.
- Grant Management
 - Awarded two grants, Rural Hospital Labor and Delivery (August 2025) Renovate maternal care rooms of the sum of \$250,000. As well as Rural Hospital Improvement for Pharmacy renovation with a sum of \$350,000.
 - Submitted two grant applications with a sum of 300,000 and are continuing to gather data for 9 more grants with a total of 2.3 million.
- Comparative Statement of Revenue & Expense – Cancer Center May 2025
 - Andy presented slide showing the gross revenue of 9.6 million the with a net patient revenue of 3.9 million for the Cancer Center.
- ED Nurse Auditor
 - Kathy shared with board the job description is in the board packet. We need to invest in this, due to other areas and capture all sides.
 - Start collecting Epic contracts.
 - Ops rate coming down, will bring back to board.

❖ REVENUE CYCLE

- HB Key performance
 - Cash met target in May. This is with an 8% gross-up of the target over the calculation.
 - Collection ratio is trending up over prior year. The trend continued in May.
 - The time it takes to get a claim to a payer decreased by 0.4 days as of June 24, 2025 over May.
 - Overall denial rate is up by .7% from the prior month. Denial Mitigation work has begun and we expect this to drop, as processes improve.
 - Gross Accounts Receivable Days are not moving stagnant.
 - A Self-Pay analysis is underway to determine root cause. We are seeing the following factors:
 - Bad Debt is now flowing as expected
 - Analysis of Payment plans is underway with a preliminary finding that payments are too low for several high dollar balances. A strategy is in development.

❖ TRMC Benefit Progress

- Cash improvement goal – currently at \$1.8M
- Net revenue improvement goal – currently at \$1.2M
- Trent asked for a three-month trendline to be able to visualize a month-to-month progress.

❖ BUDGET FISCAL YEAR

- Two to three weeks behind schedule, but working on. Engaging ELT then will work with leaders.
- Budget 2026 Process and Timelines
 - 2026 Operating Budget- July 1 – July 5: ELT to land on Key Assumptions and development of Targets.
 - July 15- August 7:
 - Budget kickoff meeting with leaders.
 - Finance partners with departmental leadership to finalize the initial budget loads.
 - Finance compiles information and solves for Net Revenue and other system related items.
 - August 7- September 15:
 - Initial Pass Reviewed with ELT with understanding of the “Gap” that will need to be solved to get to Target
 - ELT and Sr. Leader meeting cadence established to “Solve the Earnings Gap” looking across the organization for any/all earnings improvement tactics and goals
 - ELT and Finance finalize the Budget Presentation for Reviews and Approvals at September Governance Meetings
 - 2026 Capital Budget:
 - 6/23/2025: BFR capital request entry training for applicable leaders
 - 6/30/2025 – 7/21/2025: Leaders enter capital requests / Finance Compiles and prepares for Sr Leadership Review
 - 8/1/2025-8/31/2025: “Capital Congress” is established (member TBD) to final size and prioritize capital plan.
- Budget 2026 Governance Timelines
 - Board Presentations
 - 8/21/2025: Initial presentation to board
 - High Level Reviews of Key Assumptions
 - Margin targets and impact to key indicators/ratios and the capital budget final sizing
 - Updates on known Headwinds and Tailwinds that will impact the 2026 Financial Plan

- Highlights of Ongoing Financial Improvement Initiatives that will be key drivers to “Solving the Budget Gap” ever present in healthcare.
 - Growth
 - Revenue Optimization
 - Expense Management
- 9/11/2025: Board budget workshop
 - Updates and deeper dives from above review and management focus
 - Review and understanding of “the Gap” if one still exists to get to Financial Targets
- 9/25/2025: Board approvals of the 2026 Operating and Capital Budgets
- Patty shared benchmark is fine, could take one or two FTE’s. Clinic’s- MGMA, not meeting all revenue targets. Discontinue with Strata. Managers look at daily. Also going to create a FTE committee and look at each one and will be supervised by ELT, then Kathy will take over. Charter is in packet.
- Span of Control Summary
 - Will come back to Finance committee in July.
 - Looked at total staffing, comparing salaries and benchmark. Did look at industries and we are in line.
 - Span of Control Reviews and Action Planning will be a key part of the 2026 Budget Planning process
 - Will assist in aligning, right-sizing (including downsizing), and titling across leadership levels.

❖ REVENUE AND EXPENSES MANAGEMENT IMPROVEMENTS MAY 2025

- ED OP Revenue UOS & Budget
 - Working on revenue capture in ED, a twelve-month spread.
 - 14.9 variance to budget line.
 - Trauma, IV charges and etc., capturing charges.
 - For ED Revenue analysis, note in March Observation rate increase \$55.00 - \$350.00 and ED Director begins to assess ER Levels for Intervention Capture.
 - ED Level four and five capture increases as ED Director understands the processes.
 - ED Director audit 95% compliance, Innova brought coding support in.
 - Revenue is up and overtime is going down. Below budget overtime.
 - NRC benchmark above ED.
 - Clinic side clocking in early.

❖ CHIEF MEDICAL OFFICER

- Dr. Hooks reported to Board, working with Elliott on Anesthesia model and have a pulmonary build and a plug-in model to look at.

- New class of med students on July 28, 2025 will have a meet and greet with board of managers in physician lounge, with board of managers head to Williams Conference room for monthly board meeting at 5:30p. There are a total of 10 med students.
- Dr. Bove shared Dr. Walsh is on leave and clinic will be ran by Dr. Tubre from Tyler Texas as supervising physician.

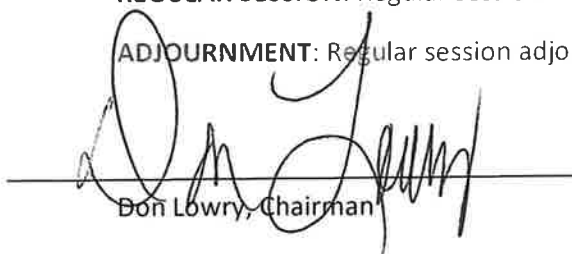
❖ **TRMG UPDATES**

- Dr. Sekulic shared next week there will be two sub-committee's and will share data with physicians
- New providers joining, Dr. Smith, new Spine clinic, New Hospitalist, Dr. O'Neal will start this summer. Dr. Catton and Dr. Shermohmad.
- Current TRMG Initiatives presented
 - Provider recruitment – pulmonologist, intensivist, urologist
 - New provider onboarding – Dr. Mark Smith, Dr. Mark Catton, Dr. Aneel Shermohmad
 - Revenue cycle optimization
 - Referrals management/retention
 - Staffing optimization, inpatient and outpatient
- Patient Referrals
 - Presented slide, in 2024 there were 1949 and YTD from 2025 there have been 906 referrals. Projected 2025 annualized of 1976 and 3-3.3 million potential gross revenue.
- TRMC Referrals Management
 - Put into action mini gap annualizes
 - Education regarding available TRMG services
 - Strengthen Internal Specialist- Primary Care Relationships
 - Localizing referrals
 - Realtime- physicians receive Realtime feedback regarding external referrals from clinical managers.
 - Have bi-weekly to monthly meetings.
 - Dr. Sekulic is addressing at several angles.
 - Improve confidence in referrals by improving access to TRMC specialist.
 - Dr. Sekulic has been sharing data with other physicians.

EXECUTIVE SESSION: The Board convened to Executive Session at 6:52 PM with a unanimous vote.

REGULAR SESSION: Regular session reconvened at 8:28 PM with a unanimous vote.

ADJOURNMENT: Regular session adjourned at 8:29 PM with a unanimous vote.


Don Lowry, Chairman
Tony Rundles, Secretary