

MINUTES
Of the Special Called Joint Meeting of
The Claiborne Parish Police Jury and
The Claiborne Parish Hospital Service District #3 Board of Directors
January 19, 2016
Homer, LA 71040

The Claiborne Parish Police Jury met in regular session in the Jury Chambers of the Police Jury Complex, located at 507 West Main Street in Homer, LA at 6:30 pm on the Nineteenth day of January 2016. On being called to order by President Scott Davidson, the following jurors were present:

D'Arcy Stevens, Mark Furlow, Kevin Gray, Joe Sturges, Scott Davidson, Paul Cook, Tommy Sanders, and Gil Dowies.

Rev. Willie Young, Sr. was absent.

There were 39 others in attendance:

CPHSD#3 President Mr. Mark Brown, Haynesville Mayor and CPSD#3 Board Member Beverly Kilgore, Mr. James Scriber CPHSD#3 Board, CPHSD#3 Board and CMMC Staff Dr. Samuel Abshire, Al Faulk CPHSD#3 Board, Mr. Sherman Brown CPHSD#3 Board, CMMC CEO Derrick Frazier, CMMC Staff Dr. Clint Butler, CMMC Staff Dr. Mark Haynes, CMMC Staff Dr. Clifton Salmon, CMMC Staff Dr. Kerry Byrnes, CPHSD#3 Legal Counsel Mr. Jim Colvin, CMMC Staff Mrs. Lisa Ledbetter, Mrs. Melody Ciecarella CMMC Staff, Mrs. Pricilla Roberts CMMC Staff, , Mrs. Toni Goodin CMMC Staff, CMMC Staff Mrs. June Lee, Mr. Don Smithburg of QHR, Mr. Jody Pigg of QHR, Homer Mayor Roy Lewis, Mr. Tim Cain of OOCS, Mr. Ronald Day, Mrs. Linda Volentine, Mr. Loy Weaver, Mr. Toney Johnson, Mr. Camille Abshire, Mrs. Kathy Tignor, Mr. Bill Hightower, Mrs. Vicki Kilgore, Mr. Kenneth Ashley, Mr. Keith Killgore, , Mr. Brandon Rich, Mr. R.L. Johnson, Dr. Nelson Philpot, Mrs. Betty Sanford, Mrs. Adriene Willis, Mr. Gene Coleman, Mrs. Kathy Hightower of the Guardian Journal, Mrs. Jackie Roberts of Haynesville News.

Mr. Joes Stuges opened the meeting with prayer, followed by the Pledge of Allegiance by Paul Cook.

At this time, President Scott Davidson turned the meeting over to CPHSD#3 Board President Mark Brown who then called their portion of the meeting to order.

Police Jury President Scott Davidson welcomed everyone and informed the Jury, that the Hospital Board will present the current audited financial statements of CPHSD#3 along with other supplementary information and following that he will open the floor for any public comments.

CPHSD#3 President Mark Brown thanked everyone for coming and that he is pleased to have the opportunity to share this meeting with the Claiborne Parish Police Jury. Mr. Brown informed the Jury, the Board will present where the medical center has been and where it is at now.

President Brown then introduced the Board members that were present, Legal Counsel for the Board Jim Colvin, CMMC CEO Derrick Frazier, and the other medical center staff that was in attendance.

CMMC CEO Derrick Frazier gave a lengthy presentation as to where the hospital was and where it is today. Mr. Frazier presented the Jury with an audited financial report which breaks down the costs of what Quorum Health Resources provide with their contract with the hospital and the services that CMMC has received with their services.

Mr. Don Smithburg of Quorum Health Services commended Derrick Frazier on the work he has done at CMMC. Mr. Smithburg told the Jury, the invoice that CMMC receives monthly from Quorum includes the CEO Salary, his benefits, and consulting fees. (this consulting fee is not for the consulting service, just travel fees). He shared with the Jury that the return on their investment for using Quorum over the past 2 audit years, is for every dollar spent on Quorum services, they got four dollars in return. Mr. Smithburg reassured the Jury and the public in attendance that although QHR is based out of Nashville, TN, that their interest was, strictly, rural healthcare and that Quorum was very committed to this community.

Attorney Jim Colvin, Legal Counsel for the CPHSD#3 Board gave a brief overview of where the hospital stood in 2009 until now. Jim Colvin has been legal counsel for 15 years for the hospital. Attorney Jim Colvin explained how the Rural Healthcare Preservation Act works and how important this funding is to CMMC. Mr. Colvin gave seven years of the financial profit and loss of CMMC.

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| 2009 – Profit | \$24,000 |
| 2010 - Loss | \$75,000 |
| 2011 - Profit | \$1.368 million |
| 2012 - Profit | \$1.61 million |
| 2013 - Loss | \$1.057 million |
| 2014 - Loss | \$1.791 million |
| 2015 - Profit | \$1,041,597.00 |

Attorney Jim Colvin told the Jury, without the rural healthcare funds, the hospital won't survive, solely, on private insurance, Medicaid, Medicare, and the sales tax income.

Police Jury President Scott Davidson asked Attorney Jim Colvin if he expected these figures to go up. Jim Colvin responded by saying based on past activities, they should, unless the State budget cuts come to healthcare. Mr. Colvin told the Jury the only cuts that can be made would be Universities and Healthcare. All others would be unconstitutional.

There was much interest as to why Mr. Derrick Frazier doesn't live in Claiborne Parish. Mr. Loy Weaver explained that back when the contract was signed, the Hospital would pay housing for Mr. Frazier to live here. Mr. Weaver said that Mr. Frazier, being a young family man, lived in Haughton and they could not ask him to sleep in Homer, while his family stayed in Haughton.

Public Comments:

Mr. Toney Johnson of Homer asked if Quorum was using a group of “preferred vendors” that Quorum gets a commission. Mr. Smithberg responded with, yes, but, the Strategic Services Department costs CMMC \$4,800, which saves the hospital \$25,057.36

Board Member and Haynesville Mayor Beverly Kilgore stressed that the sales tax that was passed, was only half of what was needed to supplement the hospital, due to the decrease in oil and gas activity.

Juror Kevin Gray voiced his concern of all the rumors of the financial state of the hospital. Mr. Gray also suggested the Board shop other companies that do this service.

Mr. Keith Kilgore told the Jury to stop believing all the rumors going around and to come together as a community and give this Hospital Board a chance to do their job. Mr. Kilgore state he had utmost confidence in the current board.

Juror Joe Merritt asked about the rumor of layoffs, that the layoffs were in the town and the hospital employees in the parish kept their jobs. Mr. Derrick Frazier responded to Mr. Merritt saying that was not true regarding who was laid off and who was not. People were not using the hospital, so, the number of patients declined, but, we still had the same costs of employees. We had to lay off employees.

Dr. Samuel Abshire, CHSD#3 Board Member, told the Jury and the public, that he was on the original board that brought Quorum into this hospital. That Loy Weaver has introduced Quorum to the former board, who in turn, voted to hire Quorum. Dr. Abshire shared that this was not the time or the place to question Quorum, and that if the community thinks things are bad now, let this hospital close. He told the Jury he had been thru a hospital closure in 1991 and it was not good. Dr. Abshire invited all Jury members to attend the Hospital Board Meeting each 4th Thursday of the month and the Tuesday before that is the Med. Staff Meeting. He encouraged each Juror to attend these meeting to keep up with what is going on in the life of the hospital.

Mr. Toney Johnson told the members of the Board and the Police Jury that he just doesn’t want to lose this hospital. They have saved his life on more than one occasion during his heart attacks.

Mrs. Kathy Hightower praised the hospital and the medical staff for taking care of her mother when she has been at CMMC.

At this time, Mr. Mark Brown closed the CPHSD#3 Board Meeting.

Upon motion by Kevin Gray, seconded by Joe Merritt, the Police Jury Meeting was adjourned.

Dwayne R. Woodard
Secretary–Treasurer

Scott Davidson
President