HUNT MEMORIAL HOSPITAL DISTRICT

BOARD OF DIRECTORS MINUTES

September 23, 2025

The Board of Directors of Hunt Memorial Hospital District conducted a meeting on Tuesday, September 23, 2025 at 5:30 p.m. in the sixth floor Homer Horton, Jr. Boardroom at Hunt Regional Medical Center, 4215 Joe Ramsey Boulevard, Greenville, Texas.

Dr. Pierce, Chairman, called the meeting to order.

ROLL CALL:

Mrs. Deborah Clack
Mr. William Jefferson Helton
Mrs. Leslie Killgore
Mr. John C. Nelson, Jr.
Mrs. Janet Peek
Dr. Scott Pierce
Mr. Michael Taylor
Mrs. Julia Wensel

comprising a quorum of the Board; also,

Mr. Steven Lee Boles, Jr., President/CEO
Mr. Stuart O'Neil, Vice President of Legal Affairs
Mr. Reese Hurley, Vice President/CNO
Mr. Chad Martin, Vice President Clinic Operations
Mr. Travis Potter, Vice President Business Development
Robert Deuell, Vice President of Medical Staff Affairs
Aditya Nirmal, M.D., Commerce and Greenville ER Medical Director
Thomas Selvaggi, M.D., Family Medicine, Commerce
Mauricio Trujillo, M.D., Emergency Physician and EMS Medical Director
Ms. Rose Hayden, Development & Communications Director
Ms. Bonnie-Jean Stewart, Lab Solutions Director
Ms. Kim Mulder, Emergency Department Director
Ms. Kim Saenz, Commerce and Greenville ER Manager
Mr. Billy Robinson, Materials and Resource Management Director
Ms. Julie Gibson, Foundation Director
Mr. Randy Tarpley, Greenville Resident
Mr. Wyman Williams, Commerce Resident

Public Hearing on HMHD

Dr. Pierce opened the floor for public comments on the Hunt Memorial Hospital District Fiscal Year 2026 Operating and Capital Investment Plan Budgets. Mr. Boles discussed budget changes due to cash flow struggles

FY 2026 Budgets

and debt obligations including an $800,000 monthly repayment to Optum and vendor payment plans tied to prior system issues. Despite a bottom line improvement of $16M, cash reserves remain at just under 20 days of operating cash because of these debts. Operational savings include reduction of EKG interpretation fees, renegotiated payer contracts with Aetna and Blue Cross Blue Shield, plus using Blue Cross Blue Shield 's network for employee health to reduce external costs. The most impactful measure is the closure of the freestanding Emergency Rooms in Commerce and Quinlan, cutting $6.5M and $7M in direct expenses respectively, with an estimated 20% loss in business offset by referral income. Of note, that failing to show profitable cash flow next year risks concern from the auditors, triggering negative reactions from creditors and bond rating agencies. Capital projected to the upcoming bond issuance include firewall upgrades, an OR hybrid suite, a linear accelerator vault, waterproofing, ER expansion and critical equipment including inpatient mattresses. The capital requests total $2,562,274 and the bond issuance project total $28,647,879. The tax rate of $0.207241 on each $100 of assessed valuation of property was adopted during the September 16, 2025 public hearing and special board meeting and has been submitted to the Tax Assessor-Collector for processing. Comments were received by Mr. Williams, Dr. Selvaggi, Dr. Trujillo, Dr. Nirmal, Ms. Mulder, Ms. Saenz, Mrs. Peek and Mr. Helton on the District's mission, indigent and uncompensated care, and that the closure of the Commerce and Quinlan Emergency Rooms may impact patient access. Following the open discussion, Dr. Pierce thanked the public for their comments and closed the public hearing.

Approval of Minutes

Mrs. Peek moved, seconded by Mrs. Killgore, to approve the budget workshop meeting minutes and Board of Directors meeting minutes of August 26, 2025 as presented. The motion carried unanimously.

Medical Staff Report

Dr. Deuell reported there have been no staffing issues and Matthew Comley, M.D, Orthopedics, and Ashton Hierholzer, M.D., OB/GYN, are adapting well in their new practices.

Citizens to Be Heard

There were no citizens to be heard on non-agenda items.

Public Testimony There were no members of the public present to address the Board of Directors regarding any item of the agenda before or during the Board's consideration of said items.

Introduction of Officers & Directors There were no introductions.

Unfinished Business There was no unfinished business.

New Business

Consent Agenda Mr. Oswald moved, seconded by Mrs. Clack, to approve the following consent agenda items as recommended. The motion carried unanimously.

To approve the appointments, requests for additional clinical privileges, requests to change staff status, reappointments, and resignations for the Hunt Regional Medical Staff and Allied Health Professional Staff upon recommendation of the Board Credentials Review Committee.

To approve the Marketing and Communications Plan Budget for FY 2026 upon recommendation of the Development and Communications Committee.

To approve the renewal of the Property, Crime/Fiduciary, Cyber Security and Directors & Officers insurance for the period October 1, 2025 through October 1, 2026 in the amount of $612,930 upon recommendation of the Finance/Budget Committee.

To approve the FY 2025-2027 Hunt Regional Healthcare Utilization Review and Health Information Management Plan upon recommendation of the Quality Council.

Action Items

Temporary Chair Mr. Taylor served as temporary Chair during the vote on the budget.

Adoption of FY 2026 HMHD Operating And Capital Budgets Mr. Oswald moved, seconded by Mr. Nelson, to approve Order No. 365, an order adopting the budget of Hunt Memorial Hospital District for the period October 1, 2025 through September 30, 2026. The motion carried with Mrs. Peek and Mr. Helton opposing and Dr. Pierce abstaining.

Adoption of HMHD Tax Rolls Mrs. Killgore moved, seconded by Mrs. Clack, to approve Ordinance No. 366, an ordinance approving and adopting the tax rolls of Hunt Memorial Hospital District for 2025. The motion carried unanimously.

2025-2027 Medical Staff Organi--zation Mr. Boles presented the 2025-2027 Medical Staff Organization as as recommended by the Medical Executive Committee and the Medical Staff. Medical Staff Officers are: Chief of Staff Lori Allembaugh, D.O., Chief of Staff-Elect Babak Abbassi, M.D., Immediate Past Chief of Staff Anthony Elisco, D.O., and Secretary/Treasurer Robert Fischer, M.D. New Department Chairs are: Marie Hollis, M.D., OB/GYN and Jennifer Varghese, M.D., Pediatric. New Medical Directors are: Amit Bhardwaj, M.D. for Acute Rehab/Rehab Services, Robert F. Deuell, M.D. for Infusion Clinic, Moushira Ebrahim, M.D. for the Commerce and Quinlan Laboratories, Jennifer Motley, M.D. for the Maternal Pregnancy & Post-Partum, Kshitij Patel, MD. for PACU and Cassidy Gafford, M.D. as co-director for Wound Care. Following review, Mr. Taylor moved, seconded by Mr. Nelson, to approve the 2025-2027 Medical Staff Organization as presented. The motion carried unanimously.

Hunt Regional Medical Staff Bylaws Rules & Regs Mr. Boles presented the annual review of the Medical Staff Bylaws with no changes and proposed amendments to the Medical Staff Rules and Regulations: Section I, Paragraph C.; Section III, Paragraphs B, D, and E; Section IV, Paragraph B and C; Section V, Paragraph D; Section VII, Paragraphs A, B, C, F, G, and H; Section VII, Paragraph D.3; Section VIII, Paragraph C; Section IX, Paragraphs B, E and H; Section X, Paragraph E, Section XI, Paragraphs A, and E; Section XII, Paragraphs A and B; and

Section XIII, Paragraphs A, B and F. Following review, Mrs. Peek moved, seconded by Mrs. Killgore, to approve the Medical Staff Bylaws and amendments to the Medical Staff Rules and Regulations as recommended by the Medical Staff. The motion carried unanimously.

Financial Statements Presentation of the August 2025 financial statements were deferred to next month.

DISCUSSION ITEMS

Strategic Initiatives Strategic initiatives may be discussed in Executive Session.

Chairman's Report Dr. Pierce requested Ms. Gibson provide an update on the Purses and Prosecco event held on September 9th. Ms. Gibson thanked those who participated and reported the event raised $46,000 with 250 participants. The next Foundation event will be Bras for the Cause on Thursday, October 9th and sponsorships are still available for $250.00. Proceeds from the Bras for the Cause event will support new "We've Got Your Back" bags containing practical items for cancer patients, developed with input from survivors to provide meaningful aid during treatment. These community efforts help supplement limited tax dollars and position the hospital district as a key local health resource beyond direct patient care.

President/CEO Report There was no report.

Executive Session An Executive Session was held under Texas Government Code §551.071, §551.072 and §551.085. Following the Executive Session, there was no action taken.

Adjournment There being no further business, the meeting adjourned at 7:15 p.m.

Janet E. Peek
Secretary

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