

**MINUTES
BOARD OF DIRECTORS
MEDINA COUNTY HOSPITAL DISTRICT**

December 22, 2025

TIME AND PLACE: The Medina County Hospital District Board of Directors met in regular session on Monday, December 22, 2025, at 6:30 p.m. at the Medina Regional Hospital Boardroom, 3100 Avenue E., Hondo, Texas.

PRESENT: Tim Hardt, President
Tony Johnson, Secretary
Carlton "Corky" E. Young, DVM, Vice President
Judy Winkler, Director
William "Bill" Bain, Director
Zachary Windrow, MD, Director

Billie Bell, Chief Executive Officer
Kevin Frosch, Chief Financial Officer
Rebecca Deen, Chief Nursing Officer
Ashley Lowe, Chief Operating Officer
Marc Strode, Methodist Healthcare System
Louisa Cuellar, Executive Assistant/Recording Secretary

ABSENT: Mary Mangold, Director

GUEST: Brandon Haby, Facilities Superintendent

1. **CALL TO ORDER AND RECORD OF ATTENDANCE** Mr. Hardt called the meeting of the Medina County Hospital District Board of Directors to order at 6:30 p.m. He stated for the record that the Board of Directors has seven members with six members present, representing a quorum.
2. **PUBLIC COMMENT** There were no members of the public present.
3. **BOARD EDUCATION Presentation of Architectural Plans for the Rehabilitation Department Expansion** Mr. Haby presented a PowerPoint of the architectural plans for the Rehabilitation Department expansion. Informational only. No action taken.
4. **BOARD RECOGNITION Oscar Gracia, Director of Plant Operations** A certificate of appreciation was presented to Oscar Gracia. Informational only. No action taken.

CONSENT AGENDA

5. **CONSIDER THE APPROVAL OF MINUTES** The Minutes from the Board Meeting of November 24, 2025, were approved as presented in the Board Packet.
 - a. Regular Session of November 24, 2025
6. **CONSIDER THE APPROVAL OF CHIEF NURSING OFFICER'S REPORT** Ms. Deen reported the following: Presented an overview of the Nursing Administration team, which consists of the ED Case Manager, Swingbed Coordinator, Director of Quality/Clinical Educator, Infection Preventionist/Employee Health Nurse, Quality Assurance Specialist, and the

Nursing Administrative Assistant. Quality Scorecard and Environment of Care (EOC) Rounds were presented. Rural Hospital Improvement Funds were utilized to purchase a Defib and Rhythm Training Simulator (D.A.R.T.) program and Skytron surgical lights. The ED Director attended a meeting with the South Texas Regional Advisory Council (STRAC). Medina Regional Hospital continues its collaboration with STRAC and TX Forensic Nurse Examiners Forensic Center of Excellence (TxFNE) to provide Sexual Assault Nurse Examinations.

7. CONSIDER THE APPROVAL OF CHIEF OPERATING OFFICER'S REPORT

Ms. Lowe reported the following: Medina Healthcare System will focus on strategic growth in the Rural Health Clinics in the coming year as there has been a few changes to the Family Practice recruitment slated for 2026. Medina is currently focusing on Ophthalmology and ENT specialty care providers. Lease agreements and specialty clinic providers are also being reviewed. The Service Line and Outpatient Volume report was presented. Lab outpatient productivity was presented. A new Lab Director has been hired. The Rural Health Clinic report was presented. The Call Center remains strong and is performing at goal consistently. Weekend clinic volume remains steady.

8. CONSIDER THE APPROVAL OF THE MEDICAL STAFF REPORT

Dr. Windrow provided a verbal report. There are no issues and concerns.

9. CONSIDER PUBLIC CORRESPONDENCE

Mr. Johnson presented the public correspondence report for the month of December. There were 16 questionnaires returned and one email after receiving care at MHS. There were no negative comments.

MOTION

Ms. Winkler made a motion to approve the Consent Agenda. Mr. Johnson seconded.

VOTE

The motion passed unanimously.

10. CONSIDER APPROVAL OF THE CHIEF EXECUTIVE OFFICER'S REPORT

Ms. Bell reported the following: Legislative updates: Federal budget negotiations have had a direct impact on rural healthcare this fall. The federal government shutdown lasted from October 1 to November 12, 2025, marking the longest in U.S. history at 43 days. Congress passed the Continuing Appropriations and Extensions Act (H.R. 5371) on November 12, 2025, which ended the shutdown and provided full-year funding for select departments while extending temporary funding for most agencies through January 30, 2026. Pending issues include final appropriations for HHS and CMS programs that directly affect rural hospitals, as well as unresolved policy extensions tied to Medicare and Medicaid.

State Legislative updates: Since the Legislature adjourned in June, no rural healthcare bills remain pending, and any new action would require a special session, which has not been announced. Stakeholders are now focused on implementing the laws passed in 2025 while preparing proposals for the 2027 session. Key issues expected to resurface include long-term funding for rural hospital sustainability, Medicaid reimbursement rates and potential coverage expansion, workforce recruitment and retention, and continued investment in telehealth infrastructure and broadband access.

2024 and 2025 Obstetrical data was presented. Information Technology (IT) projects achieved major progress on core infrastructure initiatives. The Nutanix installation was completed. The new paging system reached final installation stages, but encountered technical challenges that are being resolved by the vendor and IT team. Medina Healthcare System's (MHS) photo entry was awarded Runner Up in the National Rural Health Day photo contest. Construction updates were presented. Our MHS team organized an Angel Tree gift drive for nursing homes in Hondo, Castroville, and Devine. Thanks to the extraordinary generosity of our staff, every resident will receive a personal gift.

MOTION

Mr. Bain made a motion to approve the CEO report as presented in the Board packet. Mr.

Johnson seconded.

VOTE

The motion passed unanimously.

11. FINANCE COMMITTEE MEETING:

Dr. Young called the meeting of the Finance Committee of the Medina County Hospital District to order. He stated for the record that the Committee has three Board Committee members present, plus three Board members, representing a quorum.

- a. Consider approval of the Finance Committee November 24, 2025 Minutes**

MOTION

Mr. Bain made a motion to approve the Finance Committee Minutes of November 24, 2025, as presented in the packet. Mr. Hardt seconded.

VOTE

The motion passed unanimously.

- b. Review November 2025 Financials**

The Finance Committee reviewed and discussed the financial report for November, as presented in the board packet.

Mr. Frosch reported that Gross Revenue was above budget for the month and that three of the four sub-categories, Inpatient Revenue, Outpatient Revenue, & Emergency Department, also reported above budget revenues in the period.

Mr. Frosch noted that Net Revenue was above budget for the month and expenses were below budget. Net Operating Income results were positive and ahead of budget for the month and year to date. Mr. Frosch noted that EBIDA fell short of budget in November due to tax revenues coming in slower than budgeted, but this measure remains ahead of budget on a year to date basis.

Volumes were strong in almost all categories, and they were definitely strong in many of the higher revenue/visit service categories, which helped generate above-budget gross revenue. Specifically, Outpatient Visits, Colonoscopies, and Surgeries metrics were each above budget in the period, and were key contributors to the solid gross revenue reported in November. Similarly, Inpatient volumes were solid, with Patient Days and Swingbed days outpacing budget. Mr. Frosch noted that only RHC visits metrics reported below budget, showing the impact of the holiday week.

Mr. Frosch concluded by reiterating that November was a solid month. He also reported that benefits open enrollment will begin December 1st. Mr. Frosch mentioned that cost report data requests and exhibit preparations for FORVIS are underway.

12. CONSIDER APPROVAL OF THE FINANCE REPORT FOR NOVEMBER 2025

Dr. Young asked if any of the Board members had any questions or concerns from the Finance Committee Meeting. There were no changes to the finance report presented by Mr. Frosch.

MOTION

Dr. Young made a motion to approve the Financial Report for November 2025 as presented during the Finance Committee meeting. Ms. Winkler seconded.

VOTE

The motion passed unanimously.

13. CONSIDERATION AND APPROPRIATE ACTION REGARDING ANNUAL BLUE CROSS BLUE SHIELD (BCBS) EMPLOYEE BENEFIT RENEWALS

Mr. Frosch presented a summary of the annual Blue Cross Blue Shield employee benefit renewals.

MOTION

Ms. Winkler made a motion to approve the annual Blue Cross Blue Shield employee benefit renewals as presented in the Board packet. Mr. Bain seconded.

VOTE

The motion passed unanimously.

14. **CONSIDERATION AND REQUEST TO APPROVE MEDINA HEALTHCARE SYSTEM'S FIRE PLAN – NO CHANGES** Mr. Frosch presented the Medina Healthcare System's Fire Plan and noted there were no changes made to the Fire Plan.
- MOTION**
- Mr. Bain made a motion to approve the Medina Healthcare System's Fire Plan as presented in the Board packet. Dr. Windrow seconded.
- VOTE**
- The motion passed unanimously.
15. **CONSIDERATION AND REQUEST TO APPROVE MEDINA HEALTHCARE SYSTEM'S SAFETY PLAN – NO CHANGES** Mr. Frosch presented the Medina Healthcare System's Safety Plan and noted there were no changes made to the Safety Plan.
- MOTION**
- Dr. Young made a motion to approve the Medina Healthcare System's Safety Plan as presented in the Board packet. Mr. Bain seconded.
- VOTE**
- The motion passed unanimously.
16. **REVIEW AND REQUEST TO APPROVE THE SENIOR LEADERSHIP KEY PERFORMANCE INDICATORS POLICY – WITH CHANGES** Ms. Bell presented the Senior Leadership Key Performance Indicators policy and noted there was a change to the policy.
- MOTION**
- Ms. Winkler made a motion to approve the Senior Leadership Key Performance Indicators policy as presented in the Board packet. Mr. Johnson seconded.
- VOTE**
- The motion passed unanimously.
17. **REVIEW AND REQUEST TO APPROVE THE DIRECTOR KEY PERFORMANCE INDICATORS POLICY – NEW** Ms. Bell presented a brief overview of the Director Key Performance Indicators policy and noted that this a new policy that will be implemented January 1, 2026.
- MOTION**
- Dr. Windrow made a motion to approve the Director Key Performance Indicators policy as presented in the Board packet. Mr. Bain seconded.
- VOTE**
- The motion passed unanimously.
18. **CONSIDERATION AND REQUEST TO APPROVE THE MEDINA REGIONAL HOSPITAL LEVEL I PERINATAL PROGRAM PLAN** Ms. Deen presented the Medina Regional Hospital Level I Perinatal Program Plan.
- MOTION**
- Dr. Young made a motion to approve the Medina Regional Hospital Level I Perinatal Program Plan as presented in the Board packet. Ms. Winkler seconded.
- VOTE**
- The motion passed unanimously.
19. **TIDBIT OF THE MONTH – Cardiac CT Angiography (CTA) at Medina Regional Hospital** Ms. Bell presented a summary of the CT Angiography (CTA) service at Medina Regional Hospital. Informational only. No action taken.
20. **DID YOU KNOW? SERIES #5 – Medina Healthcare System employs over 375 caring professionals and is the 2nd largest employer in Hondo** Ms. Bell presented Did You Know, Series #5 – Medina Healthcare System has over 375 employees and is the second largest employer in Hondo. Informational only. No action taken.

21. EXECUTIVE SESSION

The Board of Directors of the Medina County Hospital District went into Closed Session, at 7:33 p.m., this date December 22, 2025. The Closed Session is being held pursuant to Section 551.071 and Section 551.072 of the Texas Government Code.

CONSULTATIONS WITH AN ATTORNEY– 551.071
DELIBERATIONS ABOUT REAL PROPERTY – 551.072

The Board of Directors of Medina Regional Hospital District adjourned Closed Session at 7:59 p.m. and returned to Open Session at 8:00 p.m.

**22. CONSIDER ANY
NECESSARY ACTION
FROM EXECUTIVE
SESSION**

No action was taken by the Board.

23. NEXT BOARD MEETING

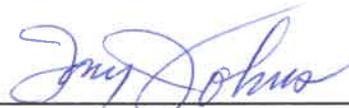
January 26, 2026

24. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 8:01 p.m.



Tim Hardt, President



Tony Johnson, Secretary