Freestone Medical Center
Fairfield Hospital District
Board of Directors Meeting
May 28th, 2026

The Fairfield Hospital District met on May 28, 2026, in the J.R. Corne Boardroom inside Freestone Medical Center. Board Members in attendance were George Robinson, Vance Oglesbee, Brent Moore, Carman Mannen, Danny Wren, and David Lott. Others in attendance included Tony Price (FHD Advisor), Melissa Wilson (CEO), Jennifer Azua (CFO), Nicki Hagen (CNO), Craig Sims (CHC), Michael Morgan (CHC), Dr. Darryl White (Chief of Medical Staff). Members absent were Lisa Tate (excused).

A. CALL TO ORDER - The meeting was called to order at 12:05 p.m. by George Robinson.

B. INVOCATION - The invocation was led by Mr. Tony Price.

C. PUBLIC FORUM - No public comments were made.

D. FAIRFIELD HOSPITAL DISTRICT UPDATE - Tony Price provided a brief update regarding ongoing District matters and financial planning activities. Discussion included ongoing preparations related to the hospital's Rural Emergency Hospital (REH) transition and associated financial considerations.

E. COMMUNITY HOSPITAL CORPORATION UPDATE - A written CHC Board update was provided in the Board packet.

Craig Sims supplemented the written report with a brief update regarding operational planning, REH transition activities, workforce restructuring considerations, and financial modeling efforts supporting the transition process. He and Michael Morgan also discussed recent Rural Health Transformation Program developments and grant opportunities available to rural hospitals.

F. CONSENT AGENDA - The Board reviewed the Consent Agenda, which included the April 23, 2026 regular meeting minutes, the May 13, 2026 Special Called Meeting minutes, the May 17, 2026 Special Called Meeting minutes, the May 26, 2026 Special Called Meeting minutes, April 2026 financials, medical staff credentialing actions as listed on the agenda, and policies and procedures updates as listed. A motion to approve the Consent Agenda as presented was made by Carman Mannen and seconded by Brent Moore. Motion carried unanimously.

G. DISCUSSION ITEMS -

1. **Rural Emergency Hospital Operational Model.** The Board acknowledged the agenda item. Limited discussion occurred in open session. Further discussion was conducted in Executive Session.

2. **ED and Hospitalist Models.** The Board acknowledged the agenda item. Limited discussion occurred in open session. Further discussion was conducted in Executive Session.

H. REPORTS

1. **CFO -** Reports were included in the Board packet.

   Jennifer Azua reviewed April financial performance and operational results. She reported that inpatient admissions, patient days, case mix, and emergency department conversion rates were below budget, while outpatient surgeries, GI procedures, and MRI volumes exceeded budget. She also discussed cash flow, accounts payable management, employee health plan claim trends, Medicare cost report recoupments, and continued improvements in revenue cycle performance, including reduced unbilled days and improved accounts receivable resolution rates.

2. **CNO and QA/PI -** Reports were included in the Board packet.

   Nicki Hagen reviewed clinical operations and quality indicators, including inpatient admissions, observations, emergency department volumes, transfers, surgeries, respiratory therapy activity, clinic visits, mortality data, and quality improvement initiatives. She reported one grievance for the month and no compliance issues. Quality and performance improvement activities were reviewed as part of the Board packet.

3. **CEO Comments-** A written report was provided in the Board packet.

   Melissa Wilson provided brief verbal comments in open session, with additional discussion occurring in Executive Session.

I. EXECUTIVE SESSION - The Board entered into Executive Session at 12:19 p.m., in accordance with Texas Government Code Sections 551.071 (Consultation with Attorney), 551.074 (Personnel Matters), 551.085 (Deliberation by Governing Board of Certain Providers of Health Care Services), and 551.086 (Economic Development).

The Board reconvened in Open Session at 12:33 p.m.

ACTION FROM EXECUTIVE SESSION - A motion was made by Carman Mannen to rescind the previously issued termination notice to ACPHealth and authorize administration to issue a revised notice of termination without cause, establishing a new termination date of November 26, 2026, in accordance with the Agreement's 180-day notice provision. The motion was seconded by Danny Wren. Motion carried unanimously.

J. ADJOURNMENT - Meeting adjourned at 12:45 p.m.

K. Next Meeting - June 25, 2026 at 12:00 p.m. in the J. R. Corne Board Room in Freestone Medical Center.

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George Robinson
FHD Board President

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Melissa Wilson
CEO, Freestone Medical Center