

Honorable Commissioners' and Judge

Concerning Clay County Memorial Hospital

This letter is in regards to our hospital, The Clay County Hospital operates under Chapter 263, Health and Safety Code. (Attached) Our hospital currently has a contract with the CCMH Foundation that was signed into 2003 as a CO-EMPLOYMENT AGREEMENT. This agreement states that the Foundation is specifically responsible for payment of employee payroll. The Foundation is paid an administrative fee of 3% of the gross payroll every time payroll is done. The amount that was paid to the Foundation for the last two pay periods was 8543.34 for administering payroll, this equals to around 100,000.00 a year to the Foundation for SPECIFICALLY processing PAYROLL. The problem I have now is we received an Invoice from CPSI which is a company the hospital has contracted with that provides many services such as but not limited to Hardware & Software, Medical Coding, Medicare updates etc. also included in this contract are electronic paystubs, w-2's and direct deposits that specifically relate to payroll. The invoice that was received to be paid was for 3930.35 that included the charges of 139.05 in the breakdown on the invoice for the electronic paystubs, w-2's and direct deposits. It was presented in Commissioners Court and the list was approved with a new check to be issued minus the 139.05 March 12, 2018 in Commissioners Court The Administrator does not agree with this decision on the foundation being responsible for the charges but because the contract SPECIFICALLY states that the foundation is responsible for payroll and these charges are specifically for that purpose and no other I agree with the courts decision that has already been made. After really looking over the situation and realizing how much money is going out for these services I have ask for the Texas Association of Counties to look further into the agreement that was made with the Foundation and hospital on the CO-EMPLOYMENT in 2003 to see what benefits the hospital from it and possibly have the court consider terminating the agreement, since the services are already administered at the hospital, I do not see the benefit of paying the services to the foundation or even for the need of the Co-Employment when that money could be used in the hospital where the services are already rendered. According to the Codes the County Hospital has a board appointed by commissioner's court. The board is over the hospital administrator. The hospital administrator is over all other employees. All new hires should go through the board. Another one of the responsibilities of the hospital board is to decide what benefits the hospital employees receive this would include but is not limited to retirement match, health, life, etc. because they are a separate group the benefits are governed by Chapter 5, Title 71, Revised Civil Statutes of Texas, 1925. The way they earn vacation and sick leave and paid holidays would also be set by the board. According to the Health and Safety code 263.047 on Salaries, The board shall determine the salaries of the employees of the hospital, including administrator, the salaries may not exceed the appropriation made for the salaries by the commissioner's court.

Kind Regards,



Gina Blevins

Clay County Auditor