

Hospital Authority of Houston County – Meeting Summary, December 2008

During their meeting this evening, the Hospital Authority of Houston County discussed the following items:

Invocation was given by Rev. Jerry Bisping from Mount Calvary Lutheran Church and a member of the Houston Medical Center Chaplains.

NEW BUSINESS

During the course of the meeting, the Hospital Authority approved and signed a lease and transfer agreement for the reorganization of the non-profit Hospital Authority of Houston County to a 501(c)(3) not-for-profit corporation. Under this reorganization, Houston Healthcare System, Inc. will be the parent company for Houston Hospitals, Inc. We will continue to operate as Houston Healthcare.

The Hospital Authority also approved five resolutions regarding the reorganization. Two of the resolutions pertained to the 457(b) plan restructuring, one for the 403(b) discretionary retirement plan, another resolution for our defined benefit plan, and the last resolution adopted was to move Houston Heart Institute under the umbrella of Houston Healthcare System, Inc.

CHAIRMAN'S COMMENTS

Mr. Sonny Watson announced that this was the last official action of the Hospital Authority of Houston County before we convert to a 501(c)(3) not-for-profit corporation. The Hospital Authority will still serve as an Advisory Board to Houston Healthcare Systems, Inc.

Mr. Watson commended Mr. Skip Philips, the Leadership team, and all employees for a good year, as well as thanked them for their guidance. He anticipated another good year and praised the staff for their good work, patient care and patient satisfaction.

CEO'S COMMENTS

Mr. Philips reviewed several of the comments from Town Hall Talks that employees shared regarding their accomplishments from 2008. He also spoke about the completed eight Kaizen events during the past eight months. To date, 79 employees have participated in these Kaizen events and 19 employees have gone through reVIEW courses.

Mr. Philips expressed his appreciation and support to all the Hospital Authority members and noted that these are exciting times for us as we move into reorganization.

GENERAL COMMENTS

Mr. Larry Warnock thanked Mr. Philips for speaking at the 2nd Nursing graduation class at Macon State College for the Warner Robins campus. Mr. Warnock further thanked Mr. Philips for representing us well.

Mr. Ed Dyson noted that Houston Healthcare has made great strides under the leadership of Mr. Watson. He applauded him for leading the entire system's efforts and bringing Houston Healthcare to where it is now.

With no further business, the meeting was adjourned.