

**MINUTES  
BOARD OF MANAGERS  
NUECES COUNTY HOSPITAL DISTRICT  
REGULAR SESSION**

**July 23, 2012**

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The Nueces County Hospital District Board of Managers met in **REGULAR SESSION** in the NCHD Board Room at 555 N. Carancahua, Suite 950-A Monday, July 23, 2012 at 7:00 p.m., Corpus Christi, TX.

**HOSPITAL DISTRICT REPRESENTATIVES:**

Jonny F. Hipp, Administrator/CEO  
Dena B. Bruni, Assistant Administrator, Administrative Services  
Donna Littlefield, Director, Accounting & Finance  
Wm. DeWitt Alsup, Attorney, Alsup & Alsup Law Firm  
Catherine Heller, Assistant County Attorney  
Sara G. Lopez, Administrative Specialist  
Carmen H. Ramos, Administrative Assistant

**OTHER(S) PRESENT:**

Gary Eiland, Attorney, King & Spalding, LLP, Houston, TX  
Linda Wertz, Managing Principal, Health Management Associates, Austin, TX  
Rhianna Meyers, Reporter, Caller Times

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1. **Call to Order** - Mr. Huseman, Chairman  
The meeting was called to order by Mr. Huseman at 7:00 p.m.
  2. **Establishment of Quorum** - Mr. Huseman  
A quorum was present with six members in attendance.

Van Huseman, Chairman - PRESENT  
Claude "Cal" Jennings, Vice Chair - PRESENT  
Charles Wilson, Member - PRESENT  
Raymond F. Wetegrove, Member - PRESENT  
Dan Winship, Member - PRESENT  
Irma Caballero, Member - PRESENT

Rodney J. Hart, Member - **ABSENT**

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**CONSENT AGENDA:**

3. **CONSENT ITEMS:**

On motion by Mr. Wetegrove, seconded by Ms. Caballero, the Board of Managers voted to accept, adopt, authorize(s) and/or ratify the following consent agenda items a - j as presented: **MOTION CARRIED.**

- a. Received and approved the minutes of Board of Managers meetings of April 17, 2012 Regular Session and June 12, 2012 Special Session.
- b. Received and accepted complete listing of vendors as of July 18, 2012 pursuant to provision of Board of Managers Bylaws, Section 2.1, Paragraph B and Texas Local Government Code, Chapter 176. Copy of Vendor Listing is attached hereto and made a part of these minutes.
- c. Received and accepted unaudited financial statements for the months and fiscal year-to-date periods ended March 31, 2012 - June 30, 2012 as presented. Copy of the unaudited financial statements are attached hereto and made a part of these minutes.
- d. Received and accepted payment information for fiscal year-to-date ended June 30, 2012:
  - (1) Medical services at Nueces County Juvenile Detention Facility;
  - (2) Emergency medical services in unincorporated areas of Nueces County;
  - (3) Supplemental funding for Nueces County Mental Health and Mental Retardation; and
  - (4) Salaries, benefits, and supplies at City of Corpus Christi/Nueces County Public Health Department..

Copy of summary payment information is attached hereto and made a part of these minutes.

- e. Received and accepted summary information relating to healthcare claims adjudicated pursuant to the Indigent Care Agreement:
  - (1) Calendar Year 2012 service date claims through June 30, 2012.

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Copy of summary information is attached hereto and made a part of these minutes.

- f. Received and accepted report of intergovernmental transfers relating to the Hospital District's participation in the Texas Health and Human Service Commission's Medicaid Disproportionate Share, Upper Payment Limit, and Transformation and Quality Improvement 1115 Waiver Programs and related Program payments to Christus Spohn Health System Corporation, report as of July 18, 2012.
- g. Received and accepted the investment reports, interim investment reports, and ratify related investment transactions as presented:
  - (1) Quarterly Investment Report for fiscal quarter ended March 31, 2012;
  - (2) Quarterly Investment Report for fiscal quarter ended June 30, 2012; and
  - (3) Interim Investment Transaction Report for period of July 1, 2012 - July 18, 2012.

Copies of Quarterly Investment Reports and ratified Investment Transactions are attached hereto and made a part of these minutes.

- h. Received and accepted summary information relating to Nueces Aid service utilization for the period of January 1, 2012 - June 30, 2012:
  - (1) Pharmacy Program; and
  - (2) Pharmacy Volume by Month

Copy of Script Care Cost and Utilization Summary report is attached hereto and made a part of these minutes.

- i. Ratified Calendar Year 2011 unreimbursed health care expenditures amounts submitted to the Texas Department of State Health Services for pro rata share distribution of Calendar Year 2011 income from the Tobacco Permanent Settlement Trust Account; expenditure submission pursuant to Texas Administrative Code, Title 25, Part 1, Chapter 102, Rules §102.1(b) and §102.3(a), (e)(2), and (f) as submitted. Copies of letter to Department of State Health Services dated March 27, 2012, and PRO RATA Tobacco Settlement Distribution Hospital District Expenditure Statement - 2011 are attached hereto and made a part of these minutes.

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- j. Received and accepted List of Political Subdivisions that Received a Payment in 2012 Distribution shows that 2011 Unreimbursed Health Care Expenditures of \$35,780,392.45. NCHD's distribution in 2012 was \$698,820.34 and ranks 7<sup>th</sup> in the state. Copy of List of Political Subdivisions that Received a Payment in the 2012 Distribution is attached hereto and made a part of these minutes.

**REGULAR AGENDA:**

**Finance Committee - Mr. Wilson, Committee Chair**

4. **Adopt a Board of Managers' Resolution relating to annual review of the investment policy and investment strategy and adopting changes to the investment policy, pursuant to Texas Government Code, §2256.005(e) - ACTION**  
On motion by Mr. Wetegrove, seconded by Mr. Jennings, the Board of Managers adopted a resolution relating to the annual review of the investment policy and investment strategy and changes to the investment policy. **NOTE: No changes have been made to investment policy and investment strategy since August 1, 2011. MOTION CARRIED.** Original executed resolution and its Exhibit "A" are attached hereto and made a part of these minutes.
5. **Adopt a Board of Managers' Resolution relating to review and adoption of the listing of qualified broker/dealer authorized to engage in investment transactions, pursuant to Texas Government Code, §2256.025 - ACTION**  
On motion by Mr. Wetegrove, seconded by Mr. Jennings, the Board of Managers adopted a resolution relating to review and adoption of the listing of qualified broker/dealers authorized to engage in investment transactions, as presented. **NOTE: Morgan Stanley replaces Citigroup. MOTION CARRIED.** Original executed resolution and its Exhibit "A" are attached hereto and made a part of these minutes.
6. **Review and discuss annual operating budget deficit projected for fiscal year ending September 30, 2012 and subsequent fiscal year's projected budget deficit; discuss expected revenues and expenditures, and other related matters - INFORMATION**  
This agenda item was referred for discussion in closed session.
7. **Consider actions relating to projected annual operating budget deficit for fiscal year ending September 30, 2012 and subsequent fiscal years - ACTION**  
This agenda item was referred for discussion in closed session.

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**Planning Committee - Mr. Winship, Acting Committee Chair**

**8. Receive update on and discuss status of federal health care legislation and related matters: INFORMATION**

- a. Patient Protection and Affordable Care Act (Public Law 111-148); and
- b. Health Care and Education Reconciliation Act of 2010 (Public Law 111-152).

Mr. Hipp provided a brief update relating to the Patient Protections and Affordable Care Act and Health Care and Education Reconciliation Act. Copy of summary of new healthcare reform law is attached hereto for information and made a part of these minutes.

**9. Receive update on Regional Healthcare Partnership, Region 4 Anchor Entity activities under the Texas Healthcare Transformation and Quality Improvement Program Medicaid 1115 Waiver organized by the Texas Health and Human Services Commission - INFORMATION**

Mr. Hipp reported that formation of the Healthcare Partnerships includes 18 counties. A list of IGT projects will be considered. At this point, anchor entities' responsibilities are pretty much fulfilled. Copy of the Texas Regional Healthcare Partnership (RHP) Region, dated May 30, 2012; and listing of both RHP counties and contacts are attached hereto for information and made a part of these minutes.

**Indigent Care Provider Report (CHRISTUS Spohn Health System Corporation)**

**10. Receive and discuss information from Christus Spohn Health System Corporation relating to: INFORMATION**

No report or information provided pertaining to agenda items listed below:

- a. Medical aid and hospital care provided under terms of the Indigent Care Agreement and related matters; and
- b. Programs, projects, and activities at Christus Spohn Hospital Corpus Christi - Memorial and other Hospital District-owned facilities and related matters.

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**Hospital District Administrator**

**11. Next Scheduled Committee and Board Meetings: INFORMATION**

- a. Committee Meetings: Tuesday, September 25, 2012
  - (1) Finance Committee at 5:30 PM; and
  - (2) Planning Committee at 6:15 PM;
- b. Board Meeting: Tuesday, September 25, 2012 at 7:00 PM.
- c. Special Board & Finance Committee Meetings to Adopt Annual Budget: To be arranged.

Mr. Hipp reported that adoption of NCHD budget by Commissioners Court is scheduled for September 4, 2012.

**EXECUTIVE CLOSED SESSION**

The Board of Managers entered into executively closed session at approximately 7:12 p.m., to discuss and or deliberate on the following agenda item(s): 12. a.

**12. Consult with attorney pursuant to Open Meetings Act, Texas Government Code, §551.071:**

- a. Matters related to obligations of the parties under the Master, Lease and Indigent Care Agreements, as amended.

Members of the Board of Managers, Administrator Jonny F. Hipp, Attorneys Wm. DeWitt Alsup, Gary Eiland and Assistant County Attorney Catherine Heller, Assistant Administrator Dena B. Bruni, Director of Accounting and Finance Donna Littlefield remained for the executive closed session.

The Board of Managers ended its executively closed session at approximately 7:53 p.m., and reopened to public session.

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**OPEN MEETING**

13. **Consider final action, decision, or vote on matters deliberated in Closed Session - (Action as Needed)**  
There was no action taken in open session relating to matters discussed and or deliberated in closed session.
14. **Adjourn**  
There being no further business, the meeting adjourned at 7:53 p.m.

**PRESIDING OFFICER:**

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Van Huseman, Chairman  
Board of Managers  
Nueces County Hospital District

**ATTEST:**

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Jonny F. Hipp, Secretary  
Board of Managers  
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Wm. DeWitt Alsup, General Counsel  
Nueces County Hospital District

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