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BOARD OF MANAGERS ORDER AUGUST 26, 2025

Order Setting the Fiscal Year 2026 Mandatory Payment Rate for the Nueces County Hospital District Health Care Provider Participation Program

WHEREAS, during the 86th Regular Session, the Texas Legislature enacted S.B. 2315, adding Chapter 298C to the Health and Safety Code and authorizing the Nueces County Hospital District's ("District") Board of Managers ("Board") to establish a local health care provider participation program ("Program");

WHEREAS, the 87th Texas Legislature, through House Bill 1456, amended Chapter 298C of the Health and Safety Code, effective June 15, 2021;

WHEREAS, pursuant to Section 298C.003 of the Health and Safety Code, the Board authorized the District's participation in the Program for Fiscal Years 2021, 2022, 2023, 2024, and 2025 on September 29, 2020; August 3, 2021; September 20, 2022; July 24, 2023; and July 23, 2024, respectively;

WHEREAS, the Board now seeks to establish the amount of mandatory payments under the Program for Fiscal Year 2026 (October 1, 2025 – September 30, 2026) and to fulfill the preliminary requirements of Chapter 298C, Health and Safety Code;

WHEREAS, under Section 298C.101(a), Health and Safety Code, the Board is required each fiscal year to hold a public hearing regarding the amounts of mandatory payments to be assessed and the intended uses of the resulting revenue, and the District conducted such public hearing on August 26, 2025;

WHEREAS, pursuant to Section 298C.101(b), Health and Safety Code, the Board must publish notice of the required hearing at least five days prior in a newspaper of general circulation within the District, and such notice was published on August 19, 2025;

WHEREAS, pursuant to Section 298C.101(b), Health and Safety Code, the Board must also provide written notice of the hearing to each institutional health care provider in the District at least five days prior, and such notice was provided on August 19, 2025;

WHEREAS, having satisfied the statutory prerequisites, the Board now desires to establish the amount of mandatory payments under the Program for Fiscal Year 2026 and to direct that such payments be applied to one or more of the authorized purposes set forth in §298C.103, Health and Safety Code; and

WHEREAS, pursuant to Rule 9(d) of the Nueces County Hospital District Health Care Provider Participation Program Rules & Procedures (effective August 1, 2023), the net patient revenue basis for calculating the mandatory payment may be updated during the fiscal year using the most recent fiscal year data collected under Subdivision 5(a) of the Rules, and such updates do not require approval by the Board of Managers.

NOW, THEREFORE, BE IT ORDERED that the Board of Managers of the Nueces County Hospital District hereby establishes the mandatory payment under the Health Care Provider Participation Program for Fiscal Year 2026 (October 1, 2025 – September 30, 2026) **at six percent (6%) of the net patient revenue** of each institutional health care provider located within the District.

BE IT FURTHER ORDERED that the mandatory payments shall be directed to one or more of the authorized uses described in §298C.103 of the Health and Safety Code.

BE IT FURTHER ORDERED that the mandatory payment amount is subject to adjustment during Fiscal Year 2026 in accordance with Rule 9(d) of the Nueces County Hospital District Health Care Provider Participation Program Rules & Procedures (effective August 1, 2023), and that such adjustment shall not require further action or approval of the Board.

NUECES COUNTY HOSPITAL DISTRICT BOARD OF MANAGERS

Set FY 2026 HCPPP Payment Rate

August 26, 2025

	Belinda Flores, R.N. Chairman		
Vishnu V. Reddy, M.D. Vice Chairman	_	Sylvia Tryon Oliver Member	
Mariana Garza Member	-	Efrain Guerrero, Jr. Member	
Georgia Neblett Member	_	Karen O'Connor Urban Member	
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Nueces County Hospital District Board of Managers Order			

CERTIFICATE OF SECRETARY

THE STATE OF TEXAS §
COUNTY OF NUECES §

THE UNDERSIGNED HEREBY CERTIFIES that:

- 1. The members of the Board of Managers (the "Board") of the Nueces County Hospital District (the "Hospital District") have been duly appointed pursuant to Texas Health and Safety Code (the "Health Code"), §281.021.
- 2. Pursuant to Health Code, §281.021(a), the Board has been duly appointed; pursuant to Health Code, §281.048, the Board is the governing body of the Hospital District; and pursuant to the collective authorities of Health Code, §281.047 and §281.048, the Board has, and the time of adoption of this Order had, full power and authority to manage, control, administer, and to adopt rules governing operation of the Hospital District.
- 3. On the <u>26th</u> day of <u>August 2025</u>, the Board convened in a regular meeting at the Hospital District's regular meeting place (the "Meeting"), the duly constituted members and officers of the Board being as follows:

Belinda Flores, R.N., Chairman Vishnu V. Reddy, M.D, Vice Chairman Sylvia Tryon Oliver Mariana Garza Efrain Guerrero, Jr. Georgia Neblett Karen O'Connor Urban

and all of said persons were present, excep	ot the following absentees:
	, thus, constituting a quorum

4. Among other business considered at the Meeting, the attached order entitled:

Order Setting the Fiscal Year 2026 Mandatory Payment Rate for the Nueces County Hospital District Health Care Provider Participation Program

is a true copy of a order introduced and submitted to the Board for consideration toward passage and adoption (the "Order"). After presentation and discussion, it was then duly moved and seconded that the Order be passed and adopted. The motion to pass and adopt the Order prevailed and carried by the following viva voce vote:

Nueces County Hospital District Board of Managers Order Set FY 2026 HCPPP Payment Rate August 26, 2025

	YEAS: NAYS: PRESENT NOT VOTING: ABSENT:	((()))		
all as shown in the official Minutes of the Board for the Meeting.					
5.	The attached Order is a true and correct of the Hospital District; the duly qualified the Meeting are those persons shown ab each member of the Board was given act Meeting and had actual notice that the O deliberation of the aforesaid public busine said meeting, including the subject of the in compliance with the provisions of Chap	and action ove, a ual no rder week, was, was, was, was, was, was, was, was	cting mei and, acco tice of the ould be as open was pos	mbers of the Board on the date or ording to the records of my office ne time, place, and purpose of the considered; and the Meeting and to the public and written notice or sted and given in advance thereor	
6.	I am the Secretary of the Board having §281.023(b).	been (duly app	pointed pursuant to Health Code	
7.	The foregoing Order is in full force and ef has it been amended or modified in any v		nat the s	same has not been rescinded, no	
	IN WITNESS WHEREOF, I have hereunto lospital District on this the <u>26th</u> day of <u>Aug</u>			ame officially and affixed the sea	

Jonny F. Hipp Secretary, Board of Managers Nueces County Hospital District {HOSPITAL DISTRICT SEAL}

Nueces County Hospital District Board of Managers Order Set FY 2026 HCPPP Payment Rate August 26, 2025