

DRAFT

**MINUTES
BOARD OF MANAGERS
NUECES COUNTY HOSPITAL DISTRICT
REGULAR MEETING
AUGUST 22, 2023**

The Nueces County Hospital District Board of Managers met at 12:00 p.m. Tuesday, August 22, 2023, in the NCHD Board Room at 555 N. Carancahua, Suite 950 – A Corpus Christi, Texas.

HOSPITAL DISTRICT REPRESENTATIVES:

Jonny F. Hipp	Administrator/CEO
Belinda Espinoza	Assistant Administrator, Administrative Services
Donna Littlefield	Director, Accounting & Finance
Mary Esther Guerra	Assistant County Attorney
John B. Martinez	General Counsel
Melissa Quintanilla	Executive Assistant/Human Resources
Carmina Hernandez Moreno	Administrative Assistant

OTHERS PRESENT:

Robert Caro, M.D.	Medical Director, Nueces County Jail
Capt. Belinda Bustamante	Nueces County Sherriff's Officer
J.C. Hooper	Nueces County Sherriff's Dept.
Bryan Hoffman	News Reporter Ch. 6
Andria Kovarik	MHID
Mike Davis	MHID
Mark Hendrix	MHID
Shawn Barnes	Corpus Christi Police Dept. – via Zoom
Becky Rios	Christus Spohn Hospital – via Zoom
David McElwain	Director of Advisory – via Zoom
Ronica Hutchinson	Gjerset & Lorenz – via Zoom
Danice Obregon	Nueces County Public Defender's Office – via Zoom

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1. WELCOME

2. ROLL CALL OF BOARD OF MANAGERS

- Y__ John E. Valls, MBA, Chairman
- X__ Vishnu V. Reddy, M.D., Vice Chairman
- Y__ Sylvia Tryon Oliver
- Y__ Belinda Flores, R.N.
- X__ Judge Mariana Garza
- Y__ Efrain Guerrero, Jr.
- Y__ Arthur Granado

3. CALL TO ORDER, ESTABLISHMENT OF QUORUM, MEETING POSTING CONFIRMATION, AND CLOSED MEETING NOTICE:

- A. Call to order – Mr. John E. Valls, Chairman.
The meeting was called to order by Mr. Valls at 12:10 p.m.
- B. Establish quorum – Mr. Valls.
A quorum was present with five members in attendance.

John E. Valls, MBA, Chairman – PRESENT
Sylvia Tryon Oliver, Member – PRESENT
Belinda Flores, R.N., Member – PRESENT
Efrain Guerrero, Jr., Member – PRESENT
Arthur Granado, Member – PRESENT
Vishnu V. Reddy, M.D., Vice Chairman – ABSENT
Judge Mariana Garza, Member – ABSENT

- C. Confirm posting of Meeting's public notice in accordance with Texas Open Meetings Act, Texas Government Code, Chapter 551.
- D. Public notice is hereby given that the Board of Managers may elect to go into Closed Meeting session(s) at any time during the meeting to discuss any matter(s) listed on the agenda when so authorized by the provisions of the Open Meetings Act, Texas Government Code, Chapter 551.

4. ANNOUNCEMENT ON DISCLOSURE OF CONFLICTS OF INTEREST. Any Conflicts of Interest or Appearance of a Conflict of Interest with items on this agenda shall be declared at this time. Members with conflicts will refrain from voting and are asked to refrain from discussion on such items. Conflicts discovered later in the meeting shall be

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disclosed at that time.

5. **PUBLIC COMMENT** - Persons attending in-person and wishing to comment on any item(s) on the agenda or any subject within the Board's responsibilities must sign-in on the "Agenda Item Request to Speak" form provided at the entrance of the Board meeting room at least five (5) minutes prior to commencement of the meeting. Persons attending via audio or video conference and wishing to comment on any item(s) on the agenda or any subject within the Board's responsibilities must verbally notify the presiding officer of their desire to comment when the officer calls for public comment from those attending via audio and video conference. Commenters shall limit their comments to three (3) minutes, except that Commenters addressing the Board through a translator shall limit their comments to six (6) minutes.

**Robert Caro M.D.
Capt. Belinda Bustamante
Mark Hendrix
Mike Davis
Andrea Kovarik**

6. **CONSENT AGENDA** - The Consent Agenda consists of those agenda items which are routine, administrative in nature, not in need of separate attention, and which a member of the Board has not requested be discussed separately. If requested to be discussed separately, that agenda item will be removed from the Consent Agenda by the presiding officer to the Regular Agenda and discussed as a part of the Regular Agenda at the appropriate time. All remaining items listed under the Consent Agenda will be voted upon in a single vote:

A. Approve Board of Managers minutes:

1. Public Hearing of July 24, 2023;
2. Regular Meeting of July 24, 2023; and
3. Special Meeting of August 16, 2023.

B. Receive listing of new vendors as of August 17, 2023; listing provided pursuant to Board of Managers Bylaws, §2.1.B and Texas Local Government Code, Chapter 176.

C. Receive hospital providers' quarterly reports relating to certain Indigent Care Affiliation Agreements associated with participation in the Texas Healthcare Transformation and Quality Improvement Program Medicaid 1115 Waiver for calendar quarter-ended June 30, 2023:

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1. CHRISTUS Spohn Health System Corporation Hospitals: Alice, Beeville, and Kleberg (Consolidated Report);
 2. Corpus Christi Medical Center; and
 3. Driscoll Children's Hospital.
- D. Receive summary payment information on Nueces County health care disbursements for Fiscal Year 2023 year-to-date:
1. Salaries, benefits, supplies, and intergovernmental transfers at/for City of Corpus Christi/Nueces County Public Health District;
 2. Emergency medical services provided in unincorporated areas of Nueces County;
 3. Supplemental and jail diversion program funding for Nueces Center for Mental Health and Intellectual Disabilities;
 4. Medical services provided at County correctional facilities:
 - a. Nueces County Jail; and
 - b. Nueces County Juvenile Detention Center;
 5. Funding for alcohol and drug abuse treatment programs:
 - a. Cenikor (Charlie's Place);
 - b. Council on Alcohol and Drug Abuse; and
 - c. Palmer Drug Abuse Program;
 6. Funding for diabetes prevention and supporting programs;
 7. Public health grants; and
 8. Legal and professional fees.
- E. Receive summary imputed claims information on medical and hospital care provided to the Nueces Aid Program population consistent with the CHRISTUS Spohn Health System Corporation Amended and Restated Membership Agreement for fiscal year-to-date period-ended July 31, 2023.
- F. Receive fiscal year-to-date Specified Annual Percentage-related revenue reports; revenue receipts pursuant to CHRISTUS Spohn Health System Corporation Amended and Restated Membership Agreement, Section 5.03.

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G. Receive monthly statement of escrow amounts deposited and/or withdrawn by CHRISTUS Spohn Health System Corporation; deposits pursuant to and consistent with Schedule 1 to CHRISTUS Spohn Health System Corporation Amended and Restated Membership Agreement; receive statements for months-ended: April 30, May 31, June 30, and July 31, 2023.

H. Receive statement of amounts deposited to and/or withdrawn from Local Provider Participation Fund for fiscal year-to-date; deposits and withdrawals pursuant to Board of Managers Order authorizing participation in a health care provider participation program pursuant to Texas Health and Safety Code, Chapter 298C, as amended.

I. Receive summary report of cumulative estimated provider payments and actual intergovernmental transfers made in support of local and other healthcare providers participating in Medicaid supplemental and directed payment programs sponsored by the Texas Health and Human Services Commission (HHSC):

1. Directed Payment Programs - Medicaid managed care organization payments to healthcare providers that support overall Medicaid program goals and objectives:

- a. Comprehensive Hospital Increase Reimbursement Program (CHIRP);
- b. Network Access Improvement Program (NAIP);
- c. Texas Incentives for Physicians and Professional Services (TIPPS);
- d. Uniform Hospital Rate Increase Program (UHRIP); and

2. Supplemental Payment Programs - HHSC-directed payments made to hospitals for achieving certain goals or to support health care providers that see significant numbers of uninsured or persons without much money:

- a. Disproportionate Share Hospitals (DSH) program;
- b. Graduate Medical Education (GME);
- c. Hospital Uncompensated Care (UC) pool; and

3. Phase-Out Programs:

- a. Delivery System Reform Incentive Payment (DSRIP) pool.

J. Receive reports relating to Nueces Aid Program enrollment for the month-ended July 31, 2023:

1. Total Persons and Households Enrolled;
2. Enrollment Summary;
3. Denials;
4. Application Processing Summary; and
5. Enrollment by Zip Code.

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Consent Agenda approved. Motion by Ms. Flores and seconded by Ms. Oliver. MOTION CARRIED.

7. REGULAR AGENDA - The Regular Agenda consists of those agenda items which are non-routine, not administrative in nature, or are otherwise in need of separate attention. Each Regular Agenda item will be voted upon separately if action is required:

A. Fiscal Year 2024 Budget:

1. Adopt Board of Managers Resolution committing an amount of the September 30, 2023 fiscal year-end General Fund balance to the subsequent fiscal year for payment of obligated, but not yet requested intergovernmental transfers relating to supplemental and/or directed payment programs operated by the Texas Health and Human Services Commission during Fiscal Year 2023. (*ACTION*)
2. Adopt Board of Managers Resolution relating to approval of the Member Revenue Allocation Percentage for the period October 1, 2023 - September 30, 2024 pursuant to Section 5.03(a) of the Amended and Restated CHRISTUS Spohn Health System Corporation Membership Agreement. (*ACTION*)
3. Adopt Board of Managers Resolutions incorporating specified funding into the Fiscal Year 2024 Annual Budget (October 1, 2023 - September 30, 2024) for:
 - a. County Healthcare Expenditures; and
 - Nueces Center for Mental Health and Intellectual Disabilities matching funds. (*ACTION*)

Items 7. A. 1, 2, 3. Motion by Ms. Oliver and seconded by Mr. Granado. MOTION CARRIED.

4. Adopt Board of Managers Resolution approving Fiscal Year 2024 Annual Budget (October 1, 2023 - September 30, 2024), approval pursuant to Texas Health and Safety Code, §281.091(b); Annual Budget includes:
 - a. General Fund;
 - b. Tobacco Fund;
 - c. Indigent Care Fund; and
 - d. Capital Budget. (*ACTION*)

Motion by Mr. Granado and seconded by Mr. Guerrero. MOTION CARRIED

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5. Authorize Administrator to negotiate and execute Interlocal Cooperation Agreement(s) with Nueces County relating to Hospital District's provision of funding for and/or payment of County Healthcare Expenditures during Fiscal Year 2024 and related matters. (*ACTION*)

**Motion by Mr. Granado and seconded by Ms. Flores.
MOTION CARRIED.**

B. Bank Depository:

1. Designate Frost Bank as depository for Hospital District funds for the four-year term October 1, 2023 - September 30, 2027; designation initializes award of Request for Application No. 2023-01 with finalization of award subject to Board of Managers approval of supplemental agreements to be negotiated; designation

pursuant to Chapter 116, Texas Local Government Code:

a. Adopt Order designating Frost Bank as depository for Hospital District funds; designation pursuant to Subchapter B, Texas Local Government Code, §116.025; and

b. Authorize Administrator to negotiate depository-related matters, including supplemental agreements with Frost Bank, to include, but not be limited to:

1. Bank Depository Agreement;
2. Security Agreement;
3. Pledgee Agreement;
4. Safekeeping agreements with associated entities; and
5. Other depository-related agreements. (*ACTION*)

**Motion by Mr. Guerrero and seconded by
Mr. Granado. MOTION CARRIED.**

C. Finance:

1. Financial Statements:

a. Receive and approve unaudited financial statements for the month and fiscal year-to-date period ended July 31, 2023. (*ACTION*)

**Motion by Ms. Flores and seconded by
Mr. Guerrero. MOTION CARRIED.**

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2. Quarterly Investment Report:

- a. Receive Quarterly Investment Report for fiscal quarter-ended June 30, 2023. *(INFORMATION)*

D. FEMA COVID-19 Pandemic Cost Recovery Application:

1. Receive update on the matter of pending Arbitration Agreement between the Federal Emergency Management Agency ("FEMA"), Texas Division of Emergency Management, and Nueces County Hospital District relating to Hospital District's arbitration request before the United States Civilian Board of Contract Appeals ("CBCA") in the matter identified as CBCA 7792-FEMA, *In the Matter of Nueces County Hospital District. (INFORMATION)*

E. Board of Managers Business:

1. Adopt Calendar Year 2024 Board of Managers meeting dates and times. *(ACTION)*

**Motion Ms. Oliver and seconded Mr. Guerrero.
MOTION CARRIED.**

F. Other Business:

1. Receive supporting documentation relating to Administrator's achievement of Employment Agreement-related performance goals during the fiscal year ended September 30, 2022 and approve related payment. *(ACTION)*

Item F. I, was discussed in Closed Session. Came back to Open Session. Motion from Mr. Granado and seconded by Ms. Flores. MOTION CARRIED.

Attachment per Mr. Hipp from Texas Health and Human Services inserted after Exhibit 3 but before Exhibit 4.

8. ADMINISTRATOR'S BRIEFING:

- A. Next scheduled Board of Managers and Board Committee regular meetings (all meetings' dates, times, and locations are subject to change):

1. Board of Managers: Tuesday, September 26, 2023 at 12:00 Noon in NCHD Board of Managers Meeting Room at 555 North Carancahua Street, Room 950-A,

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Corpus Christi, Texas 78401. **(INFORMATION)**

9. **CLOSED MEETING** - Public Notice is hereby given that the Board of Managers may go into closed meeting session(s) at any time during the meeting to discuss any matter(s) listed on the agenda, when so authorized by the provisions of the Open Meetings Act, Texas Government Code, Chapter 551. *To the extent there has been a past practice of distinguishing items for public deliberation and those for executive session, the public is advised that the Board is departing from that practice, and reserves the right to discuss any listed agenda items in a closed meeting when authorized by law to do so.* When the Board goes into closed session(s) regarding an agenda item(s), the section(s) of the Open Meetings Act authorizing the closed session will be publicly announced by the presiding officer. Should any final action, final decision, or final vote be required in the opinion of the Board with regard to any matter considered in closed session(s), then the final action, final decision, or final vote shall be either: (a) in the open meeting covered by the Notice upon reconvening of the public meeting; or (b) at a subsequent public meeting of the Board upon notice thereof, as the Board shall determine pursuant to applicable laws. The Board specifically expects to go into a closed session(s) on the matters listed below pursuant to the Act, §551.071.

A. Consult with attorneys on matters relating to Nueces County and Hospital District's property valuations, tax assessments, and related matters.

B. Consult with attorneys on matters relating to Fiscal Year 2024 Budget and related matters.

C. Consult with attorneys on matters relating to Interlocal Cooperation Agreement(s) with Nueces County and related matters.

D. Consult with attorneys on matters relating to CHRISTUS Spohn Health System Corporation Membership Agreement-related annual Member Revenue Allocation Percentage and related matters.

E. Consult with attorneys on matters relating to the Hospital District's arbitration request before the United States Civilian Board of Contract Appeals ("CBCA") in the matter CBCA 7792-FEMA, *In the Matter of Nueces County Hospital District* and related matters.

Mr. Valls, Chairman called for Close Session at 1:21 p.m.

10. **OPEN MEETING** - Following the Closed Meeting, the Board of Managers will reconvene the Open Meeting prior to taking any action(s) on matters considered in the

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Closed Meeting or adjourning the meeting.

Mr. Valls, Chairman called for Open Session at 1:42 p.m.

A. Discuss and consider final action, decision, or vote on matters considered in Closed Meeting. (*ACTION AS NEEDED*)

No action taken.

11. **ADJOURN** (In Memory of William DeWitt Alsup)

Motion adjourned by Mr. Valls, Chairma at 1:43 p.m.

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PRESIDING OFFICERS:

John E. Valls, MBA, Chairman

ATTEST:

Jonny F. Hipp, Secretary
Board of Managers
Nueces County Hospital District