

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

**February 19, 2016**

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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, Corpus Christi, Texas on Friday, February 19, 2016 at 12:15 p.m.

**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 Law Firm  
Catherine Heller, Nueces Assistant County Attorney  
Sara G. Lopez, Administrative Specialist  
Carmen H. Ramos, Administrative Assistant

**OTHER(S) PRESENT:**

Brigid Cook, Partner, Collier, Johnson & Woods, P.C., Certified Public Accountants  
Ann Fields, Accountant, Collier, Johnson & Woods, P.C., Certified Public Accounts  
John Michael, P.E., Naismith Engineering, Inc.  
Kelly Elkins, President, Memorial and Shoreline, CSHS Hospitals

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1. **Call to Order** - Mr. Huseman, Chairman  
The meeting was called to by Mr. Huseman at 12:32 p.m.

2. **Establishment of Quorum** - Mr. Huseman  
A quorum was present with six members in attendance.

Van Huseman, Chairman - PRESENT  
Claude "Cal" Jennings, Member - PRESENT  
Irma Caballero, Member - PRESENT  
Robert N. Corrigan, Member - PRESENT  
John E. Valls, Member - PRESENT  
Ted A. Daniel, Member - PRESENT

Rodney J. Hart, ABSENT

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**3. PUBLIC COMMENT:**

None requested. Copy of Request to Speak Sign-In Sheet" is attached hereto for information.

**4. CONSENT AGENDA:**

On motion by Mr. Jennings, seconded by Ms. Caballero, the Board of Managers voted to accept, adopt, amend, approve, authorize(s) and/or ratify/ratifies the following consent agenda items: A 1 & 2; B 1 - 6 and C 1 - 2 as presented below: **MOTION CARRIED.**

**A. Board of Managers:**

- 1) Approved minutes of Board of Managers meeting:
  - a) November 11, 2015 Regular Session.
- 2) Received full listing of vendors as of February 10, 2016; listing pursuant to Board of Managers Bylaws, §2.1. B and Texas Local Government Code, Chapter 176.

Copy of full vendors' listing as of February 10, 2016 is attached hereto and made a part of these minutes.

**B. Finance Committee:**

- 1) Received unaudited financial statements for the month and fiscal year-to-date periods ended September 30, 2015 - December 31, 2015.

Copy of unaudited financial statements for period ended September 30, 2015 are attached hereto and made a part of these minutes.
- 2) Received investment reports and ratify related investment transactions:
  - a) Quarterly Investment Report for fiscal quarter ended December 31, 2015; and
  - b) Interim Investment Transactions Report for period of January 1, 2016 to present.

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Copies of Quarterly Investment Report and Interim Investment Transactions Report for periods noted above are attached hereto and made a part of these minutes.

- 3) Received revenue report relating to CHRISTUS Spohn Health System Corporation Membership Agreement for current fiscal year-to-date.

Copy of Nueces County Hospital District-Spohn Corporate member Revenue Analysis for current fiscal year-to-date is attached hereto and made a part of these minutes.

- 4) Received summary report of intergovernmental transfers in support of the Medicaid 1115 Waiver-related Texas Healthcare Transformation and Quality Improvement Program sponsored by the Texas Health and Human Commission for fiscal year-to-date.

Copy of Nueces County Hospital District 1115 Waiver Program Intergovernmental Transfer Activity Report is attached hereto and made a part of these minutes.

- 5) Received summary information relating to medical and hospital care provided to the Nueces Aid population consistent with the CHRISTUS Spohn Health System Corporation Membership Agreement for calendar year-to-date ended December 31, 2015.

Copy of summary information relating to medical and hospital care is attached hereto and made a part of these minutes.

- 6) Received summary payment information for current fiscal year-to-date
- a) Medical Services at Nueces County juvenile detention facility;
  - b) Emergency medical services in unincorporated areas of Nueces County;
  - c) Supplemental funding for Behavioral Health Center of Nueces County; and
  - d) Salaries, benefits, and supplies at Corpus Christi/Nueces County Public Health Department.

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

**C. Planning Committee**

- 1) Received hospital provider report relating to certain Indigent Care Affiliation Agreement associated with participation in the Texas Healthcare Transformation and Quality Improvement Program Medicaid 1115 Waiver; received provider report for the calendar quarter ended September 30, 2015:

- a) Corpus Christi Medical Center

Copy of Corpus Christi Medical Center's provider report is attached hereto and made a part of these minutes.

- 2) Received hospital providers' reports relating to certain Indigent Care Affiliation Agreements associated with participation in the Texas Healthcare Transformation and Quality Improvement Program Medicaid 1115 Waiver; received providers' reports for the calendar quarter ended December 31, 2015:

- a) CHRISTUS Spohn Health System Hospitals: Alice, Beeville, and Kleberg (Joint Reports);
  - b) Corpus Christi Medical Center;
  - c) DeTar Healthcare System; and
  - d) Driscoll Children's Hospital.

Copy of each of the abovementioned reports are attached hereto and made a part of these minutes.

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5. REGULAR AGENDA:

A. Board of Managers:

1) Received update from CHRISTUS Spohn Health System Corporation relating to planning, construction, and/or demolition activities associated with September 10, 2014 Letter of Intent Regarding Material Alteration Notice:

- a) Construction of Dr. Hector P. Garcia - Memorial Family Health Center located on Hospital District-owned property at 2606 Hospital Boulevard, Corpus Christi, Texas;
- b) Construction and/or demolition activities at CHRISTUS Spohn Hospital Corpus Christi-Shoreline located at 600 Elizabeth Street, Corpus Christi, Texas, and
- c) Planning orderly transition of services from Hospital District-owned hospital presently known as CHRISTUS Spohn Hospital Corpus Christi-Memorial (formerly known as Memorial Medical Center) located at 2606 Hospital Boulevard to CHRISTUS Spohn Hospital Corpus Christi-Shoreline located at 600 Elizabeth Street, both facility locations in Corpus Christi, Texas - **INFORMATION**

2) Received owner's representative update from Naismith Engineering, Inc. on construction of Dr. Hector P. Garcia - Memorial Family Health Center located on Hospital District-owned property at 2606 Hospital Boulevard, Corpus Christi, Texas - INFORMATION

Mr. Michael reported HPG facility project is going well and on schedule. Beecroft Construction Company is doing most of the work at the new Hector P. Garcia facility. A weekly meeting is held every Wednesday with approximately 10-15 people in attendance. There's two sets of contractors. All utilities are in the ground and this facility has the best foundation. He also indicated that he walks the grounds at least three times a week. Attached hereto are McCarthy Christus Spohn Masterplan detailed Meeting Minutes and Reflection Update for February 2016.

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B. Finance Committee:

Presenter: Mr. Jennings, Committee Chair

- 1) Approve Annual Financial Report from Collier, Johnson, & Woods, P.C., Certified Public Accountants on Nueces County Hospital District financial statements for fiscal year ended September 30, 2015 - ACTION

Ms. Cook presented the independent auditor's annual financial report for the Nueces County Hospital District's fiscal year ended September 30, 2015. She reported a successful audit with a clean opinion and did not identify any deficiencies in internal controls over financial reporting.

After presentation of the independent auditor's report, on motion by Mr. Jennings, seconded by Mr. Valls, the Board of Managers accepted the auditor's report from Collier, Johnson & Woods, P.C., as presented. MOTION CARRIED.

An original copy of the audited financial report for fiscal year ended September 30, 2015 and it's highlights are attached hereto and made a part of these minutes.

- 2) Ratify final Escrow Agreement between CHRISTUS Spohn Health System Corporation, Nueces County Hospital District, and Bank of America relating to Section 3.9.7 of Amended and Restated Schedule 1 to Spohn Membership Agreement, a schedule to CHRISTUS Spohn Health System Corporation Amended and Restated Membership Agreement, and Attachment B, Paragraph 9 of Amended and Restated Memorandum of Understanding - ACTION

On motion by Mr. Corrigan, seconded by Mr. Daniel, the Board of Managers ratified the final Escrow Agreement between CHRISTUS Spohn Health System Corporation, Nueces County Hospital District, and Bank of America relating to Section 3.9.7 of Amended and Restated Schedule 1 to Spohn Membership Agreement, a schedule to CHRISTUS Spohn Health System Corporation Amended and Restated Membership Agreement, and Attachment B, Paragraph 9 of Amended and Restated Memorandum of Understanding. MOTION CARRIED.

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Copy of executed Escrow Agreement is attached hereto and made a part of these minutes.

- 3) Receive initial statement of escrow amount deposited by CHRISTUS Spohn Health System Corporation consistent with Section 3.9.7 of Amended and Restated Schedule 1 to Spohn Membership Agreement, a schedule to CHRISTUS Spohn Health System Corporation Amended and Restated Membership Agreement, and Attachment B, Paragraph 9 of Amended and Restated Memorandum of Understanding; escrow statement for period December 1, 2015 - December 31, 2015 - INFORMATION

Copy of statement from Bank of America of escrow amount deposited by CHRISTUS Spohn Health System Corporation relating to Section 3.9.7 of Amended and Restated Schedule 1 to Spohn Membership Agreement and Attachment B, Paragraph 9 of Amended and Restated Memorandum of Understanding; escrow statement for the period December 1, 2015 through December 31, 2015.

C. Planning Committee:

Presenter: Mr. Hipp

- 1) Ratify November 30, 2015 Letter of Intent for Health Services Agreement for Nueces County Correctional Facilities between Correct Care Solutions, LLC, Nueces County, and Nueces County Hospital District for initial three-year term December 1, 2015 - November 30, 2018 with options for two additional one-year terms - ACTION  
On motion by Ms. Caballero, seconded by Mr. Jennings, the Board of Managers ratified the November 30, 2015 Letter of Intent for Health Services Agreement for Nueces County Correctional Facilities by and between Correctional Care Solution, LLC, Nueces County and Nueces County Hospital District for initial three-year term December 1, 2015 through November 30, 2018 with options for two additional one-year term. MOTION CARRIED.

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Copy of executed "AGREED TO BY" Correct Care Solutions letter dated November 30, 2015 and its Exhibit "I"- Health Services Agreement Nueces County Correctional Facilities are attached hereto and made a part of these minutes.

- 2) **Ratify December 1, 2015 Health Services Agreement for Nueces County Correctional Facilities between Nueces County, Nueces County Hospital District, and Correct Care Solutions, LLC for initial three-year term December 1, 2015 - November 30, 2018 with options for two additional one-year extensions - ACTION**

On motion by Ms. Caballero, seconded by Mr. Jennings, the Board of Managers ratified the December 1, 2015 Health Services Agreement for Nueces County Correctional Facilities by and between Nueces County, Nueces County Hospital District and Correctional Care Solutions, LLC for initial three-year term commencing December 1, 2015 through November 30, 2018 with two additional one-year extensions. **MOTION CARRIED.**

Copy of executed Health Services Agreement for Nueces County Correctional Facilities, Nueces County, and Nueces County Hospital District and Correct Care Solutions, LLC is attached hereto and made a part of these minutes.

D. **Indigent Care Provider's Briefing: INFORMATION**

- 1) Receive and discuss information from CHRISTUS Spohn Health System Corporation (Provider) relating to:
- a) Medical aid and hospital care provided to the Nueces Aid Program population consistent with the CHRISTUS Spohn Health System Corporation Membership Agreement and related matters; and
  - b) Programs, projects, and/or activities at CHRISTUS Spohn Hospital Corpus Christi-Memorial and other Hospital District-owned facilities and related matters.



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E. Administrator's Briefing:

As noted below:

- 1) Next Schedule Board of Managers and Board Committee meetings (all dates and times tentative): **INFORMATION**
  - a) Board Meeting: March 22, 2016; meeting start times to be determined: and
  - b) Board Committee Meetings: March 22, 2016; meeting start times to be determined:
    - (1) Planning Committee;
    - (2) Finance Committee; and
    - (3) Quality Management Committee

6. ADJOURN

There being no further business, the meeting adjourned at 12:58 p.m.

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**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  
Nueces County Hospital District

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Wm. DeWitt Alsup, General Counsel  
Nueces County Hospital District