

**DRAFT**

**MINUTES  
BOARD OF MANAGERS – FINANCE MEETING  
NUECES COUNTY HOSPITAL DISTRICT**

**December 17, 2019**

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The Finance Committee of Nueces County Hospital District Board of Managers met at 11:15 a.m., Tuesday, December 17, 2019 in the NCHD Board Room at 555 N. Carancahua, Suite 950-A, Corpus Christi, Texas.

**HOSPITAL DISTRICT REPRESENTATIVES:**

Jonny F. Hipp	Administrator/CEO
Belinda E. Chism	Assistant Administrator, Administrative Services
Donna Littlefield	Director, Accounting & Finance
Melissa Vela	Assistant County Attorney
Melissa Quintanilla	Executive Assistant/Human Resources
Carmina Hernandez Moreno	Administrative Assistant

**OTHER(S) PRESENT:**

LaShae Kuykendall	Collier, Johnson & Woods
Simon Nichols	?
Bridgid Cook	Collier, Johnson & Woods
Pete McRae	Prevailing Trends, Inc.
Rlynn Wizke	CCMC
Alyn Caral- Fernandez	CCH
Veena Reddy	Advinity

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1. **CALL TO ORDER** – Mr. Hipp stated there is a quorum, with committee present. Dr. Reddy, is the third person not present as of yet.

**The meeting was called to order by Ms. Brower at 11:17 am**

2. **ESTABLISHMENT OF QUORUM** – Ms. Brower

**A quorum was present with all members in attendance. Dr. Reddy arriving at 11:19 am**

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**Pamela L. Brower – PRESENT  
Dr. Vishnu V. Reddy – PRESENT  
Daniel W. Dain – PRESENT**

3. **PUBLIC COMMENT** - Persons wishing to comment on any item(s) on the agenda or any subject within the Committee's responsibilities must sign-in on the "Agenda Item Request to Speak" form provided at the entrance of the Committee meeting room at least five (5) minutes prior to commencement of the meeting. Commenters shall limit their comments to three (3) minutes, except that Commenters addressing the Committee through a translator shall limit their comments to six (6) minutes. See the "Public Comment" section of the preceding General Information page for additional information.

**No one to speak for public comment.**

4. **CONSENT AGENDA** - See the "Consent Agenda" section of the preceding General Information page for an explanation of the Consent Agenda and for additional information.
- A. Confirm posting of meeting's public notice.
- B. Approve meeting minutes of Finance Committee's June 6, 2019 Regular Meeting and August 26, 2019 Special Meeting.

**Motion to table item 4 (B) as per Ms. Brower.**

- C. Recommend receipt of summary payment information on Nueces County health care disbursements for Fiscal Year 2020 year-to-date:
- 1) Salaries, benefits, supplies, and intergovernmental transfers at/for Corpus Christi/Nueces County Public Health Department;
  - 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

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- c) Palmer Drug Abuse Program;
  - 6) Funding for diabetes prevention and supporting programs.
- D. Recommend receipt of reports relating to Nueces Aid Program enrollment for the month ended November 30, 2019.
- E. Recommend receipt of summary information on medical and hospital care provided to the Nueces Aid population consistent with the CHRISTUS Spohn Health System Corporation Membership Agreement for fiscal year-to-date ended November 30, 2019.
- F. Recommend ratification of Administrator's action(s) performed as part of his duties directing the affairs of the Hospital District as required by the Board of Managers or by law; duties established pursuant to Texas Health and Safety Code, §281.026(e):
- 1) Execution of bank depository-related Agreements between the Hospital District and Frost Bank for term December 1, 2019 - September 30, 2023:
    - a) Bank Depository Agreement;
    - b) Security Agreement; and
    - c) Third Party Custodian Agreement (between Hospital District, Frost Bank, and Bank of New York Mellon Trust Company).
  - 2) Execution of Amendment No. 3 to Health Services Agreement Nueces County Correctional Facilities between Nueces County, Hospital District, and Wellpath LLC (formerly Correct Care Solutions, LLC); Amendment exercised final one (1)-year renewal option that extended the Agreement's termination date to November 30, 2020 and increased annual compensation to \$3,504,484.00.
  - 3) Payment of interest amount of \$18,025.61 on refund in Case No. 18-0660, In Re Occidental Chemical Corporation, Oxy Ingleside Energy Center LLC, et al., In the Texas Supreme Court.

**Motion by Mr. Dain and seconded by Ms. Brower  
MOTION CARRIED.**

**Items 4 A-F with exception of Item 4 (B)**

**5. REGULAR AGENDA:**

- A. Receive introductory/planning briefing from Collier, Johnson, & Woods, P.C. Certified Public Accountants relating to their audit of the Hospital District's

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financial statements for fiscal year ended September 30, 2019.  
*(INFORMATION)*

**Ms. Cook briefed the Board of Managers on the audit plan fiscal year 2019. Copy of report from Collier, Johnson & Woods, P.C. inserted and attached hereto for information and made part of these minutes.**

- B. Recommend receipt and approval of unaudited Hospital District financial statements for fiscal year ended September 30, 2019 and month and fiscal year-to-date period ended October 31, 2019. *(ACTION)*

**Motion by Mr. Dain and seconded by Dr. Reddy.  
MOTION CARRIED.**

**Copy of unaudited financial statements is attached hereto for information and made part of these minutes.**

- C. Recommend receipt of revenue reports relating to CHRISTUS Spohn Health System Corporation Membership Agreement for fiscal year-to-date. *(ACTION)*

**Motion by Mr. Dain and seconded by Dr. Reddy.  
MOTION CARRIED.**

**Recommended receipt of revenue reports relating to CHRISTUS Spohn Health System Corporation Membership Agreement for fiscal year-to-date.**

- D. Recommend receipt of summary report of intergovernmental transfers made by Hospital District in support of local and other healthcare providers participating in Medicaid supplemental payment programs sponsored by the Texas Health and Human Commission year-to-date:

- 1) Texas Healthcare Transformation and Quality Improvement Program (Medicaid 1115 Waiver):
  - a) Delivery System Reform Incentive Payment (DSRIP) pool; and
  - b) Hospital Uncompensated Care (UC) pool.
- 2) Disproportionate Share Hospitals (DSH) program;
- 3) Network Access Improvement Program (NAIP);

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- 4) Uniform Hospital Rate Increase Program (UHRIP); and
- 5) Graduate Medical Education (GME). (*ACTION*)

**Motion by Dr. Reddy and seconded by Mr. Dain.  
MOTION CARRIED.**

**Copy of summary report is attached hereto for information  
and made part of these minutes.**

- E. Recommend receipt of monthly statement of escrow amounts deposited and/or withdrawn by CHRISTUS Spohn Health System Corporation; deposits pursuant to and 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; receive statements for month ended November 30, 2019. (*ACTION*)

**Motion by Dr. Reddy and seconded by Mr. Dain.  
MOTION CARRIED.**

**Copy of statement of escrow is attached hereto for  
information and made part of these minutes. As per  
Mr. Hipp asked to present motion for Item E to accept  
the escrow amounts deposited.**

- F. Recommend escrow disbursement request from CHRISTUS Spohn Health System Corporation relating to: [1] achievement of third milestone relating to construction or renovation of at least thirty-nine (39) emergency department beds at CHRISTUS Spohn Shoreline Hospital; and [2] correction of prior April 2018 escrow disbursement for achievement of second milestone relating to Level II Trauma designation at CHRISTUS Spohn Shoreline Hospital; milestone achievements and escrow amount disbursements pursuant to Amended and Restated Schedule 1, Section 3.9.7(c) and (d) of Amended and Restated Membership Agreement between Nueces County Hospital District and CHRISTUS Spohn Health System Corporation, as amended; and authorize Administrator to execute related documents. (*ACTION*)

**Motion by Dr. Reddy and seconded by Mr. Dain.  
MOTION CARRIED.**

- G. Recommend receipt of information on federal regulations proposed by the Department of Health and Human Services, Centers for Medicare & Medicaid Services relating to the financing of supplemental and base Medicaid payments through the non-federal share, including states' uses of health care-related taxes

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and bona fide provider-related donations, as well as the requirements on the non-federal share of any Medicaid payment; proposed regulations posted November 18, 2019, *Federal Register*, Vol. 84, No. 222, pp. 63722-63785; and authorize the Administrator to submit related comments. (***INFORMATION & ACTION***)

**Motion by Dr. Reddy and seconded by Mr. Dain.  
MOTION CARRIED.**

**Copy of the Federal Regulations is attached hereto for  
information and made part of these minutes.**

**6. ADMINISTRATOR'S BRIEFING:**

A. Future Finance Committee meeting:

- 1) Next Scheduled Regular Finance Committee Meeting: January 21, 2020,  
11:15 AM (date, time, and location subject to change).

**7. ADJOURN**

**Meeting adjourned at 12:10 pm by Ms. Brower.**

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**PRESIDING OFFICER**

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John B. Martinez, Chairman  
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