

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

June 20, 2017

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 Tuesday, June 20, 2017 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 County Assistant Attorney
Sara G. Lopez, Administrative Specialist
Carmen H. Ramos, Administrative Assistant

OTHER(S) PRESENT:

Estela Chapa, Chief Clinical & Transformation Officer, CSHS
Justin Doss, Regional COO, Christus Spohn Health System Corporation
Joel Bucey, Driscoll Children's Hospital
Melissa Butler, Corpus Christi Medical Center

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1. **Call to Order** - Mr. Huseman, Chairman
The meeting was called to order by Mr. Huseman at 12:15 p.m.
 2. **Establishment of Quorum** - Mr. Huseman
A quorum was present with four members in attendance.

Van Huseman, Chairman - PRESENT
Claude "Cal" Jennings, Vice Chair - PRESENT
Robert N. Corrigan, Member - PRESENT
Ted A. Daniel, Member - PRESENT

Irma Caballero, Member - **ABSENT**
John E. Valls, Member - **ABSENT**
Rodney J. Hart, Member - **ABSENT**

**MINUTES
BOARD OF MANAGERS
NUECES COUNTY HOSPITAL DISTRICT
REGULAR SESSION
June 20, 2017**

3. **PUBLIC COMMENT:**

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

Verbal Report by Justin Doss & Estela Chapa, CSHS: Christus Spohn executives provided the following:

Mr. Doss:

- OR and 2nd Floor construction is due for completion October 2017;
- Helipad completion is scheduled for next month; and will be located on Ocean Drive;
- The Tower is 33% complete with a completion date of March 2019; currently work being done on the 5th Floor; and
- Psych patients continue to be seen at Christus Spohn Hospital-Memorial and the same number of beds are opened.

Ms. Chapa:

- A total of 20,000 patients have been seen January through May at the Hector P. Garcia Family Health Center;
- 80,000 prescription have been filled;
- Extended hours at Quick Care are from 8:00 p.m. to 8:00 a.m., 50 patients have passed through Quick Care in 5 months; 260 were seen on Saturday.
- Diabetic Education is on-going.

4. **CONSENT AGENDA:**

On motion by Mr. Jennings, seconded by Mr. Corrigan, the Board of Managers voted to accept, adopt, amend, approve, authorize(s) and/or ratify/ratifies the following consent agenda items: **A 1-6 and B 1-10 - MOTION CARRIED.**

A. **Board of Managers:**

- 1) Approve minutes of Board of Managers meetings:
 - a) Regular Meeting of January 10, 2017; and

**MINUTES
BOARD OF MANAGERS
NUECES COUNTY HOSPITAL DISTRICT
REGULAR SESSION
June 20, 2017**

b) Special Meetings of February 28, 2017; April 20, 2017 and May 16, 2017.

- 2) Received listing of new vendors as of June 15, 2017 pursuant to Board of Managers Bylaws, §2.1.B and Texas Local Government Code, Chapter 176.

Copy of complete list of vendors as of January 6, 2017 is attached hereto for information and made a part of these minutes.

- 3) Received 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 the calendar quarters ended December 31, 2016 and March 31, 2017.

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

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

- 4) Received information relating to U.S. Department of Health and Human Services (DHHS) Poverty Guidelines:
- a) Annual update of the DHHS Poverty Guidelines from Federal Register, Vol. 82, No. 19, January 31, 2017, pp. 8831-8831; and
- b) Prior DHHS Poverty Guidelines and Federal Register References, 1982-2017.

**MINUTES
BOARD OF MANAGERS
NUECES COUNTY HOSPITAL DISTRICT
REGULAR SESSION
June 20, 2017**

Copy of *Federal Register*/Vol. 2 and DHHS Poverty Guidelines are attached hereto and made a part of these minutes.

- 5) Received notice of annual increase adjustments of Nueces Aid Program's Eligibility Guidelines; increases effective March 1, 2017 for:
- a) Household Resources as required by Program's handbook Policy No. NA 002, Attachment 2, Sections 1-B, 1-C-1, 1_c-23, 1_f and NA002, Attachment 4, Sections 1-F-3 are attached hereto and made a part of these minutes.
 - b) Household Income as required by Program's handbook Policy No. NA002, Attachment 4, Section 1-F-3.

Copies of Policies Nos. NA002, Attachment 2, Sections 1-B, 1-C-1, 1-C-23, 1-F and NA002, Attachment 4, Sections 1-F-3 are attached hereto and made a part of these minutes.

- 6) Ratified Administrator's action(s) performed as part of his duties required by the Board of Managers; duties established pursuant to Texas Health and Safety Code, §281.026(e):
- a) Submission of Calendar Year 2016 unreimbursed health care expenditures amounts to the Texas Department of State Health Services for pro-rata share distribution of Calendar Year 2016 income from the Tobacco Permanent Settlement Trust Account; expenditure submission pursuant to Texas Administrative Code, title 25, Part1, Chapter 102, Rules §102.1(b) and §102.3(a), (e)(2), and (f);

Copy of Pro Rata Tobacco Settlement Distribution Hospital District Expenditure Statement-2017 is attached hereto and made a part of these minutes.

- b) Renewal of Engineering Services Agreement with Hanson Professional Services for owner's representative services relating to Christus Spohn Health System Corporation-paid activities on the

**MINUTES
BOARD OF MANAGERS
NUECES COUNTY HOSPITAL DISTRICT
REGULAR SESSION
June 20, 2017**

Christus Spohn Hospital-Memorial campus located at 2606 Hospital Boulevard, Corpus Christi, Texas 78405, including warranty work relating to the new ambulatory health center and eventual removal of the hospital buildings located on the campus; renewal for the period October 1, 2017 - September 30, 2018; renewal exercises second of three one-year renewal options pursuant to Section 4.2 of Agreement; and

Copy of Second Renewal of Engineering Services Agreement for owner's representative services is attached hereto and made a part of these minutes.

- c) Execution of Information Technology Management and Support Services Agreement with Southern Networks for the term October 1, 2017 - September 30, 2018 with two additional one-year renewal options. This agreement was presented under separate cover.

Copy of executed Information Technology Management & Support Services Agreement with Southern Networks for the term October 1, 2017 - September 30, 2018 with two additional one-year renewal options.

B. Finance Committee:

- 1) Received unaudited financial statements for the months and fiscal year-to-date periods ended December 31, 2016 - April 30, 2017.

Copy of unaudited financial statements for period mentioned above is attached hereto and made a part of these minutes.

- 2) Received investment reports and ratified related investment transactions:
 - a) Quarterly Investment Reports for fiscal quarters ended December 31, 2016 and March 31, 2017; and
 - b) Interim Investment Transactions Report for period April 1, 2017 to present.

**MINUTES
BOARD OF MANAGERS
NUECES COUNTY HOSPITAL DISTRICT
REGULAR SESSION
June 20, 2017**

Copies of Quarterly Investment Reports 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 Membership Revenue Analysis for current fiscal year-to-date is attached hereto and made a part of these minutes.

- 4) 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:

- a) Calendar Year ended December 31, 2016; and
- b) Calendar Year-to-Date ended April 30, 2017.

- 5) Receive summary payment information for current fiscal year-to-date:

- a) Medical services at Nueces County juvenile detention facility; and
- b) Emergency medical services in unincorporated areas of Nueces County; and
- c) Supplemental funding for Behavioral Health Center of Nueces County; and
- d) Salaries, benefits, and supplies at Corpus Christi/Nueces County Public Health Department.

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

**MINUTES
BOARD OF MANAGERS
NUECES COUNTY HOSPITAL DISTRICT
REGULAR SESSION
June 20, 2017**

- 6) Received summary report of intergovernmental transfers made in support of local and other healthcare providers participating in Medicaid supplemental payment programs sponsored by the Texas Health and Human Commission for current fiscal year-to-date:
 - a) Texas Healthcare Transformation and Quality Improvement Program (Medicaid 1115 Waiver):
 - 1) Hospital Uncompensated Care (UC) pool; and
 - 2) Delivery System Reform Incentive Payment (DSRIP) pool.
 - b) Disproportionate Share Hospitals (DSH) program; and
 - c) Network Access Improvement Program (NAIP).

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

- 7) Received information on State Comptroller of Public Accounts' 2017 pro rata distributions of Calendar Year 2016 income from the Tobacco Permanent Settlement Trust Account; distributions pursuant to Texas Administrative Code, Title 25, Part 1, Chapter 102, Rules §102.2.

Copy of List of Political subdivision that Received a Payment in the 2017 Distribution is attached hereto and made a part of these minutes.

- 8) Adopted Board of Managers Resolution relating to annual review of investment policy and investment strategies and adopting no changes to either the policy or strategies; annual review pursuant to Texas Government Code, §2256.005(e).

Original executed Resolution and its Exhibit "A" - Copy of Investment Policy are attached hereto and made a part of these minutes.

**MINUTES
BOARD OF MANAGERS
NUECES COUNTY HOSPITAL DISTRICT
REGULAR SESSION
June 20, 2017**

- 9) Adopted Board of Managers Resolution relating to annual review and adoption of listing of qualified broker/dealers authorized to engage in investment transactions; adopted list to be effective August 1, 2017; annual review and list adoption pursuant to Texas Government Code, §2256.025.

Original executed Resolution and its Exhibit "A" - Authorized Broker/Dealers list is attached hereto and made a part of these minutes.

- 10) Received monthly statement(s) of escrow amounts deposited 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, and Attachment B, Paragraph 9 of Amended and Restated Memorandum of Understanding; receive statement(s) for the month May 2017.

Copy of Bank of America Merrill Lynch account of Participating Portfolios; Total Cash & Equivalents; Transaction Summary and Transaction Details are attached hereto and made a part of these minutes.

5. **REGULAR AGENDA:**

A. **Board of Managers:**

An update from Christus Spohn Health System executives was provided at the beginning of this meeting.

- 1) **Receive 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: INFORMATION**
- a) Operations of Dr. Hector P. Garcia - Memorial Family Health Center located on Hospital District-owned property at 2606 Hospital Boulevard, Corpus Christi, Texas;

MINUTES
BOARD OF MANAGERS
NUECES COUNTY HOSPITAL DISTRICT
REGULAR SESSION
June 20, 2017

- b) Construction and/or demolition activities at CHRISTUS Spohn Hospital Corpus Christi-Shoreline located at 600 Elizabeth Street, Corpus Christi, Texas;
- c) Transition of certain services from Hospital District-owned property 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 facilities locations in Corpus Christi, Texas - **INFORMATION**.

2) **Receive Owner's Representative update from Hanson Professional Services Inc. on warranty and other work and activities at the Dr. Hector P. Garcia-Memorial Family Health Center building located on Hospital District owned property at 2606 Hospital Boulevard, Corpus Christi, Texas - INFORMATION**

Mr. Hipp provided an update on the Hector P. Garcia (HPG) Family Health Center stating there's been problems with the recent rain relating to roof leaks and other issue being addressed. Work also being done on the time lines for the upcoming demolition of Christus Spohn Hospital - Memorial building.

B. **Finance Committee:**

Presenter: Mr. Jennings, Committee Chair

1) **Receive update on implementation of the Texas Health and Human Services Commission's (HHSC Uniform Hospital Rate Increase Program (UHRIP) established for the purpose of increasing Medicaid managed care organization payments to certain classes of hospitals for services provided within HHSC's Medicaid managed-care service delivery areas - INFORMATION**

Mr. Hipp briefly stated May 25th meeting with HHSC Commissioner went well. Discussion at the meeting centered around the delay of the Uniform Hospital Rate Increase Program (UHRIP) till March 1, 2018. In addition, the Waiver Program may end December 31, 2017. Supplemental rules are very important and would benefit the state. Also in attendance at this meeting Gary Eiland, NCHD Special Counsel.

MINUTES
BOARD OF MANAGERS
NUECES COUNTY HOSPITAL DISTRICT
REGULAR SESSION
June 20, 2017

C. Indigent Care Provider's Briefing:

- 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 - **INFORMATION**

D. Administrator's Briefing:

- 1) Next Scheduled Board of Managers and Board Committee meetings (all dates and times tentative): INFORMATION
As noted below:
 - a) Board Meeting: July 25, 2017; meeting start time to be determined; and
 - b) Board Committee Meetings: July 25, 2017; meeting start times to be determined:
 - 1) Planning Committee;
 - 2) Finance Committee; and
 - 3) Quality Management Committee.

6. ADJOURN:

There being no further business and on motion by Mr. Jennings, seconded by Mr. Daniel the meeting adjourned at 12:44 p.m.

**MINUTES
BOARD OF MANAGERS
NUECES COUNTY HOSPITAL DISTRICT
REGULAR SESSION
June 20, 2017**

PRESIDING OFFICER:

Van Huseman, Chairman
Board of Managers
Nueces County Hospital District

ATTEST:

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

Wm. DeWitt Alsup, General Counsel
Nueces County Hospital District