



# NUECES COUNTY HOSPITAL DISTRICT

## Administrative Offices

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### BOARD OF MANAGERS RESOLUTION SEPTEMBER 7, 2018

#### **A RESOLUTION COMMITTING A FISCAL YEAR-END GENERAL FUND AMOUNT TO SUBSEQUENT FISCAL YEAR'S INTERGOVERNMENTAL TRANSFERS**

**WHEREAS**, the Nueces County Hospital District (the "Hospital District" or "District") is a body politic and corporate and a political subdivision of the State of Texas, established and created pursuant to the Texas Constitution, Article IX, Section 4 and the Texas Health and Safety Code (the "Health Code"), Chapter 281, and operated in accordance with the Health Code and other applicable laws of the State of Texas;

**WHEREAS**, the Hospital District's Board of Managers (the "Board") have been duly appointed pursuant to Health Code, §281.021(a); pursuant to collective authorities of Health Code, §281.047 and §281.048, the Board is the Hospital District's governing body and the Board has, and at the time of adoption of this Resolution had, full power and authority to manage, control, administer, and to adopt rules governing operation of the District;

**WHEREAS**, the Hospital District's Administrator (the "Administrator") has the responsibility for preparing an annual budget under the Board's direction pursuant to Health Code, §281.091(a); the District's Fiscal Year 2018 is October 1, 2017 through September 30, 2018 ("Hospital District Fiscal Year 2018"); and the District's Fiscal Year 2019 is October 1, 2018 through September 30, 2019 ("Hospital District Fiscal Year 2019");

**WHEREAS**, the Hospital District is a governmental entity participating in certain Medicaid supplemental payment programs organized by the Texas Health & Human Services Commission (the "Commission"), including the Texas Healthcare Transformation and Quality Improvement Program Section 1115 Waiver (the "Waiver") implemented under Section 1115, Social Security Act (42 U.S.C. Section 1315); the Waiver is organized by the Commission and 1 Texas Administrative Code §354.1601 – §354.1634; the Waiver includes two provider funding pools: (1) Uncompensated Care ("UC") for participating hospital providers only; and (2) the Delivery System Reform Incentive Payment ("DSRIP") for hospitals and other all participating providers; pursuant to 1 Texas Administrative Code §354.1602, the Waiver's Demonstration Years ("DY") begin each October 1 and end the following September 30; and the Waiver's DY No. 7 began October 1, 2017 and ends September 30, 2018;

**WHEREAS**, pursuant to the authority of Health Code, §281.094(b), the Hospital District funds intergovernmental transfers (“IGT”) to the State of Texas for use as the nonfederal share of Waiver-related UC and DSRIP payments for certain eligible health care providers located inside and outside the District’s boundaries that periodically provide healthcare services to beneficiaries enrolled in the District’s indigent health care program and residents of Nueces County, Texas, including Christus Spohn Hospital-Alice, Christus Spohn Hospital-Beeville, Christus Spohn Hospital-Corpus Christi, Christus Spohn Hospital-Kleberg, Corpus Christi Medical Center, Corpus Christi-Nueces County Public Health District, DeTar Healthcare System, and Driscoll Children’s Hospital (collectively, the “Eligible Providers”);

**WHEREAS**, under terms of the Waiver, Eligible Providers who are: (1) hospitals receive Waiver UC payments designed to offset the costs of uncompensated care; and (2) hospitals and other providers receive Waiver DSRIP incentive payments for achievement of agreed-upon metrics associated with projects designed to achieve certain Waiver goals;

**WHEREAS**, due to Eligible Providers’ partially-reported or Commission-delayed approval of Providers’ DSRIP achievement metrics reporting for DY No. 7 and the Commission’s split of UC Waiver payments during DY No. 7, the Commission has delayed its request to the Hospital District for IGTs associated with Eligible Providers’ DY No. 7 DSRIP and/or UC payments until a date occurring after Hospital District Fiscal Year 2018 (the “Unpaid DY No. 7 IGTs”); and

**WHEREAS**, in consideration of the preceding recitals, the Board desires to commit from the Hospital District’s fiscal year-end September 30, 2018 General Fund balance an amount sufficient to fund the Unpaid DY No. 7 IGTs in Hospital District Fiscal Year 2019.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF MANAGERS OF THE NUECES COUNTY HOSPITAL DISTRICT, THAT:**

1. The Board hereby commits an amount not to exceed **Eighteen Million Dollars (\$18,000,000)** from the Hospital District’s fiscal year-end September 30, 2018 General Fund balance to Hospital District Fiscal Year 2019 to fund the expected Unpaid DY No. 7 IGTs expenditures arising from the District’s and Eligible Providers’ Waiver participation during Hospital District Fiscal Year 2018.

2. The actual amount committed above shall be final determined by the Hospital District’s Administrator on or after October 1, 2018 considering information then available from the Commission and/or Eligible Providers and the actual committed amount shall not exceed that amount identified in Resolved Statement No. 1 above.

3. The actual committed funds above shall be committed from the particular Hospital District General Fund subaccount containing District funds routinely used for paying Waiver-related IGTs.

4. The Administrator shall be and is expressly authorized and directed to do and perform all acts, and to execute all instruments and other related documents, whether or not herein cited, as required to carry out the intent, terms, and provisions of this Resolution, such execution to be conclusively evidenced by the performance of such acts.

5. The Administrator, in his capacity as the Secretary of the Hospital District Board, be and is hereby legally authorized and empowered to perform all acts described above and certify these resolutions and that the provisions hereof are in conformance with the laws of the State of Texas and the Governing Board Bylaws of the Hospital District.

6. This Resolution shall take effect and be in full force and effect upon and after its passage.

7. The Board retains its right to amend or repeal this Resolution.

**NUECES COUNTY HOSPITAL DISTRICT  
BOARD OF MANAGERS**

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Van Huseman  
Chairman

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Claude C. Jennings, C.P.A.  
Vice Chairman

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Rodney J. Hart, P.E.  
Member

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Robert N. Corrigan, Jr.  
Member

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John E. Valls  
Member

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Ted A. Daniel  
Member

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Sylvia Tryon Oliver  
Member

**CERTIFICATE OF SECRETARY**

THE STATE OF TEXAS

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COUNTY OF NUECES

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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 Hospital District's Board of Managers (the "Board") have 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 Resolution had, full power and authority to manage, control, administer, and to adopt rules governing operation of the Hospital District.

3. On the **7<sup>th</sup> day of September, 2018** 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:

- Van Huseman, Chairman
- Claude C. Jennings, C.P.A., Vice Chairman
- Rodney J. Hart, P.E.
- Robert N. Corrigan, Jr.
- John E. Valls
- Ted A. Daniel
- Sylvia Tryon Oliver

and all of said persons were present, except the following absentees:

\_\_\_\_\_ , \_\_\_\_\_ ,  
and \_\_\_\_\_ , \_\_\_\_\_ , thus constituting a quorum.

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

**A RESOLUTION COMMITTING A FISCAL YEAR-END GENERAL FUND AMOUNT  
TO SUBSEQUENT FISCAL YEAR INTERGOVERNMENTAL TRANSFERS**

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

YEAS: \_\_\_\_\_  
 NAYS: \_\_\_\_\_  
 PRESENT NOT VOTING: \_\_\_\_\_  
 ABSENT: \_\_\_\_\_

all as shown in the official Minutes of the Board for the Meeting.

5. The attached Resolution is a true and correct copy of the original on file in the official records of the Hospital District; the duly qualified and acting members of the Board on the date of the Meeting are those persons shown above, and, according to the records of my office, each member of the Board was given actual notice of the time, place, and purpose of the Meeting and had actual notice that the Resolution would be considered; and the Meeting and deliberation of the aforesaid public business, was open to the public and written notice of said meeting, including the subject of the Resolution, was posted and given in advance thereof in compliance with the provisions of Chapter 551, Texas Government Code, as amended.

6. I am the Secretary of the Board having been duly appointed pursuant to Health Code, §281.023(b).

7. The foregoing Resolution is in full force and effect; that the same has not been rescinded, nor has it been amended or modified in any way.

IN WITNESS WHEREOF, I have hereunto signed my name officially and affixed the seal of the Hospital District on this the **7<sup>th</sup> day of September, 2018**.

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

{HOSPITAL DISTRICT SEAL}