

DRAFT

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

June 6, 2019

The of Nueces County Hospital District Board of Managers met at 12:15 p.m., Thursday June 6, 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
Wm. DeWitt Alsup	Attorney, Alsup Law Firm
Melissa Vela	Assistant County Attorney
Melissa Quintanilla	Executive Assistant/Human Resources
Carmina Hernandez Moreno	Administrative Assistant

OTHER(S) PRESENT:

Angela Rhoden	CCMC – HCA
Kimberly Lopez	CCMC – HCA
Comm Joe “JAG” Gonzalez	Nueces county, Pct. 1
Govind Nadkarni	Govind Development
Mark Hendrix	MHID
Mike Davis	MHID
Victoria Huerta	MHID
Mark Schauer	Asst. Chief for CCPD
Alyssa Weinhold	Comm. Brent Chesney
Judge Barbara Canales	County Judge
Maggie Turner	Judge Canales’ Office
Judge Barbara Canales	County Judge
Doug Allison	
Dr. Osbert Blow	Christus Spohn

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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 six members in attendance.

Van Huseman, Chairman – PRESENT
Claude “Cal” Jennings - PRESENT

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Robert N. Corrigan, Member – PRESENT

John E. Valls, Member – PRESENT
Ted A. Daniel, Member – PRESENT
Sylvia Tryon – Oliver, Member – PRESENT

ABSENT BOARD MEMBERS

Rodney J. Hart, Jr. - ABSENT

3. **PUBLIC COMMENT** – Requested Copy of “Request to Speak Sign- In Sheet” attached hereto and made part of these minutes for Information

Mark Hendrix
Comm. Joe A. “JAG” Gonzalez

4. **CONSENT AGENDA**

A. Approve minutes of Board of Managers meetings:

- 1) December 10, 2018 Special Session; and
- 2) February 19, 2019 Regular Session.

Mr. Valls motioned to approve the consent agenda and second by Mr. Jennings and the Board of Managers approved. MOTION CARRIED

- B. Receive listing of new vendors as of May 31, 2019; listing pursuant to Board of Managers Bylaws, Article 2, §2.1 B and Texas Local Government Code, Chapter 176.

Received listing of new vendors report and hereto information made a part of these minutes

- 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 the calendar quarter ended March 31, 2019:

- 1) CHRISTUS Spohn Health System Corporation Hospitals: Alice, Beeville, and Kleberg (Consolidated Report);
- 2) Corpus Christi Medical Center;

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- 3) DeTar Healthcare System; and
- 4) Driscoll Children's Hospital.

Copies of the above mentioned reports are attached hereto for information and made a part of these minutes.

- D. Receive summary information on 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 April 30, 2019. (*FINANCE COMMITTEE*)

Copy of NCHD Imputed claims for calendar year-to-date ended April 30, 2019 attached hereto and made a part of these minutes.

- E. Receive summary payment information for current fiscal year-to-date:
 - 1) Medical services at Nueces County juvenile detention facility;
 - 2) Emergency medical services in unincorporated areas of Nueces County;
 - 3) Supplemental funding for Behavioral Health Center of Nueces County; and
 - 4) Salaries, benefits, and supplies at Corpus Christi/Nueces County Public Health Department. (*FINANCE COMMITTEE*)

Copy of Summary payment information report is attached and hereto for information and made a part of these minutes.

- F. Receive information on State Comptroller of Public Accounts' 2019 pro-rata distributions of Calendar Year 2018 income from Tobacco Permanent Settlement Trust Account; distributions pursuant to Texas Administrative Code, Title 25, Part 1, Chapter 102, Rule §102.2. (*FINANCE COMMITTEE*)

Copy of information on State comptroller of Public Accounts' 2019 Pro-rata distributions of Calendar Year 2018 is attached and hereto for information and made a part of these minutes.

- G. Receive information relating to U.S. Department of Health and Human Services (DHHS) Poverty Guidelines:
 - 1) Annual update of the DHHS Poverty Guidelines from Federal Register, Vol. 84, No. 22, February 1, 2019, pp. 1167-1168; and

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2) Prior DHHS Poverty Guidelines and Federal Register References 1982-2019.

H. Receive notice of annual increase adjustments of Nueces Aid Program's Eligibility Guidelines; increases effective March 1, 2019 for:

- 1) Household Resources as required by Program's Handbook Policy No. NA002, Attachment 2, Sections I-B, I-C-1, I-C-23, and I-F; and
- 2) Household Income as required by Program's Handbook Policy No. NA002, Attachment 4, Section I-F-3.

I. Ratify Administrator's action(s) performed as part of his duties directing the affairs of the Hospital District and/or as required by the Board of Managers; duties established pursuant to Texas Health and Safety Code, §281.026(e):

- 1) Issuance of Request for Applications for Depository and Banking Services for Services to commence October 1, 2019 (RFA-2019-01);
- 2) Submission of Calendar Year 2018 unreimbursed health care expenditure amounts to the Texas Department of State Health Services for pro-rata share distribution of Calendar Year 2018 income from the Tobacco Permanent Settlement Trust Account; expenditure submission pursuant to Texas Administrative Code, Title 25, Part 1, Chapter 102, Rules §102.1(b) and §102.3(a), (e)(2), and (f); and
- 3) Engagement of Bickerstaff Heath Delgado Acosta LLP for assistance on matters relating to offering and sale of Hospital District-owned properties.

5. REGULAR AGENDA:

A. Nueces County Judge:

- 1) In support of the County Judge's recently announced "5 for 5" Goal relating to better health outcomes, authorize issuance of Request for Applications, Proposals, or Qualifications for development of a County Health and Behavioral/Mental Health Improvement Plan, including preparation of an underlying Needs Assessment. (**ACTION**)

**Moved to make a proposal to form an Ad Hoc committee in support of the County Judge's "5 for 5" Goal – not passed
Judge Canales & Mr. Hipp to obtain proposals & present to the board.**

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- 2) Receive information from County Judge on Nueces County's legislative agenda for the 86th (2019) Texas Session. **(INFORMATION)**

B. CHRISTUS Spohn Health System Leadership:

- 1) Introduce Osbert Blow, MD, PhD, FACS as newly announced President and Chief Medical Officer of CHRISTUS Spohn Health System. **(INFORMATION)**

Dr. Blow updated Board of Managers on CHRISTUS Spohn Hospital re: new tower.

C. Finance Committee:

- 1) Receive revenue reports relating to CHRISTUS Spohn Health System Corporation Membership Agreement for current fiscal year-to-date. **(ACTION)**

Revenue reports were presented and discussed

Copy of the revenue reports are attached hereto for information and part of these minutes.

A motion by Mr. Jennings and was presented and second by Mr. Corrigan that they accept the Financial Statements and approved by the Board of Managers. MOTION CARRIED

- 2) Receive 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 months ended February 28 - April 30, 2019. **(ACTION)**

Balance of Escrow Accounts were presented and discussed.

Spohn obligations to achieve certain milestones related to Transition with Memorial in 2012 per Membership Agreement.

Copies of Bank of America Statements of Investment period noted are attached hereto for information and made a part of these minutes.

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**A motion by Mr. Jennings was presented and second by Mr. Corrigan that they accept the Escrow Statements and Approved by the Board of Managers.
MOTION CARRIED**

- 3) Receive 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 year-to-date:
- a) Texas Healthcare Transformation and Quality Improvement Program (Medicaid 1115 Waiver):
 - (1) Delivery System Reform Incentive Payment (DSRIP) pool; and
 - (2) Hospital Uncompensated Care (UC) pool.
 - b) Disproportionate Share Hospitals (DSH) program;
 - c) Network Access Improvement Program (NAIP); and
 - d) Uniform Hospital Rate Increase Program (UHRIP). **(ACTION)**

Summary reports of IGT transfers, DSRIP, DSH, NAIP and UHRIP were presented and discussed.

Copies of these reports are attached and hereto for information and made a part of these minutes.

A Motion by Mr. Jennings was presented and second by Mr. Corrigan that they accept the IGT and approved by the Board of Managers. MOTION CARRIED

- 4) Receive and approve unaudited financial statements for months and fiscal year-to-date periods ended January 31 - April 30, 2019. **(ACTION)**

Copy of unaudited Financial Statements reports is attached and hereto for information and part of these minutes.

A motion by Mr. Jennings, and second by Mr. Corrigan that they accept the Financial reports and approved by the

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**Financial reports and approved by the Board of Managers.
MOTION CARRIED**

- 5) Receive and approve investment reports and ratify related investment transactions:
- a) Quarterly Investment Report for fiscal quarter ended March 31, 2019; and
 - b) Report of interim investment transactions for period April 1, 2019 to date.
(ACTION)

**Copy of the Investment reports is attached hereto
and made a part of these minutes.
A motion by Mr. Jennings was presented and second by
Mr. Corrigan that they accept the Investment Reports and
approved by the Board of Managers. MOTION CARRIED**

- 6) Adopt Board of Managers Resolution relating to annual review of investment policy and investment strategies; adopt changes to policy and strategies to be effective August 1, 2019; annual review and adoption pursuant to Texas Government Code, §2256.005(e). **(ACTION)**

**Original executed Resolution is attached hereto and made
a part of the minutes.**

**A motion by Mr. Jennings, second by Mr. Corrigan
MOTION CARRIED**

- 7) Adopt Board of Managers Resolution relating to annual review and adoption of listing of qualified broker/dealers authorized to engage in investment transactions; adopt listing to be effective August 1, 2019; annual review and adoption pursuant to Texas Government Code, §2256.025. **(ACTION)**

**Original executed Resolution is attached hereto and made
a part of the minutes.**

**A motion by Mr. Jennings, second by Mr. Corrigan
MOTION CARRIED**

D. Other Business:

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- 1) Receive information on selected legislation resulting from the 86th (2019) Texas Legislative Session:
 - a) Senate Bill 2: Property tax reform, ad valorem taxation, and roll back tax rates;
 - b) Senate Bill 2315: Hospital provider-funded Local Provider Participation Fund (Local Bill); and
 - c) House Bill 4289: Hospital provider-funded Local Provider Participation Fund (Statewide Bill). (**INFORMATION**)

Copies of information on selected legislation resulting from the 86th (2019) Texas Legislative Session is attached hereto and made a part of these minutes.

- 2) Receive briefing on Supreme Court of Texas Case No. 18-0660, In Re Occidental Chemical Corporation, Oxy Ingleside Energy Center, LLC, Oxy Ingleside LPG Terminal LLC, and Oxy Ingleside Oil Terminal LLC, Realtors, On Petition for Writ of Mandamus; relates to shoreline boundary on Corpus Christi Bay and tax payments. (**INFORMATION**)
- 3) Receive update from CHRISTUS Spohn Health System Corporation relating to operation, construction, transition, planning, and/or demolition activities pursuant to Sections 3.5 and 3.9 of Amended and Restated Schedule 1 to Spohn Membership Agreement, as schedule to CHRISTUS Spohn Health System Corporation Amended and Restated Membership Agreement:
 - a) Operations 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;
 - c) Transition of certain 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; and
 - d) Planning orderly transition of services from Hospital District-owned hospital presently known as CHRISTUS Spohn Hospital Corpus Christi-

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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)**

Receive update from CHRISTUS Spohn Health System Corporation relating to plannings, construction and/or demolition activities associated with the Membership Agreement.

- 4) Receive report from Nueces Center for Mental Health and Intellectual Disabilities (NCMHID) on activities performed under Interlocal Agreement between Nueces County, NCMHID, and Hospital District relating to diversion of persons from jails or other detention facilities, provision of crisis intervention teams, expansion of mobile crisis outreach, and development of jail-based competency restoration. **(INFORMATION)**

Mr. Mark Hendrix presented and explained a brief overview of what program NCMHID

Copy of the NCMHID information is attached and hereto for information and part of these minutes.

E. 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)**

Dr. Osbert Blow explained and gave an update on the CHRISTUS Spohn Health System.

F. Administrator's Briefing:

- 1) Next Scheduled Board of Managers and Board Committee meetings (all meetings, dates, and times shown are tentative):

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- a) Board Meeting: July 23, 2019; meeting time to be determined; and
- b) Board Committee Meetings: July 23, 2019; meeting times to be determined:
 - (1) Planning Committee;
 - (2) Finance Committee; and
 - (3) Quality Management Committee. (*INFORMATION*)

5. **CLOSED MEETING** - 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; the Texas Health and Safety Code, Chapter 161, §161.031, §161.0315, and §161.032; and the Texas Occupations Code, Chapters 151 and 160; and that the Board specifically expects to go into a closed session(s) on the matters listed below. In the event the Board elects to go 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, 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.

Let the Record show that there was no executive closed session held during this meeting.

- A. Consult with attorneys on matters relating to litigation against opioid drug manufacturers, promoters, and distributors responsible for causing and contributing to an epidemic of opioid addiction in Nueces County, including but not limited to Purdue Pharma, Endo Pharmaceuticals, Janssen Pharmaceuticals, Insys Therapeutics, the McKesson Corporation, Cardinal Health and AmerisourceBergen for violations of the DTPA, fraud, unjust enrichment, negligence, violations of the federal Controlled Substances Act, civil conspiracy and any other related causes of action, and related matters; consultation pursuant to Open Meetings Act, Texas Government Code, §551.071.

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7. OPEN MEETING

Reopen meeting at 2:23

8. Consideration action on item(s) covered during Closed Meeting. (*ACTION AS NEEDED*)

No Action taken in open session.

9. ADJOURN

On Motion by Mr. Huseman, seconded by Ms. Oliver, the Board of Managers voted to adjourn meeting at 2:25 p.m.

10. Nueces County Clerk posting receipt for this meeting.

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PRESIDING OFFICER:

Van Huseman, Chairman
Nueces County Hospital District

ATTEST

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

Wm Dewitt Alsup, General Counsel
Nueces County Hospital