



NUECES COUNTY HOSPITAL DISTRICT

Administrative Offices

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BOARD OF MANAGERS RESOLUTION **SEPTEMBER 8, 2020**

A RESOLUTION RELATING TO VOLUNTARY INTERGOVERNMENTAL TRANSFERS DURING HOSPITAL DISTRICT FISCAL YEAR 2021

WHEREAS, the Nueces County Hospital District (“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 (“Health Code”), Chapter 281, and operated in accordance with the Health Code and other applicable laws of the State of Texas;

WHEREAS, pursuant to the collective authorities of the Health Code, §281.047 and §281.048, the Board of Managers of the Hospital District (“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 Hospital District;

WHEREAS, the Hospital District’s Administrator (“Administrator”) has the responsibility for preparing an annual budget under the Board’s direction as required by Health Code, §281.091(a); the District’s annual budget must be approved by the Board and then shall be presented to the Commissioners Court for final approval, pursuant to requirements of Health Code, §281.091(b); and the District’s Fiscal Year 2021 is October 1, 2020 through September 30, 2021 (“Hospital District Fiscal Year 2021”);

WHEREAS, the Hospital District has adopted a Fiscal Year 2021 Annual General Fund Budget (“FY 2021 General Fund Budget”) and said Budget is attached hereto and identified as Exhibit “A” which is incorporated herein by reference;

WHEREAS, the Hospital District may create a Local Provider Participation Fund pursuant to Health Code, §298C (“LPPF”); the purpose of the LPPF is to generate funds for intergovernmental transfers from mandatory payments assessed against all hospitals in Nueces County providing inpatient services (“Local Hospitals”) in support of certain Medicaid-related supplemental payment programs authorized by the statute; and the District has been recently approached by certain but not all Local Hospitals about establishing an LPPF in Hospital District FY 2021;

WHEREAS, although the Hospital District has made establishment of the LPPF contingent upon the Hospital District's receipt from each Local Hospital a communication in writing or by personal testimony expressing its support or non-objection to the establishment of LPPF and the District has not yet received such communication from each Local Hospital, the FY 2021 General Fund Budget includes a projection of potential revenues that would be generated in the event an LPPF is established by the Hospital District at or near the beginning of Hospital District Fiscal Year 2021 ("LPPF Revenues");

WHEREAS, the FY 2021 General Fund Budget also includes operating expenses identifying disbursements of the LPPF Revenues for intergovernmental transfers for certain statutorily-authorized Medicaid supplemental payment programs ("LPPF IGT Transfers") and the LPPF IGT Transfers rely primarily on the availability of sufficient LPPF Revenues;

WHEREAS, the LPPF has not yet been and may not be timely established thereby creating a potential circumstance where no or insufficient LPPF Revenues will be available for the LPPF IGT Transfers when requested by the Texas Health and Human Services Commission ("HHSC") during Hospital District Fiscal Year 2021; and

WHEREAS, in consideration of the potential circumstance in which there may or may not be sufficient LPPF Revenues available LPPF IGT Transfers when requested by HHSC during Hospital District Fiscal Year 2021, the Board desires to prepare priorities for the disbursement of any Hospital District monies, including the LPPF Revenues, and from monies from any of its other funds, that the District uses for intergovernmental transfers during said Fiscal Year.

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

1. The Board hereby finds that a potential circumstance may arise during Hospital District Fiscal Year 2021 where no or insufficient LPPF Revenues will be available to fund all or part of the LPPF IGT Transfers when requested by HHSC during said Fiscal Year and the Board desires to prepare for such a circumstance.
2. Considering Resolved Statement No. 1 above, the Board may require during Hospital Fiscal Year 2021 that the Administrator start prioritizing disbursement of any Hospital District monies, including the LPPF Revenues, and monies from any of its other funds, that the District uses for intergovernmental transfers during said Fiscal Year. If so required, the Administrator shall first fund any intergovernmental transfers for which the Hospital District is contractually obligated to fund through its contract(s) with HHSC, and then with any available remaining LPPF Revenues, and monies from any other of its funds that the District uses for intergovernmental transfers, fund the intergovernmental transfers requested by HHSC for those Medicaid-related supplemental payment programs the Hospital District determines in its discretion to be most beneficial, provided that the Hospital District has sufficient funds available after paying its other non-intergovernmental transfer related expenses.
3. 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.
4. 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.
5. This Resolution shall take effect and be in full force and effect upon and after its passage.

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**NUECES COUNTY HOSPITAL DISTRICT
BOARD OF MANAGERS**

John B. Martinez, J.D.
Chairman

Sylvia Tryon Oliver
Vice Chairman

Belinda Flores, R.N.
Member

Vishnu V. Reddy, M.D.
Member

Daniel W. Dain
Member

John E. Vails
Member

Mariana Garza
Member

CERTIFICATE OF SECRETARY

THE STATE OF TEXAS

§

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 **8th day of September 2020** 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:

John B. Martinez, J.D., Chairman
Sylvia Tryon Oliver, Vice Chairman
Belinda Flores, R.N.
Vishnu V. Reddy, M.D.
Daniel W. Dain
John E. Valls
Mariana Garza

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

and _____,

and _____, thus constituting a quorum.

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

**A RESOLUTION RELATING TO
VOLUNTARY INTERGOVERNMENTAL TRANSFERS DURING
HOSPITAL DISTRICT FISCAL YEAR 2021**

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 **8th day of September 2020**.

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

{HOSPITAL DISTRICT SEAL}