

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

December 17, 2019

The of Nueces County Hospital District Board of Managers met at 12:00 p.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

OTHERS PRESENT:

Victoria Rodriguez	NCMHID
Mike Davis	NCMHID
Andrea Vela	NCMHID
Mark Hendrix	NCMHID
Maggie Turner	Nueces County
Debbie Domesnil	Sheriff's Office
Lt. Ashley Isaac	Nueces County Sheriff's Dept.
JC Hooper	Nueces County Sheriff's Dept.
Rene Mendiola	NCMHID
Jared Konczal	Gjerset & Lorenz
Heather Selim	Christus Spohn
Dr. Obsert Blow	Christus Spohn
Bert Ramos	Christus Spohn

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1. **CALL TO ORDER** – Mr. Martinez, Chairman
The Meeting was called to order by Mr. Martinez at 12:20 p.m.
 2. **ESTABLISHMENT OF QUORUM** – Mr. Martinez
A quorum was present with six members in attendance.

John Martinez – PRESENT
Sylvia Tryon Oliver – PRESENT
Vishnu V. Reddy, M.D. – PRESENT

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**Pamela L. Brower, C.P.A. – PRESENT
Daniel W. Dain – PRESENT
John E. Valls – PRESENT
Belinda Flores, R.N. – ABSENT**

3. **PUBLIC COMMENT** - Persons wishing to comment on any item(s) on the agenda or any subject within the Board's responsibilities must sign-in on the "Agenda Item Request to Speak" form provided at the entrance of the Board 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 Board 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 minutes of Board of Managers November 18, 2019 Regular Meeting.
- C. Receive listing of new vendors as of December 12, 2019; listing provided pursuant to Board of Managers Bylaws, Article 2, §2.1 B and Texas Local Government Code, Chapter 176.

**Motion by Mr. Valls and seconded by Ms. Oliver.
MOTION CARRIED.**

Approval of Consent Agenda Items 4 (A-C)

- D. Receive revenue reports relating to CHRISTUS Spohn Health System Corporation Membership Agreement for fiscal year-to-date. (*Finance Committee*)

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

Copies of revenue reports and Spohn agreement for fiscal year-to-date is attached and made part of these minutes.

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- E. Receive 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
 - c) Palmer Drug Abuse Program;
 - 6) Funding for diabetes prevention and supporting programs. (*Finance Committee*)

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

Copies of reports for Item E are attached hereto and made part of these minutes.

- F. Receive reports relating to Nueces Aid Program enrollment for the month ended November 30, 2019. (*Finance Committee*)

**Motion by Ms. Oliver and seconded by Dr. Reddy.
MOTION CARRIED.**

Copy of reports relating Nueces Aid Program enrollment for month ended November 30, 2019 is attached hereto and made part of these minutes.

- G. 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 fiscal year-to-date ended November 30,

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2019. (*Finance Committee*)

**Motion by Ms. Oliver and seconded by Mr. Valls.
MOTION CARRIED.**

Copy of Agreement for fiscal year-to-date ended November 30, 2019 is attached hereto and made part of these minutes.

- H. Ratify 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). (*Finance Committee*)

**Motion by Mr. Valls and seconded by Ms. Oliver
MOTION CARRIED.**

Approval to ratify Administrator's Action(s) copy of agreements is attached hereto and made part of these minutes.

- 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. (*Finance Committee*)

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

**Mr. Valls requested copy of contract/agreement to.
Copy of renewal is attached and made part of these minutes.**

- 3) Payment of interest amount of \$18,025.61 on refund in Case No. 18-0660, In Re Occidental Chemical Corporation, Oxy Ingelside Energy Center LLC, et

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al., In the Texas Supreme Court. (*Finance Committee*)

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

5. REGULAR AGENDA:

A. Community Mental Health Initiatives:

- 1) 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*)

Mike Davis presented report and copies received and are attached and made part of these minutes.

- 2) Receive report(s) on work performed under Professional Services Agreement between Nueces County, Meadows Mental Health Policy Institute, and Hospital District relating to preparation of a comprehensive needs assessment for Nueces County that can serve as the basis for a systematic approach to providing services for mental illnesses and substance abuse disorders in the County. (*INFORMATION*)

Mr. John Patrilla, project leader for Meadows Mental Health Policy Institute presented the report regarding services preformed to date. Handout is included and hereto made part of these minutes.

- 3) Receive report(s) on work performed under Professional Services Agreement between Nueces County, BeHealthle, and Hospital District relating to the Nueces County Community Collaborative Program/Jail Diversion Program. (*INFORMATION*)

**Motion by Mr. Valls and seconded by Ms. Oliver.
MOTION CARRIED.**

**Recommendation from Mr. Martinez to table Item 5 (C)
for next meeting. Report not available.**

B. Indigent Health Care:

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- 1) Receive and discuss information from CHRISTUS Spohn Health System Corporation 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. Blow updated the Board of Managers
on Items B (1).**

- 2) Receive and discuss 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 mental health 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 mental health 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. *(INFORMATION)*

**Dr. Blow updated the Board of Managers on
Items B (2).**

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- 3) Receive update on referral of potentially qualified Nueces Aid Program enrollees to CHRISTUS Spohn Health System for evaluation toward voluntary enrollment in a health insurance exchange plan offered by CHRISTUS Health Plan. (*INFORMATION*)

**Dr. Blow updated the Board of Managers on
Item B (3).**

- 4) Consider request from CHRISTUS Spohn Health System Corporation to amend Nueces Aid Program Handbook Covered Services Policy NA004, Section IV.G.5 and 6 relating to Outpatient Prescription Drug Services to increase the current prescription maximum for common chronic diseases for new and refilled prescriptions from 34 to 90 days for each medication; and authorize Administrator to issue amended Handbook Policy to be effective January 1, 2020. (*ACTION*)

**Motion by Ms. Oliver and seconded by Ms. Brower.
MOTION CARRIED.**

**Copy of letter is attached hereto and made part of these
Minutes. Mr. Hipp requested for approval.**

C. Finance Committee:

- 1) Receive introductory/planning briefing from Collier, Johnson, & Woods, P.C. Certified Public Accountants relating to their audit of the Hospital District's financial statements for fiscal year ended September 30, 2019. (*INFORMATION*)

**Ms. Cook from Collier, Johnson, & Woods, P.C.
presented financial statements for fiscal year ended September
30, 2019. Copy of letter re: auditing standards is attached and
made part of these minutes. Mr. Martinez stated. Dr. Reddy
had to leave meeting at 1:38 pm but quorum still present.**

- 2) Receive and approve 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. Valls and seconded by Mr. Dain.
MOTION CARRIED.**

- 3) Receive summary report to date of intergovernmental transfers made by Hospital District in support of local and other healthcare providers

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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);
- d) Uniform Hospital Rate Increase Program (UHRIP); and
- e) Graduate Medical Education (GME). (*INFORMATION*)

Mr. Hipp updated information on Item 3 (A-E).

- 4) 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 month ended November 30, 2019. (*INFORMATION*)

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

Monthly Escrow reports are attached hereto and made part of these minutes. Motion carried in Finance Committee meeting.

- 5) Consider 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 Mr. Valls and seconded by Ms. Olive.

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MOTION CARRIED.

Mr. Robison presented and explained the Escrow disbursements.

- 6) Receive 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 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***)

Copies of information of federal regulations are attached and hereto made part of these minutes. No action taken.

D. Other Business:

- 1) Reappoint Mr. Govind Nadkarni as Director to CHRISTUS Spohn Health System Corporation's Board of Directors for three-year term commencing January 1, 2020 and ending December 31, 2022; receive and consider Nueces County Commissioners Court's nomination of the aforesaid individual; concur with Court's nomination and appoint nominee for aforesaid term; Hospital District's appointment pursuant to CHRISTUS Spohn Health System Corporation Amended and Restated Membership Agreement, Article III, Section 3.01(b); and authorize Administrator to notify Commissioners Court and CHRISTUS Spohn Health System Corporation. (***ACTION***)

Motion by Mr. Valls and seconded by Ms. Oliver.

MOTION CARRIED.

- 2) Amend Hospital District Policy and Procedure No. 302.2 to: [1] add Martin Luther King, Jr. Day as an additional recognized holiday; [2] recognize the last four hours of Thanksgiving Eve as part of Thanksgiving Day holiday; and [3] recognize the last four hours of Christmas Eve as part of Christmas Day holiday; and authorize Administrator to issue amended Policy and Procedure No. 302.2 and to additionally issue amended Policy and Procedure No. 302.4 relating to Paid Time Off to adjust accruals, both to be effective January 1, 2020. (***ACTION***)

Motion by Ms. Oliver and seconded by Mr. Dain

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MOTION CARRIED.

Copy of amended Nueces Hospital District Policy and Procedure is attached and hereto made part of these minutes.

- 3) Discuss and consider establishing a Hospital District membership in the association Texas Healthcare Trustees, a statewide association affiliated with the Texas Hospital Association that provides education, resources, and leadership development opportunities for healthcare trustees. *(ACTION)*

Motion by Ms. Brower and seconded by Mr. Valls.

MOTION CARRIED.

Mr. Hipp addressed and discussed membership regarding further education.

- 4) Adopt Board of Managers Order approving a contingency Professional Services Agreement between Nueces County Appraisal District, Corpus Christi Independent School District, City of Corpus Christi, County of Nueces, and Nueces County Hospital District and the Phipps Deacon Purnell PLLC law firm relating to property tax litigation against Valero Refining-Texas, LP relating to tax years 2018, 2019, and 2020. *(ACTION)*

Motion by Mr. Valls and seconded by Mr. Dain

MOTION CARRIED.

To adopt contingent if the County remains in agreement.

- 5) Decline request from Gulf Cooper & Manufacturing Inc. (GCMI) for Hospital District letter to the Port of Corpus Christi supporting GCMI's proposed establishment and operation of a Foreign Trade Zone on Harbor Island. *(ACTION)*

Motion by Ms. Brower and seconded by Ms. Oliver

MOTION CARRIED.

To table Item D 5.

E. Board of Managers Business:

- 1) Identify and confirm membership of Board's Standing and Ad-Hoc Committees:

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a) Standing Committees:

- (1) Finance: Pamela L. Brower, Chair; Vishnu V. Reddy, M.D.; and Daniel W. Dain.
- (2) Planning: Vishnu V. Reddy, M.D., Chair; and
- (3) Quality Management: John E. Valls, Chair;

b) Ad-Hoc Committees:

- (1) Bylaws Review: Daniel W. Dain, Chair; and
- (2) Legislative: Belinda Flores, Chair. (***ACTION***)

No action taken.

- 2) Discuss and identify items of Board member contact and other information for public posting on the Hospital District's website. (***ACTION***)

No action taken.

6. ADMINISTRATOR'S BRIEFING:

A. Future Board of Managers and Board Committee meetings:

- 1) Next Scheduled Regular Board Meeting: January 21, 2020, 12 Noon (date, time, and location subject to change); and
- 2) Next Scheduled Regular Finance Committee Meeting: January 21, 2020, 11:15 AM (date, time, and location subject to change).

Board Meeting location will be at the Hector P. Garcia Clinic and planned tour of facility and Memorial Medical Hospital. Schedule to be sent at a later date.

7. **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

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subsequent public meeting of the Board upon notice thereof, as the Board shall determine pursuant to applicable laws.

- A. Consultation with legal counsel on the status of the payment of interest on the refund in Case No. 18-0660, In Re Occidental Chemical Corporation, Oxy Ingleside Energy Center LLC, et al., In the Texas Supreme Court; and related matters.
- B. Consultation with legal counsel on matters relating to 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 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.

Closed Session as per Mr. Martinez at 3:25 pm

8. OPEN MEETING – Mr. Martinez

Open meeting at 3:56 pm.

- A. Consider final action, decision, or vote on matters discussed or considered in Closed Meeting. (***ACTION AS NEEDED***)

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

9. ADJOURN

**Motion to adjourn by Mr. Martinez. Motioned by Mr. Valls
and seconded by Mr. Dain. Adjourned at 3:56 pm.**

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PRESIDING OFFICER

John B. Martinez, 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 District