

# Memorandum

To: Planning Committee  
Copy: Board of Managers  
From: Jonny F. Hipp, Administrator  
Date: June 3, 2015  
Re: Amend Letter Agreement with Health Management Associates

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**BACKGROUND:** The Hospital District is presently party to a Letter Agreement with Health Management Associates relating to performance of the District's Anchor Entity responsibilities and provision of ongoing assistance to the health care providers participating in the Texas Health and Human Service Commission's ("HHSC") Transformation and Quality Improvement 1115 Waiver program ("Waiver") within Regional Healthcare Partnership, Region 4 which includes Aransas, Bee, Brooks, DeWitt, Duval, Goliad, Gonzales, Jackson, Jim Wells, Karnes, Kenedy, Kleberg, Lavaca, Live Oak, Nueces, Refugio, San Patricio, and Victoria Counties. The providers participating in the Waiver within Region 4 are acute care hospitals, local mental health authorities, and the local public health department.

At the request of the regional participating providers and considering the Hospital District's personnel and related expertise compliment, the District entered into the Letter Agreement during 2012 following implementation of the Waiver. The Letter Agreement has been amended periodically since then to extend the term and adjust the required services and associated fees. Under the present Amendment No. 4, the Letter Agreement's term ends September 30, 2015.

More than half of the fees and other costs incurred by the Hospital District under the Letter Agreement are reimbursed by HHSC from federal funds.

The term of Letter Agreement should be considered for extension to September 30, 2016 to facilitate the Hospital District and provider's work during the next Waiver year.

Amend Letter Agreement with Health Management Associates  
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**REQUESTED ACTION:** Authorize the Administrator to negotiate and execute Amendment No. 5 to June 12, 2012 Letter Agreement with Health Management Associates relating to support of Anchor Entity responsibilities under the Texas Health and Human Services Commission's Transformation and Quality Improvement 1115 Waiver Program; Amendment to extend Letter Agreement to September 30, 2016 and adjust related fees.

Thank you.

*Joan F. Wipp*