

**NUECES COUNTY HOSPITAL DISTRICT
BOARD OF MANAGERS
Board of Managers - Regular Meeting
Tuesday, December 12, 2023 at 12:00 PM**

AGENDA

1. WELCOME

2. ROLL CALL OF BOARD OF MANAGERS

- John E. Valls, MBA, Chairman
- Vishnu V. Reddy, M.D., Vice Chairman
- Sylvia Tryon Oliver
- Belinda Flores, R.N.
- Judge Mariana Garza
- Efrain Guerrero, Jr.
- Arthur Granado

3. CALL TO ORDER, ESTABLISHMENT OF QUORUM, MEETING POSTING CONFIRMATION, AND CLOSED MEETING NOTICE:

A. Call to order.

B. Establish quorum.

C. Confirm posting of Meeting's public notice in accordance with Texas Open Meetings Act, Texas Government Code, Chapter 551.

D. 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.

4. ANNOUNCEMENT ON DISCLOSURE OF CONFLICTS OF INTEREST. Any Conflicts of Interest or Appearance of a Conflict of Interest with items on this agenda shall be declared at this time. Members with conflicts will refrain from voting and are asked to refrain from discussion on such items. Conflicts discovered later in the meeting shall be disclosed at that time.

5. PUBLIC COMMENT - Persons attending in-person and 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. Persons attending via audio or video conference and wishing to comment on any item(s) on the agenda or any subject within the Board's responsibilities must verbally notify the presiding officer of their

desire to comment when the officer calls for public comment from those attending via audio and video conference. 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.

6. CONSENT AGENDA - The Consent Agenda consists of those agenda items which are routine, administrative in nature, not in need of separate attention, and which a member of the Board has not requested be discussed separately. If requested to be discussed separately, that agenda item will be removed from the Consent Agenda by the presiding officer to the Regular Agenda and discussed as a part of the Regular Agenda at the appropriate time. All remaining items listed under the Consent Agenda will be voted upon in a single vote:

A. Approve Board of Managers minutes:

- 1. Regular Meeting of November 14, 2023; and 5
- 2. Special Meetings of November 15, 2023 and December 1, 2023. 16

B. 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. Execution of Letter Agreement with Frost Bank extending current depository and related agreements through January 31, 2024. **(ACTION)** 29

7. REGULAR AGENDA - The Regular Agenda consists of those agenda items which are non-routine, not administrative in nature, or are otherwise in need of separate attention. Each Regular Agenda item will be voted upon separately if action is required:

- A. Discuss and consider action on a request from Aransas Terminal Company, LLC (ATC) for a Letter of Non-Objection relating to ATC's intent to establish a wind turbine components-related Foreign Trade Zone on Harbor Island at 118 Hwy. 361, Port Aransas, Texas; consider approval of a related Payment In Lieu of Taxes Agreement between ATC and the Hospital District, and related matters, and authorize Administrator to execute related documents. **(ACTION)** 30
- B. Receive information and discuss matters relating to the change in the Nueces County Jail correctional healthcare services provider from Armor Correctional Healthcare Services to Wexford Health Services effective December 1, 2023, and related matters. **(INFORMATION)** 43
- C. Discuss and consider action on a Letter Agreement with CHRISTUS Spohn Health System Corporation relating to Hospital District's support of CHRISTUS Spohn's Emergency Medicine Residency Program for 97

Academic Years 2024 - 2025 through 2029 - 2030, and related matters; and authorize Administrator to execute Letter Agreement and related documents. **(ACTION)**

8. ADMINISTRATOR'S BRIEFING:

A. Next scheduled Board of Managers and Board Committee regular meetings (all meetings' dates, times, and locations are subject to change):

1. Board of Managers: January 23, 2024, 12 Noon in NCHD Board of Managers Meeting Room at 555 North Carancahua Street, Room 950-A, Corpus Christi, Texas 78401. **(INFORMATION)**

9. CLOSED MEETING - Public Notice is hereby given that the Board of Managers may 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. *To the extent there has been a past practice of distinguishing items for public deliberation and those for executive session, the public is advised that the Board is departing from that practice and reserves the right to discuss any listed agenda items in a closed meeting when authorized by law to do so.* When the Board goes 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, or 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. The Board specifically expects to go into a closed session(s) on the matters listed below pursuant to the Act, §551.071.

A. Consult with attorneys on matters relating to Letter Agreement with CHRISTUS Spohn Health System Corporation relating to Hospital District's support of CHRISTUS Spohn's Emergency Medicine Residency Program.

B. Consult with attorneys on matters related to the Health Services Agreement Nueces County Correctional Facilities between Nueces County, Nueces County Hospital District, and Armor Correctional Healthcare Services.

10. OPEN MEETING - Following the Closed Meeting, the Board of Managers will reconvene the Open Meeting prior to taking any action(s) on matters considered in the Closed Meeting or adjourning the meeting.

A. Discuss and consider final action, decision, or vote on matters considered in Closed Meeting. **(ACTION AS NEEDED)**

11. ADJOURN

**MINUTES
BOARD OF MANAGERS
NUECES COUNTY HOSPITAL DISTRICT
REGULAR MEETING
NOVEMBER 14, 2023**

The Nueces County Hospital District Board of Managers met at 12:00 p.m. November 14, 2023, in the NCHD Board Room at 555 N. Carancahua, Suite 950 – A Corpus Christi, Texas.

HOSPITAL DISTRICT REPRESENTATIVES:

Jonny F. Hipp	Administrator/CEO
Belinda Espinoza	Asst. Administrator, Admin. Services
Donna Littlefield	Director, Accounting & Finance
Mary Esther Guerra	Assistant County Attorney
John B. Martinez	General Counsel
Melissa Quintanilla	Executive Assistant/Human Resources
Carmina Hernandez Moreno	Administrative Assistant

OTHERS PRESENT:

Jenny Dorsey	Nueces County Attorney
R. David McElwain	Meeder Investments
Eric Evans	Corpus Christi Medical Center
Hilda Dalfonso	Corpus Christi Medical Center
Ruben Pedraza	NCMS President
Julie Herrick	Nueces County Resident
Craig Pedersen	EM Residency
Shani Italiya	EM Residency
Michael Brodeur	EM Residency
Guy Youngblood	EM Residency
John Herrick	EM Residency
Tyler Adams	EM Residency
Katheine Hoffman	EM Residency
Ben Lesson	ER Residency
Thomas Rogers	ER Residency
Marilyn Brodeur	ER Residency (Spouse)

**BOARD OF MANAGERS
REGULAR MEETING
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Veronica Wilson
Olivia Grett

As follow also present – via Zoom:

Adam Robison	Attorney – via Zoom
Lynn Carrasco	Christus Spohn – via Zoom
Becky Rios	Christus Spohn – via Zoom
Debra Looper	Christus Spohn – via Zoom
Craig Desmond	Christus Spohn – via Zoom
Shaun Antonio	EM Residency – via Zoom
Dr. Tylor Kock	EM Residency – via Zoom
Kim Leeson	EM Residency – via Zoom
JD Canbron	EM Residency – via Zoom
Justin Hacnik	EM Residency – via Zoom
Gina Cunningham	- via Zoom
Layla Embree	- via Zoom
Peter Richman	- via Zoom
Kayla Shorten	- via Zoom
Leigh Strobe	- via Zoom
Griffin	- via Zoom

**BOARD OF MANAGERS
REGULAR MEETING
MINUTES
NOVEMBER 14, 2023**

1. WELCOME

2. ROLL CALL OF BOARD OF MANAGERS

- John E. Valls, MBA, Chairman
- Vishnu V. Reddy, M.D., Vice Chairman
- Sylvia Tryon Oliver
- Belinda Flores, R.N.
- Judge Mariana Garza
- Efrain Guerrero, Jr.
- Arthur Granado

3. CALL TO ORDER, ESTABLISHMENT OF QUORUM, MEETING POSTING CONFIRMATION, AND CLOSED MEETING NOTICE:

- A. Call to order – Mr. John E. Valls, Chairman.
The meeting was called to order by Mr. Valls at 12:10 p.m.
- B. Establish quorum – Mr. Valls, Chairman.
A quorum was present with six members in attendance.

John E. Valls, MBA, Chairman – PRESENT
Sylvia Tryon Oliver, Member – PRESENT
Belinda Flores, R.N., Member – PRESENT
Judge Mariana Garza, Member – PRESENT @ 12:15 p.m.
Efrain Guerrero, Jr. Member – PRESENT
Arthur Granado, Member – PRESENT
Vishnu V. Reddy, M.D., Vice Chairman – ABSENT

- C. Confirm posting of Meeting's public notice in accordance with Texas Open Meetings Act, Texas Government Code, Chapter 551.
- D. 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.

**BOARD OF MANAGERS
REGULAR MEETING
MINUTES
NOVEMBER 14, 2023**

4. ANNOUNCEMENT ON DISCLOSURE OF CONFLICTS OF INTEREST. Any Conflicts of Interest or Appearance of a Conflict of Interest with items on this agenda shall be declared at this time. Members with conflicts will refrain from voting and are asked to refrain from discussion on such items. Conflicts discovered later in the meeting shall be

disclosed at that time.

5. PUBLIC COMMENT - Persons attending in-person and 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. Persons attending via audio or video conference and wishing to comment on any item(s) on the agenda or any subject within the Board's responsibilities must verbally notify the presiding officer of their desire to comment when the officer calls for public comment from those attending via audio and video conference. 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.

**Eric Evans
Craig Pedersen
Shani Italiya
Michael Brodeur
Marilyn Brodeur
Ruben Pedraza**

6. CONSENT AGENDA - The Consent Agenda consists of those agenda items which are routine, administrative in nature, not in need of separate attention, and which a member of the Board has not requested be discussed separately. If requested to be discussed separately, that agenda item will be removed from the Consent Agenda by the presiding officer to the Regular Agenda and discussed as a part of the Regular Agenda at the appropriate time. All remaining items listed under the Consent Agenda will be voted upon in a single vote:

A. Approve Board of Managers minutes:

1. Regular Meetings of September 26 and October 24, 2023; and
2. Special Meeting of November 3, 2023.

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B. Receive listings of new vendors for September and October 2023; listings provided pursuant to Board of Managers Bylaws, §2.1.B and Texas Local Government Code, Chapter 176.

C. Receive summary payment information on Nueces County health care disbursements for Fiscal Year 2023 year-to-date:

1. Salaries, benefits, supplies, and intergovernmental transfers at/for City of Corpus Christi/Nueces County Public Health District;
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;
7. Public health grants; and
8. Legal and professional fees.

D. Receive summary imputed claims information on medical and hospital care provided to the Nueces Aid Program population consistent with the CHRISTUS Spohn Health System Corporation Amended and Restated Membership Agreement for fiscal year-to-date periods-ended September 30 and October 31, 2023.

E. Receive fiscal year-to-date Specified Annual Percentage-related revenue reports; revenue receipts pursuant to CHRISTUS Spohn Health System Corporation Amended and Restated Membership Agreement, Section 5.03.

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F. Receive monthly statement of escrow amounts deposited and/or withdrawn by CHRISTUS Spohn Health System Corporation; deposits pursuant to and consistent with Schedule 1 to CHRISTUS Spohn Health System Corporation Amended and Restated Membership Agreement; receive statement for months-ended September 30 and October 31, 2023.

G. Receive statement of amounts deposited to and/or withdrawn from Local Provider Participation Fund for fiscal year-to-date; deposits and withdrawals pursuant to Board of Managers Order authorizing participation in a health care provider participation program pursuant to Texas Health and Safety Code, Chapter 298C, as amended.

H. Receive summary report of cumulative estimated provider payments and actual intergovernmental transfers made in support of local and other healthcare providers participating in Medicaid supplemental and directed payment programs sponsored by the Texas Health and Human Services Commission (HHSC):

1. Directed Payment Programs - Medicaid managed care organization payments to healthcare providers that support overall Medicaid program goals and objectives:

- a. Comprehensive Hospital Increase Reimbursement Program (CHIRP);
- b. Network Access Improvement Program (NAIP);
- c. Texas Incentives for Physicians and Professional Services (TIPPS);
- d. Uniform Hospital Rate Increase Program (UHRIP); and

2. Supplemental Payment Programs - HHSC-directed payments made to hospitals for achieving certain goals or to support health care providers that see significant numbers of uninsured or persons without much money:

- a. Disproportionate Share Hospitals (DSH) program;
- b. Graduate Medical Education (GME);
- c. Hospital Uncompensated Care (UC) pool; and

3. Phase-Out Programs:

- a. Delivery System Reform Incentive Payment (DSRIP) pool.

I. Receive reports relating to Nueces Aid Program enrollment for the months-ended September 30 and October 31, 2023:

1. Total Persons and Households Enrolled;
2. Enrollment Summary;
3. Denials;
4. Application Processing Summary; and

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5. Enrollment by Zip Code.

Consent Agenda approved. Motion by Ms. Flores and seconded by Mr. Guerrero. MOTION CARRIED.

7. **REGULAR AGENDA** - The Regular Agenda consists of those agenda items which are non-routine, not administrative in nature, or are otherwise in need of separate attention. Each Regular Agenda item will be voted upon separately if action is required:

A. Finance:

1. Financial Statements:

a. Receive and approve unaudited financial statements for the month and fiscal year-to-date period ended September 30, 2023. (*ACTION*)

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

2. Investment Report:

a. Receive Quarterly Investment Report for fiscal quarter-ended September 30, 2023. (*INFORMATION*)

David McElwain from Meeder Investments presented.

B. Foreign Trade Zones:

1. Discuss and consider a request from Aransas Terminal Company, LLC (ATC) for a Letter of Non-Objection relating to ATC's intent to establish a wind turbine components-related Foreign Trade Zone on Harbor Island at 118 Hwy. 361, Port Aransas, Texas; consider approval of a related Payment In Lieu of Taxes Agreement between ATC and the Hospital District; and consider related matters. (*ACTION*)

2. Discuss and consider a request from Cimbar Resources Inc. (CR) for a Letter of Support/Non-Objection relating to CR's intent to establish a mineral processing-related Foreign Trade Zone at 322 Manning Road, Corpus Christi, Texas, and related matters. (*ACTION*)

Both Items on 7. (B) 1& 2, table by Mr. Valls.

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**Motion by Mr. Granado and seconded by Judge Garza.
MOTION CARRIED.**

C. Board of Managers Business:

1. Discuss and consider rescinding or modifying the October 24, 2023 Board of Managers action related to nominations for consideration of appointment to the CHRISTUS Spohn Health System Corporation's Board of Directors; appointments by Hospital District pursuant to Article III, Section 3.01(b) of the CHRISTUS Spohn Health System Corporation Amended and Restated Membership Agreement. *(ACTION)*

**Motion to rescind by Mr. Granado and seconded by
Judge Garza. MOTION CARRIED.**

D. FEMA COVID-19 Pandemic Cost Recovery Application:

1. Receive update on the matter of Arbitration Agreement between the Federal Emergency Management Agency ("FEMA"), Texas Division of Emergency Management, and Nueces County Hospital District relating to Hospital District's arbitration request before the United States Civilian Board of Contract Appeals ("CBCA") in the matter identified as CBCA 7792-FEMA, In the Matter of Nueces County Hospital District. *(INFORMATION)*

E. Administrator's Actions:

1. 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):

a. Execution of Personal Services Agreement with Patricia A. Shipton for legislative consulting services during the Texas Legislature's Special Sessions. *(ACTION)*

b. Execution of Personal Services Agreement with Joel J. Romo for legislative consulting services during the 88th Texas Legislature's Special Sessions. *(ACTION)*

**Motion by Mr. Granado and seconded by Ms. Oliver on
Item 7. E. (a) & (b) MOTION CARRIED.**

**BOARD OF MANAGERS
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MINUTES
NOVEMBER 14, 2023**

8. ADMINISTRATOR'S BRIEFING:

A. Next scheduled Board of Managers regular meeting (meeting date, time, and location are subject to change):

1. Board of Managers: Tuesday, December 12, 2023, 12 Noon in NCHD Board of Managers Meeting Room at 555 North Carancahua Street, Room 950-A, Corpus Christi, Texas 78401. (**INFORMATION**)

9. **CLOSED MEETING** - Public Notice is hereby given that the Board of Managers may 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. *To the extent there has been a past practice of distinguishing items for public deliberation and those for executive session, the public is advised that the Board is departing from that practice and reserves the right to discuss any listed agenda items in a closed meeting when authorized by law to do so.* When the Board goes 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, or 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. The Board specifically expects to go into a closed session(s) on the matters listed below pursuant to the Act, §551.071.

A. Consult with attorneys on matters relating to nominations for consideration of appointment to the CHRISTUS Spohn Health System Corporation's Board of Directors.

10. **OPEN MEETING** - Following the Closed Meeting, the Board of Managers will reconvene the Open Meeting prior to taking any action(s) on matters considered in the Closed Meeting or adjourning the meeting.

A. Discuss and consider final action, decision, or vote on other matters considered in Closed Meeting. (**ACTION AS NEEDED**)

No Action taken.

**BOARD OF MANAGERS
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NOVEMBER 14, 2023**

11. ADJOURN

**Mr. Valls called to adjourn. Motion by Mr. Granado
and seconded by Mr. Guerrero. Meeting adjourned at 1:17 p.m.**

**BOARD OF MANAGERS
REGULAR MEETING
MINUTES
NOVEMBER 14, 2023**

PRESIDING OFFICERS:

John E. Valls, MBA, Chairman

ATTEST:

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

**MINUTES
BOARD OF MANAGERS
NUECES COUNTY HOSPITAL DISTRICT
SPECIAL MEETING
NOVEMBER 15, 2023**

The Nueces County Hospital District Board of Managers met at 1:30 p.m. November 15, 2023, in the NCHD Board Room at 555 N. Carancahua, Suite 950 – A Corpus Christi, Texas.

HOSPITAL DISTRICT REPRESENTATIVES:

Jonny F. Hipp	Administrator/CEO
Belinda Espinoza	Asst. Administrator, Admin. Services
Donna Littlefield	Director, Accounting & Finance
Mary Esther Guerra	Assistant County Attorney
John B. Martinez	General Counsel
Melissa Quintanilla	Executive Assistant/Human Resources
Carmina Hernandez Moreno	Administrative Assistant

OTHERS PRESENT:

Adam Robison	Attorney
Ernest Buck	M.D.
Julie Herrick	Nueces County Resident
John Herrik	EM Residency
Monica Chapa MD	EM Residency
Michael Brodeur	EM Residency
Marilyn Brodeur	EM Program
Alainy Tomanel	EM Program
John Canbron	EM Program
Kimberly Leeson MD	EM Faculty
Ben Leeson MD	EM Residency
Shani Italyn	EM Residency
Makayiah Chaves	KRIS 6
Roy Hinojosa	KRIS 6
B. Burns	KIII 3
Veronica Wilson	

**BOARD OF MANAGERS
SPECIAL MEETING
MINUTES
NOVEMBER 15, 2023**

As follow also present – via Zoom:

Cassidy Willie	Gjerset & Lorenz
Hilda Dalfonso	Corpus Christi Medical Center
Daniel Tran	EM Residency
Justin Hacnik	EM Residency
Liz Sullivan	EM Residency
Shaun Antonio	EM Residency
Kayla Shorten	- via Zoom
Alex Rogers	- via Zoom
Peter Richman	- via Zoom
Lynn & Gina	- via Zoom
Layla Embree	- via Zoom
Griffin	- via Zoom
Elizabeth	- via Zoom
Simmons	- via Zoom
Colin	- via Zoom
Debbie	- via Zoom
Tyler	- via Zoom
Douglas	- via Zoom
Kristy	- via Zoom
Debbie	- via Zoom
Tanner	- via Zoom
Dominic	- via Zoom
My PC's IP	ip address 162.224.64.110 – via Zoom

**BOARD OF MANAGERS
SPECIAL MEETING
MINUTES
NOVEMBER 15, 2023**

1. WELCOME

2. ROLL CALL OF BOARD OF MANAGERS

- John E. Valls, MBA, Chairman
- Vishnu V. Reddy, M.D., Vice Chairman
- Sylvia Tryon Oliver
- Belinda Flores, R.N.
- Judge Mariana Garza
- Efrain Guerrero, Jr.
- Arthur Granada

3. CALL TO ORDER, ESTABLISHMENT OF QUORUM, MEETING POSTING CONFIRMATION, AND CLOSED MEETING NOTICE:

A. Call to order – Dr. Vishnu V. Reddy, M.D., Vice Chairman.
The meeting was called to order by Dr. Reddy at 1:35 p.m.

B. Establish quorum – Dr. Reddy, Vice Chairman.
A quorum was present with six members in attendance.

Vishnu V. Reddy, M.D., Vice Chairman – PRESENT
Sylvia Tryon Oliver, Member – PRESENT
Belinda Flores, R.N., Member – PRESENT
Judge Mariana Garza, Member – PRESENT – via Zoom
Efrain Guerrero, Jr. Member – PRESENT
Arthur Granada, Member – PRESENT
John E. Valls, MBA, Chairman – ABSENT

C. Confirm posting of Meeting's public notice in accordance with Texas Open Meetings Act, Texas Government Code, Chapter 551.

D. 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.

4. ANNOUNCEMENT ON DISCLOSURE OF CONFLICTS OF INTEREST. Any Conflicts of Interest or Appearance of a Conflict of Interest with items on this agenda shall be declared at this time. Members with conflicts will refrain from voting and are asked to

**BOARD OF MANAGERS
SPECIAL MEETING
MINUTES
NOVEMBER 15, 2023**

refrain from discussion on such items. Conflicts discovered later in the meeting shall be disclosed at that time.

5. PUBLIC COMMENT - Persons attending in-person and 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. Persons attending via audio or video conference and wishing to comment on any item(s) on the agenda or any subject within the Board's responsibilities must verbally notify the presiding officer of their desire to comment when the officer calls for public comment from those attending via audio and video conference. 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.

**Ernest Buck M.D.
John Herrick**

6. CLOSED MEETING - Public Notice is hereby given that the Board of Managers may 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. *To the extent there has been a past practice of distinguishing items for public deliberation and those for executive session, the public is advised that the Board is departing from that practice, and reserves the right to discuss any listed agenda items in a closed meeting when authorized by law to do so.* When the Board goes 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, or 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. The Board specifically expects to go into a closed session(s) on the matters listed below pursuant to the Act, §551.071.

A. Consult with attorneys on matters relating to support of CHRISTUS Spohn Health System's Emergency Medicine Residency Program, and related matters.

Dr. Reddy, Vice Chairman called for Closed Session at 1:47 p.m.

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SPECIAL MEETING
MINUTES
NOVEMBER 15, 2023**

7. **OPEN MEETING** - Following the Closed Meeting, the Board of Managers will reconvene the Open Meeting prior to taking any action(s) on matters considered in the Closed Meeting or adjourning the meeting.

Dr. Reddy, Vice Chairman called for Open Session at 3:21 p.m.

A. Discuss and consider approving an Emergency Medicine Residency Program Support Term Sheet to serve as the basis for a future agreement with CHRISTUS Spohn Health System Corporation relating to continuation of its Emergency Medicine Residency Program. (**ACTION**)

Motion by Mr. Granado. In light of the information the Board of Managers has learned during public comments and through other means, the Board of Managers moves to not approve the 5-year Emergency Medicine Residency Program Term Sheet as set forth in Agenda Item 7.A and authorizes Administrator Jonny Hipp to engage with Spohn, as appropriate, to attempt to pursue an alternative and more sustainable solution for Spohn's Emergency Medicine Program, consistent with the District's mission and public purpose. Seconded by Mr. Guerrero. MOTION CARRIED.

8. ADJOURN

**Motion to adjourn by Dr. Reddy, Vice Chairman.
Meeting adjourned at 3:23 p.m.**

**BOARD OF MANAGERS
SPECIAL MEETING
MINUTES
NOVEMBER 15, 2023**

PRESIDING OFFIERS:

Dr. Vishnu V. Reddy, M.D., Vice Chairman

ATTEST:

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

DRAFT

**MINUTES
BOARD OF MANAGERS
NUECES COUNTY HOSPITAL DISTRICT
SPECIAL MEETING
DECEMBER 1, 2023**

The Nueces County Hospital District Board of Managers met at 1:30 p.m. November 15, 2023, in the NCHD Board Room at 555 N. Carancahua, Suite 950 – A Corpus Christi, Texas.

HOSPITAL DISTRICT REPRESENTATIVES:

Jonny F. Hipp	Administrator/CEO
Belinda Espinoza	Asst. Administrator, Admin. Services – via Zoom
Donna Littlefield	Director, Accounting & Finance – ABSENT
Mary Esther Guerra	Assistant County Attorney
John B. Martinez	General Counsel
Melissa Quintanilla	Executive Assistant/Human Resources
Carmina Hernandez Moreno	Administrative Assistant

OTHERS PRESENT:

Adam Robison	Attorney
Makayiah Chavez	KRIS 6
Madeline Salinas	KIII 3
Karen Urban	Community Advocate
Olivia Garrett	Corpus Christi Caller Times
Dom Dominguez	Christus Spohn
Shani Italiya	EM Residency
John Herrick	EM Residency
Monica Campa M.D.	EM Residency
Rachel Sutherly	EM Residency
Brook Danboise	EM Residency
Kris Sutherly	EM Residency
Michael Broder	EM Residency
Katherine Hoffman	EM Residency
Kimbely Leeson M.D.	EM Residency
Craig Pedersen	EM Residency
Kayla Shorten	EM Residency
Alainya Tomanee	EM Residency
Michael Scott	EM Residency

**BOARD OF MANAGERS
SPECIAL MEETING
MINUTES**

Marilyn Broder
Veronica Wilson

EM Residency Spouse

As follow also present – via Zoom:

Leyla Embree	Christus Spohn – via Zoom
Jennifer Reemtsma	Christus Spohn – via Zoom
Lynn Carrasco	Christus Spohn – via Zoom
Becky Rios	Christus Spohn – via Zoom
Cassidy Willie	Gjerset & Lorenz – via Zoom
Brent Chesney	Nueces County Commissioner – via Zoom
Kilee Burke	EM Residency – via Zoom
J.D. Cambron	EM Residency – via Zoom
Chelsea Clark	EM Residency – via Zoom
Rogelio T. Martinez	EM Residency – via Zoom
Shaun Antonio	EM Residency – via Zoom
Connor Schrom	EM Residency – via Zoom
Ben Leeson	EM Residency – via Zoom
Aaron K. Bartoe	Dr. D.O. – via Zoom
Tylor Kock	Dr. – via Zoom
John Adamski	Dr. – via Zoom
Drake Leeson	- via Zoom
Tisha Whitworth	- via Zoom
Amanda Portillo	- via Zoom
Trenton H.	- via Zoom
Angela	- via Zoom
Griffin	- via Zoom
Karen	- via Zoom
Candice	- via Zoom
Simmons	- via Zoom
Megan	- via Zoom
Jennifer	- via Zoom
Janet	- via Zoom
TW	- via Zoom
Haley	- via Zoom
Iphone 85	- via Zoom
MY pc	- via Zoom
PCD	- via Zoom

**BOARD OF MANAGERS
SPECIAL MEETING
MINUTES**

1. WELCOME

2. ROLL CALL OF BOARD OF MANAGERS

 X John E. Valls, MBA, Chairman
 Y Vishnu V. Reddy, M.D., Vice Chairman
 Y Sylvia Tryon Oliver
 Y Belinda Flores, R.N.
 Y Judge Mariana Garza
 Y Efrain Guerrero, Jr.
 Y Arthur Granado

**3. CALL TO ORDER, ESTABLISHMENT OF QUORUM, MEETING POSTING
CONFIRMATION, AND CLOSED MEETING NOTICE:**

A. Call to order – Dr. Vishnu V. Reddy, M.D., Vice Chairman.
The meeting was called to order by Dr. Reddy at 12:20 p.m.

B. Establish quorum – Dr. Reddy, ViceChairman.
A quorum was present with six members in attendance.

Vishnu V. Reddy, M.D., Vice Chairman – PRESENT
Sylvia Tryon Oliver, Member – PRESENT
Belinda Flores, R.N., Member – PRESENT
Judge Mariana Garza, Member – PRESENT – via Zoom @ 12:32 p.m.
Efrain Guerrero, Jr. Member – PRESENT
Arthur Granado, Member – PRESENT
John E. Valls, MBA, Chairman – ABSENT

C. Confirm posting of Meeting's public notice in accordance with Texas Open Meetings Act, Texas Government Code, Chapter 551.

D. 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.

4. ANNOUNCEMENT ON DISCLOSURE OF CONFLICTS OF INTEREST. Any Conflicts of Interest or Appearance of a Conflict of Interest with items on this agenda shall be declared at this time. Members with conflicts will refrain from voting and are asked to refrain from discussion on such items. Conflicts discovered later in the meeting shall be

**BOARD OF MANAGERS
SPECIAL MEETING
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disclosed at that time.

5. **PUBLIC COMMENT** - Persons attending in-person and 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. Persons attending via audio or video conference and wishing to comment on any item(s) on the agenda or any subject within the Board's responsibilities must verbally notify the presiding officer of their desire to comment when the officer calls for public comment from those attending via audio and video conference. 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.

**Karen Urban
Dr. Kimblery Leeson
Dr. Shani Italiya
Dr. Craig Pedersen**

6. **CONSENT AGENDA** - The Consent Agenda consists of those agenda items which are routine, administrative in nature, not in need of separate attention, and which a member of the Board has not requested be discussed separately. If requested to be discussed separately, that agenda item will be removed from the Consent Agenda by the presiding officer to the Regular Agenda and discussed as a part of the Regular Agenda at the appropriate time. All remaining items listed under the Consent Agenda will be voted upon in a single vote:

A. Administrator's Actions:

1. 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):

a. Execution of Letter Agreement with Frost Bank extending current depository and related agreements through December 31, 2023. (***ACTION***)

**Motion by Mr. Granado and seconded by Mr. Guerrero.
MOTION CARRIED.**

7. **CLOSED MEETING** - Public Notice is hereby given that the Board of Managers may 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. *To the extent there has been a past practice of*

**BOARD OF MANAGERS
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distinguishing items for public deliberation and those for executive session, the public is advised that the Board is departing from that practice, and reserves the right to discuss any listed agenda items in a closed meeting when authorized by law to do so. When the Board

goes 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, or 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. The Board specifically expects to go into a closed session(s) on the matters listed below pursuant to the Act, §551.071.

A. Consult with attorneys on matters relating to support of CHRISTUS Spohn Health System's Emergency Medicine Residency Program, and related matters.

Dr. Reddy called for Closed Session at 12:38 p.m.

8. OPEN MEETING - Following the Closed Meeting, the Board of Managers will reconvene the Open Meeting prior to taking any action(s) on matters considered in the Closed Meeting or adjourning the meeting.

Dr. Reddy called for Open Session at 1:38 p.m.

A. Discuss and consider action relating to an Emergency Medicine Residency Program Support Term Sheet to serve as the framework for an agreement with CHRISTUS Spohn Health System Corporation relating to support of its Emergency Medicine Residency Program, and discuss and consider related matters. **(ACTION)**

Mr. Granado motion to discuss and consider action on 8. A. Discuss and consider action relating to an Emergency Medicine Residency Program Support Term Sheet to serve as the framework for an agreement with CHRISTUS Spohn Health System Corporation relating on support of its Emergency Medicine Residency Program and discuss and consider related matters and also to amend and to instruct Administrator Mr. Hipp to negotiate those terms with Christus Spohn Hospital.

Clarification from Mr. Hipp, right here in the room. The motion to approve the term sheet and direct Mr. Hipp to take it to the final.

**BOARD OF MANAGERS
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Mr. Granado added, to motion, for Mr. Hipp to negotiate with Christus Spohn on the the final terms. Seconded by Mr. Guerrero. MOTION CARRIED.

After discussions with all six members in attendance, final vote, all Yes. MOTION CARRIED.

9. ADJOURN

Motion to adjourn by Dr. Reddy. Meeting adjourned at 1:49 p.m.

**BOARD OF MANAGERS
SPECIAL MEETING
MINUTES**

PRESIDING OFFICERS:

Vishnu V. Reddy, M.D., Vice Chairman

ATTEST:

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



Administrative Offices
555 N. Carancahua Street, Suite 950
Corpus Christi, Texas 78401-0835

Office: (361) 808-3300
Fax: (361) 808-3274
www.nchdcc.org

December 08, 2023

Mr. Kyle Broughton
Assistant Vice President
Frost Bank
501 S. Shoreline Blvd.
Corpus Christi, Texas 78401

Re: Nueces County Hospital District

Dear Mr. Broughton:

The new Bank Depository agreements submitted by Frost are currently being reviewed by legal counsel. However, The District's depository agreement with Frost Bank was to expire on September 30, 2023. The selection of a Depository by the Hospital District is governed by §281.093, which states that the depository shall serve as a depository until a successor is selected and qualified. Please confirm that Frost Bank will continue serving as Depository for the Hospital District passed the expiration of the Hospital District's current Depository agreement with Frost Bank by your signature below and returning a copy of this letter to the Hospital District. We anticipate that the Bank Depository agreements will be finalized by January 31, 2024.

Thank you very much for your assistance with this matter.

Sincerely,

Jonny F. Hipp

AGREED:

Kyle Broughton
Date signed: _____



Proposed Foreign Trade Zone for Harbor Island

Port Aransas, Texas

Burt Moorhouse

Aransas Terminal Company



About the Aransas Terminal

Ship Dock

219 acres on Harbor Island in Port Aransas

Property owned by Ed Rachal Foundation of Corpus Christi

Operated by **Aransas Terminal Company**

Services

Import- wind turbines, bulk cargo (aluminum hydrate, cement)

Shore Base for Offshore Oil Field Service Vessels

Harbor Island



1988



2023

Foreign Trade Zones

An FTZ is an area – usually within a port - where foreign goods can be stored or processed BEFORE either being re-exported or paying Customs duty.

The FTZ program was created in 1934 by the Department of Commerce to help promote American competitiveness.

- Allows Value-Add or
- Re-Export of Cargo

Cargo is not subject to ad valorem taxation while stored in a FTZ.
U.S. Customs requires a letter of non-objection from all taxing entities.



Letters of non-objection

Required by Federal FTZ Board of every FTZ

Economic benefits for the area are increased trade, added jobs.

Payment in Lieu of Taxes (PILOT) Agreements

This would be the first use of a PILOT agreement in Nueces County.

This is a revenue sharing PILOT.

Questions

Burt Moorhouse

burt@aransasterminal.com

361-877-0412

**PAYMENT IN LIEU OF TAXES (“PILOT”) AGREEMENT
FOREIGN-TRADE ZONE SITE**

THIS AGREEMENT (“Agreement”) is entered into by and between Aransas Terminal Company, LLC (“the Operator”) and Nueces County Hospital District (“Hospital District”), a political subdivision of the State of Texas.

A. RECITALS

- Port of Corpus Christi Authority (POCCA) is Grantee of Foreign-Trade Zone (“FTZ”) No. 122.
- The Operator desires participation in the FTZ program through the expansion of Foreign-Trade Zone #122 to include space located at 118 HWY 361, Port Aransas, TX 78373 in Nueces County, Texas, as shown in Exhibit B (the “FTZ Site”), for which the Operator seeks designation by the Foreign-Trade Zones Board (the “Board”) of the United States Department of Commerce, and/or activation by the Bureau of Customs and Border Protection of the United States Department of Homeland Security (“Customs”).
- The Operator of the subject FTZ Site is Aransas Terminal Company, LLC.
- The Operator seeks an executed Letter of Non-Objection (“Letter”) from the Hospital District which is required to achieve designation and/or activation.
- 19 U.S.C. §81o(e) may provide a federal exemption from state and local ad valorem taxes for tangible personal property imported from outside the U.S. and held in a FTZ for purpose of storage, sale, exhibition, repacking, assembly, distribution, sorting, grading, cleaning, mixing, display, manufacturing, or processing; and tangible personal property produced within the United States and held in a FTZ for exportation, either in its original form or as altered by any of the above processes.
- Inventory qualifying under 19 U.S.C. §81o(e) and held in any activated FTZ may be exempt from state and local ad valorem taxes.
- The Operator and the Hospital District desire that designation and activation of any part of the FTZ Site cause no financial harm to the Hospital District.

In consideration of the mutual commitments expressed in this Agreement, the parties agree to the following:

B. DEFINITIONS

When used herein, the listed words have the following meanings:

“Board” means Foreign-Trade Zones Board within U.S. Department of Commerce.

“Customs” means Bureau of Customs and Border Protection within U.S. Department of Homeland Security.

“FTZ” means Foreign Trade Zone.

“FTZ Exemption” means 19 U.S.C. §810(e) federal exemption for certain inventory and any other potential exemptions from taxation for inventory in a FTZ.

“FTZ Inventory” means any inventory held in the FTZ Site that may qualify for the FTZ Exemption.

“FTZ Site” means the tract(s) described in Exhibit B.

“FTZ Wharfage” means the charges collected by the Operator on each ton or cubic meter (whichever is greater) of cargo that cross the wharf and is designated for and inventoried into the FTZ.

“Interest” means interest payments on delinquency amounts owed to the Hospital District.

“Letter” means executed Letter of Non-Objection from the Hospital District issued on behalf of the Operator.

“PILOT Payment” means the amount of money due the Hospital District as agreed herein, which is a portion of the wharfage collected by the Operator on FTZ Inventory.

C. OBLIGATIONS

The Operator agrees to the following:

- a) The Operator agrees to make PILOT payment(s) to the Hospital District in the amount of 0.64% of the FTZ Wharfage. Said payments are to be made in the form of a check within 30 days of collection of same.
- b) For any FTZ Inventory that does not receive the FTZ Exemption, PILOT Payment(s) shall not be owed to the Hospital District. However, if such FTZ Inventory does not initially receive the FTZ Exemption but is subsequently granted the FTZ Exemption, the Operator agrees to disburse PILOT payment(s) to the Hospital District in the amount and in the manner as indicated in Section C.(a) above.
- c) No later than April 15 of each year, and for as long as this Agreement is in effect, the Operator agrees to furnish to the Hospital District business manager a notarized affidavit detailing all inventories that entered the subject FTZ, the related FTZ Wharfage charges, and an accounting of the amounts due, paid, and payable for the previous calendar year.
- d) Any additional information that may be requested by the Hospital District business manager must be furnished by the Operator within 15 business days thereafter.

- e) Upon execution of this Agreement, the Hospital District shall furnish its Letter of Support, in the form shown in Exhibit A.
- f) The Operator agrees to pay Interest on Delinquent Amounts. Interest will be calculated as described in “**D. MISCELLANEOUS PROVISIONS.**”
- g) The Operator agrees that any violation of this Agreement by the Operator would justify a reversal of the FTZ Site designation and/or activation by the Board and/or Customs. Furthermore, the Operator acknowledges that default under its PILOT Agreement with the Hospital District for such subject Site shall, upon notice of such default by the Hospital District to POCCA, also be a default under the Operators Agreement, and result in the initiation of Deactivation and/or Deauthorization (as applicable) proceedings for such subject FTZ Site.
- h) The amounts payable by the Operator to the Hospital District under this Agreement shall in no event exceed the amounts of ad valorem taxes that would have been payable to Hospital District pursuant to the Texas Property Tax Code on FTZ Inventory in the FTZ Site had the Operator and/or any other party owning FTZ Inventory in the FTZ Site not received the FTZ Exemption under 19 U.S.C. §81o(e).

D. MISCELLANEOUS PROVISIONS

1. Governing Law. This Agreement will be interpreted under the laws of the State of Texas.
2. Venue. Venue shall be in a Court of competent jurisdiction in Nueces County, Texas.
- 2.
3. Interest. Interest shall accrue on any Delinquent Amount under this Agreement at the rate provided for in the Texas Property Tax Code as though the Delinquent Amount is a tax payment.
4. Binding Effect. This Agreement shall extend to and be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, and future occupants of the 19 U.S.C. §81o(e) Site.
5. Entire Agreement. This Agreement supersedes any prior understanding or agreement between the parties with respect to the subject matter hereof and constitutes the entire understanding and agreement between the parties with respect to the subject matter hereof, and there are no agreements, understandings, restrictions, representations or warranties among the parties with respect to the subject matter hereof other than those set forth herein or provided for herein.
6. This Agreement Does Not Affect Other Rights, Obligations or Agreements. This Agreement does not supersede, modify, or affect any other agreement that has been or may be entered into between the Operator and any other taxing jurisdiction or any other entity, except as otherwise expressly stated in this Agreement
7. Modification of Agreement. This Agreement may be modified only by written consent of all parties.

8. Further Assurances. The parties covenant and agree that they will execute such other and further documents as are or may become necessary or convenient to effectuate and carry out the purpose of this Agreement.
9. Severability. To the extent permitted by law, a holding by any court that any part or any provision in this Agreement is invalid, illegal, or unenforceable in any respect, shall not affect any other provision and this Agreement shall be construed as if the invalid, illegal, or unenforceable provision had never been a part of the Agreement.
10. Termination of Agreement. This Agreement shall terminate upon the revocation of 19 U.S.C. §81o(e) Site status by the Board, but such termination shall not relieve the Operator from its obligation to pay damages as provided in this Agreement.
11. Counterparts. This Agreement may be executed in multiple identical counterparts and when taken together shall constitute one and the same instrument. A facsimile or similar transmission of a counterpart signed by a party hereto or a copy of a counterpart signed by a party hereto will be regarded as an original signed by such party for purposes hereof.
12. Affidavit. This Agreement shall terminate upon the determination by the Hospital District of any misrepresentation in the Affidavit and/or this Agreement which should constitute grounds for the immediate initiation of proceedings for Deactivation and/or Deauthorization for the subject 19 U.S.C. §81o(e) Site, as applicable.
13. Notices. Any notice permitted or required to be given must be in writing delivered in person or by certified U.S. Mail, return receipt requested, to the applicable party addressed as follows:

Operator: Aransas Terminal Company, LLC
 Attn: Burt Moorhouse, President
 P.O. Box 2740
 Port Aransas, TX 78373

Hospital District: Nueces County Hospital District
 Attn: Jonny F. Hipp, Administrator/CEO
 555 N. Carancahua, Suite 950
 Corpus Christi, TX 78401

EXECUTED on the dates set forth below, but effective as of the last date executed by all the Parties.

Nueces County Hospital District

By: _____
 Jonny F. Hipp, Administrator/Chief Executive Officer
 Date: _____

Aransas Terminal Company, Operator

By: _____

Burt Moorhouse, president

Date: _____

EXHIBIT A

[Use letterhead appropriate for entity submitting this letter]

Date

Danielle Converse
FTZ Manager
Port of Corpus Christi Authority
400 Harbor Drive
Corpus Christi, Texas 78401

Dear Ms. Converse:

The purpose of this letter is to document support of the Nueces County Hospital District for Aransas Terminal Company's application to establish and operate under Foreign-Trade Zone designation under the auspices of the Port of Corpus Christi Authority, Grantee of Foreign-Trade Zone #122.

We feel the economic benefits this company brings to our area make it a valuable asset and will have a positive impact upon the local economy, local employment, and economic development in the region.

Nueces County Hospital District is supportive of the proposed FTZ designation and recommends the application's expedited review and approval.

Sincerely,

Nueces County Hospital District

Jonny F. Hipp, Chief Executive Officer

Date: _____

CC: Nueces County Appraisal District
Nueces County Tax Assessor- Collector

EXHIBIT B: Aransas Terminal Foreign Trade Zone Site



Site location: 118 State HWY 361, Port Aransas, TX 78373



NUECES COUNTY PURCHASING

MICHAEL ROBINSON
COUNTY PURCHASING AGENT

December 1, 2023

Wexford Health Sources, Inc.
Attn: Daniel L. Conn, CEO
501 Holiday Drive
Foster Plaza Four
Pittsburgh, PA 15220

Subject: Letter of Executed Contract #20230676-11/29 for Medical Services for the Nueces County Jail

Dear Mr. Conn,

This letter serves as notification on the above-mentioned project that all documents are in order. Attached is a signed copy of your Agreement.

Please let us know if you have any questions.

Best Regards,

A handwritten signature in blue ink, appearing to read "Michael Robinson", is written over a light blue horizontal line.

Michael Robinson
Procurement Director
(361) 888-0426

cc: Connie Scott – Nueces County Judge
Jonny Hipp – CEO Nueces County Hospital District
John Hooper – Nueces County Sheriff

CONTRACT FOR PROFESSIONAL SERVICES

AGREEMENT made as of 12/1/2023, between Nueces County ("County") and Wexford Health Sources, Inc. ("Consultant" or "Vendor").

WHEREAS, the County owns and operates Nueces County Jail Facilities comprised of the County Jail located at 901 Leopard Street and the McKenzie Annex Jail located at 745 North Padre Island Drive, both units situated in Corpus Christi, Nueces County, Texas;

WHEREAS, County requires certain professional services for the Nueces County Jail Work ("Project");

WHEREAS, on November 29, 2023, the Commissioners Court of Nueces County adopted an order determining that Jail Medical Services are necessary to preserve and protect the public health and safety of the residents of Nueces County, and a contract for such services is thereby exempt from the competitive bidding or proposal requirements of Section 262.023 of the Texas Local Government Code; and

WHEREAS, Consultant represents that it has the necessary expertise to provide such services in accordance with the terms of this Agreement.

NOW, THEREFORE, the parties agree as follows:

1. **Services.** Consultant shall perform the work described in the Exhibit A, Scope of Work, in a competent and professional manner to the satisfaction of County, in accordance with these Contract Documents. The Scope of Work and the Consultant's schedule and fee proposal dated 12/1/2023, described in Exhibit B, are attached hereto and by this reference incorporated herein. If any incorporated term is inconsistent with the Agreement, this Agreement shall control.
2. **Consultant's Expertise.** Consultant warrants that it has the ability, authority, capacity and professional expertise to perform this Agreement. Consultant shall provide an adequate staff of experienced personnel, capable of and devoted to the successful accomplishment of the work to be performed hereunder. Consultant shall assign specific individuals to key positions. Once assigned to work under this Agreement, key personnel shall not be removed or replaced without County's prior written approval.
3. **Independent Contractor.** Consultant acknowledges that it is an independent contractor. Neither party is or shall purport to be an agent, employee, partner, joint venture or associate of the other. An employee or agent of one party shall not be deemed an employer or agent of the other party for any purpose. Taxes or Social Security contributions will not be withheld from any payment by County, and Consultant shall be solely responsible for such matters

4. **Subcontracts.** Consultant shall not enter into any subcontract with respect to any of the work to be performed hereunder without County's prior written approval. All subcontracts shall comply with applicable federal and state laws and regulations and shall impose on the subcontractor substantially the same obligations as are imposed on Consultant by this Agreement with respect to those matters covered by Sections 8, 9, 10, 12, 15 and 18. Consultant is responsible for full performance of this Agreement regardless of whether subcontractors are used.

5. **Time for Completion.** Consultant's services will be provided in a manner consistent with the degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances. Consultant's services shall be performed as expeditiously as is consistent with professional skill and care and the orderly progress of the Project, and in accordance with an agreed upon schedule for the performance of the Services hereunder. Time limits established by a schedule approved by County shall not, except for reasonable cause, be exceeded by County or Consultant. The Schedule shall be adjusted, if necessary, as the Project proceeds. The date for final performance shall be extended by the number of days that performance is delayed by governmental approval or review procedures or other causes beyond Consultant's reasonable control, as jointly confirmed in writing by the parties' representatives.

6. **Payment.** County shall pay to Consultant as outlined in the attached fee proposal. Payments shall be made within 30 days of County's receipt of Consultant's monthly invoices. Each invoice shall detail the work performed during the billing period.

7. **Defects in Work.** County may reject any work product that fails to meet customary professional standards or Project specifications. Consultant agrees to promptly remedy all such deficiencies. The parties shall make a good faith effort to resolve any controversy or claim through informal negotiation as set forth in Section 12. No compensation shall be paid for any rejected work until such issues have been resolved.

8. **Insurance Requirements.**
 - A. Without in any way affecting the indemnity herein provided and in addition thereto, the Vendor shall secure and maintain, throughout the Agreement, the following types of insurance with limits as shown:
 1. Workers' Compensation and Employer's Liability: A program of Workers' Compensation and Employer's Liability insurance or a state-approved self-insurance program covering all persons providing services on behalf of Vendor and all risks to such persons under this Agreement. Limits shall be as follows:

Workers' Compensation	Statutory
Employer's Liability	
Each Accident	\$1,000,000

Disease-Each Employee	\$1,000,000
Disease-Policy Limit:	\$1,000,000

2. Commercial General Liability: This coverage to include bodily injury, property damage, and broad form contractual liability coverage:

General Aggregate	\$2,000,000
Products-Completed Operations Aggregate	\$2,000,000
Personal and Advertising Injury	\$1,000,000
Each Occurrence	\$1,000,000

3. Business Automobile Liability: Shall include Bodily Injury and property damage for any owned, hired, and non-owned vehicles used in the performance of this Agreement.

Combined Single Limit (CSL)	\$1,000,000
-----------------------------	-------------

4. Professional Liability/Medical Malpractice Insurance (Errors and Omission Liability Insurance): (\$1,000,000.00) each claim with an annual aggregate of (\$3,000,000).

- a. In the event that any professional liability insurance required by this Contract is written on a claims-made basis, Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this Contract is completed.
- b. The policy shall cover professional misconduct or negligent acts for those positions defined in the Scope of Work of this contract.

- B. Additional Named Insured:** All policies, except for the Workers' Compensation, Professional Liability and Errors and Omissions policies shall contain additional endorsements naming County, the Nueces County Jail (including all facilities), and their officers, employees, agents and volunteers as additional named insureds with respect to liabilities arising out of the performance of services hereunder.
- C. Workers' Compensation and Commercial General Liability policies shall contain a Waiver of Subrogation in favor of Nueces County, the Nueces County Jail (including all facilities), and their departments, agencies, officers, officials, agents, employees and volunteers for losses arising from work performed by or on behalf of the Contractor.
- D. Contractor's subcontractors shall be subject to the same minimum requirements identified above. Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectible insurance as evidenced by the certificates of insurance and endorsements for each subcontractor.

- E. Certificate of Insurance: Any policy endorsements that restrict or limit coverage shall be clearly noted on the Certificate of Insurance. Prior to commencing services under this contract, Contractor shall furnish County with a Certificate of Insurance and formal endorsements as required by the contract as issued by contractor's insurer(s) as evidenced that policies providing the required coverages, conditions, and limits required by this contract are in full force and effect. Such certificates shall identify this project by name and shall provide for not less than (30) days advanced notice of Cancellation, Termination, or Material Alteration. Such certificates shall be sent directly to:

Connie Scott
Nueces County Judge
901 Leopard Street, Room 303
Corpus Christi, Texas 78401

- F. Insurance Review; The above insurance requirements are subject to periodic review by the County. The Sheriff or designee is authorized, but not required, to reduce or waive any of the above insurance requirements when a determination is made that any of the above insurance is not available, is unreasonably priced or is not needed to protect the interests of the County.
- G. Performance Bond. Consultant shall provide the County with a performance bond equal to fifty percent (50%) of the annual base price as forth herein for the term of the Agreement. New bonds will be required for each renewal (if any) in one (1) year increments, not to exceed two (2) additional years past the initial term. Such performance bond must be written by a Texas Licensed company, or companies.
9. Indemnity. To the fullest extent allowable by law, Consultant shall defend, indemnify and hold harmless County and its representatives, officers, officials and employees (the "Indemnitees") from and against any and all claims, damages, losses and expenses (including but not limited to attorney fees, court costs, and the costs of appellate proceedings) relating to, arising out of or resulting from Consultant's negligent acts, errors, mistakes or omissions in the performance of this Agreement. Consultant's duty to defend, hold harmless and indemnify the Indemnitees shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, death or injury to, impairment or destruction of property including loss of use resulting therefrom, caused in whole or in part by any negligent act, error, mistake or omission in the performance of this Agreement (including those by any person for whose negligent acts, errors, mistakes or omissions Consultant may be liable) to the extent of Consultant's negligence or fault. The amount and type of insurance coverage requirements set forth above shall not limit the scope of the indemnity in this paragraph.

CONSULTANT SHALL PROMPTLY NOTIFY THE COUNTY OF ANY INCIDENT, ACCIDENT, CLAIM OR LAWSUIT OF WHICH CONSULTANT BECOMES AWARE THAT DOES OR MAY POTENTIALLY INVOLVE THE COUNTY, AND SHALL FULLY COOPERATE IN THE DEFENSE OF SUCH CLAIM. COUNTY MAY RETAIN SOLE CONTROL OF THE DEFENSE WHILE THE ACTION IS PENDING SHOULD IT SO CHOOSE. THESE PROVISION SHALL SURVIVE THE TERMINATION OR EXPIRATION OF THIS AGREEMENT.

10. Records. Consultant shall retain, and shall require each subcontractor to retain, all books, accounts, reports, files and other records relating to this Agreement for a period of five years after completion of the work. All such documents shall be subject to inspection and audit by County upon reasonable notice during normal business hours. A legible copy of any or all such documents shall be produced by Consultant at the request and expense of County.

Consultant shall maintain complete and accurate medical records for each inmate who receives health care services from Consultant. Each medical record will be maintained in accordance with applicable laws, Texas Commission on Jail Standards related to health services, NCCHC standards, and ACA standards if the County acquires such accreditation. The medical records shall be property of the County, and Consultant shall be custodian of all County inmate medical records during the term of this Agreement. Further, no County personnel shall make any medical decisions or perform any health care services based upon ownership of the records. The medical records shall be kept separate from the inmate's confinement records. Medical records shall be kept confidential in accordance with applicable law. During the term of this Agreement, Consultant shall assist the County in responding to any information request concerning the medical records, including gathering information for requests and preparing responses when disclosure would not be permissible under law, regardless of whether such request is pursuant to HIPAA, FOIA, the Texas Public Information Act, or any similar law. At the termination or expiration of this Agreement, such electronic medical records and any paper copies in existence at the termination or expiration of this Agreement shall be delivered to the County, and Consultant shall cooperate with the County's new inmate health care services provider at the Facilities in the transfer of such medical records, in electronic format and paper copies. However, the County or the County's designee provider shall, within the limits of applicable law, provide Consultant with reasonable ongoing access to all medical records even after the termination of this Agreement for the purposes of defending claims and litigation subject to payment of actual costs.

11. **Non-Assignment.** Consultant shall not assign any right or interest in this Agreement without County's prior written approval, nor shall Consultant delegate any duty hereunder without County's prior written approval.
12. **Negotiation of Disputes.** The parties shall make a good faith effort to resolve any claim or controversy or claim through informal negotiation. Notice of any claim or controversy shall be provided in writing, with supporting documentation, to the recipient designated in Section 21. The recipient shall have seven calendar days to prepare and deliver a written response. If the parties fail to resolve the disputes within a reasonable period of not less than ten days, either party may pursue available legal remedies.
13. **Suspension and Termination by County:**
 - A. **Suspension.** County may, without cause, order Consultant in writing to suspend, delay or interrupt its performance in whole or part. An adjustment shall be made to the completion date and for any increase in the cost of performance resulting from the suspension, delay or interruption. No adjustment shall be made to the extent that performance is or would have been suspended, delayed or interrupted by another cause for which Consultant is responsible.
 - B. **Termination for Cause.** County may terminate this Agreement for cause if Consultant refuses or fails to supply enough properly skilled workers to perform this Agreement; fails to make required payments to subcontractors; disregards laws, ordinances, rules, regulations or orders of a public authority having jurisdiction; or otherwise commits a material breach of this Agreement. When any of the foregoing causes exist, County shall give Consultant written notice and a ten-day opportunity to cure the default. If the default remains uncured, County may (without prejudice to any other rights or remedies it may have) terminate this Agreement and finish the work or cause it to be finished. If the unpaid balance of the Agreement exceeds the cost of finishing the work (including any expenses incurred by County as a result of Consultant's default), Consultant shall be entitled to payment for its performance up to the amount of such excess.
 - C. **Termination for Convenience.** County, by written notice to Consultant, may terminate this Agreement in whole or part upon no less than 60 days-notice when in the sole discretion of County it is in County's best interests to do so. Consultant shall be paid for all material, equipment and services provided, as well as reasonable termination expenses and a reasonable allowance for profit and overhead, provided that such payments, exclusive of termination expenses, shall not exceed the total amount payable pursuant to Section 6 less any payments previously made to Consultant. Consultant shall not be entitled to profit and overhead on material, equipment and services which were not provided.
 - D. **Consultant's Responsibilities.** Upon receipt of a termination notice, Consultant shall (a) promptly discontinue all services (unless the notice directs otherwise), and (b) deliver or otherwise make available to County copies of all data, design calculations, drawings, specifications, reports, estimates, summaries and other information and materials developed or accumulated by Consultant in performing this Agreement.

14. **Termination by Consultant.**
- A. **Termination for Cause.** Consultant may terminate this Agreement upon written notice to County if performance is made impossible for a period of 30 consecutive calendar days for any of the following reasons through no act or fault of Consultant or its agents, employees or subcontractors: issuance of an order by a court or other public authority having jurisdiction; an act of government, such as a declaration of national emergency; or a natural disaster or other Act of God. Consultant may also terminate this Agreement upon written notice and a ten-day opportunity to cure if County fails to make any payment within the time set forth in Section 6. Consultant may also terminate this Agreement upon written notice if suspensions, delays or interruptions by County equal in the aggregate more than 100% of the total number of days scheduled for completion.
- B. **Termination for Convenience.** Consultant, by written notice to County, may terminate this Agreement in whole or part upon no less than 60 days-notice when in the sole discretion of the Consultant. Consultant shall be paid for all material, equipment and services provided, as well as reasonable termination expenses and a reasonable allowance for profit and overhead, provided that such payments, exclusive of termination expenses, shall not exceed the total amount payable pursuant to Section 6 less any payments previously made to Consultant. Consultant shall not be entitled to profit and overhead on material, equipment and services which were not provided.
15. **Governing Law.** This Agreement shall be governed by the law of the State of Texas. Any suit arising out of this Agreement shall be brought in the state courts of Texas (with venue in Nueces County) or the United States District Courts in the Southern District of Texas, Corpus Christi Division, but only after informal negotiation pursuant to Section 12.
16. **Incorporation of Applicable Laws.** Every provision of law required by statute or regulation to be in this Agreement will be read and enforced as though included herein. Each party shall promptly notify the other upon discovery that any such provision has been omitted.
17. **One-Year Limitation on Actions.** No action shall be maintained by Consultant on any claim based upon or arising out of this Agreement unless such action is commenced within one year after County's final payment hereunder.
18. **Term.** This Contract for Professional Service is valid for one (1) year from the date the agreement was made between the two parties.
19. **Entire Agreement.** This Agreement and those documents incorporated by reference represent the entire understanding between the parties. No amendment shall be effective unless executed by both parties with the same formality as this Agreement. Provided, however, that the County's project manager is authorized to modify the Scope of Work, in writing, with the concurrence of Consultant so long as the project is not changed substantially or significant additional compensation is not required.

20. **Other Contracts and Third-Party Beneficiaries.** The parties agree that they have not entered into this Agreement for the benefit of any third person or persons, and it is their express intention that the Agreement is intended to be for their respective benefit only and not for the benefit of any non-party who might otherwise claim to be deemed to constitute a third-party beneficiary hereof.
21. **Severability.** The provisions of this Agreement are severable. Any provision held to be invalid or unenforceable shall not affect the validity or enforceability of any other provision.
22. **Notices.** All notices, invoices and payments shall be in writing and may be given by personal delivery or certified mail. The designated recipients are as follows:

To Consultant: Daniel L. Conn, CEO
 Wexford Health Sources Inc.
 501 Holiday Drive
 Foster Plaza Four
 Pittsburgh, PA
 15220

To Nueces County:
 County: Connie Scott
 Nueces County Judge
 901 Leopard Street, Room 303
 Corpus Christi, Texas 78401

With a copy to: John Hooper Sheriff
 Nueces County Sheriff's Office
 901 Leopard Street
 Corpus Christi, Texas 78401

Nueces County Attorney
 901 Leopard Street, Room 207
 Corpus Christi, Texas 78401

23. Responsibility for Off-Site Medical Care. Off-site specialty clinics, ambulance transportation (including emergency ambulance transportation), off-site radiology services, emergency room visits, hospitalization (including physician charges) and any other services provided by licensed medical professionals which are not provided on-site at the jail facilities shall be arranged for by Consultant but not paid for by Consultant unless otherwise indicated. Except for emergency ambulance, Consultant shall arrange all other Off-Site Medical Care with the Hospital District's indigent health care contractor, Christus Spohn Health System Corporation. Emergency ambulance transportation shall be the financial responsibility of Consultant and the financial responsibility for all other Offsite Medical Care shall be governed by the terms of the Hospital District's indigent care agreement with Christus Spohn Health System Corporation but shall not be the financial responsibility of Consultant. The Hospital District will designate a Christus Spohn Healthcare Corporation liaison to coordinate and arrange Off-Site Medical Care with Consultant. Any Off-Site Medical care not arranged with Christus Spohn Health System Corporation shall be the sole financial responsibility of Consultant. NOTHING HEREIN MAKES THE HOSPITAL DISTRICT A PARTY TO THIS AGREEMENT. NOTHING HEREIN CREATES AN ENFORCEABLE RIGHT TO ANY PARTY AGAINST THE HOSPITAL DISTRICT.

24. Additional Attachments. The Business Associate Agreement, Debarment Statement, and Texas Government Verifications are incorporated herein in their entirety. Furthermore, Consultant will comply with the Trivett Order attached herein and incorporated in its entirety.

IN WITNESS WHEREOF, the duly authorized representatives of the parties have executed this Agreement as of the date first written above.

Nueces County

By: _____

Connie Scott

Title: Nueces County

Judge _____

ATTEST:

Consultant.

By _____

John M. Froelicher

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IN WITNESS WHEREOF, the duly authorized representatives of the parties have executed this Agreement as of the date first written above.



ATTEST:

Kara Sandoz

Nueces County

By: Connie Scott

Connie Scott

Title: Nueces County

Judge _____

Consultant.

By John M. Furdlik

Scope of Work

A. Responsibilities

1. Contractor shall be the sole supplier and/or coordinator of the system that delivers inmate medical services at the Facilities.
2. Contractor shall be responsible for provision of ambulatory and infirmary medical services at the Jail and ambulatory medical services at the Annex using the Existing Medical Units.
3. Contractor shall be responsible for all medical care of all inmates incarcerated at Facilities, including Work Release inmates.
4. The Contractor's responsibility for inmate health care delivery commences with the commitment of the inmate to the custody of the Facilities and ends with the release of the inmate. When the prisoner arrives at the facility, they are official booked, responsibility starts at the time of arrival.
5. The Contractor is not responsible for inpatient or outpatient inmate healthcare services that cannot be reasonably provided within the Facilities.
6. The Contractor will be responsible for maintaining a liaison with and coordinating offsite inmate healthcare services with the Hospital District's indigent health care contractor.

The term "medical services" in the above paragraph means the provision of twenty-four (24) hours a day, seven (7) days a week of inmate medical, dental, mental health, and nursing services, including but not limited to (i) intake health assessments, health care services for chronic, infirmary, and sick call care, routine and preventive care, including health assessments; and acute and emergency care; (ii) laboratory, radiology, pharmacy, physical therapy, and other supporting ancillary services and supplies; and (iii) other related non-ancillary support services.

B. Specifications and Program Requirements

1. Administrative Requirements:

- a. A singular designated Texas-licensed physician (M.D. or D.O.) Medical Director with responsibility for assuring the quality, appropriateness, timeliness, and adequacy of inmate health care services. If the Medical Director provides direct health care services, he/she shall maintain active medical staff membership with delineated clinical privileges at Christus Spohn Health System hospitals located in Nueces County, Texas.
- b. A full-time on-site Health Services Administrator shall be provided who shall have the general responsibility for the successful delivery of health care pursuant to this solicitation and final contract.
- c. The Contractor shall, upon request, provide to the County proof of Texas licenses and/or certificates for all professional staff. In addition, malpractice insurance must be on file for all physicians, psychiatrists, dentists, mental health practitioners, Nurse Practitioners, Physician Assistants, and other employees, if applicable.

d. Copies of staffing schedules encompassing all health care staff are to be submitted to the Health Services Administrator on the fifteenth of each month for the upcoming month. Daily Updates should be supplied if there are changes.

e. Monthly and daily statistics will be required as follows:

i. A statistical report with narrative on noteworthy accomplishments or events will be due on the fifth calendar day of each month to the Contract Administrator that includes, but is not limited to, the following:

- Inmates seen at sick call
- Inmates seen by physician
- Inmates seen by dentist
- Inmates seen by psychiatrist
- Medical specialty consultation referrals
- Off-site hospital admissions
- Emergency Room visits
- Infirmary admissions, patient days, average length of stay
- Intake medical screening
- Fourteen (14) day physicals
- Lab Work
- MHMR active care list

ii. A report of the previous twenty-four (24) hours that captures but is not limited to, the following data. This report shall be submitted to the Contract Administrator on a daily basis:

- Transfers to off-site hospital emergency departments
- Communicable disease reporting
- Suicide data (i.e., attempts and precautions taken)
- Report of status of inmates in local hospitals
- Report of status of inmates in jail infirmary
- Submit completed medical incident report copies

f. Grievances shall be monitored to detect areas of concern. Inmate grievances shall be documented on a log and a response shall be prepared within three working days of receipt. Completed responses will be returned to the inmate through the Chief Jail Administrator or his designee.

g. The establishment of a comprehensive quality improvement activity that will monitor the health/medical services provided.

h. The establishment of an infection control activity that monitors the incidence of infectious and communicable diseases, seeks to prevent their incidence and spread, and provides for the care and treatment of inmates so infected.

i. Contractor is to arrange ambulance service from the local providers.

j. The Contractor shall, in times of emergency, disaster, or threat thereof, whether accidental, natural or man-made, provide medical assistance to the County Sheriff's Office to the extent or degree required by

County Sheriff's Office policies and procedures. Contractor will be responsible for care and treatment during exigent circumstances. The Contractor shall be prepared to operate without assistance for at least five (5) days during the hurricane season. All Contractor personnel will be considered as essential personnel. The Contractor shall be prepared with a schedule that will provide medical care 24/7 or until the incident/hurricane is over. If the Sheriff institutes a recall during emergency situations (i.e. hurricane) all Contractor personnel shall report to the jail as soon as possible after receiving notification.

2. Personnel requirements:

a. Adequate health care personnel required to provide those services listed in the contract must be provided for twenty-four (24) hours, seven (7) days per week inmate health services at the Facilities.

b. Physician services must be available to provide for the following:

i. Must be sufficient to provide the required needs of the inmates and assure medical evaluation/follow up within twenty-four (24) hours of post nursing triage referral (including weekends and holidays).

ii. In addition, twenty-four (24) hour physician on-call services with the availability for consultation and the ability to meet the on-site needs are required.

iii. Communication conducted via cell phone.

iv. The physician providing such services shall maintain active medical staff membership with delineated clinical privileges at Christus Spohn Health System hospitals located in Nueces County, Texas.

c. Nursing services must be available to provide for the following:

i. Medical unit coverage at all times, including sick call and medication administration periods at the Facilities;

ii. 24-hour intake screening, including medical histories and tuberculosis testing on all inmates at the time of admission at the Jail;

iii. HIV testing as directed by court order. It is mandated for certain penal code offenses through direction of the court;

iv. Health Assessments on all inmates within fourteen (14) days after booking at the Facilities;

v. Distribution of medications as prescribed at the Facilities;

vi. Sick call triage and follow-up on a daily basis to include weekends and holidays at the Facilities;

vii. Appropriate and timely response to inmate medical needs and emergencies at the Facilities;

viii. Physician, nurse practitioner, and physician assistant support services at the Facilities;

ix. 24-hour infirmary care at the Jail as needed; and

x. 24-hour application and removal of stitches/suture as needed.

- d. The Contractor shall provide sufficient clerical staff to support the medical contract.
- e. Telemedicine is an option.
- f. The County Sheriff or his designee may request replacement of any Contractor personnel or contractors he believes whose actions are against the law or contrary to the security, safety or health of others or does not comply with the Facilities' policies and procedures. The County Sheriff or his designee shall approve all appointments to the position of the Medical Director and Health Services Administrator. Proposer must staff position these two positions at all times. County will not waive the positions.
- g. Written job description and protocols to define specific duties and responsibilities for all assignments must be provided to the County Sheriff or his designee.

3. Pharmaceutical Services:

- a. Pharmaceutical services to assure the availability of prescribed medications within eight (8) hours of the order of issue being written for all formulary approved medications and twenty-four (24) hours for all non-formulary medications except where such medications are not readily available in the local community.
- b. Pharmaceutical services shall be consistent with State and Federal regulations and must be monitored by a qualified and Texas-licensed pharmacist.
- c. A copy of the formulary to be used in this contract shall be provided to the Sheriff or his designee.
- d. Service shall provide for the purchasing, dispensing, administering and storage of all pharmaceuticals by qualified personnel and for the proper storage of psychotropic medications as prescribed to inmates. Medications are to be administered by nurses at the Facilities. Some medications are administered within the Medical Units and others are administered within the jail pods.
- e. The County is not aware that pharmacy technicians can administer medications in Texas. However, the Contractor has the final responsibility for determining whether pharmacy technicians can legally administer medications in Texas.
- f. Standard medication passes are conducted at 8:00am and 8:00pm, with additional passes of special needs medication as ordered by physician.
- g. Provide for the recording of the administration of medications in a manner and on a form approved by the Medical Director to include documentation of the fact that inmates are receiving and ingesting their prescribed medications. Documentation will also be required when an inmate's ordered medication was not administered, and the reason given. There is to be no self-administration or "keep-on-person" medication system.

4. Dental Services:

The Contractor shall provide routine and emergency dental care for each inmate under the direct supervision of a licensed dentist and shall establish a defined scope of available dental services including emergency dental care which includes the following:

- a. A dental screening conducted within 14 days of admission, unless completed within the last six months, conducted on initial intake with instructions on dental hygiene.

- b. A dental examination by a dentist within 12 months of admission, supported by diagnostic x-rays, if necessary.
- c. A treatment plan with x-rays for those inmates who request care with more than 12 months detention.
- d. A defined charting system that identifies the oral health condition and specifies the priorities for treatment by category.
- e. Development of an individualized treatment plan for each inmate receiving dental care.
- f. Consultation and referral to dental specialist, including oral surgery, when necessary.

5. Care and Treatment Requirements:

- a. The Contractor shall provide for twenty-four (24) hour a day, seven (7) days per week emergency health care services to include on-site emergencies with one physician or more health care providers. On call services are required 24/7. However, the County expects that the physician will come on-site if the inmate's medical condition(s) warrant it.
- b. In addition to twenty-four (24) hour a day, seven (7) days per week emergency services coverage, the hours for routine nurse sick call shall be at levels which allow for all inmates needing medical services to be seen within twenty-four (24) hours from the time of the request for such services. The inmates shall be triaged by an RN within 24 hours and seen by an MD or PA/NP at next clinic. However, if the inmate's medical condition warrants, the inmate shall be seen by an MD or PA/NP prior to the next clinic. Sick call occurs in the medical unit. Sick calls are made daily by staff or medical observation along with inmate communication forms.
- c. A written manual of standardized policies and defined procedures, approved by the Medical Director and the County Sheriff, must be reviewed at least annually and revised as necessary under the direction of the Medical Director and with the approval of the County Sheriff.
- d. The Contractor shall provide for necessary laboratory and x-ray services (take and read) 24 hours 7 days a week. All abnormal laboratory and x-ray results are to be reviewed and signed by a physician with a follow up plan of care outlined as needed.
- e. The Contractor shall provide for mental health services which shall include as a minimum:
 - i. Screening for mental health problems on intake as provided in NCCHC, ACA standards, and Texas Commission on Jail Standards.
 - ii. On-site evaluation by the Proposer's psychiatrist for the detection, diagnosis, and treatment of mental illness. There are 12 caged units within the jail pods that are utilized for inmates suffering mental disabilities and those on mental health watch.
 - iii. Crisis intervention and management of acute psychiatric episodes.
 - iv. Stabilization of the mentally ill and the prevention of psychiatric deterioration in the correctional setting.
 - v. Assist in the referral and admission to licensed mental health facilities for inmates whose psychiatric needs exceed the treatment capability of the Facilities.

- vi. Obtaining and documenting informed consent.
 - vii. Allow for Nueces Center for Mental Health and Intellectual Disabilities "NCMNID" to review care of its clients while in the facilities.
 - viii. The Proposer ensures inmates referred for mental health treatment receive a comprehensive evaluation by a licensed mental health professional. The evaluation shall be completed within 14 days of the referral request date.
 - ix. Not responsible for conducting psychological evaluations for parole or probation.
- f. The Contractor shall provide a program for meeting the special needs of the female population; e.g., pregnancy.
- g. The Contractor shall provide documented inmate health screening with history forms immediately upon arrival at the Facilities based on structured inquiry and observation and performed by qualified health care personnel, twenty-four (24) hours a day, seven (7) days a week. This will ensure that anyone taken into custody receives the necessary medical attention prior to admission into our system. At a minimum, the screening must include inquiry into:
- i. Current illness and health problems including medical, dental, and communicable diseases.
 - ii. Medications taken and special health requirements.
 - iii. Use of alcohol and drugs, including the types, methods, amounts, frequency, and date/time of last use and history of problems related to withdrawal.
 - iv. For females, a gynecological history, including pregnancies.
 - v. Observations of behavior, including the state of consciousness, mental status, appearance, conduct, tremors and sweating.
 - vi. Notations of body deformities, trauma markings, ease of movement, bruises and jaundice.
 - vii. Condition of skin and body orifices, including rashes and infestations, needle marks or other indications of drug abuse.
- h. The Contractor will provide specialized inmate transportation for emergency ambulance care; the proposer will provide inmate transportation for specialized healthcare needs; the County provides all other transportation relating to the provision of health services.
- i. The Contractor shall provide a total pharmaceutical system for the Facilities beginning with the Physician's prescribing, the administration of medication, and the necessary record keeping. The system shall include prescription medications and over-the-counter medications. All prescription medications shall be prescribed by the responsible physician or psychiatrist and shall be administered and dispensed by a licensed nurse.
- j. Over the counter (OTC) drugs may be available in the commissary from time to time. However, all medications, OTC or otherwise, that are ordered by the physician shall be provided by the Proposer.

k. Insulin treatment is received in the medical unit. Diabetics are housed in close proximity to the medical ward

l. All controlled substances, syringes, needles and surgical instruments will be stored under security conditions acceptable to the Facilities.

m. Inmates will not be used to provide any health care services, including record keeping.

n. The Proposer is responsible for assessing the availability of "free" services offered by any providers.

6. Medical Records Requirements:

a. A medical record consistent with state regulations and community standards of practice shall be maintained on each inmate held beyond the first appearance in court. These records shall be kept separate from the jail confinement records of the inmate.

b. Individual inmate health care records, including relevant records of outpatient visits, will be initiated and maintained for every inmate regarding medical, dental, or mental health services received as a result of the inmate screening process and for services rendered following the inmate's assignment to a housing area.

c. In any case where medical care is at issue, or where the physical or mental condition of an inmate is at issue, the Contractor shall make all records accessible to the Sheriff, County's Chief of Jail Administration, District Attorney, or County Attorney. The Contractor additionally acknowledges compliance with and understanding of all applicable provisions of the federal Health Insurance Portability and Accountability Act (HIPAA). If in the future Contractor terminates the Agreement or does not intend to extend the Agreement with the County, Contractor understands and shall make available medical records of inmates to any new correctional health provider.

d. Included in the inmate population are inmates incarcerated on behalf of the Texas Department of Criminal Justice, U.S. Marshals Service, U.S. Immigration and Customs Enforcement, various agencies, counties, and municipalities. The Contractor shall promptly notify the County's Sheriff or designee of the need for other than routine medical care for such inmates and shall provide documentation of required treatment to the Department of Criminal Justice or U.S. Marshal, or the applicable municipality, as requested.

e. The Contractor shall submit monthly detailed inmate-specific statements to the Nueces County Hospital District to support the Hospital District in securing reimbursement for all medical care costs provided by Contractor to inmates who are not residents of Nueces County, Texas. The Proposer shall submit to the Hospital District related inmate administrative information including, but not limited to intake, demographic, residency, and health insurance information. Additionally, the Proposer shall execute a HIPAA-related Business Associate Agreement with the Hospital District.

f. The Contractor shall prepare health summaries to be sent with inmates transferred to the Texas Department of Criminal Justice. The Proposer will ensure that inmates and health summaries are appropriately prepared for transfer within 24 hours of receiving the list of inmates being transferred, or as necessary.

g. The Contractor will examine and provide medical clearance for all inmate workers, as requested by the County's Sheriff or his designee. The medical clearance process will be completed within 24 hours of receiving the list of inmates to be cleared unless laboratory testing necessarily increases the time required to be cleared.

h. If an inmate medical record cannot be located within twenty-four (24) hours of a discovered loss, the County's Sheriff or his designee shall be immediately notified.

i. Inactive medical records will be maintained in accordance with the laws of the State of Texas and the American Medical Association.

j. Contractor shall ensure that inmate health information is available to meet the needs of continued patient care, legal requirements, research, education, and other legitimate uses.

7. Supplies, Office and Medical Equipment

a. The Contractor should provide whatever stock supplies are required to perform under the contract. Contractor will also supply all other supplies required to carry out its performance. Said supplies will include, but not be limited to, forms, books, manuals, medical record folders, alpha indexes and forms, pharmaceuticals, laboratory fees, prosthetics, hand instruments, needles and sharps, special medical items, testing devices, containers and clinical waste receptacles, inmate information brochures, individual and group materials, gloves and coverings, and disinfectants.

b. The Contractor is responsible for assessing the office and medical equipment needs. All equipment purchased under the contract shall be the property of the County and shall remain on site at the termination of the contract. All supplies purchased for use in the performance of the contract, shall be the property of the County and shall remain on site at the termination of the contract.

c. Medical equipment will be provided by the Nueces County Hospital District for use by the Contractor. The Contractor shall be responsible for ongoing repair and maintenance of all medical and office equipment provided and owned by the County or the District for use by the Contractor. Should such equipment become non-serviceable due to routine use, then the County or District will be responsible for its replacement. Non-serviceable medical and office equipment shall be returned to the County or District as appropriate.

d. Nueces County provides phone land lines or two-way radios. Contractor can provide cell phones to their staff at their own expense.

e. County does not provide a photo copier.

f. County will provide Internet services at no cost to the Contractor.

8. Services to Staff:

a. Emergency services including first aid, assessment, stabilization and the coordination of transport of employees or visitors who become ill or injured in the Facilities and provide appropriate incident report.

b. The Contractor shall provide health education for security staff not to exceed fifty (50) hours of instruction per year in such areas as: airborne pathogens, blood borne pathogens, recognizing and

responding to medical emergencies, recognizing and responding to suicide, recognizing and responding to mental health concerns emergency procedures.

c. The Contractor shall provide management of the Hepatitis B vaccination program and tuberculosis screen for all Facilities' staff.

9. Training

Contractor employees will be required to attend training on Basic Jail Orientation, radio procedures, interpersonal communication skills and other security topics made available several times each year by the Sheriff's Office at no cost to the Contractor. The total classroom time for these subjects is approximately ten hours per FTE. Training hours are considered part of contract hours.

10. Testimony

Contractor personnel should be aware that they might, from time to time, be subpoenaed to testify in court regarding medical treatment.

11. Compliance with Sheriff's Office

Proposer will be required to comply with all Sheriff's Office policies, procedures, protocols and post orders.

Wexford Health is pleased to present our proposal to Nueces County (“County”) for inmate health care services.

We recognize the unique operational and financial challenges faced by government agencies—especially detention agencies. Wexford Health is strategically positioned to meet the County’s needs in the most efficient and effective manner possible. Given the uncertainty regarding the current costs required to operate the contract, Wexford Health proposes a model in which the County is billed the actual cost for services plus a fixed monthly management fee. This pricing model would allow the County to only pay for actual services being provided while providing financial flexibility and meeting all relevant standards of care. The term of this initial contract is twelve months.

Staffing

Wexford Health will maintain the staffing levels currently in place at the Nueces County jail facilities.

Offsite Care

Wexford Health will manage offsite services in conjunction with CHRISTUS Spohn Hospital, per the arrangements currently in place.

Pharmaceutical Services and Medication

The County will reimburse Wexford Health for the full costs associated with the acquisition of all pharmaceuticals.

Telehealth and Technology Requirements

Wexford Health will work with the County to ensure that telehealth capabilities are sufficient to meet the needs of the inmates when required and to minimize required offsite referrals. The costs associated with the purchase of equipment, required licenses and the Electronic Health Records system currently in use are the responsibility of the County.

Medical Malpractice and Professional Liability Items

To the extent authorized by the laws and Constitution of the State of Texas, the County is responsible for the costs associated with Wexford Health’s medical malpractice, professional liability and worker’s compensation insurance premiums as well as any legal costs, judgments or settlements for cases regarding the provision of healthcare with an incident date that occurs during the period of the contract including claims made after the contract period ends.

Other Expenses

All other expenses encompassed by the pricing presented here including, but not limited to, medical, dental and office supplies and medical waste disposal are the responsibility of the County.

Administrative Expenses

Wexford Health's costs related to direct quality assurance, regional, and corporate oversight will also be billed to the County.

Management Fee

A management fee of \$70,000 per month will be invoiced to the County monthly. This fee covers corporate support costs including human resources (recruiting, labor relations, payroll, benefits); risk management; purchasing; accounting and finance; information technology; marketing and communications; utilization management; pharmacy management; claims review; and provider contracting and credentialing; and profit.

For the first 3 months of this agreement, the cost-plus model described above shall govern the contract. During that time, the County shall provide information to Wexford Health so that the Parties can determine the full-risk cost for providing the listed services. After operating the contract for 3 months, Wexford Health will provide a full-risk price for the County's consideration. If the proposed full-risk price is mutually agreeable, the parties will execute a contract amendment to change from a cost-plus model to a full-risk model.

Wexford Health looks forward to building a partnership with Nueces County that will allow us to jointly provide a system that meets the health care services requirements of the inmates in custody.

BUSINESS ASSOCIATE AGREEMENT

THIS BUSINESS ASSOCIATE AGREEMENT (the "Agreement") is by and between County of Nueces, Texas ("Covered Entity") and Wexford Health Sources, Inc. ("Business Associate").

WHEREAS, Covered Entity is considered a "Covered Entity" and Business Associate is considered a "Business Associate" as such terms are defined under the Health Insurance Portability and Accountability Act of 1996 (as amended, modified or superseded from time to time, "HIPAA") and the final Privacy Rule and Security Rule issued pursuant thereto (*codified* at 45 CFR Parts 160, 162 and 164 as amended, modified, or superseded from time to time, the "Privacy Rule") (collectively, HIPAA, the Privacy Rule, the Security Rule and any other state or federal legislation relating to the protection of health information is referred to herein as "Applicable Privacy and Security Law");

WHEREAS, Covered Entity and Business Associate desire to enter into this Agreement in order to comply with Applicable Privacy and Security Law;

NOW THEREFORE, in consideration of the mutual promises below and the exchange of information pursuant to this Agreement, Covered Entity and Business Associate agree as follows:

1. Defined Terms. Unless otherwise indicated below or elsewhere in this Agreement, all capitalized terms shall have the meanings provided in 45 CFR 160.103 and 164.501.

a. "Individual" means the person who is the subject of protected health information and shall include a person who qualifies as a personal representative in accordance with 45 CFR 164.502(g).

b. "Protected Health Information" or "Electronic Protected Health Information, "EPHI" or "PHI" means individually identifiable health information as defined in 45 CFR 164.501, limited to the information received by Business Associate from Covered Entity or created or received by Business Associate on behalf of Covered Entity.

c. "Unsecured Protected Health Information" or "UPHI" shall mean all Protected Health Information not rendered unusable, unreadable, or indecipherable to unauthorized persons through the use of a technology or methodology specified by the HITECH Act and any implementing regulations.

d. "Secretary" means the Secretary of the Department of Health and Human Services or his or her designee.

e. "Administrative Safeguards" shall mean administrative actions, and policies and procedures, to manage the selection, development, implementation, and maintenance of security measures to protect electronic protected health information and to manage the conduct of the covered entity's workforce in relation to the protection of that information (45 C.F.R. § 164.304).

f. "Availability" shall mean that data or information is accessible and useable upon demand by an authorized person (45 C.F.R. § 164.304).

g. "Confidentiality" shall mean that data or information is not made available or disclosed to unauthorized persons or processes (45 C.F.R. § 164.304).

h. "Integrity" shall mean that data or information have not been altered or destroyed in an unauthorized manner (45 C.F.R. § 164.304).

i. "Physical Safeguards" shall mean physical measures, policies, and procedures to protect a covered entity's electronic information systems and related buildings and equipment, from natural and environmental hazards, and unauthorized intrusion (45 C.F.R. § 164.304).

j. "Security Incident" shall mean the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system (45 C.F.R. § 164.304).

k. "Discovery" means the time at which the unauthorized acquisition, access, use or discovery is known, or in the exercise of reasonable diligence, should have been known, to a person (other than the person committing the Breach) who is a member of Business Associate's workforce or that of any of Business Associate's agents.

l. "Technical Safeguards" shall mean the technology and the policy and procedures for its use that protect electronic protected health information and control access to it (45 C.F.R. § 164.304).

2. Privacy Compliance. All personally identifiable information about Covered Entity's Members or any health information of any other individuals in the possession of Covered Entity ("Protected Health Information" or "PHI") is subject to state and federal statutory and regulatory privacy standards, including, but not limited to, the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), and regulations adopted thereunder by the U.S. Department of Health and Human Services, 45 C.F.R. Parts 160, 162, 164 ("the HIPAA Rules"). The parties shall treat all such information in accordance with those standards, and shall use or disclose PHI received from the other only for the purposes stated in this Agreement, or to comply with judicial process or any applicable statute or regulation. Business Associate recognizes and agrees that it is obligated by law to comply with the applicable provisions of HIPAA and HITECH and their regulations.

3. Business Associate Provisions. The following restrictions shall apply to all uses and disclosures of all PHI.

a. Business Associate's use, disclosure or request of Protected Health Information shall utilize a Limited Data Set, if practicable. Otherwise, Business Associate will, in its performance of the functions, activities, services, and operations specified in this Agreement, use, disclose, and request only the minimum amount of Protected Health Information reasonably necessary to accomplish the intended purpose of the use, disclosure or request. In addition, Business Associate agrees to implement and follow appropriate minimum necessary policies in the performance of its obligations under this Agreement.

b. Business Associate shall use the PHI only to perform the functions required by any agreements between Covered Entity and Business Associate and to perform such functions as required by this Agreement and for no other purpose.

c. Business Associate shall:

1. Not use or further disclose PHI other than as permitted or required by this Agreement, or to comply with law;

2. Not use or disclose Covered Entity's Protected Health Information in a manner that would violate 45 C.F.R. Part 164, Subpart E, "Privacy of Individually Identifiable Health Information" ("Privacy Rule"), if done by Covered Entity;

3. Notify Covered Entity in advance of any disclosure of PHI that Business Associate is required to make under any judicial or regulatory directive or requirement;

4. Notify Covered Entity and obtain Covered Entity's written consent prior to engaging a subcontractor to which Business Associate intends to provide PHI;

5. Store Covered Entity's PHI and confidential data only in secure data facilities located in the United States, and adopt security measures to assure that no person or entity physically located in or outside of the United States can access, acquire, use or disclose any such data;

6. Develop, implement, maintain and use administrative, technical and physical safeguards reasonably and appropriately protect the privacy, integrity, confidentiality and availability of PHI, and to prevent the non-permitted use or disclosure of PHI. When so required:

- a. The safeguards must reasonably protect Covered Entity's PHI from any intentional or unintentional unauthorized use or disclosure in violation of the HIPAA Privacy Rule, 45 C.F.R. Part 164, Subpart E and this Agreement, and limit incidental uses or disclosures made pursuant to a use or disclosure otherwise permitted by this Agreement.
- b. Such safeguards shall comply with applicable requirements of 45 C.F.R. Part 164, Subpart C, pertaining to the security of Electronic Protected Health Information ("E PHI"), and as required by the HITECH Act. Business Associate also shall develop and implement policies and procedures and maintain documentation of such policies and procedures to assure compliance with the Security Rule standards as required by the HITECH Act;
- c. Business Associate shall ensure that any agent, including a subcontractor, to whom Business Associate provides E PHI agrees to implement safeguards that reasonably and appropriately protect the E PHI; and
- d. Business Associate shall report to Covered Entity any use or disclosure of Protected Health Information of which Business Associate becomes aware that is not permitted by law or this Agreement.

7. Report to Covered Entity any use or disclosure of PHI not provided for in this Agreement of which Business Associate becomes aware within five (5) business days following discovery of the non-permitted use or disclosure. In addition, Business Associate shall report, following discovery and without unreasonable delay, but in no event later than five (5) business days following discovery, any acquisition, access, use or disclosure of "Unsecured Protected Health Information" (as defined by the HITECH Act and any implementing regulations) in a manner not permitted by the HIPAA Privacy Rule (45 C.F.R. Part 164, Subpart E). Business Associate shall cooperate with Covered Entity in investigating such unauthorized use or disclosure and in meeting Covered Entity's obligations under the HITECH Act and any other security breach notification laws. For purpose of this section, "discovery" shall mean the time at which the unauthorized acquisition, access, use or disclosure is known, or in the exercise of reasonable diligence should have been known, to a person (other than the person committing the breach) who is a member of the workforce of Business Associate, is an agent of Business Associate, or is a member of the workforce of such agent.

Any such report shall include the identification (if known) of each individual whose Protected Health Information has been, or is reasonably believed by Business Associate to have been, accessed, acquired or disclosed. Business Associate's report shall at least:

- a. Identify the nature of the non-permitted access, use or disclosure, including the date of the event and the date of discovery of the event;
- b. Identify Protected Health Information accessed, used or disclosed (e.g., full name, social security number, date of birth, etc.);

Identify the nature of the non-permitted access, use or disclosure, including the date of the event and the date of discovery of the event;

- c. Identify who made the non-permitted access, use or disclosure and who received the non-permitted disclosure;
 - d. Identify what corrective action Business Associate took or will take to prevent further non-permitted access, uses or disclosures;
 - e. Identify what Business Associate did or will do to mitigate any deleterious effect of the non-permitted access, use or disclosure; and
 - f. Provide such other information, including a written report, as Covered Entity may reasonably request.
8. Ensure that any agents, including any subcontractor approved by Covered Entity under subsection D. above, to whom Business Associate provides PHI received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity, agrees to the same restrictions and conditions that apply to Business Associate with respect to the protection of information under this Agreement;
9. If Business Associate holds any PHI in a Designated Record Set (as defined by HIPAA), make PHI available to individuals as required by 45 C.F.R. Section 164.524, and, where applicable, the HITECH Act. Business Associate shall make such information available in an electronic format where directed by Covered Entity;
10. If Business Associate holds any PHI in a Designated Record Set (as defined by HIPAA), make PHI available for amendment and incorporate any amendments in accordance with 45 C.F.R. Section 164.526;
11. Document such disclosures of PHI and information relating to the disclosures of PHI as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI;
12. In the event of a Breach by Business Associate or any of its officers, directors, employees, subcontractors or agents, cooperate with Ceridian to notify, at Business Associate's expense, the affected individuals in accordance with the requirements of law.
13. Make available to Covered Entity the information required to provide an accounting of disclosures in accordance with 45 C.F.R. Section 164.528, and, where applicable, the HITECH Act;
14. Ensure that any of Business Associate's personnel, subcontractors or agents who may come into contact with Covered Entity's PHI undergo any privacy and security training required by Covered Entity prior to receiving PHI from Covered Entity Business Associate may substitute its own training for these purposes; however, all Business Associate training materials are subject to prior review and approval by Covered Entity;
15. Complete and promptly return to Covered Entity any affirmation or certification requested by Covered Entity to monitor Business Associate's compliance with these provisions, which certification shall not be required more than once in any twelve (12) -month period;
16. Upon reasonable notice, make its internal practices, facilities, books and records relating to the use and disclosure of PHI received from Covered Entity, or created or collected by Business Associate on behalf of Covered Entity, available to the Secretary of Health and Human

Services and/or Covered Entity when called upon for purposes of determining Covered Entity's and/or Business Associate's compliance with these Business Associate provisions and applicable requirements of the HIPAA Privacy and Security Rules; and

17. To the extent the Business Associate has been engaged to perform any obligation of the Covered Entity that is described in 45 CFR, Part 164, Subpart E, Business Associate will comply with the requirements of that Subpart that would apply to the Covered Entity in the performance of that obligation.

d. At termination of this Agreement, or upon return to Business Associate of any equipment leased or used at any time by Covered Entity, return or destroy all PHI received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity, that Business Associate still maintains in any form, and retain no copies of such information, or, if such return or destruction is not feasible, continue to treat all such information in accordance with applicable law and with the limits provided in this Agreement, and limit further uses and disclosures to those purposes that make the return or destruction of the information unfeasible.

e. Business Associate shall not directly or indirectly receive remuneration in exchange for PHI. Nor shall Business Associate receive payment directly or indirectly for any use or disclosure of PHI for marketing purposes.

f. Notwithstanding any provision to the contrary contained in this Agreement, if the HIPAA regulations governing PHI are modified in any way affecting the Business Associate Provisions of this Agreement, as soon as reasonably possible, but no later than the compliance date for any regulation, Covered Entity shall modify this Agreement to incorporate relevant provisions. Covered Entity shall provide Notice to Business Associate of the modifications (Notice of Amendment), and this Agreement shall be deemed to be amended in accordance with the Notice of Amendment unless Business Associate objects in writing within ten (10) days of receipt of the Notice.

g. If Business Associate conducts in whole or part electronic Transactions on behalf of Covered Entity for which Covered Entity has established Standards, Business Associate will comply, and will require any subcontractor or agent it involves with the conduct of such Transactions to comply, with each applicable requirement of the Transaction Rule, 45 C.F.R. Part 162. Business Associate will not enter into, or permit its subcontractors or agents to enter into, any Trading Partner Agreement in connection with the conduct of Standard Transactions on behalf of Covered Entity that:

1. Changes the definition, data condition, or use of a data element or segment in a Standard Transaction;
2. Adds any data element or segment to the maximum defined data set;
3. Uses any code or data element that is marked "not used" in the Standard Transaction's implementation specification or is not in the Standard Transaction's implementation specification; or
4. Changes the meaning or intent of the Standard Transaction's implementation specification.

h. If Covered Entity determines that Business Associate has violated a material term of these Business Associate Provisions, Covered Entity is authorized, pursuant to 45 C.F.R. Section 164.504(e)(2)(iii), to terminate this Agreement. If Covered Entity determines that termination of the Agreement is not feasible, it may report such breach of this Agreement to the U.S. Department of Health and Human Services.

i. The terms and conditions of these Business Associate Provisions shall override and control any conflicting term or condition of this Agreement. All non-conflicting terms and conditions of this Agreement remain in full force and effect.

j. If practicable and feasible, written notices to report the use or disclosure of PHI as required under this Agreement, or questions regarding the handling of PHI, shall be made by secure email to comply with timeliness requirements, followed by a hard copy notice by U.S. mail or overnight delivery service. All notices should be addressed as follows:

If to Covered Entity: Connie Scott
County Judge
901 Leopard Rm 303
Corpus Christi, TX 78401
connie.scott@nuecescountytx.gov

If to Business Associate:

k. The requirements of the HITECH Act do not preempt more stringent requirements of the Centers for Medicare & Medicaid Services ("CMS") applicable to Medicare Parts C and D. In the event Business Associate becomes aware of a "security incident" that presents a threat to the integrity or security of CMS data on any data system Business Associate controls or accesses which houses CMS data, Business Associate is required to report to Covered Entity as soon as possible. For purposes of this section, the definition of "security incident" is: the attempted or successful unauthorized access, use, disclosure, modification or destruction of information, or interference with system operations in an information system. Security incident also means the loss of data through theft or device misplacement, loss or misplacement of hardcopy documents, and misrouting of mail, all of which may have the potential to put the data at risk of unauthorized access, use, disclosure, modification or destruction.

l. Business Associate will indemnify and hold harmless Covered Entity and any Covered Entity affiliate, officer, director, employee or agent from and against any claim, cause of action, liability, damage, cost or expense, including attorneys' fees and court or proceeding costs, arising out of or in connection with any non-permitted use or disclosure of Covered Entity's Protected Health Information or other breach of this Agreement by Business Associate or any subcontractor or agent under Business Associate's control.

m. In any case in which Business Associate's improper use or disclosure of PHI subject to the Agreement or the occurrence of a security breach or other event while such PHI is in Business Associate's (or any of its Subcontractors') possession or control subjects Covered Entity to an obligation to provide breach notification to affected individuals under state or federal law, Business Associate shall be solely responsible for any and all costs incurred by Covered Entity in satisfying the breach notification requirements or other related provisions of state or federal law.

n. The terms "Electronic Protected Health Information," "Protected Health Information," "Standard," "Trading Partner Agreement" and "Standard" have the meanings set out in 45 C.F.R. § 160.103. The term "Standard Transaction" has the meaning set out in 45 C.F.R. § 162.103. The term "Limited Data Set" has the meaning set out in 45 C.F.R. § 164.514(e). The term "use" means, with respect to Protected Health Information, utilization, employment, examination, analysis or application within Business Associate. The terms "disclose" and "disclosure" mean, with respect to Protected Health Information, release, transfer, providing access to or divulging to a person or entity not within Business Associate. For purposes of this Agreement, Covered Entity's Protected Health Information encompasses Covered Entity's Electronic Protected Health Information. Any other capitalized terms not identified here shall have the meaning as set forth in the HIPAA Rules.

4. Termination.

(a) Termination for Cause. Upon Covered Entity's knowledge of a material breach of this

Agreement by Business Associate, Covered Entity may (i) provide an opportunity for Business Associate to cure the breach and then terminate this Agreement and the then-existing business relationship with Covered Entity if Business Associate does not cure the breach to Covered Entity's satisfaction within the time specified by Covered Entity, or (ii) immediately terminate this Agreement and the then-existing business relationship with Covered Entity

(b) Effect of Termination of Agreement for Any Reason. Business Associate shall extend the protections of this Agreement to any PHI retained after termination of this Agreement and shall limit further uses and disclosures of such PHI to those allowable by law.

5. Indemnification. Business Associate will indemnify and hold harmless Covered Entity and any Covered Entity affiliate, officer, director, employee or agent (each an "Covered Entity Indemnified") from and against any claim, cause of action, liability, damage, cost or expense, including attorneys' fees and court or proceeding costs, arising out of or in connection with any non-permitted or violating use or disclosure of PHI or other breach of this Agreement by Business Associate or any subcontractor, agent, or person under Business Associate's control. If a Covered Entity Indemnified is named a party in any judicial, administrative or other proceeding arising out of or in connection with any non-permitted or violating use or disclosure of PHI or other breach of this Agreement by Business Associate or any subcontractor, agent, or person under control of, Business Associate, Covered Entity will have the option at any time to either (i) tender the defense of such Covered Entity Indemnified to Business Associate, in which case Business Associate will provide qualified attorneys, consultants and other appropriate professionals to represent Covered Entity Indemnified's interests at Business Associate's expense, or (ii) undertake its own defense, choosing the attorneys and other professionals to represent its interests, in which case Business Associate will be responsible for and pay the reasonable fees and expenses of such attorneys and appropriate professionals. Covered Entity will have the sole right and discretion to settle, compromise or otherwise resolve any and all claims, causes of actions, liabilities or damages against it, notwithstanding that Covered Entity may have tendered its defense to Business Associate.

6. Miscellaneous.

(a) Regulatory References. A reference in this Agreement to a section in the Health Insurance Portability and Accountability Act of 1996 (HIPAA) means the section then in effect or as amended.

(b) Amendment. The Parties agree that if Applicable Privacy and Security Law changes, this Agreement shall be deemed to incorporate such changes as necessary in order for Covered Entity to operate in compliance with the amended or modified requirements of Applicable Privacy and Security Law.

(c) Interpretation. Any ambiguity in this Agreement shall be resolved in favor of a meaning that permits Covered Entity to comply with Applicable Privacy and Security Law.

(d) No Third Party Beneficiaries. Nothing express or implied in this Agreement is intended to confer upon any person other than Covered Entity, Business Associate and their respective successors and assigns, any rights, remedies, obligations or liabilities.

IN WITNESS WHEREOF, the parties hereto have caused this Business Associate Agreement to be effective as of the last date written below.

COVERED ENTITY:
COUNTY OF NUECES, TEXAS

BUSINESS ASSOCIATE:
WEXFORD HEALTH SOURCES, INC.

Connie Scott
SIGNATURE
Connie Scott
NAME
Nueces County Judge
TITLE
11/30/2023
DATE

John M Froehlich
SIGNATURE
John M. Froehlich
NAME
Senior VP & Chief Financial Officer
TITLE
November 30, 2023
DATE



Attest:

Kara Sands
Kara Sands
Nueces County Clerk

DEBARMENT STATEMENT:

I certify that the applicant firm is not currently debarred or otherwise declared ineligible by any public agency from bidding to furnish materials, supplies or services. I further certify that no principal, officer or director of the applicant firm has been employed by or associated with any firm which is currently debarred or otherwise declared ineligible by any public agency from bidding for furnishing materials, supplies or services.

I certify that the applicant firm has never been debarred, or otherwise declared ineligible by any public agency from bidding or furnishing materials, supplies or services. I further certify that no principal, officer or director of the applicant firm has ever been employed by or associated with any firm which has ever been debarred or otherwise declared ineligible by any public agency from bidding for furnishing materials, supplies or services.

BY: John M Froehlich (Signature)
John M. Froehlich, Senior VP & Chief Financial Officer Printed Name & Title
Wexford Health Sources, Inc. Company
501 Holiday Drive, Suite 300, Pittsburgh, PA 15220 Business Address
November 30, 2023 Date

VERIFICATION OF NO BOYCOTT OF ISRAEL REQUIRED BY TEXAS GOVERNMENT CODE CHAPTER 2271

By signing below, the signatory hereby verifies that they, or the company they represent:

1. Does not boycott Israel; and,
2. Will not boycott Israel during the term of the contract.

SIGNED BY: *John M. Froehlich*
Print Name: John M. Froehlich
Title: Senior VP & Chief Financial Officer

THE STATE OF Pennsylvania §
COUNTY OF Allegheny §

NOTARIZATION

BEFORE ME, the undersigned notary public on this day personally appeared John M. Froehlich, who, being duly sworn, stated under oath that they have read the foregoing verification required by Texas Government Code Section 2271.002 and said statements contained therein are true and correct.

SWORN TO AND SUBSCRIBED before me on this the 12 day of December, 2023

Chris A. Carpeloti
Notary Public
In and for the State of Pa

Commonwealth of Pennsylvania - Notary Seal
Chris A. Carpeloti, Notary Public
Allegheny County
My commission expires February 14, 2027
Commission number 1347137
Member, Pennsylvania Association of Notaries

Pursuant to Texas Government Code Section 2271.001:

(1) "Boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes; and

(2) "Company" means a for-profit sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations that exists to make a profit.

VERIFICATION OF NO DISCRIMINATION AGAINST FIREARM AND AMMUNITION INDUSTRIES REQUIRED BY TEXAS GOVERNMENT CODE CHAPTER 2274

By signing below, the signatory hereby verifies that they, or the company they represent:

- 1) Does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and
2) Will not discriminate during the term of the contract against a firearm entity or firearm trade association.

SIGNED BY: [Signature]
Print Name: John M. Froehlich
Title: Senior VP & Chief Financial Officer

NOTARIZATION

THE STATE OF Pennsylvania §
COUNTY OF Allegheny §

BEFORE ME, the undersigned notary public on this day personally appeared John M. Froehlich, who, being duly sworn, stated under oath that they have read the foregoing verification required by Texas Government Code Section 2274.002 and said statements contained therein are true and correct.

SWORN TO AND SUBSCRIBED before me on this the 10 day of December, 2023

Commonwealth of Pennsylvania - Notary Seal
Chris A. Carpeloti, Notary Public
Allegheny County
My commission expires February 14, 2027
Commission number 1347137
Member, Pennsylvania Association of Notaries

[Signature]
Notary Public
In and for the State of PA

Pursuant to Texas Government Code §2274.001(3): "Discriminate against a firearm entity or firearm trade association" means, with respect to the entity or association, to: (i) refuse to engage in the trade of any goods or services with the entity or association based solely on its status as a firearm entity or firearm trade association; (ii) refrain from continuing an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association; or (iii) terminate an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association.

Pursuant to Texas Government Code §2274.001(6):

"Firearm entity" means:

- (A) wholesaler, supplier, or retailer; and
(B) a sport shooting range as defined by Section 250.001, Local Government Code.

Pursuant to Texas Government Code §2274.001(7):

"Firearm trade association" means any person, corporation, unincorporated association, federation, business league, or business organization that:

- (A) is not organized or operated for profit and for which none of its net earnings inures to the benefit of any private shareholder or individual;
(B) has two or more firearm entities as members; and
(C) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code.

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
ENTERED

AUG 11 1992

Jesse E. Clark, Clerk
By Deputy.

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
CORPUS CHRISTI DIVISION

RICKY PAUL TRIVETT, ET AL, §
PLAINTIFFS §
VS. §
JAMES T. HICKEY, SHERIFF, NUECES §
COUNTY, TEXAS; ROBERT N. BARNES §
COUNTY JUDGE, NUECES COUNTY §
TEXAS, ET AL, DEFENDANTS §

CIVIL ACTION NO. C-86-267

ORDER

This case has been pending before this Court since Ricky Paul Trivett and 70 other inmates filed a hand-written pro se petition in this Court complaining of conditions that existed in the Nueces County Jail in November of 1986. Since that time, agreements of the parties to this cause, orders of this Court, response to Federal Orders in unrelated but similar type cases, and actions of the Defendants themselves have resulted in substantial changes of conditions within the Nueces County Jail. In issuing the orders that today conclude this case, this Court believes that it is necessary to set forth the background of facts and findings heretofore made by this Court and to provide the basis for orders that are today entered.

I.

BACKGROUND OF THE CASE

In November of 1986, Ricky Paul Trivett joined by 70 fellow inmates filed a "class action" on behalf of past, present and future inmates of the Nueces County Jail. This Court also received numerous hand-written "complaints", generally in letter form, from

many inmates within the Nueces County Jail. This Court appointed counsel for the "pro se" class and directed counsel to both investigate complaints made by inmates and present claims which in good faith counsel for Plaintiffs believed arose to constitutional levels.

After the joinder of appropriate parties, it became clear to both the litigants and to this Court that conditions of confinement of inmates within the Nueces County Jail were in fact unconstitutional.

The most urgent and pressing problem was the overcrowded conditions of the Nueces County Jail. At that time, the Nueces County Jail was designed to house 270 inmates. On a regular basis, the Nueces County Jail housed more than 400 inmates, thus taxing not only use of all available space, but all facilities of the jail. The conditions of overcrowding created problems in health and sanitation, made the delivery of food service difficult and lead to the serving of foods in relatively unsanitary conditions. Segregation of violent and nonviolent inmates became difficult, if not impossible. The medical care units of the jail facility were overcrowded and thus presented the risk of exposing inmates in the Nueces County Jail to other inmates that may be suffering from infectious or contagious diseases.

Visitation of inmates became difficult simply by reason of the fact that facilities were unavailable to allow visitation for all inmates on an adequate or regular basis. Access to legal materials was excessively restricted by reason of the implementation of

regulations forced upon jail administration by the sheer numbers of the population of the jail. In short, all areas of jail life felt the press of overcrowding.

During this same period of time, the Texas Department of Corrections implemented and continued its policy of refusing to accept sentenced felons into the population of the Texas Department of Corrections. This refusal was based upon Federal Court directives and orders which prohibited the continuation of conditions of unconstitutional confinement within the Texas Department of Corrections. That dispute is well documented and well known within Federal Courts and continues to this day. It is noted here only to the extent that it is well recognized that such policy severely taxed both the physical and monetary capabilities of Nueces County.

Faced with these conditions and circumstances, Nueces County admitted that the conditions of confinement within the Nueces County Jail were, in fact, violative of inmates' rights under the United States Constitution. This Court entered an Order on December 21, 1987, acknowledging such agreement by the parties Defendant and directing that:

1. The Nueces County Commissioners Court bring the Nueces County Jail into compliance with Article 5115 V.A.T.S. (now Chapter 351 of the Local Government Code of the State of Texas);

2. That the Commissioners Court develop and implement a plan of action to prevent future overcrowding of the Nueces County Jail;
3. That the Commissioners Court develop and implement a plan to provide the Nueces County Jail with an adequate law library and space therefore;
4. That the Commissioners Court develop and implement a plan for adequate medical and dental care for inmates; and
5. That the Commissioners Court and Sheriff develop and implement a plan for the resolution of inmate grievances.

II.

REMEDIAL ACTIONS

Since the entry of the initial orders by this Court, the Defendants have taken significant actions in order to alleviate the many of the problems that have existed and to comply with the prior orders of this Court.

One of the most significant actions taken by Nueces County has been the construction and occupancy of additional jail facilities. Initially after the entry of orders by this Court, investigation of the availability of and use of alternative jail facilities was implemented by the Sheriff of Nueces County. Thereafter, construction of the first phases of a minimum security facility known as "the McKenzie Annex" was begun and completed. The Annex facility was thereafter expanded with use of such facility beginning in 1989 and becoming fully operational by early 1990. Thereafter, the "Waco Street" facility was completed and occupied

in June of 1991. At present, excluding juvenile facilities, the Nueces County Jail has a design capacity for 902 inmates and its current population is 715.

The implementation of a personal recognizance bond program by the County Attorney's office and by County Courts with respect to misdemeanor offenses significantly reduced misdemeanor population and all but eliminated long term detention of "pre-trial misdemeanants" from the jail population.

In cooperation with the County Commissioners Court and with agreement of parties Plaintiff, the Sheriff of Nueces County agreed to an order implementing a procedure to be used by the Sheriff's Department to control jail population. Additionally, the Nueces County Commissioners Court agreed to and was ordered to establish a Nueces County Jail Commission to ensure compliance with jail standards that are established by the Texas Commission on jail standards.

The Commissioners Court has established a committee, the sole function of which is to monitor jail conditions and population so as to hopefully avoid future overcrowding.

Significantly, Nueces County instituted a suit against the State of Texas whereby Nueces County sought to recoup expenses incurred by housing sentenced felons. The parties to this cause were in agreement with respect to the institution of such claim as both parties acknowledged that, if successful, at least a partial solution of funding problems that existed might be achieved. While the parties acknowledged the existence of undisputed law that holds

that monetary constraints do not relieve state officials of their constitutional duties, neither party to this cause was ignorant of the practical need for funds to house prisoners. This Court applauds the efforts of Nueces County and the Defendants with respect to the institution, prosecution and settlement of its case in that regard.

The parties and this Court have readily acknowledged that conditions of overcrowding adversely affected every other aspect of jail life. The relieving of overcrowding has, to a great extent, relieved many of the pressures that were placed on the Nueces County Jail facilities and its staff, and have at least temporarily resolved many of the problems which existed in the early days of this litigation. Other matters, however, were also subject of the initial order of this Court and of the parties agreement that certain conditions within the Nueces County Jail violated inmates rights.

The Court notes that the Nueces County Commissioners Court pursuant to the agreement of parties and order of this Court has formulated a jail commission's committee and notes that its sole function is to monitor jail conditions including overcrowding and to address problems as they arise.

The Court further notes that since the institution of this suit, the Nueces County Jail has established and implemented a policy of grievance procedure for inmates. Rules and regulations are in fact provided to inmates on their admission and procedures exist for advising inmates of the availability of grievances.

Monitoring of the grievance procedure by Plaintiff's counsel and by this Court indicates that such grievances are normally responded to appropriately within a reasonable time.

Initially this Court was also concerned with the adequacy and availability of law library facilities within the Nueces County Jail and was also concerned with the development and implementation of a plan for adequate medical and dental care for inmates. While those matters have been addressed by the parties, they have not yet been fully resolved.

III.

NEED FOR FURTHER ORDERS

This Court notes that since the institution of this case, and since the initial findings of this case, a significant opinion has been rendered by the United States Supreme Court in Wilson v. Seiter, 59 U.S.L.W. 4617 (June 17, 1991). The Seiter Court has specifically held that inquiry into public officials state of mind is compelled when there is a claim that the official has inflicted cruel and unusual punishment with respect to confinement of inmates within a jail. This Court further notes that liability findings in the case of Alberti v. Sheriff of Harris County were remanded for additional evidence by the 5th Cir. in its opinion on June 25, 1991, such Court noting that an inquiry into state of mind of public officials was required.

This Court further notes, however, that claims of the Plaintiffs herein are not limited to claims of Eighth Amendment violations. Additionally, this Court notes that the parties

agreement with respect to the existence of certain unconstitutional conditions within the Nueces County Jail was not an agreement limited to overcrowding, but also the unresolved issues of access to an adequate law library and the providing of adequate medical and dental care.

More significantly, however, the Court notes that this class action has been maintained as a class action where the Plaintiffs seek injunctive relief, that is, the issuance of orders not only to relieve current unconstitutional conditions of confinement, but also to prevent them in the future. Throughout the course of this litigation, parties Plaintiff and Defendant have attempted to resolve matters by agreement where possible and by implementation of policies and procedures that not only remedy unconstitutional conditions but may assure establishment of procedures that will hopefully prevent unconstitutional conditions from existing again in the future. On occasion, the parties have noted the difficulty in the implementation of procedures by reason of disagreements of various public officials or employees and have turned to this Court for the issuance of Orders to assist in the implementation of programs designed to relieve unconstitutional conditions. For example, the parties found it necessary to request an order of this Court to compel the immediate occupancy of a portion of the jail annex when the only reason for the continued vacancy of such additional jail space was bureaucratic dispute. Both parties acknowledged that the continual prodding by the Federal Court throughout the history of this case has contributed to the ability

of parties to arrive at a resolution of the issues. This Court, therefore, does not believe that it is inappropriate to issue final orders which will not only conclude an agreement that resolves constitutional issues that were originally presented some five years ago and but which is sought by the parties to try to prevent future constitutional deprivations.

IT IS THEREFORE ORDERED that the Nueces County Commissioners Court establish and maintain within each freestanding jail facility which it operates, a law library with minimum requirements for contents as set forth herein. It is further ORDERED, that the Sheriff of Nueces County implement procedures for the use of such libraries by inmates.

The minimum requirements for contents of an adequate law library accessible to inmates shall be as follows:

1. At least one copy of current state criminal statutes including the Penal Code and Code of Criminal Procedure.
2. At least one copy of the current Family Code.
3. At least one general digest regarding state law.
(Examples include Texas Digest and Texas Jurisprudence.)
4. At least one set of "State" form books with particular emphasis to be given to "criminal forms".
5. At least one set of "Federal" form books, with particular emphasis given to "criminal forms".

6. At least one copy of each of the following:

"Texas Rules of Civil Procedures"; and

"Federal Rules of Civil Procedure and Rules"

Access to the Nueces County law library may be made under such terms and conditions as the Sheriff may see fit so long as such terms and conditions allow reasonable use of both jail law library facilities, and county law library facilities.

The Sheriff of Nueces County shall implement a procedure to insure reasonable access by inmates to Federal statutes. The Sheriff of Nueces County is permanently enjoined from adopting any rules and regulations that restrict inmate access to law library materials to less than three books at a time, or which restrict use of the library facilities for less than one hour at a time.

The Commissioners Court and Sheriff shall develop, implement and maintain a policy of health services that comply with requirements of the Texas Commission on jail standards with respect to administration, adoption of policies and procedures, internal quality assurance, peer review, consultation on special needs of patients, appropriate staffing and training and the providing of support services that, as a minimum, meet the requirements set forth below:

MINIMUM STANDARDS FOR HEALTH AND DENTAL CARE

I. Responsible Health Authority

A. The Nueces County Commissioners Court independently or through the Nueces County Sheriff Department shall designate a health authority, i.e. an individual to whom

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will be delegated the responsibility for the facilities health care services including arrangements for all levels of health care and ensuring the quality and accessibility of health care services provided to inmates.

- B. The health authority shall ensure that a responsible physician is available in compliance with minimum standards set by the Texas Commission on Jail Standards.

II. Medical Autonomy

- A. The Commissioners Court and/or Sheriff shall ensure that although health service staff is subject to same security regulations as are other staff members, matters of medical and dental judgment are the sole province of responsible clinicians.

III. Administrative Meetings and Reports

- A. The health care authority shall ensure that health care services are reviewed by the Sheriff's Department at least on a monthly bases and by the Commissioners Court at least on a quarterly bases. Such administrative review shall also ensure the continued licensing and training of clinical staff personnel.

IV. A Manual of Written Policies and Procedures

- A. A manual of written policies and procedures shall be developed in compliance with the Texas Commission on Jail Standards. The policies and procedures of the health care program shall be reviewed at least on an annual basis by the Commissioners Court.

V. Internal Quality Assurance

- A. Written policies and procedures shall set forth and prescribe a system of quality assurance whereby medical records of inmates are preserved and receipt of medications are charted.
- B. The written policies and procedures shall specifically address housing assignments, quarantine provisions and admissions to and transfers from medical institutions.
- C. The written policies and procedures shall also designate and delineate a system of notification for inmates next of kin or legal guardian in the case of serious illness injury or death.

- D. Policies and procedures requiring monthly sanitation and inspections of the jail shall be instituted and written reports of such inspection shall be maintained by the jail administrator and/or health authority.

VI. Personnel

- A. The Nueces County Commissioners Court and Sheriff shall ensure that an adequate number of health care staff members are available to inmates of the Nueces County Jail. An adequate health care staff shall include not less than the minimum requirements set forth by the Texas Commission on jail standards.
- B. Access to psychological and psychiatric counseling and participation by inmates and drug abuse and alcohol abuse programs shall be provided.
- C. Policies and procedures shall provide for participation of health service personnel in initial orientations and ongoing in-service training appropriate for their positions.
- D. Correctional officers shall be trained in the administration of first aid, the recognition of the need for emergency care and life threatening situations, and shall be familiar with procedures or notification of health care personnel in the event of a medical emergency.

VII. Services

- A. First aid equipment shall be readily available in designated areas throughout the facility in compliance with the requirements of the Texas Commission on Jail Standards.
- B. The jail facility shall maintain adequate space for a clinic to provide adequate health care delivery in the following areas:
 - 1. Examination and treatment for medical and dental conditions;
 - 2. Sufficient space for necessary pharmaceutical, medical supplies and mobile emergency medical equipment; and
 - 3. The storage of medical records.

The written policies and procedures shall maintain a list of the type of laboratory and diagnostic services that

can be maintained and are maintained within the Nueces County Jail. Such policies and procedures shall also designate the diagnostic and laboratory services that must be provided outside the confines of the Nueces County Jail.

VIII. Care and Treatment

- A. Written policies and procedures shall require a receiving screening to be performed by health trained or qualified health care personnel on all inmates, including transferee, immediately upon their arrival at the Nueces County Jail and prior to their introduction into the general population of the jail. Arrestees who are unconscious, semi-conscious, bleeding, or otherwise urgently in need of medical attention, shall be immediately referred for emergency care. Receiving health screening findings shall be recorded and maintained on a printed form.
- B. Policies and procedures shall require that information concerning access to health care services be communicated orally and in writing to inmates upon their arrival.
- C. The policies and procedures shall provide that within 14 days after inmate induction into the Nueces County Jail, such inmate receives a review of the receiving screening and is provided the opportunity to supply additional medical, dental and psychiatric history.

Necessary laboratory and/or diagnostic test to detect communicable diseases including venereal disease, tuberculosis and other tests to determine by the responsible physician upon consultation with the inmate shall be allowed if necessary in the physician's opinion.
- D. A record of comments concerning mental and dental conditions shall be maintained.
- E. The policies and procedures shall ensure that all inmates have the opportunity for a daily request for medical assistance and that those requests are documented in writing. Inmates requests are to be received and acted upon by qualified health care personnel and where indicated, followed by appropriate treatment by qualified medical or dental personnel.
- F. Sick call may be conducted by a physician or other qualified health care personnel but shall be at a minimum not less than five times a week.

The policies and procedures shall address the adoption of approved methods of control of infectious diseases and shall provide for health education and training with respect to self-care skills to be given to inmates within the jail.

The written policies and procedures shall require the jail to provide twenty-four hour emergency medical and dental care in compliance with requirements of the Texas Commission on Jail Standards.

IX. Dental Care

Written policies and procedures shall require a dental screening upon admission. For inmates incarcerated within the jail for more than three months, arrangements for a dental examination shall be made and dental treatment, not limited to extraction, shall be provided in accordance to a system of treatment which in a dentist's judgment is necessary to ensure the inmates health.

X. Refusal of Treatment

The written policies and procedures may allow an inmate to refuse, in writing, medical treatment and care. Any such refusal of treatment must be documented in writing.

Policies and procedures shall require that medical records be made available to inmates.

It further appears to the Court that the Texas statutes have been amended since the original filing of this action. Pursuant to Texas statutes, inmates are entitled to injunctive relief from State Courts to compel compliance with jail standards. It is therefore further ORDERED, ADJUDGED AND DECREED, that counsel for Plaintiffs cause to be distributed within the confines of the Nueces County Jail, a notice advising the inmates of their right to seek injunctive relief in State Court to compel compliance with Texas Commission on Jail Standard requirements with respect to living conditions within a County Jail.

It is further noted that the parties have previously agreed as to the adoption of a procedure to prevent future overcrowding of the Nueces County Jail. Such procedure as herein modified is approved by this Court and it is therefore ordered:

1. Safety of the public being of primary concern, the Sheriff of Nueces County shall notify the Commissioners Court in writing on the first of the month following any month in which the population of the jail surpasses 95% of its rated capacity that the "Population Reduction Provisions" of this order may become effective, so that the Commissioners Court may take any actions it may then deem necessary, if any.
2. If, at any time, the population of the Nueces County Jail exceeds the capacity limitations of the Nueces County Jail as established by the Texas Commission on Jail Standards or by the Local Government Code, or its successor, the Sheriff of Nueces County shall notify the Commissioners Court that the provisions of the "Population Reduction Provisions" of this Order are in effect, and the Sheriff of Nueces County shall comply with the Population Reduction Provisions" of this Order until such time as the population of the Nueces County Jail is brought into compliance with the capacity limitations established by the Texas Commission on Jail Standards, or its successor.

3. This paragraph 3 and its subparts constitute the "Population Reduction Provisions" of this Order.

If at any time the population of the Nueces County Jail exceeds the capacity limitations for such jail as established by the Texas Commission on Jail Standards or the Local Government Code, the Sheriff of Nueces County is ordered to, and shall, in addition to any other actions he may deem appropriate, take such of the following actions he may see fit in order to reduce jail population:

- A. The Sheriff of Nueces County may refuse to receive into the Nueces County Jail any Federal prisoners delivered by a Federal law enforcement officer (as defined by 5 U.S.C. § 8331 (20)), if the receipt of any such prisoner would violate capacity requirements of the Nueces County Jail as established by the Texas Commission on Jail Standards or by the Local Government Code.
- B. Arrange for alternative housing for any person or persons then confined within the Nueces County Jail under protective custody;
- C. Arrange for "scheduled reporting" for any person or persons confined or to be confined for civil contempt as a result of a civil action;

- D. Arrange for "scheduled reporting" of any person or persons to be confined as a result of a criminal contempt.

"Scheduled reporting" as used herein shall mean that the Sheriff of Nueces County shall schedule a specific date and time for any such person as defined in Paragraphs C and D herein above to report to and serve any sentence for contempt.

- E. Should "scheduled reporting" be required, the Sheriff of Nueces County may refuse to receive into the confines of Nueces County Jail any prisoner from any law enforcement official or judicial officer until such time as "scheduled reporting" as defined herein and service of a contempt sentence by such person to be so confined does not cause a violation of the capacity restrictions as set forth by the Texas Commission on Jail Standards or Local Government Code;
- F. The Sheriff of Nueces County shall arrange for use of alternative facilities for the housing of inmates including the use of half-way houses, monitoring, or other alternative housing methods.

- G. The Sheriff of Nueces County may refuse to receive for pre-trial confinement from any law enforcement officer, any person charged with a non-violent misdemeanor.
- H. The Sheriff of Nueces County may refuse to receive for pre-trial confinement, from any law enforcement officer, any person charged with a commission of a non-violent felony;
- I. Upon application to a judge of a court of competent jurisdiction, the Sheriff of Nueces County may release from custody, any person or persons confined, pre-trial, charged with a misdemeanor;
- J. Upon application to a judge of a court of competent jurisdiction, the Sheriff of Nueces County may release from custody, any person or persons confined, pre-trial, charged with non-violent felonies.

The above outlined procedures relating to population reduction shall be effective in the event that the population of the Nueces County Jail exceeds population restrictions established by the Texas Commission on Jail Standards. Such procedures shall be taken by the Sheriff of Nueces County only to the extent necessary to bring the jail in compliance with such jail standards population requirements.

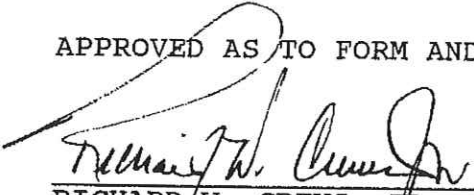
It further appearing to the Court that the entry of the Orders today should resolve this matter between the parties, counsel for Plaintiff is directed to submit a final fee bill.

SIGNED, ORDERED AND ENTERED this the 21 day of July, 1992.

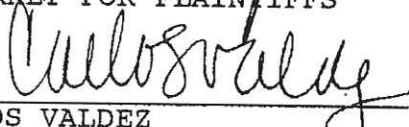


Judge Presiding

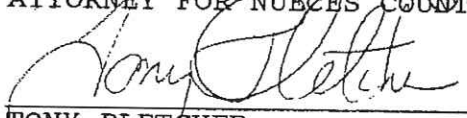
APPROVED AS TO FORM AND CONTENT:



RICHARD W. CREWS, JR.
ATTORNEY FOR PLAINTIFFS



CARLOS VALDEZ
ATTORNEY FOR NUECES COUNTY



TONY FLETCHER
ATTORNEY FOR SHERIFF HICKEY

[Insert NCHD letterhead]

December 7, 2023

Dominic Dominguez
Senior VP Group Operations
CHRISTUS Spohn Health System Corporation
17302 Santa Fe St.
Corpus Christi, 78404

Re: Emergency Medicine Support Letter Agreement

Mr. Dominguez,

This Letter Agreement (“Letter Agreement”), effective December __, 2023 (the “Effective Date”), is entered into by and between CHRISTUS Spohn Health System Corporation (“Spohn”) and Nueces County Hospital District (“NCHD”) (hereinafter each referred to as a “Party” and collectively as the “Parties”) to set forth the terms and conditions upon which NCHD shall provide Support (as defined below) for Spohn’s Emergency Medicine Residency Program (“EM Program”) subject to the terms and conditions set forth herein.

As you know, the NCHD Board of Managers (the “Board”) determined that, among other things, (i) the provision of Support to Spohn’s EM Program is in furtherance of NCHD’s constitutional and statutory mission and purpose to provide or arrange for indigent care to the community; (ii) the public is receiving adequate consideration from the Support; and (iii) there are adequate controls in place to ensure that the Support is, in fact, used in furtherance of the NCHD’s constitutional and statutory mission and purpose.

Now, therefore, in consideration of the premises, the mutual benefits to be derived from this Letter Agreement, and other good and valuable consideration, including the convenience of the Parties, the receipt and sufficiency of which is hereby acknowledged, the Parties agree that this Letter Agreement shall be performed and executed by the Parties as follows:

During the Term (as defined below) of this Letter Agreement, Spohn shall (i) maintain its EM Program; (ii) match a minimum of twelve (12) EM Program residents (“Residents”) for the 2024 – 2025 through the 2029 – 2030 Academic Years,¹ subject to the maintenance of historical qualification and credential standards; (iii) maintain an academic university-based teaching affiliation for EM Program faculty; (iv) provide the level of academic faculty administrative support needed to maintain Accreditation Council for Graduate Medical Education (“ACGME”) accreditation; and (v) provide market-competitive compensation subject to “fair market value” and other requirements of applicable exception under the Physician Self-Referral Law at 42 U.S.C. §§

¹ The term “Academic Year” means July 1st through June 30th of each year during the Term.

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1395nn and implementing regulations for EM Program faculty and Residents (collectively, the “EM Program Commitment”).

In consideration of and subject to Spohn’s performance EM Program Commitment, NCHD agrees to provide the following support payments to Spohn each of the following Academic Years (collectively “Support”):

- **2024 – 2025 Academic Year** – The lesser of (i) \$1,402,500 or (ii) Spohn’s Actual Costs
- **2025 – 2026 Academic Year** – The lesser of (i) \$2,847,500 or (ii) Spohn’s Actual Costs
- **2026 – 2027 Academic Year** – The lesser of (i) \$4,250,000 or (ii) Spohn’s Actual Costs
- **2027 – 2028 Academic Year** – The lesser of (i) \$4,250,000 or (ii) Spohn’s Actual Costs
- **2028 – 2029 Academic Year** – The lesser of (i) \$4,250,000 or (ii) Spohn’s Actual Costs
- **2029 – 2030 Academic Year** – The lesser of (i) \$4,250,000 or (ii) Spohn’s Actual Costs

Spohn’s “Actual Costs” shall mean Spohn’s direct expenses, overhead allocations using generally accepted Medicare reimbursement principles, and indirect medical education (“IME”) expenses determined as fifty percent (50%) of Spohn’s IME reimbursement.

At the end of each Academic Year Quarter,² NCHD will pay Spohn one-fourth (1/4) of the Support for the applicable Academic Year. Within five (5) months after the conclusion of Spohn’s Medicare cost reporting year (“Cost Reporting Year”), Spohn shall provide NCHD with a report reflecting its Actual Costs for the preceding Cost Reporting Year. In the event Spohn’s Actual Costs for such Cost Reporting Year are less than the estimated Support paid by NCHD for such Cost Reporting Year, then Spohn shall refund such surplus within thirty (30) days of its provision of the report to NCHD.

The term of this Letter Agreement will be six (6) years commencing with the 2024 – 2025 Academic Year (i.e., July 1, 2024) and ending following the 2029 – 2030 Academic Year (i.e., June 30, 2030) (the “Term”). However, this Letter Agreement will automatically terminate in the event (i) Spohn does not match a single Resident to the EM Program for the 2024 – 2025 Academic Year, or (ii) the EM Program loses its accreditation as a graduate medical education (“GME”) program at any time during the Term. In the event this Letter Agreement is terminated, Spohn’s obligation to comply with the EM Program Commitment and NCHD’s obligation to provide Support shall cease.

In the event (i) Spohn decides it wants to discontinue the EM Program during the Term and NCHD does not oppose such decision, (ii) Spohn decides not to continue the EM Program following termination of this Letter Agreement, or (iii) Spohn is unable to meet ACGME sponsoring institution requirements during the Term, NCHD may identify an alternate sponsoring

² “Academic Year Quarter” means the three-month periods during each Academic Year ending on September 30th, December 31st, March 31st, and June 30th.

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institution within Nueces County (“Sponsoring Institution”) to accept transfer of the EM Program. If NCHD identifies an alternate Sponsoring Institution willing to accept transfer of the EM Program, Spohn will timely transfer sponsorship of the EM Program to such alternate Sponsoring Institution in accordance with published ACGME sponsorship guidelines. Neither Party shall have any obligation to fund the EM Program if Spohn transfers the EM Program to another Sponsoring Institution as provided herein. Notwithstanding the foregoing, if NCHD is unable to identify an alternate Sponsoring Institution, Spohn shall have no obligation to transfer the sponsorship of the EM Program.

In the event Spohn is unable to match twelve (12) Residents that meet the EM Program Commitment during the Term, Spohn will meet with NCHD in good faith and apply a proportionate reduction to the Support to ensure NCHD receives a benefit from program cost savings. By way of illustration, in the event Spohn matches six (6) Residents for the 2024 – 2025 Academic Year instead of twelve (12) Residents, NCHD’s Support to Spohn shall be proportionately reduced to the lesser of \$701,250 or Spohn’s Actual Costs (i.e., 50% of the amount of Support set forth above for the 2024 – 2025 Academic Year).

In the event Spohn obtains incremental funding from a third-party with respect to any Academic Year during the Term in excess of the funding it is receiving as of the Effective Date of the Letter Agreement in support of the EM Program, the Parties will reduce NCHD’s Support by an amount equivalent to such incremental third-party funding. The Parties acknowledge that Texas Medicaid has proposed and plans to implement a Medicaid GME reimbursement program. In calculating a reduction to NCHD Support attributable to Medicaid GME, (i) only Medicaid GME amounts attributable to periods on or after the 2024 – 2025 Academic Year will apply to the reduction; and (ii) the reduction will be limited to the federal share of any Medicaid GME payments Spohn receives, multiplied by the number EM Residents divided by total residents.

The Parties agree to conduct a medical needs assessment for the Nueces County community (“Community Needs Assessment”) within one (1) year of the Effective Date of this Letter Agreement. The Parties agree to meet in good faith within six (6) months of the completion of the Community Needs Assessment to (i) discuss how best to address the medical needs identified by the Community Needs Assessment and (ii) identify resources to address such medical needs. Neither Party has any obligation to fund any needs identified through the Community Needs Assessment.

Sincerely,

Jonny Hipp, Administrator, CEO

IN WITNESS WHEREOF, the Parties hereto by their duly authorized representatives have executed this Letter Agreement on the _____ day of December, 2023.

NUECES COUNTY HOSPITAL DISTRICT,
a political subdivision of the State of Texas

By: _____
Jonny F. Hipp, Administrator, CEO

**CHRISTUS SPOHN HEALTH SYSTEM
CORPORATION,** a Texas non-profit corporation

By: _____
Dominic Dominguez, Senior VP Group
Operations

**APPROVED BY THE NUECES COUNTY
COMMISSIONERS COURT**