BOARD OF MANAGERS
Board of Managers - Regular Meeting
Tuesday, October 27, 2026 at 12:15 PM

AGENDA

1. **WELCOME**

2. **ROLL CALL OF MEMBERS**

___ Vishnu V. Reddy, Chairman
___ Sylvia Tryon Oliver, Vice Chair
___ Mariana Garza
___ Georgia Neblett, Legislative Committee Chair
___ Karen O'Connor Urban
___ Pamela Brower, Finance Committee Chair
___ Sunil Reddy

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

A. Call to order.

B. Establish quorum.

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

D. Notice is hereby provided that the Board of Managers may convene in closed meeting session(s) during this meeting to consider any agenda item, when permitted under the Texas Open Meetings Act, Texas Government Code Chapter 551.

4. **NOTICE REGARDING BUDGET.** The Hospital District's Fiscal Year 2027 Budget ("FY27 Budget") has been duly adopted by the Board and approved by the Commissioners Court. The Board may discuss the FY27 Budget at this meeting. The adopted FY27 Budget and the required taxpayer impact statement for Fiscal Year 2027 are available for public review on the District's official website at: https://www.nchdcc.org.

5. **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.

6. **PUBLIC COMMENT** – Opportunity for members of the public to address the Board on matters within its jurisdiction. In-person attendees must sign the "Agenda Item Request to Speak" form at least five (5) minutes before the meeting begins. Remote attendees must notify the presiding officer when called upon. Comments are limited to three (3) minutes (six [6] minutes with translator). The presiding officer may further limit the number of speakers or time allowed. The Board may act only on items listed on the agenda. Materials submitted will not be returned; at least ten (10) copies, labeled with the commenter's name and agenda item number, must be provided for distribution.

7. **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 Regular Meeting minutes of September 22, 2026. 9

B. Receive summary payment information on Nueces County health care disbursements for Fiscal Year 2026 year-to-date: 21

1. Salaries, benefits, and supplies at/for the 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); and

b. Council on Alcohol and Drug Abuse;

6. Funding for diabetes prevention and supporting programs; and

7. Public health grants. *(Finance Committee)*

C. Receive summary of imputed claims information for medical and hospital services provided to the Nueces Aid Program population, consistent with the CHRISTUS Spohn Health System Corporation Amended and Restated Membership Agreement for Fiscal Year 2026 year to date. *(Finance Committee)* 22

D. Receive Fiscal Year 2026 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. *(Finance Committee)* 23

E. Receive fiscal year-to-date statement detailing amounts deposited into and/or withdrawn from the Opioid Settlement Fund, including receipts from the Opioid Abatement Fund Council through the Texas Comptroller of Public Accounts in accordance with Texas Government Code §403.508(a)(2), and disbursements made solely for the remediation of opioid-related harms pursuant to 34 Texas Administrative Code §16.222. *(Finance Committee)* 24

F. Receive statement of Fiscal Year 2026 year-to-date deposits to and withdrawals from the Local Provider Participation Fund, made pursuant to the Board of Managers Order authorizing participation in a health care provider participation program under Texas Health and Safety Code, Chapter 298C, as amended. *(Finance Committee)* 25

G. Receive summary report of cumulative actual intergovernmental transfers (IGTs) made in support of local and other healthcare providers participating in Medicaid directed and supplemental payment programs sponsored by the Texas Health and Human Services Commission (HHSC), and receive estimates of provider payments resulting from the IGTs: 28

1. Directed Payment Programs - IGTs to HHSC for Medicaid managed care payments to providers that promote Medicaid program goals and objectives:
   a. Aligning Technology by Linking Interoperable Systems for Client Health Outcomes Program (ATLIS);
   b. Comprehensive Hospital Increase Reimbursement Program (CHIRP);
   c. Network Access Improvement Program (NAIP); and

d. Texas Incentives for Physicians and Professional Services (TIPPS); and

2. Supplemental Payment Programs - IGTs to HHSC for Medicaid payments to hospitals, made separately from and in addition to base payments, to incentivize achievement of specified goals or to support providers serving significant numbers of uninsured or low-income patients:

a. Disproportionate Share Hospital (DSH);
b. Graduate Medical Education (GME);
c. Hospital Augmented Reimbursement Program (HARP); and
d. Hospital Uncompensated Care (UC). *(Finance Committee)*

H. Receive reports relating to Nueces Aid Program enrollment for the month-ended September 30, 2026:

1. Referral Sources; 33
2. Total Persons and Households Enrolled; 35
3. Enrollment Summary; 36
4. Denials; 37
5. Application Processing Summary; and 38
6. Enrollment by Zip Code. *(Finance Committee)* 42

8. **REGULAR AGENDA** -Items that are non-routine, non-administrative, or require individual attention. Each item will be considered and, if action is needed, voted on separately:

A. **Fiscal Year 2027 Health Care Provider Participation Program:**

1. Review and discuss Texas Health and Safety Code, Chapter 298C relating to the Nueces County Hospital District Health Care Provider Participation Program: authority, mandatory payments, rules and procedures, public hearing and hearing notices, permitted uses of mandatory payments, payment schedule, and other requirements relating to operation of the Fiscal Year 2027 Health Care Provider Participation Program (FY 2027 Program). ***(INFORMATION)*** 45

2. Receive and discuss the Texas Health and Human Services Commission's revised requirements, effective October 1, 2026, governing how intergovernmental transfers (IGTs) used to fund Medicaid payments, including FY27 Program payments, are accepted and administered. ***(INFORMATION)*** 49

3. Review and discuss the revised FY 2027 Program mandatory payment rate to be imposed exclusively and separately at six percent (6%) of each provider's net patient revenue attributable to inpatient hospital services and six percent (6%) of each provider's net patient 53

revenue attributable to outpatient hospital services and payment schedule. ***(INFORMATION)***

4. Confirm completion of conditions precedent to setting the revised FY 2027 Program mandatory payment rate:

a. Notices relating to setting the revised FY 2027 Program mandatory payment rate; notices pursuant to Texas Health and Safety Code, §298C.101(b):

1. Notice of public hearing on the rate of mandatory FY 2027 Program payments that the Board of Managers intends to require of each institutional health care provider located within the Hospital District's boundaries during Hospital District Fiscal Year 2027 and how the revenue derived from the payments will be spent; and 55

2. Notice to each institutional health care provider within the Hospital District's boundaries of written notice of public hearing on the revised rate of mandatory FY 2027 Program payments that the Board of Managers intends to require of each provider during District Fiscal Year 2027 and how the revenue derived from the payments will be spent; and 56

b. Public hearing on the matter of the revised amount of mandatory payments that the Board intends to require during the year and how the revenue derived from those payments is to be spent; hearing pursuant to Texas Health and Safety Code, §298C.101(a). ***(ACTION)*** 58

5. Adopt a Board of Managers Order revising the Nueces County Hospital District Health Care Provider Participation Program's Rules and Procedures to be effective October 1, 2026. ***(ACTION)*** 62

6. Adopt a Board of Managers Order setting the revised rate of the Nueces County Hospital District Health Care Provider Participation Program mandatory FY 2027 Program payments, applicable only to Hospital District Fiscal Year 2027 (October 1, 2026 – September 30, 2027), for each institutional health care provider located within the Hospital District boundaries; the mandatory rate is set exclusively and separately at six percent (6%) of each provider's net patient revenue attributable to inpatient hospital services and six percent (6%) of its net patient revenue attributable to outpatient hospital services. Mandatory payments are authorized by Texas Health and Safety Code § 78

298C.151. ***(ACTION)***

B. **Finance Committee:**

1. Financial Statements:

a. Receive and approve unaudited financial statements for the month and fiscal year-to-date ended September 30, 2026. ***(ACTION)*** 90

2. Investment Report:

a. Receive and approve Quarterly Investment Report and ratify related investment transactions for fiscal quarter-ended September 30, 2026 pursuant to Texas Government Code, §2256.023. ***(ACTION)*** 98

C. **Legislative Committee:**

1. Receive information from Legislative Consultants on 90th Texas Session Legislative Agenda. ***(INFORMATION)***

2. Receive a briefing on, discuss, and consider action regarding the potential use of the YourTexasBenefits.com website, operated by the Texas Health and Human Services Commission to additionally facilitate enrollment in the Nueces Aid Program. ***(ACTION)***

3. Discuss and consider action on proposed amendments to the Nueces County Hospital District's Draft 90th Texas Legislative Session Agenda. ***(ACTION)***

D. **Meeting Schedule:**

1. Discuss and consider holding the December 2026 regular meetings of the Board of Managers and its committees subject to call. ***(ACTION)***

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): 128

a. Execution of Grant Agreement with Coastal Bend Wellness Foundation for the provision of gap health care services provided to residents of the Hospital District during the term October 1, 2026 - September 30, 2027. ***(ACTION)*** 129

b. Execution of Interlocal Cooperation Agreement with the Nueces Center for Mental Health and Intellectual Disabilities for the provision of opioid crisis remediation programs on behalf of the Hospital District in one or more categories approved by the Texas Opioid Abatement Fund Council; District's provision of remediation services is in connection with the required use of funds distributed by the Texas Comptroller of Public Accounts from the Texas Statewide Opioid Settlement. Agreement term: October 1, 2026 through September 30, 2027. ***(ACTION)*** 133

F. **Administrator's Briefing:**

1. Next scheduled regular meetings of the Board of Managers and Board Committees (all meeting dates, times, and locations are subject to change):

a. Legislative Committee: Tuesday, November 17, 2026, 11:00 AM in NCHD Board of Managers Meeting Room at 555 North Carancahua Street, Room 950-A, Corpus Christi, Texas 78401;

b. Finance Committee: Tuesday, November 17, 2026, 11:30 AM in NCHD Board of Managers Meeting Room at 555 North Carancahua Street, Room 950-A, Corpus Christi, Texas 78401; and

c. Board of Managers: Tuesday, November 17, 2026, 12:00 PM in NCHD Board of Managers Meeting Room at 555 North Carancahua Street, Room 950-A, Corpus Christi, Texas 78401. ***(INFORMATION)***

9. **CLOSED MEETING** – The Board of Managers may convene in closed session at any time during this meeting to deliberate any agenda item, as authorized by the Texas Open Meetings Act, Chapter 551, Texas Government Code. The Board reserves the right to discuss any agenda item in executive session when legally permitted, regardless of whether the item is customarily considered in open session. The presiding officer will announce the applicable statutory authority under the Act prior to each closed session. Any final action, decision, or vote will be taken in open session, either upon reconvening or at a subsequent public meeting, as required by law. The Board anticipates entering closed session on the matters identified below pursuant to Sections 551.071 and 551.074 of the Texas Government Code, as applicable.

A. Consult with attorneys on matters relating to the Health Care Provider Participation Program for Fiscal Year 2027, covering the period October 1, 2026, through September 30, 2027.

B. Consult with attorneys on matters relating to revised Texas Health and Human Services Commission requirements effective October 1, 2026 governing the acceptance and administration of intergovernmental transfers used to finance Medicaid payments.

C. Consult with attorneys on matters relating to intergovernmental transfers the Hospital District submits to the Texas Health and Human Services Commission from its Local Provider Participation Fund (LPPF) to support the non-federal share of Medicaid payments and related attestation.

10. **OPEN MEETING** - The Board will reconvene in open session following the Closed Meeting before taking action on Closed Meeting matters or adjourning.

A. Consider final action, decision, or vote on matters considered in the Closed Meeting:

1. Authorize the Administrator to execute the Texas Health and Human Services Commission (HHSC) attestation for intergovernmental transfers made by the Hospital District from its Local Provider Participation Fund (LPPF) on or after October 1, 2026, to fund the non-federal share of Medicaid payments. ***(ACTION)*** 144

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

11. **ADJOURN**

12. Public Notice Posting Receipt 145

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BOARD OF MANAGERS
NUECES COUNTY HOSPITAL DISTRICT
REGULAR MEETING
SEPTEMBER 22, 2026

The Nueces County Hospital District Board of Managers met at 12:15 p.m., September 22, 2026 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
Adam Robison	Legal Counsel
Melissa Quintanilla	Executive Assistant/Human Resources
Carmina Hernandez Moreno	Administrative Assistant

OTHERS PRESENT:

Jenny Dorsey	Nueces County Courthouse Atty
Robin Oldham	AHCV
Dom Dominguez	Christus Spohn
Steven King	Driscoll Hospital – via Zoom
read.ai meeting notes	- via Zoom

BOARD OF MANAGERS
REGULAR MEETING
MIINUTES
SEPTEMBER 22, 2026

1. **WELCOME**

2. **ROLL CALL OF MEMBERS**

_Y_ Vishnu V. Reddy, Chairman
_Y_ Sylvia Tryon Oliver, Vice Chair
_Y_ Mariana Garza
_X_ Georgia Neblett, Legislative Committee Chair
_Y_ Karen O'Connor Urban
_Y_ Pamela Brower, Finance Committee Chair
_Y_ Sunil Reddy

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

A. Call to order – Vishnu V. Reddy, Chairman.
The meeting was called to order by Vishnu V. Reddy, Chairman at 12:15 p.m.

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

Vishnu V. Reddy, Chairman – PRESENT
Sylvia Tryon Oliver, Vice Chair – PRESENT
Mariana Garza, Member – PRESENT
Karen O'Connor Urban, Member – PRESENT
Pamela Brower, Member – PRESENT – via Zoom
Sunil Reddy, Member – PRESENT
Georgia Neblett, Member – PRESENT

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

D. Notice is hereby provided that the Board of Managers may convene in closed meeting session(s) during this meeting to consider any agenda item, when permitted under the Texas Open Meetings Act, Texas Government Code Chapter 551.

4. **NOTICE REGARDING BUDGET.** The Hospital District's Fiscal Year 2027 Budget ("FY27 Budget") has been duly adopted by the Board and approved by the Commissioners Court. The Board may discuss the FY27 Budget at this meeting. The adopted FY27 Budget and the required taxpayer impact statement for Fiscal Year 2027 are available for public

review on the District's official website at: https://www.nchdcc.org.

5. **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.

6. **PUBLIC COMMENT** – Opportunity for members of the public to address the Board on matters within its jurisdiction. In-person attendees must sign the "Agenda Item Request to Speak" form at least five (5) minutes before the meeting begins. Remote attendees must notify the presiding officer when called upon. Comments are limited to three (3) minutes (six [6] minutes with translator). The presiding officer may further limit the number of speakers or time allowed. The Board may act only on items listed on the agenda. Materials submitted will not be returned; at least ten (10) copies, labeled with the commenter's name and agenda item number, must be provided for distribution.

Dom Dominguez
Robin Oldham

7. **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 Regular Meeting minutes of August 17, 2026.

B. Receive listing of new vendors as of September 15, 2026; listing 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 2026 year-to-date:

1. Salaries, benefits, and supplies at/for the 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); and
   b. Council on Alcohol and Drug Abuse;

6. Funding for diabetes prevention and supporting programs; and

7. Public health grants. *(Finance Committee)*

D. Receive summary of imputed claims information for medical and hospital services provided to the Nueces Aid Program population, consistent with the CHRISTUS Spohn Health System Corporation Amended and Restated Membership Agreement for Fiscal Year 2026 year to date. *(Finance Committee)*

E. Receive Fiscal Year 2026 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. *(Finance Committee)*

F. Receive fiscal year-to-date statement detailing amounts deposited into and/or withdrawn from the Opioid Settlement Fund, including receipts from the Opioid Abatement Fund Council through the Texas Comptroller of Public Accounts in accordance with Texas Government Code §403.508(a)(2), and disbursements made solely for the remediation of opioid-related harms pursuant to 34 Texas Administrative Code §16.222. *(Finance Committee)*

G. Receive statement of Fiscal Year 2026 year-to-date deposits to and withdrawals from the Local Provider Participation Fund, made pursuant to the Board of Managers Order authorizing participation in a health care provider participation program under Texas Health and Safety Code, Chapter 298C, as amended. *(Finance Committee)*

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

Services Commission (HHSC), and receive estimates of provider payments resulting from the IGTs:

1. Directed Payment Programs - IGTs to HHSC for Medicaid managed care payments to providers that promote Medicaid program goals and objectives:
    a. Aligning Technology by Linking Interoperable Systems for Client Health Outcomes Program (ATLIS);
    b. Comprehensive Hospital Increase Reimbursement Program (CHIRP);
    c. Network Access Improvement Program (NAIP); and
    d. Texas Incentives for Physicians and Professional Services (TIPPS); and

2. Supplemental Payment Programs - IGTs to HHSC for Medicaid payments to hospitals, made separately from and in addition to base payments, to incentivize achievement of specified goals or to support providers serving significant numbers of uninsured or low-income patients:
    a. Disproportionate Share Hospital (DSH);
    b. Graduate Medical Education (GME);
    c. Hospital Augmented Reimbursement Program (HARP); and
    d. Hospital Uncompensated Care (UC). *(Finance Committee)*

I. Receive reports relating to Nueces Aid Program enrollment for the month-ended August 31, 2026:

1. Referral Sources;
2. Total Persons and Households Enrolled;
3. Enrollment Summary;
4. Denials;
5. Application Processing Summary; and
6. Enrollment by Zip Code. *(Finance Committee)*

Consent Agenda Approved. Motion by Sylvia Tryon Oliver and seconded by Karen O'Connor Urban. MOTION CARRIED.

8. **REGULAR AGENDA** - Items that are non-routine, non-administrative, or require individual attention. Each item will be considered and, if action is needed, voted on separately:

A. **Fiscal Year 2027 Health Care Provider Participation Program:**

1. Review and discuss Texas Health and Safety Code, Chapter 298C relating to the Nueces County Hospital District Health Care Provider Participation Program: authority, mandatory payments, rules and procedures, public hearing and hearing notices, permitted uses of mandatory payments, payment schedule, and other requirements relating to operation of the Fiscal Year 2027 Health Care Provider Participation Program (FY 2027 Program). ***(INFORMATION)***

2. Review and discuss the proposed FY 2027 Program mandatory rate and payment schedule. ***(INFORMATION)***

3. Confirm completion of conditions precedent to setting FY 2027 Program mandatory payment rate:

a. Notices relating to setting FY 2027 Program mandatory payment rate; notices pursuant to Texas Health and Safety Code, §298C.101 (b):

1. Notice of public hearing on the rate of mandatory FY 2027 Program payments that the Board of Managers intends to require of each institutional health care provider located within the Hospital District's boundaries during Hospital District Fiscal Year 2027 and how the revenue derived from the payments will be spent; and

2. Notice to each institutional health care provider within the Hospital District's boundaries of written notice of public hearing on the rate of mandatory FY 2027 Program payments that the Board of Managers intends to require of each provider during District Fiscal Year 2027 and how the revenue derived from the payments will be spent; and

b. Public hearing on the matter of amount of mandatory payments that the Board intends to require during the year and how the revenue derived from those payments is to be spent; hearing pursuant to Texas Health and Safety Code, §298C.101(a). ***(ACTION)***

4. Confirm that the Nueces County Hospital District Health Care Provider Participation Program's Revised Rules and Procedures, dated August 1, 2023, apply to the FY 2027 Program. ***(ACTION)***

5. Adopt Board of Managers Order setting the rate of mandatory FY 2027 Program payments during Hospital District Fiscal Year 2027 (October 1, 2026 - September 30, 2027) at six percent (6%) of the net patient revenue of each institutional health care provider located within the Hospital District boundaries; mandatory payments authorized by Texas Health and Safety Code, §298C.151. ***(ACTION)***

Motion to approve Item 8. A. 3,4 and 5 by Mariana Garza and seconded by Karen O'Connor Urban.
MOTION CARRIED.

B. **Finance Committee:**

1. Financial Statements:

a. Receive and approve the unaudited financial statements for the months and fiscal year-to-date periods ended July 31, 2026, and August 31, 2026. ***(ACTION)***

Motion by Karen O'Connor Urban and seconded by Sylvia Tryon Oliver. MOTION CARRIED.

2. Fiscal Year 2027 Budget Amendment:

a. Discuss and consider amending the Fiscal Year 2027 (October 1, 2026 – September 30, 2027) General Fund Budget to allocate an additional $200,000 to Nueces County for the City of Corpus Christi/Nueces County Public Health District, with a corresponding offsetting reduction elsewhere in the Budget. ***(ACTION)***

Motion by Pamela Brower and seconded by Karen O'Connor Urban. MOTION CARRIED.

C. **Legislative Committee:**

1. Receive information from Legislative Consultants on 90th Texas Session Legislative Agenda. ***(INFORMATION)***

2. Receive a briefing on, discuss, and consider action regarding the potential use of the YourTexasBenefits.com website, operated by the Texas Health and Human Services Commission to additionally facilitate enrollment in the Nueces Aid Program. ***(ACTION)***

3. Discuss and consider action on proposed amendments to the Nueces County Hospital District's Draft 90th Texas Legislative Session Agenda. ***(ACTION)***

Item C. 2 and 3 Table.

D. **Texas Opioid Abatement Fund Council:**

1. Discuss and consider supporting Nueces County's nomination of Dr. Alainya Tomanec for consideration as a regional member of the Texas Opioid Abatement Fund Council. ***(ACTION)***

Motion by Karen O'Connor Urban and seconded by Mariana Garza. MOTION CARRIED.

E. **Board of Managers Business:**

1. Discuss and consider postponing action on the election of Board of Managers Officers and appointment of Committee Chairs and Committee members for Fiscal Year 2027 until after the Commissioners Court takes action on Board reappointment(s) or appointment(s); annual officer elections and committee chair and committee member appointments pursuant to Board of Managers Bylaws, §2.2.A. ***(ACTION)***

Motion by Karen O'Connor Urban and seconded by Sylvia Tryon Oliver. MOTION CARRIED.

F. **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. Engagement of Adamson & Company, LLC to perform an audit of the Hospital District's financial statements of the governmental activities, each major fund, and the aggregate remaining fund information for the fiscal year ended September 30, 2026 (October 1, 2025 - September 30, 2026); engagement pursuant to Texas Health and Safty Code, §281.092. ***(ACTION)***

Motion by Mariana Garza and seconded by Karen O'Connor Urban. MOTION CARRIED.

b. Donation of a jail inmate transport van to the Nueces County Sheriff's Department for use with inmates who are wheelchair users or have other special needs, donation valued at $92,619.25; and donation pursuant to Texas Health and Safety Code, §281.050 and Texas Local Government Code, §81.032. ***(ACTION)***

Motion by Mariana Garza and seconded by Karen O'Connor Urban. MOTION CARRIED.

G. **Administrator's Briefing:**

1. Briefing on federal Centers for Medicare & Medicaid Services' withholding of Texas Medicaid Directed and Supplemental Payments. ***(INFORMATION)***

2. Next scheduled regular meetings of the Board of Managers and Board Committees (all meeting dates, times, and locations are subject to change):

a. Legislative Committee: Tuesday, October 27, 2026, 11:00 AM in NCHD Board of Managers Meeting Room at 555 North Carancahua Street, Room 950-A, Corpus Christi, Texas 78401;

b. Finance Committee: Tuesday, October 27, 2026, 11:30 AM in NCHD Board of Managers Meeting Room at 555 North Carancahua Street, Room 950-A, Corpus Christi, Texas 78401; and

c. Board of Managers: Tuesday, October 27, 2026, 12:00 PM in NCHD Board of Managers Meeting Room at 555 North Carancahua Street, Room 950-A, Corpus

Christi, Texas 78401. ***(INFORMATION)***

9. **CLOSED MEETING** – The Board of Managers may convene in closed session at any time during this meeting to deliberate any agenda item, as authorized by the Texas Open Meetings Act, Chapter 551, Texas Government Code. The Board reserves the right to discuss any agenda item in executive session when legally permitted, regardless of whether the item is customarily considered in open session. The presiding officer will announce the applicable statutory authority under the Act prior to each closed session. Any final action, decision, or vote will be taken in open session, either upon reconvening or at a subsequent public meeting, as required by law. The Board anticipates entering closed session on the matters identified below pursuant to Sections 551.071 and 551.074 of the Texas Government Code, as applicable.

A. Consult with attorneys regarding CPS Energy's proposed tax-exemption settlement Agreements related to the Barney Davis and Nueces Bay Power Plants and related matters.

B. Consult with attorneys on legal issues regarding Corpus Christi Housing Authority's workforce housing contracts, tax exemptions, potential open meetings violations, and related matters.

C. Consult with attorneys on matters related to CHRISTUS Spohn Health System Corporation Amended and Restated Membership Agreement and related matters.

Vishnu V. Reddy, Chairman called for Close Meeting at 1:09 p.m.

10. **OPEN MEETING** - The Board will reconvene in open session following the Closed Meeting before taking action on Closed Meeting matters or adjourning.

Vishnu V. Reddy, Chairman called for Open Meeting at 1:39 p.m.

A. Discuss and consider approval of the Third Amendment to the Amended and Restated Membership Agreement between CHRISTUS Spohn Health System Corporation, CHRISTUS Health, and the Hospital District extending the Membership Agreement through September 30, 2036, and authorizing the Administrator to execute the Amendment. ***(ACTION)***

No Action Taken.

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

No Action Taken.

11. **ADJOURN**

Motion to adjourn by Vishnu V. Reddy, Chairman.
Meeting adjourned at 1:40 p.m.

PRESIDING OFFICER:

_____
Vishnu V. Reddy, Chairman

ATTEST:

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

Nueces County Hospital District
County Health Care Department Expenditures
Cash Disbursements Relating to
Fiscal Year 2026

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Fiscal YTD	Budget 2026	Balance
County Healthcare Services															
Health Dept - County	0.00	0.00	450,000.00	0.00	0.00	300,000.00	0.00	0.00	600,000.00	0.00	0.00	0.00	1,350,000.00	**1,800,000.00**	450,000.00
Mobile Medical Clinic	0.00	0.00	176.28	0.00	0.00	549.36	0.00	0.00	120.15	0.00	0.00	0.00	845.79	**60,000.00**	59,154.21
Emergency Medical Services	0.00	0.00	114,600.00	0.00	0.00	128,400.00	0.00	0.00	128,400.00	0.00	0.00	0.00	371,400.00	**650,000.00**	278,600.00
NC MHID - Fund Matching	0.00	0.00	242,280.00	0.00	0.00	242,280.00	0.00	0.00	242,280.00	0.00	0.00	242,280.00	969,120.00	**969,129.00**	9.00
NC MHID - Jail Programs	82,275.04	97,058.26	150,407.46	174,307.91	53,532.17	92,656.31	87,885.90	76,888.77	106,951.48	0.00	0.00	0.00	921,963.30	**1,500,000.00**	578,036.70
NC Juvenile Center	0.00	0.00	107,521.00	0.00	0.00	129,837.85	0.00	0.00	135,302.78	0.00	0.00	0.00	372,661.63	**474,000.00**	101,338.37
Nueces County Jail Infirmary Svcs	563,401.59	103,680.13	669,987.28	640,084.17	664,806.31	682,100.04	666,031.23	629,908.58	671,255.39	649,836.11	652,078.77	0.00	6,593,169.60	**8,532,015.00**	1,938,845.40
Cenikor	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	60,000.00	0.00	0.00	60,000.00	**60,000.00**	0.00
Council on Alcohol & Drug Abuse	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	50,000.00	0.00	0.00	50,000.00	**50,000.00**	0.00
Diabetes Program - County	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12,215.27	0.00	0.00	0.00	12,215.27	**60,000.00**	47,784.73
HALO-Flight Funding	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15,750.00	0.00	0.00	0.00	0.00	15,750.00	**15,750.00**	0.00
County Public Health Grants	85,000.00	0.00	0.00	65,000.00	0.00	0.00	0.00	0.00	0.00	0.00	92,619.25	0.00	242,619.25	**336,000.00**	93,380.75
Totals	730,676.63	200,738.39	1,734,972.02	879,392.08	718,338.48	1,575,823.56	753,917.13	722,547.35	1,896,525.07	759,836.11	744,698.02	242,280.00	10,959,744.84	**14,506,894.00**	3,547,149.16

Nueces County Hospital District
Imputed Claims Experience for Calendar Year 2026
As if Adjudicated January 1, 2026 through September 30, 2026

Service	Claims	Billed	Contract Amt.	Co Insurance	Net
ER	4,777	5,270,988	482,490	16,834	465,656
ASU	8	59,349	9,294	164	9,130
Clinic	5,262	3,074,734	980,761	58,422	922,339
Obs	-	-	-	0	-
OP	20,304	54,886,058	14,149,756	793,952	13,355,805
Subtotal	30,351	63,291,129	15,622,301	869,372	14,752,929
IP	744	85,643,169	3,393,864	38,823	3,355,041
SNF			-		-
RX	71,694	5,176,028	4,483,567	181,216	4,302,352
Physician	26,834	73,966,907	7,253,343	301,214	6,952,130
Total	129,623	228,077,233	30,753,076	1,390,624	29,362,451

NOTE:

The Revised and Restated Indigent Care Agreement was terminated effective September 30, 2012. After that date, the District no longer makes payment to CHRISTUS Spohn for providing health care services to the Nueces Aid Indigent population. Under the terms of the Membership Agreement amended and restated effective November 18, 2015, CHRISTUS Spohn has committed to continue to provide health care services to the Nueces Aid Indigent population and, and at the request of the District, continues to submit informational claims to the District to permit the District to monitor the volume of health care services furnished to the Nueces Aid Indigent population.

Nueces County Hospital District
Spohn Corporate Member Revenue Analysis
Fiscal Year 2026

Member Revenue % 17.0%

	October	November	December	January	February	March	April	May	June	July	August	September	Totals
Membership Revenue Deposits													
Week 1	1,511,157.21	2,417,944.61	1,630,641.06	1,526,816.31	1,589,308.71	2,052,269.03	1,995,149.15	2,453,481.92	2,471,713.49	2,234,594.13	1,735,805.14	1,715,607.43	23,334,488.19
Week 2	1,403,285.99	2,163,527.85	2,308,254.99	1,672,309.25	1,712,675.50	2,060,253.40	2,077,508.23	2,290,298.87	2,403,073.04	1,951,151.20	1,756,111.52	1,889,861.15	23,688,310.99
Week 3	1,495,552.66	2,470,202.03	2,292,403.21	2,104,939.01	1,973,974.33	1,919,955.83	2,076,907.99	2,472,459.73	2,390,859.98	2,271,415.51	1,716,511.73	1,991,572.43	25,176,754.44
Week 4	2,559,686.42	holiday	2,039,849.68	1,855,237.00	2,098,068.57	2,084,883.65	2,066,306.32	2,189,102.49	2,212,622.21	1,676,578.74	1,564,227.24	1,951,933.67	22,298,495.99
Week 5	1,904,908.74		2,125,558.12	2,017,332.89				1,793,695.92		2,043,609.38			9,885,105.05
Subtotal	8,874,591.02	7,051,674.49	10,396,707.06	9,176,634.46	7,374,027.11	8,117,361.91	8,215,871.69	11,199,038.93	9,478,268.72	10,177,348.96	6,772,655.63	7,548,974.68	104,383,154.66

Nueces County Hospital District
Opioid Settlement Fund Activity
Fiscal Year 2026

	October	November	December	January	February	March	April	May	June	July	August	September	Totals
Beginning Balance	2,938,513.01	2,948,849.83	2,958,516.90	2,968,133.15	2,977,485.17	2,985,891.97	2,995,205.01	3,388,116.10	3,398,664.66	3,391,200.50	3,394,981.64	3,306,487.89	2,938,513.01
Deposits													
Distribution #3							421,974.39						421,974.39
													0.00
													0.00
	10,336.82	9,667.07	9,616.25	9,352.02	8,406.80	9,313.04	9,937.41	10,548.56	10,304.32	10,684.10	10,802.64	10,478.89	119,447.92
Total Deposits	**10,336.82**	**9,667.07**	**9,616.25**	**9,352.02**	**8,406.80**	**9,313.04**	**431,911.80**	**10,548.56**	**10,304.32**	**10,684.10**	**10,802.64**	**10,478.89**	**541,422.31**
Programs													
Outpatient Substance Abuse							(39,000.71)		(17,768.48)	(6,902.96)	(99,296.39)		(162,968.54)
													0.00
													0.00
													0.00
													0.00
Total Expenditures	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**(39,000.71)**	**0.00**	**(17,768.48)**	**(6,902.96)**	**(99,296.39)**	**0.00**	**(162,968.54)**
													0.00
Ending Balance	**2,948,849.83**	**2,958,516.90**	**2,968,133.15**	**2,977,485.17**	**2,985,891.97**	**2,995,205.01**	**3,388,116.10**	**3,398,664.66**	**3,391,200.50**	**3,394,981.64**	**3,306,487.89**	**3,316,966.78**	**3,316,966.78**

Texas Local Provider Participation Fund (LPPF) Programs

Overview

The Texas Local Provider Participation Fund (LPPF) is a locally administered financing mechanism authorized under Texas law that permits counties, hospital districts, and certain multi-jurisdictional entities to impose mandatory assessments on participating hospitals. Funds collected through an LPPF are used to finance the non-federal share of Medicaid supplemental and directed payment programs, thereby leveraging federal matching funds. These supplemental and directed payment programs are established, administered, and overseen by the Texas Health and Human Services Commission.

Purpose

LPPFs exist to support Medicaid payments without relying on state general revenue or local property taxes. By pooling hospital assessments locally and transferring them to the state through intergovernmental transfers (IGTs), local governments enable hospitals to receive significantly higher Medicaid reimbursements.

How LPPFs Work

Hospitals within an authorized jurisdiction are assessed a uniform mandatory payment, typically based on net patient revenue. These payments are deposited into a segregated Local Provider Participation Fund. The local government then transfers funds to the Texas Health and Human Services Commission to serve as the non-federal share for Medicaid payments. Federal matching funds are drawn down and redistributed back to hospitals through approved Medicaid payment programs.

Programs Supported

LPPF-supported funds are commonly used for Medicaid supplemental and directed payment programs, including uncompensated care payments and uniform rate enhancements. These programs are designed to support hospitals that serve a large share of Medicaid and uninsured patients.

Benefits

LPPFs allow local dollars to leverage substantial federal Medicaid funding, strengthen the financial stability of safety-net hospitals, and avoid increasing property taxes. They provide local control over healthcare financing while supporting access to care.

Legal Framework

The Nueces County Hospital District's LPPF is authorized under Texas Health and Safety Code, Chapter 298C, and is implemented pursuant to approval by the Board of Managers of the associated Health Care Provider Participation Program. Funds

deposited into the LPPF are restricted to authorized health care–related purposes and may not be used to expand Medicaid eligibility. The program is subject to applicable federal oversight to ensure compliance with Medicaid financing requirements.

Policy Considerations

Key considerations include the financial impact of mandatory assessments on participating hospitals; the administrative and compliance complexity associated with operating an LPPF; and reliance on ongoing state legislative authority and federal policy. While many LPPFs are subject to statutory sunset provisions requiring periodic legislative renewal, the Nueces County Hospital District LPPF is not subject to a sunset provision.

Summary

LPPFs are a central component of Texas's Medicaid financing strategy, enabling local governments and hospitals to maximize federal Medicaid funding while maintaining local control and minimizing taxpayer impact.

# # #

01/28/2026

Nueces County Hospital District
Nueces LPPF Activity
Fiscal Year 2026

	October	November	December	January	February	March	April	May	June	July	August	September	Totals
Beginning Balance	36,037,687.34	88,352,681.09	46,775,249.76	46,889,995.07	47,098,478.43	43,388,108.10	43,523,426.60	102,601,327.88	102,671,201.57	17,301,701.03	29,151,669.08	47,075,986.78	36,037,687.34
Deposits													
Christus Spohn	20,140,043.00						19,976,378.00				9,988,189.00		50,104,610.00
CCMC							14,672,857.50				7,336,428.75	10,176,483.00	32,185,769.25
CC Rehab							607,311.50				303,655.75	449,129.00	1,360,096.25
Driscoll	31,555,659.00						22,502,282.00			11,251,141.00		24,820,472.00	90,129,554.00
PAM Specialty							720,612.00			360,306.00		402,072.00	1,482,990.00
PAM Rehab							836,253.00			418,126.50		590,778.00	1,845,157.50
Oceans Behavioral	625,158.00							312,579.00			156,289.50	516,259.00	1,610,285.50
Subtotal	52,320,860.00	0.00	0.00	0.00	0.00	0.00	59,315,694.00	312,579.00	0.00	12,029,573.50	17,784,563.00	36,955,193.00	178,718,462.50
Interest	302,419.15	249,184.61	151,883.76	147,530.06	122,923.21	135,318.50	148,258.08	312,924.78	170,716.52	54,498.60	139,754.70	143,751.15	2,079,163.12
Transfers In	1,538,911.28	91,314.97		627,998.64				3,192,163.74				41,829.04	5,492,217.67
Total Deposits	**54,162,190.43**	**340,499.58**	**151,883.76**	**775,528.70**	**122,923.21**	**135,318.50**	**59,463,952.08**	**3,817,667.52**	**170,716.52**	**12,084,072.10**	**17,924,317.70**	**37,140,773.19**	**186,289,843.29**
Inter-Governmental Transfers													
UC			(37,138.45)		(3,833,293.54)					(53,109.52)		(3,633,057.27)	(7,556,598.78)
DSRIP													0.00
CHIRP		(41,917,930.91)							(84,883,602.42)				(126,801,533.33)
TIPPS									(656,614.64)				(656,614.64)
DSH													0.00
HARP				(386,050.81)			(386,050.80)						(772,101.61)
GME				(180,994.53)						(180,994.53)			(361,989.06)
ATLIS	(1,847,196.68)							(3,747,793.83)					(5,594,990.51)
Total IGT's	**(1,847,196.68)**	**(41,917,930.91)**	**(37,138.45)**	**(567,045.34)**	**(3,833,293.54)**	**0.00**	**(386,050.80)**	**(3,747,793.83)**	**(85,540,217.06)**	**(234,104.05)**	**0.00**	**(3,633,057.27)**	**(141,743,827.93)**
Transfers Out												(150,000.00)	(150,000.00)
Bank Fees													0.00
Ending Balance	**88,352,681.09**	**46,775,249.76**	**46,889,995.07**	**47,098,478.43**	**43,388,108.10**	**43,523,426.60**	**102,601,327.88**	**102,671,201.57**	**17,301,701.03**	**29,151,669.08**	**47,075,986.78**	**80,433,702.70**	**80,433,702.70**

TEXAS

Local Governments with LPPFs by Managed Care Service Delivery Area

**City of Amarillo Hospital District within Potter/Randall Counties*

LUBBOCK
Service Delivery Area

MRSA WEST
Service Delivery Area

EL PASO
Service Delivery Area

TRAVIS
Service Delivery Area

BEXAR
Service Delivery Area

HIDALGO
Service Delivery Area

TARRANT
Service Delivery Area

DALLAS
Service Delivery Area

MRSA NORTHEAST
Service Delivery Area

MRSA CENTRAL
Service Delivery Area

JEFFERSON
Service Delivery Area

HARRIS
Service Delivery Area

NUECES
Service Delivery Area

Jurisdiction Operating a Local Provider Participation Fund

Northeast Healthcare Provider Participation District

TEXAS Health and Human Services

Map Prepared by: Texas Health and Human Services Commission.
Office of Data, Analytics and Performance. MRL.
January 15, 2025

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Texas HHSC Medicaid Supplemental and Directed Payment Programs

Texas Medicaid is a partnership between the state and federal governments that provides health coverage to low-income families, older adults, and people with disabilities. The federal government shares in the cost of the program by matching state Medicaid spending, and providers are paid for the care they deliver to Medicaid patients. Federal rules allow states to determine how providers are paid, and Medicaid payments generally fall into three categories: base payments, supplemental payments, and directed payments. Base Payments are made for specific services (e.g., surgery, x-rays, diagnostic tests) provided to persons with Medicaid. These payments can be made through a fee-for-service (FFS) method or through a managed care service delivery system.

1. **Supplemental Payment Programs.** Supplemental Payments are Medicaid payments that supplement base reimbursement and provide additional funding to selected providers, including hospitals. Payments may be made as lump sums or structured to support quality goals, graduate medical education, or providers that serve large numbers of uninsured or low-income patients, such as rural and safety-net providers.

    A. Key Programs:
        1) **Disproportionate Share Hospital (DSH)**: These payments provide additional funding to hospitals that serve a large share of Medicaid and low-income patients. DSH payments help offset uncompensated care costs for Medicaid and uninsured patients and are capped at a hospital's allowable uncompensated costs. Eligible providers: Hospitals serving a high proportion of Medicaid or indigent patients.
        2) **Uncompensated Care (UC):** This Program was initially created to support Texas's expansion of Medicaid managed care while preserving supplemental payments to hospitals. UC payments help reduce uncompensated costs for qualifying medical services provided to uninsured individuals under a provider's charity care policy and must meet the federal definition of "medical assistance." Eligible providers: Public and private hospitals, public ambulance providers, government dental providers, and physician practice groups.
        3) **Graduate Medical Education (GME)**: These supplemental payments support medical residency training at teaching hospitals, which face higher costs related to resident compensation, increased testing, and the care of more complex patients. Eligible providers: State-owned teaching hospitals and government-operated teaching hospitals.
        4) **Hospital Augmented Reimbursement Program (HARP)**: Provides Medicaid payments to hospitals for inpatient and

outpatient services provided to Texas Medicaid patients under the fee-for-service model, serving as a financial transition for former DSRIP providers and helping offset the cost of delivering Medicaid services.

5) ****Aligning Technology by Linking Interoperable Systems for Client Health Outcomes (ATLIS): To** enhance electronic health information exchange among Medicaid Managed Care Organizations (MCOs) to improve client health outcomes and advance alternative payment models.
6) ***Public Health Providers-Charity Care Program (PHP-CCP):** Reimburses qualifying providers for the cost of delivering certain health care services that are not reimbursed by another source. Health care services include behavioral health services, immunizations, public health services, and other preventative services. Eligible providers: Publicly owned and operated community mental health clinics, local behavioral health authorities or local mental health authorities, local health departments, and Public Health Districts.
7) ***Ambulance Services Supplemental Payment Program:** Program for publicly owned ground emergency ambulance providers participating in Medicaid fee-for-service that provides additional payments aligned with average commercial insurance rates for the same services.

2. **Directed Payment Programs.** State-guided Medicaid managed care spending to support delivery system reform and improved performance by requiring Medicaid managed care organizations to make certain payments to providers, either through capitation rate adjustments or separate payment arrangements.

   A. Key Programs:
      1) **Comprehensive Hospital Increase Reimbursement Program (CHIRP)**: Provides enhanced Medicaid payments for inpatient and outpatient services delivered to STAR and STAR+PLUS enrollees. Eligible providers include: (1) hospital-based rural health clinics (RHCs), including non-state government-owned and private RHCs, and (2) free-standing RHCs.
      2) **Network Access Improvement Program (NAIP)**: Pass-through payment program aimed at strengthening access to effective primary care for Medicaid recipients by incentivizing health-related institutions and public hospitals to provide high-quality, coordinated, and continuous care.
      3) **Rural Access to Primary and Preventive Services (RAPPS)**: Provides incentives for rural health clinics (RHCs) to deliver primary and preventive care to STAR, STAR+PLUS, and STAR Kids

enrollees in rural areas of the state. Eligible providers include (1) hospital-based RHCs, including non-state government-owned and private RHCs, and (2) free-standing RHCs.

4) **The Texas Incentives for Physicians and Professional Services (TIPPS)**: Provides enhanced Medicaid payments for health care services delivered by eligible physician groups to STAR, STAR+PLUS, and STAR Kids enrollees. Eligible providers include: (1) health-related institution (HRI) physician groups; (2) physician groups affiliated with hospitals receiving indirect medical education (IME) funding; and (3) other physician groups.
5) ***The Directed Payment Program for Behavioral Health Services (DPP BHS)**: Enhances access to behavioral health services, care coordination, and care transitions for STAR, STAR+PLUS, and STAR Kids enrollees. Eligible providers include Community Mental Health Centers (CMHCs) and Local Behavioral Health Authorities (LBHAs) with Certified Community Behavioral Health Clinic (CCBHC) certification.
6) ***Quality Incentive Payment Program (QIPP)**: A performance-based payment program that incentivizes nursing facilities to improve care quality and foster innovation.

* NCHD does not participate in this Program.
** HHSC terminated this program for the state fiscal year 2026.

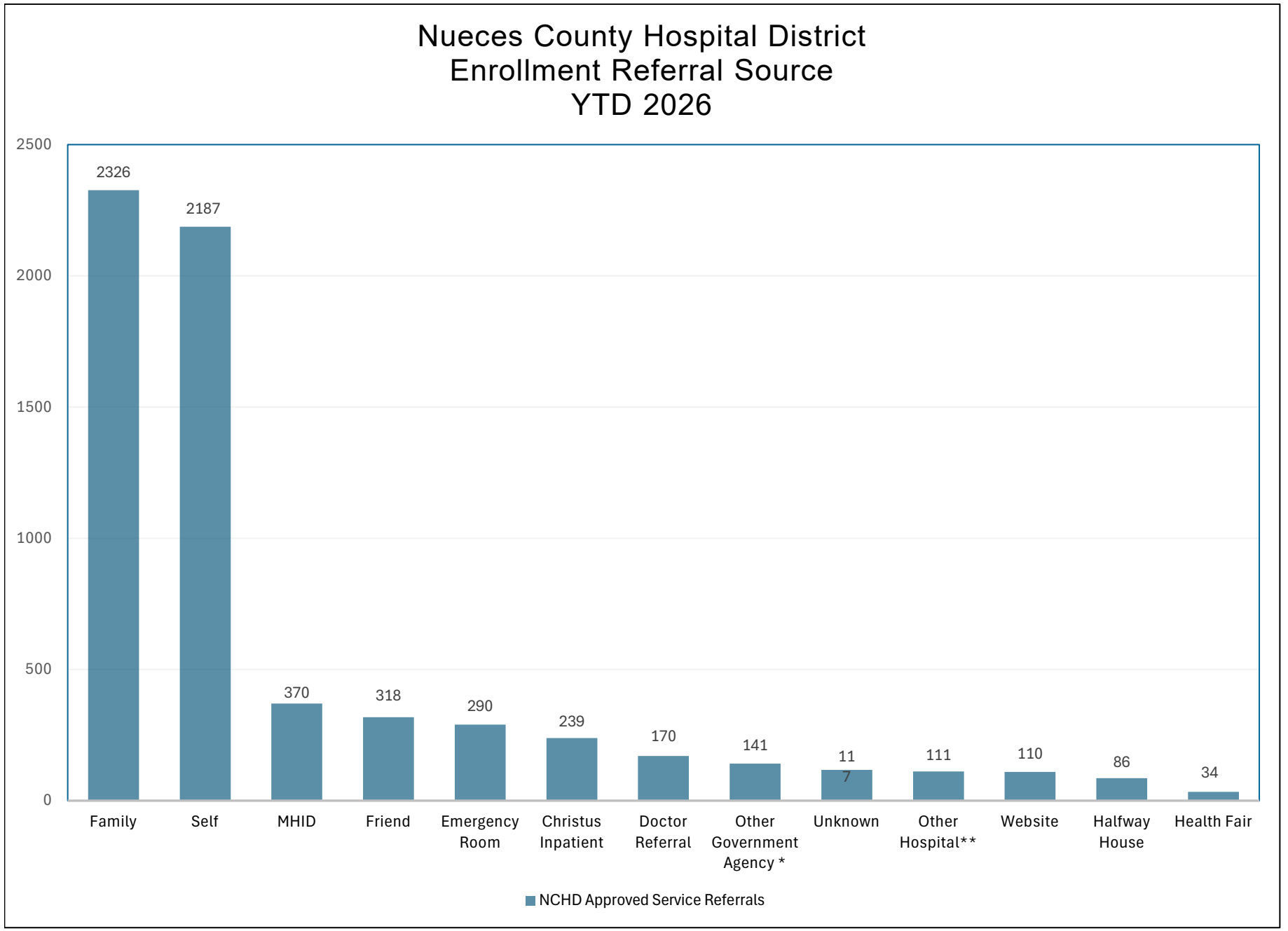
01/28/2026

Nueces County Hospital District
Medicaid Payment Programs/Directed Payment Programs
Estimated Provider Payments & IGT History
FY2012 to Present

Provider	DSRIP	UC	DSH	UHRIP	NAIP	CHIRP	TIPPS	GME	HARP	ATLIS	TOTALS	
Christus Spohn - Corpus Christi	393,023,597	675,251,723	273,264,075	54,617,146	179,550,122	166,774,230	3,631,000	11,988,586	33,135,453	4,729,455	**1,795,965,387**	39%
Christus Spohn Rural (Alice/Beeville/Kleberg)	48,398,858	244,842,364	0	14,571,054	0	32,111,589	0	0	872,324	5,998,487	**346,794,676**	8%
Corpus Christi Medical Center	121,850,134	203,781,319	0	47,168,955	0	219,205,565	0	9,652,366	14,766,291	23,359,490	**639,784,120**	14%
Driscoll Childrens Hospital	314,822,705	40,518,980	0	0	0	1,084,250,462	3,650,435	26,804,632	160,612,868	41,040,138	**1,671,700,219**	37%
Detar Hospital	24,949,804	47,723,156	0	15,076,184	0	0	0	0	0	0	**87,749,145**	2%
North Bay General Hospital	0	0	0	503,238	0	0	0	0	0	0	**503,238**	0%
South Texas Surgical Hospital	0	0	0	889,769	0	0	0	0	0	0	**889,769**	0%
Corpus Chrisit Rehab Hospital	0	0	0	286,797	0	0	0	0	0	734,825	**1,021,622**	0%
PAM Specialty Hospital	0	0	0	1,330	0	0	0	0	0	1,948,682	**1,950,012**	0%
PAM Rehab Hospital	0	0	0	141,201	0	1,480,848	0	0	0	1,812,337	**3,434,386**	0%
Zoom Rehabilitation Inc.	0	0	0	0	0	0	0	0	0	173,631	**173,631**	0%
Oceans Behavioral Hospital	0	0	0	0	0	53,995	0	0	0	1,273,186	**1,327,181**	0%
Nueces County Health Dept	21,809,410	0	0	0	0	0	0	0	0	0	**21,809,410**	0%
TOTALS	**924,854,508**	**1,212,117,542**	**273,264,075**	**133,255,675**	**179,550,122**	**1,503,876,688**	**7,281,435**	**48,445,584**	**209,386,936**	**81,070,230**	**4,573,102,795**	100%

* Estimated Receipts for Entities (IGT + FMAP), Subject to HHSC Review and Administrative Fees

IGT Source	DSRIP	UC	DSH	UHRIP	NAIP	CHIRP	TIPPS	GME	HARP	ATLIS	TOTALS
Nueces County Hospital District	338,074,018	393,219,500	96,250,465	58,389,165	70,877,647	177,013,892	0	13,306,303	77,574,950	20,731,634	**1,245,437,575**
Nueces LPPF	27,902,997	81,186,131	7,478,253	0	0	413,336,502	2,412,214	4,715,212	5,852,488	11,733,795	**554,617,591**
TOTALS	**365,977,014**	**474,405,631**	**103,728,718**	**58,389,165**	**70,877,647**	**590,350,393**	**2,412,214**	**18,021,515**	**83,427,437**	**32,465,429**	**1,800,055,165**


Nueces County Hospital District
Enrollment Referral Source
YTD 2026
2500
2000
1500
1000
500
0
2326
2187
370
318
290
239
170
141
11
7
111
110
86
34
Family
Self
MHID
Friend
Emergency Room
Christus Inpatient
Doctor Referral
Other Government Agency *
Unknown
Other Hospital**
Website
Halfway House
Health Fair
NCHD Approved Service Referrals

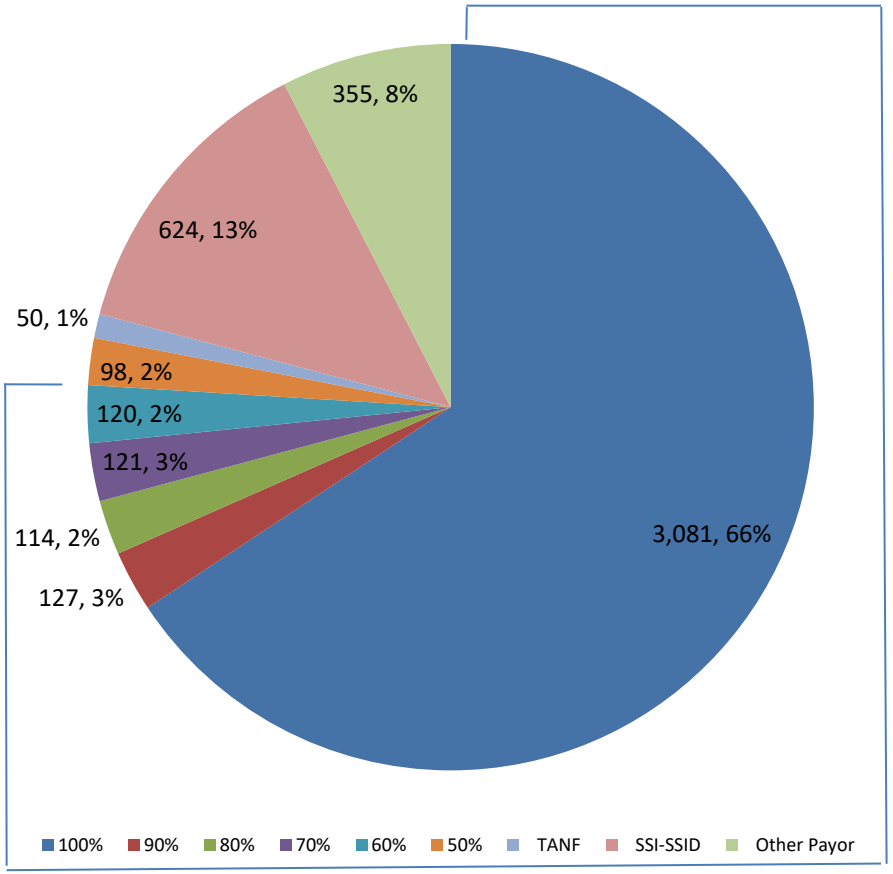
Nueces County Hospital District													
Application Referral Sources Calendar Year 2026													
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD 2026
Applications Approved	772	686	741	748	628	695	754	766	729				6519
Referral Source													
Family	296	261	263	265	214	240	256	286	245				2326
Self	242	242	286	246	230	233	241	241	226				2187
MHID	50	22	36	40	42	45	39	52	44				370
Friend	39	39	32	41	22	47	39	34	25				318
Emergency Room	34	32	22	23	33	36	46	37	27				290
Christus Inpatient	27	19	21	34	25	28	28	25	32				239
Doctor Referral	19	22	12	13	17	8	28	30	21				170
Other Government Agency *	16	8	15	22	9	17	20	15	19				141
Unknown	8	15	12	16	3	8	11	14	30				117
Other Hospital**	15	9	10	13	12	8	15	10	19				111
Website	6	4	16	17	10	11	16	13	17				110
Halfway House	15	7	11	11	7	8	9	8	10				86
Health Fair	3	4	4	4	3	2	4	0	10				34
Medicaid Office	1	2	1	3	1	3	1	1	4				17
TWC	1	0	0	0	0	0	1	0	0				2
MD Anderson	0	0	0	0	0	1	0	0	0				1
NAACP	0	0	0	0	0	0	0	0	0				0
Workmans Comp	0	0	0	0	0	0	0	0	0				0
*-Includes Nueces County Jail Referrals.													
**-Includes Non-Christus Hospitals.													

September 2026

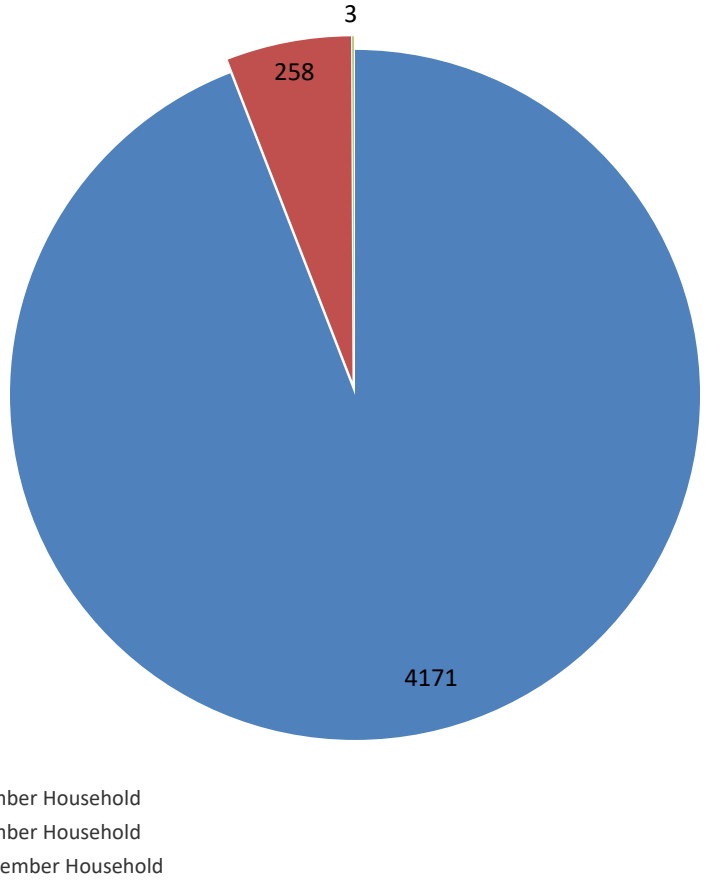
Nueces Aid Program Enrollment

Total Enrolled: 4,690

Total recipients – Other Payer Coverage: 1,029



Total Households 4,432



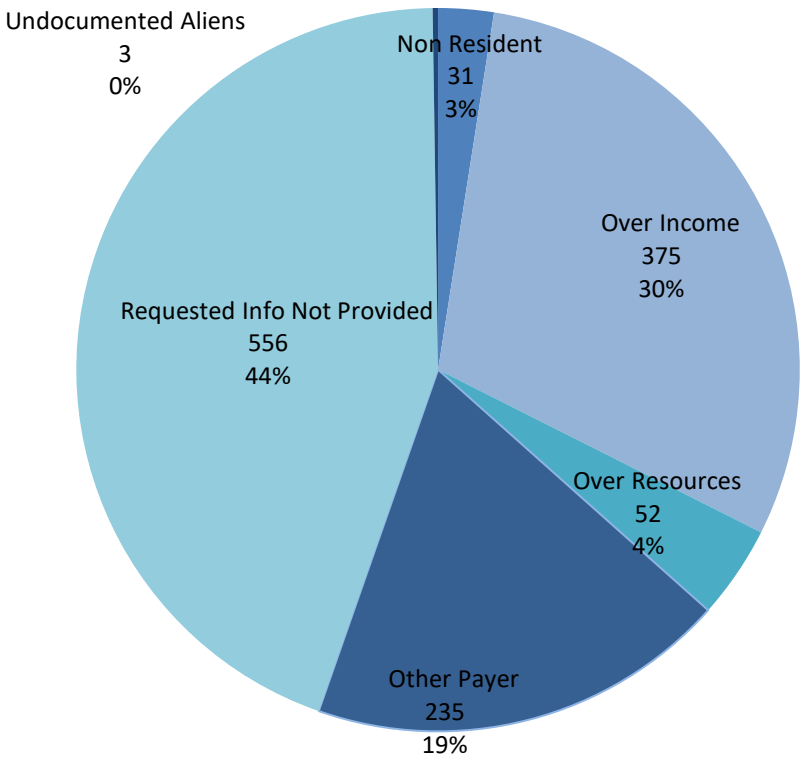
Nueces Aid Program
Enrollment Summary Calendar Year 2026

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD 2026 Average	Comments
TOTAL RECIPIENTS	4,521	4,512	4,510	4,570	4,540	4,610	4,652	4,648	4,690				4,584	
NUECES AID - All Service Levels														The percentage for each plan option is calculated by dividing
100%	2,926	2,948	2,967	3,034	3,001	3,037	3,054	3,057	3,081				3,012	the number for each option
%	64.7%	65.3%	65.8%	66.4%	66.1%	65.9%	65.6%	65.8%	65.7%				65.7%	by the number of total recipients.
90%	135	131	123	118	117	128	133	128	127				127	
%	3.0%	3%	3%	3%	3%	3%	3%	3%	3%				2.8%	
80%	114	117	120	118	117	118	118	113	114				117	
%	2.5%	2.6%	2.7%	2.6%	2.6%	2.6%	2.5%	2.4%	2.4%				2.5%	
70%	115	113	113	112	111	117	114	115	121				115	
%	2.5%	2.5%	2.5%	2.5%	2.4%	2.5%	2.5%	2.5%	2.6%				2.5%	
60%	88	93	104	110	104	120	127	125	120				110	
%	1.9%	2.1%	2.3%	2.4%	2.3%	2.6%	2.7%	2.7%	2.6%				2.4%	
50%	88	94	84	98	101	98	97	95	98				95	
%	1.9%	2.1%	1.9%	2.1%	2.2%	2.1%	2.1%	2.0%	2.1%				2.1%	
TANF	65	54	68	52	54	57	60	61	50				58	These individuals are eligible for NCHD assistance if denied assistance by other payer.
%	1.4%	1.2%	1.5%	1.1%	1.2%	1.2%	1.3%	1.3%	1.1%				1.3%	
SSI-SSID	657	631	599	595	598	583	596	613	624				611	
%	14.5%	14.0%	13.3%	13.0%	13.2%	12.6%	12.8%	13.2%	13.3%				13.3%	
Other Payor	333	331	332	333	337	352	353	341	355				341	
%	7.4%	7.3%	7.4%	7.3%	7.4%	7.6%	7.6%	7.3%	7.6%				7.4%	
TOTAL NUECES AID	4,521	4,512	4,510	4,570	4,540	4,610	4,652	4,648	4,690				4,584	
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%				100.0%	
HOUSEHOLDS BY SIZE														
1 Member Household	4,048	4,032	4,013	4,066	4,042	4,101	4,146	4,129	4171				4,083	The percentage for each size household is calculated by dividing the number of each member household by the total number of households.
%	94.4%	94.3%	94.1%	94.1%	94.2%	94.1%	94.2%	94.1%	94.1%				94.2%	
2 Member Household	234	237	246	250	247	254	252	258	258				248	
%	5.5%	5.5%	5.8%	5.8%	5.8%	5.8%	5.7%	5.9%	5.8%				5.7%	
>=3 Member Household	5	5	4	3	3	2	2	3	3				3	
%	0.1%	0.1%	0.1%	0.1%	0.1%	0.0%	0.0%	0.1%	0.1%				0.1%	
TOTAL HOUSEHOLDS	4,287	4,274	4,263	4,319	4,292	4,357	4,400	4,390	4,432				4,335	

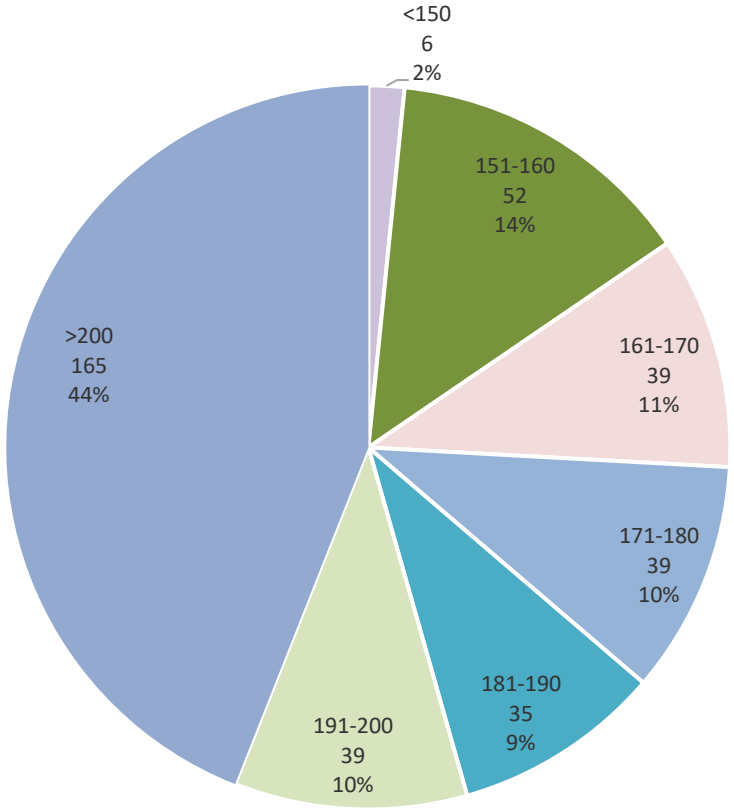
NUECES AID DENIALS

Calendar Year 2026: January - September

Denial Reasons



Comparison of Over Income Case to 2026 HHS Poverty Guidelines



Nueces Aid Program
Application Processing Summary Calendar Year 2026

2026	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD	Comments
TOTAL APPLICATIONS	914	801	888	864	774	813	912	930	872	0	0	0	7,768	
Approved	772	686	741	748	628	695	754	766	729				6,519	
%	84.5%	85.6%	83.4%	86.6%	81.1%	85.5%	82.7%	82.4%	83.6%	0.0%	0.0%	0.0%	83.9%	
Denied	142	115	147	116	146	118	158	164	143				1,249	Since FY 1999, the denial rate is based on all deniced individuals in the household.
%	15.5%	14.4%	16.6%	13.4%	18.9%	14.5%	17.3%	17.6%	16.4%	0.0%	0.0%	0.0%	16.1%	
APPROVALS BY PLAN TYPE														
NUECES AID - All Service Levels														
100%	522	468	509	538	442	477	515	542	496				4,509	
%	67.6%	68.2%	68.7%	71.9%	70.4%	68.6%	68.3%	70.8%	68.0%				69%	The percentage of approvals by plan option is alculated by deviding the number for each plan option by the total numbers of approved applications.
90%	22	21	17	16	15	27	29	17	17				181	
%	2.8%	3.1%	2.3%	2.1%	2.4%	3.9%	3.8%	2.2%	2.3%				2.8%	
80%	30	24	27	18	12	12	22	23	25				193	
%	3.9%	3.5%	3.6%	2.4%	1.9%	1.7%	2.9%	3.0%	3.4%				3.0%	
70%	15	18	18	20	19	23	12	21	21				167	
%	1.9%	3%	2.4%	2.7%	3.0%	3.3%	1.6%	2.7%	2.9%				2.6%	
60%	20	19	18	18	10	32	24	14	15				170	
%	2.6%	2.8%	2.4%	2.4%	1.6%	4.6%	3.2%	1.8%	2.1%				2.6%	
50%	20	19	16	18	16	11	19	15	18				152	
%	2.6%	2.8%	2.2%	2.4%	2.5%	1.6%	2.5%	2.0%	2.5%				2.3%	
TANF	14	12	17	13	18	15	16	11	10				126	
%	2%	1.7%	2.3%	1.7%	2.9%	2.2%	2.1%	1.4%	1.4%				2%	
SSI-SSID	62	59	59	52	55	44	65	68	59				523	
%	8%	8.6%	8.0%	7.0%	8.8%	6.3%	8.6%	8.9%	8.1%				8%	
Other Payor	67	46	60	55	41	54	52	55	68				498	
%	9%	6.7%	8.1%	7.4%	6.5%	7.8%	6.9%	7.2%	9.3%				8%	
TOTAL	772	686	741	748	628	695	754	766	729	0	0	0	6,619	
%	100%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%				101.5%	
PENDING APPLICATIONS														
Pending Documentation	92	95	95	106	69	103	117	102	117				100	The YTD number for incomplete applications is the average of the monthly incomplete applications.

Nueces Aid Program
Application Processing Summary Calendar Year 2026

2026	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD	Comments
NCHD DENIALS - Reasons for Denials														
Non Resident	0	2	4	3	3	7	4	5	3				31	
%	0.0%	1.7%	2.7%	2.6%	2.1%	5.9%	2.5%	3.0%	2.1%				2.5%	
Over Income	40	28	42	37	45	41	43	57	42				375	
%	28.2%	24.3%	28.6%	31.9%	30.8%	34.7%	27.2%	34.8%	29.4%				30.0%	
Over Resources	7	7	10	2	7	3	8	5	3				52	
%	4.9%	6.1%	6.8%	1.7%	4.8%	2.5%	5.1%	3.0%	2.1%				4.2%	
Other Payer	35	30	26	13	24	15	29	24	39				235	
%	24.6%	26.1%	17.7%	11.2%	16.4%	12.7%	18.4%	14.6%	27.3%				18.8%	The percentage for each denial reason is calculated by dividing the number of individuals for each rason by the total number of individuals denied.
Requested Info Not Provided	60	48	64	61	67	52	74	71	59				556	
%	42.3%	41.7%	43.5%	52.6%	45.9%	44.1%	46.8%	43.3%	41.3%				44.5%	
Undocumented Aliens	0	0	1	0	0	0	0	2	0				3	
%	0.0%	0.0%	0.7%	0.0%	0.0%	0.0%	0.0%	1.2%	0.0%				0.2%	
TOTAL DENIALS	142	115	147	116	146	118	158	164	146	0	0	0	1,252	
HOUSEHOLDS BY SIZE - APPROVED														
1 Member Household	686	608	641	677	564	603	667	679	644				5,769	The percentage for each size household is calcualted by dividing the number of hoseholds in the category by the total number of approved households. Any households pending other payers are not included.
%	94.0%	94.0%	92.8%	95.0%	94.5%	92.9%	93.8%	93.9%	93.7%				93.8%	
2 Member Household	43	39	50	34	32	46	43	43	42				372	
%	5.9%	6.0%	7.2%	4.8%	5.4%	7.1%	6.0%	5.9%	6.1%				6.1%	
3 or > Member Household	1	0	0	2	1	0	1	1	1				7	
%	0.1%	0.0%	0.0%	0.3%	0.2%	0.0%	0.1%	0.1%	0.1%				0.1%	
TOTAL HOUSEHOLDS APPROVED	730	647	691	713	597	649	711	723	687				6,148	
HOUSEHOLDS BY SIZE - DENIED														
1 Member Household	115	97	115	91	116	93	124	128	115				994	The denial percentage for each size household is calcualted by dividing the number for each household size by the total number of denied households. Any households pending other payors are not included.
%	88.5%	92%	86%	87%	87%	87%	88%	87%	88%				87.8%	
2 Member Household	13	8	17	12	14	11	17	17	13				122	
%	10.0%	7.5%	12.8%	11.4%	10.5%	10.3%	12.1%	11.6%	10.0%				10.8%	
3 or > Member Household	2	1	1	2	3	3	0	2	2				16	
%	1.5%	0.9%	0.8%	1.9%	2.3%	2.8%	0.0%	1.4%	1.5%				1.4%	
TOTAL HOUSEHOLDS DENIED	130	106	133	105	133	107	141	147	130				1,132	

Nueces County Hospital District

Annual Comparative Enrollment Report
Calendar Year 2026

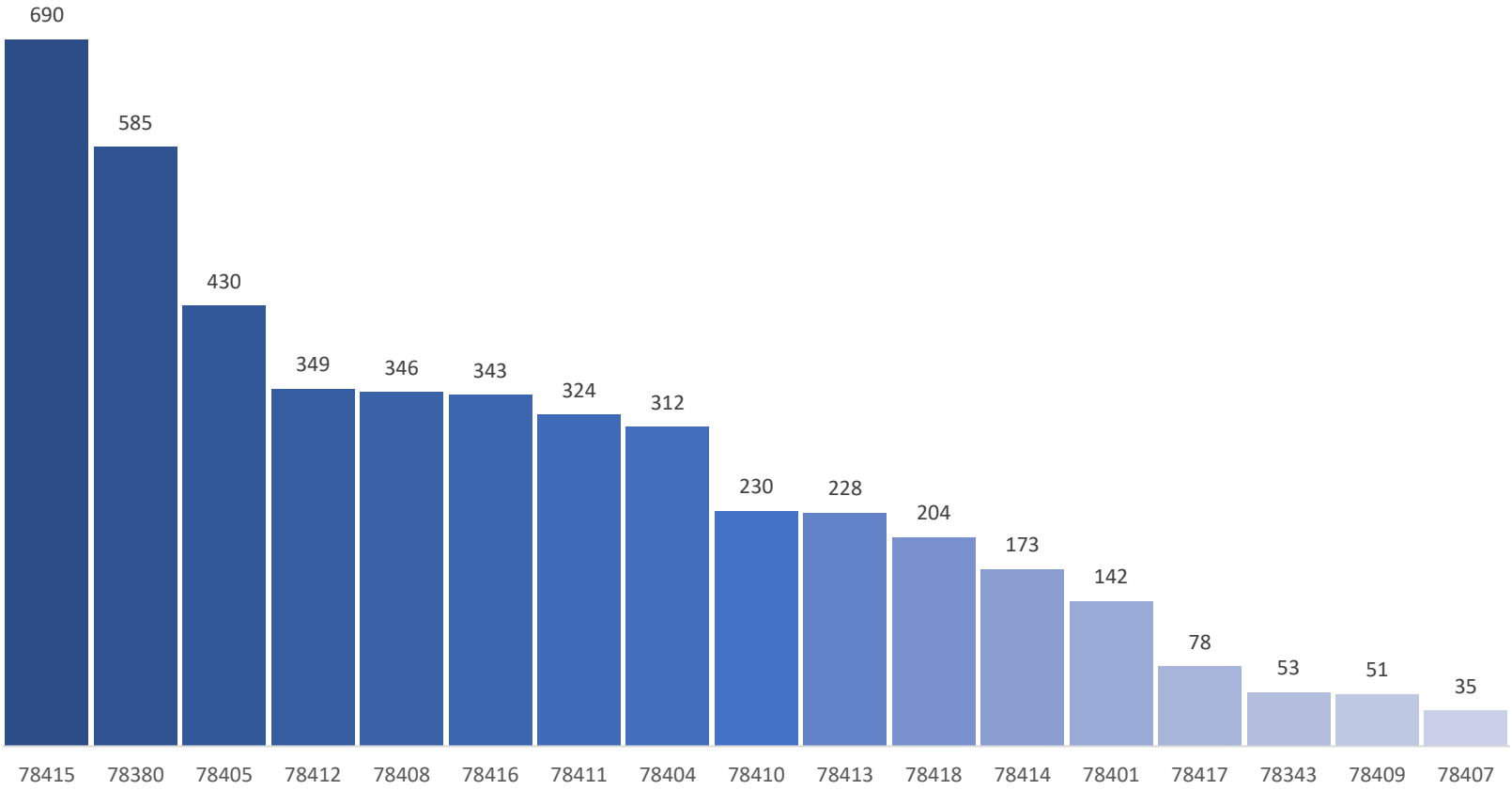
	Enrollment			Increase/(Decrease)	
Month	**2026**	**2025**		**%**	**Enrollees**
Jan	4,521	4,607		-1.87%	-86
Feb	4,512	4,513		-0.02%	-1
Mar	4,510	4,509		0.02%	1
Apr	4,570	4,544		0.57%	26
May	4,540	4,515		0.55%	25
June	4,610	4,565		0.99%	45
Jul	4,652	4,596		1.22%	56
Aug	4,648	4,566		1.80%	82
Sep	4,690	4,589		2.20%	101
Oct					
Nov					
Dec					

NCHD
Eligibility History

2020	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec	CY Total	Avg	
NCHD	4,963	4,955	4,903	4,731	5,132	4,698	4,198	3,660	3,260	3,604	3,752	3,868	51,724	4,310	-14%
Pend	1,268	1,243	1,218	1,141	1,187	1,106	1,043	968	861	899	923	945	12,802	1,067	-18%
Total	6,231	6,198	6,121	5,872	6,319	5,804	5,241	4,628	4,121	4,503	4,675	4,813	64,526	5,377	-15%
% of PY	95%	96%	96%	93%	101%	93%	83%	73%	65%	70%	75%	79%	85%	85%	
2021	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec	CY Total	Avg	
NCHD	3,806	3,678	3,567	3,521	3,667	3,852	3,953	4,080	4,142	4,091	3,948	3,863	46,168	3,847	-11%
Pend	932	921	922	964	981	1,014	1,052	1,028	1,039	1,060	1,070	1,076	12,059	1,005	-6%
Total	4,738	4,599	4,489	4,485	4,648	4,866	5,005	5,108	5,181	5,151	5,018	4,939	58,227	4,852	-10%
% of PY	76%	74%	73%	76%	74%	84%	95%	110%	126%	114%	107%	103%	90%	90%	
2022	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec	CY Total	Avg	
NCHD	3,781	3,711	3,738	3,755	3,805	3,869	3,910	3,945	4,042	3,987	3,884	3,785	46,212	3,851	0%
Pend	1,093	1,061	1,110	1,113	1,144	1,150	1,147	1,183	1,191	1,191	1,181	1,171	13,735	1,145	14%
Total	4,874	4,772	4,848	4,868	4,949	5,019	5,057	5,128	5,233	5,178	5,065	4,956	59,947	4,996	3%
% of PY	103%	104%	108%	109%	106%	103%	101%	100%	101%	101%	101%	100%	103%	103%	
2023	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec	CY Total	Avg	
NCHD	3,767	3,186	3,727	3,611	3,614	3,599	3,565	3,548	3,566	3,598	3,613	3,545	42,939	3,578	-7%
Pend	1,145	1,677	1,148	1,157	1,173	1,161	1,177	1,181	1,183	1,185	1,186	1,166	14,539	1,212	6%
Total	4,912	4,863	4,875	4,768	4,787	4,760	4,742	4,729	4,749	4,783	4,799	4,711	57,478	4,790	-4%
% of PY	101%	102%	101%	98%	97%	95%	94%	92%	91%	92%	95%	95%	96%	96%	
2024	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec	CY Total	Avg	
NCHD	3,523	3,573	3,563	3,596	3,605	3,597	3,643	3,650	3,629	3,646	3,546	3,464	43,035	3,586	0%
Pend	1,161	1,185	1,175	1,171	1,177	1,157	1,180	1,182	1,177	1,183	1,159	1,121	14,028	1,169	-4%
Total	4,684	4,758	4,738	4,767	4,782	4,754	4,823	4,832	4,806	4,829	4,705	4,585	57,063	4,755	-1%
% of PY	95%	98%	97%	100%	100%	100%	102%	102%	101%	101%	98%	97%	99%	99%	
2025	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec	CY Total	Avg	
NCHD	3,494	3,407	3,380	3,397	3,375	3,424	3,461	3,463	3,489	3,526	3,459	3,435	41,310	3,443	-4%
Pend	1,113	1,106	1,129	1,147	1,140	1,141	1,135	1,103	1,100	1,098	1,049	1,048	13,309	1,109	-5%
Total	4,607	4,513	4,509	4,544	4,515	4,565	4,596	4,566	4,589	4,624	4,508	4,483	54,619	4,552	-4%
% of PY	98%	95%	95%	95%	94%	96%	95%	94%	95%	96%	96%	98%	96%	96%	
2026	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec	CY Total	Avg	
NCHD	3,466	3,496	3,511	3,590	3,551	3,618	3,643	3,633	3,661				32,169	3,574	4%
Pend	1,055	1,016	999	980	989	992	1,009	1,015	1,029				9,084	1,009	-9%
Total	4,521	4,512	4,510	4,570	4,540	4,610	4,652	4,648	4,690	-	-	-	41,253	4,584	1%
% of PY	98%	100%	100%	101%	101%	101%	101%	102%	102%	0%	0%	0%	76%	101%	

Nueces County Hospital District

Enrollment by Zipcode as of September 2026

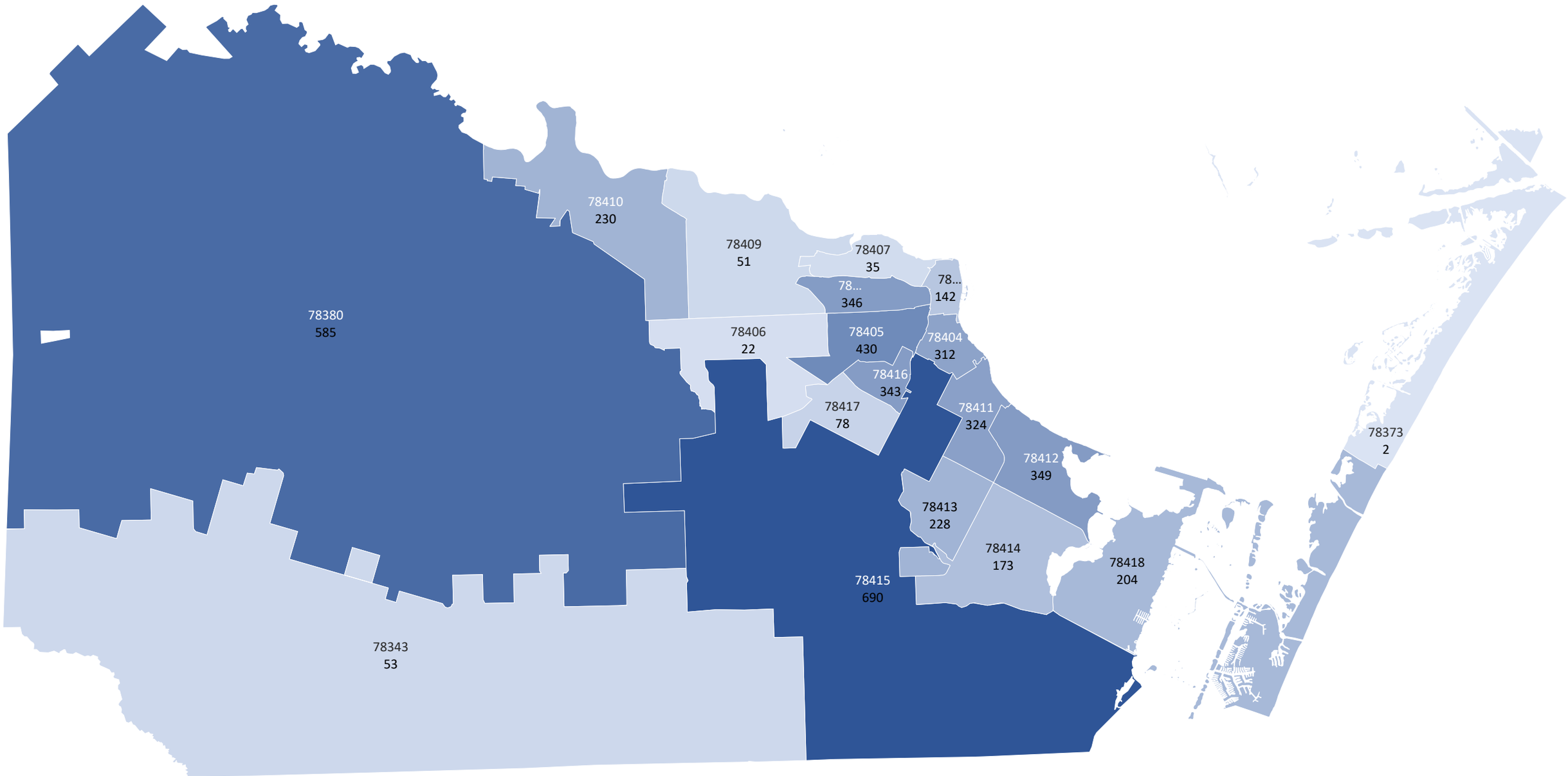


Nueces County Hospital District
Enrollment by Zip Code
As of 09/30/2026

Zip Code	Description	Members	% to Total
78415	CC:FM 665 to CR 61 to County Line to Weber & Crosstown	690	15%
78380	Robstown	585	12%
78405	CC:19th to Port Ave to Agnes, includes HPG	430	9%
78412	CC:Airline to Hwy 358 to Ennis Joslin to Ocean Drive	349	7%
78408	CC:Hwy 358 to Lipan Between I-37 & Agnes	346	7%
78416	CC:Hwy 358 to Old Brownsville to Tarlton to Weber, includes Molina	343	7%
78411	CC:Ocean Drive to So Staples to Hwy 358 to Weber to Kostoryz	324	7%
78404	CC:Six Points	312	7%
78410	CC:Annaville and Calallen	230	5%
78413	CC:Weber to Holly rd to So Staples to Oso Pkwy	228	5%
78418	CC:Flour Bluff	204	4%
78414	CC:So Staples to Holly Rd to Cayo Del Oso to Oso Creek	173	4%
78401	CC:Downtown and Cargo Docks	142	3%
78417	CC:Old Brownsville to Ayers to Saratoga	78	2%
78343	Bishop + FM 665 to CR 107 W to CR 57E	53	1%
78409	CC:Hwy 44 to Up River Rd to Rand Morgan E to Hwy 358	51	1%
78407	CC: I-37 Up River Rd to South Port Ave to Joe Fulton Corridor	35	1%
	Subtotal	4,573	98%
	Total	4,690	

Nueces County Hospital District

Enrollment Map



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BRIEFING MEMORANDUM

TO: Board of Managers

FROM: Jonny F. Hipp, Administrator

DATE: October 27, 2026

RE: Overview of Health & Safety Code Chapter 298C — Nueces County Hospital District Provider Participation Program

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I. Purpose of This Memorandum

This memorandum summarizes Chapter 298C of the Texas Health and Safety Code, which authorizes the Nueces County Hospital District (the "District") to establish a local health care provider participation program. The statute allows the District to assess mandatory payments on local institutional health care providers to fund the nonfederal share of Medicaid supplemental payments and managed care rate enhancements, thereby drawing down additional federal matching funds for hospitals operating in the District.

II. Statutory Origin and Scope

Chapter 298C was added by the 86th Texas Legislature, Regular Session (2019), through Senate Bill 2315 (Acts 2019, Ch. 694), effective June 10, 2019. By its own terms (Sec. 298C.002), the chapter applies only to the Nueces County Hospital District; it is not a program of general applicability to hospital districts statewide.

III. Key Definitions (Sec. 298C.001)

- **Board —** the board of hospital managers of the District.
- **District —** the Nueces County Hospital District.
- **Institutional health care provider —** a hospital not owned and operated by a federal or state government that provides inpatient hospital services.
- **Paying provider —** an institutional health care provider required to make a mandatory payment under the chapter.
- **Program —** the health care provider participation program authorized by the chapter.

IV. Program Authorization

Under Sec. 298C.003, the Board may authorize the District to participate in a health care provider participation program on the affirmative vote of a majority of the Board, subject to the remaining provisions of the chapter. Participation is therefore discretionary, not mandatory.

V. Powers and Duties of the Board (Subchapter B)

- **Limited authority to compel payment (Sec. 298C.051):** The Board may require mandatory payments from institutional health care providers only in the manner expressly provided by the chapter.

- **Rulemaking (Sec. 298C.052):** The Board may adopt rules governing administration of the program, including collection of payments, expenditures, audits, and other administrative matters.
- **Provider reporting (Sec. 298C.053):** Participating providers must submit to the District the same financial and utilization data they are already required to report to the Department of State Health Services (DSHS) under Sections 311.032 and 311.033, and any related HHSC rules.

VI. General Financial Provisions (Subchapter C)

A. Public Hearing (Sec. 298C.101)

In any fiscal year the program is authorized, the Board must hold a public hearing on the amount of mandatory payments it intends to require and how the resulting revenue will be spent. Notice must be published in a newspaper of general circulation in the District and given in writing to each institutional provider at least five days before the hearing.

B. Depository (Sec. 298C.102)

If mandatory payments are required, the Board must designate one or more banks as depository for the District's local provider participation fund, and all collected funds must be secured in the same manner as other District funds.

C. Local Provider Participation Fund (Sec. 298C.103)

The District must create a local provider participation fund ("LPPF") consisting of: (1) revenue from mandatory payments; (2) certain refunds from HHSC of intergovernmental transfers that did not receive federal match; and (3) fund earnings. LPPF money may not be commingled with other District funds and may be used only for the following purposes:

- Funding intergovernmental transfers to the State to provide the nonfederal share of Medicaid payments — including uncompensated care payments, delivery system reform incentive payments, uniform rate enhancements, and substantially similar waiver payments, or any reimbursement for which federal matching funds are available;
- Paying the District's administrative expenses in administering the program (subject to the cap described in Section VII.D below), including collateralization of deposits;
- Refunding mandatory payments collected in error;
- Refunding to paying providers a proportionate share of funds received from HHSC that are not used, or cannot be used, to fund the relevant Medicaid supplemental payments or rate enhancements;
- Transferring funds back to HHSC if legally required to address a disallowance of federal matching funds; and
- Reimbursing the District where insufficient LPPF funds force it to incur expenses or forgo Medicaid reimbursements under the uniform rate enhancement program.

Notably, funds received through these intergovernmental transfers may not be used by the State, District, or any other entity to expand Medicaid eligibility under the Affordable Care Act, as amended by the Health Care and Education Reconciliation Act of 2010.

VII. Mandatory Payments (Subchapter D)

A. Basis of Assessment (Sec. 298C.151(a))

If the program is authorized, the Board may assess mandatory payments — annually or periodically, at the Board's discretion — based on each institutional health care provider's net patient revenue. Providers receive written notice of each assessment and have 30 calendar days from receipt to pay. In the program's first fiscal year, net patient revenue is determined from the most recent DSHS-reported data under Sections 311.032–.033, or from the provider's Medicare cost report if no DSHS data was reported. The mandatory payment amount must be updated annually.

B. Uniformity and Federal Compliance (Sec. 298C.151(b))

Payments must be uniformly proportionate to each paying provider's net patient revenue, as permitted under federal law, and the program may not "hold harmless" any provider, consistent with 42 U.S.C. § 1396b(w).

C. Statutory Cap (Sec. 298C.151(c))

The aggregate mandatory payments required of all paying providers in the District may not exceed six percent (6%) of the aggregate net patient revenue from hospital services provided by all paying providers in the District.

D. Administrative Expense Allowance (Sec. 298C.151(d))

Subject to the 6% cap, the Board must set mandatory payments to generate revenue sufficient to cover the District's administrative expenses and to fund the intergovernmental transfer described above. The annual amount of mandatory-payment revenue allocated to administrative expenses is fixed at $150,000, plus the cost of collateralizing deposits, regardless of the District's actual costs.

E. Additional Limitations (Sec. 298C.151(e)–(f))

- Paying providers may not pass a mandatory payment on to patients as a surcharge.
- A mandatory payment under this chapter is not considered a "tax" for purposes of Article IX, Section 4 of the Texas Constitution or Section 281.045 of the Health and Safety Code.

F. Assessment and Collection (Sec. 298C.152)

The District may designate a district official or contract with a third party to assess and collect mandatory payments. The collecting party may charge and deduct a collection fee not exceeding its usual and customary rates for similar services. If a District official performs this role, collection-fee revenue is deposited in the District's general fund and reported as District fees, where appropriate.

G. Statutory Purpose, Corrective Rulemaking, and Conditions Precedent (Sec. 298C.153)

- Purpose limitation: The chapter exists solely to let the District fund the nonfederal share of a Medicaid supplemental payment program or Medicaid managed care rate enhancements — not to raise general revenue or collect amounts beyond what is reasonably necessary for those purposes and related administrative costs.

- Corrective rules: If any provision or procedure would render a mandatory payment ineligible for federal matching funds, the Board may adopt an alternative provision or procedure conforming to CMS requirements — but such a rule may not materially expand the legal or financial liability of the District or any provider beyond what the chapter already provides. The Board is not required to adopt such a rule.
- Condition precedent to collection: The District may assess and collect a mandatory payment only if a qualifying waiver program, uniform rate enhancement, or reimbursement (as described in Sec. 298C.103(c)(1)) is actually available to at least one institutional health care provider in the District.

VIII. Summary Assessment

Chapter 298C is a narrowly tailored, single-district enabling statute that follows a template used elsewhere in the Health and Safety Code for hospital-district "provider participation programs." It gives the Nueces County Hospital District Board explicit, but bounded, authority to assess local hospitals in order to generate the nonfederal share needed to access federal Medicaid matching funds. Key guardrails include: (1) a hard 6% cap on aggregate assessments relative to providers' net patient revenue; (2) a fixed $150,000 annual administrative-expense allowance; (3) mandatory public notice and hearing requirements; (4) a prohibition on passing costs to patients; (5) a prohibition on using resulting funds to expand ACA Medicaid eligibility; and (6) a purpose limitation confining the program strictly to Medicaid supplemental-payment and rate-enhancement funding rather than general revenue generation.

Source: Tex. Health & Safety Code ch. 298C (enacted by Acts 2019, 86th Leg., R.S., Ch. 694 (S.B. 2315), eff. June 10, 2019).

BRIEFING MEMORANDUM

TO: Board of Managers
FROM: Jonny F. Hipp, Administrator
DATE: October 27, 2026
RE: HHSC Policy for Acceptance of Intergovernmental Transfers Effective Oct. 1, 2026

I. Purpose of This Memorandum

This memorandum summarizes the Texas Health and Human Services Commission (HHSC) Provider Finance Department's October 6, 2026 presentation concerning new conditions for acceptance of intergovernmental transfers (IGTs) supported by mandatory payments deposited in local provider participation funds (LPPFs). It describes the revised assessment basis, Medicare cost report methodology, separate banking and reporting arrangements, required submissions, and implications for the Nueces County Hospital District (District).

II. New Policy Effective October 1, 2026

Beginning October 1, 2026, HHSC will accept IGTs supported by mandatory-payment revenue deposited into an LPPF for assessment periods beginning on or after that date only when the assessments are imposed exclusively and separately on net patient revenue (NPR) attributable to inpatient hospital services and NPR attributable to outpatient hospital services. The prior approach of assessing aggregate hospital NPR is not sufficient for these new assessment periods. (HHSC slides 2–3.)

HHSC describes these conditions as requirements for its acceptance of IGT funding. The presentation does not purport to amend Chapter 298C itself; rather, it establishes the documentation and implementation criteria HHSC will apply to LPPF-supported transfers.

III. Transition for Earlier Assessment Periods

HHSC's attestation distinguishes (A) assessments for tax periods beginning on or after October 1, 2026, which must use separately derived inpatient and outpatient NPR from the most recent Medicare cost report as defined by HHSC, from (B) assessments for tax periods beginning on or before September 30, 2026, imposed on aggregate NPR, regardless of when those assessments are collected. The District should therefore identify assessment revenue by the applicable assessment period, rather than by collection date alone. (Slide 5.)

IV. Medicare Cost Report Methodology

A. Source and Priority of Cost Reports

HHSC will calculate inpatient and outpatient NPR using charge lines identified in the Centers for Medicare & Medicaid Services (CMS) Upper Payment Limit (UPL) guidelines, together with NPR and total patient revenue from Worksheet G-3. HHSC will use the most recent Medicare cost report available in the Healthcare Provider Cost Reporting Information System (HCRIS) at the time of its review, primarily FY2025. FY2024 is next in priority if FY2025 is unavailable. HHSC may blend short-period reports with a recent report to obtain 12 months; if no full-year report exists, it will use an available partial-year report. American Hospital Association annual survey data will not be accepted as a substitute. (Slides 13–14.)

B. Cost Report Fields Identified by HHSC

Inpatient charges: Worksheet C, Part I, lines 30–76, column 6.
Outpatient charges: Worksheet C, Part I, lines 50–98, column 7.
Net patient revenue: Worksheet G-3, line 3, column 1.
Total patient revenue: Worksheet G-3, line 1, column 1.
HHSC specifies that all subscripted lines within the cited ranges are included. The presentation identifies the inputs but does not provide a fully worked calculation or detailed reconciliation instructions. Accordingly, the District should document its allocation calculations and resolve methodological questions with HHSC before relying on them for assessments. (Slide 15.)

V. New LPPF Bank Account, TIN, and TexNet

HHSC requires all LPPFs to establish a separate bank account, taxpayer identification number (TIN), and TexNet arrangement for provider taxes or mandatory assessments imposed on and after October 1, 2026. The separation distinguishes receipts associated with the former aggregate-NPR assessment periods from receipts associated with the new inpatient/outpatient NPR methodology. HHSC cautions that establishing the new TIN and TexNet arrangement takes time. (Slide 9.)

VI. Required Documentation and Attestation

HHSC requires every local governmental entity administering an LPPF, regardless of its operating or rate year, to submit documentation and an attestation establishing compliance. The presentation identifies the following attachments. (Slides 4–6, 8–10.)
Attachment A — Notice of Public Hearing or Declaration of Intent.
Attachment B — Public Hearing Meeting Minutes.
Attachment C — Rules and Procedures for the Provider Participation Program.
Attachment D — Signed Resolution.
Attachment E — Form 4108, Direct Deposit for the TIN.
Attachment F — Form 4109, Application for the TIN.
Attachment G — TexNet information.

The governing documents should identify the date of the meeting or resolution and appropriate signature; make clear that the action applies to assessments on and after October 1, 2026; state the intent to use Medicare cost reports and the CMS UPL methodology to calculate inpatient and outpatient NPR separately; identify the new LPPF bank account; state the effective date in the minutes and/or resolution; and acknowledge compliance for future IGT program periods. (Slide 8.)

The attestation requires the submitting governmental entity to certify that its IGTs satisfy the applicable pre- or post-October 1 assessment-period criteria and that the information submitted is true and prepared from its records. HHSC states it will review the submission and determine whether to accept or deny IGTs; additional documentation may be required following a denial. (Slides 5 and 10.)

VII. Submission Deadline and Review

Several slides show an original November 6, 2026 deadline expressly updated to November 18, 2026; slide 11 nevertheless repeats November 6. The updated date appears on slides 4–9, including the explicit November 18 deadline for Forms 4108 and 4109 and TexNet information. The District should use November 18 as the presentation's stated updated deadline while confirming the controlling submission date directly with HHSC in view of the inconsistent slide. HHSC indicates it will advise of requests for additional information within three business days after receipt. (Slides 4–11.)

VIII. Near-Term Medicaid IGT Schedule

HHSC identified the following State Fiscal Year 2027 program dates attributable to Federal Fiscal Year 2027. These are HHSC's announced dates in the October 6 presentation, not confirmation that a particular District transfer is due under each program. (Slide 12.)

RAPPS — notification October 29, 2026; IGT settlement November 18, 2026.

CHIRP — notification October 30, 2026; IGT settlement November 20, 2026.

TIPPS — notification November 4, 2026; IGT settlement November 24, 2026.

IX. Compliance Risks and Outstanding Guidance

HHSC states that unacceptable or missing documentation will prevent it from accepting the affected IGT until additional information has been reviewed. HHSC is still developing public information on monitoring IGTs and submitted amounts and additional guidance on changes of hospital ownership, blending cost reports, and prorating to 12 months. These unresolved details may affect hospital-level calculations and supporting records. (Slides 10 and 16.)

X. Implications for the District

Ensure the Board's hearing notice, minutes, rules, and procedures, and signed action consistently specify separate inpatient and outpatient NPR assessments effective October 1, 2026.

Maintain an auditable record of the selected HCRIS cost report, applicable reporting period, charge-line extracts (including subscripts), and Worksheet G-3 amounts for each hospital.

Establish and document the separate LPPF bank account, TIN, and TexNet arrangements and preserve the distinction between old and new assessment-period receipts.

Complete the required attachments and attestation; confirm the deadline and any outstanding technical questions with HHSC before submission.

Coordinate the documentation review and account setup with upcoming IGT notification and settlement dates, as applicable.

XI. Summary Assessment

HHSC's October 2026 policy materially changes the operational prerequisites for using LPPF mandatory-payment proceeds as the nonfederal share of Medicaid payments. For assessments applicable to periods beginning October 1, 2026, separate inpatient and outpatient NPR calculations, Medicare cost report support, distinct banking and transfer infrastructure, and acceptable governing documentation are central to HHSC's decision to accept IGTs. Timely Board action, defensible calculations, and coordinated submissions are therefore important to maintaining the District's participation in applicable Medicaid funding arrangements.

Source: Texas HHSC, Provider Finance Department, “New Policy for Acceptance of IGT Funding for the Texas Medicaid Program Effective October 1, 2026,” webinar presentation, October 6, 2026, slides 2–17.

NUECES COUNTY HOSPITAL DISTRICT
HEALTH CARE PROVIDER PARTICIPATION PROGRAM
FY 2027 ASSESSMENTS
October 1, 2026 - September 30, 2027

Table A - Mandatory Annual Assessments

Release ID	Provider number (CCN)	Hospital name	Fiscal year start	Fiscal year end	Report status code	Inpatient NPR at 6% ($)	Outpatient NPR at 6% ($)	Total IP + OP NPR at 6% rounded ($)
2024_Q3	450046	CHRISTUS SPOHN HOSP CORPUS CHRISTI	07/01/2024	06/30/2025	1	$20,624,561	$23,515,860	$44,140,421
2024_Q3	450788	CORPUS CHRISTI MEDICAL CENTER	09/01/2024	08/31/2025	1	$19,322,134	$13,402,847	$32,724,981
2024_Q3	452086	PAM SQUARED AT CORPUS CHRISTI	09/01/2024	08/31/2025	1	$1,505,297	$–	$1,505,297
2024_Q3	453301	DRISCOLL CHILDRENS HOSPITAL	09/01/2024	08/31/2025	1	$27,854,254	$29,527,723	$57,381,977
2025_Q2	454155	OCEANS BEHAVIORAL HOSPITAL CORPUS CH	01/01/2025	12/31/2025	1	$766,087	$143,439	$909,526
2025_Q2	673053	CORPUS CHRISTI REHABILITATION HOSPIT	01/01/2025	12/31/2025	1	$1,291,571	$152,269	$1,443,840
2024_Q3	673067	PAM REHAB HOSPITAL CORPUS CHRISTI	06/01/2024	05/31/2025	1	$1,567,518	$347,455	$1,914,973
7 hospitals		**TOTAL**				**$72,931,421**	**$67,089,593**	**$140,021,015**

NUECES COUNTY HOSPITAL DISTRICT
HEALTH CARE PROVIDER PARTICIPATION PROGRAM
FY 2027 ASSESSMENTS
October 1, 2026 - September 30, 2027

Table B - Payment Schedule

Payment No.	1		2		3		4	
Invoice Date	3/21/2027		3/21/2027		6/20/2027		8/21/2027	
Due Date	4/20/2027		4/20/2027		7/20/2027		9/20/2027	
Category	IP_NPR_6%	OP_NPR_6%	IP_NPR_6%	OP_NPR_6%	IP_NPR_6%	OP_NPR_6%	IP_NPR_6%	OP_NPR_6%
CHRISTUS SPOHN HOSP CORPUS CHRISTI	$5,156,141	$5,878,965	$5,156,141	$5,878,965	$5,156,141	$5,878,965	$5,156,141	$5,878,965
CORPUS CHRISTI MEDICAL CENTER	$4,830,534	$3,350,712	$4,830,534	$3,350,712	$4,830,534	$3,350,712	$4,830,534	$3,350,712
PAM SQUARED AT CORPUS CHRISTI	$376,325	$0	$376,325	$0	$376,325	$0	$376,325	$0
DRISCOLL CHILDRENS HOSPITAL	$6,963,564	$7,381,931	$6,963,564	$7,381,931	$6,963,564	$7,381,931	$6,963,564	$7,381,931
OCEANS BEHAVIORAL HOSPITAL CORPUS CH	$191,522	$35,860	$191,522	$35,860	$191,522	$35,860	$191,522	$35,860
CORPUS CHRISTI REHABILITATION HOSPIT	$322,893	$38,068	$322,893	$38,068	$322,893	$38,068	$322,893	$38,068
PAM REHAB HOSPITAL CORPUS CHRISTI	$391,880	$86,864	$391,880	$86,864	$391,880	$86,864	$391,880	$86,864

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AFFIDAVIT OF PUBLICATION

Melissa Quintanilla
Nueces County Hospital Dist.
555 N Carancahua ST # 950
Corpus Christi TX 78401-0835

STATE OF WISCONSIN, COUNTY OF BROWN

The Corpus Christi Caller-Times, a newspaper published in the city of Corpus Christi, Nueces County, State of Texas, generally circulated in Aransas, Bee, Brooks, Duval, Jim Hogg, Jim Wells, Kleberg, Live Oak, Nueces, Refugio, and San Patricio Counties, and personal knowledge of the facts herein state and that the notice hereto annexed was Published in said newspapers in the issue:

10/20/2026

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Sworn to and subscribed before on 10/20/2026

Linda Tutt
Legal Clerk

Notary, State of WI, County of Brown

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NOTICE OF PUBLIC HEARING ON HEALTH CARE PROVIDER PARTICIPATION PROGRAM (HCPPP) MANDATORY PAYMENT AMOUNTS FOR FISCAL YEAR 2027.

The Nueces County Hospital District (NCHD) Board of Managers will hold a public hearing on October 27, 2026, at 12:00 PM in the NCHD Board of Managers Meeting Room at 555 N. Carancahua Street (Tower II), Room 950-A, Corpus Christi, Texas, to receive comments on the proposed mandatory payments to be assessed on institutional health care providers under the Health Care Provider Participation Program (HCPPP) for Fiscal Year 2027 (FY27), covering the period October 1, 2026, through September 30, 2027, and on the intended use of revenues collected during that period. For mandatory payments assessed during FY27, the Board is considering payments imposed exclusively and separately at up to six percent (6%) of each provider's net patient revenue attributable to inpatient hospital services and up to six percent (6%) of each provider's net patient revenue attributable to outpatient hospital services. The District intends to use each institutional health care provider's Medicare Cost Report as the basis to separately calculate inpatient and outpatient net patient revenue, using Cost Report information designated as "As Submitted" and available in the Healthcare Cost Report Information System as of September 30, 2026. Mandatory payments assessed for periods beginning on or after October 1, 2026, will be deposited in a new, separate local provider participation fund bank account. The proposed mandatory payments would apply during FY27 to institutional health care providers located within the District's boundaries, which are coterminous with Nueces County. For purposes of the HCPPP, an institutional health care provider is defined as a hospital that provides inpatient services and is not owned or operated by the federal or state government. Representatives of affected providers and members of the public are invited to attend the hearing and provide comments either in person or virtually. To join via Zoom, visit https://tinyurl.com/5n7p6m9s (Meeting ID: 574 676 5992, Passcode: 195957). To join by phone, dial +1 346 248 7799 or use one-tap mobile: +13462487799,,5746765992# or +16699006833,,5746765992#. Questions may be directed to Belinda Espinoza, NCHD Assistant Administrator, at belinda.espinoza@nchdcc.org. Public Hearing agenda and materials are available at https://meetings.boardbook.org/Public/Organization/1886

Outlook

Public Hearing on Fiscal Year 2027 Health Care Provider Participation Program Mandatory Payment Rate

From Jonny F. Hipp (NCHD) <jonny.hipp@nchdcc.org>

Date Mon 10/19/2026 4:30 PM

To Angie Jones (angelajones@ernesthealth.com) <angelajones@ernesthealth.com>; Crystal West (crystalwest@ernesthealth.com) <crystalwest@ernesthealth.com>; Michael Pearce (MichaelPierce@ernesthealth.com) <MichaelPierce@ernesthealth.com>; David Irizarry Jr. (david.irizarryjr@hcahealthcare.com) <david.irizarryjr@hcahealthcare.com>; Lee Lopez (Lee.Lopez@hcahealthcare.com) <Lee.Lopez@hcahealthcare.com>; Bingman Samantha Bingman <Samantha.Bingman2@hcahealthcare.com>; Becky Rios (becky.rios@christushealth.org) <becky.rios@christushealth.org>; Dominic Dominguez (dom.dominguez@christushealth.org) <dom.dominguez@christushealth.org>; Joel Vigil (joel.vigil@christushealth.org) <joel.vigil@christushealth.org>; Kristina Alldredge (kristina.alldredge@christushealth.org) <kristina.alldredge@christushealth.org>; Richard R. Ford (richard.ford2@christushealth.org) <richard.ford2@christushealth.org>; Eric Hamon (eric.hamon@dchstx.org) <eric.hamon@dchstx.org>; Steven E. King (steve.king@dchstx.org) <steve.king@dchstx.org>; Belinda Chism (NCHD) (belinda.chism@nchdcc.org) <belinda.chism@nchdcc.org>; Donna Littlefield (NCHD) (donna.littlefield@nchdcc.org) <donna.littlefield@nchdcc.org>; Jonny F. Hipp (jonny.hipp@nchdcc.org) <jonny.hipp@nchdcc.org>; Stuart Archer (sarcher@oceanshealthcare.com) <sarcher@oceanshealthcare.com>; Michelle C. Lozano (michelle.lozano@oceanshealthcare.com) <michelle.lozano@oceanshealthcare.com>; Elizabeth Wilson <ewilson@pamhealth.com>; Elizabeth Wilson <ewilson@pamhealth.com>

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Administrators of Institutional Health Care Providers in Nueces County,

NOTICE OF PUBLIC HEARING ON HEALTH CARE PROVIDER PARTICIPATION PROGRAM (HCPPP) MANDATORY PAYMENT AMOUNTS FOR FISCAL YEAR 2027

The Nueces County Hospital District (NCHD) Board of Managers will hold a public hearing on **October 27, 2026**, at **12:00 PM** in the NCHD Board of Managers Meeting Room at 555 N. Carancahua Street (Tower II), Room 950-A, Corpus Christi, Texas, to receive comments on the proposed mandatory payments to be assessed on institutional health care providers under the Health Care Provider Participation Program (HCPPP) for Fiscal Year 2027 (FY27), covering the period October 1, 2026, through September 30, 2027, and on the intended use of revenues collected during that period.

For mandatory payments assessed during FY27, **the Board is considering payments imposed exclusively and separately at up to six percent (6%) of each provider's net patient revenue attributable to inpatient hospital services and up to six percent (6%) of each provider's net patient revenue attributable to outpatient hospital services.** The District intends to use each institutional health care provider's Medicare Cost Report as the basis to separately calculate inpatient and outpatient net patient revenue, using Cost Report information designated as "As Submitted" and available in the Healthcare Cost Report Information System as of September 30, 2026. Mandatory payments assessed for periods beginning on or after October 1, 2026, will be deposited in a new, separate local provider participation fund bank account. The proposed mandatory payments would apply during FY27 to institutional health care providers located within the District's boundaries, which are coterminous with Nueces County. For purposes of the HCPPP, an institutional health care provider is defined as a hospital that provides inpatient services and is not owned or operated by the federal or state government.

Representatives of affected providers and members of the public are invited to attend the hearing and provide comments either in person or virtually. To join via Zoom, visit https://tinyurl.com/5n7p6m9s (Meeting ID: 574 676 5992, Passcode: 195957). To join by phone, dial +1 346 248 7799 or use one-tap mobile: +13462487799,,5746765992# or +16699006833,,5746765992#.

Questions may be directed to Belinda Espinoza, NCHD Assistant Administrator, at belinda.espinoza@nchdcc.org. Public Hearing agenda and materials are available at https://meetings.boardbook.org/Public/Organization/1886.

Jonny F. Hipp, ScD, LFACHE
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Nueces County Hospital District

Nueces County Hospital District

NOTICE OF PUBLIC MEETING

BOARD OF MANAGERS

Public Hearing
Tuesday, October 27, 2026 at 12:00 PM

Location:
Board of Managers Meeting Room, 555 N. Carancahua Street, Room 950-A, Corpus Christi, Texas 78401

The Nueces County Hospital District ("NCHD") Board of Managers or a Committee thereof as specified above will hold a meeting on the date and at the time and location shown above. The agenda item(s) for the meeting are set forth on the accompanying page(s). Agenda item(s) are not necessarily considered in the order listed.

The specified NCHD Board of Managers meeting will be held in-person and via videoconference call. Public participation will be available in-person as well as via videoconference call as allowed under the Texas Open Meetings Act ("Act"). It is the intent that a quorum of the Board of Managers or Committee as required for the specified meeting will be physically present at the meeting location posted in this meeting notice. It is also the intent that the Board member presiding over the meeting be physically present for the specified meeting at the meeting location posted in this meeting notice. Any member of the Board of Managers participating by videoconference call will be visible and audible to the public whenever the member is speaking; Board member participation by audio-only is not permitted. Any member of the public wishing to observe or participate in the meeting via videoconference call may do so through the videoconference call meeting Internet link shown on this meeting notice below and via NCHD's BoardBook meeting management system at https://meetings.boardbook.org/Public/Organization/1886.

The Act defines a "videoconference call" as a communication conducted between two or more persons in which one or more of the participants communicate with the other participants through duplex audio and video signals transmitted over a telephone network, a data network, or the Internet. NCHD will use Zoom to conduct the meeting via videoconference call; Zoom is a cloud-based communications platform that allows users to connect with video, audio, phone, and chat. Using Zoom requires an Internet connection and a supported device.

The agenda for this meeting and its supporting materials are available at: https://meetings.boardbook.org/Public/Organization/1886.

The Meeting may be attended in-person or via videoconference call:

Videoconference Call:
Click the link below or copy and paste the link into a supported web browser address bar.
https://nchdcc-org.zoom.us/j/5746765992?pwd=T2RVWFBpZGJYdHYyQmp1VUdZeUc3Zz09
Meeting ID: **574 676 5992**
Passcode: **195957**

Telephone:
Dial any telephone number below and enter the Meeting ID and Passcode above if required.

One tap mobile:
+13462487799,,5746765992# US (Houston)
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+1 929 205 6099 (New York)
+1 301 715 8592 (Washington DC)
+1 305 224 1968
+1 309 205 3325
+1 312 626 6799 (Chicago)
+1 360 209 5623
+1 386 347 5053
+1 507 473 4847
+1 564 217 2000
+1 646 931 3860
+1 689 278 1000

Find your local number: https://nchdcc-org.zoom.us/u/kbKxLl8Eq4

BOARD OF MANAGERS
Public Hearing
Tuesday, October 27, 2026 at 12:00 PM

AGENDA

1. **WELCOME**

2. **ROLL CALL OF MEMBERS**

___ Vishnu V. Reddy, Chairman
___ Sylvia Tryon Oliver, Vice Chair
___ Mariana Garza
___ Georgia Neblett, Legislative Committee Chair
___ Karen O'Connor Urban
___ Pamela Brower, Finance Committee Chair
___ Sunil Reddy

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

A. Call to order.

B. Establish quorum.

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

4. **PUBLIC HEARING** - The Nueces County Hospital District ("District") Board of Managers ("Board") will conduct a Public Hearing on the matter of:

A. Proposed mandatory payments to be assessed on institutional health care providers under the Health Care Provider Participation Program (HCPPP) for Fiscal Year 2027 (FY27), covering the period October 1, 2026, through September 30, 2027, and on the intended use of revenues collected during that period. For mandatory payments assessed during FY27, the Board is considering payments imposed exclusively and separately at six percent (6%) of each provider's net patient revenue attributable to inpatient hospital services and six percent (6%) of each provider's net patient revenue attributable to

outpatient hospital services.

5. **CLOSE PUBLIC HEARING**

6. **ADJOURN**

7. Public Notice Posting Receipt.

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

BOARD OF MANAGERS ORDER
OCTOBER 27, 2026

ORDER REVISING THE RULES AND PROCEDURES OF THE HEALTH CARE PROVIDER PARTICIPATION PROGRAM TO BE EFFECTIVE OCTOBER 1, 2026

WHEREAS, the 86th Texas Legislature enacted Senate Bill 2315 in 2019, establishing Chapter 298C of the Texas Health and Safety Code ("Chapter") and authorizing the Nueces County Hospital District ("District"), acting through its Board of Managers ("Board"), to establish a local Health Care Provider Participation Program ("Program"); and the 87th Texas Legislature subsequently amended Chapter 298C through House Bill 1456 in 2021;

WHEREAS, the purpose of the Program is to assess and collect mandatory payments from institutional health care providers located within the boundaries of the District to finance the nonfederal share of Medicaid supplemental payments and managed care payment enhancements through intergovernmental transfers to the Texas Health and Human Services Commission, thereby supporting the availability of federal Medicaid matching funds for hospital services;

WHEREAS, for purposes of the Program, an institutional health care provider ("Provider") is a hospital that provides inpatient hospital services and is not owned or operated by the federal or state government;

WHEREAS, pursuant to §298C.003 of the Chapter, the Board has authorized the District's participation in the Program for fiscal years 2021 through 2027 through actions taken at its meetings held on September 29, 2020; August 3, 2021; September 20, 2022; July 24, 2023; July 23, 2024; August 26, 2025; and October 27, 2026, respectively;

WHEREAS, pursuant to §298C.052 of the Chapter, the Board is required to adopt rules governing the administration of the Program, including the collection of mandatory payments, expenditures, audits, and other administrative matters; and the Board initially adopted such rules on September 29, 2020, and subsequently amended them on July 24, 2023 ("First Amended Rules");

WHEREAS, the Texas Health and Human Services Commission ("HHSC"), by notice dated September 17, 2026 and through subsequent implementing guidance, announced revised requirements, effective October 1, 2026, governing the acceptance and administration of intergovernmental transfers used to finance Medicaid payments, pursuant to which HHSC will accept intergovernmental transfers supported by mandatory payments applicable to periods beginning on or after October 1, 2026, only if such mandatory payments are imposed exclusively and separately on net patient revenue attributable to inpatient hospital services and on net patient revenue attributable to outpatient hospital services, and the Board desires to modify the Program's rules and procedures to facilitate compliance with those requirements;

WHEREAS, the Board recognizes the need to revise the Program's rules and procedures to address changes in applicable federal and state Medicaid financing requirements, including the separate identification and treatment of inpatient and outpatient net patient revenues in determining mandatory payment amounts, and to establish corresponding administrative procedures governing the assessment, collection, accounting, and expenditure of mandatory payments effective October 1, 2026; and

WHEREAS, the Board desires to amend and supersede the First Amended Rules by adopting the revised rules and procedures attached to this Order as Exhibit A, entitled "Nueces County Hospital District Health Care Provider Participation Program Revised Rules and Procedures, Effective October 1, 2026" ("Revised Rules"), which are incorporated into this Order by reference and intended to become effective October 1, 2026.

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

Section 1. Adoption of Revised Rules. The Board hereby adopts the Nueces County Hospital District Health Care Provider Participation Program Revised Rules and Procedures, attached hereto as Exhibit A and incorporated herein by reference.

Section 2. Supersession of Prior Rules. The Revised Rules shall supersede and replace in their entirety the First Amended Rules adopted by the Board on July 24, 2023.

Section 3. Effective Date. The Revised Rules shall be effective as of October 1, 2026.

[THIS SPACE INTENTIONALLY LEFT BLANK]

NUECES COUNTY HOSPITAL DISTRICT
BOARD OF MANAGERS

_____
Vishnu V. Reddy Chairman

Sylvia Tryon Oliver
Vice Chairman

Mariana Garza
Member

Georgia Neblett
Member

Karen O'Connor Urban
Member

Pamela Brower
Member

Sunil Reddy
Member

BOM_Order_FY2027_Revise_HCPPP_Rules _Procedures_Effective_October_1_2026.docx

NUECES COUNTY HOSPITAL DISTRICT
HEALTH CARE PROVIDER PARTICIPATION PROGRAM
RULES AND PROCEDURES
Effective: October 1, 2026

General Provisions

Rule 1. Definitions. In these rules and procedures:

(a) “Mandatory payment” means a mandatory payment authorized under Texas Health and Safety Code, Chapter 298C.

(b) “Institutional health care provider” means a hospital that is not owned and operated by a federal or state government and provides inpatient hospital services.

(c) “Paying provider" or “Paying hospital” means an institutional health care provider required to make a mandatory payment under Texas Health and Safety Code, Chapter 298C.

(d) “Program” means the health care provider participation program authorized under Texas Health & Safety Code, Chapter 298C.

(e) “Hospital District” means the Nueces County Hospital District.

(f) “Board of Managers” means the Board of Managers of the Nueces County Hospital District.

Rule 2. Health Care Provider Participation Program; Participation in Program.

(a) The Program authorizes the Hospital District to collect a mandatory payment from each institutional health care provider located in the Hospital District as shown in Exhibit A, “Institutional Health Care Providers” to be deposited in a local provider participation fund established by the Hospital District. Money in the fund may be used by the Hospital District to fund certain intergovernmental transfers as provided by these rules and procedures.

(b) The Board of Managers may adopt an order authorizing the Hospital District to participate in the Program, subject to the limitations provided by these rules and procedures.

(c) To the extent any provision or procedure under Texas Health & Safety Code, Chapter 298C causes a mandatory payment to be ineligible for federal matching funds, the Hospital District may provide by rule for an alternative provision or procedure that conforms to the requirements of the federal Centers for Medicare & Medicaid Services (CMS).

Powers and Duties of Board of Managers

Rule 3. Limitation on Authority to Require Mandatory Payment. The Hospital District may require a mandatory payment from an institutional health care provider only in the manner provided in these rules and procedures.

Rule 4. Majority Vote Required Prior to Mandatory Payment. The Hospital District may not collect a mandatory payment without an affirmative vote of a majority of the

members of the Board of Managers authorizing the Hospital District to participate in the Program.

Rule 5. Institutional Health Care Provider Reporting; Inspection of Records.

(a) The Hospital District shall require each institutional health care provider to submit to the Hospital District a copy of any financial and utilization data required by and reported to the Department of State Health Services under Texas Health & Safety Code, §311.032 and §311.033 and any rules adopted by the Executive Commissioner of the Texas Health and Human Services Commission (HHSC) to implement those sections.

(b) The Hospital District may inspect the records of an institutional health care provider to the extent necessary to ensure that the institutional health care provider has submitted all required data under this Rule.

(c) Effective October 1, 2026, each institutional health care provider shall furnish the Hospital District with copies of its most recent available Medicare Hospital Cost Reports (CMS Form 2552-10), as maintained in the CMS Healthcare Cost Report Information System (HCRIS), for the Hospital District use in determining the provider's mandatory payment amounts pursuant to Rule 9B.

General Financing Provisions

Rule 6. Hearing.

(a) Each year, the Board of Managers shall hold a public hearing to receive comments on the amounts of mandatory payments proposed to be assessed during the year, the allocation of such payments between net patient revenue attributable to inpatient hospital services and net patient revenue attributable to outpatient hospital services, and the intended use of such payments.

(b) Not later than the fifth (5^{th}) day before the date of the hearing required under Subdivision 6(a), the Board of Managers shall publish notice of the hearing in a newspaper of general circulation in the Hospital District.

(c) A representative of a paying hospital is entitled to appear at the time and place designated in the public notice and to be heard regarding any matter related to the mandatory payments.

Rule 7. Depository and Investment of Funds.

(a) The Hospital District shall designate one or more banks as the depository for the Hospital District local provider participation fund.

(b) All income received by the Hospital District under these rules and procedures, including the revenue from mandatory payments remaining after fees for assessing and collecting the payments are deducted, shall be deposited with the Hospital District depository in the District's local provider participation fund and may be withdrawn only as provided by these rules and procedures.

(c) All funds under these rules and procedures shall be secured in the manner provided for securing other Hospital District funds.

(d) All funds received under these rules and procedures may be invested consistent with the Investment Policy of the Hospital District, except that such investment shall be limited to overnight funds.

(e) The Hospital District shall establish and designate a new, separate bank account for the local provider participation fund, into which all mandatory payments assessed for periods on or after October 1, 2026, shall be deposited. Such mandatory payments shall not be commingled with funds attributable to mandatory payments assessed for periods before October 1, 2026.

Rule 8. Local Provider Participation Fund; Authorized Uses of Money.

(a) If the Hospital District requires a mandatory payment, it shall create a local provider participation fund.

(b) The local provider participation fund of the Hospital District consists of:

(1) all revenue received by the Hospital District attributable to mandatory payments;

(2) money received from the HHSC as a refund of an intergovernmental transfer under the Program, provided that the intergovernmental transfer does not receive a federal matching payment; and

(3) the earnings of the fund.

(c) Money deposited to the local provider participation fund may be used only to:

(1) fund intergovernmental transfers from the Hospital District to the State of Texas to provide the nonfederal share of Medicaid payments for:

(A) uncompensated care payments to hospitals in the Medicaid managed care service area in which the Hospital District is located, if those payments are authorized under the Texas Healthcare Transformation and Quality Improvement Program waiver issued under Section 1115 of the federal Social Security Act (42 U.S.C. Section 1315);

(B) delivery system reform incentive payments, if those payments are authorized under the Texas Healthcare Transformation and Quality Improvement Program waiver issued under Section 1115 of the federal Social Security Act (42 U.S.C. Section 1315);

(C) uniform rate enhancements for hospitals in the Medicaid managed care service area in which the Hospital District is located;

(D) payments available under another waiver program authorizing payments that are substantially similar to Medicaid payments to hospitals described by Paragraph (A), (B), or (C); or

(E) any reimbursement to hospitals for which federal matching funds are available;

(2) pay the administrative expenses of the Hospital District in administering the Program, including the collateralization of deposits;

(3) refund of a mandatory payment collected in error from a paying hospital;

(4) refund to paying providers the proportionate share of money that the Hospital District:

(A) receives from the HHSC that is not used to fund the nonfederal share of Medicaid supplemental payment program payments or uniform rate enhancements described by Subdivision (1)(C); or

(B) determines cannot be used to fund the nonfederal share of Medicaid supplemental payment program payments of uniform rate enhancements described by Subdivision (1)(C).

(5) transfer funds to the HHSC if the Hospital District is legally required to transfer the funds to address a disallowance of federal matching funds with respect to programs for which the Hospital District made intergovernmental transfers described by Subdivision (c)(1); and

(6) reimburse the Hospital District if the Hospital District is required by the rules governing the uniform rate enhancement program described by Subdivision (1)(C) to incur an expense or forego Medicaid reimbursements from the State because the balance of the local provider participation fund is not sufficient to fund that rate enhancement program.

(d) Money in the local provider participation fund may not be commingled with other Hospital District funds.

(e) An intergovernmental transfer of funds described by Subdivision (c)(1) and any funds received by the Hospital District as a result of an intergovernmental transfer described by that rule may not be used by the State, Hospital District, or other entity to expand Medicaid eligibility under the Patient Protection and Affordable Care Act (Pub. L. No. 111-148) as amended by the Health Care and Education Reconciliation Act of 2010 (Pub. L. No. 111-152).

Mandatory Payments

Rule 9A. Mandatory Payments Based on Paying Hospital Net Patient Revenue for Periods Prior to October 1, 2026.

(a) Except as provided by Rule 11, if the Board of Managers collects a mandatory payment, it may require that a mandatory payment be assessed annually or periodically throughout the fiscal year at the discretion of the Board of Managers on the net patient revenue of each institutional health care provider located in the boundaries of the Hospital District.

(b) The Board of Managers shall provide an institutional health care provider written notice of each assessment and the mandatory payments shall be made 30 days following the date of receipt of the notice of payment.

(c) In the first year in which the mandatory payment is required, the mandatory payment is assessed based on the most recent fiscal year data collected pursuant to Subdivision 5(a). If no such data is available for an institutional health care provider, the mandatory payment may be calculated based on the institutional health care provider's Medicare cost report submitted for the previous fiscal year or for the closest subsequent fiscal year for which the provider submitted the Medicare cost report.

(d) The net patient revenue basis of the mandatory payment may be updated during the fiscal year using the most recent fiscal year data collected pursuant to Subdivision 5(a). Use of data that is updated during the fiscal year does not require Board of Managers approval.

(e) This Rule 9A applies only to mandatory payments assessed for periods prior to October 1, 2026. Such mandatory payments may continue to be invoiced and collected

after October 1, 2026, and funds held in the local provider participation fund account as of September 30, 2026, may be used as authorized by Rule 8(c) until expended.

Rule 9B. Mandatory Payments Effective October 1, 2026; Assessments Based Exclusively and Separately on Net Patient Revenue Attributable to Inpatient Hospital Services and Outpatient Hospital Services.

(a) Except as otherwise provided in Rule 11, the Board of Managers may assess and collect mandatory payments for periods on or after October 1, 2026, from each institutional health care provider located within the boundaries of the Hospital District. Such payments shall be assessed exclusively and separately on each provider's net patient revenue attributable to inpatient hospital services and on each provider's net patient revenue attributable to outpatient hospital services. At its discretion, the Board of Managers may impose such assessments annually or periodically throughout the Hospital District's fiscal year.

(b) The Board of Managers shall provide each institutional health care provider with written notice of each mandatory payment assessment. Each assessed payment shall be due and payable within thirty (30) days following the provider's receipt of the written notice.

(c) Mandatory payments assessed under this Rule 9B shall be imposed exclusively and separately on each institutional health care provider at rates not exceeding six percent (6%) of the provider's net patient revenue attributable to inpatient hospital services and six percent (6%) of the provider's net patient revenue attributable to outpatient hospital services. Each assessment shall be calculated independently using the applicable inpatient or outpatient net patient revenue amount.

(d) The Hospital District shall determine each institutional health care provider's net patient revenue attributable to inpatient hospital services and net patient revenue attributable to outpatient hospital services using financial information reported in the provider's Medicare Hospital Cost Report (CMS Form 2552-10), as maintained in the HCRIS. For determining such revenues:

(1) the Hospital District shall use the provider-specific Medicare Hospital Cost Report designated as "As Submitted" in HCRIS from the CMS data release identified as updated September 30 of the fiscal year in which the assessment is imposed, available at https://www.cms.gov/data-research/statistics-trends-and-reports/cost-reports, or such other Medicare Hospital Cost Report as HHSC and the Board of Managers designates as the most recent Medicare Cost Report for this purpose.

(2) the Hospital District shall calculate each institutional health care provider's net patient revenue attributable to inpatient hospital services and net patient revenue attributable to outpatient hospital services in accordance with the methodology prescribed in Exhibit B, "Calculation of Inpatient and Outpatient Net Patient Revenue," which is attached hereto, incorporated herein by reference, and made a part of these Rules. The methodology, which is based on the CMS Medicare Upper Payment Limit guidance, determines inpatient and outpatient net patient revenues by applying the provider's overall ratio of net patient revenue to total patient revenue, as reported in Worksheet G-3 of its Medicare

Hospital Cost Report, separately to the applicable inpatient and outpatient gross patient charges reported in Worksheet C, Part I, of that report.

(e) The net patient revenue amounts established pursuant to subsection (d) shall constitute the basis for calculating mandatory payments assessed under this Rule 9B for the applicable fiscal year. Once established, such amounts shall remain fixed and shall not be updated, recalculated, or otherwise modified during that fiscal year.

Rule 10. Mandatory Payment Requirements

(a) The amount of each mandatory payment assessed under these Rules shall be uniformly proportionate to the net patient revenue attributable to inpatient hospital services and the net patient revenue attributable to outpatient hospital services of each paying hospital located within the boundaries of the Hospital District. Mandatory payments shall be assessed separately on each category of net patient revenue in accordance with the applicable provisions of these Rules.

(b) If the Board of Managers requires mandatory payments, it shall establish the applicable assessment rates and determine the amounts payable by each institutional health care provider. The aggregate mandatory payments assessed against any individual paying hospital during a fiscal year shall not exceed six percent (6%) of the hospital's net patient revenue attributable to inpatient hospital services and six percent (6%) of the hospital's net patient revenue attributable to outpatient hospital services, calculated separately in accordance with Rule 9B.

(c) Subject to the maximum amount prescribed by Rule 11(a), if the Board of Managers requires a mandatory payment, it shall set the mandatory payments in amounts that in the aggregate will generate sufficient revenue to cover the administrative expenses of the Hospital District for activities under these rules and procedures and to fund purposes described in Rule 8(c).

(1) The annual amount of revenue from mandatory payments used for administrative expenses of the Hospital District for activities under these rules and procedures is $150,000, plus the cost of collateralization of deposits, regardless of actual expenses.

(d) The mandatory payment may not be collected for the purpose of raising general revenue or any amount in excess of the amount reasonably necessary to fund the nonfederal share of a Medicaid supplemental payment program or Medicaid managed care rate enhancements for hospitals to cover the administrative expenses of the Hospital District associated with the Program.

(e) To the extent any Program provision or procedure causes a mandatory payment to be ineligible for federal matching funds, the Board may provide by rule for an alternative provision or procedure that conforms to the requirements of CMS.

Rule 11. Mandatory Payment Prohibitions.

(a) The amount of mandatory payments assessed against each paying hospital, when combined with the mandatory payments assessed against all other paying hospitals located within the boundaries of the Hospital District, shall not exceed, in the aggregate, six percent (6%) of the total net patient revenue attributable to inpatient hospital services and six percent (6%) of the total net patient revenue attributable to outpatient hospital

services of all paying hospitals within the Hospital District, with each limitation calculated and applied separately to its respective category of net patient revenue.

(b) A mandatory payment may not hold harmless any institutional health care provider, as required under 42 U.S.C. Section 1396b(w).

(c) A paying provider may not add a mandatory payment required under this section as a surcharge to a patient.

(d) A mandatory payment assessed hereunder is not a tax for hospital purposes for purposes of Texas Constitution, Section 4, Article IX or Texas Health and Safety Code, §281.045.

(e) The amount of the mandatory payment required of each paying hospital may not be discounted.

Rule 12. Assessment and Collection of Mandatory Payments.

(a) The Hospital District may designate an official of the Hospital District or contract with another person to assess and collect the mandatory payments.

(b) The person charged by the Hospital District with the assessment and collection of mandatory payments shall charge and deduct from the mandatory payments collected for the Hospital District a collection fee in the amount not to exceed the person's usual and customary charges for like services.

(c) If the person charged with the assessment and collection of mandatory payments is an official of the Hospital District, any revenue from a collection fee charged under Subdivision (b) shall be deposited in the Hospital District's general fund and, if appropriate, shall be reported as fees of the Hospital District.

# # #

EXHIBIT A

Institutional Health Care Providers

Hospital Name	Medicare Provider Number
CHRISTUS SPOHN HOSP CORPUS CHRISTI	450046
CORPUS CHRISTI MEDICAL CENTER	450788
PAM SPECIALTY HOSPITAL OF CORPUS CHRISTI NORTH	452086
DRISCOLL CHILDREN'S HOSPITAL	453301
OCEANS BEHAVIORAL HOSPITAL CORPUS CHRISTI	454155
CORPUS CHRISTI REHABILITATION HOSPITAL	673053
PAM REHAB HOSPITAL OF CORPUS CHRISTI	673067

Exhibit B
Calculation of Inpatient and Outpatient Net Patient Revenue

Multiply the Total Charges (i.e., Total Revenue) lines identified in the Medicare Upper Payment Limit (UPL) Guidance documents by the hospitals' overall net patient revenue divided by total patient revenue to calculate the inpatient and outpatient portion of net patient revenue.

Inpatient Net Patient Revenue

Formula	**Total Inpatient Routine and Ancillary Charges**	$\times \left[\frac{Net\ Patient\ Revenue}{Total\ Patient\ Revenue}\right]$
Medicare Cost Report Lines	**Worksheet C Part 1 Column 6 Lines 30 to 76***	$\times \left[\frac{Worksheet\ G-3\ Column\ 1\ Line\ 3}{Worksheet\ G-3\ Column\ 1\ Line\ 1}\right]$

Outpatient Net Patient Revenue

Formula	**Total Outpatient Routine and Ancillary Charges**	$\times \left[\frac{Net\ Patient\ Revenue}{Total\ Patient\ Revenue}\right]$
Medicare Cost Report Lines	**Worksheet C Part 1 Column 7 Lines 50 to 98***	$\times \left[\frac{Worksheet\ G-3\ Column\ 1\ Line\ 3}{Worksheet\ G-3\ Column\ 1\ Line\ 1}\right]$

*Include all subscripted lines (e.g., Line 31.01, 31.02, etc.).

Medicare UPL Guidance Links:

- Inpatient Hospital Services UPL Guidance
- Outpatient Hospital Services UPL Guidance

Exhibit B continued

Inpatient Net Patient Revenue Calculation Example

Medicare UPL Lines from Worksheet C Part I		
COMPUTATION OF RATIO OF COSTS TO CHARGES		
COST CENTER DESCRIPTIONS		**Column 6**
INPATIENT ROUTINE SERVICE COST CENTERS		
30	Adults and Pediatrics (General Routine Care)	100
31	Intensive Care Unit	200
32	Coronary Care Unit	100
33	Burn Intensive Care Unit	100
34	Surgical Intensive Care Unit	500
35	Other Special Care (specify)	100
40	Subprovider IPF	0
41	Subprovider IRF	100
42	Subprovider (Specify)	100
43	Nursery	0
44	Skilled Nursing Facility	100
45	Nursing Facility	100
46	Other Long Term Care	100
ANCILLARY SERVICE COST CENTERS		
50	Operating Room	100
51	Recovery Room	100
52	Labor Room and Delivery Room	0
53	Anesthesiology	0
54	Radiology-Diagnostic	0
55	Radiology-Therapeutic	0
56	Radioisotope	0
57	Computed Tomography (CT) Scan	0
58	Magnetic Resonance Imaging (MRI)	0
59	Cardiac Catheterization	0
60	Laboratory	0
61	PBP Clinical Laboratory Services-Prgm. Only	0
62	Whole Blood & Packed Red Blood Cells	0
63	Blood Storing, Processing, & Trans.	0
64	Intravenous Therapy	0
65	Respiratory Therapy	0
66	Physical Therapy	0
67	Occupational Therapy	0
68	Speech Pathology	0
69	Electrocardiology	0
70	Electroencephalography	0
71	Medical Supplies Charged to Patients	0
72	Implantable Devices Charged to Patients	0
73	Drugs Charged to Patients	0
74	Renal Dialysis	0
75	ASC (Non-Distinct Part)	0
76	Other Ancillary (specify)	0

Total Inpatient Routine and Ancillary Charges = $1,800

Inpatient Net Patient Revenue Calculation Example

STATEMENT OF REVENUES AND EXPENSES		PROVIDER CCN:	PERIOD: FROM _____ TO _____	WORKSHEET G-3	
	Description				
1	Total patient revenues (from Worksheet G-2, Part I, column 3, line 28)		5,000	1	
2	Less contractual allowances and discounts on patients' accounts		1,000	2	
3	Net patient revenues (line 1 minus line 2)		4,000	3	
4	Less total operating expenses (from Worksheet G-2, Part II, line 43)		1,000	4	
5	Net income from service to patients (line 3 minus line 4)		3,000	5	

Total Inpatient Routine and Ancillary Charges × $\left[\frac{\textit{Net Patient Revenue}}{\textit{Total Patient Revenue}}\right]$

Worksheet C Part 1 Column 6 Lines 30 to 76* × $\left[\frac{\textit{Worksheet G} - 3\ \textit{Column 1 Line 3}}{\textit{Worksheet G} - 3\ \textit{Column 1 Line 1}}\right]$

$\$1,800$ × $\left[\frac{4,000}{5,000}\right]$

$\$1,800$ × 0.8

Total Net Patient Revenue = $1,440

CERTIFICATE OF SECRETARY

THE STATE OF TEXAS §
§
COUNTY OF NUECES §

THE UNDERSIGNED HEREBY CERTIFIES that:

1. The members of the Board of Managers (the "Board") of the Nueces County Hospital District (the "Hospital District") have been duly appointed pursuant to Texas Health and Safety Code (the "Health Code"), §281.021.

2. Pursuant to Health Code, §281.021(a), the Board has been duly appointed; pursuant to Health Code, §281.048, the Board is the governing body of the Hospital District; and pursuant to the collective authorities of Health Code, §281.047 and §281.048, the Board has, and at the time of adoption of this Order had, full power and authority to manage, control, administer, and to adopt rules governing operation of the Hospital District.

3. On the **27th** day of **October, 2026**, the Board convened in a regular meeting at the Hospital District's regular meeting place (the "Meeting"), the duly constituted members and officers of the Board being as follows:

Vishnu V. Reddy, Chairman
Sylvia Tryon Oliver, Vice Chairman
Mariana Garza
Georgia Neblett
Karen O'Connor Urban
Pamela Brower
Sunil Reddy

and all of said persons were present, except the following absentees:
_____, thus, constituting a quorum.

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

**ORDER REVISING THE RULES AND PROCEDURES
OF THE HEALTH CARE PROVIDER PARTICIPATION PROGRAM
TO BE EFFECTIVE OCTOBER 1, 2026**

is a true copy of an order introduced and submitted to the Board for consideration toward passage and adoption (the "Order"). After presentation and discussion, it was then duly moved and seconded that the Order be passed and adopted. The motion to pass and adopt the Order prevailed and carried by the following voice vote:

YEAS:	( )
NAYS:	( )
PRESENT NOT VOTING:	( )
ABSENT:	( )

all as shown in the official Minutes of the Board for the Meeting.

5. The attached Order is a true and correct copy of the original on file in the official records of the Hospital District; the duly qualified and acting members of the Board on the date of the Meeting are those persons shown above, and, according to the records of my office, each member of the Board was given actual notice of the time, place, and purpose of the Meeting and had actual notice that the Order would be considered; and the Meeting and deliberation of the aforesaid public business, was open to the public and written notice of said meeting, including the subject of the Order, was posted and given in advance thereof in compliance with the provisions of Chapter 551, Texas Government Code, as amended.

6. I am the Secretary of the Board having been duly appointed pursuant to Health Code, §281.023(b).

7. The foregoing Order is in full force and effect; that the same has not been rescinded, nor has it been amended or modified in any way.

IN WITNESS WHEREOF, I have hereunto signed my name officially and affixed the seal of the Hospital District on this the **27th** day of **October, 2026.**

_____

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

{HOSPITAL DISTRICT SEAL}

Nueces County Hospital District

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BOARD OF MANAGERS ORDER
OCTOBER 27, 2026

ORDER SETTING THE FISCAL YEAR 2027 MANDATORY PAYMENT RATE FOR THE NUECES COUNTY HOSPITAL DISTRICT HEALTH CARE PROVIDER PARTICIPATION PROGRAM

WHEREAS, the 86th (2019) Texas Legislature enacted S.B. 2315 creating Texas Health and Safety Code, Chapter 298C ("Health Code") enabling the Nueces County Hospital District's ("District") Board of Managers ("Board") to authorize a local Health Care Provider Participation Program ("Program") and in the 87th (2021) Texas Legislature H.B. 1456 amended Chapter 298C;

WHEREAS, the purpose of the Program is to assess and collect mandatory payments from institutional health care providers within the District ("Provider") to fund the nonfederal share of Medicaid supplemental payments and managed care rate enhancements to provide additional federal Medicaid funding to the Texas Health and Human Services Commission ("HHSC") via intergovernmental transfers to support federal matching for local hospital services; and a Provider is defined as a hospital that provides inpatient services and is not owned or operated by the federal or state government;

WHEREAS, pursuant to Health Code, §298C.003 the Board has consecutively authorized the District to participate in the Program for Fiscal Years: 2021, 2022, 2023, 2024, 2025, 2026, and 2027 according to meetings held on September 29, 2020; August 3, 2021; September 20, 2022; July 24, 2023; July 23, 2024; August 26, 2025; and October 27, 2026, respectively;

WHEREAS, the Board desires to continue support of the Program and again exercise its authority to establish the amount of the Program's mandatory payments for the period October 1, 2026 – September 30, 2027 ("FY 2027") and to satisfy the requirements of Health Code;

WHEREAS, pursuant to Health Code, §298C.101(a) in each fiscal year that the Board authorizes the Program, the Board is required to hold a public hearing on the amounts of any mandatory payments that the Board intends to require during the applicable fiscal year and how the revenue derived from those mandatory payments is to be spent, and the District held said public hearing on October 27, 2026 in advance of this Order;

WHEREAS, pursuant to Health Code, §298C.101(b), not later than the fifth day before the date of the public hearing, the Board is required to publish notice of the public hearing in a newspaper of general circulation in the District and the District published said notice in the *Corpus Christi Caller-Time*s newspaper on October 20, 2026;

(THIS SPACE INTENTIONALLY LEFT BLANK)

WHEREAS, pursuant to Health Code, §298C.101(b) not later than the fifth day before the date of the public hearing, the Board is required to provide written notice of the hearing to each Provider located in the District, and the District provided said notice via electronic mail on October 20, 2026;

WHEREAS, on September 22, 2026, the Board approved a September 22, 2026 Order Setting the Fiscal Year 2027 Mandatory Payment Rate for the Nueces County Hospital District Health Care Provider Participation Program (the "September 22, 2026 Order");

WHEREAS, the Texas Health and Human Services Commission ("HHSC"), by notice dated September 17, 2026 and through subsequent implementing guidance, announced revised requirements, effective October 1, 2026, governing the acceptance and administration of intergovernmental transfers used to finance Medicaid payments, pursuant to which HHSC will accept intergovernmental transfers supported by mandatory payments applicable to periods beginning on or after October 1, 2026, only if such mandatory payments are imposed exclusively and separately on net patient revenue attributable to inpatient hospital services and on net patient revenue attributable to outpatient hospital services, and the Board desires to modify the Program's mandatory payment methodology to facilitate compliance with those requirements;

WHEREAS, in response to HHSC's revised requirements, the Board finds it necessary and appropriate to establish separate mandatory payment calculations based on each institutional health care provider's inpatient net patient revenue and outpatient net patient revenue, as separately calculated, utilizing financial information reported in the provider's Medicare Hospital Cost Report (CMS Form 2552-10) maintained in the Centers for Medicare & Medicaid Services' ("CMS") Healthcare Cost Report Information System ("HCRIS"), in accordance with the methodology set forth in Attachment A "Calculation of Inpatient and Outpatient Net Revenue" incorporated herein by reference, and to deposit such mandatory payments in a separate Health Care Provider Participation Program bank account, to promote compliance with applicable federal and state Medicaid financing requirements;

WHEREAS, in accordance with the foregoing, the Board desires to rescind the September 22, 2026 Order and replace it with this Order; and

WHEREAS, in consideration of the foregoing, the Board now desires to establish the amount of the mandatory payments under the Program for FY 2027 and to direct that the mandatory payments be used for one or more of the authorized uses as set forth in the Health Code, §298C.103.

NOW THEREFORE, BE IT ORDERED:

1. The Board hereby rescinds the September 22, 2026 Order and replaces it with this Order. This Order shall govern mandatory payments assessed under the Program for Fiscal Year 2027. Any lawful administrative actions previously undertaken pursuant to the September 22, 2026 Order shall remain valid, subject to reconciliation or adjustment as necessary to comply with this Order and applicable law; provided, however, that any mandatory assessments assessed or collected for Fiscal Year 2027 shall be assessed, collected, and deposited only as provided in this Order.

2. Pursuant to Health Code, §298C.003, the Board hereby authorizes the Nueces County Hospital District to participate in the Health Care Provider Participation Program for Fiscal Year 2027, beginning October 1, 2026, and ending September 30, 2027.

3. For Fiscal Year 2027, the Board hereby establishes mandatory payments under the Program at a rate of six percent (6%) of each institutional health care provider's net patient revenue attributable to inpatient hospital services and six percent (6%) of each institutional health care provider's net patient revenue attributable to outpatient hospital services. The inpatient and outpatient components shall be calculated separately and combined to determine each provider's total mandatory payment obligation. The aggregate mandatory payments assessed under the Program shall not exceed the limitation prescribed by Health Code, §298C.151(c). Mandatory payments collected shall be used exclusively for purposes authorized under Health Code, §298C.103. The Administrator is authorized to set the due date or dates for mandatory payments owed by institutional health care providers.

4. The District shall determine each institutional health care provider's net patient revenue attributable to inpatient services and net patient revenue attributable to outpatient services using financial information reported in the provider's most recent available Medicare Hospital Cost Report (CMS Form 2552-10), as maintained in the Centers for Medicare & Medicaid Services' Healthcare Cost Report Information System ("HCRIS"). The District shall use the provider-specific cost report designated as "As Submitted" in HCRIS, from the data release identified by CMS as updated September 30, or such other cost report as HHSC or the Board designates as the most recent Medicare Cost Report for this purpose.

5. If an institutional health care provider does not have a Medicare Hospital Cost Report available in the Centers for Medicare & Medicaid Services' Healthcare Cost Report Information System for the period designated under Paragraph 4, the District shall determine the provider's net patient revenue attributable to inpatient hospital services and net patient revenue attributable to outpatient hospital services using the provider's Medicare Hospital Cost Report submitted for the closest preceding fiscal year or, if none, the closest subsequent fiscal year for which the provider submitted a Medicare Hospital Cost Report. If no Medicare Hospital Cost Report is available for any such fiscal year, the District shall use such alternative source of inpatient and outpatient net patient revenue data as HHSC determines to be acceptable. In all cases, the resulting mandatory payments shall be imposed exclusively and separately on net patient revenue attributable to inpatient hospital services and on net patient revenue attributable to outpatient hospital services.

6. The District shall calculate each institutional health care provider's net patient revenue attributable to inpatient hospital services and net patient revenue attributable to outpatient hospital services in accordance with the methodology set forth in Attachment A "Calculation of Inpatient and Outpatient Net Patient Revenue" incorporated herein by reference. The methodology shall be applied consistently to all institutional health care providers subject to mandatory payments under the Program, except where differences are required by applicable federal or state law or reporting requirements.

7. All mandatory payments collected under the Program for Fiscal Year 2027 shall be deposited into a separate bank account designated for the District's local provider participation fund established pursuant to Health Code, §298C.103. Such funds shall be maintained, accounted for, and expended exclusively for purposes authorized under Chapter 298C.

NUECES COUNTY HOSPITAL DISTRICT
BOARD OF MANAGERS

_____

Vishnu V. Reddy
Chairman

Sylvia Tryon Oliver
Vice Chairman

Mariana Garza
Member

Georgia Neblett
Member

Karen O'Connor Urban
Member

Pamela Brower
Member

Sunil Reddy
Member

ATTACHMENT “A”

Attachment A
Calculation of Inpatient and Outpatient Net Patient Revenue

Multiply the Total Charges (i.e., Total Revenue) lines identified in the Medicare Upper Payment Limit (UPL) Guidance documents by the hospitals' overall net patient revenue divided by total patient revenue to calculate the inpatient and outpatient portion of net patient revenue.

Inpatient Net Patient Revenue

Formula

Total Inpatient Routine and Ancillary Charges × $\left[\frac{Net\ Patient\ Revenue}{Total\ Patient\ Revenue}\right]$

Medicare Cost Report Lines

Worksheet C Part 1 Column 6 Lines 30 to 76* × $\left[\frac{Worksheet\ G-3\ Column\ 1\ Line\ 3}{Worksheet\ G-3\ Column\ 1\ Line\ 1}\right]$

Outpatient Net Patient Revenue

Formula

Total Outpatient Routine and Ancillary Charges × $\left[\frac{Net\ Patient\ Revenue}{Total\ Patient\ Revenue}\right]$

Medicare Cost Report Lines

Worksheet C Part 1 Column 7 Lines 50 to 98* × $\left[\frac{Worksheet\ G-3\ Column\ 1\ Line\ 3}{Worksheet\ G-3\ Column\ 1\ Line\ 1}\right]$

*Include all subscripted lines (e.g., Line 31.01, 31.02, etc.).

Medicare UPL Guidance Links:

- Inpatient Hospital Services UPL Guidance
- Outpatient Hospital Services UPL Guidance

Inpatient Net Patient Revenue Calculation Example

Medicare UPL Lines from Worksheet C Part I		
COMPUTATION OF RATIO OF COSTS TO CHARGES		
COST CENTER DESCRIPTIONS		**Column 6**
INPATIENT ROUTINE SERVICE COST CENTERS		
30	Adults and Pediatrics (General Routine Care)	100
31	Intensive Care Unit	200
32	Coronary Care Unit	100
33	Burn Intensive Care Unit	100
34	Surgical Intensive Care Unit	500
35	Other Special Care (specify)	100
40	Subprovider IPF	0
41	Subprovider IRF	100
42	Subprovider (Specify)	100
43	Nursery	0
44	Skilled Nursing Facility	100
45	Nursing Facility	100
46	Other Long Term Care	100
ANCILLARY SERVICE COST CENTERS		
50	Operating Room	100
51	Recovery Room	100
52	Labor Room and Delivery Room	0
53	Anesthesiology	0
54	Radiology-Diagnostic	0
55	Radiology-Therapeutic	0
56	Radioisotope	0
57	Computed Tomography (CT) Scan	0
58	Magnetic Resonance Imaging (MRI)	0
59	Cardiac Catheterization	0
60	Laboratory	0
61	PBP Clinical Laboratory Services-Prgm. Only	0
62	Whole Blood & Packed Red Blood Cells	0
63	Blood Storing, Processing, & Trans.	0
64	Intravenous Therapy	0
65	Respiratory Therapy	0
66	Physical Therapy	0
67	Occupational Therapy	0
68	Speech Pathology	0
69	Electrocardiology	0
70	Electroencephalography	0
71	Medical Supplies Charged to Patients	0
72	Implantable Devices Charged to Patients	0
73	Drugs Charged to Patients	0
74	Renal Dialysis	0
75	ASC (Non-Distinct Part)	0
76	Other Ancillary (specify)	0

Total Inpatient Routine and Ancillary Charges = $1,800

Inpatient Net Patient Revenue Calculation Example

STATEMENT OF REVENUES AND EXPENSES	PROVIDER CCN:	PERIOD: FROM _____ TO _____	WORKSHEET G-3	

	Description			
1	Total patient revenues (from Worksheet G-2, Part I, column 3, line 28)	5,000	1	
2	Less contractual allowances and discounts on patients' accounts	1,000	2	
3	Net patient revenues (line 1 minus line 2)	4,000	3	
4	Less total operating expenses (from Worksheet G-2, Part II, line 43)	1,000	4	
5	Net income from service to patients (line 3 minus line 4)	3,000	5	

Total Inpatient Routine and Ancillary Charges × $\left[\frac{\textit{Net Patient Revenue}}{\textit{Total Patient Revenue}}\right]$

Worksheet C Part 1 Column 6 Lines 30 to 76* × $\left[\frac{\textit{Worksheet G}-3\ \textit{Column 1 Line 3}}{\textit{Worksheet G}-3\ \textit{Column 1 Line 1}}\right]$

$\$1,800$ × $\left[\frac{4,000}{5,000}\right]$

$\$1,800$ × 0.8

Total Net Patient Revenue = $1,440

CERTIFICATE OF SECRETARY

THE STATE OF TEXAS §
§
COUNTY OF NUECES §

THE UNDERSIGNED HEREBY CERTIFIES that:

1. The members of the Board of Managers (the "Board") of the Nueces County Hospital District (the "Hospital District") have been duly appointed pursuant to Texas Health and Safety Code (the "Health Code"), §281.021.

2. Pursuant to Health Code, §281.021(a), the Board has been duly appointed; pursuant to Health Code, §281.048, the Board is the governing body of the Hospital District; and pursuant to the collective authorities of Health Code, §281.047 and §281.048, the Board has, and at the time of adoption of this Order had, full power and authority to manage, control, administer, and to adopt rules governing operation of the Hospital District.

3. On the **27th** day of **October, 2026**, the Board convened in a regular meeting at the Hospital District's regular meeting place (the "Meeting"), the duly constituted members and officers of the Board being as follows:

Vishnu V. Reddy, Chairman
Sylvia Tryon Oliver, Vice Chairman
Mariana Garza
Georgia Neblett
Karen O'Connor Urban
Pamela Brower
Sunil Reddy

and all of said persons were present, except the following absentees:
_____, thus, constituting a quorum.

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

ORDER SETTING THE FISCAL YEAR 2027 MANDATORY PAYMENT RATE FOR THE NUECES COUNTY HOSPITAL DISTRICT HEALTH CARE PROVIDER PARTICIPATION PROGRAM

is a true copy of an order introduced and submitted to the Board for consideration toward passage and adoption (the "Order"). After presentation and discussion, it was then duly moved and seconded that the Order be passed and adopted. The motion to pass and adopt the Order prevailed and carried by the following voice vote:

YEAS: ( )
NAYS: ( )
PRESENT NOT VOTING: ( )

ABSENT: ( )

all as shown in the official Minutes of the Board for the Meeting.

5. The attached Order is a true and correct copy of the original on file in the official records of the Hospital District; the duly qualified and acting members of the Board on the date of the Meeting are those persons shown above, and, according to the records of my office, each member of the Board was given actual notice of the time, place, and purpose of the Meeting and had actual notice that the Order would be considered; and the Meeting and deliberations concerning the aforesaid public business were open to the public and written notice of said meeting, including the subject of the Order, was posted and given in advance thereof in compliance with the provisions of Chapter 551, Texas Government Code, as amended.

6. I am the Secretary of the Board having been duly appointed pursuant to Health Code, §281.023(b).

7. The foregoing Order is in full force and effect and has not been rescinded, nor has it been amended or modified in any way.

IN WITNESS WHEREOF, I have hereunto signed my name officially and affixed the seal of the Hospital District on this the **27th** day of **October, 2026**.

_____

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

{HOSPITAL DISTRICT SEAL}

NUECES COUNTY HOSPITAL DISTRICT
HEALTH CARE PROVIDER PARTICIPATION PROGRAM
FY 2027 ASSESSMENTS
October 1, 2026 - September 30, 2027

Table A - Mandatory Annual Assessments

Release ID	Provider number (CCN)	Hospital name	Fiscal year start	Fiscal year end	Report status code	Inpatient NPR at 6% ($)	Outpatient NPR at 6% ($)	Total IP + OP NPR at 6% rounded ($)
2024_Q3	450046	CHRISTUS SPOHN HOSP CORPUS CHRISTI	07/01/2024	06/30/2025	1	$20,624,561	$23,515,860	$44,140,421
2024_Q3	450788	CORPUS CHRISTI MEDICAL CENTER	09/01/2024	08/31/2025	1	$19,322,134	$13,402,847	$32,724,981
2024_Q3	452086	PAM SQUARED AT CORPUS CHRISTI	09/01/2024	08/31/2025	1	$1,505,297	$–	$1,505,297
2024_Q3	453301	DRISCOLL CHILDRENS HOSPITAL	09/01/2024	08/31/2025	1	$27,854,254	$29,527,723	$57,381,977
2025_Q2	454155	OCEANS BEHAVIORAL HOSPITAL CORPUS CH	01/01/2025	12/31/2025	1	$766,087	$143,439	$909,526
2025_Q2	673053	CORPUS CHRISTI REHABILITATION HOSPIT	01/01/2025	12/31/2025	1	$1,291,571	$152,269	$1,443,840
2024_Q3	673067	PAM REHAB HOSPITAL CORPUS CHRISTI	06/01/2024	05/31/2025	1	$1,567,518	$347,455	$1,914,973
7 hospitals		**TOTAL**				**$72,931,421**	**$67,089,593**	**$140,021,015**

NUECES COUNTY HOSPITAL DISTRICT
HEALTH CARE PROVIDER PARTICIPATION PROGRAM
FY 2027 ASSESSMENTS
October 1, 2026 - September 30, 2027

Table B - Payment Schedule

Payment No.	1		2		3		4	
Invoice Date	3/21/2027		3/21/2027		6/20/2027		8/21/2027	
Due Date	4/20/2027		4/20/2027		7/20/2027		9/20/2027	
Category	IP_NPR_6%	OP_NPR_6%	IP_NPR_6%	OP_NPR_6%	IP_NPR_6%	OP_NPR_6%	IP_NPR_6%	OP_NPR_6%
CHRISTUS SPOHN HOSP CORPUS CHRISTI	$5,156,141	$5,878,965	$5,156,141	$5,878,965	$5,156,141	$5,878,965	$5,156,141	$5,878,965
CORPUS CHRISTI MEDICAL CENTER	$4,830,534	$3,350,712	$4,830,534	$3,350,712	$4,830,534	$3,350,712	$4,830,534	$3,350,712
PAM SQUARED AT CORPUS CHRISTI	$376,325	$0	$376,325	$0	$376,325	$0	$376,325	$0
DRISCOLL CHILDRENS HOSPITAL	$6,963,564	$7,381,931	$6,963,564	$7,381,931	$6,963,564	$7,381,931	$6,963,564	$7,381,931
OCEANS BEHAVIORAL HOSPITAL CORPUS CH	$191,522	$35,860	$191,522	$35,860	$191,522	$35,860	$191,522	$35,860
CORPUS CHRISTI REHABILITATION HOSPIT	$322,893	$38,068	$322,893	$38,068	$322,893	$38,068	$322,893	$38,068
PAM REHAB HOSPITAL CORPUS CHRISTI	$391,880	$86,864	$391,880	$86,864	$391,880	$86,864	$391,880	$86,864

UNAUDITED

Nueces County Hospital District
Combined Balance Sheet - All Fund Types & Account Groups
As of 09/30/2026
(In Whole Numbers)

	General Fund	Special Revenue Fund	Trust Fund	General Fixed Assets	General Long Term Debt	TOTAL
Assets						
Cash & Cash Equivalents	107,028,221	48,490,557	3,216	0	0	155,521,995
Investments	5,912,064	20,115,988	0	0	0	26,028,051
Accrued Interest	0	192,342	21	0	0	192,364
Taxes Receivable, Net of Allowance	1,900,369	0	0	0	0	1,900,369
Other Receivables	0	0	0	0	0	0
Due from Other Funds	84,304	0	0	0	0	84,304
Prepaid Expenditures	164,347	0	0	0	0	164,347
Restricted Cash & Cash Equivalents - LPPF	80,433,703	0	0	0	0	80,433,703
Fixed Assets	0	0	0	14,245,281	0	14,245,281
Amt to be Provided for Retirement of LT Debt	0	0	0	0	51,112	51,112
Total Assets	195,523,007	68,798,887	3,238	14,245,281	51,112	278,621,525
Liabilities						
Accounts Payable	5,701,899	0	0	0	0	5,701,899
Accrued Payroll & Related Liabilities	400,628	0	0	0	0	400,628
Intergovernmental Transfer Obligations	80,433,703	0	0	0	0	80,433,703
Due to Other Funds	0	82,718	1,586	0	0	84,304
Deferred Revenue	1,900,369	0	0	0	0	1,900,369
Long Term Paid Time Off	0	0	0	0	51,112	51,112
Total Liabilities	88,436,599	82,718	1,586	0	51,112	88,572,015
Fund Equity						
Fund Balance	64,173,617	0	1,652	14,245,281	0	78,420,550
Committed to:						
Intergovernmental Transfers	42,912,792	0	0	0	0	42,912,792
Indigent Care	0	65,477,536	0	0	0	65,477,536
Opioid Abatement	0	3,235,744	0	0	0	3,235,744
Assigned to:						
County Health Care	0	2,889	0	0	0	2,889
Total Fund Equity	107,086,408	68,716,169	1,652	14,245,281	0	190,049,511
Total Liabilities & Fund Equity	195,523,007	68,798,887	3,238	14,245,281	51,112	278,621,525

UNAUDITED

Nueces County Hospital District
Statement of Revenues and Expenditures - All Governmental and Trust Funds
General Fund
From 9/1/2026 Through 9/30/2026
(In Whole Numbers)

	Current Period Actual	Current Year Actual
Revenues		
Taxes	88,975	41,795,545
Penalties & Interest - Taxes	28,693	469,717
Spohn Corporate Member Revenue	7,548,975	104,383,155
Investment Income	313,410	3,968,559
Other Income	150,025	151,063
Total Revenues	8,130,078	150,768,039
Current Expenditures		
Intergovernmental Transfers	10,960,377	115,630,687
Emergency Residency Support	354,167	3,198,125
County Healthcare Funding	1,107,687	12,935,694
Salaries	131,314	1,566,376
Benefits	55,143	749,256
Legal & Professional Fees	52,967	641,154
Purchased Services	78,324	1,363,273
Supplies & Materials	2,501	15,387
Rent & Leases	12,157	144,409
Repairs & Maintenance	2,377	4,648
Utilities	4,715	56,071
Insurance	2,579	31,731
Administrative & General	14,280	82,552
Capital Outlay	0	10,315
Total Current Expenditures	12,778,590	136,429,678
Excess of Revenues Over Expenditures Before Sources/Uses	(4,648,512)	14,338,361
Other Financing Sources & Uses		
Operating Transfers In	0	(893,000)
Total Other Financing Sources & Uses	0	(893,000)
Excess of Revenues Over Expenditures After Sources & Uses	(4,648,512)	15,231,361
Fund Balance, Beginning of Year		91,855,047
FUND BALANCE, END OF YEAR		107,086,408

UNAUDITED

Nueces County Hospital District
Statement of Revenues and Expenditures - All Governmental and Trust Funds
Special Revenue Fund
From 9/1/2026 Through 9/30/2026
(In Whole Numbers)

	Current Period Actual	Current Year Actual
Revenues		
Investment Income	(92,216)	2,368,522
Tobacco Settlement Proceeds	0	889,461
Opioid Settlement Proceeds	0	421,974
Total Revenues	(92,216)	3,679,958
Current Expenditures		
Legal & Professional Fees	1,495	16,314
Purchased Services	81,222	244,191
Total Current Expenditures	82,718	260,505
Excess of Revenues Over Expenditures Before Sources/Uses	(174,934)	3,419,453
Other Financing Sources & Uses		
Operating Transfers Out	0	893,000
Total Other Financing Sources & Uses	0	893,000
Excess of Revenues Over Expenditures After Sources & Uses	(174,934)	2,526,453
Fund Balance, Beginning of Year		66,189,716
FUND BALANCE, END OF YEAR		68,716,169

UNAUDITED

Nueces County Hospital District
Statement of Revenues and Expenditures - All Governmental and Trust Funds
Trust Fund
From 9/1/2026 Through 9/30/2026
(In Whole Numbers)

	Current Period Actual	Current Year Actual
Revenues		
Investment Income	21	575
Total Revenues	21	575
Current Expenditures		
Benefits	1,586	12,839
Administrative & General	7	1,470
Total Current Expenditures	1,593	14,309
Excess of Revenues Over Expenditures Before Sources/Uses	(1,571)	(13,734)
Excess of Revenues Over Expenditures After Sources & Uses	(1,571)	(13,734)
Fund Balance, Beginning of Year		15,386
FUND BALANCE, END OF YEAR		1,652

Nueces County Hospital District
Statement of Revenues and Expenditures - Actual v. Budget
General Fund
From 9/1/2026 Through 9/30/2026
(In Whole Numbers)

UNAUDITED

	Current Period Actual	Current Period Budget	Current Period Budget Variance	Current Year Actual	YTD Budget	YTD Budget Variance
Revenues						
Taxes	88,975	40,313	48,662	41,795,545	40,492,442	1,303,103
Penalties & Interest - Taxes	28,693	34,312	(5,619)	469,717	400,662	69,055
Spohn Corporate Member Revenue	7,548,975	7,933,333	(384,358)	104,383,155	95,200,000	9,183,155
Investment Income	313,410	76,251	237,159	3,968,559	1,110,676	2,857,883
Other Income	150,025	150,000	25	151,063	150,000	1,063
Total Revenues	8,130,078	8,234,209	(104,131)	150,768,039	137,353,780	13,414,259
Current Expenditures						
Intergovernmental Transfers	10,960,377	644,427	(10,315,950)	115,630,687	135,159,558	19,528,871
Emergency Residency Support	354,167	354,163	(4)	3,198,125	3,198,125	0
County Healthcare Funding	1,107,687	1,174,587	66,900	12,935,694	14,506,894	1,571,200
Salaries	131,314	171,961	40,647	1,566,376	2,235,457	669,081
Benefits	55,143	88,773	33,630	749,256	1,121,884	372,628
Legal & Professional Fees	52,967	74,284	21,317	641,154	891,500	250,346
Purchased Services	78,324	105,878	27,554	1,363,273	1,561,000	197,727
Supplies & Materials	2,501	2,162	(339)	15,387	26,000	10,613
Rent & Leases	12,157	13,246	1,089	144,409	159,000	14,591
Repairs & Maintenance	2,377	1,159	(1,218)	4,648	14,000	9,352
Utilities	4,715	8,529	3,814	56,071	102,400	46,329
Insurance	2,579	4,034	1,455	31,731	48,500	16,769
Administrative & General	14,280	18,817	4,537	82,552	226,000	143,448
Capital Outlay	0	0	0	10,315	210,000	199,685
Extraordinary	0	413	413	0	5,000	5,000
Total Current Expenditures	12,778,590	2,662,433	(10,116,157)	136,429,678	159,465,318	23,035,640
Excess of Revenues Over Expenditures Before Sources/Uses	(4,648,512)	5,571,776	(10,220,288)	14,338,361	(22,111,538)	36,449,899
Other Financing Sources & Uses						
Operating Transfers In	0	0	0	(893,000)	(700,000)	193,000
Total Other Financing Sources & Uses	0	0	0	(893,000)	(700,000)	193,000
Excess of Revenues Over Expenditures After Sources & Uses	(4,648,512)	5,571,776	(10,220,288)	15,231,361	(21,411,538)	36,642,899
Fund Balance, Beginning of Year				91,855,047	0	91,855,047
FUND BALANCE, END OF YEAR				107,086,408	(21,411,538)	128,497,946

Nueces County Hospital District
Statement of Revenues and Expenditures - Actual v. Budget
Tobacco Settlement Fund
From 9/1/2026 Through 9/30/2026
(In Whole Numbers)

UNAUDITED

	Current Period Actual	Current Period Budget	Current Period Budget Variance	Current Year Actual	YTD Budget	YTD Budget Variance
Revenues						
Investment Income	9	0	9	4,423	0	4,423
Tobacco Settlement Proceeds	0	0	0	889,461	700,000	189,461
Total Revenues	9	0	9	893,884	700,000	193,884
Excess of Revenues Over Expenditures Before Sources/Uses	9	0	9	893,884	700,000	193,884
Other Financing Sources & Uses						
Operating Transfers Out	0	0	0	893,000	700,000	(193,000)
Total Other Financing Sources & Uses	0	0	0	893,000	700,000	(193,000)
Excess of Revenues Over Expenditures After Sources & Uses	9	0	9	884	0	884
Fund Balance, Beginning of Year				2,005	0	2,005
FUND BALANCE, END OF YEAR				2,889	0	2,889

Nueces County Hospital District
Statement of Revenues and Expenditures - Actual v. Budget
Opioid Settlement Fund
From 9/1/2026 Through 9/30/2026
(In Whole Numbers)

UNAUDITED

	Current Period Actual	Current Period Budget	Current Period Budget Variance	Current Year Actual	YTD Budget	YTD Budget Variance
Revenues						
Investment Income	10,479	2,194	8,285	119,448	34,351	85,097
Opioid Settlement Proceeds	0	0	0	421,974	0	421,974
Total Revenues	10,479	2,194	8,285	541,422	34,351	507,071
Current Expenditures						
Purchased Services	81,222	100,000	18,778	244,191	1,200,000	955,809
Total Current Expenditures	81,222	100,000	18,778	244,191	1,200,000	955,809
Excess of Revenues Over Expenditures Before Sources/Uses	(70,744)	(97,806)	27,062	297,231	(1,165,649)	1,462,880
Excess of Revenues Over Expenditures After Sources & Uses	(70,744)	(97,806)	27,062	297,231	(1,165,649)	1,462,880
Fund Balance, Beginning of Year				2,938,513	0	2,938,513
FUND BALANCE, END OF YEAR				3,235,744	(1,165,649)	4,401,393

Nueces County Hospital District
Statement of Revenues and Expenditures - Actual v. Budget
Indigent Care Fund
From 9/1/2026 Through 9/30/2026
(In Whole Numbers)

UNAUDITED

	Current Period Actual	Current Period Budget	Current Period Budget Variance	Current Year Actual	YTD Budget	YTD Budget Variance
Revenues						
Investment Income	(102,704)	79,131	(181,835)	2,244,652	943,306	1,301,346
Total Revenues	(102,704)	79,131	(181,835)	2,244,652	943,306	1,301,346
Current Expenditures						
Legal & Professional Fees	1,495	3,000	1,505	16,314	36,000	19,686
Total Current Expenditures	1,495	3,000	1,505	16,314	36,000	19,686
Excess of Revenues Over Expenditures Before Sources/Uses	(104,199)	76,131	(180,330)	2,228,338	907,306	1,321,032
Excess of Revenues Over Expenditures After Sources & Uses	(104,199)	76,131	(180,330)	2,228,338	907,306	1,321,032
Fund Balance, Beginning of Year				63,249,198	0	63,249,198
FUND BALANCE, END OF YEAR				65,477,536	907,306	64,570,230

Sec. 2256.023. INTERNAL MANAGEMENT REPORTS. (a) Not less than quarterly, the investment officer shall prepare and submit to the governing body of the entity a written report of investment transactions for all funds covered by this chapter for the preceding reporting period.

(b) The report must:

(1) describe in detail the investment position of the entity on the date of the report;

(2) be prepared jointly by all investment officers of the entity;

(3) be signed by each investment officer of the entity;

(4) contain a summary statement of each pooled fund group that states the:

(A) beginning market value for the reporting period;

(B) ending market value for the period; and

(C) fully accrued interest for the reporting period;

(5) state the book value and market value of each separately invested asset at the end of the reporting period by the type of asset and fund type invested;

(6) state the maturity date of each separately invested asset that has a maturity date;

(7) state the account or fund or pooled group fund in the state agency or local government for which each individual investment was acquired; and

(8) state the compliance of the investment portfolio of the state agency or local government as it relates to:

(A) the investment strategy expressed in the agency's or local government's investment policy; and

(B) relevant provisions of this chapter.

(c) The report shall be presented not less than quarterly to the governing body and the chief executive officer of the entity within a reasonable time after the end of the period.

(d) If an entity invests in other than money market mutual funds, investment pools or accounts offered by its depository bank

in the form of certificates of deposit, or money market accounts or similar accounts, the reports prepared by the investment officers under this section shall be formally reviewed at least annually by an independent auditor, and the result of the review shall be reported to the governing body by that auditor.

Added by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 1421, Sec. 12, eff. Sept. 1, 1997.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1004 (H.B. 2226), Sec. 9, eff. June 17, 2011.

Sec. 2256.024. SUBCHAPTER CUMULATIVE. (a) The authority granted by this subchapter is in addition to that granted by other law. Except as provided by Subsection (b) and Section 2256.017, this subchapter does not:

(1) prohibit an investment specifically authorized by other law; or

(2) authorize an investment specifically prohibited by other law.

(b) Except with respect to those investing entities described in Subsection (c), a security described in Section 2256.009(b) is not an authorized investment for a state agency, a local government, or another investing entity, notwithstanding any other provision of this chapter or other law to the contrary.

(c) Mortgage pass-through certificates and individual mortgage loans that may constitute an investment described in Section 2256.009(b) are authorized investments with respect to the housing bond programs operated by:

(1) the Texas Department of Housing and Community Affairs or a nonprofit corporation created to act on its behalf;

(2) an entity created under Chapter 392, Local Government Code; or

(3) an entity created under Chapter 394, Local Government Code.

Added by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Amended by:

NUECES CNTY HOSPITAL DISTRICT

Quarterly Investment Report

AS OF SEPTEMBER 30, 2026



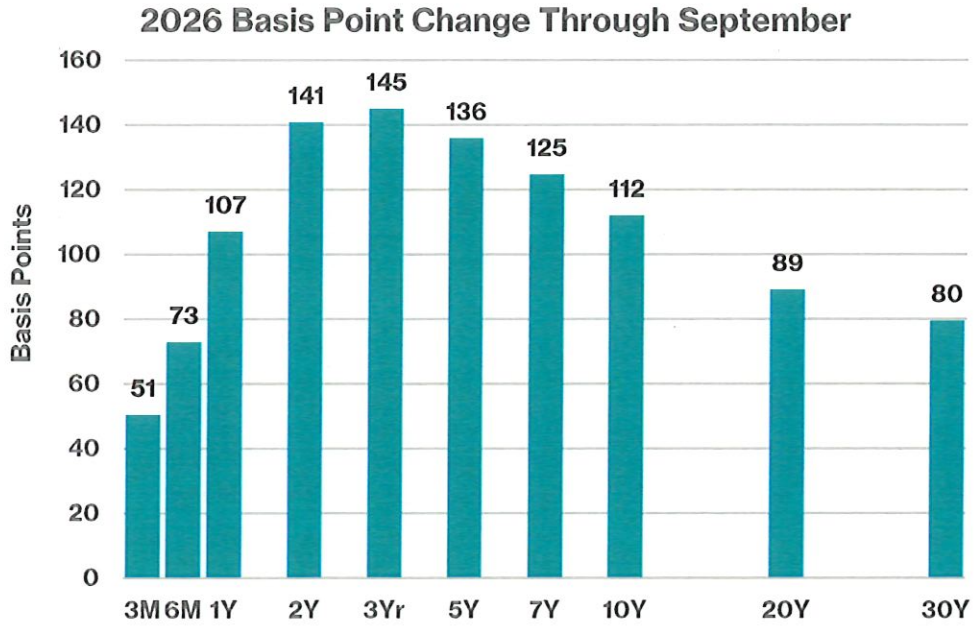
MEEDER
PUBLIC FUNDS

OBSERVATIONS AND EXPECTATIONS

MEEDER PUBLIC FUNDS

- Interest rates rose materially during September as inflation remains elevated
- The Federal Reserve hiked the Fed Funds rate .25% in September, with more projected
- Labor market continued its generally not too hot, not too cold posture
- The 30-year U.S. Treasury bond hit its highest rate in 24 years on debt/inflation worries

- All U.S. Treasury rates have increased during 2026.
- The highest YTD rate of change has occurred in the shorter-term tenors of the yield curve.
- Persistent inflation, all-time high Federal debt, and increased corporate bond issuance have been primary contributors to rates pushing higher in 2026.



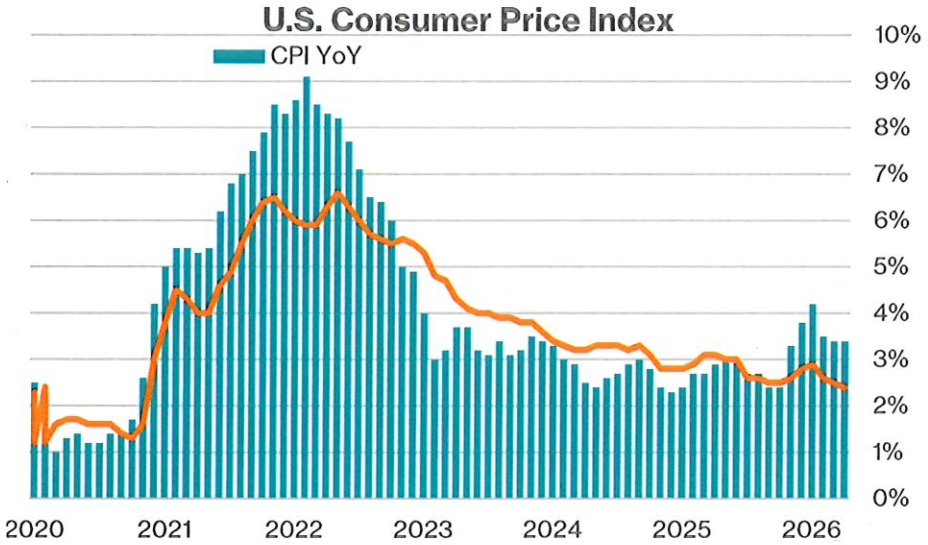
SOURCE: BLOOMBERG

MEEDER PUBLIC FUNDS

- Job openings are back to the range before COVID era.
- This labor market metric skyrocketed during the COVID pandemic due to a rapid economic rebound, massive shifts in consumer spending, and permanent structural changes to the workforce.
- The labor market is currently at an equilibrium between job seekers and the unemployed, as some have described it as "low fire, low hire."

SOURCE: BLOOMBERG



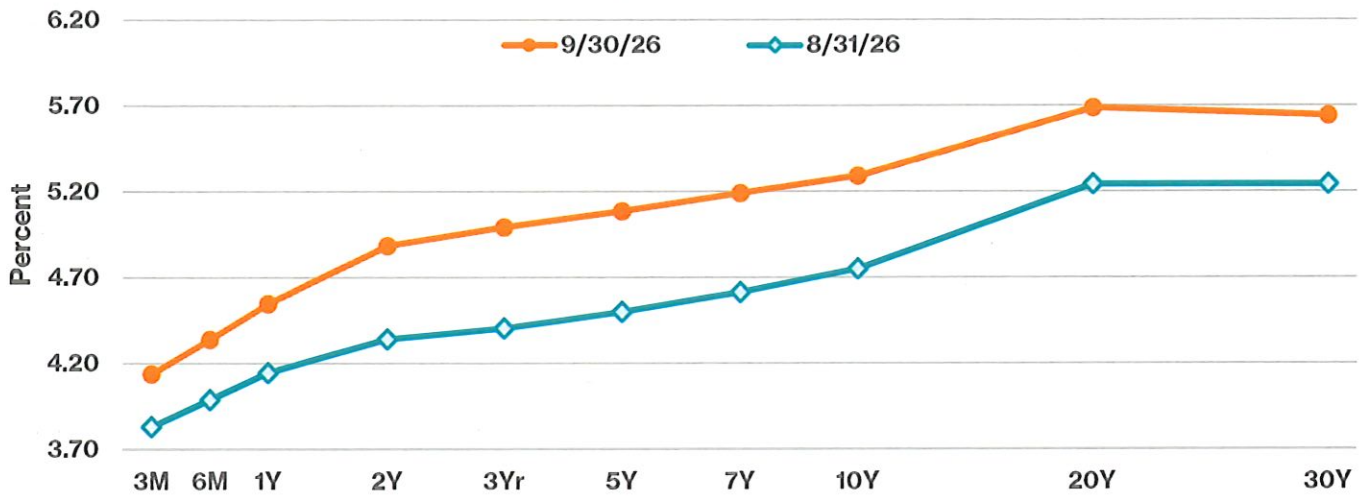


- U.S. inflation data released in May 2026 accelerated to the fastest pace since 2023.
- A surge in energy prices accounted for most of the recent advance.
- Inflation's YoY rate of change has slowed from earlier this year, but cumulative inflation since the start of the pandemic (~6.5 years ago) remains well above historic averages.

SOURCE: BLOOMBERG

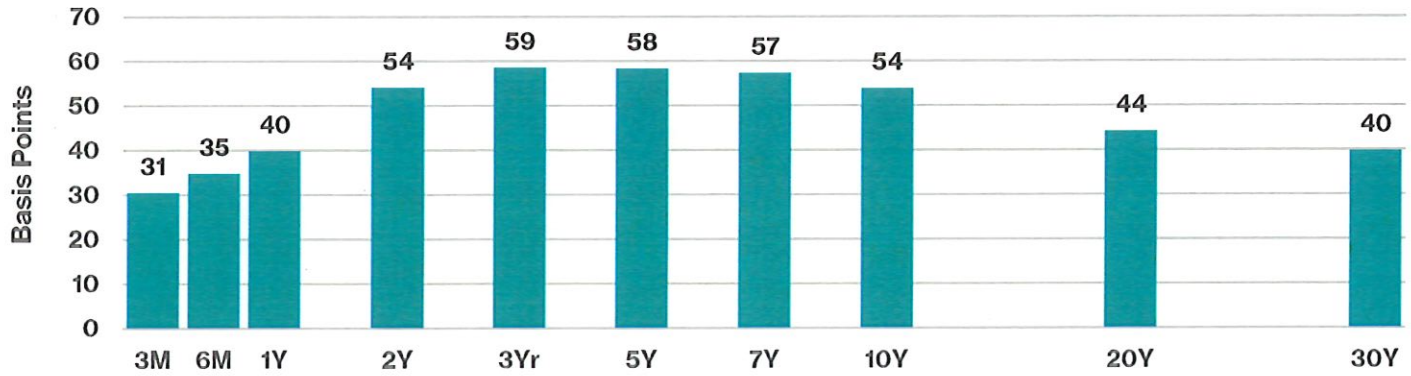
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PUBLIC FUNDS

U.S. Treasury Yield Curve Change



SOURCE: BLOOMBERG

Basis Point Change



SOURCE: BLOOMBERG

MEEDER
PUBLIC FUNDS

Compliance Certification

The undersigned acknowledge they have reviewed this quarterly investment report for the period ending September 30, 2026. Officials designated as investment officers by this entity's Investment Policy attest that all investments comply with the Texas Public Funds Investment Act and this entity's Investment Policy.

Jonny Hipp, Administrator & CEO

Belinda Espinoza, Assistant Administrator

Donna Littlefield, Director of Accounting/Finance

MEEDER PUBLIC FUNDS

Contents

Portfolio Statistics	7
Quarterly Portfolio Summary	8
Quarterly Portfolio Summary By Fund	9
Portfolio Overview	10
Summary by Type	11
Position Statement	13
Cash Reconciliation Report	16
Transaction Statement	17
Amortization Schedule	18
Accrued Interest Schedule	19
Earnings by Fund	21
Projected Cashflows	23
Change in Value	25

NUECES CNTY HOSPITAL DISTRICT
SEPTEMBER 30, 2026

MEEDER
PUBLIC FUNDS

Portfolio Statistics

3.91
Weighted Average Yield to Maturity

0.11
Weighted Average Maturity (Years)

0.10
Portfolio Effective Duration (Years)

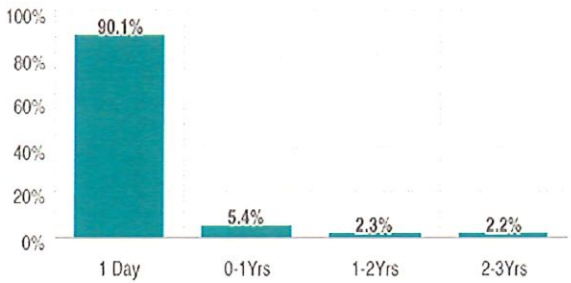
0.11
Weighted Average Life (Years)

AAA
Average Credit Rating

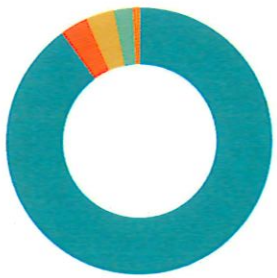
Portfolio Position

Par Value	$262,320,398
Principal Cost	$262,073,160
Book Value	$262,230,870
Market Value	$261,983,449
Unrealized Gain/Loss	($247,421)
Accrued Interest	$192,364

Maturity Distribution



Sector Allocation



LGIP	90.04%
U.S. Treasuries	3.40%
U.S. Agencies	3.38%
Commercial Paper	2.26%
Municipal Bonds	0.90%
Bank Deposits	0.03%
Money Market Funds	0.00%

MEEDER
PUBLIC FUNDS

Quarterly Portfolio Summary

This quarterly report is prepared in compliance with the Investment Policy and the Strategy of this entity and the Public Funds Investment Act (Chapter 2256, Texas Government Code).

Portfolio as of June 30, 2026

BEGINNING BOOK VALUE	$190,631,416.85
BEGINNING MARKET VALUE	$190,571,254.30
UNREALIZED GAIN/(LOSS)	($60,162.54)
WEIGHTED AVERAGE MATURITY (YEARS)	0.13
WEIGHTED AVERAGE YIELD	3.73

Portfolio as of September 30, 2026

ENDING BOOK VALUE	$262,230,869.63
ENDING MARKET VALUE	$261,983,448.83
INVESTMENT INCOME FOR THE PERIOD	$2,043,509.53
UNREALIZED GAIN/(LOSS)	($247,420.81)
CHANGE IN UNREALIZED GAIN/(LOSS)	($187,258.26)
WEIGHTED AVERAGE MATURITY (YEARS)	0.11
WEIGHTED AVERAGE YIELD	3.91

MEEDER PUBLIC FUNDS

Quarterly Portfolio Summary By Fund

PORTFOLIO MARKET VALUE BY FUND	06/30/2026	09/30/2026	CHANGE	INTEREST EARNED
GENERAL	104,953,108.62	112,939,984.96	7,986,876.34	1,033,380.19
INDIGENT CARE	64,849,671.67	65,286,689.19	437,017.52	640,012.95
OPIOID SETTLEMENT FUND	3,447,969.69	3,316,966.78	-131,002.91	31,965.63
RESTRICTED CASH	17,301,701.03	80,433,702.70	63,132,001.67	338,004.45
TOBACCO SETTLEMENT	2,861.99	2,888.77	26.78	26.78
TRUST-EMPLOYEE HEALTH BENEFITS	15,941.30	3,216.43	-12,724.87	119.53
TOTAL	**190,571,254.30**	**261,983,448.83**	**71,412,194.53**	**2,043,509.53**

MEEDER
PUBLIC FUNDS

Portfolio Overview

SECURITY TYPE	PAR VALUE	MARKET VALUE	BOOK VALUE	% OF PORTFOLIO	DAYS TO MATURITY	YIELD
Bank Deposits	71,235.27	71,235.27	71,235.27	0.03%	1	1.55
LGIP	235,880,945.80	235,880,945.80	235,880,945.80	90.04%	1	3.88
Money Market Funds	3,216.43	3,216.43	3,216.43	0.00%	1	3.78
Commercial Paper	6,000,000.00	5,912,063.70	5,932,325.00	2.26%	99	4.11
U.S. Treasuries	9,000,000.00	8,904,023.43	9,001,808.34	3.40%	489	4.05
U.S. Agencies	9,000,000.00	8,845,680.00	8,976,355.06	3.38%	579	4.08
Municipal Bonds	2,365,000.00	2,366,284.20	2,364,983.73	0.90%	138	5.20
TOTAL	**262,320,397.50**	**261,983,448.83**	**262,230,869.63**	**100.00%**	**41**	**3.91**

CASH AND ACCRUED INTEREST						
Purchased Accrued Interest		0.00	0.00			
TOTAL CASH AND INVESTMENTS	**262,320,397.50**	**261,983,448.83**	**262,230,869.63**		**41**	**3.91**

TOTAL EARNINGS

CURRENT QUARTER	FISCAL YEAR TO DATE
2,043,509.53	8,606,014.39

MEEDER PUBLIC FUNDS

Summary by Type

SECURITY TYPE	# OF SECURITIES	PAR VALUE	BOOK VALUE	% OF PORTFOLIO	YIELD	DAYS TO FINAL MATURITY
GENERAL						
Bank Deposits	2	66,038.02	66,038.02	0.03	1.55	1
LGIP	2	106,961,883.24	106,961,883.24	40.80	3.87	1
Commercial Paper	2	6,000,000.00	5,932,325.00	2.25	4.11	99
TOTAL	**6**	**113,027,921.26**	**112,960,246.26**	**43.11**	**3.88**	**6**
INDIGENT CARE						
LGIP	3	45,170,701.56	45,170,701.56	17.23	3.94	1
U.S. Treasuries	3	9,000,000.00	9,001,808.34	3.44	4.05	490
U.S. Agencies	3	9,000,000.00	8,976,355.06	3.40	4.08	580
Municipal Bonds	1	2,365,000.00	2,364,983.73	0.91	5.20	138
TOTAL	**10**	**65,535,701.56**	**65,513,848.69**	**24.92**	**4.02**	**151**
OPIOID SETTLEMENT FUND						
LGIP	1	3,316,966.78	3,316,966.78	1.27	3.87	1
TOTAL	**1**	**3,316,966.78**	**3,316,966.78**	**1.27**	**3.87**	**1**
RESTRICTED CASH						
Bank Deposits	1	5,197.25	5,197.25	0.00	1.55	1
LGIP	1	80,428,505.45	80,428,505.45	30.68	3.87	1
TOTAL	**2**	**80,433,702.70**	**80,433,702.70**	**30.70**	**3.87**	**1**
TOBACCO SETTLEMENT						
LGIP	1	2,888.77	2,888.77	0.00	3.87	1
TOTAL	**1**	**2,888.77**	**2,888.77**	**0.00**	**3.87**	**1**
TRUST-EMPLOYEE HEALTH BENEFITS						
Money Market Funds	1	3,216.43	3,216.43	0.00	3.78	1
TOTAL	**1**	**3,216.43**	**3,216.43**	**0.00**	**3.78**	**1**

MEEDER PUBLIC FUNDS

Summary by Type

SECURITY TYPE	# OF SECURITIES	PAR VALUE	BOOK VALUE	% OF PORTFOLIO	YIELD	DAYS TO FINAL MATURITY
GRAND TOTAL	21	262,320,397.50	262,230,869.63	100.00	3.91	41

MEEDER PUBLIC FUNDS

Position Statement

CUSIP	DESCRIPTION	TRADE DATE SETTLE DATE	PAR VALUE	PRINCIPAL COST PURCHASED INTEREST	TOTAL COST	YIELD TO MATURITY	MATURITY DATE	DAYS TO MATURITY	MARKET PRICE MARKET VALUE	UNREALIZED GAIN/LOSS BOOK VALUE	% OF MV	MOODY'S S&P RATING
GENERAL												
BANK DEPOSITS												
664027221	Frost Bank Public Fund Checking Account	09/30/2026 09/30/2026	5,381.07	5,381.07 0.00	5,381.07	1.55		1	1.00 5,381.07	0.00 5,381.07	0.00	NA NA
664053079	Frost Bank Public Fund Checking Account	09/30/2026 09/30/2026	60,656.95	60,656.95 0.00	60,656.95	1.55		1	1.00 60,656.95	0.00 60,656.95	0.02	NA NA
BANK DEPOSITS TOTAL			**66,038.02**	**66,038.02 0.00**	**66,038.02**	**1.55**		**1**	**1.00 66,038.02**	**0.00 66,038.02**	**0.03**	**NA**
LGIP												
TEXPOOL	TexPool	09/30/2026 09/30/2026	64,049,091.46	64,049,091.46 0.00	64,049,091.46	3.87		1	1.00 64,049,091.46	0.00 64,049,091.46	24.45	AAA
TXPOOL	TEXPOOL	09/30/2026 09/30/2026	42,912,791.78	42,912,791.78 0.00	42,912,791.78	3.87		1	1.00 42,912,791.78	0.00 42,912,791.78	16.38	NA
LGIP TOTAL			**106,961,883.24**	**106,961,883.24 0.00**	**106,961,883.24**	**3.87**		**1**	**1.00 106,961,883.24**	**0.00 106,961,883.24**	**40.83**	**AAA**
COMMERCIAL PAPER												
53944RK98	LMA 10/09/26	04/15/2026 04/15/2026	3,000,000.00	2,942,475.00 0.00	2,942,475.00	3.98	10/09/2026	9	99.58 2,987,526.60	(9,873.40) 2,997,400.00	1.14	P-1 NA
62479MR96	MUFG BANK NY 04/09/27	07/16/2026 07/16/2026	3,000,000.00	2,908,552.50 0.00	2,908,552.50	4.24	04/09/2027	191	97.48 2,924,537.10	(10,387.90) 2,934,925.00	1.12	P-1 A-1
COMMERCIAL PAPER TOTAL			**6,000,000.00**	**5,851,027.50 0.00**	**5,851,027.50**	**4.11**		**99**	**98.55 5,912,063.70**	**(20,261.30) 5,932,325.00**	**2.26**	**AA-**
GENERAL TOTAL			**113,027,921.26**	**112,878,948.76 0.00**	**112,878,948.76**	**3.88**		**6**	**112,939,984.96**	**(20,261.30) 112,960,246.26**	**43.11**	**AAA**
INDIGENT CARE												
LGIP												
LOGIC	LOGIC	09/30/2026 09/30/2026	30,292,340.94	30,292,340.94 0.00	30,292,340.94	3.98		1	1.00 30,292,340.94	0.00 30,292,340.94	11.56	AAA
TEXSTAR	TexSTAR	09/30/2026 09/30/2026	9,069,526.29	9,069,526.29 0.00	9,069,526.29	3.86		1	1.00 9,069,526.29	0.00 9,069,526.29	3.46	AAA
TEXPOOL	TexPool	09/30/2026 09/30/2026	5,808,834.33	5,808,834.33 0.00	5,808,834.33	3.87		1	1.00 5,808,834.33	0.00 5,808,834.33	2.22	AAA
LGIP TOTAL			**45,170,701.56**	**45,170,701.56 0.00**	**45,170,701.56**	**3.94**		**1**	**1.00 45,170,701.56**	**0.00 45,170,701.56**	**17.24**	**AAA**
U.S. TREASURIES												
91282CKA8	US TREASURY 4.125 02/15/27	02/26/2025 02/26/2025	3,000,000.00	3,001,875.00 0.00	3,001,875.00	4.09	02/15/2027	138	99.95 2,998,593.75	(1,763.52) 3,000,357.27	1.14	Aa1 AA+

MEEDER PUBLIC FUNDS

Position Statement

CUSIP	DESCRIPTION	TRADE DATE SETTLE DATE	PAR VALUE	PRINCIPAL COST PURCHASED INTEREST	TOTAL COST	YIELD TO MATURITY	MATURITY DATE	DAYS TO MATURITY	MARKET PRICE MARKET VALUE	UNREALIZED GAIN/LOSS BOOK VALUE	% OF MV	MOODY'S S&P RATING
91282CLX7	US TREASURY 4.125 11/15/27	11/27/2024 11/27/2024	3,000,000.00	2,990,742.19 0.00	2,990,742.19	4.24	11/15/2027	411	99.39 2,981,835.93	(14,659.27) 2,996,495.20	1.14	Aa1 AA+
91282CQJ3	US TREASURY 3.875 04/15/29	04/15/2026 04/15/2026	3,000,000.00	3,005,859.38 0.00	3,005,859.38	3.81	04/15/2029	928	97.45 2,923,593.75	(81,362.13) 3,004,955.88	1.12	Aa1 AA+
U.S. TREASURIES TOTAL			**9,000,000.00**	**8,998,476.57 0.00**	**8,998,476.57**	**4.05**		**489**	**98.95 8,904,023.43**	**(97,784.91) 9,001,808.34**	**3.40**	**AA+**
U.S. AGENCIES												
3133EMKS0	FED FARM CR BNKS 0.530 12/16/26	12/11/2025 12/11/2025	3,000,000.00	2,908,650.00 0.00	2,908,650.00	3.62	12/16/2026	77	99.23 2,976,960.00	(4,276.22) 2,981,236.22	1.14	Aa1 AA+
3133ETPN1	FED FARM CR BNKS 4.280 07/10/28 '26	07/24/2025 07/24/2025	3,000,000.00	3,000,000.00 0.00	3,000,000.00	4.28	07/10/2028	649	98.47 2,954,040.00	(45,960.00) 3,000,000.00	1.13	Aa1 AA+
3130BBGF6	FHLBANKS 4.300 07/16/29 '27	07/16/2026 07/16/2026	3,000,000.00	2,994,750.00 0.00	2,994,750.00	4.36	07/16/2029	1,020	97.16 2,914,680.00	(80,438.84) 2,995,118.84	1.11	Aa1 AA+
U.S. AGENCIES TOTAL			**9,000,000.00**	**8,903,400.00 0.00**	**8,903,400.00**	**4.08**		**579**	**98.29 8,845,680.00**	**(130,675.06) 8,976,355.06**	**3.38**	**AA+**
MUNICIPAL BONDS												
016249FQ2	ALIEF TEX INDPT SCH DIST 5.200 02/15/27 '26	11/08/2023 11/08/2023	2,365,000.00	2,364,858.10 0.00	2,364,858.10	5.20	02/15/2027	138	100.05 2,366,284.20	1,300.47 2,364,983.73	0.90	Aaa AAA
MUNICIPAL BONDS TOTAL			**2,365,000.00**	**2,364,858.10 0.00**	**2,364,858.10**	**5.20**		**138**	**100.05 2,366,284.20**	**1,300.47 2,364,983.73**	**0.90**	**AAA**
INDIGENT CARE TOTAL			**65,535,701.56**	**65,437,436.23 0.00**	**65,437,436.23**	**4.02**		**151**	**65,286,689.19**	**(227,159.51) 65,513,848.69**	**24.92**	**AAA**
OPIOID SETTLEMENT FUND												
LGIP												
TEXPOOL	TexPool	09/30/2026 09/30/2026	3,316,966.78	3,316,966.78 0.00	3,316,966.78	3.87		1	1.00 3,316,966.78	0.00 3,316,966.78	1.27	AAA
LGIP TOTAL			**3,316,966.78**	**3,316,966.78 0.00**	**3,316,966.78**	**3.87**		**1**	**1.00 3,316,966.78**	**0.00 3,316,966.78**	**1.27**	**AAA**
OPIOID SETTLEMENT FUND TOTAL			**3,316,966.78**	**3,316,966.78 0.00**	**3,316,966.78**	**3.87**		**1**	**3,316,966.78**	**0.00 3,316,966.78**	**1.27**	**AAA**
RESTRICTED CASH												
BANK DEPOSITS												
664043316	Frost Bank Public Fund Checking Account	09/30/2026 09/30/2026	5,197.25	5,197.25 0.00	5,197.25	1.55		1	1.00 5,197.25	0.00 5,197.25	0.00	NA NA

MEEDER PUBLIC FUNDS

Position Statement

CUSIP	DESCRIPTION	TRADE DATE SETTLE DATE	PAR VALUE	PRINCIPAL COST PURCHASED INTEREST	TOTAL COST	YIELD TO MATURITY	MATURITY DATE	DAYS TO MATURITY	MARKET PRICE MARKET VALUE	UNREALIZED GAIN/LOSS BOOK VALUE	% OF MV	MOODY'S S&P RATING
BANK DEPOSITS TOTAL			**5,197.25**	**5,197.25 0.00**	**5,197.25**	**1.55**		**1**	**1.00 5,197.25**	**0.00 5,197.25**	**0.00**	**NA**
LGIP												
TEXPOOL	TexPool	09/30/2026 09/30/2026	80,428,505.45	80,428,505.45 0.00	80,428,505.45	3.87		1	1.00 80,428,505.45	0.00 80,428,505.45	30.70	AAA
LGIP TOTAL			**80,428,505.45**	**80,428,505.45 0.00**	**80,428,505.45**	**3.87**		**1**	**1.00 80,428,505.45**	**0.00 80,428,505.45**	**30.70**	**AAA**
RESTRICTED CASH TOTAL			**80,433,702.70**	**80,433,702.70 0.00**	**80,433,702.70**	**3.87**		**1**	**80,433,702.70**	**0.00 80,433,702.70**	**30.70**	**AAA**
TOBACCO SETTLEMENT												
LGIP												
TEXPOOL	TexPool	09/30/2026 09/30/2026	2,888.77	2,888.77 0.00	2,888.77	3.87		1	1.00 2,888.77	0.00 2,888.77	0.00	AAA
LGIP TOTAL			**2,888.77**	**2,888.77 0.00**	**2,888.77**	**3.87**		**1**	**1.00 2,888.77**	**0.00 2,888.77**	**0.00**	**AAA**
TOBACCO SETTLEMENT TOTAL			**2,888.77**	**2,888.77 0.00**	**2,888.77**	**3.87**		**1**	**2,888.77**	**0.00 2,888.77**	**0.00**	**AAA**
TRUST-EMPLOYEE HEALTH BENEFITS												
MONEY MARKET FUNDS												
825252406	INVESCO TREASURY;INST	09/30/2026 09/30/2026	3,216.43	3,216.43 0.00	3,216.43	3.78		1	1.00 3,216.43	0.00 3,216.43	0.00	Aaa AAA
MONEY MARKET FUNDS TOTAL			**3,216.43**	**3,216.43 0.00**	**3,216.43**	**3.78**		**1**	**1.00 3,216.43**	**0.00 3,216.43**	**0.00**	**AAA**
TRUST-EMPLOYEE HEALTH BENEFITS TOTAL			**3,216.43**	**3,216.43 0.00**	**3,216.43**	**3.78**		**1**	**3,216.43**	**0.00 3,216.43**	**0.00**	**AAA**
GRAND TOTAL			**262,320,397.50**	**262,073,159.67 0.00**	**262,073,159.67**	**3.91**		**41**	**261,983,448.83**	**(247,420.81) 262,230,869.63**	**100.00**	**AAA**

MEEDER PUBLIC FUNDS

Cash Reconciliation Report

GENERAL						
POST DATE	**IDENTIFIER**	**DESCRIPTION**	**PAR VALUE**	**FINAL MATURITY**	**PRINCIPAL**	**AMOUNT**
BUY						
07/16/2026	62479MR96	MUFG BANK NY 04/09/27	3,000,000.00	04/09/2027	2,908,552.50	-2,908,552.50
BUY TOTAL			**3,000,000.00**		**2,908,552.50**	**-2,908,552.50**
POST DATE	**IDENTIFIER**	**DESCRIPTION**	**PAR VALUE**	**FINAL MATURITY**	**PRINCIPAL**	**AMOUNT**
MATURITY						
07/09/2026	55607LG99	Macquarie Bank Limited 0.0 07/09/2026	-3,000,000.00	07/09/2026	-3,000,000.00	3,000,000.00
MATURITY TOTAL			**-3,000,000.00**		**-3,000,000.00**	**3,000,000.00**
INDIGENT CARE						
POST DATE	**IDENTIFIER**	**DESCRIPTION**	**PAR VALUE**	**FINAL MATURITY**	**PRINCIPAL**	**AMOUNT**
BUY						
07/16/2026	3130BBGF6	FHLBANKS 4.300 07/16/29 '27	3,000,000.00	07/16/2029	2,994,750.00	-2,994,750.00
BUY TOTAL			**3,000,000.00**		**2,994,750.00**	**-2,994,750.00**
POST DATE	**IDENTIFIER**	**DESCRIPTION**	**PAR VALUE**	**FINAL MATURITY**	**PRINCIPAL**	**AMOUNT**
COUPON						
07/10/2026	3133ETPN1	FED FARM CR BNKS 4.280 07/10/28 '26	0.00	07/10/2028	0.00	64,200.00
08/17/2026	016249FQ2	ALIEF TEX INDPT SCH DIST 5.200 02/15/27 '26	0.00	02/15/2027	0.00	61,490.00
08/17/2026	91282CKA8	US TREASURY 4.125 02/15/27	0.00	02/15/2027	0.00	61,875.00
COUPON TOTAL			**0.00**		**0.00**	**187,565.00**

MEEDER PUBLIC FUNDS

Transaction Statement

INDIGENT CARE

	TRADE DATE	SETTLE DATE	CUSIP	DESCRIPTION	PAR VALUE	PRINCIPAL COST	PURCHASED INTEREST	TOTAL	PURCHASE YIELD
BUY									
	07/16/2026	07/16/2026	3130BBGF6	FHLBANKS 4.300 07/16/29 '27	3,000,000.00	2,994,750.00	0.00	(2,994,750.00)	4.36
BUY TOTAL					**3,000,000.00**	**2,994,750.00**	**0.00**	**(2,994,750.00)**	**4.36**

GENERAL

	TRADE DATE	SETTLE DATE	CUSIP	DESCRIPTION	PAR VALUE	PRINCIPAL COST	PURCHASED INTEREST	TOTAL	PURCHASE YIELD
BUY									
	07/16/2026	07/16/2026	62479MR96	MUFG BANK NY 04/09/27	3,000,000.00	2,908,552.50	0.00	(2,908,552.50)	4.24
BUY TOTAL					**3,000,000.00**	**2,908,552.50**	**0.00**	**(2,908,552.50)**	**4.24**

	TRADE DATE	SETTLE DATE	CUSIP	DESCRIPTION	PAR VALUE	BOOK VALUE	TOTAL	NET REALIZED GAIN/LOSS
MATURITY								
	07/09/2026	07/09/2026	55607LG99	Macquarie Bank Limited 0.0 07/09/2026	(3,000,000.00)	3,000,000.00	3,000,000.00	0.00
MATURITY TOTAL					**(3,000,000.00)**	**3,000,000.00**	**3,000,000.00**	**0.00**

MEEDER PUBLIC FUNDS

Amortization Schedule

CUSIP	DESCRIPTION	PAR VALUE	PRINCIPAL COST	ORIGINAL PREMIUM OR DISCOUNT	BEGINNING BOOK VALUE	CURRENT PERIOD AMORT	ENDING BOOK VALUE	TOTAL AMORTIZATION	UNAMORTIZED BALANCE
GENERAL									
53944RK98	LMA 10/09/26	3,000,000.00	2,942,475.00	(57,525.00)	2,967,500.00	29,900.00	2,997,400.00	54,925.00	(2,600.00)
62479MR96	MUFG BANK NY 04/09/27	3,000,000.00	2,908,552.50	(91,447.50)	0.00	26,372.50	2,934,925.00	26,372.50	(65,075.00)
55607LG99	Macquarie Bank Limited 0.0 07/09/2026	3,000,000.00	2,933,816.67	(66,183.33)	2,997,466.67	2,533.33	0.00	66,183.33	0.00
TOTAL		**9,000,000.00**	**8,784,844.17**	**(215,155.83)**	**5,964,966.67**	**58,805.83**	**5,932,325.00**	**147,480.83**	**(67,675.00)**
INDIGENT CARE									
016249FQ2	ALIEF TEX INDPT SCH DIST 5.200 02/15/27 '26	2,365,000.00	2,364,858.10	(141.90)	2,364,972.80	10.93	2,364,983.73	125.63	(16.27)
3133EMKS0	FED FARM CR BNKS 0.530 12/16/26	3,000,000.00	2,908,650.00	(91,350.00)	2,958,522.16	22,714.05	2,981,236.22	72,586.22	(18,763.78)
3133ETPN1	FED FARM CR BNKS 4.280 07/10/28 '26	3,000,000.00	3,000,000.00	0.00	3,000,000.00	0.00	3,000,000.00	0.00	0.00
3130BBGF6	FHLBANKS 4.300 07/16/29 '27	3,000,000.00	2,994,750.00	(5,250.00)	0.00	368.84	2,995,118.84	368.84	(4,881.16)
91282CQJ3	US TREASURY 3.875 04/15/29	3,000,000.00	3,005,859.38	5,859.38	3,005,447.73	(491.85)	3,004,955.88	(903.50)	4,955.88
91282CKA8	US TREASURY 4.125 02/15/27	3,000,000.00	3,001,875.00	1,875.00	3,000,597.18	(239.92)	3,000,357.27	(1,517.73)	357.27
91282CLX7	US TREASURY 4.125 11/15/27	3,000,000.00	2,990,742.19	(9,257.81)	2,995,708.75	786.44	2,996,495.20	5,753.01	(3,504.80)
TOTAL		**20,365,000.00**	**20,266,734.67**	**(98,265.33)**	**17,325,248.63**	**23,148.50**	**20,343,147.13**	**76,412.46**	**(21,852.87)**
GRAND TOTAL		**29,365,000.00**	**29,051,578.84**	**(313,421.16)**	**23,290,215.30**	**81,954.34**	**26,275,472.13**	**223,893.29**	**(89,527.87)**

MEEDER PUBLIC FUNDS

Accrued Interest Schedule

IDENTIFIER	DESCRIPTION	SETTLE DATE	PAR VALUE	PRINCIPAL COST	BEGINNING ACCRUED INTEREST	PURCHASED INTEREST	CURRENT PERIOD ACCRUAL	INTEREST RECEIVED	ENDING ACCRUED INTEREST
GENERAL									
664053079	Frost Bank Public Fund Checking Account	2026-09-30	60,656.95	60,656.95	0.00	0.00	2,450.85	2,450.85	0.00
664027221	Frost Bank Public Fund Checking Account	2026-09-30	5,381.07	5,381.07	0.00	0.00	46.34	46.34	0.00
53944RK98	LMA 10/09/26	2026-04-15	3,000,000.00	2,942,475.00	0.00	0.00	0.00	0.00	0.00
62479MR96	MUFG BANK NY 04/09/27	2026-07-16	3,000,000.00	2,908,552.50	0.00	0.00	0.00	0.00	0.00
TXPOOL	TEXPOOL	2026-09-30	42,912,791.78	42,912,791.78	0.00	0.00	363,682.74	363,682.74	0.00
TEXPOOL	TexPool	2026-09-30	64,049,091.46	64,049,091.46	0.00	0.00	608,394.43	608,394.43	0.00
TOTAL			**113,027,921.26**	**112,878,948.76**	**0.00**	**0.00**	**974,574.36**	**974,574.36**	**0.00**
INDIGENT CARE									
016249FQ2	ALIEF TEX INDPT SCH DIST 5.200 02/15/27 '26	2023-11-08	2,365,000.00	2,364,858.10	46,459.11	0.00	30,745.00	61,490.00	15,714.11
3133EMKS0	FED FARM CR BNKS 0.530 12/16/26	2025-12-11	3,000,000.00	2,908,650.00	662.50	0.00	3,975.00	0.00	4,637.50
3133ETPN1	FED FARM CR BNKS 4.280 07/10/28 '26	2025-07-24	3,000,000.00	3,000,000.00	60,990.00	0.00	32,100.00	64,200.00	28,890.00
3130BBGF6	FHLBANKS 4.300 07/16/29 '27	2026-07-16	3,000,000.00	2,994,750.00	0.00	0.00	26,875.00	0.00	26,875.00
LOGIC	LOGIC	2026-09-30	30,292,340.94	30,292,340.94	0.00	0.00	290,692.10	290,692.10	0.00
TEXPOOL	TexPool	2026-09-30	5,808,834.33	5,808,834.33	0.00	0.00	53,256.08	53,256.08	0.00
TEXSTAR	TexSTAR	2026-09-30	9,069,526.29	9,069,526.29	0.00	0.00	87,874.14	87,874.14	0.00
91282CQJ3	US TREASURY 3.875 04/15/29	2026-04-15	3,000,000.00	3,005,859.38	24,456.97	0.00	29,221.31	0.00	53,678.28
91282CKA8	US TREASURY 4.125 02/15/27	2025-02-26	3,000,000.00	3,001,875.00	46,491.71	0.00	31,188.31	61,875.00	15,805.03
91282CLX7	US TREASURY 4.125 11/15/27	2024-11-27	3,000,000.00	2,990,742.19	15,805.03	0.00	30,937.50	0.00	46,742.53
TOTAL			**65,535,701.56**	**65,437,436.23**	**194,865.32**	**0.00**	**616,864.45**	**619,387.32**	**192,342.44**
OPIOID SETTLEMENT FUND									
TEXPOOL	TexPool	2026-09-30	3,316,966.78	3,316,966.78	0.00	0.00	31,965.63	31,965.63	0.00
TOTAL			**3,316,966.78**	**3,316,966.78**	**0.00**	**0.00**	**31,965.63**	**31,965.63**	**0.00**
RESTRICTED CASH									
664043316	Frost Bank Public Fund Checking Account	2026-09-30	5,197.25	5,197.25	0.00	0.00	20.30	20.30	0.00
TEXPOOL	TexPool	2026-09-30	80,428,505.45	80,428,505.45	0.00	0.00	337,984.15	337,984.15	0.00

MEEDER PUBLIC FUNDS

Accrued Interest Schedule

IDENTIFIER	DESCRIPTION	SETTLE DATE	PAR VALUE	PRINCIPAL COST	BEGINNING ACCRUED INTEREST	PURCHASED INTEREST	CURRENT PERIOD ACCRUAL	INTEREST RECEIVED	ENDING ACCRUED INTEREST
TOTAL			**80,433,702.70**	**80,433,702.70**	**0.00**	**0.00**	**338,004.45**	**338,004.45**	**0.00**
TOBACCO SETTLEMENT									
TEXPOOL	TexPool	2026-09-30	2,888.77	2,888.77	0.00	0.00	26.78	26.78	0.00
TOTAL			**2,888.77**	**2,888.77**	**0.00**	**0.00**	**26.78**	**26.78**	**0.00**
TRUST-EMPLOYEE HEALTH BENEFITS									
825252406	INVESCO TREASURY;INST	2026-09-30	3,216.43	3,216.43	46.36	0.00	119.53	144.46	21.43
TOTAL			**3,216.43**	**3,216.43**	**46.36**	**0.00**	**119.53**	**144.46**	**21.43**
GRAND TOTAL			**262,320,397.50**	**262,073,159.67**	**194,911.68**	**0.00**	**1,961,555.20**	**1,964,103.00**	**192,363.87**

MEEDER PUBLIC FUNDS

Earnings by Fund

CUSIP	DESCRIPTION	ENDING PAR VALUE	BEGINNING BOOK VALUE	ENDING BOOK VALUE	FINAL MATURITY	COUPON RATE	YIELD	INTEREST EARNED	NET AMORTIZATION/ ACCRETION INCOME	NET REALIZED GAIN/LOSS	ADJUSTED INTEREST EARNINGS
GENERAL											
53944RK98	LMA 10/09/26	3,000,000.00	2,967,500.00	2,997,400.00	10/09/2026	0.00	3.98	0.00	29,900.00	0.00	29,900.00
55607LG99	Macquarie Bank Limited 0.0 07/09/2026	0.00	2,997,466.67	0.00	07/09/2026	0.00	3.89	0.00	2,533.33	0.00	2,533.33
62479MR96	MUFG BANK NY 04/09/27	3,000,000.00	0.00	2,934,925.00	04/09/2027	0.00	4.24	0.00	26,372.50	0.00	26,372.50
664027221	Frost Bank Public Fund Checking Account	5,381.07	5,334.73	5,381.07	09/30/2026	3.83	1.55	46.34	0.00	0.00	46.34
664053079	Frost Bank Public Fund Checking Account	60,656.95	122,309.24	60,656.95	09/30/2026	3.83	1.55	2,450.85	0.00	0.00	2,450.85
TEXPOOL	TexPool	64,049,091.46	67,655,199.33	64,049,091.46	09/30/2026	5.34	3.87	608,394.43	0.00	0.00	608,394.43
TXPOOL	TEXPOOL	42,912,791.78	31,226,284.02	42,912,791.78	09/30/2026	5.32	3.87	363,682.74	0.00	0.00	363,682.74
TOTAL		**113,027,921.26**	**104,974,093.99**	**112,960,246.26**		**5.05**	**3.88**	**974,574.36**	**58,805.83**	**0.00**	**1,033,380.19**
INDIGENT CARE											
016249FQ2	ALIEF TEX INDPT SCH DIST 5.200 02/15/27 '26	2,365,000.00	2,364,972.80	2,364,983.73	02/15/2027	5.20	5.20	30,745.00	10.93	0.00	30,755.93
3130BBGF6	FHLBANKS 4.300 07/16/29 '27	3,000,000.00	0.00	2,995,118.84	07/16/2029	4.30	4.36	26,875.00	368.84	0.00	27,243.84
3133EMKS0	FED FARM CR BNKS 0.530 12/16/26	3,000,000.00	2,958,522.16	2,981,236.22	12/16/2026	0.53	3.62	3,975.00	22,714.05	0.00	26,689.05
3133ETPN1	FED FARM CR BNKS 4.280 07/10/28 '26	3,000,000.00	3,000,000.00	3,000,000.00	07/10/2028	4.28	4.28	32,100.00	0.00	0.00	32,100.00
91282CKA8	US TREASURY 4.125 02/15/27	3,000,000.00	3,000,597.18	3,000,357.27	02/15/2027	4.13	4.09	31,188.31	(239.92)	0.00	30,948.40
91282CLX7	US TREASURY 4.125 11/15/27	3,000,000.00	2,995,708.75	2,996,495.20	11/15/2027	4.13	4.24	30,937.50	786.44	0.00	31,723.94
91282CQJ3	US TREASURY 3.875 04/15/29	3,000,000.00	3,005,447.73	3,004,955.88	04/15/2029	3.88	3.81	29,221.31	(491.85)	0.00	28,729.47
LOGIC	LOGIC	30,292,340.94	30,001,648.84	30,292,340.94	09/30/2026	0.00	3.98	290,692.10	0.00	0.00	290,692.10
TEXPOOL	TexPool	5,808,834.33	5,585,549.23	5,808,834.33	09/30/2026	5.34	3.87	53,256.08	0.00	0.00	53,256.08
TEXSTAR	TexSTAR	9,069,526.29	11,976,402.15	9,069,526.29	09/30/2026	5.30	3.86	87,874.14	0.00	0.00	87,874.14
TOTAL		**65,535,701.56**	**64,888,848.85**	**65,513,848.69**		**2.37**	**4.02**	**616,864.45**	**23,148.50**	**0.00**	**640,012.95**
OPIOID SETTLEMENT FUND											
TEXPOOL	TexPool	3,316,966.78	3,447,969.69	3,316,966.78	09/30/2026	5.34	3.87	31,965.63	0.00	0.00	31,965.63
TOTAL		**3,316,966.78**	**3,447,969.69**	**3,316,966.78**		**5.34**	**3.87**	**31,965.63**	**0.00**	**0.00**	**31,965.63**

MEEDER PUBLIC FUNDS

Earnings by Fund

CUSIP	DESCRIPTION	ENDING PAR VALUE	BEGINNING BOOK VALUE	ENDING BOOK VALUE	FINAL MATURITY	COUPON RATE	YIELD	INTEREST EARNED	NET AMORTIZATION/ ACCRETION INCOME	NET REALIZED GAIN/LOSS	ADJUSTED INTEREST EARNINGS
RESTRICTED CASH											
664043316	Frost Bank Public Fund Checking Account	5,197.25	5,176.95	5,197.25	09/30/2026	3.83	1.55	20.30	0.00	0.00	20.30
TEXPOOL	TexPool	80,428,505.45	17,296,524.08	80,428,505.45	09/30/2026	5.34	3.87	337,984.15	0.00	0.00	337,984.15
TOTAL		**80,433,702.70**	**17,301,701.03**	**80,433,702.70**		**5.33**	**3.87**	**338,004.45**	**0.00**	**0.00**	**338,004.45**
TOBACCO SETTLEMENT											
TEXPOOL	TexPool	2,888.77	2,861.99	2,888.77	09/30/2026	5.34	3.87	26.78	0.00	0.00	26.78
TOTAL		**2,888.77**	**2,861.99**	**2,888.77**		**5.34**	**3.87**	**26.78**	**0.00**	**0.00**	**26.78**
TRUST-EMPLOYEE HEALTH BENEFITS											
825252406	INVESCO TREASURY;INST	3,216.43	15,941.30	3,216.43	09/30/2026	3.81	3.78	119.53	0.00	0.00	119.53
TOTAL		**3,216.43**	**15,941.30**	**3,216.43**		**3.81**	**3.78**	**119.53**	**0.00**	**0.00**	**119.53**
GRAND TOTAL		**262,320,397.50**	**190,631,416.85**	**262,230,869.63**		**4.47**	**3.91**	**1,961,555.20**	**81,954.34**	**0.00**	**2,043,509.53**

MEEDER PUBLIC FUNDS

Projected Cashflows

For the Period October 01, 2026 to March 31, 2027

CUSIP	DESCRIPTION	POST DATE	TRANSACTION TYPE	AMOUNT
GENERAL				
OCT 2026				
53944RK98	LMA S.A. 0.0 10/09/2026	10/09/2026	Final Maturity	3,000,000.00
OCT 2026 TOTAL				**3,000,000.00**
APR 2027				
62479MR96	MUFG BANK NY 04/09/27	04/09/2027	Final Maturity	3,000,000.00
APR 2027 TOTAL				**3,000,000.00**
GENERAL TOTAL				**6,000,000.00**
INDIGENT CARE				
OCT 2026				
91282CQJ3	US TREASURY 3.875 04/15/29	10/15/2026	Coupon	58,125.00
OCT 2026 TOTAL				**58,125.00**
NOV 2026				
016249FQ2	ALIEF TEX INDPT SCH DIST 5.200 02/15/27 '26	11/09/2026	Coupon	28,695.33
91282CLX7	US TREASURY 4.125 11/15/27	11/16/2026	Coupon	61,875.00
NOV 2026 TOTAL				**90,570.33**
DEC 2026				
3133EMKS0	FED FARM CR BNKS 0.530 12/16/26	12/16/2026	Coupon	7,950.00
3133EMKS0	FED FARM CR BNKS 0.530 12/16/26	12/16/2026	Final Maturity	3,000,000.00
DEC 2026 TOTAL				**3,007,950.00**
JAN 2027				
3133ETPN1	FED FARM CR BNKS 4.280 07/10/28 '26	01/11/2027	Coupon	64,200.00
3130BBGF6	FHLBANKS 4.300 07/16/29 '27	01/19/2027	Coupon	64,500.00
JAN 2027 TOTAL				**128,700.00**

MEEDER PUBLIC FUNDS

Projected Cashflows

For the Period October 01, 2026 to March 31, 2027

CUSIP	DESCRIPTION	POST DATE	TRANSACTION TYPE	AMOUNT
FEB 2027				
91282CKA8	US TREASURY 4.125 02/15/27	02/16/2027	Final Maturity	3,000,000.00
91282CKA8	US TREASURY 4.125 02/15/27	02/16/2027	Coupon	61,875.00
FEB 2027 TOTAL				**3,061,875.00**
APR 2027				
91282CQJ3	US TREASURY 3.875 04/15/29	04/15/2027	Coupon	58,125.00
APR 2027 TOTAL				**58,125.00**
MAY 2027				
91282CLX7	US TREASURY 4.125 11/15/27	05/17/2027	Coupon	61,875.00
MAY 2027 TOTAL				**61,875.00**
INDIGENT CARE TOTAL				**6,467,220.33**
GRAND TOTAL				**12,467,220.33**

MEEDER PUBLIC FUNDS

Change in Value

IDENTIFIER	ISSUER PAR VALUE	YIELD	TRADE DATE MATURITY DATE	INTEREST ACCRUAL INTEREST RECEIVED	BEGINNING BOOK VALUE BEGINNING MARKET VALUE	PURCHASES/ ADDITIONS	REDEMPTIONS	CHANGE IN BOOK VALUE CHANGE IN MARKET VALUE	ENDING BOOK VALUE ENDING MARKET VALUE
GENERAL									
55607LG99	Macquarie Bank Limited 0.0 07/09/2026 0.00	3.89	12/12/2025 07/09/2026	0.00 0.00	2,997,466.67 2,986,700.10	0.00	(3,000,000.00)	(2,997,466.67) (2,986,700.10)	0.00 0.00
TXPOOL	TEXPOOL 42,912,791.78	3.87	09/30/2026	363,682.74 363,682.74	31,226,284.02 31,226,284.02	14,976,225.56	(3,289,717.80)	11,686,507.76 11,686,507.76	42,912,791.78 42,912,791.78
664053079	Frost Bank Public Fund Checking Account 60,656.95	1.55	09/30/2026	2,450.85 2,450.85	122,309.24 122,309.24	93,738.51	(155,390.80)	(61,652.29) (61,652.29)	60,656.95 60,656.95
TEXPOOL	TexPool 64,049,091.46	3.87	09/30/2026	608,394.43 608,394.43	67,655,199.33 67,655,199.33	0.00	(3,606,107.87)	(3,606,107.87) (3,606,107.87)	64,049,091.46 64,049,091.46
664027221	Frost Bank Public Fund Checking Account 5,381.07	1.55	09/30/2026	46.34 46.34	5,334.73 5,334.73	46.34	0.00	46.34 46.34	5,381.07 5,381.07
53944RK98	LMA 10/09/26 3,000,000.00	3.98	04/15/2026 10/09/2026	0.00 0.00	2,967,500.00 2,957,281.20	0.00	0.00	29,900.00 30,245.40	2,997,400.00 2,987,526.60
62479MR96	MUFG BANK NY 04/09/27 3,000,000.00	4.24	07/16/2026 04/09/2027	0.00 0.00	0.00 0.00	2,908,552.50	0.00	2,934,925.00 2,924,537.10	2,934,925.00 2,924,537.10
TOTAL		**3.88**		**974,574.36** **974,574.36**	**104,974,093.99** **104,953,108.62**	**17,978,562.91**	**(10,051,216.47)**	**7,986,152.27** **7,986,876.34**	**112,960,246.26** **112,939,984.96**
INDIGENT CARE									
TEXSTAR	TexSTAR 9,069,526.29	3.86	09/30/2026	87,874.14 87,874.14	11,976,402.15 11,976,402.15	55,812.36	(2,962,688.22)	(2,906,875.86) (2,906,875.86)	9,069,526.29 9,069,526.29
LOGIC	LOGIC 30,292,340.94	3.98	09/30/2026	290,692.10 290,692.10	30,001,648.84 30,001,648.84	290,692.10	0.00	290,692.10 290,692.10	30,292,340.94 30,292,340.94
TEXPOOL	TexPool 5,808,834.33	3.87	09/30/2026	53,256.08 53,256.08	5,585,549.23 5,585,549.23	223,285.10	0.00	223,285.10 223,285.10	5,808,834.33 5,808,834.33
3133EMKS0	FED FARM CR BNKS 0.530 12/16/26 3,000,000.00	3.62	12/11/2025 12/16/2026	3,975.00 0.00	2,958,522.16 2,951,640.00	0.00	0.00	22,714.05 25,320.00	2,981,236.22 2,976,960.00
91282CKA8	US TREASURY 4.125 02/15/27 3,000,000.00	4.09	02/26/2025 02/15/2027	31,188.31 61,875.00	3,000,597.18 3,001,757.82	0.00	0.00	(239.92) (3,164.07)	3,000,357.27 2,998,593.75
016249FQ2	ALIEF TEX INDPT SCH DIST 5.200 02/15/27 '26 2,365,000.00	5.20	11/08/2023 02/15/2027	30,745.00 61,490.00	2,364,972.80 2,367,038.63	0.00	0.00	10.93 (754.44)	2,364,983.73 2,366,284.20
91282CLX7	US TREASURY 4.125 11/15/27 3,000,000.00	4.24	11/27/2024 11/15/2027	30,937.50 0.00	2,995,708.75 2,998,125.00	0.00	0.00	786.44 (16,289.07)	2,996,495.20 2,981,835.93
3133ETPN1	FED FARM CR BNKS 4.280 07/10/28 '26 3,000,000.00	4.28	07/24/2025 07/10/2028	32,100.00 64,200.00	3,000,000.00 2,990,010.00	0.00	0.00	0.00 (35,970.00)	3,000,000.00 2,954,040.00

MEEDER PUBLIC FUNDS

Change in Value

IDENTIFIER	ISSUER PAR VALUE	YIELD	TRADE DATE MATURITY DATE	INTEREST ACCRUAL INTEREST RECEIVED	BEGINNING BOOK VALUE BEGINNING MARKET VALUE	PURCHASES/ ADDITIONS	REDEMPTIONS	CHANGE IN BOOK VALUE CHANGE IN MARKET VALUE	ENDING BOOK VALUE ENDING MARKET VALUE
91282CQJ3	US TREASURY 3.875 04/15/29 3,000,000.00	3.81	04/15/2026 04/15/2029	29,221.31 0.00	3,005,447.73 2,977,500.00	0.00	0.00	(491.85) (53,906.25)	3,004,955.88 2,923,593.75
3130BBGF6	FHLBANKS 4.300 07/16/29 '27 3,000,000.00	4.36	07/16/2026 07/16/2029	26,875.00 0.00	0.00 0.00	2,994,750.00	0.00	2,995,118.84 2,914,680.00	2,995,118.84 2,914,680.00
TOTAL		**4.02**		**616,864.45 619,387.32**	**64,888,848.85 64,849,671.67**	**3,564,539.56**	**(2,962,688.22)**	**624,999.84 437,017.52**	**65,513,848.69 65,286,689.19**
OPIOID SETTLEMENT FUND									
TEXPOOL	TexPool 3,316,966.78	3.87	09/30/2026	31,965.63 31,965.63	3,447,969.69 3,447,969.69	21,486.74	(152,489.65)	(131,002.91) (131,002.91)	3,316,966.78 3,316,966.78
TOTAL		**3.87**		**31,965.63 31,965.63**	**3,447,969.69 3,447,969.69**	**21,486.74**	**(152,489.65)**	**(131,002.91) (131,002.91)**	**3,316,966.78 3,316,966.78**
RESTRICTED CASH									
TEXPOOL	TexPool 80,428,505.45	3.87	09/30/2026	337,984.15 337,984.15	17,296,524.08 17,296,524.08	63,131,981.37	0.00	63,131,981.37 63,131,981.37	80,428,505.45 80,428,505.45
664043316	Frost Bank Public Fund Checking Account 5,197.25	1.55	09/30/2026	20.30 20.30	5,176.95 5,176.95	20.30	0.00	20.30 20.30	5,197.25 5,197.25
TOTAL		**3.87**		**338,004.45 338,004.45**	**17,301,701.03 17,301,701.03**	**63,132,001.67**	**0.00**	**63,132,001.67 63,132,001.67**	**80,433,702.70 80,433,702.70**
TOBACCO SETTLEMENT									
TEXPOOL	TexPool 2,888.77	3.87	09/30/2026	26.78 26.78	2,861.99 2,861.99	26.78	0.00	26.78 26.78	2,888.77 2,888.77
TOTAL		**3.87**		**26.78 26.78**	**2,861.99 2,861.99**	**26.78**	**0.00**	**26.78 26.78**	**2,888.77 2,888.77**
TRUST-EMPLOYEE HEALTH BENEFITS									
825252406	INVESCO TREASURY;INST 3,216.43	3.78	09/30/2026	119.53 144.46	15,941.30 15,941.30	81.55	(12,806.42)	(12,724.87) (12,724.87)	3,216.43 3,216.43
TOTAL		**3.78**		**119.53 144.46**	**15,941.30 15,941.30**	**81.55**	**(12,806.42)**	**(12,724.87) (12,724.87)**	**3,216.43 3,216.43**

MEEDER PUBLIC FUNDS

Change in Value

IDENTIFIER	ISSUER PAR VALUE	YIELD	TRADE DATE MATURITY DATE	INTEREST ACCRUAL INTEREST RECEIVED	BEGINNING BOOK VALUE BEGINNING MARKET VALUE	PURCHASES/ ADDITIONS	REDEMPTIONS	CHANGE IN BOOK VALUE CHANGE IN MARKET VALUE	ENDING BOOK VALUE ENDING MARKET VALUE
GRAND TOTAL		3.91		1,961,555.20 1,964,103.00	190,631,416.85 190,571,254.30	84,696,699.21	(13,179,200.76)	71,599,452.79 71,412,194.53	262,230,869.63 261,983,448.83

Disclosure

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Acts 1989, 71st Leg., ch. 678, Sec. 1, eff. Sept. 1, 1989.

Sec. 281.026. ADMINISTRATOR; DUTIES. (a) The board shall appoint a person qualified by training and experience as the administrator for the district.

(b) The administrator serves at the will of the board and for terms of not more than four years.

(c) The administrator is entitled to compensation as determined by the board.

(d) Before assuming duties, the administrator shall execute a bond payable to the district in the amount of not less than $10,000, conditioned on the faithful performance of the administrator's duties and any other requirements determined by the board.

(e) Subject to the limitations prescribed by the board, the administrator shall:

(1) perform duties required by the board;

(2) supervise the work and activities of the district; and

(3) generally direct the affairs of the district.

Acts 1989, 71st Leg., ch. 678, Sec. 1, eff. Sept. 1, 1989.

Amended by:

Acts 2005, 79th Leg., Ch. 424 (S.B. 1769), Sec. 1, eff. June 17, 2005.

Sec. 281.027. ASSISTANT ADMINISTRATOR. (a) If the administrator is incapacitated, absent, or unable to perform the administrator's duties, the board may designate an assistant administrator to perform any of the administrator's powers or duties, subject to limitations prescribed by board order.

(b) The assistant administrator or other persons shall execute a bond as required by board order.

Acts 1989, 71st Leg., ch. 678, Sec. 1, eff. Sept. 1, 1989.

Sec. 281.028. STAFF. (a) The board may appoint doctors to the district's staff and hire technicians, nurses, and other employees the board considers advisable for the district's

GRANT AGREEMENT

NUECES COUNTY HOSPITAL DISTRICT/COASTAL BEND WELLNESS FOUNDATION

October 1, 2026 - September 30, 2027

STATE OF TEXAS *

* **KNOW ALL MEN BY THESE PRESENTS**

COUNTY OF NUECES *

This Grant Agreement ("Agreement") is entered on the date of its execution as set forth below by and between Nueces County Hospital District ("District") and the Coastal Bend Wellness Foundation ("Foundation"), a community-based non-profit organization located in Corpus Christi, Nueces County, Texas that provides gap health care services and entered into for the purposes of providing health care services for residents of the District.

WITNESSETH:

WHEREAS, the District finds that there is concern regarding public health in Nueces County and that the Foundation provides community-related services as well as other health care services considered to be beneficial public health services; and

WHEREAS, the District finds that there is a need for public health care services which will benefit residents of Nueces County; and

WHEREAS, Texas Health and Safety Code, §281.094 authorizes the District to use certain of its funds made available from non-tax sources to fund public health services.

NOW, THEREFORE, for and in consideration and exchange of mutual covenants and conditions contained herein to further provision of public health services as well as other health care services in Nueces County, the District and Foundation hereby agree as follows:

I.

The Foundation will make available and provide community diagnostic testing as well as public health care services in Nueces County.

II.

The Foundation will provide access to or remove barriers to accessibility under the Americans with Disabilities Act to allow individuals with disabilities the opportunity to receive testing services and public health care services administered by the Foundation under this Agreement.

III.

The Foundation will not discriminate by reason of age, disability, handicap, sex, sexual orientation, gender identity, race, color, marital status, national origin, or religion, against any person seeking testing services or public health care services provided by the Foundation under this Agreement.

IV.

The Foundation agrees to make available and perform community testing and public health care services supported by the District's funds under this Agreement. The Foundation shall ensure that all testing will be performed pursuant to appropriate medical guidelines.. In addition, the Foundation agrees to report results to the tested patient, local public health authorities, and other entities as may be required by law, regulation, or order.

V.

The Foundation will submit at least quarterly reports to the District indicating activities

by the Foundation in performance of its obligations pursuant to this Agreement. The Foundation shall include in its reports a detailed accounting of expenditures of the District's funds, counts of the tests performed, and locations where the diagnostic tests were performed. In addition, the Foundation shall include in its reports a detailed accounting of the expenditure of the District's funds for administering public health services. Such reports shall be presented to the District's Board of Managers at a publicly-noticed meeting on a schedule established by the District.

VI.

The Foundation will endeavor to use its resources to provide community testing and public health services in Nueces County based on need, availability, and suitability.

VII.

As payment for the services to be rendered during the 12-month term, October 01, 2026 - September 30, 2027, the District will provide a lump-sum payment of Eighty-Five Thousand Dollars ($85,000.00) to the Foundation for performance of the Foundation's activities related to the purposes of this Agreement.

VIII.

The Foundation will cause the District's funding under this Agreement to be segregated from other funds used for activities of the Foundation unrelated to the purposes of this Agreement.

IX.

All notices or communications to a party by the other party under this Agreement shall be personally delivered or mailed to such party at the following respective address:

DISTRICT

Nueces County Hospital District
Attn: Administrator/Chief Executive Officer
555 N. Carancahua St., Suite 950
Corpus Christi, Texas 78401-0835

FOUNDATION

Coastal Bend Wellness Foundation
Attn: Chief Executive Officer
2882 Holly Road
Corpus Christi, Texas 78415-4106

X.

This Agreement shall continue in force and effect until September 30, 2027. If the Foundation terminates its activities related to the purposes of this Agreement prior to the expiration of this Agreement, the balance of any remaining funds shall be returned to the District in the same proportion that District funds bear to the total funds received by or in the possession of the Foundation to conduct activities related to the purposes this Agreement.

WITNESS our hands on this 21st day of September 2026.

NUECES COUNTY HOSPITAL DISTRICT

By: Jonny F. Hipp Date: 9/22/26
Jonny F. Hipp, ScD, FACHE
Administrator/Chief Executive Officer

COASTAL BEND WELLNESS FOUNDATION

By: Date: 9/21/26
Bill J. Hoelscher
Chief Executive Officer

INTERLOCAL COOPERATION AGREEMENT
BETWEEN NUECES COUNTY HOSPITAL DISTRICT
AND
NUECES CENTER FOR MENTAL HEALTH AND INTELLECTUAL DISABILITIES

This Interlocal Cooperation Agreement ("Agreement"), effective as of the date of the last signature below, is entered into by and between the **Nueces County Hospital District** ("Hospital District" or "District"), a political subdivision and special district of the State of Texas created pursuant to Article IX, Section 4 of the Texas Constitution and Chapter 281, Texas Health and Safety Code and the **Nueces Center for Mental Health and Intellectual Disabilities** ("Mental Health Agency"), a local mental health authority authorized to provide mental health and substance abuse services under the Texas Mental Health Code, Chapter 534, Texas Health and Safety Code. Hospital District and Mental Health Agency shall collectively be referred to as the "Parties" or individually as a "Party".

This Agreement is executed pursuant to the authorities of the Interlocal Cooperation Act, Chapter 791, Texas Government Code, to facilitate governmental functions in which the Parties are mutually interested.

WITNESSETH

WHEREAS, the Hospital District approved settlement of its claims against Johnson & Johnson, Janssen Pharmaceuticals, Inc., Ortho-McNeil-Janssen Pharmaceuticals, Inc., Janssen Pharmaceutica, Inc. in *In Re: Texas Opioid Litigation*, MDL No. 2018-63587 before the 152nd District Court in Harris County ("**Opioid Litigation**")

WHEREAS, the Parties desire to enter into an agreement to operationalize the Hospital District distributions from the Texas Opioid Abatement Fund Council (the "Council") by arranging for the Mental Health Agency to provide services of one or more of the eligible opioid abatement strategies or remediation uses within Nueces County; and

WHEREAS, the Hospital District has received opioid settlement funds to be utilized in a manner that shall effectively mitigate the adverse consequences resulting from the actions of the named defendants in the Opioid Litigation ("Opioid Settlement Funds").

WHEREAS, the Mental Health Agency operates programs that assist individuals affected by opioid abuse described in the Scope of Services, attached and incorporated herein as Exhibit "A";

WHEREAS, the Parties have authority to enter an interlocal contract to facilitate governmental functions, as defined by §791.003 pursuant to Chapter 791 of the Texas Government Code;

WHEREAS, the Hospital District is authorized to use funds made available to the district from sources other than a tax levy to fund health care services pursuant to Texas Health and Safety Code §281.094. The Hospital District has determined that providing funding for Mental Health Agency's services is an appropriate health care expenditure by the Hospital District for the purpose

of providing prevention, intervention, treatment, evaluation, and administrative services to residents of Nueces County affected by opioid abuse;

NOW, THEREFORE, for and in consideration and exchange of mutual covenants and conditions contained herein, the Hospital District and the Mental Health Agency agree as follows:

ARTICLE I – PURPOSE

The purpose of this Agreement is to operationalize a distribution of opioid settlement funds in the amount of **$3,371,213** received by the Hospital District from the Council pursuant to Section 403.508(a)(2), Texas Government Code by contracting with the Mental Health Agency to provide services relating to one or more eligible opioid abatement strategies categorized under 34 Texas Administrative Code §16.201(b) each as delineated in "Exhibit E" of the "Texas Term Sheet," an intrastate agreement between the State of Texas and litigating subdivisions resulting from the Global Opioid Settlement, and administered by the Council (the "Term Sheet Exhibit"). The Term Sheet Exhibit is attached hereto and incorporated by reference.

ARTICLE II – AUTHORITY

This Agreement is entered into under the authority of:

- The Interlocal Cooperation Act, Chapter 791, Texas Government Code, which permits local governments and special districts to contract with each other for the provision of governmental services.
- The Texas Term Sheet of the Global Opioid Settlement, which provides funding and guidance for opioid-related abatement strategies and remediation uses.
- The Council's statutory opioid abatement strategies, which define allowable abatement strategies and remediation uses of opioid settlement distributions.

ARTICLE III – SCOPE OF SERVICES

3.1 Services Provided

The Mental Health Agency shall perform one or more Hospital District-designated opioid-related abatement strategies and remediation uses from the Scope of Work Exhibit "A" attached hereto, including but not limited to:

1. **Medication-Assisted Treatment (MAT)** – Providing evidence-based treatments such as buprenorphine, methadone, and naltrexone to individuals with opioid use disorder.
2. **Behavioral Health and Counseling Services** – Including individual and group therapy, cognitive behavioral therapy (CBT), trauma-informed care, and co-occurring disorder treatment.
3. **Peer Support and Recovery Services** – Offering peer-led recovery coaching, harm reduction strategies, and support groups.
4. **Crisis Intervention and Stabilization** – Providing emergency mental health and substance use disorder crisis services, including detoxification and crisis residential stabilization.

5. **Prevention and Education Programs** – Conducting community outreach, public education, and school-based prevention programs focused on opioid use disorder awareness and prevention.
6. **Overdose Prevention and Harm Reduction** – Distributing naloxone (Narcan) and providing training on overdose response and harm reduction strategies.
7. **Coordinated Care and Case Management** – Connecting individuals to housing, employment, and other supportive services to address social determinants of health.
8. **Reentry and Justice-Involved Services** – Providing mental health and substance use services for individuals transitioning from incarceration.
9. **Other Approved Programs** – Any additional services mutually agreed upon by the Parties and consistent with the Texas Opioid Abatement Fund guidelines and as may be described in Scope of Services/Scope of Work Exhibit "A" attached hereto.

3.2 Service Locations

The Mental Health Agency shall provide services at locations within Nueces County, Texas, unless specified otherwise in the Term Sheet Exhibit. If specified otherwise, the locations shall be as in the Term Sheet Exhibit.

3.3 Eligibility for Services

Services under this Agreement shall be provided to persons and entities according to the Term Sheet Exhibit.

ARTICLE IV – TERM AND TERMINATION

4.1 Term and Renewal

The initial term of this Agreement shall be for a period of one (1) year, effective as of October 01, 2026, and shall terminate at the close of business on September 30, 2027. Thereafter, the term of the Agreement shall run each fiscal year (i.e., from October 01 of the then current year to September 30 of the following year) and shall automatically renew for additional one-year terms unless either party terminates the Agreement as provided in Section 4.2.

4.2 Termination

- Either Party may terminate this Agreement with or without cause by providing 90 days' written notice to the other Party.

- Immediate termination may occur if either Party materially breaches the Agreement or if distributions for the services provided hereunder are discontinued. The non-breaching Party shall provide the breaching Party with 30 days' prior written notice of termination.

  If at any time during the term of this Agreement, Hospital District, in its sole discretion, determines that the welfare or safety of a participant in Mental Health Agency's program

may be in jeopardy, Hospital District may immediately suspend this Agreement, including but not limited to the obligation to pay, upon giving notice to Mental Health Agency.

Violation of the contract terms or breach of this Agreement by Mental Health Agency or Hospital District shall be grounds for termination. This Agreement shall not be considered as specifying the exclusive remedy for any default, but all remedies existing at law and in equity may be availed of by either party and shall be cumulative.

- If the Agreement is terminated, the Parties agree to coordinate and cooperate in transference of the services to a party designated by the Hospital District.

  Hospital District shall pay Mental Health Agency for work completed up to the termination date of this Agreement.

4.3 Notwithstanding any provisions contained in this Agreement, the obligations of the Hospital District under this Agreement are expressly contingent upon the availability of funding for each item and obligation for the Term of the Agreement. Mental Health Agency shall have no right of action against Hospital District in the event Hospital District is unable to fulfill its obligations under this Agreement as a result of lack of sufficient funding for any item or obligation from any source utilized to fund this Agreement or failure to budget or authorize funding for this Agreement during the current or future fiscal years. In the event that Hospital District is unable to fulfill its obligations under this Agreement as a result of lack of sufficient funding or if funds become unavailable, Hospital District at its sole discretion may terminate this Agreement by written notice to Mental Health Agency.

ARTICLE V – COMPENSATION (FUNDING AND PAYMENT

5.1 Funding Sources

The Hospital District funding for services provided under this Agreement may be derived from:

- Council distributions to the Hospital District.
- Other local, state, or federal funding sources as available.

5.2 Payment Terms

- The Hospital District agrees to compensate the Mental Health Agency for services rendered during the period of this agreement and as set forth in Exhibit A (Payment Schedule), attached hereto and incorporated by reference.

- The Mental Health Agency shall submit descriptive invoices monthly to the Hospital District's Administrator/Chief Executive Officer. Invoices must include/be accompanied by information deemed by the Hospital District to be necessary for adequate fiscal control concerning all Services rendered by Mental Health Agency under this agreement, including, but not limited to, appropriate performance measures, the dates the Services

were performed, receipts, time sheet (if applicable, which shall include hours worked and the applicable hourly rate)

- Each invoice received for payment from Mental Health Agency shall be reviewed by the Hospital District to monitor financial compliance by Mental Health Agency under this agreement and for approval by the Hospital District.

- Hospital District's payment of approved invoices submitted by Mental Health Agency shall be made within 30 days of receipt of said invoice.

- Funds provided by the Hospital District under this Agreement shall be expended by Mental Health Agency only for the purposes described in this Agreement. Funds received by Mental Health Agency under this Agreement may not be used for any other purpose including staff bonuses or performance payments, entertainment, gifts, or legal expenses.

- Upon written notice by Hospital District to Mental Health Agency, notifying Mental Health Agency of an overpayment by Hospital District, Mental Health Agency shall refund said overpayment to Hospital District within 10 days from its receipt of said notice of overpayment by Hospital District.

- Hospital District may withhold all or part of any payments to Mental Health Agency to offset reimbursement for any overpayments that Mental Health Agency has not refunded to Hospital District. Hospital District may take repayment from funds available under this Agreement in amounts necessary to fulfill Mental Health Agency's repayment obligations as applicable.

ARTICLE VI – RESPONSIBILITIES OF THE PARTIES

6.1 Responsibilities of Mental Health Agency

The Mental Health Agency shall:

1. Ensure all services comply with federal, state, and local laws, including the Council guidelines.
2. Ensure the services and activities contemplated in this Agreement are performed in a professional manner and in accordance with the terms and conditions of this Agreement, and in a manner consistent with generally accepted business practices.
3. Employ properly licensed and trained professionals to deliver services.
4. Maintain accurate records of service delivery and quarterly submit required reports to the Hospital District. See Performance Measures/Metrics Exhibit "B" attached hereto as a means of measuring and reporting the effectiveness of the services provided for herein.
5. Cooperate in any audits or program evaluations conducted by the Hospital District or regulatory agencies.

6.2 Responsibilities of Hospital District

The Hospital District shall:

1. Administer use of the Council distributions used to fund this Agreement.
2. Provide funding in accordance with Article V of this Agreement.

ARTICLE VII – COMPLIANCE AND RECORDS

7.1 Confidentiality and HIPAA Compliance

Both Parties agree to comply with all applicable confidentiality laws, including:

- The Health Insurance Portability and Accountability Act (HIPAA)
- 42 C.F.R. Part 2 (Confidentiality of Substance Use Disorder Patient Records)
- Texas Health and Safety Code, Chapter 611 (Mental Health Records)
- Texas Health and Safety Code Section 181, et seq; and **all other laws and regulations that pertain to the privacy of medical records and medical information.**

7.2 Records Retention and Requirements

Mental Health Agency shall comply with all federal, state, and local laws and ordinances applicable to County and to Mental Health Agency for the work or services provided under this Agreement.

Hospital District may conduct at a minimum, two (2) monitoring visits to Mental Health Agency's facility to determine performance and compliance with the terms of this Agreement.

Mental Health Agency shall maintain books, records, and other documents relating to the receipt and disbursement of funds under this Agreement. Mental Health Agency must maintain a receipts and disbursements ledger and a general ledger with an income and expense account for each line item. Paid invoices revealing method of payment, date paid, and evidence of goods or services received shall be maintained and produced upon request by Hospital District.

Mental Health Agency shall allow any duly authorized representative of County, at all reasonable times, to have access to and the right to inspect, copy, audit, and examine all books, records, and other documents of closeout procedures respecting this Agreement, until final settlement and conclusion of all issues arising out of this activity are completed.

All records related to services under this Agreement shall be maintained by Mental Health Agency for at least seven (7) years following the termination of the parties agreement or as required by law.

As often and in such form as Hospital District may require, Mental Health Agency shall furnish to Hospital District information deemed by Hospital District to be pertinent to matters covered by this Agreement.

ARTICLE VIII – DESIGNATION OF REPRESENTATIVES

8.1 Hospital District hereby designates Belinda Espinoza ("**Hospital District's Designated Representative**") as its representative under this Agreement. Hospital District's Designated Representative shall be the primary point of contact for Mental Health Agency unless the Hospital District's Designated Representative delivers to Mental Health Agency a written notice designating another individual to act as Hospital District's Designated Representative.

8.2 Mental Health Agency hereby designates Mark Hendrix ("**Mental Health Agency's Designated Representative**") as its designated representative under this Agreement and the primary point of contact for Hospital District unless the Mental Health Agency's Designated Representative delivers to Hospital District a written notice designating another individual to act as Mental Health Agency's Designated Representative.

ARTICLE IX– DISPUTE RESOLUTION

In the event of a dispute, the Parties shall first attempt resolution through informal discussions. If unresolved, the matter may be submitted to mediation before judicial intervention.

ARTICLE X
RELATIONSHIP OF PARTIES

10.1 The Hospital District shall not be liable for any expense of Mental Health Agency, and in no event shall employees of Mental Health Agency ever be deemed to be employees of Hospital District. Mental Health Agency and Hospital District shall have and retain the exclusive right of control over its employees and contractors assigned to perform services under this Agreement in accordance with the applicable laws of the State of Texas. It is understood and agreed among the parties that Mental Health Agency and the Hospital District, in satisfying the conditions of this Agreement, have acted independently, and assume no responsibilities or liabilities to third parties in connection with these actions**.**

10.2 Nothing contained herein shall be deemed or construed by the Parties hereto, or by any third party as creating the relationship of principal and agent, partners, joint venturers or any similar relationship between the Parties hereto. Mental Health Agency and Hospital District agree that Mental Health Agency is an independent entity, that Mental Health Agency shall be responsible to all Parties for its respective acts and omissions, and that Hospital District

shall in no way be responsible therefore, and that neither has authority to bind the other, or hold out to third Parties that it has the authority to bind the other.

ARTICLE XI
NOTICES

11.1 All notices or other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if delivered personally in hand or sent by certified mail or registered mail, return receipt requested, postage prepaid addressed to the proper party at the following address or to any such other address as the Parties hereto may hereafter designate in writing in advance by the parties in accordance herewith or five (5) days after being deposited in the United States Postal Service:

For the Hospital District:

Nueces County Hospital District
Attn: Administrator/Chief Executive Officer
555 N. Carancahua, Suite 950
Corpus Christi, Texas 78401-0835

For the Mental Health Agency:
Nueces Center for Mental Health and Intellectual Disabilities
Attn: Chief Executive Officer
1630 S. Brownlee Blvd.
Corpus Christi, Texas 78404-3134

Notice of changes of address by either Party must be made in writing and delivered (or mailed, registered or certified mail, postage prepaid) to the other Party's address contained in this Article within five (5) business days of such change.

ARTICLE XII –
MISCELLANEOUS PROVISIONS

12.1 Amendments

This Agreement may be amended by mutual consent of both parties. In order to be effective, any amendment to the Agreement must be in writing, dated subsequent to the date of the Agreement and signed by both parties after approval by the respective governing bodies at a publicly noticed meeting.

12.2 Assignment:

A Party may not transfer, pledge or otherwise assign this Agreement, any interest in and to it, or any claim arising under it, without the prior written consent of the applicable non-

assigning Party and any purported assignment without such consent shall be void and unenforceable.

12.3 Governing Law and Venue

This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, and venue shall be in Nueces County, Texas.

12.4 Changes in The Law

Changes in applicable local, state and federal rules, regulations or laws occurring during the term of this Agreement shall be automatically incorporated into this Agreement without written amendment, as of the effective date of the rule, regulation or law.

12.5 Use of Current Revenues

Each party hereto paying for the performance of governmental functions or services hereunder must make those payments from current revenues available to the paying party.

12.6 Waiver of Performance.

a. No waiver by Hospital District of a breach of any of the terms, conditions, covenants or guarantees of this Agreement shall be construed or held to be a waiver of any succeeding or preceding breach of the same or any other term, condition, covenant or guarantee herein contained. Further, any failure of Hospital District to insist in any one or more cases upon the strict performance of any of the covenants of this Agreement or to exercise any option herein contained, shall not be construed as a waiver of relinquishment for the future of that covenant or option. In fact, no waiver, change, modification or discharge by either party of any provision of this Agreement shall be deemed to have been made or shall be effective unless expressed in writing and signed by the Party to be charged.

b. No act or omission of Hospital District shall in any manner impair or prejudice any right, power, privilege, or remedy available to Hospital District under this Agreement, by law or in equity.

c. No representative or agent of Hospital District may waive the effect of the provisions of this section.

12.7 Severability

In the event that any provision of this Agreement is for any reason held to be invalid, illegal or unenforceable in any respect, then that invalidity, illegality or unenforceability of the Agreement shall be deemed stricken and deleted and construed as if such invalid, illegal or unenforceable provision had never been contained herein, but shall not affect the remaining provisions of this Agreement which shall remain in full force and effect.

12.8 Waiver of Defenses

Neither the Hospital District nor the Mental Health Agency waives any defenses assertible by either party, including governmental immunity, or immunity from liability, or defense afforded under law of any of the Parties or their officers, employees, representatives, and agents as a result of the execution of this Agreement and the performance of the covenants contained herein.

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12. 9 Captions

The Captions contained in this Agreement are for convenience of reference only, and in no way limit or enlarge the terms and/or conditions of this Agreement.

12.10 Governing Body Approval

This Contract must be approved by the governing bodies of both parties in accordance with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code.

12.11 Parties Bound

This Agreement shall be binding on and inure to the benefit of the Parties and their respective legal representatives, successors and assigns, except as otherwise expressly provided for in this Agreement. Representatives of each of the Parties represent that the execution and performance of this Agreement has been duly authorized by its governing authority and does not require the consent or approval of any other person which has not been obtained. Additionally, the individual executing this Agreement on behalf of each of the Parties represents, warrants, assures, and guarantees that the individual has full legal authority to execute this Agreement on behalf of the Party and to bind said Party to all terms, performances and provisions herein contained.

12.12 Notifications

The Hospital District shall promptly notify the Mental Health Agency if the Council amends its list of eligible strategies, the categorization of strategies, or the ranking of strategies within each category that affect the services provided by the Agency during the term of this Agreement.

12.13 Entire Agreement

This Contract, including all Exhibits and any attachments, constitutes the entire agreement between the Parties relating to such matter and supersedes all other negotiations and agreements, whether written or oral. No prior agreement or understanding between the parties pertaining to any such matter contained herein shall be effective.

IN WITNESS WHEREOF, the Parties have executed this Agreement and effective as of the date of the last signature.

NUECES COUNTY HOSPITAL DISTRICT

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

Date: 09/17/2026

NUECES CENTER FOR MENTAL HEALTH AND INTELLECTUAL DISABILITIES

By: _____
Mike Davis
Chief Executive Officer

Date: 09/17/2026 MD

Attestation

I attest that, on or after October 1, 2026, the intergovernmental transfers the governmental entity submits to HHSC from a Local Provider Participation Fund (LPPF) to support the non-federal share of Medicaid payments meet one of the following criteria:

A. Mandatory assessments imposed for a tax period beginning on or after October 1, 2026, that are imposed exclusively and separately on net patient revenue attributable to inpatient hospital services and on net patient revenue attributable to outpatient hospital services, both derived from the most recent Medicare Cost Report, as defined by HHSC (primarily FY2025). In addition, I have provided additional documentation to demonstrate compliance.

B. Mandatory assessments imposed for a tax period beginning on or before September 30, 2026, that were imposed on a hospital's aggregate net patient revenue, regardless of the date of collection of the assessment.

To the best of my knowledge and belief, the information is true, correct, and prepared from the records of the government entity in accordance with applicable instructions.

_____ _____

Jonny F. Hipp
Administrator/Chief Executive Officer
Nueces County Hospital District

Date

VG-12-2026-2026000527

Nueces County
Kara Sands
Nueces County Clerk

Instrument Number: 2026000527

Public Notice

PUBLIC NOTICES

Recorded On: October 21, 2026 10:08 AM

Number of Pages: 11

" Examined and Charged as Follows: "

Total Recording: $0.00

STATE OF TEXAS
Nueces County
I hereby certify that this Instrument was filed in the File Number sequence on the date/time printed hereon, and was duly recorded in the Official Records of Nueces County, Texas

Kara Sands
Nueces County Clerk
Nueces County, TX

Kara Sands

********** THIS PAGE IS PART OF THE INSTRUMENT **********
Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.

File Information:

Document Number:	2026000527
Receipt Number:	20261021000048
Recorded Date/Time:	October 21, 2026 10:08 AM
User:	Vanessa D
Station:	CLERK03

Record and Return To:

NUECES COUNTY HOSPITAL DISTRICT

Kara Sands
Nueces County Clerk
901 Leopard St #201
Corpus Christi, TX 78401

Main: (361)888-0580

Receipt: 20261021000048
Date: 10/21/2026
Time: 10:08AM
By: Vanessa D
Station: CLERK03
Status: ORIGINAL COPY

Seq	Item	Document Description	Number	Number Of	Amount	Serial Number
1	Public Notice	PBN	2026000527	11	$0.00	

Order Total (1) $0.00

Seq	Payment Method	Transaction Id	Comment	Total
1				$0.00

Total Payments (1) $0.00

Change Due $0.00

NUECES COUNTY HOSPITAL DISTRICT

For more information about the County Clerk's office and to search property records online, please visit http://www.nuecesco.com/county-services/county-clerk

RECEIVED
OCT 21 2026
KARA SANDS
CLERK OF THE COUNTY COURT
NUECES COUNTY, TEXAS

Nueces County Hospital District

NOTICE OF PUBLIC MEETING

BOARD OF MANAGERS

Board of Managers - Regular Meeting
Tuesday, October 27, 2026 at 12:15 PM

Location:
Board of Managers Meeting Room, 555 N. Carancahua Street, Room 950-A, Corpus Christi, Texas 78401

The Nueces County Hospital District ("NCHD") Board of Managers or a Committee thereof as specified above will hold a meeting on the date and at the time and location shown above. The agenda item(s) for the meeting are set forth on the accompanying page(s). Agenda item(s) are not necessarily considered in the order listed.

The specified NCHD Board of Managers meeting will be held in-person and via videoconference call. Public participation will be available in-person as well as via videoconference call as allowed under the Texas Open Meetings Act ("Act"). It is the intent that a quorum of the Board of Managers or Committee as required for the specified meeting will be physically present at the meeting location posted in this meeting notice. It is also the intent that the Board member presiding over the meeting be physically present for the specified meeting at the meeting location posted in this meeting notice. Any member of the Board of Managers participating by videoconference call will be visible and audible to the public whenever the member is speaking; Board member participation by audio-only is not permitted. Any member of the public wishing to observe or participate in the meeting via videoconference call may do so through the videoconference call meeting Internet link shown on this meeting notice below and via NCHD's BoardBook meeting management system at https://meetings.boardbook.org/Public/Organization/1886.

The Act defines a "videoconference call" as a communication conducted between two or more persons in which one or more of the participants communicate with the other participants through duplex audio and video signals transmitted over a telephone network, a data network, or the Internet. NCHD will use Zoom to conduct the meeting via videoconference call; Zoom is a cloud-based communications platform that allows users to connect with video, audio, phone, and chat. Using Zoom requires an Internet connection and a supported device.

The agenda for this meeting and its supporting materials are available at: https://meetings.boardbook.org/Public/Organization/1886.

The Meeting may be attended in-person or via videoconference call:

Videoconference Call:
Click the link below or copy and paste the link into a supported web browser address bar.
https://nchdcc-org.zoom.us/j/5746765992?pwd=T2RVWFBpZGJYdHYyQmp1VUdZeUc3Zz09
Meeting ID: **574 676 5992**
Passcode: **195957**

Telephone:
Dial any telephone number below and enter the Meeting ID and Passcode above if required.

One tap mobile:
+13462487799,,5746765992# US (Houston)
+16699006833,,5746765992# US (San Jose)

Dial by your location (United States):
+1 346 248 7799 (Houston)
+1 719 359 4580
+1 253 205 0468
+1 253 215 8782 (Tacoma)
+1 669 444 9171
+1 669 900 6833 (San Jose)
+1 929 205 6099 (New York)
+1 301 715 8592 (Washington DC)
+1 305 224 1968
+1 309 205 3325
+1 312 626 6799 (Chicago)
+1 360 209 5623
+1 386 347 5053
+1 507 473 4847
+1 564 217 2000
+1 646 931 3860
+1 689 278 1000

Find your local number: https://nchdcc-org.zoom.us/u/kbKxLl8Eq4

Nueces County Hospital District

BOARD OF MANAGERS
Board of Managers - Regular Meeting
Tuesday, October 27, 2026 at 12:15 PM

AGENDA

1. **WELCOME**

2. **ROLL CALL OF MEMBERS**

___ Vishnu V. Reddy, Chairman
___ Sylvia Tryon Oliver, Vice Chair
___ Mariana Garza
___ Georgia Neblett, Legislative Committee Chair
___ Karen O'Connor Urban
___ Pamela Brower, Finance Committee Chair
___ Sunil Reddy

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

A. Call to order.

B. Establish quorum.

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

D. Notice is hereby provided that the Board of Managers may convene in closed meeting session(s) during this meeting to consider any agenda item, when permitted under the Texas Open Meetings Act, Texas Government Code Chapter 551.

4. **NOTICE REGARDING BUDGET.** The Hospital District's Fiscal Year 2027 Budget ("FY27 Budget") has been duly adopted by the Board and approved by the Commissioners Court. The Board may discuss the FY27 Budget at this meeting. The adopted FY27 Budget and the required taxpayer impact statement for Fiscal Year 2027 are available for public review on the District's official website at: https://www.nchdcc.org.

5. **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.

6. **PUBLIC COMMENT** – Opportunity for members of the public to address the Board on matters within its jurisdiction. In-person attendees must sign the "Agenda Item Request to Speak" form at least five (5) minutes before the meeting begins. Remote attendees must notify the presiding officer when called upon. Comments are limited to three (3) minutes (six [6] minutes with translator). The presiding officer may further limit the number of speakers or time allowed. The Board may act only on items listed on the agenda. Materials submitted will not be returned; at least ten (10) copies, labeled with the commenter's name and agenda item number, must be provided for distribution.

7. **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 Regular Meeting minutes of September 22, 2026.

B. Receive summary payment information on Nueces County health care disbursements for Fiscal Year 2026 year-to-date:

1. Salaries, benefits, and supplies at/for the 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); and
   b. Council on Alcohol and Drug Abuse;

6. Funding for diabetes prevention and supporting programs; and

7. Public health grants. *(Finance Committee)*

C. Receive summary of imputed claims information for medical and hospital services provided to the Nueces Aid Program population, consistent with the CHRISTUS Spohn Health System Corporation Amended and Restated Membership Agreement for Fiscal Year 2026 year to date. *(Finance Committee)*

D. Receive Fiscal Year 2026 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. *(Finance Committee)*

E. Receive fiscal year-to-date statement detailing amounts deposited into and/or withdrawn from the Opioid Settlement Fund, including receipts from the Opioid Abatement Fund Council through the Texas Comptroller of Public Accounts in accordance with Texas Government Code §403.508(a)(2), and disbursements made solely for the remediation of opioid-related harms pursuant to 34 Texas Administrative Code §16.222. *(Finance Committee)*

F. Receive statement of Fiscal Year 2026 year-to-date deposits to and withdrawals from the Local Provider Participation Fund, made pursuant to the Board of Managers Order authorizing participation in a health care provider participation program under Texas Health and Safety Code, Chapter 298C, as amended. *(Finance Committee)*

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

1. Directed Payment Programs - IGTs to HHSC for Medicaid managed care payments to providers that promote Medicaid program goals and objectives:
   a. Aligning Technology by Linking Interoperable Systems for Client Health Outcomes Program (ATLIS);
   b. Comprehensive Hospital Increase Reimbursement Program (CHIRP);
   c. Network Access Improvement Program (NAIP); and
   d. Texas Incentives for Physicians and Professional Services (TIPPS); and

2. Supplemental Payment Programs - IGTs to HHSC for Medicaid payments to hospitals, made separately from and in addition to base payments, to incentivize achievement of specified goals or to support providers serving significant numbers of uninsured or low-income patients:

a. Disproportionate Share Hospital (DSH);
b. Graduate Medical Education (GME);
c. Hospital Augmented Reimbursement Program (HARP); and
d. Hospital Uncompensated Care (UC). *(Finance Committee)*

H. Receive reports relating to Nueces Aid Program enrollment for the month-ended September 30, 2026:

1. Referral Sources;
2. Total Persons and Households Enrolled;
3. Enrollment Summary;
4. Denials;
5. Application Processing Summary; and
6. Enrollment by Zip Code. *(Finance Committee)*

8. **REGULAR AGENDA** -Items that are non-routine, non-administrative, or require individual attention. Each item will be considered and, if action is needed, voted on separately:

A. **Fiscal Year 2027 Health Care Provider Participation Program:**

1. Review and discuss Texas Health and Safety Code, Chapter 298C relating to the Nueces County Hospital District Health Care Provider Participation Program: authority, mandatory payments, rules and procedures, public hearing and hearing notices, permitted uses of mandatory payments, payment schedule, and other requirements relating to operation of the Fiscal Year 2027 Health Care Provider Participation Program (FY 2027 Program). ***(INFORMATION)***

2. Receive and discuss the Texas Health and Human Services Commission's revised requirements, effective October 1, 2026, governing how intergovernmental transfers (IGTs) used to fund Medicaid payments, including FY27 Program payments, are accepted and administered. ***(INFORMATION)***

3. Review and discuss the revised FY 2027 Program mandatory payment rate to be imposed exclusively and separately at six percent (6%) of each provider's net patient revenue attributable to inpatient hospital services and six percent (6%) of each provider's net patient revenue attributable to outpatient hospital services and payment schedule. ***(INFORMATION)***

4. Confirm completion of conditions precedent to setting the revised FY 2027 Program mandatory payment rate:

a. Notices relating to setting the revised FY 2027 Program mandatory payment rate; notices pursuant to Texas Health and Safety Code, §298C.101(b):

1. Notice of public hearing on the rate of mandatory FY 2027 Program payments that the Board of Managers intends to require of each institutional health care provider located within the Hospital District's boundaries during Hospital District Fiscal Year 2027 and how the revenue derived from the payments will be spent; and

2. Notice to each institutional health care provider within the Hospital District's boundaries of written notice of public hearing on the revised rate of mandatory FY 2027 Program payments that the Board of Managers intends to require of each provider during District Fiscal Year 2027 and how the revenue derived from the payments will be spent; and

b. Public hearing on the matter of the revised amount of mandatory payments that the Board intends to require during the year and how the revenue derived from those payments is to be spent; hearing pursuant to Texas Health and Safety Code, §298C.101(a). ***(ACTION)***

5. Adopt a Board of Managers Order revising the Nueces County Hospital District Health Care Provider Participation Program's Rules and Procedures to be effective October 1, 2026. ***(ACTION)***

6. Adopt a Board of Managers Order setting the revised rate of the Nueces County Hospital District Health Care Provider Participation Program mandatory FY 2027 Program payments, applicable only to Hospital District Fiscal Year 2027 (October 1, 2026 – September 30, 2027), for each institutional health care provider located within the Hospital District boundaries; the mandatory rate is set exclusively and separately at six percent (6%) of each provider's net patient revenue attributable to inpatient hospital services and six percent (6%) of its net patient revenue attributable to outpatient hospital services. Mandatory payments are authorized by Texas Health and Safety Code § 298C.151. ***(ACTION)***

B. **Finance Committee:**

1. Financial Statements:

a. Receive and approve unaudited financial statements for the month and fiscal year-to-date ended September 30, 2026. ***(ACTION)***

2. Investment Report:

a. Receive and approve Quarterly Investment Report and ratify related investment transactions for fiscal quarter-ended September 30, 2026 pursuant to Texas Government Code, §2256.023. ***(ACTION)***

C. **Legislative Committee:**

1. Receive information from Legislative Consultants on 90th Texas Session Legislative Agenda. ***(INFORMATION)***

2. Receive a briefing on, discuss, and consider action regarding the potential use of the YourTexasBenefits.com website, operated by the Texas Health and Human Services Commission to additionally facilitate enrollment in the Nueces Aid Program. ***(ACTION)***

3. Discuss and consider action on proposed amendments to the Nueces County Hospital District's Draft 90th Texas Legislative Session Agenda. ***(ACTION)***

D. **Meeting Schedule:**

1. Discuss and consider holding the December 2026 regular meetings of the Board of Managers and its committees subject to call. ***(ACTION)***

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 Grant Agreement with Coastal Bend Wellness Foundation for the provision of gap health care services provided to residents of the Hospital District during the term October 1, 2026 - September 30, 2027. ***(ACTION)***

b. Execution of Interlocal Cooperation Agreement with the Nueces Center for Mental Health and Intellectual Disabilities for the provision of opioid crisis remediation programs on behalf of the Hospital District in one or more categories approved by the Texas Opioid Abatement Fund Council; District's provision of remediation services is in connection with the required use of funds distributed by the Texas Comptroller of Public Accounts from the Texas Statewide Opioid Settlement. Agreement term: October 1, 2026 through September 30, 2027. ***(ACTION)***

F. **Administrator's Briefing:**

1. Next scheduled regular meetings of the Board of Managers and Board Committees (all meeting dates, times, and locations are subject to change):

a. Legislative Committee: Tuesday, November 17, 2026, 11:00 AM in NCHD Board of Managers Meeting Room at 555 North Carancahua Street, Room 950-A, Corpus Christi, Texas 78401;

b. Finance Committee: Tuesday, November 17, 2026, 11:30 AM in NCHD Board of Managers Meeting Room at 555 North Carancahua Street, Room 950-A, Corpus Christi, Texas 78401; and

c. Board of Managers: Tuesday, November 17, 2026, 12:00 PM in NCHD Board of Managers Meeting Room at 555 North Carancahua Street, Room 950-A, Corpus Christi, Texas 78401. ***(INFORMATION)***

9. **CLOSED MEETING** – The Board of Managers may convene in closed session at any time during this meeting to deliberate any agenda item, as authorized by the Texas Open Meetings Act, Chapter 551, Texas Government Code. The Board reserves the right to discuss any agenda item in executive session when legally permitted, regardless of whether the item is customarily considered in open session. The presiding officer will announce the applicable statutory authority under the Act prior to each closed session. Any final action, decision, or vote will be taken in open session, either upon reconvening or at a subsequent public meeting, as required by law. The Board anticipates entering closed session on the matters identified below pursuant to Sections 551.071 and 551.074 of the Texas Government Code, as applicable.

A. Consult with attorneys on matters relating to the Health Care Provider Participation Program for Fiscal Year 2027, covering the period October 1, 2026, through September 30, 2027.

B. Consult with attorneys on matters relating to revised Texas Health and Human Services Commission requirements effective October 1, 2026 governing the acceptance and administration of intergovernmental transfers used to finance Medicaid payments.

C. Consult with attorneys on matters relating to intergovernmental transfers the Hospital District submits to the Texas Health and Human Services Commission from its Local Provider Participation Fund (LPPF) to support the non-federal share of Medicaid payments and related attestation.

10. **OPEN MEETING** - The Board will reconvene in open session following the Closed Meeting before taking action on Closed Meeting matters or adjourning.

A. Consider final action, decision, or vote on matters considered in the Closed Meeting:

1. Authorize the Administrator to execute the Texas Health and Human Services Commission (HHSC) attestation for intergovernmental transfers made by the Hospital District from its Local Provider Participation Fund (LPPF) on or after October 1, 2026, to fund the non-federal share of Medicaid payments. ***(ACTION)***

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

11. **ADJOURN**

12. Public Notice Posting Receipt