

**NUECES COUNTY HOSPITAL DISTRICT  
BOARD OF MANAGERS  
Board of Managers - Regular Meeting  
Wednesday, June 16, 2021 at 10:00 AM**

**AGENDA**

**1. WELCOME**

**2. ROLL CALL OF BOARD OF MANAGERS**

- Daniel W. Dain, Chairman
- Sylvia Tryon Oliver, Vice-Chairman
- Belinda Flores, RN
- Vishnu V. Reddy, M.D.
- John E. Valls, M.B.A.
- Mariana Garza, J.D.
- Efrain Guerrero, Jr.

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

A. Call to order.

B. Establish quorum.

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

D. Public notice is hereby given that the Board of Managers may elect to go into Closed Meeting session(s) at any time during the meeting to discuss any matter(s) listed on the agenda when so authorized by the provisions of the Open Meetings Act, Texas Government Code, Chapter 551.

**4. PUBLIC COMMENT** - Persons attending in-person and wishing to comment on any item(s) on the agenda or any subject within the Board's responsibilities must sign-in on the "Agenda Item Request to Speak" form provided at the entrance of the Board meeting room at least five (5) minutes prior to commencement of the meeting. Persons attending via audio or video conference and wishing to comment on any item(s) on the agenda or any subject within the Board's responsibilities must verbally notify the presiding officer of their desire to comment when the officer calls for public comment from those attending via audio and video conference. Commenters shall limit their comments to three (3) minutes, except that Commenters addressing the Board through a translator shall limit their comments to six (6) minutes.

**5. 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 May 18, 2021. 7
- B. Approve Legislative Committee Regular Meeting minutes of May 18, 2021. 15
- C. Receive listing of new vendors as of June 10, 2021; listing provided pursuant to Board of Managers Bylaws, §2.1.B and Texas Local Government Code, Chapter 176. 18
- D. Receive summary payment information on Nueces County health care disbursements for Fiscal Year 2021 year-to-date: 19
  - 1. Salaries, benefits, supplies, and intergovernmental transfers at/for Corpus Christi/Nueces County Public Health Department;
  - 2. Emergency medical services provided in unincorporated areas of Nueces County;
  - 3. Supplemental and jail diversion program funding for Nueces Center for Mental Health and Intellectual Disabilities;
  - 4. Medical services provided at County correctional facilities:
    - a. Nueces County Jail; and
    - b. Nueces County Juvenile Detention Center;
  - 5. Funding for alcohol and drug abuse treatment programs:
    - a. Cenikor (Charlie's Place);
    - b. Council on Alcohol and Drug Abuse; and
    - c. Palmer Drug Abuse Program;
  - 6. Funding for diabetes prevention and supporting programs;
  - 7. Public health grants; and
  - 8. Legal and professional fees. (*Finance Committee*)
- E. Receive summary imputed claims information on medical and hospital care provided to the Nueces Aid Program population consistent with the CHRISTUS Spohn Health System Corporation Amended and Restated Membership Agreement for fiscal year-to-date period-ended May 31, 2021. 20

*(Finance Committee)*

- F. Receive fiscal year-to-date Specified Annual Percentage-related revenue reports; revenue receipts pursuant to CHRISTUS Spohn Health System Corporation Amended and Restated Membership Agreement, Section 5.03. *(Finance Committee)* 21
- G. Receive monthly statement of escrow amounts deposited and/or withdrawn by CHRISTUS Spohn Health System Corporation; deposits pursuant to and consistent with Schedule 1 to CHRISTUS Spohn Health System Corporation Amended and Restated Membership Agreement; receive statement for month-ended May 31, 2021. *(Finance Committee)* 22
- H. Receive statement of amounts deposited to and/or withdrawn from Local Provider Participation Fund for fiscal year-to-date; deposits and withdrawals pursuant to Board of Managers Order authorizing participation in a health care provider participation program pursuant to Texas Health and Safety Code, Chapter 298C. *(Finance Committee)* 26
- I. Receive summary report of cumulative estimated provider payments and actual intergovernmental transfers made in support of local and other healthcare providers participating in Medicaid supplemental and directed payment programs sponsored by the Texas Health and Human Services Commission (HHSC); HHSC-funded Directed Managed Care Payment Programs allow Medicaid managed care organizations to make payments to healthcare providers that support overall Medicaid program goals and objectives; and HHSC-funded Supplemental Payments are made to hospitals for achieving certain goals or to support health care providers that see significant numbers of uninsured or persons without much money; and Phase-Out program to be discontinued by HHSC on October 1, 2021: 27
1. Directed Payment Programs:
    - a. Comprehensive Hospital Increase Reimbursement Program (CHIRP);
    - b. Network Access Improvement Program (NAIP);
    - c. Texas Incentives for Physicians and Professional Services (TIPPS);
    - d. Uniform Hospital Rate Increase Program (UHRIP); and
  2. Supplemental Payment Programs:
    - a. Disproportionate Share Hospitals (DSH) program;
    - b. Graduate Medical Education (GME);
    - c. Hospital Uncompensated Care (UC) pool; and
  3. Phase-Out Program:
    - a. Delivery System Reform Incentive Payment (DSRIP) pool. *(Finance Committee)*

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

**A. Finance Committee:**

- 1. Receive and approve unaudited financial statements for the month and fiscal year-to-date period ended May 31, 2021. **(ACTION)** 28
- 2. Receive and discuss revenue, expense, and fund balance projections for Fiscal Year 2021 (October 1, 2020 - September 30, 2021) and subsequent Fiscal Years. **(INFORMATION)**
- 3. Receive reports relating to Nueces Aid Program enrollment for month-ended May 31, 2021. **(INFORMATION)** 35
- 4. Discuss and consider action relating to County Healthcare Expenditures for Fiscal Year 2021 (October 1, 2020 - September 30, 2021); authorize additional funding for: 41
  - a. County Juvenile and Adult Diabetes Program (\$10,000); and
  - b. Mobile Medical Clinic (\$30,000). **(ACTION)**

**B. Legislation:**

- 1. Receive update on 87th Texas Legislative Session Agenda. **(INFORMATION)** 42

**C. Indigent Health Care:**

- 1. Discuss Nueces Aid Program's past and current enrollment data, current income eligibility guidelines, effects of federal COVID-19 Pandemic-related financial assistance and unemployment programs on past and current Program eligibility and enrollment, and discuss and consider approval of changes to existing Program Handbook policies to mitigate the enrollment reduction effects of the Pandemic-related financial assistance and unemployment programs. **(INFORMATION and/or ACTION)**

**D. Community Mental Health:**

- 1. Receive information from Nueces County's Director of Mental Health Programs on existing and prospective Hospital District-funded and other mental health programs. **(INFORMATION)**
- 2. Discuss jail diversion program, components thereof, and related matters. **(INFORMATION)**

**E. Medicaid 1115 Waiver:**

- 1. Authorize Administrator to submit written public comments supporting extension of the Medicaid 1115 Transformation Waiver to prolong protection of the local and state health care safety net through 46

2030. (*ACTION*)

**F. Replacement Medical Examiner's Facility Site:**

1. Discuss matters relating to proposed site for replacement medical examiner's facility. (*INFORMATION*)

**G. Other Business:**

1. Discuss and consider actions relating to in-person attendance of Board of Managers and Board Committee meetings, and adjustment of existing meeting precautions relating to spread of the COVID-19 Coronavirus. (*ACTION*)

**7. ADMINISTRATOR'S BRIEFING:**

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

1. Finance Committee: July 20, 2021, 9:30 AM in NCHD Board of Managers Meeting Room at 555 North Carancahua Street, Room 950-A, Corpus Christi, Texas 78401;

2. Board of Managers: July 20, 2021, 10:00 AM in NCHD Board of Managers Meeting Room at 555 North Carancahua Street, Room 950-A, Corpus Christi, Texas 78401. (*INFORMATION*)

**8. CLOSED MEETING** - Public notice is hereby given that the Board of Managers may elect to go into closed meeting session(s) at any time during the meeting to discuss any matter(s) listed on the agenda, when so authorized by the provisions of the Open Meetings Act, Texas Government Code, Chapter 551 and the Board specifically expects to go into a closed session(s) on the matters listed below pursuant to the Act, §551.071. In the event the Board elects to go into closed session(s) regarding an agenda item(s), the section(s) of the Open Meetings Act authorizing the closed session will be publicly announced by the presiding officer. Should any final action, final decision, or final vote be required in the opinion of the Board with regard to any matter considered in closed session(s), then the final action, final decision, or final vote shall be either: (a) in the open meeting covered by the Notice upon reconvening of the public meeting; or (b) at a subsequent public meeting of the Board upon notice thereof, as the Board shall determine pursuant to applicable laws:

A. Consult with attorneys on matters relating to litigation against opioid drug manufacturers, promoters, and distributors responsible for causing and contributing to an epidemic of opioid addiction in Nueces County, including but not limited to Purdue Pharma, Endo Pharmaceuticals, Janssen Pharmaceuticals, Insys Therapeutics, the McKesson Corporation, Cardinal Health, and AmerisourceBergen for violations of the Deceptive Trade Practices Act, fraud, unjust enrichment, negligence, violations of the federal Controlled Substances Act, civil conspiracy and any other related causes of action, and related matters.

B. Consult with attorneys on matters related to Hospital District-owned real property.

C. Consult with attorneys on matters relating to Amended and Restated Membership Agreement between the Hospital District and CHRISTUS Spohn Health System Corporation.

D. Consult with attorneys on matters relating to jail diversion program and components thereof.

E. Consult with attorneys on matters relating to Board of Managers Bylaws.

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

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

11. **ADJOURN**

**MINUTES  
BOARD OF MANAGERS  
NUECES COUNTY HOSPITAL DISTRICT  
REGULAR MEETING  
MAY 18, 2021**

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The Nueces County Hospital District Board of Managers met at 12:00 p.m., Tuesday, May 18, 2021 in the NCHD Board Room, at 555 N. Carancahua, Suite 950 – A, Corpus Christi, Texas.

**HOSPITAL DISTRICT REPRESENTATIVES:**

Jonny F. Hipp	Administrator/CEO
Belinda E. Chism	Assistant Administrator, Administrative Services
Donna Littlefield	Director, Accounting & Finance
Wm DeWitt Alsup	Attorney, Alsup Law Firm
Mary Esther Guerra	Assistant County Attorney – via Zoom
Melissa Quintanilla	Executive Assistant/Human Resources
Carmina Hernandez Moreno	Administrative Assistant

**OTHERS PRESENT:**

Becky Rios	Christus Spohn - via Zoom
Mark Hendrix	MHID – via Zoom
Andrea Kovarik	MHID – via Zoom
V. Camarillo	CC Caller Times – via Zoom
Richard Schechter	Attorney – via Zoom
Jodie Devine	- via Zoom

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**1. WELCOME**

**2. ROLL CALL OF BOARD OF MANAGERS**

  X   Daniel W. Dain, Chairman  
  Y   Sylvia Tryon Oliver, Vice-Chairman  
  X   Belinda Flores, RN  
  Y   Vishnu V. Reddy, M.D.  
  Y   John E. Valls, M.B.A.  
  X   Mariana Garza, J.D.  
  Y   Efrain Guerrero, Jr.

**MINUTES  
BOARD OF MANAGERS  
REGULAR MEETING  
MAY 18, 2021**

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

A. Call to order – Ms. Sylvia Tryon Oliver.

The meeting was called to order by Ms. Sylvia Tryon Oliver at 12:05 p.m.

B. Establish quorum – Ms. Oliver, Vice – Chairman

A quorum was present with four members in attendance.

**Sylvia Tryon Oliver, Vice – Chairman – PRESENT**

**Vishnu V. Reddy, M.D., Member – PRESENT**

**John E. Valls, M.B.A., Member – PRESENT**

**Efrain Guerrero, Jr., Member – PRESENT**

**Daniel W. Dain, Chairman – ABSENT**

**Belinda Flores, RN, Member – ABSENT**

**Mariana Garza, J.B., Member – ABSENT**

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

D. Public notice is hereby given that the Board of Managers may elect to go into Closed Meeting session(s) at any time during the meeting to discuss any matter(s) listed on the agenda when so authorized by the provisions of the Open Meetings Act, Texas Government Code, Chapter 551.

4. **PUBLIC COMMENT** - Persons attending in-person and wishing to comment on any item(s) on the agenda or any subject within the Board's responsibilities must sign-in on the "Agenda Item Request to Speak" form provided at the entrance of the Board meeting room at least five (5) minutes prior to commencement of the meeting. Persons attending via audio or video conference and wishing to comment on any item(s) on the agenda or any subject within the Board's responsibilities must verbally notify the presiding officer of their desire to comment when the officer calls for public comment from those attending via audio and video conference. Commenters shall limit their comments to three (3) minutes, except that Commenters addressing the Board through a translator shall limit their comments to six (6) minutes.

**No one to speak for public comment.**

5. **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.

**MINUTES  
BOARD OF MANAGERS  
REGULAR MEETING  
MAY 18, 2021**

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 April 19, 2021.
- B. Receive listing of new vendors as of May 13, 2021; listing provided pursuant to Board of Managers Bylaws, §2.1.B and Texas Local Government Code, Chapter 176.
- C. Receive hospital providers' quarterly reports relating to certain Indigent Care Affiliation Agreements associated with participation in the Texas Healthcare Transformation and Quality Improvement Program Medicaid 1115 Waiver for calendar quarter-ended March 31, 2021:
  1. CHRISTUS Spohn Health System Corporation Hospitals: Alice, Beeville, and Kleberg (Consolidated Report);
  2. Corpus Christi Medical Center; and
  3. Driscoll Children's Hospital.
- D. Receive summary payment information on Nueces County health care disbursements for Fiscal Year 2021 year-to-date:
  1. Salaries, benefits, supplies, and intergovernmental transfers at/for Corpus Christi/Nueces County Public Health Department;
  2. Emergency medical services provided in unincorporated areas of Nueces County;
  3. Supplemental and jail diversion program funding for Nueces Center for Mental Health and Intellectual Disabilities;
  4. Medical services provided at County correctional facilities:
    - a. Nueces County Jail; and
    - b. Nueces County Juvenile Detention Center;
  5. Funding for alcohol and drug abuse treatment programs:
    - a. Cenikor (Charlie's Place);
    - b. Council on Alcohol and Drug Abuse; and
    - c. Palmer Drug Abuse Program;
  6. Funding for diabetes prevention and supporting programs;
  7. Public health grants; and
  8. Legal and professional fees. (*Finance Committee*)
- E. Receive summary imputed claims information on medical and hospital care provided to the Nueces Aid Program population consistent with the CHRISTUS Spohn Health System Corporation Amended and Restated Membership Agreement for fiscal year-to-date period-ended April 30, 2021. (*Finance Committee*)
- F. Receive fiscal year-to-date Specified Annual Percentage-related revenue reports; revenue receipts pursuant to CHRISTUS Spohn Health System Corporation Amended and Restated Membership Agreement, Section 5.03. (*Finance Committee*)

**MINUTES  
BOARD OF MANAGERS  
REGULAR MEETING  
MAY 18, 2021**

G. Receive monthly statement of escrow amounts deposited and/or withdrawn by CHRISTUS Spohn Health System Corporation; deposits pursuant to and consistent with Schedule 1 to CHRISTUS Spohn Health System Corporation Amended and Restated Membership Agreement; receive statement for month-ended April 30, 2021. *(Finance Committee)*

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

I. Receive summary report of year-to-date intergovernmental transfers made in support of local and other healthcare providers participating in Medicaid supplemental payment programs sponsored by the Texas Health and Human Services Commission. *(Finance Committee)*

1. Texas Healthcare Transformation and Quality Improvement Program (Medicaid 1115 Waiver):
  - a. Delivery System Reform Incentive Payment (DSRIP) pool; and
  - b. Hospital Uncompensated Care (UC) pool.
2. Disproportionate Share Hospitals (DSH) program;
3. Network Access Improvement Program (NAIP);
4. Uniform Hospital Rate Increase Program (UHRIP); and
5. Graduate Medical Education (GME). *(Finance Committee)*

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

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

**A. Indigent Health Care/Nueces Aid Program:**

1. Discuss Nueces Aid Program, past and current enrollment data, income eligibility guidelines, effects of federal COVID-19 pandemic-related financial assistance and unemployment programs on Program eligibility and enrollment, and potential amendments to Program Handbook policies; authorize Administrator to amend Program Handbook policies to mitigate effects of the financial assistance and unemployment programs and adjust income sources for Program eligibility as needed to offset the Program's enrollment decline during the pandemic; and authorize Administrator to submit the Program Handbook amendments to CHRISTUS Spohn Health System for Membership Agreement-required approvals. ***(ACTION)***

MINUTES  
BOARD OF MANAGERS  
REGULAR MEETING  
MAY 18, 2021

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

**B. Finance Committee:**

1. Receive and approve unaudited financial statements for the month and fiscal year-to-date period ended April 30, 2021. (*ACTION*)

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

2. Receive reports relating to Nueces Aid Program enrollment for month-ended April 30, 2021. (*INFORMATION*)

**C. Legislative Committee:**

1. Receive update on 87th Texas Legislative Session Agenda matters. (*INFORMATION*)

**D. Community Mental Health Initiatives:**

1. Receive information from Nueces County's Director of Mental Health Programs on existing and prospective Hospital District-funded and other mental health programs. (*INFORMATION*)

**E. Replacement Medical Examiner's Facility Site:**

1. Discuss matters relating to proposed site for replacement medical examiner's facility. (*INFORMATION*)

**F. Board of Managers Business:**

1. Discuss and consider amending 2021 Board of Managers Regular Meeting schedule to change regular meeting day. (*ACTION*)

**Dr. Reddy's recommendation to change the time for the Regular Board meeting to commence at 10:00 a.m., which Finance and Legislative meetings will also move to an earlier time.**

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

2. Board of Managers Chairman to appoint new Board member Efrain Guerrero, Jr. to one or more Board committees; Chairman's appointment(s) pursuant to Board of Managers Bylaws, §2.5.A. (*ACTION*)

MINUTES  
BOARD OF MANAGERS  
REGULAR MEETING  
MAY 18, 2021

**Dr. Reddy recommended and nominated new Board member, Efrain Guerrero, Jr. to the Quality Committee.**

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

**7. ADMINISTRATOR'S BRIEFING:**

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

1. Finance Committee: Tuesday, June 15, 2021, 11:15 AM in NCHD Board of Managers Meeting Room at 555 North Carancahua Street, Room 950-A, Corpus Christi, Texas 78401;
2. Legislative Committee: Tuesday, June 15, 2021, 11:45 AM in NCHD Board of Managers Meeting Room at 555 North Carancahua Street, Room 950-A, Corpus Christi, Texas 78401; and
3. Board of Managers: Tuesday, June 15, 2021, 12:00 Noon in NCHD Board of Managers Meeting Room at 555 North Carancahua Street, Room 950-A, Corpus Christi, Texas 78401. (**INFORMATION**)

**Item 7. (A) 1 – 3 as per previous recommendation and approval the time for each meeting above will change to earlier times.**

**8. CLOSED MEETING** - Public notice is hereby given that the Board of Managers may elect to go into closed meeting session(s) at any time during the meeting to discuss any matter(s) listed on the agenda, when so authorized by the provisions of the Open Meetings Act, Texas Government Code, Chapter 551 and the Board specifically expects to go into a closed session(s) on the matters listed below pursuant to the Act, §551.071 and §551.074. In the event the Board elects to go into closed session(s) regarding an agenda item(s), the section(s) of the Open Meetings Act authorizing the closed session will be publicly announced by the presiding officer. Should any final action, final decision, or final vote be required in the opinion of the Board with regard to any matter considered in closed session(s), then the final action, final decision, or final vote shall be either: (a) in the open meeting covered by the Notice upon reconvening of the public meeting; or (b) at a subsequent public meeting of the Board upon notice thereof, as the Board shall determine pursuant to applicable laws:

A. Consult with attorneys on matters relating to litigation against opioid drug manufacturers, promoters, and distributors responsible for causing and contributing to an epidemic of opioid addiction in Nueces County, including but not limited to Purdue Pharma, Endo Pharmaceuticals, Janssen Pharmaceuticals, Insys Therapeutics, the

**MINUTES  
BOARD OF MANAGERS  
REGULAR MEETING  
MAY 18, 2021**

McKesson Corporation, Cardinal Health and AmerisourceBergen for violations of the Deceptive Trade Practices Act, fraud, unjust enrichment, negligence, violations of the federal Controlled Substances Act, civil conspiracy and any other related causes of action, and related matters.

B. Consult with attorneys on matters related to Hospital District-owned real property.

C. Consult with attorneys on matters relating to Amended and Restated Membership Agreement between the Hospital District and CHRISTUS Spohn Health System Corporation.

D. Deliberate the appointment, employment, and duties of a Deputy Hospital District Administrator.

**Ms. Oliver called for close session at 12:58 p.m.**

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

**Ms. Oliver called for open session at 1:43 p.m.**

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

**No action taken.**

11. **ADJOURN**

**Motion to adjourn by Ms. Oliver. Motion by Mr. Valls and seconded by Dr. Reddy. Meeting adjourned at 1:43 p.m.**

**MINUTES  
BOARD OF MANAGERS  
REGULAR MEETING  
MAY 18, 2021**

**PRESIDING OFFICER**

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Sylvia Tryon Oliver, Vice – Chairman  
Nueces County Hospital District

**ATTEST:**

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

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Wm Dewitt Alsup, General Counsel  
Nueces County Hospital District

**BOARD OF MANAGERS  
NUECES COUNTY HOSPITAL DISTRICT  
LEGISLATIVE MEETING  
MAY 18, 2021**

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The Nueces County Hospital District Board of Managers met at 11:45 a.m., Tuesday, May 18, 2021 in the NCHD Board Room, at 555 N. Carancahua, Suite 950 – A, Corpus Christi, Texas.

**HOSPITAL DISTRICT REPRESENTATIVES:**

Jonny F. Hipp	Administrator/CEO
Belinda E. Chism	Assistant Administrator, Administrative Services
Donna Littlefield	Director, Accounting & Finance
Wm DeWitt Alsup	Attorney, Alsup Law Firm
Mary Esther Guerra	Assistant County Attorney – via Zoom
Melissa Quintanilla	Executive Assistant/Human Resources
Carmina Hernandez Moreno	Administrative Assistant

**OTHERS PRESENT:**

Becky Rios	Christus Spohn - via Zoom
Mark Hendrix	MHID – via Zoom
Andrea Kovarik	MHID – via Zoom
V. Camarillo	CC Caller Times – via Zoom
Jodie Devine	- via Zoom

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**1. WELCOME**

**2. ROLL CALL OF COMMITTEE MEMBERS**

  Y\_\_ John E. Valls, M.B.A., Chairman  
  Y\_\_ Vishnu V. Reddy, M.D.  
  X\_\_ Daniel W. Dain  
  Y\_\_ Mariana Garza, J.D.

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

A. Call to order – Mr. Valls, Chairman.

This meeting was called to order by Mr. Valls at 11:48 a.m.

B. Establish quorum – Mr. Valls.

A quorum was present with three members in attendance.

**John E. Valls, M.B.A., Chairman – PRESENT**

**Vishnu V. Reddy, M.D., Member – PRESENT**

**Mariana Garza, J.D., Member – PRESENT – via Zoom**

**Daniel W. Dain, Member – ABSENT**

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

D. Public notice is hereby given that the Committee may elect to go into Closed Meeting session(s) at any time during the meeting to discuss any matter(s) listed on the agenda when so authorized by the provisions of the Open Meetings Act, Texas Government Code, Chapter 551.

**4. PUBLIC COMMENT** - Persons attending in-person and wishing to comment on any item(s) on the agenda or any subject within the Committee's responsibilities must sign-in on the "Agenda Item Request to Speak" form provided at the entrance of the Committee meeting room at least five (5) minutes prior to commencement of the meeting. Persons attending via audio or video conference and wishing to comment on any item(s) on the agenda or any subject within the Committee's responsibilities must verbally notify the presiding officer of their desire to comment when the officer calls for public comment from those attending via audio and video conference. Commenters shall limit their comments to three (3) minutes, except that Commenters addressing the Committee through a translator shall limit their comments to six (6) minutes.

**No one to speak for public comment.**

**5. 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 Committee member 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:

**MINUTES  
BOARD OF MANAGERS  
LEGISLATIVE MINUTES  
MAY 18, 2021**

A. Approve Legislative Committee Regular Meeting minutes of April 19, 2021.

**Consent Agenda approved, Motion by Dr. Reddy and seconded by Ms. Garza. MOTION CARRIED.**

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

A. Receive update on 87th Texas Legislative Session Agenda matters. (*INFORMATION*)

**7. ADMINISTRATOR'S BRIEFING:**

A. Next regular Committee meeting (meeting's dates, times, and locations subject to change):

1. Next Meeting: Tuesday, June 15, 2021, 11:45 AM in NCHD Board of Managers Meeting Room at 555 North Carancahua Street, Room 950-A, Corpus Christi, Texas 78401.

**8. ADJOURN**

**Motion to adjourn by Mr. Valls. Motion by Dr. Reddy and seconded by Ms. Garza. Meeting adjourned at 11:57 a.m.**

**Nueces County Hospital District  
Vendor Information List - Additional Vendors-Conflict of Interest Disclosure**

<u>Vendor ID</u>	<u>Vendor Name</u>	<u>Address</u>	<u>City</u>	<u>State</u>	<u>ZIP</u>
2046	Counselors Unlimited	5959 S. Staples, Suite 232	Corpus Christi	TX	78413
2047	Balaram, Manjunath MD	P O Box 6806	Corpus Christi	TX	78411

Nueces County Hospital District  
 County Health Care Department Expenditures  
 Cash Disbursements Relating to  
 Fiscal Year 2021

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	YTD	Budget 2021	Balance
<u>Intergovernmental Transfers</u>															
Health Dept - County - IGT	0.00	0.00	0.00	87,089.65	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	87,089.65	1,208,100.00	1,121,010.35
<u>County Healthcare Services</u>															
Health Dept - County	0.00	0.00	0.00	30,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	30,000.00	693,200.00	663,200.00
Emergency Medical Services	0.00	0.00	0.00	129,440.00	0.00	0.00	125,700.00	0.00	0.00	0.00	0.00	0.00	255,140.00	500,000.00	244,860.00
NC MHID - Fund Matching	0.00	0.00	0.00	242,289.00	0.00	0.00	242,288.00	0.00	0.00	0.00	0.00	0.00	484,577.00	969,129.00	484,552.00
NC MHID - Jail Programs	0.00	0.00	0.00	359,211.99	321,462.85	59,390.31	162,766.36	0.00	0.00	0.00	0.00	0.00	882,831.51	4,200,000.00	3,317,168.49
Mental Healthcare Services	0.00	0.00	184,751.00	31,188.00	29,688.00	2,878.72	12,934.92	136,600.34	0.00	0.00	0.00	0.00	398,040.98	556,801.00	158,760.02
Juvenile Center - Lab	0.00	650.00	1,275.50	503.50	0.00	781.09	1,057.93	780.00	0.00	0.00	0.00	0.00	5,046.02	407,000.00	
Juvenile Center - Doctors	2,743.33	16,958.67	15,824.34	15,795.00	7,886.00	16,142.13	18,179.07	20,180.88	0.00	0.00	0.00	0.00	113,709.42		
Juvenile Center - Pharmacy	1,665.89	336.26	1,760.09	1,372.25	1,471.07	145.25	3,005.19	2,116.27	0.00	0.00	0.00	0.00	11,872.27		
Juvenile Center - Other	573.30	270.00	1,228.62	1,629.99	575.77	90.00	1,563.00	1,281.79	0.00	0.00	0.00	0.00	7,212.47		
Subtotal	4,982.52	18,214.93	20,086.55	19,300.74	9,932.84	17,158.47	23,805.19	24,358.94	0.00	0.00	0.00	0.00	137,840.18	407,000.00	269,159.82
Nueces County Jail Services	292,040.33	292,040.33	353,224.55	353,224.55	353,224.55	353,224.55	353,224.55	353,224.55	0.00	0.00	0.00	0.00	2,703,427.96	5,250,800.00	2,547,372.04
<u>Cemeter</u>															
Council on Alcohol & Drug Abuse	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	60,000.00	60,000.00
Diabetes Program - County	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	50,000.00	50,000.00
County Public Health Grants	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	50,000.00	50,000.00
Emergency Svcs/ACS Funding	0.00	0.00	0.00	0.00	26,000.00	32,500.00	115,571.00	9,600.00	0.00	0.00	0.00	0.00	183,671.00	3,000,000.00	2,816,329.00
<u>Professional Fees</u>															
Legal/Consulting/Engineering	4,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,000.00	120,000.00	116,000.00
Totals	301,022.85	310,255.26	558,062.10	892,531.94	758,057.38	727,224.59	932,913.97	686,550.19	0.00	0.00	0.00	0.00	5,166,618.28	17,235,030.00	12,068,411.72

**Nueces County Hospital District  
Imputed Claims Experience for Calendar Year 2021  
As if Adjudicated January 1, 2021 through May 31, 2021**

<b>Service</b>	<b>Claims</b>	<b>Billed</b>	<b>Contract Amt.</b>	<b>Co Insurance</b>	<b>Net</b>
ER	1,145	6,965,424	777,728	33,714	744,014
ASU	244	5,699,093	406,526	14,428	392,098
Clinic	5,955	3,068,430	849,709	41,753	807,956
Obs	46	1,398,276	267,129	13,941	253,188
OP	3,076	8,310,289	2,526,575	150,928	2,375,647
Subtotal	10,466	25,441,512	4,827,667	254,764	4,572,903
IP	190	12,839,825	1,878,963	48,558	1,830,405
SNF	(1)	(78,091)	(15,284)	-	(15,284)
RX	45,933	16,957,295	6,924,352	244,468	6,679,884
Physician	9,380	3,421,453	996,579	36,639	959,940
Total	65,968	58,581,994	14,612,277	584,429	14,027,848

**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 2021

	Member Revenue %												Totals
	October	November	December	January	February	March	April	May	June	July	August	September	
Week 1	1,624,588.95	139,564.97	139,591.37	119,128.41	107,956.46	167,756.24	146,318.27	127,568.23	174,313.65				2,746,786.55
Week 2	130,996.52	112,756.05	145,888.20	121,503.13	143,087.83	225,064.40	144,208.58	145,399.57					1,168,904.28
Week 3	132,319.80	166,248.28	158,045.36	119,189.07	148,250.13	151,924.55	147,560.48	138,959.07					1,162,496.74
Week 4	125,520.11	127,276.13	146,591.03	150,094.50	156,695.85	162,250.00	155,244.76	153,757.37					1,177,429.75
Week 5	125,380.74		154,995.60				175,338.29						455,714.63
Subtotal	2,138,806.12	545,845.43	590,115.96	664,910.71	555,990.27	706,995.19	768,670.38	565,684.24	174,313.65	0.00	0.00	0.00	6,711,331.95



Bank of America, N.A.  
135 S. LaSalle Street, Suite 1840 Chicago, IL 60603

TEMP-RETURN SERVICE REQUESTED

MB 01 001279 13059 B 5 A  
NUECES COUNTY HOSPITAL DISTRICT  
ATTN: JONNY HIPPI  
555 NORTH CARANCAHUA ST. SUITE 950  
CORPUS CHRISTI TX 78401-0835

PAGE 1 OF 4

RECEIVED

JUN 10 2021

NCHD-ADMINISTRATION

Account Number [REDACTED]  
Statement Period 05/01/2021 through 05/31/2021  
Account Title CHRISTUS SPOHN HEALTH SYSTEM CORP /  
NUECES COUNTY HOSPITAL DISTRICT  
CHRISTUS SPOHN / NUECES CNTY ESCROW  
ADMINISTRATIVE OFFICER GCAS CLIENT SERVICE.  
13129923272 GCAS\_AMRS\_ESCROW\_CLIENT\_SERVIC  
E@BOFA.COM  
ALTERNATE CONTACT CLIENT SERVICE.  
13129923272 GCAS\_AMRS\_ESCROW\_CLIENT\_SERVIC  
E@BOFA.COM

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PARTICIPATING PORTFOLIOS

PORTFOLIO NUMBER	PORTFOLIO NAME
[REDACTED]	CHRISTUS SPOHN / NUECES CNTY ESCROW

PARTICIPATING PORTFOLIOS

PORTFOLIO NUMBER	PORTFOLIO NAME
[REDACTED]	[REDACTED]

**CASH AND EQUIVALENTS**

7,260,052.11	BLACKROCK TREASURY TRUST - CASH MANAGEMENT N4	7,260,052.11	7,260,052.11	1,097.07
<b>TOTAL CASH AND EQUIVALENTS</b>		<b>7,260,052.11</b>	<b>7,260,052.11</b>	<b>1,097.07</b>

**TRANSACTION SUMMARY**

DESCRIPTION	INCOME CASH	PRINCIPAL CASH	PRINCIPAL CASH	COST
<b>BEGINNING BALANCE</b>	0.00	0.00	7,259,908.20	7,259,908.20
DIVIDENDS	0.00	0.00	0.00	0.00
INTEREST	0.00	143.91	0.00	0.00
OTHER INCOME	0.00	0.00	0.00	0.00
RECEIPTS & DEPOSITS	0.00	0.00	0.00	0.00
SALES & DISPOSITIONS	0.00	0.00	0.00	0.00
INTRA ACCOUNT TRANSFERS	0.00	0.00	0.00	0.00
DISTRIBUTIONS & WITHDRAWALS	0.00	0.00	0.00	0.00
PURCHASES & ACQUISITIONS	0.00	-143.91	143.91	143.91
FEES & EXPENSES	0.00	0.00	0.00	0.00
MISCELLANEOUS	0.00	0.00	0.00	0.00
<b>ENDING BALANCE</b>	<b>0.00</b>	<b>0.00</b>	<b>7,260,052.11</b>	<b>7,260,052.11</b>

**TRANSACTION DETAIL**

DATE	DESCRIPTION	INCOME CASH	PRINCIPAL CASH	COST
	<b>BEGINNING BALANCE</b>	0.00	0.00	7,259,908.20
05/03/21	INTEREST PAYMENT PAYABLE 05/01/21 BLACKROCK TREASURY TRUST - CASH MANAGEMENT N4		143.91	





TRANSACTION DETAIL (continued)

DATE	DESCRIPTION	INCOME CASH	PRINCIPAL CASH	COST
05/03/21	SWEEP PURCHASE 143.91 SHARES TRADE 05/03/21 BLACKROCK TREASURY TRUST - CASH MANAGEMENT M4		-143.91	143.91
	ENDING BALANCE	0.00	0.00	7,260,052.11

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29/MAY/2021 CA NUECES COUNTY HOSPITAL DISTRICT 05/01/2021 thru 05/31/2021

45371





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Cash Sweep Clients

With respect to any "cash sweep vehicle", if applicable, Money Market Funds and Mutual Funds are not deposits within the meaning of the Federal Deposit Insurance Act (12 U.S.C. 1813 (l)), are not insured or guaranteed by the U.S. Government, the FDIC or any other government agency, are not insured, endorsed or guaranteed by Bank of America, are not obligations of Bank of America, and involve investment risk, including possible loss of principal. If a receiver were appointed for Bank of America, the client would have an ownership interest in the shares of the Money Market Fund or the Mutual Fund that Bank of America purchased on behalf of the client.



Nueces County Hospital District  
 Nueces LPPF Activity  
 Fiscal Year 2021

	October	November	December	January	February	March	April	May	June	July	August	September	Totals
Beginning Balan	0.00	0.00	18,017,693.17	18,223,793.14	16,601,593.29	31,864,161.55	31,814,809.23	31,811,860.31	49,880,925.61	14,542,793.61	14,542,793.61	14,542,793.61	0.00
<b>Deposits</b>													
Christus Spohn		7,137,824.25			7,137,824.25			7,137,824.25					21,413,472.75
CCMC		5,322,796.00			5,322,796.00			5,322,796.00					15,968,388.00
CC Rehab		0.00	206,276.50		206,276.50			206,276.50					618,829.50
Driscoll		4,676,181.50			4,676,181.50			4,676,181.50					14,028,544.50
PAM Specialty		231,198.00			231,198.00			231,198.00					693,594.00
PAM Rehab		103,532.25			103,532.25			103,532.25					310,596.75
S. TX Surgical		546,131.50			546,131.50			546,131.50					1,638,394.50
Subtotal	0.00	18,017,663.50	206,276.50	0.00	18,223,940.00	0.00	0.00	18,223,940.00	0.00	0.00	0.00	0.00	54,671,820.00
Interest		29.67	138.92	128.90	117.65	243.21	235.33	264.99					1,158.67
Transfers In													0.00
<b>Total Deposits</b>	0.00	18,017,693.17	206,415.42	128.90	18,224,057.65	243.21	235.33	18,224,204.99	0.00	0.00	0.00	0.00	54,672,978.67
<b>Inter-Governmental Transfers</b>													
UC				(1,621,246.24)	(2,960,356.64)	(48,381.90)		(151,685.75)					(3,160,424.29)
DSRIP													(1,621,246.24)
CHIRP									(34,982,334.46)				(34,982,334.46)
TIPPS									(355,797.54)				(355,797.54)
DSH													0.00
UHRIP													0.00
<b>Total IGT's</b>	0.00	0.00	0.00	(1,621,246.24)	(2,960,356.64)	(48,381.90)	0.00	(151,685.75)	(35,338,132.00)	0.00	0.00	0.00	(40,119,802.53)
Bank Fees			(315.45)	(1,082.51)	(1,132.75)	(1,213.65)	(3,184.25)	(3,453.94)					(10,382.53)
Transfers Out													0.00
<b>Ending Balance</b>	0.00	18,017,693.17	18,223,793.14	16,601,593.29	31,864,161.55	31,814,809.23	31,811,860.31	49,880,925.61	14,542,793.61	14,542,793.61	14,542,793.61	14,542,793.61	14,542,793.61

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	TOTALS	
Christus Spohn - Corpus Christi	316,189,537	390,438,878	170,165,454	54,210,844	91,540,481	15,707,251	356,114	1,038,608,559	53%
Christus Spohn Rural (Alice/Beeville/Kleberg)	42,212,701	147,702,599	0	14,344,148	0	4,060,368	0	208,319,816	11%
Corpus Christi Medical Center	99,489,036	111,789,421	0	46,663,641	0	21,567,161	0	279,509,259	14%
Driscoll Childrens Hospital	256,134,351	15,917,969	0	0	0	68,019,187	479,717	340,551,224	17%
Detar Hospital	24,949,804	47,723,156	0	15,450,175	0	0	0	88,123,135	4%
North Bay General Hospital	0	0	0	509,751	0	0	0	509,751	0%
South Texas Surgical Hospital	0	0	0	881,704	0	0	0	881,704	0%
Corpus Christi Rehab Hospital	0	0	0	274,932	0	0	0	274,932	0%
PAM Specialty Hospital	0	0	0	1,330	0	0	0	1,330	0%
PAM Rehab Hospital	0	0	0	133,630	0	0	0	133,630	0%
Nueces County Health Dept	17,444,507	0	0	0	0	0	0	17,444,507	1%
<b>TOTALS</b>	<b>756,419,934</b>	<b>713,572,023</b>	<b>170,165,454</b>	<b>132,470,155</b>	<b>91,540,481</b>	<b>109,353,968</b>	<b>835,832</b>	<b>1,974,357,847</b>	<b>100%</b>

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

IGT Source	DSRIP	UC	DSH	UHRIP	NAIP	CHIRP	TIPPS	TOTALS
Nueces County Hospital District	309,676,781	288,104,702	695,139,324.43	58,316,090	364,164,747.2	0	0	762,027,981
Nueces LPPF	1,621,246	3,160,424	0.00	0	0.00	34,982,334.46	355,797.54	40,119,803
<b>TOTALS</b>	<b>311,298,027</b>	<b>291,265,126</b>	<b>69,513,932</b>	<b>58,316,090</b>	<b>36,416,475</b>	<b>34,982,334</b>	<b>355,798</b>	<b>802,147,783</b>

Nueces County Hospital District  
 Combined Balance Sheet - All Fund Types & Account Groups  
 As of 05/31/2021  
 (In Whole Numbers)

	General Fund	Special Revenue Fund	Trust Fund	General Fixed Assets	General Long Term Debt	TOTAL
<b>Assets</b>						
Cash & Cash Equivalents	72,154,995 *	31,333,388	116,341	0	0	103,604,725
Investments	0	25,715,801	0	0	0	25,715,801
Accrued Interest	0	40,878	1	0	0	40,879
Taxes Receivable, Net of Allowance	3,361,024	0	0	0	0	3,361,024
Other Receivables	0	0	0	0	0	0
Due from Other Funds	13,174	0	0	0	0	13,174
Prepaid Expenditures	54,028	0	0	0	0	54,028
Restricted Cash & Cash Equivalents - LPPF	49,880,926	0	0	0	0	49,880,926
Fixed Assets	0	0	0	32,155,570	0	32,155,570
Amt to be Provided for Retirement of LT Debt	0	0	0	0	41,354	41,354
<b>Total Assets</b>	<u>125,464,146</u>	<u>57,090,068</u>	<u>116,342</u>	<u>32,155,570</u>	<u>41,354</u>	<u>214,867,479</u>
<b>Liabilities</b>						
Accounts Payable	1,936,099	0	0	0	0	1,936,099
Accrued Payroll & Related Liabilities	263,364	0	0	0	0	263,364
Intergovernmental Transfer Obligations	49,890,149	0	0	0	0	49,890,149
Due to Other Funds	0	0	13,174	0	0	13,174
Deferred Revenue	3,361,024	0	0	0	0	3,361,024
Long Term Paid Time Off	0	0	0	0	41,354	41,354
<b>Total Liabilities</b>	<u>55,450,635</u>	<u>0</u>	<u>13,174</u>	<u>0</u>	<u>41,354</u>	<u>55,505,163</u>
<b>Fund Equity</b>						
Fund Balance	32,040,850	0	103,168	32,155,570	0	64,299,588
Committed to:						
Intergovernmental Transfers	37,972,661	0	0	0	0	37,972,661
Indigent Care	0	56,417,232	0	0	0	56,417,232
Assigned to County Health Care	0	672,835	0	0	0	672,835
<b>Total Fund Equity</b>	<u>70,013,511</u>	<u>57,090,068</u>	<u>103,168</u>	<u>32,155,570</u>	<u>0</u>	<u>159,362,316</u>
<b>Total Liabilities &amp; Fund Equity</b>	<u>125,464,146</u>	<u>57,090,068</u>	<u>116,342</u>	<u>32,155,570</u>	<u>41,354</u>	<u>214,867,479</u>

\* General Fund Cash & Equivalents balance includes \$37,972,661 in committed funds.

Nueces County Hospital District  
Statement of Revenues and Expenditures - All Governmental and Trust Funds  
General Fund  
From 5/1/2021 Through 5/31/2021  
(In Whole Numbers)

UNAUDITED

	Current Period Actual	Current Year Actual
Revenues		
Taxes	254,247	35,200,546
Penalties & Interest - Taxes	41,080	266,498
Spohn Corporate Member Revenue	565,684	6,537,018
Investment Income	890	29,665
Other Income	1,163	375,886
Total Revenues	863,064	42,409,614
Current Expenditures		
Intergovernmental Transfers	739,294	27,570,352
County Healthcare Funding	905,079	6,117,016
Salaries	92,456	768,932
Benefits	48,161	421,965
Legal & Professional Fees	21,754	349,251
Purchased Services	86,438	856,221
Supplies & Materials	1,174	9,696
Rent & Leases	11,375	91,168
Repairs & Maintenance	0	675
Utilities	3,270	23,556
Insurance	1,642	14,405
Administrative & General	7,041	41,911
Capital Outlay	7,925	33,444
Total Current Expenditures	1,925,609	36,298,590
Excess of Revenues Over Expenditures Before Sources/Uses	(1,062,545)	6,111,023
Excess of Revenues Over Expenditures After Sources & Uses	(1,062,545)	6,111,023
Fund Balance, Beginning of Year		63,902,487
FUND BALANCE, END OF YEAR		70,013,511

**UNAUDITED**

Nueces County Hospital District  
Statement of Revenues and Expenditures - All Governmental and Trust Funds  
Special Revenue Fund  
From 5/1/2021 Through 5/31/2021  
(In Whole Numbers)

	<u>Current Period Actual</u>	<u>Current Year Actual</u>
Revenues		
Investment Income	8,783	72,546
Tobacco Settlement Proceeds	<u>0</u>	<u>671,991</u>
Total Revenues	<u>8,783</u>	<u>744,537</u>
Excess of Revenues Over Expenditures Before Sources/Uses	<u>8,783</u>	<u>744,537</u>
Excess of Revenues Over Expenditures After Sources & Uses	<u>8,783</u>	<u>744,537</u>
Fund Balance, Beginning of Year		56,345,530
FUND BALANCE, END OF YEAR		<u><u>57,090,068</u></u>

Nueces County Hospital District  
Statement of Revenues and Expenditures - All Governmental and Trust Funds  
Trust Fund  
From 5/1/2021 Through 5/31/2021  
(In Whole Numbers)

UNAUDITED

	Current Period Actual	Current Year Actual
Revenues		
Investment Income	1	8
Total Revenues	1	8
Current Expenditures		
Benefits	603	10,680
Administrative & General	49	1,252
Total Current Expenditures	651	11,932
Excess of Revenues Over Expenditures Before Sources/Uses	(650)	(11,924)
Excess of Revenues Over Expenditures After Sources & Uses	(650)	(11,924)
Fund Balance, Beginning of Year		115,092
FUND BALANCE, END OF YEAR		103,168

Nueces County Hospital District  
Statement of Revenues and Expenditures - Actual v. Budget  
General Fund  
From 5/1/2021 Through 5/31/2021  
(In Whole Numbers)

**UNAUDITED**

	Current Period Actual	Current Period Budget	Current Period Budget Variance	Current Year Actual	YTD Budget	YTD Budget Variance
<b>Revenues</b>						
Taxes	254,247	218,480	35,767	35,200,546	34,311,095	889,451
Penalties & Interest - Taxes	41,080	16,038	25,042	266,498	207,292	59,206
Spohn Corporate Member Revenue	565,684	541,667	24,017	6,537,018	4,333,336	2,203,682
Investment Income	890	1,062	(172)	29,665	12,807	16,858
Other Income	1,163	0	1,163	375,886	120,000	255,886
Total Revenues	<u>863,064</u>	<u>777,247</u>	<u>85,817</u>	<u>42,409,614</u>	<u>38,984,530</u>	<u>3,425,084</u>
<b>Current Expenditures</b>						
Intergovernmental Transfers	739,294	11,641,000	10,901,706	27,570,352	51,817,723	24,247,371
County Healthcare Funding	905,079	1,044,113	139,034	6,117,016	11,730,501	5,613,485
Salaries	92,456	119,535	27,079	768,932	1,047,567	278,635
Benefits	48,161	56,101	7,940	421,965	479,260	57,295
Legal & Professional Fees	21,754	121,833	100,079	349,251	1,095,172	745,921
Purchased Services	86,438	91,009	4,571	856,221	924,565	68,344
Supplies & Materials	1,174	1,750	576	9,696	14,000	4,304
Rent & Leases	11,375	12,209	834	91,168	97,672	6,504
Repairs & Maintenance	0	751	751	675	6,008	5,333
Utilities	3,270	4,708	1,438	23,556	42,672	19,116
Insurance	1,642	2,166	524	14,405	17,336	2,931
Administrative & General	7,041	13,999	6,958	41,911	112,014	70,103
Capital Outlay	7,925	0	(7,925)	33,444	127,000	93,556
Extraordinary	0	417	417	0	3,336	3,336
Total Current Expenditures	<u>1,925,609</u>	<u>13,109,591</u>	<u>11,183,982</u>	<u>36,298,590</u>	<u>67,514,826</u>	<u>31,216,236</u>
Excess of Revenues Over Expenditures Before Sources/Uses	<u>(1,062,545)</u>	<u>(12,332,344)</u>	<u>11,269,799</u>	<u>6,111,023</u>	<u>(28,530,296)</u>	<u>34,641,319</u>
<b>Other Financing Sources &amp; Uses</b>						
Operating Transfers In	0	(550,000)	(550,000)	0	(550,000)	(550,000)
Total Other Financing Sources & Uses	<u>0</u>	<u>(550,000)</u>	<u>(550,000)</u>	<u>0</u>	<u>(550,000)</u>	<u>(550,000)</u>
Excess of Revenues Over Expenditures After Sources & Uses	<u>(1,062,545)</u>	<u>(11,782,344)</u>	<u>10,719,799</u>	<u>6,111,023</u>	<u>(27,980,296)</u>	<u>34,091,319</u>
Fund Balance, Beginning of Year				63,902,487	0	63,902,487
<b>FUND BALANCE, END OF YEAR</b>				<u>70,013,511</u>	<u>(27,980,296)</u>	<u>97,993,807</u>

Nueces County Hospital District  
Statement of Revenues and Expenditures - Actual v. Budget  
Tobacco Settlement Fund  
From 5/1/2021 Through 5/31/2021  
(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	6	0	6	7	0	7
Tobacco Settlement Proceeds	0	0	0	671,991	550,000	121,991
Total Revenues	<u>6</u>	<u>0</u>	<u>6</u>	<u>671,997</u>	<u>550,000</u>	<u>121,997</u>
Excess of Revenues Over Expenditures Before Sources/Uses	<u>6</u>	<u>0</u>	<u>6</u>	<u>671,997</u>	<u>550,000</u>	<u>121,997</u>
Other Financing Sources & Uses						
Operating Transfers Out	0	0	0	0	550,000	550,000
Total Other Financing Sources & Uses	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>550,000</u>	<u>550,000</u>
Excess of Revenues Over Expenditures After Sources & Uses	<u>6</u>	<u>0</u>	<u>6</u>	<u>671,997</u>	<u>0</u>	<u>671,997</u>
Fund Balance, Beginning of Year				838	0	838
FUND BALANCE, END OF YEAR				<u><u>672,835</u></u>	<u><u>0</u></u>	<u><u>672,835</u></u>

Nueces County Hospital District  
Statement of Revenues and Expenditures - Actual v. Budget  
Indigent Care Fund  
From 5/1/2021 Through 5/31/2021  
(In Whole Numbers)

UNAUDITED

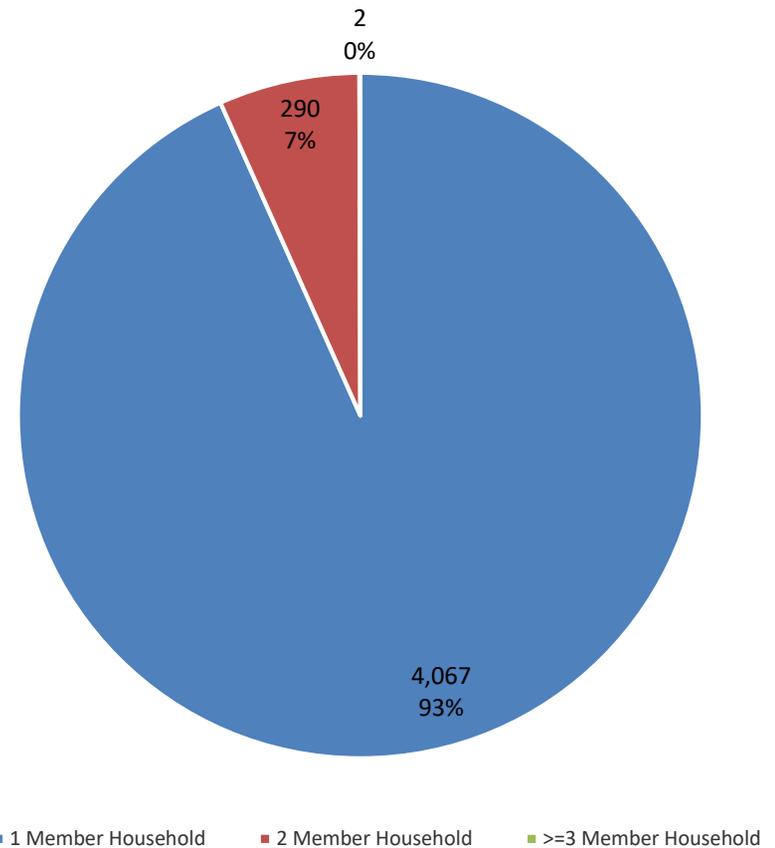
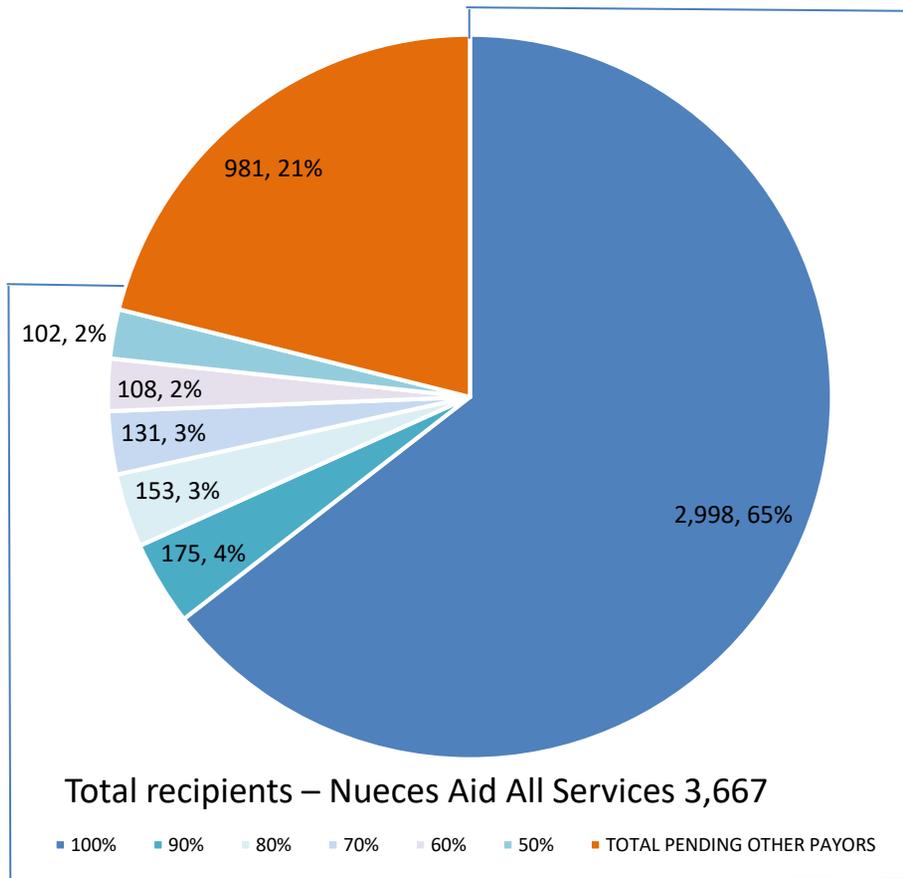
	<u>Current Period Actual</u>	<u>Current Period Budget</u>	<u>Current Period Budget Variance</u>	<u>Current Year Actual</u>	<u>YTD Budget</u>	<u>YTD Budget Variance</u>
Revenues						
Investment Income	8,777	7,028	1,749	72,540	56,199	16,341
Total Revenues	<u>8,777</u>	<u>7,028</u>	<u>1,749</u>	<u>72,540</u>	<u>56,199</u>	<u>16,341</u>
Excess of Revenues Over Expenditures Before Sources/Uses	<u>8,777</u>	<u>7,028</u>	<u>1,749</u>	<u>72,540</u>	<u>56,199</u>	<u>16,341</u>
Excess of Revenues Over Expenditures After Sources & Uses	<u>8,777</u>	<u>7,028</u>	<u>1,749</u>	<u>72,540</u>	<u>56,199</u>	<u>16,341</u>
Fund Balance, Beginning of Year				56,344,692	0	56,344,692
FUND BALANCE, END OF YEAR				<u><u>56,417,232</u></u>	<u><u>56,199</u></u>	<u><u>56,361,033</u></u>

# May 2021

## Nueces Aid Program Enrollment

Total Enrolled  
4,648

Total Households  
4,359



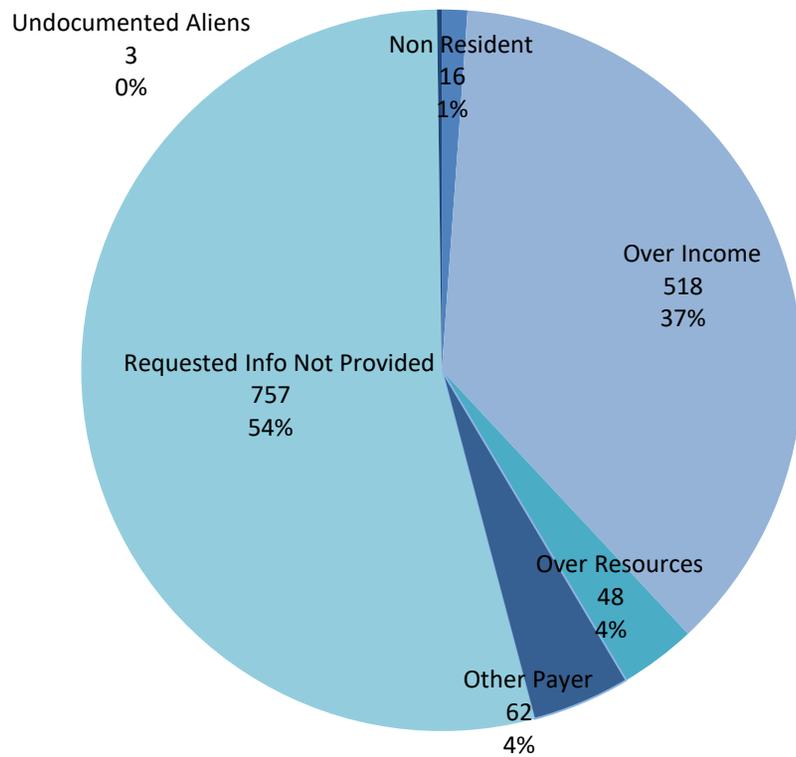




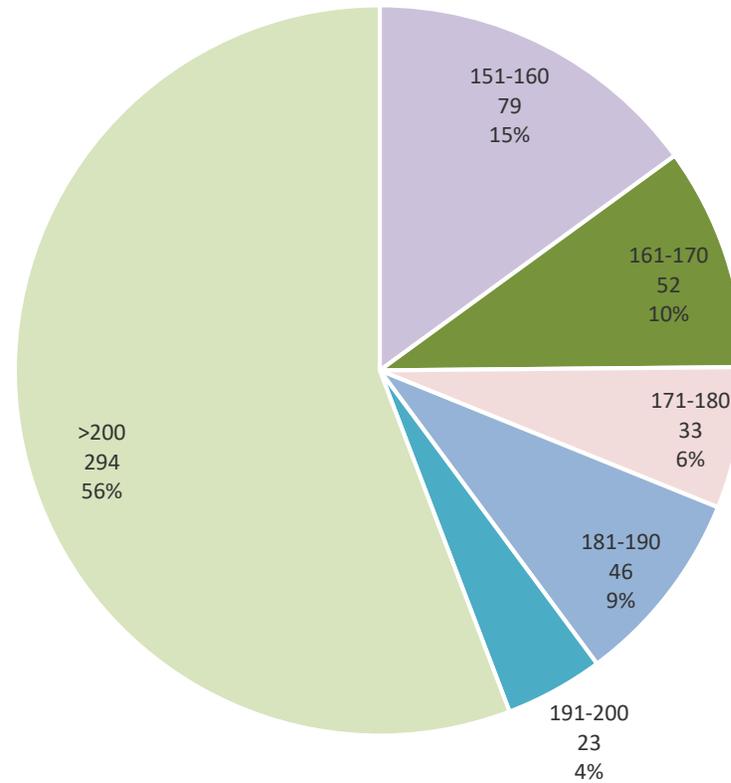
# NUECES AID DENIALS

Calendar Year 2021  
January-May

Denial Reasons



Comparison of Over Income Case to 2020 HHS Poverty Guidelines



**Nueces Aid Program  
Application Processing Summary Calendar Year 2021**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD 2021	Comments
<b>TOTAL APPLICATIONS</b>	807	687	1,044	1,083	912								4,533	
- Approved	534	461	757	748	629								3,129	
%	66.2%	67.1%	72.5%	69.1%	69.0%								69.0%	Since FY 1999, the denial rate is based on all denied individuals in the household.
- Denied	273	226	287	335	283								1,404	
%	33.8%	32.9%	27.5%	30.9%	31.0%								31.0%	
<b>APPROVALS BY PLAN TYPE</b>														
<b>NUECES AID - All Services</b>														
100%	358	333	514	517	435								2,157	
%	67.0%	72.2%	67.9%	69.1%	69.2%								68.9%	
90%	21	15	38	27	18								119	
%	3.9%	3.3%	5.0%	3.6%	2.9%								3.8%	
80%	12	13	32	18	20								95	
%	2.2%	2.8%	4.2%	2.4%	3.2%								3.0%	
70%	25	15	17	21	19								97	The percentage of approvals by plan option is calculated by dividing the number for each plan option by the total number of approved applications.
%	4.7%	3.3%	2.2%	2.8%	3.0%								3.1%	
60%	10	12	26	11	24								83	
%	1.9%	2.6%	3.4%	1.5%	3.8%								2.7%	
50%	13	10	25	15	17								80	
%	2.4%	2.2%	3.3%	2.0%	2.7%								2.6%	
<b>TOTAL</b>	439	398	652	609	533								2,631	
%	82.2%	86.3%	86.1%	81.4%	84.7%								84.1%	
<b>HOUSEHOLDS BY SIZE - APPROVED</b>														
1 Member Household	720	389	660	654	554								2,977	The percentage for each size household is calculated by dividing the number of households in the category by the total number of approved households.
%	95.7%	91.1%	93.1%	93.2%	88.1%								92.5%	
2 Member Household	32	35	49	47	75								238	
%	4.3%	8.2%	6.9%	6.7%	11.9%								7.4%	
3 or > Member Household	0	3	0	1	0								4	Households pending other payors are not included.
%	0.0%	0.7%	0.0%	0.1%	0.0%								0.1%	
<b>TOTAL HOUSEHOLDS APPROVED</b>	752	427	709	702	629								3,219	

**Nueces Aid Program  
Application Processing Summary Calendar Year 2021**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD 2021	Comments
<b>NCHD DENIALS - Reasons for Denials</b>														
Non Resident	4	1	4	5	2								16	The percentage for each denial reason is calculated by dividing the number of individuals for each reason by the total number of individuals denied.
%	1.5%	0.4%	1.4%	1.5%	0.7%								1.1%	
Over Income	102	67	126	137	86								518	
%	37.4%	29.6%	43.9%	40.9%	30.4%								36.9%	
Over Resources	9	6	8	11	14								48	
%	3.3%	2.7%	2.8%	3.3%	4.9%								3.4%	
Other Payer	18	3	16	13	12								62	
%	6.6%	1.3%	5.6%	3.9%	4.2%								4.4%	
Requested Info Not Provided	140	149	133	167	168								757	
%	51.3%	65.9%	46.3%	49.9%	59.4%								53.9%	
Undocumented Aliens	0	0	0	2	1								3	Note: UA code eff 08/01/01
%	0.0%	0.0%	0.0%	0.6%	0.4%								0.2%	
<b>TOTAL DENIALS</b>	<b>273</b>	<b>226</b>	<b>287</b>	<b>335</b>	<b>283</b>								<b>1,404</b>	
<b>HOUSEHOLDS BY SIZE - DENIED</b>														
1 Member Household	223	180	223	272	232								1130	The denial percentage for each size household is calculated by dividing the number for each household size by the total number of denied households.
%	89.9%	88.2%	86.8%	89.5%	89.9%								88.9%	
2 Member Household	25	22	31	31	25								134	
%	10.1%	10.8%	12.1%	10.2%	9.7%								10.5%	
3 or > Member Household	0	2	3	1	1								7	Households pending other payors are not included.
%	0.0%	1.0%	1.2%	0.3%	0.4%								0.6%	
<b>TOTAL HOUSEHOLDS DENIED</b>	<b>248</b>	<b>204</b>	<b>257</b>	<b>304</b>	<b>258</b>								<b>1,271</b>	
<b>PENDING APPLICATIONS</b>														
Pending documentation	311	267	323	347	212								292	The YTD number for incomplete applications is the average of the monthly incomplete applications.
TANF	13	9	9	23	12								12	
SSI-SSID	49	30	46	57	38								38	
Other Payor	33	24	50	60	46								46	

Nueces County Hospital District  
 County Healthcare Department Expenditures  
 For the Year Ending September 30, 2021

EXHIBIT C

<u>Program</u>	<u>Budget 2020</u>	<u>Budget 2021</u>	<u>Difference</u>	<u>Comments</u>
<b><u>Intergovernmental Transfers</u></b>				
1a Health Department - Intergovernmental Transfers *	1,208,100	1,208,100	0	
<b><u>County Healthcare Services</u></b>				
1b Health Department (Operating Expenditures) *	591,200	693,200	102,000	1,901,300 FY21 - Hlth dept Mobile Trailer funding - 30,000 FY21 - Turbines - 72,000 (2x36,000)
2 Emergency Medical Services	500,000	500,000	0	
3 Nueces Center for Mental Health & Intellectual Disabilities	969,129	969,129	0	
4 MHID - Jail Programs (Jail Div, CIT, Jail Based Comp)	2,500,000	4,200,000	1,700,000	
5 Mental Healthcare Services	0	556,801	556,801	Cloud9-208,350, O2SL-88,451 PAARI-95k, Opiod Coordinator-65k + 100k for set up Contract nurse services
6 Juvenile Detention Center-Health Services	355,000	407,000	52,000	
7 County Jail Healthcare Services	3,476,996	5,250,800	1,773,804	High bid on RFP (includes Annex)
8a Alcohol and Drug Rehabilitation Center (Cenikor)	55,000	60,000	5,000	
8b Council on Alcohol & Drug Abuse	28,714	50,000	21,286	
8c Palmer Drug Abuse Program	5,000	0	(5,000)	
9 County Juvenile and Adult Diabetes Program	50,000	50,000	0	
10 Public Health Grants	0	170,000	170,000	FY21 - Coastal Bend Wellness Fndtn - 85,000 FY21 - Amistad Comm. Hlth Center - 85,000
11 Alternate Care Site Funding - Emergency Mgmt Svcs	0	3,000,000	3,000,000	
<b>Subtotal</b>	<b>8,531,039</b>	<b>15,906,930</b>	<b>7,375,891</b>	\$7,375,891
<b>Subtotal County Services</b>	<b>9,739,139</b>	<b>17,115,030</b>	<b>7,375,891</b>	
<b><u>Professional Fees</u></b>				
12 Consulting (Behavioral Health)	500,000	120,000	(380,000)	Tom Graham - 60k Robert Durand - 60k
<b>Grand Total County Services Department</b>	<b>10,239,139</b>	<b>17,235,030</b>	<b>6,995,891</b>	

\* Note - Total Health Department For Budget 2021 = \$1,901,300 up from \$1,799,300 for Budget 2020.

Unbudgeted Additional Requests: Social Determinants of Health

Accenture	255,000	Coded to #5-Mental Healthcare Services
Texas Health Institute	118,127	Coded to #5-Mental Healthcare Services
	<u>373,127</u>	

Unbudgeted Additional Requests: COVID-19 Public Health Work Report

Accenture	130,000	Coded to #11 -ACS Emergency Mgmt Services
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TOTAL UNBUDGETED ADDITIONAL REQUESTS 503,127

17,738,157

1 AN ACT  
2 relating to the expiration of the health care provider  
3 participation program administered and operated by the Nueces  
4 County Hospital District.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Section 298C.004, Health and Safety Code, as  
7 added by Chapter 694 (S.B. 2315), Acts of the 86th Legislature,  
8 Regular Session, 2019, is repealed.

9 SECTION 2. Section 2, Chapter 694 (S.B. 2315), Acts of the  
10 86th Legislature, Regular Session, 2019, is repealed.

11 SECTION 3. To the extent of any conflict, this Act prevails  
12 over another Act of the 87th Legislature, Regular Session, 2021,  
13 relating to nonsubstantive additions to and corrections in enacted  
14 codes.

15 SECTION 4. This Act takes effect immediately if it receives  
16 a vote of two-thirds of all the members elected to each house, as  
17 provided by Section 39, Article III, Texas Constitution. If this  
18 Act does not receive the vote necessary for immediate effect, this  
19 Act takes effect September 1, 2021.

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Speaker of the House

I certify that H.B. No. 1456 was passed by the House on April 30, 2021, by the following vote: Yeas 111, Nays 30, 2 present, not voting; and that the House concurred in Senate amendments to H.B. No. 1456 on May 28, 2021, by the following vote: Yeas 110, Nays 35, 1 present, not voting.

\_\_\_\_\_  
Chief Clerk of the House

I certify that H.B. No. 1456 was passed by the Senate, with amendments, on May 22, 2021, by the following vote: Yeas 31, Nays 0.

\_\_\_\_\_  
Secretary of the Senate

APPROVED: \_\_\_\_\_

Date

\_\_\_\_\_  
Governor

# Texas Legislature Online History

**Bill:** HB 1456

**Legislative Session:** 87(R)

**Council Document:** 87R 1644 SRA-F

**Last Action:** 05/31/2021 E Sent to the Governor

**Caption Version:** Enrolled

**Caption Text:** Relating to the expiration of the health care provider participation program administered and operated by the Nueces County Hospital District.

**Author:** Herrero

**Sponsor:** Hinojosa

**Subjects:** NUECES COUNTY HOSPITAL DISTRICT (D0134)  
Health Care Providers (I0387)  
Hospitals (I0400)  
Special Districts & Authorities--Hospital (I0750)

**Companion:** SB 273 by Hinojosa, Identical

**House Committee:** County Affairs

**Status:** Out of committee

**Vote:** Ayes=9 Nays=0 Present Not Voting=0 Absent=0

**Senate Committee:** Local Government

**Status:** Out of committee

**Vote:** Ayes=6 Nays=0 Present Not Voting=0 Absent=3

**Actions:** (descending date order)

Viewing Votes: Most Recent House Vote | Most Recent Senate Vote

	Description	Comment	Date▼	Time	Journal Page
E	<a href="#">Sent to the Governor</a>		05/31/2021		5517
S	Signed in the Senate		05/31/2021		
H	Signed in the House		05/30/2021		5469
H	Reported enrolled		05/29/2021	02:35 PM	5475
S	House concurs in Senate amendment(s)-reported		05/28/2021		2507
H	Text of Senate Amendment(s)		05/28/2021		4337
H	Statement(s) of vote recorded in Journal		05/28/2021		4338
H	Record vote	RV#1566	05/28/2021		4338
H	House concurs in Senate amendment(s)		05/28/2021		4337
H	Senate Amendments Analysis distributed		05/23/2021	06:08 PM	
H	Senate Amendments distributed		05/23/2021	06:06 PM	
H	<a href="#">Senate passage as amended reported</a>		05/23/2021		3539
S	Record vote		05/22/2021		1718
S	Passed		05/22/2021		1718
S	Read 3rd time		05/22/2021		1718
S	Record vote		05/22/2021		1718
S	Three day rule suspended		05/22/2021		1718
S	Vote recorded in Journal		05/22/2021		1718
S	Read 2nd time & passed to 3rd reading	44	05/22/2021		1718
S	Rules suspended-Regular order of business		05/22/2021		1718

S	Placed on intent calendar		05/22/2021	
S	Committee report printed and distributed		05/21/2021	11:11 AM
S	Recommended for local & uncontested calendar		05/21/2021	
S	Reported favorably as substituted		05/21/2021	1707
S	Considered in public hearing		05/19/2021	
S	Left pending in committee		05/17/2021	
S	Considered in public hearing		05/17/2021	
S	Scheduled for public hearing on . . .		05/17/2021	
S	Referred to Local Government		05/10/2021	1342
S	Read first time		05/10/2021	1342
S	Received from the House		05/03/2021	1136
H	Reported engrossed		04/30/2021	03:25 PM 2084
H	Nonrecord vote recorded in Journal		04/30/2021	1906
H	Record vote	RV#582	04/30/2021	1906
H	Passed		04/30/2021	1906
H	Read 3rd time		04/30/2021	1906
H	Nonrecord vote recorded in Journal		04/30/2021	1888
H	Passed to engrossment		04/30/2021	1888
H	Read 2nd time		04/30/2021	1888
H	Placed on Local, Consent, and Res. Calendar		04/30/2021	
H	Considered in Local & Consent Calendars		04/27/2021	
H	Comm. report sent to Local & Consent Calendar		04/19/2021	
H	Committee report distributed		04/19/2021	08:09 AM
H	Compte report filed with Committee Coordinator		04/16/2021	1267
H	Reported favorably as substituted		04/13/2021	
H	Recommended to be sent to Local & Consent		04/13/2021	
H	Committee substitute considered in committee		04/13/2021	
H	Considered in formal meeting		04/13/2021	
H	Left pending in committee		04/08/2021	
H	Testimony taken/registration(s) recorded in committee		04/08/2021	
H	Committee substitute considered in committee		04/08/2021	
H	Considered in public hearing		04/08/2021	
H	Scheduled for public hearing on . . .		04/08/2021	
H	Referred to County Affairs		03/05/2021	01:21 PM 380
H	Read first time		03/05/2021	380
H	Filed		01/28/2021	

June 17, 2021

Basundhara Raychaudhuri  
Waiver Coordinator, Policy Development Support  
Texas Health and Human Services Commission  
P.O. Box 13247  
Mail Code H-600  
Austin, Texas 78711-3247

Dear Ms. Raychaudhuri:

On behalf of Nueces County Hospital District and the patients served by our local health care providers, thank you for your ongoing commitment to secure a strong Medicaid 1115 Waiver extension for Texas. The waiver is a fundamental element of Texas' health care infrastructure. For the past 15 months, these providers have fought the COVID-19 pandemic—diagnosing, triaging, treating, and vaccinating our community. While we suffered devastating losses, these providers also have successfully healed the sick and saved countless lives. We cannot underestimate the role of a strong health care infrastructure both in times of crisis and for a healthy, thriving population. As we make our way out of the pandemic and the state prepares for the next waiver extension negotiation, we encourage you to prioritize policies and funding that will strengthen the entire health care infrastructure. Any future waiver extension should include the following principles to ensure a strong health care infrastructure for the safety net providers and Texas residents it supports.

- 1. A Favorable Budget Neutrality Determination: The budget neutrality determinations in any future waiver extension must be the same as or better than what the Centers for Medicare & Medicaid Services approved in January 2021.**
  - a. Texas sought and received the necessary budget neutrality room to sustain needed programs in the January extension. An inadequate budget neutrality determination threatens to significantly reduce the overall available funding for Texas' new waiver extension period. This will hinder Texas' ability to maintain its current Medicaid program, services for the uninsured and payment programs to offset costs providers incur for treating underinsured and uninsured individuals.
  - b. Without adequate budget neutrality room, the state's ability to transition the Delivery System Reform Incentive Payment program and improve care quality with new directed payment programs would be significantly limited.
  - c. The Texas Health and Human Services Commission currently is working with CMS to approve and implement several new DPPs through Medicaid managed care. Financed through the waiver, these new payments will provide safety net providers, particularly rural and behavioral health providers, with invaluable supplemental funds to improve care quality and offset looming losses from the scheduled DSRIP transition. The state only has budget neutrality room under the current waiver to fund the programs for one year. A budget neutrality rebasing that cuts funds available for these new programs just as they are getting off the ground would result in a "fiscal cliff" that would have serious implications for providers and patients.
  - d. Texas must maximize every federal dollar available for the safety net. Providers' ability to plan beyond the next year is impaired without certainty that the DPP funding allowed under the previous waiver extension is protected. Texas needs a budget neutrality determination at least equal to the previously approved extension to ensure DPPs can operate beyond the first program year.

2. **A Strong Hospital Uncompensated Care Pool: Texas needs continued funding for the existing hospital uncompensated care pool.**
  - a. If Texas were to expand Medicaid eligibility, Texas providers still would continue to incur significant UC costs. Expansion would cover about 1.2 million more Texans, leaving the remaining 3.8 million still reliant on indigent care services that the UC funding helps offset the cost of.
  - b. Limiting or eliminating UC pools hurts patients' access to care and the safety net providers that are required by the Emergency Medical Treatment and Labor Act to provide emergency care for anyone who seeks it, regardless of their ability to pay. Even after funding from the waiver and other supplemental payment programs were applied, Texas hospitals incurred more than \$4.6 billion in UC costs in 2020 alone.
  
3. **Behavioral Health Safety Net: Urgent action is needed to preserve access to safety net mental health and substance use services.**
  - a. With significant funding loss on the horizon for community mental health providers, patients' access to medically necessary behavioral health care is in jeopardy. The behavioral health safety net stands to lose \$330 million a year in federal funds when DSRIP expires Sept. 30.
  - b. The previous waiver extension included two financing strategies to ensure access to mental health and substance use services following the DSRIP transition:
    - i. The public health providers – charity care pool was a new uncompensated care pool, worth \$500 million a year, to offset some of the unreimbursed costs community mental health centers and local health departments incur for caring for people with serious mental illness and substance use disorders without any form of third-party payment.
    - ii. The directed payment program for behavioral health services provides \$166 million a year to support community mental health centers in caring for Medicaid enrollees.
  - c. If these funds are not immediately preserved, patients with severe mental illness or substance use disorders may lose access to community-based services, increasing reliance on clinically inappropriate care settings such as hospital emergency departments.
  
4. **Comprehensive Health Care Coverage: In addition to extending the wavier, enroll more Texans in a comprehensive health coverage option and reduce the number of uninsured.**
  - a. Since the inception of the Affordable Care Act, Texas hospitals have supported and led efforts to address Texas' high number of uninsured residents, either through Medicaid expansion or subsidies for enrollment in the private insurance marketplace.
  - b. Comprehensive coverage ensure access for low wage working Texans and their families to preventive, primary and specialty care as well as chronic disease management services. With better access to community-based services, more Texans will be healthier and productive, which supports the state economy.
  - c. Texas needs both coverage expansion **and** a strong waiver to meet the unique health care needs of a growing population. Texas is too large and demographically diverse for a one-size-fits-all health care approach. A 2018 report by the Urban Institute estimated that 1.6 million or 34% of Texas' uninsured population were noncitizens. These individuals would not qualify for

Medicaid or subsidized marketplace insurance unless they are lawfully present and meet special qualifying conditions.

- d. The waiver extension provided predictability and resources needed to sustain providers delivering care to Medicaid clients as well as Texans who would remain uninsured even under a robust coverage expansion.

While the current waiver and its existing UC pool remain intact through Sept. 30, 2022, the waiver extension rescission exposes the state to a fiscal cliff that is severe and imminent. A favorable budget neutrality calculation and strong UC pools are critical to providers' ability to plan for the future and ensure access to care.

We appreciate HHSC's consideration of waiver extension priorities that benefit the entire health care infrastructure. Thank you again for your ongoing commitment to secure a strong waiver extension for Texas for your work to protect the health of all Texans.

Sincerely,

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