

**NUECES COUNTY HOSPITAL DISTRICT
BOARD OF MANAGERS
Board of Managers - Special Meeting
Friday, December 1, 2023 at 12:15 PM**

AGENDA

1. WELCOME

2. ROLL CALL OF BOARD OF MANAGERS

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

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

A. Call to order.

B. Establish quorum.

C. Confirm posting of Meeting's public notice in accordance with Texas Open Meetings Act, Texas Government Code, Chapter 551. 4

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

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

5. PUBLIC COMMENT - Persons attending in-person and wishing to comment on any item(s) on the agenda or any subject within the Board's responsibilities must sign-in on the "Agenda Item Request to Speak" form provided at the entrance of the Board meeting room at least five (5) minutes prior to commencement of the meeting. Persons attending via audio or video conference and wishing to comment on any item(s) on the agenda or any subject within the Board's responsibilities must verbally notify the presiding officer of their desire to

comment when the officer calls for public comment from those attending via audio and video conference. Commenters shall limit their comments to three (3) minutes, except that Commenters addressing the Board through a translator shall limit their comments to six (6) minutes.

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

A. **Administrator's Actions:**

1. Ratify Administrator's action(s) performed as part of his duties directing the affairs of the Hospital District and/or as required by the Board of Managers; duties established pursuant to Texas Health and Safety Code, §281.026(e):

- a. Execution of Letter Agreement with Frost Bank extending current depository and related agreements through December 31, 2023. (**ACTION**) 11

7. **CLOSED MEETING** - Public Notice is hereby given that the Board of Managers may go into closed meeting session(s) at any time during the meeting to discuss any matter(s) listed on the agenda, when so authorized by the provisions of the Open Meetings Act, Texas Government Code, Chapter 551. *To the extent there has been a past practice of distinguishing items for public deliberation and those for executive session, the public is advised that the Board is departing from that practice, and reserves the right to discuss any listed agenda items in a closed meeting when authorized by law to do so.* When the Board goes into closed session(s) regarding an agenda item(s), the section(s) of the Open Meetings Act authorizing the closed session will be publicly announced by the presiding officer. Should any final action, final decision, or final vote be required in the opinion of the Board with regard to any matter considered in closed session(s), then the final action, final decision, or final vote shall be either: (a) in the open meeting covered by the Notice upon reconvening of the public meeting; or (b) at a subsequent public meeting of the Board upon notice thereof, as the Board shall determine pursuant to applicable laws. The Board specifically expects to go into a closed session(s) on the matters listed below pursuant to the Act, §551.071.

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

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

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

12

9. ADJOURN



Kara Sands

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

Main: (361)888-0580

Receipt: 20231128000012
Date: 11/28/2023
Time: 08:29AM
By: Margarita S
Station: CLERK03
Status: ORIGINAL COPY

<u>Seq</u>	<u>Item</u>	<u>Document Description</u>	<u>Number</u>	<u>Number Of</u>	<u>Amount</u>	<u>Serial Number</u>
1	Public Notice	PBN	2023000555	6	\$0.00	
				Order Total	(1)	\$0.00

<u>Seq</u>	<u>Payment Method</u>	<u>Transaction Id</u>	<u>Comment</u>	<u>Total</u>	
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>



VG-12-2023-2023000555

Nueces County
Kara Sands
Nueces County Clerk

Instrument Number: 2023000555

Public Notice

PUBLIC NOTICES

Recorded On: November 28, 2023 08:29 AM

Number of Pages: 6

" 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

***** 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: 2023000555
Receipt Number: 20231128000012
Recorded Date/Time: November 28, 2023 08:29 AM
User: Margarita S
Station: CLERK03

Record and Return To:

NUECES COUNTY HOSPITAL DISTRICT

RECEIVED

NOV 28 2023

KARA SANDS
CLERK OF THE COUNTY COURT
NUECES COUNTY, TEXAS

NOTICE OF PUBLIC MEETING
NUECES COUNTY HOSPITAL DISTRICT

BOARD OF MANAGERS

Board of Managers - Special Meeting
Friday, December 1, 2023 at 12:15 PM

Location:

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

MEETING IN-PERSON AND VIA VIDEOCONFERENCE CALL

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 this meeting are set forth on the accompanying page(s); agenda item(s) are not necessarily considered in the order listed.

On September 1, 2021, Governor Abbott rescinded the suspension of certain Rules of the Texas Open Meetings Act ("Act") which had allowed meetings to be conducted entirely virtually. The specified NCHD Board of Managers meeting will be held both in-person and via videoconference call. Public participation will be available in-person as well as via videoconference call as allowed under the Act. It is the intent that a quorum of the Board of Managers as required for the specified meeting will be physically present at the 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 location posted in this meeting notice. Any member of the Board of Managers participating by videoconference call shall be visible and audible to the public whenever the member is speaking; Board member participation by audio-only is no longer permitted. Although the meeting will be open to the public during the open portions of the meeting, any member of the public wishing to observe the meeting may do so via videoconference call and as well as participate via videoconference call in public comment, may do so through the videoconference call Zoom meeting link shown on this meeting notice below, as well as shown on NCHD's website.

The Texas Open Meetings 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. Zoom is an Internet-based communications platform that allows users to connect with duplex audio and video signals. Using Zoom requires an Internet connection and a supported device.

Meeting agendas and supporting materials are available via NCHD's BoardBook meeting management system at: <https://meetings.boardbook.org/Public/Organization/1886>.

Attend Meeting via Videoconference, Join Zoom Meeting:

<https://nchdcc-org.zoom.us/j/5746765992?pwd=T2RVWFBoZGJYdHYyQmp1VUdZeUc3Zz09>

Meeting ID: 574 676 5992

Passcode: 195957

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9. **ADJOURN**

November 27, 2023

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

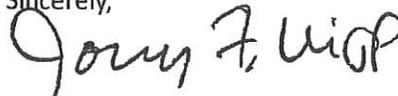
Re: Nueces County Hospital District

Dear Mr. Broughton:

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

Thank you very much for your assistance with this matter.

Sincerely,



Jonny F. Hipp

AGREED:



Kyle Broughton

Date signed: 11/29/2023

Proposed Deal Points for Emergency Medicine Support Agreement

1. The Emergency Medicine Support Agreement (“Agreement”) is subject to the following:
 - a. A determination by the Nueces County Hospital District’s (“District”) Board of Managers (“Board”) that, among other things, (i) the provision of support (“Support”) to CHRISTUS Spohn’s (“Spohn”) Emergency Medicine Residency Program (“EM Program”) is in furtherance of the District’s constitutional and statutory mission and purpose to provide or arrange for indigent care to the community; (ii) the public is receiving adequate consideration from the Support; and (iii) there are adequate controls in place to ensure that the Support is, in fact, used in furtherance of the District’s constitutional and statutory mission and purpose.
 - b. Spohn’s provision to the District of a report detailing Spohn’s direct and indirect expenses and revenues attributable to the EM Program.
 - c. A determination that the Support to be provided by the District to Spohn in connection with the EM Program is no more than Spohn’s actual costs (“Actual Costs”), meaning Spohn’s direct expenses, overhead allocations using generally accepted Medicare reimbursement principles, and IME expenses determined as fifty percent (50%) of IME reimbursement.
 - d. Spohn’s commitment to (i) maintain the EM Program; (ii) match at a minimum 12 EM Program Residents for 2024 - 2025 through 2029 - 2030 Academic Years (i.e., July 1 through June 30th), subject to the maintenance of historical qualification and credential standards; (iii) maintain an academic university-based teaching affiliation for EM Program faculty; (iv) provide the level of academic faculty administrative support needed to maintain ACGME accreditation; and (v) provide market-competitive compensation subject to “fair market value” and other requirements of applicable exception under the Physician Self-Referral Law at 42 U.S.C. §§ 1395nn and implementing regulations for EM Program faculty and residents (collectively, the “EM Program Commitment”).
 - e. The District and Spohn’s execution of definitive agreements memorializing the terms and conditions of the Agreement.
2. The Term of the Agreement will be six-years commencing with the 2024 – 2025 academic year and ending following the 2029 – 2030 academic year. The Agreement will automatically terminate in the event (i) Spohn is unable to match any residents in the EM Program for the 2024 – 2025 Academic Year (i.e. Spohn does not match a single resident to its EM Program for the 2024 – 2025 Academic Year), or (ii) the EM Program loses its accreditation as a graduate medical education (“GME”) program. In the event the Agreement is terminated, Spohn’s obligation to comply with the EM Program

Commitment and the District's obligation to provide Support shall cease. In the event (x) Spohn decides it wants to discontinue the EM Program during the term of the Agreement and the District does not oppose such decision, (y) Spohn decides not to continue the EM Program following termination of the Agreement, or (z) Spohn is unable to meet ACGME Sponsoring Institution requirements during the term of the Agreement, the District may identify an alternate Sponsoring Institution within Nueces County to accept transfer of the EM Program. If the District identifies an alternate Sponsoring Institution within Nueces County willing to accept transfer of the EM Program, Spohn shall timely transfer sponsorship of the EM Program to such alternate Sponsoring Institution within Nueces County in accordance with published ACGME sponsorship guidelines. Neither party shall have any obligation to fund the EM Program if Spohn transfers the EM Program to another Sponsoring Institution as provided herein. Notwithstanding the foregoing, if the District is unable to identify an alternate Sponsoring Institution, Spohn shall have no obligation to transfer the sponsorship of the EM Program.

3. In consideration for Spohn's EM Program Commitment, the District will provide the following Support to Spohn:
 - a. **2024 – 2025 Academic Year** – The lesser of (i) \$1,402,500 or (ii) Spohn's Actual Costs
 - b. **2025 – 2026 Academic Year** – The lesser of (i) \$2,847,500 or (ii) Spohn's Actual Costs
 - c. **2026 – 2027 Academic Year** – The lesser of (i) \$4,250,000 or (ii) Spohn's Actual Costs
 - d. **2027 – 2028 Academic Year** – The lesser of (i) \$4,250,000 or (ii) Spohn's Actual Costs
 - e. **2028 – 2029 Academic Year** – The lesser of (i) \$4,250,000 or (ii) Spohn's Actual Costs
 - f. **2029 – 2030 Academic Year** – The lesser of (i) \$4,250,000 or (ii) Spohn's Actual Costs
4. Each quarter during the applicable Academic Year, the District shall pay Spohn one-fourth (1/4) of the estimated Support for such Academic Year (e.g., \$1,402,500 for the 2024 – 2025 Academic Year). Within five (5) months after the conclusion of Spohn's Medicare cost reporting year, Spohn shall provide the District with a report reflecting its Actual Costs for the preceding year. In the event that the Actual Costs for such year are less than the estimated Support paid by the District for such year, then Spohn shall refund such surplus within 30 days of its provision of the report to the District.
5. In the event Spohn is unable to match twelve (12) residents that meet the EM Program Commitment, Spohn will meet with the District in good faith and apply a proportionate

reduction to the Support to ensure the District receives a benefit from program cost savings. By way of illustration, in the event Spohn matches six (6) residents for the 2024 – 2025 Academic Year instead of twelve (12) residents, the District’s Support to Spohn shall be proportionately reduced to the lesser of \$701,250 or Spohn’s Actual Costs (i.e., 50% of the amount set forth in Section 3.a above).

6. In the event Spohn obtains incremental funding from a third-party during the term Agreement beyond the funding it is receiving as of the effective date of the Agreement in support of the EM Program, then the parties agree to reduce the District’s Support by an amount equivalent to such incremental third-party funding. The parties acknowledge that Texas Medicaid has proposed and plans to implement a GME reimbursement program. In calculating a reduction to the District Support attributable to Medicaid GME, (i) only Medicaid GME amounts attributable to periods on or after the 2024-2025 Academic Year will apply to the reduction; and (ii) the reduction will be limited to the federal share of any Medicaid GME payments Spohn receives, multiplied by the number ER residents divided by total residents.
7. The parties agree to conduct a medical needs assessment for the Nueces County community (“Community Needs Assessment”) within one-year of the effective date of the Agreement. The parties agree to meet in good faith within six months of the completion of the Community Needs Assessment to (i) discuss how best to address the medical needs identified by the Community Needs Assessment and (ii) identify resources to address such medical needs. Neither party has any obligation to fund any needs identified through the Community Needs Assessment.

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 - b. Spohn’s provision to the District of a report detailing Spohn’s direct and indirect expenses and revenues attributable to the EM Program.
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Summary report:	
Litera Compare for Word 11.5.0.74 Document comparison done on 11/30/2023 1:44:58 PM	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original DMS: iw://cloudimanager.com/WORKAMER/47242363/5	
Modified DMS: iw://cloudimanager.com/WORKAMER/47242363/12	
Changes:	
Add	23
Delete	19
Move From	0
Move To	0
Table Insert	0
Table Delete	0
Table moves to	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	42