

**TARRANT COUNTY HOSPITAL DISTRICT (TCHD)
d/b/a JPS HEALTH NETWORK**

**1500 S. MAIN STREET
FORT WORTH, TX 76104
OUTPATIENT BUILDING, 3rd FLOOR AUDITORIUMS**

**JOINT BOARD OF MANAGERS AND FINANCE COMMITTEE MEETING
10:00 A.M. THURSDAY, FEBRUARY 22, 2018**

MEETING MINUTES

The Tarrant County Hospital District ("District") Board of Managers and Finance Committee met 10:00 a.m. Thursday, February 22, 2018 on the 3rd Floor, Outpatient Clinic Auditoriums, John Peter Smith Hospital, 1500 South Main Street, Fort Worth, Texas, 76104, with the following Board/Committee members present:

Steve Montgomery, Committee Chair
Charles Powell, Board Chair
Charles Webber, M.D., Board Vice Chair
Rev. Ralph Emerson, Immediate Past Board Chair
D.T. Nguyen, Board Secretary
Trent Petty, Past Board Chair
Dorothy DeBose, Board Member
Timothy Kremer, M.D., Committee Member

Members Absent: Chet Schrader, M.D., Member
Daniel Ziegler, M.D., Member

Others Attending: Robert Earley, President, Chief Executive Officer
Bill Whitman, Executive Vice President, Chief Operating Officer
Sharon Clark, Executive Vice President, Chief Financial Officer
Jeanna Adler, Vice President, Finance
Dianna Prachyl, Senior Vice President, Chief Operating Officer, Acclaim
Wanda Peebles, Senior Vice President, Chief Nursing Officer
Melinda Costin, Senior Vice President, Chief Information Officer
David Mendenhall, Vice President, Chief Technology Officer
Scott Rule, Vice President, Chief of Staff
Kelli Ford, Director, Managed Care
Karl Janik, Manager, Supply Chain Operations
Jaime Pillai, Vice President, Operations Support Services
Tricia Elliott, M.D., Vice President, Chief Academic Affairs Officer
Merianne Roth, Vice President, Chief Strategy Officer
Pia Walker, Vice President, Human Resources
Michelle Green-Ford, Director, Diversity and Inclusion
Lara Burnside, Vice President, Chief Patient Experience Officer
Madhura Chandak, Executive Director, Integration
Arthur Elgin, Executive Director, Facilities Management and Plant Operations
Kade Rutherford, Executive Director, Revenue Cycle
Cory Hartsfield, General Counsel
Lee Ann Gilly, Executive Assistant

Guests Attending: Jeni McGarry, Precinct 2 Administrator, Tarrant County Commissioners Court
Chandler Merritt, Chief of Staff, Tarrant County Judge

I. CALL TO ORDER

Steve Montgomery called the February 22, 2018 TCHD Finance Committee meeting to order at 10:08 a.m. Members present represented a quorum to conduct committee business.

II. CITIZENS WISHING TO ADDRESS THE BOARD

There were no citizens present wishing to address the Finance Committee.

III. MINUTES

Mr. Montgomery asked the Committee to review minutes from the January 25, 2018 Tarrant County Hospital District Joint Board of Managers and Finance Committee meeting and called for a motion. Dorothy DeBose made a motion for approval and the motion was seconded by Trent Petty and carried unanimously.

IV. CFO REPORT

There were no updates from the CFO.

V. MATTERS THAT REQUIRE DISCUSSION AND BOARD ACTION

A. Consider Acceptance of January 2018 Unaudited Financial Report

Sharon Clark presented the January 2018 Unaudited Financial Report to the Committee.

Hospital:

Inpatient Admissions were on target with budget. Patient Acuity, measured by Case Mix was above budget by 1%. Length of Stay was high, due to the high number of patient discharges with long lengths of stay.

Outpatient Emergency Department visits were unfavorable by 1% compared to budget, but were about 400 visits higher than last month. Urgent Care Visits saw its highest number of visits in our three year trend. January was a busy month with more than 5,200 patients seen in the Urgent Care. Primary Care clinic visits were favorable by 2.5% compared to budget. Specialty Clinic visits were also favorable by 2.5 % compared to budget.

Observation Days were unfavorable by 5% compared to budget. Invasive Lab Cases were over budget by 3%, and were the highest in our three year trend. Inpatient and Outpatient Surgeries continue to be below budget but we are seeing an increase from the prior month.

Psychiatric Patient Days were favorable by 4.5% compared to budget. Psychiatric Clinic Visits were unfavorable by 19% compared to budget. Psychiatric Emergency Visits were unfavorable by 9% compared to budget. Psychiatric Partial Hospitalization Days were favorable by 5%.

FTE's per Adjusted Patient Day were favorable at 5.71 compared to our end-of-year target of 5.80. Days Cash on Hand was 248 days. Net Account Receivable Days were 48.

JPS Connection enrollment for January was 36,881.

Salaries were slightly unfavorable compared to budget, although January paid FTEs per Adjusted Patient Day was favorable at 5.6 compared to a budgeted 5.8. Benefits were slightly unfavorable by 6% primarily in the employee health expense due to several large claims paid this month.

Supplies were under budget by 8% primarily due to surgery, timing of purchases and continued outsourcing of certain lab services.

For the month, Loss from Operations was \$187,000 compared to a budgeted Income from Operations of \$565,000. Year-to-date Income from Operations was \$1.3 million compared to a budgeted \$2.4 million. Net Income was \$3.5 million to date.

Acclaim:

Physician billed encounters were unfavorable by approximately 5% compared to budget due to vacant positions in Family Medicine, Neurology, Dermatology, Psychiatry and ENT. The Net Operating Expense per Encounter Year-to-date was favorable compared to budget.

Net Patient Revenue was unfavorable by 11 % compared to budget. Salaries were favorable by 10%, both due to provider and staff vacancies.

For the month, Acclaim's financial statements reflected a \$1.4 million Loss from Operations compared to a budgeted \$1.5 million. Year-to-date, the Loss from Operations was \$5 million compared to a budgeted loss of \$5.2 million.

Year-to-date, JPS, Acclaim and Foundation's net income combined total is unfavorable by \$1.2 million.

There being no further questions or discussion, Mr. Montgomery called for a motion to accept the January 2018 Unaudited Financial Report. Ms. DeBose made a motion for approval. The motion was seconded by Charles Webber, MD as presented and carried unanimously.

B. Consider Approval of Network Provider Agreement between Magellan Healthcare, Inc. and Tarrant County Hospital District d/b/a JPS Health Network

Sharon Clark presented the Network Provider Agreement between Magellan Healthcare, Inc. and Tarrant County Hospital District d/b/a JPS Health Network to the Committee for consideration. Approval of this agreement will allow Magellan Healthcare insured patients to access care at the District as an in-network facility and will include Star, StarPlus and CHIP programs.

There being no further questions or discussion, Mr. Montgomery called for a motion to approve Network Provider Agreement between Magellan Healthcare, Inc. and Tarrant

County Hospital District d/b/a JPS Health Network. Ms. DeBose made a motion for approval and the motion was seconded by D.T. Nguyen as presented and carried unanimously.

C. Consider Approval of Facility Participation Agreement between GlobalHealth Holdings, LLC and Tarrant County Hospital District d/b/a JPS Health Network

Ms. Clark presented the Facility Participation Agreement between GlobalHealth Holdings, LLC and Tarrant County Hospital District d/b/a JPS Health Network to the Committee for consideration. Approval of this agreement will include new Medicare Advantage Products for the District.

There being no further questions or discussion, Mr. Montgomery called for a motion to approve the Facility Participation Agreement between GlobalHealth Holdings, LLC and Tarrant County Hospital District d/b/a JPS Health Network. Dr. Webber made a motion for approval. The motion was seconded by Mr. Petty as presented. Mr. Nguyen opposed the vote. The motion passed.

D. Consider Approval of Facility Agreement between Tarrant County Hospital District d/b/a JPS Health Network and Provider Network of America, LLC

Ms. Clark presented the Approval of Facility Agreement between Provider Network of America, LLC and Tarrant County Hospital District d/b/a JPS Health Network to the Committee for consideration. Approval of this agreement will cover self- insurance plans for the District.

Item V.D. was tabled for discussion in Executive Session to deliberate information related to a proposed new service or product line and/or pursuant to Section 551.071 Texas Open Meeting Act.

E. Consider Approval of Professional Service Agreement between TransUnion eScan and Tarrant County Hospital District d/b/a JPS Health Network

Kade Rutherford presented the Professional Service Agreement between TransUnion eScan and Tarrant County Hospital District d/b/a JPS Health Network. Approval of this agreement will assist with coverage discovering for insured patients in the District.

There being no further questions or discussion, Mr. Montgomery called for a motion to approve the Professional Service Agreement between TransUnion eScan and Tarrant County Hospital District d/b/a JPS Health Network. Mr. Nguyen made a motion for approval. The motion was seconded by Ms. DeBose as presented and carried unanimously.

F. Consider Approval of Product Purchase Agreement between Halyard Sales, LLC and Tarrant County Hospital District d/b/a JPS Health Network

Jeanna Adler presented the Product Purchase Agreement between Halyard Sales, LLC and Tarrant County Hospital District d/b/a JPS Health Network. Approval of this agreement would allow a new provider for sterile gloves for the District.

There being no further questions or discussion, Mr. Montgomery called for a motion to approve the Product Purchase Agreement between Halyard Sales, LLC and Tarrant County Hospital District d/b/a JPS Health Network. Mr. Petty made a motion for approval. The motion was seconded by Ms. DeBose as presented and carried unanimously.

G. Consider Approval of Proposed Agreement for Extracorporeal Services between SpecialtyCare Cardiovascular Resources, LLC and Tarrant County Hospital District d/b/a JPS Health Network

Wanda Peebles presented the Proposed Agreement for Extracorporeal Services between SpecialtyCare Cardiovascular Resources, LLC and Tarrant County Hospital District d/b/a JPS Health Network. Approval of this agreement is a profusion contract for open heart surgeries for the District.

There being no further questions or discussion, Mr. Montgomery called for a motion to approve the Proposed Agreement for Extracorporeal Services between SpecialtyCare Cardiovascular Resources, LLC and Tarrant County Hospital District d/b/a JPS Health Network. Ms. DeBose made a motion for approval. The motion was seconded by Mr. Nguyen as presented and carried unanimously.

H. Pursuant to JPS Purchasing Procedure LD 7205 Section VIII(g)(1) regarding an exception to competitive bidding for purchase of goods and services for which competition is precluded because of the existence of patents, copyrights, secret processes, or monopolies, consider approval of exemptions(s) of purchase from competitive bidding and consider approval of First Addendum to AvaSys The TeleSitter Solution Agreement between Tarrant County Hospital District d/b/a JPS Health Network and AvaSure, LLC

Ms. Peebles presented Pursuant to JPS Purchasing Procedure LD 7205 Section VIII(g)(1) regarding an exception to competitive bidding for purchase of goods and services for which competition is precluded because of the existence of patents, copyrights, secret processes, or monopolies, consider approval of exemptions(s) of purchase from competitive bidding and consider approval of First Addendum to AvaSys The TeleSitter Solution Agreement between Tarrant County Hospital District d/b/a JPS Health Network and AvaSure, LLC to the Committee for consideration. Approval of this agreement will expand our current TeleSitter program and will assist with reducing patient falls

There being no further questions or discussion, Mr. Montgomery called for a motion to approve Pursuant to JPS Purchasing Procedure LD 7205 Section VIII(g)(1) regarding an exception to competitive bidding for purchase of goods and services for which competition is precluded because of the existence of patents, copyrights, secret processes, or monopolies, consider approval of exemptions(s) of purchase from competitive bidding and consider approval of First Addendum to AvaSys The TeleSitter Solution Agreement between Tarrant County Hospital District d/b/a JPS Health Network and AvaSure, LLC. Mr. Petty motioned for approval of both the exemption for competitive bid and the First Addendum: The motion was seconded by Ms. DeBose as presented and carried unanimously.

I. Consider Approval of Agreement between DMW Design Group and Tarrant County Hospital District d/b/a JPS Health Network

Jaime Pillai presented the Agreement between DMW Design Group and Tarrant County Hospital District d/b/a JPS Health Network to the Committee for consideration. Approval of this agreement will allow for repairs of the hail damaged roofs throughout the District.

There being no further questions of discussion, Mr. Montgomery called for a motion to approve the Agreement between DMW Design Group and Tarrant County Hospital District

d/b/a JPS Health Network. Mr. Petty made a motion for approval and the motion was seconded by Mr. Nguyen as presented and carried unanimously.

- J. Pursuant to JPS Purchasing Procedure LD 7205 Section VIII(d) regarding an exception to competitive bidding for purchase of professional services where obtaining the services through competitive bidding is prohibited or not practical and Section VIII(g)(1) regarding an exception to competitive bidding for purchase of goods and services for which competition is precluded because of the existence of patents, copyrights, secret processes, or monopolies, consider approval of exemptions(s) of purchase from competitive bidding and Consider Approval of Software Maintenance Agreement Renewal between Tarrant County Hospital District d/b/a JPS Health Network and Conduent Care Management, Inc. f/k/a/ MIDASPLUS, INC.

Melinda Costin presented Pursuant to JPS Purchasing Procedure LD 7205 Section VIII(d) regarding an exception to competitive bidding for purchase of professional services where obtaining the services through competitive bidding is prohibited or not practical and Section VIII(g)(1) regarding an exception to competitive bidding for purchase of goods and services for which competition is precluded because of the existence of patents, copyrights, secret processes, or monopolies, consider approval of exemptions(s) of purchase from competitive bidding and Consider Approval of Software Maintenance Agreement Renewal between Conduent Care Management, Inc. f/k/a/ MIDASPLUS, INC. and Tarrant County Hospital District d/b/a JPS Health Network. Approval of this agreement will assist in maintaining information for patient safety, patient complaints, core measures and physician measures.

There being no further questions or discussion, Mr. Montgomery called for a motion to approve Pursuant to JPS Purchasing Procedure LD 7205 Section VIII(d) regarding an exception to competitive bidding for purchase of professional services where obtaining the services through competitive bidding is prohibited or not practical and Section VIII(g)(1) regarding an exception to competitive bidding for purchase of goods and services for which competition is precluded because of the existence of patents, copyrights, secret processes, or monopolies, consider approval of exemptions(s) of purchase from competitive bidding and Consider Approval of Software Maintenance Agreement Renewal between Tarrant County Hospital District d/b/a JPS Health Network and Conduent Care Management, Inc. f/k/a/ MIDASPLUS, INC. Dr. Webber motioned for approval of the exception to bid and the motion was seconded by Mr. Nguyen as presented and carried unanimously. Mr. Nguyen motioned for approval of the request and the motion was seconded by Ms. DeBose as presented and carried unanimously.

VI. REPORT OF GENERAL LEGAL COUNSEL AND/OR LEGAL MATTERS REQUIRING DISCUSSION(S), UPDATE(S), DELIBERATION(S), ACTION(S) AND/OR APPROVAL

Cory Hartsfield announced the monthly report listing 27 contracts under \$200,000 was posted to the board portal.

VII. RECONVENE IN EXECUTIVE SESSION PURSUANT TO CHAPTER 551, TEXAS GOVERNMENT CODE FOR THE FOLLOWING:

The Committee moved in Executive Session at 11:25 a.m.

VIII. RECONVENE IN OPEN SESSION FOR DELIBERATION(S) AND/OR ACTION(S) DEEMED NECESSARY REGARDING ANY MATTER LISTED ON THE CLOSED SESSION AGENDA.

The Board reconvened in Open Session at 11:45 p.m. with the following recommendations:

Item V. D. Consider Approval of Facility Agreement between Tarrant County Hospital District d/b/a JPS Health Network and Provider Network of America, LLC

There being no further questions or discussion, Mr. Montgomery called for a motion to approve the Facility Agreement between Provider Network of America, LLC and Tarrant County Hospital District d/b/a/ JPS Health Network. Dr. Webber motioned for approval. The motion was seconded by Mr. Petty as presented. Mr. Nguyen opposed. The motion passed.

IX. ADJOURN

There being no further business of the TCHD Joint Board of Managers and Finance Committee meeting was adjourned at 11:46 pm.



Steve Montgomery, Finance Committee Chairman

3/22/18

Date