

**TARRANT COUNTY HOSPITAL DISTRICT (TCHD)  
d/b/a/ JPS HEALTH NETWORK  
JOINT BOARD OF MANAGERS AND FINANCE COMMITTEE MEETING  
Thursday, February 23, 2017**

**Meeting Minutes**

The Tarrant County Hospital District ("District") Board of Managers and Finance Committee met 10:00 a.m. Thursday, February 23, 2017 on the 3<sup>rd</sup> Floor, Outpatient Clinic Auditoriums, John Peter Smith Hospital, 1500 South Main Street, Fort Worth, Texas, 76104, with the following Board members present:

Steve Montgomery, Committee Chair  
Charles Powell, Board Chair  
Charles Webber, M.D., Board Vice-Chair  
Rev. Ralph Emerson, Member  
Trent Petty, Immediate Past Board Chair  
Dorothy DeBose, Member  
Daniel Casey, M.D., Member  
Scott Kayser, M.D., Member

Members Absent: D.T. Nguyen, Board Secretary  
Warren Norred, 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  
Kelli Shelton, Director, Managed Care  
Kade Rutherford, Executive Director, Revenue Cycle  
Jeanna Adler, Vice President, Finance  
Joe Velasquez, Director, Supply Chain  
Frank Rosinia, M.D., Executive Vice President, Chief Quality Officer (arrived 10:55 a.m.)  
Madhura Chandak, Executive Director, Clinical Integration  
James Johnson, M.D., President, Acclaim Physician Group  
Dianna Prachyl, Senior Vice President, Community Health and Chief Operating Officer, Acclaim  
Ronald Skillens, Senior Vice President, Enterprise Risk Management  
Melinda Costin, Senior Vice President, Chief Information Officer  
Scott Rule, Vice President, Chief of Staff  
Tricia Elliott, Vice President, Academic Affairs  
Pia Walker, Interim Vice President, Human Resources  
Kathleen Whelan, Vice President, Clinical and Professional Operations  
J.R. Labbe, Vice President, Communications and Community Affairs  
Nydia Gonzalez, Vice President, Diversity and Inclusion, Chief Diversity Officer  
Michelle Green-Ford, Director, Diversity and Inclusion  
Jaime Pillai, Vice President, Operations Support Service  
Angie Morgan, Director, Construction  
Neal Adams, General Counsel  
Clarie Cressey, Executive Assistant

Guest Attending: Jeni McGarry, Precinct Administrator, Precinct 2 Tarrant County Commissioners Court

**I. CALL TO ORDER**

Steve Montgomery called the February 23, 2017 TCHD Joint Board of Managers and 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 26, 2017 Tarrant County Hospital District Joint Board of Managers and Finance Committee meeting and called for a motion. Dorothy DeBose made a motion for approval; motion was seconded by Daniel Casey, M.D., and carried unanimously.

**IV. CFO REPORT**

Sharon Clark reported that a Request for Proposal was released for the FY2017 external audit on February 7, 2017 and will conclude on March 7, 2017.

Ms. Clark communicated First Southwest Asset Management, A Hilltop Holdings Company's December 31, 2016 Investment Report was uploaded to the Board Portal for viewing.

**V. MATTERS THAT REQUIRE DISCUSSION AND REQUIRING BOARD ACTION**

**A. Consider Acceptance of January 2017 Unaudited Financial Report**

Ms. Clark presented the Unaudited Financial Report for January 2017.

**Hospital:**

Admissions were favorable by 7% compared to budget and were at the highest to date for FY2017 at 2,361. Patient Days were favorable by 7% compared to budget. Case Mix Index and Length of Stay were favorable compared to the budget.

Emergency Department Visits were favorable by 7% and reflected 10,639 visits, on average was 340 visits per day. Urgent Care Visits were favorable by 12% and reflected 5,700 visits, on average was 180 visits per day. Urgent Care Visits reflected the highest level thus far compared to a three-year period. Clinic Visits and Outpatient Visits were on target compared to budget.

Observation Days were favorable by 7% compared to budget. Surgeries were on target reflecting Inpatient Surgeries favorable by 7% compared to budget and Outpatient Surgeries unfavorable by 7% compared to budget. Invasive Lab Cases were favorable by 6% compared to budget.

Psychiatric Patient Days were favorable by 1% compared to budget. Psychiatric Clinic Visits continue to trend favorably by 16% compared to budget. Psychiatric Emergency Visits were unfavorable by 3% compared to budget. Psychiatric Partial Hospitalization Days continue to trend similar to last month, but were unfavorable by 9% compared to budget.

Total FTEs per Adjusted Patient Day was at 5.97, on target year-to-date. Days Cash on Hand was at 281 days and reflects an increase in tax revenue received. Net Account Receivable Days were at 54. Payor Mix remained constant.

JPS Connection enrollment was 37,237. The Connection enrollment decreased from the prior month, primarily for the patients with Affordable Care Act (ACA) coverage qualifying for the Connection Supplemental Program. Once patients obtain their coverage in the commercial ACA plans, they may re-apply for the Connection Supplement coverage.

Financial statements reflected \$1.098 million income from operations compared to a budgeted \$1.127 million.

Net patient service revenue was favorable by \$876,000 compared to budget. Uncompensated Care continues to show unfavorable by \$833,000 compared to budget to compensate for the projected annual \$10 million FY2017 State decrease.

Salaries and related expenses were unfavorable compared to budget by 1.7% because of the increased patient care for the month. All other expenses were favorable compared to budget.

**Acclaim:**

Acclaim's financial statements reflected a \$1.4 million loss from operations compared to a budgeted \$730,000 loss from operations.

Net patient service review was unfavorable by 4% compared to budget because of physician vacancies in primary and specialty care. Other operating revenue was unfavorable by \$375,000 for the month and unfavorable by \$77,000 year-to-date. Adjustments included amounts for executing the University of North Texas Health Science Center contract and a reversal for graduate medical education funding. In addition, there was income that offset other operating revenue for the trauma program.

Salaries were favorable compared to budget by 1.4% due to unfilled positions.

There being no further questions or discussion, Mr. Montgomery called for a motion to accept the January 2017 Unaudited Financial Report. Charles Powell made a motion for approval; motion was seconded by Rev. Ralph Emerson as presented and carried unanimously.

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

Ms. Clark presented the Hospital Services Agreement between Tarrant County Hospital District d/b/a JPS Health Network and Molina Healthcare of Texas, Inc. to the Committee for consideration. Approval of this agreement will include the District as a contracted provider for Molina membership.

There being no further questions or discussion, Mr. Montgomery called for a motion to approve the Hospital Services Agreement between Tarrant County Hospital District d/b/a JPS Health Network and Molina Healthcare of Texas, Inc. Dr. Casey made a motion for approval; motion was seconded by Ms. DeBose as presented and carried unanimously.

C. Consider Approval of Health Care Facility Services Agreement between Tarrant County Hospital District d/b/a JPS Health Network and University of North Texas Health Science Center of Fort Worth

Ms. Clark presented the Health Care Facility Services Agreement between Tarrant County Hospital District d/b/a JPS Health Network and University of North Texas Health Science Center of Fort Worth to the Committee for consideration. Approval of this agreement will provide continuation of healthcare services to Federal Prison inmates.

There being no further questions or discussion, Mr. Montgomery called for a motion to approve the Health Care Facility Services Agreement between Tarrant County Hospital District d/b/a JPS Health Network and University of North Texas Health Science Center of Fort Worth. Trent Petty made a motion for approval; motion was seconded by Dr. Casey as presented and carried unanimously.

D. Consider Approval of Direct Bill Agreement between the Tarrant County Hospital District d/b/a JPS Health Network and Point Comfort Underwriters, Inc.

Ms. Clark presented the Direct Bill Agreement between the Tarrant County Hospital District d/b/a JPS Health Network and Point Comfort Underwriters, Inc. to the Committee for consideration. Approval of this agreement will provide reimbursement for medical services provided to the Tarrant County refugee population.

There being no further questions or discussion, Mr. Montgomery called for a motion to approve the Direct Bill Agreement between the Tarrant County Hospital District d/b/a JPS Health Network and Point Comfort Underwriters, Inc. Mr. Powell made a motion for approval; motion was seconded by Dr. Casey as presented and carried unanimously.

E. Consider Approval of Professional Services Agreement between Tarrant County Hospital District d/b/a JPS Health Network and NPAS, Inc. (Parallon)

Ms. Clark presented the Professional Services Agreement between Tarrant County Hospital District d/b/a JPS Health Network and NPAS, Inc. (Parallon) to the Committee for consideration. Approval of this agreement will assist with collections on self-pay patient account balances.

There being no further questions or discussion, Mr. Montgomery called for a motion to approve the Professional Services Agreement between Tarrant County Hospital District d/b/a JPS Health Network and NPAS, Inc. (Parallon). Charles Webber, M.D. made a motion for approval; motion was seconded by Rev. Emerson as presented and carried unanimously.

F. Consider Approval of Seventh Amendment to the Master Agreement between the Tarrant County Hospital District d/b/a JPS Health Network and nThrive Revenue Systems, LLC

Ms. Clark presented the Seventh Amendment to the Master Agreement between the Tarrant County Hospital District d/b/a JPS Health Network and nThrive Revenue Systems, LLC to the Committee for consideration. Approval of this agreement will assist with collections on self-pay patient account balances.

There being no further questions or discussion, Mr. Montgomery called for a motion to approve the Seventh Amendment to the Master Agreement between the Tarrant County Hospital District d/b/a JPS Health Network and nThrive Revenue Systems, LLC. Mr. Powell made a motion for approval; motion was seconded by Rev. Emerson as presented and carried unanimously.

G. Consider Approval of Eligibility and Enrollment Professional Services Agreement between Tarrant County Hospital District d/b/a JPS Health Network and Change Healthcare Solutions

Ms. Clark presented the Eligibility and Enrollment Professional Services Agreement between Tarrant County Hospital District d/b/a JPS Health Network and Change Healthcare Solutions LLC to the Committee for consideration. Approval of this agreement will provide eligibility and enrollment services to increase the number of patients qualified for governmental assistance.

There being no further questions or discussion, Mr. Montgomery called for a motion to approve the Eligibility and Enrollment Professional Services Agreement between Tarrant County Hospital District d/b/a JPS Health Network and Change Healthcare Solutions LLC. Dr. Casey made a motion for approval; motion was seconded by Dr. Webber as presented. Motion was opposed by Ms. DeBose. The motion passed.

H. Consider Approval of Eligibility and Enrollment Professional Services Agreement between Tarrant County Hospital District d/b/a JPS Health Network and Med-Data, Incorporated, together with its subsidiaries and affiliates

Ms. Clark presented the Eligibility and Enrollment Professional Services Agreement between Tarrant County Hospital District d/b/a JPS Health Network and Med-Data, Incorporated, together with its subsidiaries and affiliates to the Committee for consideration. Approval of this agreement will provide eligibility and enrollment services to increase the number of patients qualified for governmental assistance.

There being no further questions or discussion, Mr. Montgomery called for a motion to approve the Eligibility and Enrollment Professional Services Agreement between Tarrant County Hospital District d/b/a JPS Health Network and Med-Data, Incorporated, together with its subsidiaries and affiliates. Dr. Webber made a motion for approval; motion was seconded by Dr. Casey as presented. Motion was opposed by Ms. DeBose. The motion passed.

I. Consider Approval of First Amendment to Professional Services Agreement (Pathology) between Tarrant County Hospital District d/b/a JPS Health Network and ProPath Associates

Bill Whitman presented the First Amendment to Professional Services Agreement (Pathology) between Tarrant County Hospital District d/b/a JPS Health Network and ProPath Associates to the Committee for consideration. Approval of this amendment will allow for the exclusivity clause to be removed from the original agreement.

There being no further questions or discussion, Mr. Montgomery called for a motion to approve the First Amendment to Professional Services Agreement (Pathology) between Tarrant County Hospital District d/b/a JPS Health Network and ProPath Associates. Dr. Casey made a motion for approval; motion was seconded by Dr. Webber as presented and carried unanimously.

J. Consider Approval of Commercial Lease Agreement between Lighthouse for the Homeless and Capital Expense Request and Tarrant County Hospital District d/b/a JPS Health Network

Scott Rule presented the Commercial Lease Agreement between Lighthouse for the Homeless and Capital Expense Request and Tarrant County Hospital District d/b/a JPS Health Network to the Committee for consideration. Approval of this agreement will provide clinical space so primary care, dental, behavioral health, pharmacy distribution, and laboratory services may be provided to the homeless population.

There being no further questions or discussion, Mr. Montgomery called for a motion to approve the Commercial Lease Agreement between Lighthouse for the Homeless and Capital Expense Request and Tarrant County Hospital District d/b/a JPS Health Network. Ms. DeBose made a motion for approval; motion was seconded by Dr. Casey as presented and carried unanimously.

K. Consider Approval of First Amendment to Commercial Lease Agreement between Fellowship of the Sword, Inc. and Tarrant County Hospital District d/b/a JPS Health Network

Mr. Rule presented the First Amendment to Commercial Lease Agreement between Fellowship of the Sword, Inc. and Tarrant County Hospital District d/b/a JPS Health Network to the Committee for consideration. Approval of this agreement retains space for the 1115 Waiver-Behavioral Health Partial Hospitalization Program and will better correspond with the opening of the JPS Medical Home Northeast Tarrant where the services will be co-located.

There being no further questions or discussion, Mr. Montgomery called for a motion to approve the First Amendment to Commercial Lease Agreement between Fellowship of the Sword, Inc. and Tarrant County Hospital District d/b/a JPS Health Network. Mr. Powell made a motion for approval; motion was seconded by Ms. DeBose as presented and carried unanimously.

L. Consider Approval of Agreement for Hourly Coding Services between Versogenics, Inc. d/b/a Comforce and Tarrant County Hospital District d/b/a JPS Health Network

Madhura Chandak presented the Agreement for Hourly Coding Services between Versogenics, Inc. d/b/a Comforce and Tarrant County Hospital District d/b/a JPS Health Network to the Committee for consideration. Approval of this agreement will allow for uninterrupted, timely, and quality coding services with no coding backlog.

There being no further questions or discussion, Mr. Montgomery called for a motion to approve the Agreement for Hourly Coding Services between Versogenics, Inc. d/b/a Comforce and Tarrant County Hospital District d/b/a JPS Health Network. Ms. DeBose made a motion for approval; motion was seconded by Dr. Casey as presented and carried unanimously.

M. Consider Approval of Services Agreement for JPS Health Network 401(a) Plan, 403(b) Plan, and 457(b) plan between Tarrant County Hospital District d/b/a JPS Health Network and Prudential Retirement Insurance and Annuity Company

Pia Walker presented the Services Agreement for JPS Health Network 401(a) Plan, 403(b) Plan, and 457(b) plan between Tarrant County Hospital District d/b/a JPS Health Network and Prudential Retirement Insurance and Annuity Company to the Committee for consideration. Approval of this agreement will provide a user friendly system, improved customer service and a robust record keeping system for the employee retirement plans.

There being no further questions or discussion, Mr. Montgomery called for a motion to approve the Services Agreement for JPS Health Network 401(a) Plan, 403(b) Plan, and 457(b) plan between Tarrant County Hospital District d/b/a JPS Health Network and Prudential Retirement Insurance and Annuity Company. Mr. Powell made a motion for approval; motion was seconded by Ms. DeBose as presented and carried unanimously.

N. Consider Approval of Excess indemnity Coverage between Tarrant County Hospital District d/b/a JPS Health Network and Reliance Standard Life Insurance Company

Ms. Walker presented the Excess indemnity Coverage between Tarrant County Hospital District d/b/a JPS Health Network and Reliance Standard Life Insurance Company to the Committee for consideration. Approval of this coverage will provide protection by serving as a reimbursement mechanism for catastrophic claims.

There being no further questions or discussion, Mr. Montgomery called for a motion to approve the Excess indemnity Coverage between Tarrant County Hospital District d/b/a JPS Health Network and Reliance Standard Life Insurance Company. Rev. Emerson made a motion for approval; motion was seconded by Dr. Casey as presented and carried unanimously.

O. Consider Approval of SHI Government Solutions Microsoft EA Renewal between Tarrant County Hospital District d/b/a JPS Health Network and Microsoft Corporation and SHI International Corporation

Melinda Costin presented the SHI Government Solutions Microsoft EA Renewal between Tarrant County Hospital District d/b/a JPS Health Network and Microsoft Corporation and SHI International Corporation to the Committee for consideration. Approval of this renewal will

provide all Microsoft software licenses for workstations, servers, applications, and infrastructure services.

There being no further questions or discussion, Mr. Montgomery called for a motion to approve the SHI Government Solutions Microsoft EA Renewal between Tarrant County Hospital District d/b/a JPS Health Network and Microsoft Corporation and SHI International Corporation. Rev. Emerson made a motion for approval; motion was seconded by Ms. DeBose as presented and carried unanimously.

P. Consider Approval of SHI Government Solutions Microsoft SCE Renewal between Tarrant County Hospital District d/b/a JPS Health Network and Microsoft Corporation and SHI International Corporation

Ms. Costin presented the SHI Government Solutions Microsoft SCE Renewal between Tarrant County Hospital District d/b/a JPS Health Network and Microsoft Corporation and SHI International Corporation to the Committee for consideration. Approval of this renewal will provide licenses for mobile and end point security, a pilot set of Office 365 licenses, and messaging infrastructure.

There being no further questions or discussion, Mr. Montgomery called for a motion to approve the SHI Government Solutions Microsoft SCE Renewal between Tarrant County Hospital District d/b/a JPS Health Network and Microsoft Corporation and SHI International Corporation. Ms. DeBose made a motion for approval; motion was seconded by Rev. Emerson as presented and carried unanimously.

Q. Consider Approval of Purchase Agreement between Tarrant County Hospital District d/b/a JPS Health Network and Cardinal Health 414, LLC

Kathleen Whelan presented the Purchase Agreement between Tarrant County Hospital District d/b/a JPS Health Network and Cardinal Health 414, LLC to the Committee for consideration. Approval of this agreement will allow for the purchase of pharmaceutical radioisotopes.

There being no further questions or discussion, Mr. Montgomery called for a motion to approve the Purchase Agreement between Tarrant County Hospital District d/b/a JPS Health Network and Cardinal Health 414, LLC. Dr. Webber made a motion for approval; motion was seconded by Mr. Powell as presented and carried unanimously.

R. Consider Approval of Contract (Quotation No. 1-HJSR7H Rev. 4) between Tarrant County Hospital District d/b/a JPS Health Network (Viola Pitts) and Siemens Medical Solutions USA, Inc.

Ms. Whelan presented the Contract (Quotation No. 1-HJSR7H Rev. 4) between Tarrant County Hospital District d/b/a JPS Health Network (Viola Pitts) and Siemens Medical Solutions USA, Inc. to the Committee for consideration. Approval of this contract will allow for the purchase of a digital radiographic room.

There being no further questions or discussion, Mr. Montgomery called for a motion to approve the Contract (Quotation No. 1-HJSR7H Rev. 4) between Tarrant County Hospital District d/b/a JPS Health Network (Viola Pitts) and Siemens Medical Solutions USA, Inc. Dr.



Casey made a motion for approval; motion was seconded by Ms. DeBose as presented and carried unanimously.

- S. Consider Approval of Contract (Quotation Nos. 1-HJSFFC Rev. 6 and 1-IEGQYA Rev. 6) between Tarrant County Hospital District d/b/a JPS Health Network (Fluoroscopy Rooms) and Siemens Medical Solutions USA, Inc.

Ms. Whelan presented the Contract (Quotation Nos. 1-HJSFFC Rev. 6 and 1-IEGQYA Rev. 6) between Tarrant County Hospital District d/b/a JPS Health Network (Fluoroscopy Rooms) and Siemens Medical Solutions USA, Inc. to the Committee for consideration. Approval of this contract will allow for the purchase of two fluoroscopy units.

There being no further questions or discussion, Mr. Montgomery called for a motion to approve the Contract (Quotation Nos. 1-HJSFFC Rev. 6 and 1-IEGQYA Rev. 6) between Tarrant County Hospital District d/b/a JPS Health Network (Fluoroscopy Rooms) and Siemens Medical Solutions USA, Inc. Dr. Casey made a motion for approval; motion was seconded by Mr. Powell as presented and carried unanimously.

- T. Consider Approval of Contract (Quotation No. 1-HJT6IE Rev. 7) between Tarrant County Hospital District d/b/a JPS Health Network (Radiology Room) and Siemens Medical Solutions USA, Inc.

Ms. Whelan presented the Contract (Quotation No. 1-HJT6IE Rev. 7) between Tarrant County Hospital District d/b/a JPS Health Network (Radiology Room) and Siemens Medical Solutions USA, Inc. to the Committee for consideration. Approval of this contract will allow for the purchase of a digital radiographic room.

There being no further questions or discussion, Mr. Montgomery called for a motion to approve the Contract (Quotation No. 1-HJT6IE Rev. 7) between Tarrant County Hospital District d/b/a JPS Health Network (Radiology Room) and Siemens Medical Solutions USA, Inc. Rev. Emerson made a motion for approval; motion was seconded by Dr. Webber as presented and carried unanimously.

- U. Consider Approval of Contract and Terms of Sale between Tarrant County Hospital District d/b/a JPS Health Network and Philips Healthcare

Ms. Whelan presented the Contract and Terms of Sale between Tarrant County Hospital District d/b/a JPS Health Network and Philips Healthcare to the Committee for consideration. Approval of this contract will allow for the purchase of two portable radiology units.

There being no further questions or discussion, Mr. Montgomery called for a motion to approve the Contract and Terms of Sale between Tarrant County Hospital District d/b/a JPS Health Network and Philips Healthcare. Rev. Emerson made a motion for approval; motion was seconded by Dr. Casey 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**

Neal Adams announced the monthly report listing 29 contracts under \$200,000 was posted to the board portal.

Ms. DeBose requested a diversity compliance audit for the contracts under \$200,000.

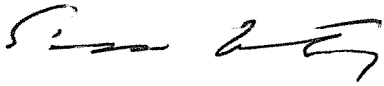
**VII. RECONVENE IN EXECUTIVE SESSION PURSUANT TO CHAPTER 551, TEXAS GOVERNMENT CODE FOR THE FOLLOWING:**

There were no items for executive session.

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

**IX. ADJOURN**

There being no further business of the TCHD Joint Board of Managers and Finance Committee meeting was adjourned at 11:35 a.m.



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Steve Montgomery, Board Chairman

MARCH 23, 2017

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Date