

**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, SEPTEMBER 26, 2019**

MEETING MINUTES

The Tarrant County Hospital District ("District") Board of Managers and Finance Committee met at 10:00 a.m. Thursday, September 26, 2019 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
Dorothy DeBose, Board Member
Daniel Ziegler, M.D.
Charles Webber, M.D., Board Vice-Chair
Trent Petty, Past Board Chair
D.T. Nguyen, Board Secretary
Zim Zimmerman, Board Member
Amanda Arizola, Board Member

Members Absent: Rev. Ralph Emerson, Immediate Past Board Chair

Others Attending: Robert Earley, President, Chief Executive Officer
Bill Whitman, Senior Executive Vice President, Chief Operating Officer
Sharon Clark, Senior Executive Vice President, Chief Financial Officer
Michael Hochberg, M.D., Executive VP, Chief Medical Officer
Zelia Baugh, Executive Vice President, Behavioral Health Administrator
Karen Duncan, M.D., Executive Vice President, Community Health
Pia Walker, Senior Vice President, Human Resources
Rory McCrady, Vice President, Revenue Cycle
Robert Browder, Vice President, Office of Legal Services
Tricia Elliott, M.D., Senior Vice President, Medical Academic Research
Diana Brodeur, Vice President, Communications
David Mendenhall, VP, Chief Technology Officer, Information Systems (arrived 10:40)
Lara Burnside, Senior VP, Strategy, Chief Patient Experience Officer (arrived 10:18)
Chet Schrader, M.D., Medical Staff President
Michelle Green-Ford, Vice President, Diversity and Inclusion
Laura Thomas, Senior Vice President, Finance
Leslie Ray, Director, Community Health
Cory Hartsfield, Legal Counsel
Lee Ann Gilly, Senior Executive Assistant

I. CALL TO ORDER

Steve Montgomery called the September 26, 2019 TCHD Finance Committee meeting to order at 10:06 a.m. Members present represented a quorum to conduct Committee business.

II. CITIZENS WISHING TO ADDRESS THE COMMITTEE

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

III. MINUTES

Mr. Montgomery asked the Committee to review minutes from the August 22, 2019, Tarrant County Hospital District Joint Board of Managers and Finance Committee meeting and called for a motion. Zim Zimmerman made a motion for approval; motion was seconded by Dorothy DeBose and carried unanimously.

IV. CFO REPORT

Sharon Clark reminded the Committee that September 30, 2019 is the Districts fiscal year end. BKD, LPP will be onsite in late October to begin the TCHD FY19 audit and the final audit report will be presented at the December 12th JPS Board of Managers Meeting. Hilltop Securities will present the annual investment report by the end of the year. Our annual update for bond ratings will take place with S&P and Moody's in mid-November.

V. MATTERS THAT REQUIRE DISCUSSION AND COMMITTEE ACTION

A. Consider Acceptance of August 2019 Unaudited Financial Report

Ms. Clark presented the Unaudited Financial Report for August 2019.

Hospital:

Inpatient Admissions were favorable by 5% compared to budget. Patient Days were favorable by 5% for the month.

Outpatient Emergency Department visits were favorable for the month and experienced a 3 year high, averaging 340 patients a day. Year-to-date, an average of 323 patients a day were seen in the Emergency Department. Urgent Care visits were under budget but remain the same as last month. Primary Care Clinic Visits were under budget for the month but 7% higher than previous month.

Invasive Lab Cases were favorable by 3% for the month and are 5.2% favorable that last 11 months. Inpatient Surgeries were very strong and reported 582 surgeries for August. Outpatient Surgeries were unfavorable for the month but trending year to date over budget.

Psychiatric Patient Days were strong and favorable by 4%. Psychiatric Clinic Visits were favorable for the month, due to a protocol change. Psychiatric Emergency Visits have leveled off and was slightly under budget.

FTE's per Adjusted Patient Day were favorable at 5.53 compared to end-of-year target of 5.72. Days Cash on Hand Available for Operations was 185 days. Total Days Cash on Hand was 235 days. Net Account Receivable Days was 45 days for the month.

JPS Connection enrollment increased by 350 enrollees during August, bringing total enrollment to 42,468.

Net Patient Service Revenue was unfavorable to budget by 3 mainly due to the payor mix.

For the month, Income from Operations was \$327,000 compared to a budgeted Income from Operations of \$924,000. Year-to-date Income from Operations was \$24 million compared to a budgeted \$6.4 million. Net Income was \$42 million to date.

Acclaim:

Physician billed encounters were unfavorable by 3% for the month.

Net Patient Revenue was favorable for the month due to a strong month in surgeries, pediatrics and trauma.

For the month, Acclaim's financial statements reflected a \$1.6 million Loss from Operations compared to a budgeted loss of \$1.4 million. Year-to-date, the Loss from Operations was \$18.4 million compared to a budgeted loss of \$22 million.

Following questions from the Board, Ms. Clark advised the Committee that the finance team will begin working on obtaining utilization and costing information around the JPS Connection program to be presented by March 2020.

For the month, on the Combined Income Statement Income From Operations reflected a total \$6.4 million compared to a Loss of Operations of \$18.4 million. Year-to-date we are reporting a strong financial year compared to budget.

There being no further questions or discussion, Mr. Montgomery called for a motion to accept the August 2019 Unaudited Financial Report. Charles Webber, M.D. made a motion for approval; motion was seconded by D.T. Nguyen as presented and carried unanimously.

B. Consider Approval of Non-Exclusive Interim Leadership Services and Executive Search Agreement between B.E. Smith, Inc. and Tarrant County Hospital District d/b/a/ JPS Health Network

Pia Walker presented Approval of Non-Exclusive Interim Leadership Services and Executive Search Agreement between B.E. Smith, Inc. and Tarrant County Hospital District d/b/a JPS Health Network to the Committee for consideration. Approval of this agreement will provide recruitment for Interim Leadership positions.

There being no further questions or discussion, Mr. Montgomery called for a motion to approve the Non-Exclusive Interim Leadership Services and Executive Search Agreement between B.E. Smith, Inc. and Tarrant County Hospital District d/b/a JPS Health Network. Ms.

DeBose made a motion for approval; motion was seconded by Chet Schrader, M.D., as presented and carried unanimously.

- C. Pursuant to JPS Purchasing Procedure LD 7201 Section VIII,A.&., consider (1) granting an exemption to competitive bidding for purchase of goods and services which competition is precluded because of the existence of patents, copyrights, secret processes, or monopolies, or captive replacement parts or components for equipment, or other exemptions under Tex. Gov't Code §262.024(a)(7); and (2) approval of Purchase Agreement between Cianna Medical, Inc. and Tarrant County Hospital District d/b/a JPS Health Network

Karen Duncan, M.D., presented Pursuant to JPS Purchasing Procedure LD 7201 Section VIII,A.7., consider (1) granting an exemption to competitive bidding for purchase of goods and services which competition is precluded because of the existence of patents, copyrights, secret processes, or monopolies, or captive replacement parts or components for equipment, or other exemptions under Tex. Gov't Code §262.024(a)(7); and (2) approval of Purchase Agreement between Cianna Medical, Inc. and Tarrant County Hospital District d/b/a JPS Health Network to the Committee for consideration. Approval of this agreement will allow SAVI SCOUT radar system to be used for patients of the District.

There being no further questions or discussion, Mr. Montgomery called for a motion to approve Pursuant to JPS Purchasing Procedure LD 7201 Section VIII,A.&., consider (1) granting an exemption to competitive bidding for purchase of goods and services which competition is precluded because of the existence of patents, copyrights, secret processes, or monopolies, or captive replacement parts or components for equipment, or other exemptions under Tex. Gov't Code §262.024(a)(7); and (2) approval of Purchase Agreement between Cianna Medical, Inc. and Tarrant County Hospital District d/b/a JPS Health Network. Charles Webber, M.D. made a motion for approval; motion was seconded by Mr. Zimmerman as presented and carried unanimously.

- D. Consider Approval of Professional Services Agreement Adult and Adolescent Crisis Mental Health Services between MHMR of Tarrant County and Tarrant County Hospital District d/b/a JPS Health Network

Zelia Baugh presented Approval of Professional Services Agreement Adult and Adolescent Crisis Mental Health Services between MHMR of Tarrant County and Tarrant County Hospital District d/b/a JPS Health Network to the Committee for consideration. Approval of this agreement will support JPS in meeting the mental health needs of Tarrant County residents.

There being no further questions or discussion, Mr. Montgomery called for a motion to approve the Professional Services Agreement Adult and Adolescent Crisis Mental Health Services between MHMR of Tarrant County and Tarrant County Hospital District d/b/a JPS Health Network. Dr. Webber made a motion for approval; motion was seconded by Ms. DeBose as presented and carried unanimously.

- E. Consider Approval of Professional Services Agreement Inpatient Mental Health Services for Involuntary Commitments between MHMR of Tarrant County and Tarrant County Hospital District d/b/a JPS Health Network.

Ms. Baugh presented the Professional Services Agreement Inpatient Mental Health Services for Involuntary Commitments between MHMR of Tarrant County and Tarrant County Hospital

District d/b/a JPS Health Network to the Committee for consideration. Approval of this agreement will support JPS in meeting the mental health needs of Tarrant County residents.

There being no further questions of discussion, Mr. Montgomery called for a motion to approve Professional Service Agreement Inpatient Mental Health Services for Involuntary Commitments between MHMR of Tarrant County and Tarrant County Hospital District d/b/a JPS Health Network. Ms. DeBose made a motion for approval; motion was seconded by Amanda Arizola as presented and carried unanimously

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

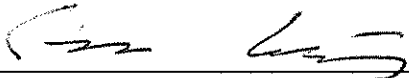
Cory Hartsfield announced the monthly report listing 48 contracts negotiated under \$500,000. This report has been posted to the board portal.

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

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, the meeting was adjourned at 11:18 a.m.



Steve Montgomery, Finance Committee Chair

10/24/2019

Date