

**TARRANT COUNTY HOSPITAL DISTRICT (TCHD)  
d/b/a/ JPS HEALTH NETWORK  
JOINT BOARD OF MANAGERS AND FINANCE COMMITTEE MEETING  
Thursday, April 27, 2017**

**Meeting Minutes**

The Tarrant County Hospital District ("District") Board of Managers and Finance Committee met 10:00 a.m. Thursday, April 27, 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:

Charles Powell, Board Chair  
Charles Webber, M.D., Board Vice-Chair  
Rev. Ralph Emerson, Immediate Past Board Chair  
Trent Petty, Past Board Chair  
Warren Norred, Member  
Roy Lowry, D.O., Member (Departed 10:55 a.m.)  
Daniel Ziegler, M.D., Member

Members Absent: Steve Montgomery, Committee Chair  
D.T. Nguyen, Board Secretary  
Dorothy DeBose, Member  
Daniel Casey, M.D., Member  
Scott Kayser, 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  
Jeanna Adler, Vice President, Finance  
Joe Velasquez, Director, Supply Chain  
Frank Rosinia, M.D., Executive Vice President, Chief Quality Officer  
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  
Wayne Young, Senior Vice President, Behavioral Health Administrator  
Scott Rule, Vice President, Chief of Staff  
David Mendenhall, Vice President, Chief Technology Officer  
Kathleen Whelan, Vice President, Clinical and Professional Operations  
J.R. Labbe, Vice President, Communications and Community Affairs  
Merianne Roth, Vice President, Chief Strategy Officer  
Jaime Pillai, Vice President, Operations Support Service  
Pia Walker, Interim Vice President, Human Resources  
Nydia Gonzalez, Vice President, Diversity and Inclusion, Chief Diversity Officer  
Michelle Green-Ford, Director, Diversity and Inclusion  
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**

Charles Powell called the April 27, 2017 TCHD Joint Board of Managers and Finance Committee meeting to order at 10:12 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. Powell asked the Committee to review minutes from the March 23, 2017 Tarrant County Hospital District Joint Board of Managers and Finance Committee meeting and called for a motion. Charles Webber, M.D., made a motion for approval; motion was seconded by Ralph Emerson and carried unanimously.

**IV. CFO REPORT**

There were no updates from the CFO.

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

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

Sharon Clark presented the Unaudited Financial Report for March 2017.

**Hospital:**

Inpatient Admissions were favorable by approximately 5.5% compared to budget with over 2,400 admissions for the month of March. Patient Days were favorable by about 3.5% compared to budget with over 14,000 patient days for the month of March. Case Mix and Length of Stay were slightly unfavorable compared to the budget.

Outpatient Emergency Department Visits were favorable by 14% compared to budget with just under 11,000 visits for the month of March, with an average of 354 visits per day. Urgent Care Visits were favorable by 7.5% compared to budget. Clinic Visits were unfavorable by 3% compared to budget and Outpatient Visits were favorable by 2% compared to budget.

Observation Days were unfavorable by 6% compared to budget because of the high number of inpatient days. Inpatient Surgeries were favorable by 10% compared to budget. Outpatient Surgeries were unfavorable by 3% compared to budget.

Psychiatric Patient Days were unfavorable by less than 2% compared to budget. Psychiatric Clinic Visits were favorable by 10.5% compared to budget. Psychiatric Emergency Visits were unfavorable by about 1.5% compared to budget. Psychiatric Partial Hospitalization Days were at 376 days for the month.

Year-to-date FTEs per Adjusted Patient Day was favorable at 5.90 compared to a budgeted 5.96. Days Cash on Hand was at 316 days. Net Account Receivable Days were at 49. Payor Mix remained constant.

JPS Connection increased by approximately 1.5% with a total of 38,943 enrollments.

Net patient service revenue was favorable by \$1.1 million compared to budget because of high volumes. Uncompensated Care was unfavorable by \$833,000 compared to budget to compensate for the projected annual \$10 million FY17 shortfall.

Other operating revenue was favorable by \$1 million compared to budget because of the Patient Assistance Pharmaceutical Program's (PAP) additional revenue, which caused the supplies expense to be over.

Salaries and contract labor were unfavorable compared to budget because of the increased patient care for the month. FTEs for the month were favorable at 5.79 compared to a budgeted 5.96.

Purchased Services were unfavorable by \$618,000 compared to the budget mainly because of additional physician coverage for the JPS Connection Program patients. Supplies were unfavorable by \$1.3 million because of the PAP \$1 million expense and increased surgical volumes.

For the month, income from operations was at \$511,000 compared to a budgeted \$1.1 million. Year-to-date income from operations was at \$3.9 million compared to a budgeted \$6.8 million. The year-to-date shortfall was primarily due to the Uncompensated Care projected FY17 shortfall.

Acclaim:

Physician billed encounters were unfavorable by 3% compared to budget. This was because of open primary care and geriatrics physician positions, who are actively being recruited.

Net patient service revenue was unfavorable by \$736,000 compared to budget. This was because 140 physicians were on PTO the week of spring break. Other operating revenue was favorable by \$273,000 compared to budget because of the receipt of meaningful use revenue for FY16 performance.

Contract labor was unfavorable compared to budget by \$118,000 because of physician coverage for unfilled positions. Purchased services were unfavorable compared to the budget by \$93,000 because of compensation plan development expenses and legal expenses. Supplies were unfavorable by \$54,000 because of necessary security and IT at the May Street facility.

Acclaim's financial statements reflected a \$1.5 million loss from operations compared to a budgeted \$719,000 loss from operations.

There being no further questions or discussion, Mr. Powell called for a motion to accept the March 2017 Unaudited Financial Report. Trent Petty made a motion for approval; motion was seconded by Dr. Webber as presented and carried unanimously.

B. Consider Approval of Rental Network Amendment to Hospital Services Agreement between Aetna Health Inc., a Texas corporation, on behalf of itself and its Affiliates and Tarrant County Hospital District d/b/a JPS Health Network

Ms. Clark presented the Rental Network Amendment to Hospital Services Agreement between Aetna Health Inc., a Texas corporation, on behalf of itself and its Affiliates and Tarrant County Hospital District d/b/a JPS Health Network to the Committee for consideration.

There being no further questions or discussion, Mr. Powell called for a motion to approve the Rental Network Amendment to Hospital Services Agreement between Aetna Health Inc., a Texas corporation, on behalf of itself and its Affiliates and Tarrant County Hospital District d/b/a JPS Health Network. Rev. Emerson made a motion for approval; motion was seconded by Dr. Webber as presented and carried unanimously.

C. Consider Approval of Facility/Ancillary Agreement between Rockport Community Network, Inc., a Nevada Corporation and Tarrant County Hospital District d/b/a JPS Health Network

Ms. Clark presented the Facility/Ancillary Agreement between Rockport Community Network, Inc., a Nevada Corporation, and Tarrant County Hospital District d/b/a JPS Health Network to the Committee for consideration.

There being no further questions or discussion, Mr. Powell called for a motion to approve the Facility/Ancillary Agreement between Rockport Community Network, Inc., a Nevada Corporation, and Tarrant County Hospital District d/b/a JPS Health Network. Dr. Webber made a motion for approval; motion was seconded by Trent Petty as presented and carried unanimously.

D. Consider Approval of Hospital Participation Agreement between Prime Health Services, Inc. and Tarrant County Hospital District d/b/a JPS Health Network

Ms. Clark presented the Hospital Participation Agreement between Prime Health Services, Inc. and Tarrant County Hospital District d/b/a JPS Health Network to the Committee for consideration.

There being no further questions or discussion, Mr. Powell called for a motion to approve the Hospital Participation Agreement between Prime Health Services, Inc. and Tarrant County Hospital District d/b/a JPS Health Network. Rev. Emerson made a motion for approval; motion was seconded by Daniel Ziegler, M.D., as presented and carried unanimously.

E. Consider Approval of FY2017 Project Budget Request for Trinity Springs Pavilion Phase 3 Patient Rooms Project

Wayne Young presented the FY2017 Project Budget Request for Trinity Springs Pavilion Phase 3 Patient Rooms Project to the Committee for consideration.

There being no further questions or discussion, Mr. Powell called for a motion to approve the FY2017 Project Budget Request for Trinity Springs Pavilion Phase 3 Patient Rooms Project. Roy Lowry, D.O., made a motion for approval; motion was seconded by Rev. Emerson as presented and carried unanimously.

F. Consider Approval of Interlocal Cooperation Library Service Agreement between Tarrant County Hospital District d/b/a JPS Health Network and University of North Texas Health Science Center at Fort Worth

Frank Rosinia, M.D., presented the Interlocal Cooperation Library Service Agreement between Tarrant County Hospital District d/b/a JPS Health Network and University of North Texas Health Science Center at Fort Worth to the Committee for consideration.

There being no further questions or discussion, Mr. Powell called for a motion to approve the Interlocal Cooperation Library Service Agreement between Tarrant County Hospital District d/b/a JPS Health Network and University of North Texas Health Science Center at Fort Worth. Warren Norred made a motion for approval; motion was seconded by Rev. Emerson as presented and carried unanimously.

G. Consider Approval of Third Amendment to Professional Services Agreement (Anesthesiology) between Tarrant County Indigent Care Corporation and Sheridan Healthcare of North Texas, P.A.

Bill Whitman presented the Third Amendment to Professional Services Agreement (Anesthesiology) between Tarrant County Indigent Care Corporation and Sheridan Healthcare of North Texas, P.A. to the Committee for consideration.

There being no further questions or discussion, Mr. Powell called for a motion to approve the Third Amendment to Professional Services Agreement (Anesthesiology) between Tarrant County Indigent Care Corporation and Sheridan Healthcare of North Texas, P.A. Rev. Emerson made a motion for approval; motion was seconded by Dr. Webber as presented and carried unanimously.

H. Consider Approval of Professional Services Agreement (Urology Services) between Acclaim Physician Group, Inc. and University of Texas Southwestern Medical Center

Dianna Prachyl presented the Professional Services Agreement (Urology Services) between Acclaim Physician Group, Inc. and University of Texas Southwestern Medical Center to the Committee for consideration.

There being no further questions or discussion, Mr. Powell called for a motion to approve the Professional Services Agreement (Urology Services) between Acclaim Physician Group, Inc. and University of Texas Southwestern Medical Center. Mr. Petty made a motion for approval; motion was seconded by Dr. Webber as presented and carried unanimously.

I. Consider Approval of Purchase Agreement between Patterson Dental Supply, Inc. and Tarrant County Hospital District d/b/a JPS Health Network

Ms. Prachyl presented the Purchase Agreement between Patterson Dental Supply, Inc. and Tarrant County Hospital District d/b/a JPS Health Network to the Committee for consideration.

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

J. Consider Approval of Purchase Agreement between Spok, Inc. and Tarrant County Hospital District d/b/a JPS Health Network

David Mendenhall presented the Purchase Agreement between Spok, Inc. and Tarrant County Hospital District d/b/a JPS Health Network to the Committee for consideration.

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

K. Consider Approval of Purchase Agreement between Infinity Contractors International LTD. and Tarrant County Hospital District d/b/a JPS Health Network

Mr. Powell announced that the Purchase Agreement between Infinity Contractors International LTD. and Tarrant County Hospital District d/b/a JPS Health Network was removed from the agenda.

L. Consider Approval of Purchase Agreement between Edwards Lifesciences, LLC and Tarrant County Hospital District d/b/a JPS Health Network

Kathleen Whelan presented the Purchase Agreement between Edwards Lifesciences, LLC and Tarrant County Hospital District d/b/a JPS Health Network to the Committee for consideration.

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

M. Consider Approval of Contract and Terms of Sale for Philips Mobile Diagnostic Products between Tarrant County Hospital District d/b/a JPS Health Network and Philips Healthcare, a division of Philips Electronics North America Corporation

Ms. Whelan presented the Contract and Terms of Sale for Philips Mobile Diagnostic Products between Tarrant County Hospital District d/b/a JPS Health Network and Philips Healthcare, a division of Philips Electronics North America Corporation, to the Committee for consideration.

There being no further questions or discussion, Mr. Powell called for a motion to approve the Contract and Terms of Sale for Philips Mobile Diagnostic Products between Tarrant County Hospital District d/b/a JPS Health Network and Philips Healthcare, a division of Philips Electronics North America Corporation. Mr. Petty made a motion for approval; motion was seconded by Rev. Emerson as presented and carried unanimously.

**N. Consider Approval of Contract (Quotation Nr. I-HIOUPP Rev. 5) between Siemens Medical Solutions USA, Inc. and Tarrant County Hospital District d/b/a JPS Health Network**

Ms. Whelan presented the Contract (Quotation Nr. I-HIOUPP Rev. 5) between Siemens Medical Solutions USA, Inc. and Tarrant County Hospital District d/b/a JPS Health Network to the Committee for consideration.

There being no further questions or discussion, Mr. Powell called for a motion to approve the Contract (Quotation Nr. I-HIOUPP Rev. 5) between Siemens Medical Solutions USA, Inc. and Tarrant County Hospital District d/b/a JPS Health Network. Rev. Emerson made a motion for approval; motion was seconded by Dr. Webber 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 23 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:**

There were no items for executive session.

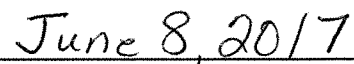
**VIII. RECONVENE IN OPEN SESSION FOR DELIBERATION(S) AND/OR ACTION(S) DEEMED NECESSARY REGARDING ANY MATTER LISTED ON THE CLOSED SESSION AGENDA.**

**IX. ADJOURN**

There being no further business of the TCHD Joint Board of Managers and Finance Committee meeting was adjourned at 11:25 a.m.



Charles Powell, Board Chair



Date