

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

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

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

**MEETING MINUTES**

The Tarrant County Hospital District ("District") Board of Managers and Finance Committee met 10:00 a.m. Thursday, March 22, 2018 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/Committee members present:

Steve Montgomery, Committee 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  
Chet Schrader, M.D., Member  
Daniel Ziegler, M.D., Member  
Warren Norred, Member

Members Absent: Charles Powell, Board Chair

Others Attending: Bill Whitman, Executive Vice President, Chief Operating Officer  
Sharon Clark, Executive Vice President, Chief Financial Officer  
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  
Ammie Harris, Executive Director, Contract Administration  
Joe Velasquez, Director, Supply Chain  
Karen Duncan, M.D., Senior Vice President, Chief Information Officer  
Kathleen Whelan, Vice President, Clinical and Professional 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  
Nydia Gonzalez, Vice President, Diversity and Inclusion, Chief Diversity Officer  
Madura Chandak, Executive Director, Integration  
Michelle Green-Ford, Director, Diversity and Inclusion  
Lara Burnside, Vice President, Chief Patient Experience Officer  
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  
Dane Buchmiller, Vizient, Inc.  
Kyeleen L. Maberry, Vizient, Inc.

**I. CALL TO ORDER**

Steve Montgomery called the March 22, 2018 TCHD Finance Committee meeting to order at 10:04 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 February 22, 2018 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 and the motion was seconded by Dorothy DeBose and carried unanimously.

**IV. CFO REPORT**

Sharon Clark and Kade Rutherford were asked at the prior month's meeting to educate the Committee on Revenue Cycle Vendor Responsibilities. Ms. Clark presented the vendors who provide eligibility, statements, extended business office support and collection attempts.

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

**A. Consider Acceptance of February 2018 Unaudited Financial Report**

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

**Hospital:**

Inpatient Admissions were favorable by 8% compared to budget. Patient Acuity, measured by Case Mix was above budget by 3%. Length of Stay was 3% above budget due to higher acuity of inpatients this month.

Outpatient Emergency Department visits were favorable by 6% compared to budget. The Emergency Department saw an average of 336 patients per day. Urgent Care Visits were favorable by 5% for the month with 159 patients being seen per day. Year-to-date, 495 patients a day were seen on average for the first five months of the year in the ED and Urgent Care unit. Primary Care clinic visits were favorable by 5% compared to budget. Specialty Clinic visits were favorable by 2% compared to budget.

Observation Days were unfavorable by 5% compared to budget. Invasive Lab Cases were favorable by 5% compared to budget. Inpatient Surgeries were unfavorable by 11% and Outpatient Surgeries were below budget by 7% for the month.

Psychiatric Patient Days were favorable by 4% compared to budget. Psychiatric Clinic Visits were unfavorable by 25% compared to budget. Psychiatric Emergency Visits were unfavorable by 9% for the month. Psychiatric Partial Hospitalization Days were unfavorable by 10%.

FTE's per Adjusted Patient Day were favorable at 5.68 compared to our end-of-year target of 5.80. Days Cash on Hand was 274 days. Net Account Receivable Days were 48.

JPS Connection enrollment for February was 36,710.

Net Patient Service Revenue was greater than budget by 3% primarily due to inpatient revenue while Outpatient Revenue was unfavorable by 3% for the month.

Salaries were unfavorable by 3% due to inpatient volumes. Benefits were slightly unfavorable by 10% for the month, primarily due to higher employee health expense.

Supplies were below budget 9% primarily due to low surgery volumes for the month. Purchased Services were unfavorable by 5% compared to budget.

For the month, Loss from Operations was \$1.1 million compared to a budgeted Loss from Operations of \$178,000. Year-to-date Income from Operations was \$181,000 compared to a budgeted \$2.1 million. Net Income was \$3.5 million to date.

Acclaim:

Physician billed encounters were unfavorable by 6% compared to budget. The Net Operating Expense per Encounter was slightly higher than budget this month but Year-to-date was favorable by 4% compared to budget.

Net Patient Revenue was unfavorable by 11 % primarily due to the low patient volume and unfavorable payor mix. Salaries were favorable by 4%, both due to provider and staff vacancies.

For the month, Acclaim's financial statements reflected an \$807,000 Loss from Operations compared to a budgeted loss of \$829,000. Year-to-date, the Loss from Operations was \$5.8 million compared to a budgeted loss of \$6 million.

There being no further questions or discussion, Mr. Montgomery called for a motion to accept the February 2018 Unaudited Financial Report. Dr. Webber made a motion for approval. The motion was seconded by Reverend Ralph Emerson as presented and carried unanimously.

- B. Consider Approval of First Amendment to Network Provider Participation Agreement between Magellan Providers of Texas, Inc. f/k/a Magellan Behavioral Health Providers of Texas, Inc. and Tarrant County Hospital District d/b/a JPS Health Network

Ms. Clark presented the First Amendment to Network Provider Participation Agreement between Magellan Providers of Texas, Inc. and Tarrant County Hospital District d/b/a JPS

Health Network to the Committee for consideration. Approval of this addendum will add Medicare Advantage to the existing Behavioral Health Agreement.

There being no further questions or discussion, Mr. Montgomery called for a motion to approve First Amendment to Network Provider Participation Agreement between Magellan Providers of Texas, Inc. and Tarrant County Hospital District d/b/a JPS Health Network. Trent Petty made a motion for approval. The motion was seconded by D.T. Nguyen as presented and carried unanimously.

C. Consider Approval of Letter of Agreement between Aetna Better Health of Texas, Inc. and Tarrant County Hospital District d/b/a JPS Health Network

Ms. Clark presented the Letter of Agreement between Aetna Better Health of Texas, Inc. and Tarrant County Hospital District d/b/a JPS Health Network to the Committee for consideration. Approval of this agreement will reflect the payment increase for the UHRIP implementation through Aetna.

There being no further questions or discussion, Mr. Montgomery called for a motion to approve the Letter of Agreement between Aetna Better Health of Texas, Inc. 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.

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

Bill Whitman presented the Agreement between Hutcherson Construction, Inc. and Tarrant County Hospital District d/b/a JPS Health Network to the Committee for consideration. Approval of this agreement will provide installation of a third MRI to improve patient service for the District.

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

E. Consider Approval of Purchase Agreement between Prescriptive Data Solutions and Tarrant County Hospital District d/b/a JPS Health Network

David Mendenhall presented the Purchase Agreement between Prescriptive Data Solutions and Tarrant County Hospital District d/b/a JPS Health Network. Approval of this agreement will provide additional data storage space to our network storage area.

There being no further questions or discussion, Mr. Montgomery called for a motion to approve the Purchase Agreement between Prescriptive Data Solutions and Tarrant County Hospital District d/b/a JPS Health Network. Reverend Emerson made a motion for approval. The motion was seconded by Dr. Webber as presented and carried unanimously.

F. Consider Approval of Purchase Agreement between Prescriptive Data Solutions and Tarrant County Hospital District d/b/a JPS Health Network

Mr. Mendenhall presented the Purchase Agreement between Prescriptive Data Solutions and Tarrant County Hospital District d/b/a JPS Health Network. Approval of this agreement will allow the District to move all back-up solutions to the new technology.

There being no further questions or discussion, Mr. Montgomery called for a motion to approve the Purchase Agreement between Prescriptive Data Solutions 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.

G. Consider Approval of Interlocal Cooperation Agreement for Operation of School-Based Health Center between Lake Worth Independent School District and Castleberry Independent School District and Tarrant County Hospital District d/b/a JPS Health Network

Karen Duncan, M.D. presented the Interlocal Cooperation Agreement for Operation of School-Based Health Center between Lake Worth Independent School District and Castleberry Independent School District and Tarrant County Hospital District d/b/a JPS Health Network. Approval of this will continue our current contract with Lake Worth and Castleberry ISD.

There being no further questions or discussion, Mr. Montgomery called for a motion to approve the Interlocal Cooperation Agreement for Operation of School-Based Health Center between Lake Worth Independent School District and Castleberry Independent School District and Tarrant County Hospital District d/b/a JPS Health Network. Ms. DeBose made a motion for approval. The motion was seconded by Reverend Emerson as presented and carried unanimously.

H. Consider Approval of Deferred Equipment Agreement between Masimo Americas, Inc. and Tarrant County Hospital District d/b/a JPS Health Network

Kathleen Whelan presented Approval of Deferred Equipment Agreement to the Committee for consideration. Approval of this agreement will provide consumable pulse ox sensors.

There being no further questions or discussion, Mr. Montgomery called for a motion to approve Deferred Equipment Agreement between Masimo Americas, Inc. and Tarrant County Hospital District d/b/a JPS Health Network. Rev. Emerson made a motion approval. The motion was seconded by Dr. Webber as presented and carried unanimously.

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

Ms. Whelan presented the Purchase Agreement between Abbott Laboratories, Inc. and Tarrant County Hospital District d/b/a JPS Health Network to the Committee for consideration. Approval of this agreement will provide implantable supplies that are used in Invasive Lab procedures.

There being no further questions of discussion, Mr. Montgomery called for a motion to approve the Purchase Agreement between Abbott Laboratories, Inc. and Tarrant County Hospital District d/b/a JPS Health Network. Dr. Webber made a motion for approval. 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 22 contracts negotiated under \$200,000 and 1 contract between \$200,000 and \$500,000 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 meeting was adjourned at 11:16 pm.



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Steve Montgomery, Finance Committee Chairman

4/26/2018

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Date